



Hertsmere Borough Council Economic Development Strategy 2022-2027



Forward

The arrival of Covid-19 in early 2020, the increased uncertainty as a result of the United Kingdom's exit from the European Union, and a continued and marked increase in the cost of living has brought significant additional pressure on local communities and the economy at every level.

It caused profound changes to every part of life in the UK, with hundreds of established businesses closing, either temporarily or permanently, workers furloughed or switched to home working and everyone having to adjust to a different way of living. This has been felt strongly in Hertfordshire and Hertsmere, given its proximity to London and the more localised economies it supports.

This new Economic Development strategy, Hertsmere Works, sets out a vision for the borough up to 2027 and highlights the actions required to achieve that vision. It will outline the aspirations for the borough's economy as it emerges from the pandemic, to ensure the economy remains strong and is ready to act upon opportunities for growth.

The strategy will determine the immediate, medium and longer term priorities to ensure the economy and the borough not only recovers, but also builds on opportunities arising both before and since the pandemic. It needs to be adaptable, and evolve with the rapidly changing world, as well as adjust to the new ways of working with Europe and the world post leaving the EU. The strategy will need to be considered when preparing the new Local Plan and we will work in partnership with key partners to ensure it fits with wider requirements for Hertsmere, and for Hertfordshire as a whole. It is a working document and will be reviewed bi-annually to ensure that we monitor the ever changing economic environment, particularly important along our high streets. An action plan will be written to support and monitor the work on the priorities below.

In developing this strategy, we recognise the importance of considering all aspects of community life and champion the concept of 'smart growth' (as promoted by the Hertfordshire Local Enterprise Partnership) that embraces and responds to the dynamic relationship between the borough's economy and its diverse communities and places. To this end, this strategy has been informed by a combination of data analysis, policy reviews and stakeholder discussions, all of which, together with a survey developed for businesses, have ensured an intelligence-led approach to agreeing the strategy and priorities. In turn, this will feed into an action plan to identify the way forward to manage and grow the economy in a creative, sustainable and safe manner, looking

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at improvements to processes and procedures to allow the borough to take full advantage of digital and technological advances.

With the relevant adaptations, and infrastructure, in place to allow for emerging new ways of working, businesses can become more efficient and viable and can contribute to creating sustainable and prosperous communities.

Evidence is already emerging, through footfall monitoring in the High Streets and an in-depth business engagement programme, that our businesses are resilient and determined to move forwards, whilst learning important lessons for business continuity and forward planning. We need to build on progress made before the pandemic and improve our communication with businesses, partners and residents, to ensure that they all are aware of the benefits of the area and have the tools to unlock the full potential of its resources.

The Government recognises that the film and TV industry is a unique economic and cultural proposition, which can generate pride and economic performance in an area. The opportunities that this sector provides can support other creative businesses, increase local investment and share the benefits across the area and the supply chain. In 2019/20 inward investment in UK film and High-End TV stood at £3.6bn, due to the introduction of film and HETV tax credits, growth of demand for online platforms and streaming content, and the UK's reputation for innovation and ability to supply world-leading talent.

We cherish the area's economic heritage in the creative industries and will ensure that the traditional values of innovation, enterprise and entrepreneurship are embedded in all aspects of community life and act as a driver for local economic development.

This document covers:

- **Strategic context** – looking at the borough's assets, challenges and opportunities in light of recent events, and understanding what has been achieved, what must be achieved, and the timeframes for this.
- **Achievements and challenges since the 2014 strategy** – achievements between 2014 and 2020 and events that have overtaken the previous economic development strategy.
- **Vision and priorities** – presenting the immediate, medium and long term priorities for the borough. Including detailing the actions required for driving delivery to 2027 and the work that needs to be done.
- **Measuring success** – looking at the means to measure the impact of the strategy on the economy. This includes the impact on the short-term recovery of the economy, as well as future growth aspirations for the borough. Targets and objectives for the borough will be defined and provide a narrative as to what success will look like from 2022-2027.

Cllr. Caroline Clapper, Portfolio Holder, Property and Economic Development



Strategic context

Why is economic development important for Hertsmere?

The borough of Hertsmere is in an excellent strategic location for business. With its proximity to London, direct access to the M1, M25 and A1 and to the 'Golden Triangle' between Oxford, London and Cambridge, and excellent connections to Heathrow, Gatwick, Luton and Stansted airports, it is easily accessible by road and rail, making it an attractive commercial proposition for investors. The majority of our residents live in one of the four main settlements of Elstree and Borehamwood, Potters Bar, Radlett and Bushey, whilst the rest of the borough offers pretty villages and plenty of open spaces. Our schools, both state and independent, are some of the best in the country and we have high quality homes, well-established employment areas, multiple film studios, a private airfield, and many leisure opportunities, making the area an attractive location to invest, live, work, study in and visit.

Even before the Covid-19 pandemic, the world of employment and business was evolving, creating challenges for the economy. The UK's impending and now recent exit from the European Union, rapid advances in technology, environmental concerns, differing working patterns and move towards more flexible working arrangements, have all played a part in shaping the way we now work, and how businesses engage with their customers.

Implications of climate change have an ever important impact on businesses and investors. The climate change agenda has become more central to their activities, with most companies' climate responses focusing primarily on measures that have a short-term cost-saving effect. We declared a climate emergency in 2019 and have committed to reducing and offsetting our own operational emissions leading up to net-zero emissions by 2050.



The Hertsmere Vision 2022-2027 reflects a new approach to setting our strategic priorities. It sets out our high level set of aspirations, reflecting both challenges and opportunities for the borough in the widest sense, capturing our unique geographical, social and economic strengths and identifying areas for action and development.

The Vision document is clearly structured with an overall Vision Statement, 6 Position Statements which describe key areas of focus and then 30 Commitments which articulate how we deliver against these statements. The commitments set out how we will work, both in terms of specific delivery but also clearly reflects our organisational values.



The Hertsmere Vision is purposely high level so that it can act as a clear framework for the development of future strategies and is underpinned by the Corporate Plan for 2022/23, which sets how we will deliver against the Vision and each Position statement during the current financial year. The document also identifies key operationally focussed projects which although internally focussed, will enable us to deliver the Vision. The Corporate Plan will be updated on an annual basis.

This economic strategy has been influenced by the Hertsmere Vision and specifically by the aspirations in Position Statement 3: Hertsmere is Enterprising which states: We are a place increasing prosperity by being creative, innovative and investable. We support our people to access new opportunities. This strategy sets out in more detail how we will deliver against the Hertsmere Vision and has therefore developed its own, specific vision for economic development in Hertsmere:

We have an economic vision that by 2027, the borough will be well on the way to recovery from the current economic crisis and will have moved towards a thriving, vibrant and prosperous economy that is underpinned by creativity and enterprise which:

- has a well-educated and skilled population willing and able to compete in the local and global economy;
- supports creative driven economic development within the borough and across the wider area with a particular focus on the film and television industry;
- supports other established sectors, in particular medical research and pharmaceuticals;
- targets support for the most vulnerable;
- leads and champions town centre improvements to rebrand and repurpose the retail and leisure offer across the borough and create a vibrant day and night time economy; and
- creates a labour market where the educational institutions (connected from early years to higher education) meet the current and future needs of the economy.

According to figures published in an Office for National Statistics survey in 2020, Hertsmere has 7,610 businesses registered for PAYE and VAT which, regardless of size, play a crucial role in making our borough grow and succeed through their positive initiatives, innovation and entrepreneurship. It is these businesses that will, in turn, deliver the future jobs and wealth of the borough as the economy shifts to a growth approach (post Covid-19).

In the current economic environment there is a need for business engagement to understand opportunities, and pro-active project

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development in order to ensure that ‘oven-ready’ schemes are in a position to gain Government / private funding. We want to be open and honest about the issues, whilst remaining ambitious, and will work to ensure that our local economy is well-placed to respond to both current and emerging issues from the pandemic and the new relationship with the European Union, as well as any future challenges. We need to position ourselves as best-placed and ready to capitalise on new opportunities/funding potential as they arise and will actively promote export activities to our businesses.

The Covid-19 pandemic has initiated a new way of working, with restrictions and developing technology allowing the reduction of workers having to commute elsewhere for better prospects and pay. We are keen to continue to facilitate this by providing relevant, good quality, local jobs to our growing communities, and safeguarding the best business premises so that they are not replaced by residential or other land uses.

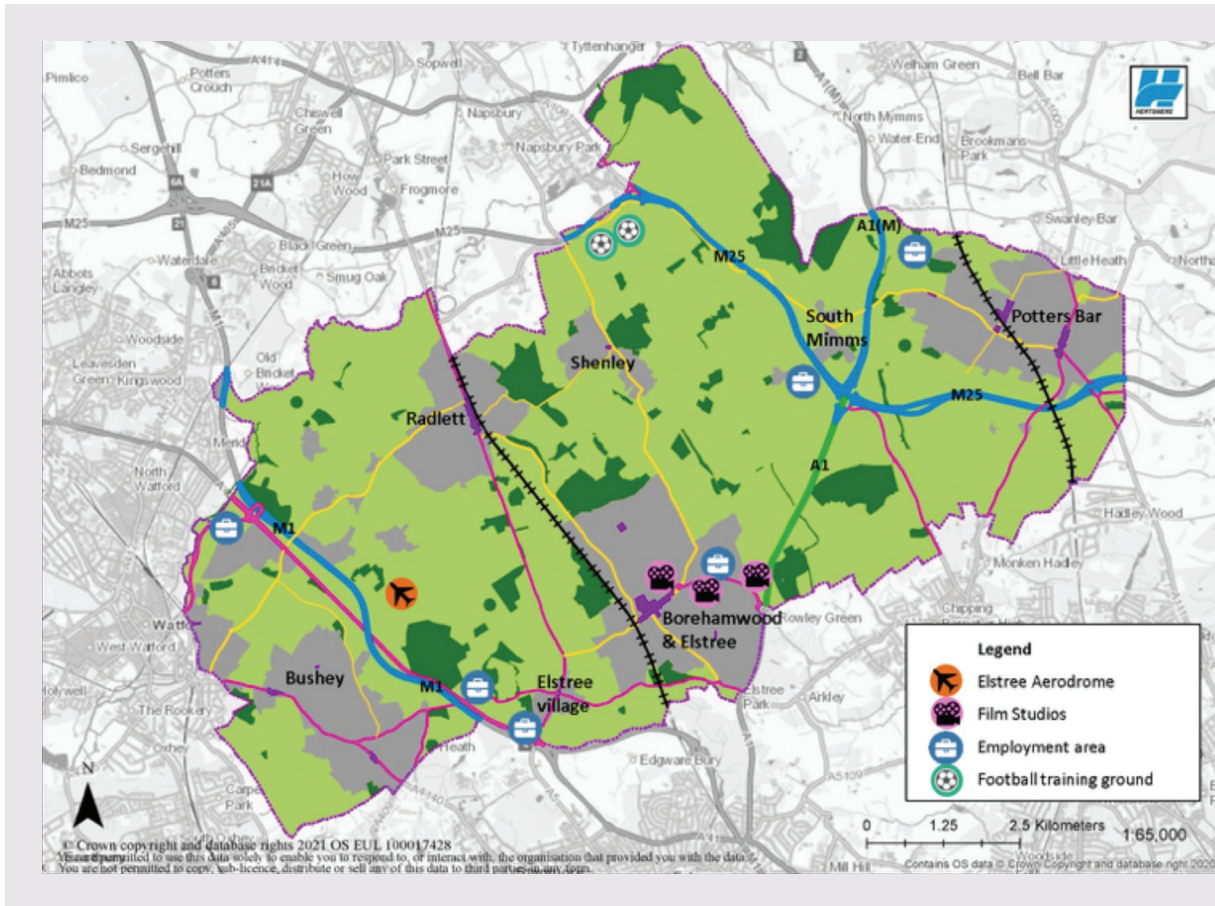
Through the preparation of a new Local Plan, we will continue to ensure the provision and retention of flexible workspaces to our workers offering them a local choice; reducing traffic congestion and environmental issues and resulting in higher local spend. We must also be ready to provide the valuable skills our businesses require to remain local, by ensuring the correct digital infrastructure is available to all, along with relevant training to ensure all our residents have the capability to capitalise on it, thus reducing inequality and building sustainable neighbourhoods.

Local jobs also have an effect on the community, resulting in improved wellbeing and additional options for working parents. We want Hertsmere to be seen as a great place to live and work – where we provide the right environment for businesses of all sizes to start, expand and thrive.

Whilst there are numerous influences on the appeal of the borough and the achievements of our resident and business communities, Hertsmere wants to create a lively and sustainable local economy for all, and will do so by drawing on its connections to the local business community, other council departments and our external associates to create a thriving and sustainable local economy.

Our vision is to facilitate appropriate and high-quality support and help for all businesses in Hertsmere, to make working in the borough as simple and profitable as possible. This, in turn, ensures they can develop to provide a balanced economy for our increasing population.

Hertsmere's profile



The borough... ...has significant strengths and opportunities:

- Excellent strategic location adjacent to London. Direct access to M25, M1 and A1(M) motorways and rail networks including an 18-minute rail journey to London St Pancras (and onward international and southern rail services), and excellent connections to Heathrow, Gatwick, Luton and Stansted airports;
- High quality homes and countryside, a private airfield and places of interest, making the area an attractive location to invest, live, work, learn in and visit. This is further enhanced in Borehamwood which has a station on the LRT Oyster Card network with Oyster connectivity also available at Potters Bar and Radlett stations;
- Existing employment sites at Elstree Way, Centennial Business Park, Otterspool Way and Cranborne Road Industrial Area;
- Home to Elstree Studios, BBC Elstree, Sky Studios (from 2022), Borehamwood Football Club, Arsenal Ladies and the Arsenal and Watford Football Clubs' training grounds;
- Medical and scientific research;

- Elstree Studios is council-owned and has recently seen significant investment in the creation of two new soundstages, part-funded by Hertfordshire Local Enterprise Partnership (Herts LEP);
- A strong socio-economic profile;
- Schools, both public and private, are some of the best in the country.

...and, through partnership working, is determined to overcome challenges (weaknesses and/or threats):

- To recover and from the Covid-19 crisis and be ready to take advantages of opportunities open to businesses;
- To be aware of unknown factors and the ever evolving economic environment such as property prices and a rising cost of living, not only in the borough, but the county and beyond;
- To encourage growth which reinforces the principles of London's Green Belt whilst promoting the borough as a place to invest and do business;
- To promote infrastructure programs to deal with high levels of congestion on main transport routes.;
- To find ways of opening up key employment sites in order to tackle poor vehicular access e.g. Cranborne Road;
- To rebrand and revitalise town centres in Borehamwood, Potters Bar, Radlett and Bushey with a concerted and cohesive approach, also recognising their competition with surrounding town centres that draw in footfall from Hertsmere residents (e.g. Watford, St Albans);
- To address poor gateways and entrances to generate a sense of place and arrival;
- To enhance those areas suffering from a poor quality built environment and public realm;
- To work with local schools and FE colleges to ensure that there is access to a variety of further education provision to upskill local people, whilst meeting the current and future needs of businesses;
- To source funding to tackle the pockets of deprivation characterised by low skills, high unemployment, low incomes and poorer living conditions;
- To work with Hertsmere's Planning Department to respond to recent planning legislation, including permitted development and use class order changes, to avoid any detrimental impact on existing employment areas, or the potential for future investment.





Achievements and challenges since the 2014 strategy

We have worked to implement the 2014 Economic Development Strategy and have had several milestone achievements including:

- Approval and subsequent construction of Sky Studios Elstree. The land was removed from the Green Belt through the emerging Local Plan and safeguarded for Borehamwood's future employment, helping to safeguard new jobs and shape the growth of the film industry locally;
- Investing in the Elstree Studios expansion, matching a £6m investment from the LEP;
- The Local Development Order (LDO) for the new EastEnders film set allowing for further flexibility and allowing the studios to update and change the film set to reflect storylines without the need for continual planning applications. Opportunities to use LDO legislation to provide an attractive environment for future investment on other studio sites are currently being considered;
- 'Consolidation' of the scientific research and pharmaceutical industry. Investment at both the Bio Products Laboratory in Elstree and Cancer Research and at the National Institute for Biological Standards Control at South Mimms, the latter being involved in the evaluation of Covid-19;
- Article 4 directions will be further explored to ensure ongoing protections are put in place to restrict prior approval conversions on designated employment land and town centres to remove the rights of landowners to convert certain types of employment and retail premises to residential.



Objectives and priorities 2021-2027

To minimise the effect of the global pandemic on our business community and residents, and take full advantage of the economic potential of Hertsmere moving forwards, by providing a vibrant, adaptable and viable business community to support economic growth and success.

OBJECTIVES 2022 – 2027

- Maximise investment into the borough through the growing film, TV and Media (including Sky, Elstree Studios and BBC Elstree) industry to help support other creative businesses, and share the benefits across the area and the supply chain.
- Maximise potential from the trend towards home and local working and support the retention and growth of local jobs for local people. These will be encouraged on all new development as part of emerging Local Plan policy.
- Maximise the economic and training opportunities that new development can bring, through strong collaboration with relevant stakeholders and developers, including the implementation of employment and skills plans.
- Monitor and analyse local market trends to ensure that the economic strategy is up-to-date and relevant.
- Work with partners to provide the right support for local businesses to start, grow and flourish.
- Continue to implement the climate change and sustainability strategy in line with the agreed action plan.
- Improve digital connectivity and promote sustainable travel.
- Work with educational institutions, site promoters/developers, and business to develop a local workforce with the right skills to meet changing needs of business in the local and global economy, with a particular focus on the film and television industry.
- Ensure the supply of suitable premises in terms of size, quality, price and location to meet business needs in a post-Covid environment.
- Attract a balanced mix of businesses to the borough.
- Ensure that our economic development priorities are reflected in and supported by the emerging Local Plan.

Our key priority areas

Our key strategic priorities will set the context for our Economic Development Action Plan, which defines the work programme for the economic development team for the next five years.

PRIORITY 1

Regrouping and growing post pandemic

Covid-19 and the exit from the European Union meant a new approach to economic development was necessary whilst restrictions were in place, with immediate priorities being our residents and business communities and ensuring their economic survival, where possible.

A significant number of measures aimed at minimising the implications of the pandemic and the changing relationship with the EU were implemented and we will continue monitoring this until it is no longer necessary.

PRIORITY 2

Inward Investment and the creative sector

Hertsmere aspires to be the first choice location for business and jobs, and is working to be a place where business thrives; where individuals will want to come to live and work; and where they will be able to do so in a safe environment. We need to focus on harnessing existing opportunities; enabling new opportunities to come forward; attracting new inward investment and continuing to provide support to our business.

Borehamwood and Elstree have a long history of association with film and television production going back to the early years of the 20th century. Following the approval of the new Sky Studios Elstree and recent investment at both BBC Elstree and Elstree Studios (The Platinum Stages), it is clear that the geographical benefits and industry expertise associated with local film and television production are as relevant as ever.

As lockdown ends, it has become evident that the country's TV and film viewers have watched a lot more digital content over the past 12 months.



Subscriptions to digital streaming networks have soared and dramas such as The Crown, filmed at Elstree Studios, have had record audiences. Potential blockbuster films have moved away from the cinemas and direct to home release and companies such as Amazon, SKY and Netflix are now contracting more content than ever.

According to Visit Herts, one in five tourists are influenced by what they have seen on screen in their destination choice, so there is a huge opportunity for Hertsmere destinations to capitalise on the buzz of film and TV locations.

Screen tourism also offers a destination the opportunity to reach a different consumer, encouraging a younger audience to look locations where filming took place and tempting international visitors to move away from the traditional destinations to look for the 'creative trail'.

The National Planning Policy Framework states that policies and decisions should recognise and address the specific geographical requirements of different sectors. By making provision for a cluster of knowledge through the potential creation of additional film, media and TV facilities in Borehamwood, we wish to build on the success of the sector and create a focal point for the film and TV industry in the UK. This reflects the government's ambition to restart many of the major feature film and HETV projects throughout the UK, and will help the UK meet the increased demand for streaming services.

In addition, the 2019 Cambridge Report conducted by Visit Herts, shows that pre-Covid, the tourism sector in Hertsmere was worth in excess of £134 million, up by five per cent on the previous two years, and employed over 2600 people, therefore playing a significant role in contributing to the local economy.

We have commissioned an independent assessment of the requirements of the screen sector and will create a programme for inward investment and jobs creation centred on existing opportunities, including the growing life sciences and pharmaceutical sector in the borough.

PRIORITY 3

Employment and skills

Job creation and external investment plays an important role in Hertsmere's wider economic strategy and Hertsmere will look to create a mix of jobs to suit all communities and its residents. This will help to reduce local inequalities and deprivation by giving young people, and those needing to retrain, the skills they need for future employment. It will also reduce the need to employ people from outside the area and will provide a more suitably skilled local workforce whilst additionally working to the sustainable travel agenda. The creative industry will also provide opportunity for the upskilling of jobs throughout the sector such as carpenter to set designer.

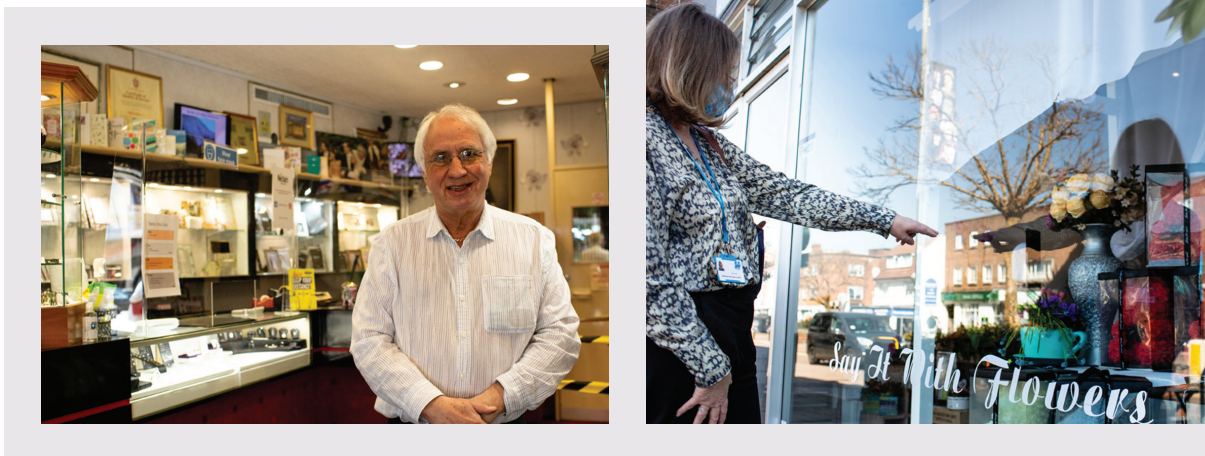
We can achieve this, partly through new Local Plan policies designed to bring forward employment skills plans and commitments from new development proposals, and through Section 106 contributions and planning conditions.

PRIORITY 4

Transport and digital connectivity

Hertsmere needs to maintain and grow a vibrant and prosperous economy by making time to comprehend, and build on our strengths.

The Covid-19 pandemic further highlighted the need for greater connectivity speeds and broadband access,



which not only allows companies to drive business continuity, but to also bridge the digital gap and improve our digital infrastructure.

It is also imperative that the right infrastructure is in place for both current and future business needs by ensuring sufficient business premises of the right mix and functionality, sustainable and modern transport infrastructure and state of the art digital services. Consideration needs to be given to the additional demands of particular industries where electricity and internet usage are going to be particularly high.

PRIORITY 5

Rebrand and repurpose the high streets

The decline of the local high streets, in towns and cities across the country, has been steady for many years, through competition with out-of-town shopping centres and the increase in online shopping.

With the onset of the Covid-19 pandemic, high streets found themselves at a disadvantage to their competitors and could no longer compete on price or convenience.

High streets will therefore need to shift their focus to becoming a destination experience: an attractive and unique place to live, shop and socialise.

PRIORITY 6

Innovation and enterprise (business engagement and retention)

Engage effectively with our businesses

Engaging with businesses of all sizes and sectors enables us to improve our intelligence of the local business community, their issues and challenges, both company specific and shared, and shape our support to their needs. Better-quality data collection feeds in to the strategic planning team to build a more resilient, viable local economy. It also gives us the opportunity to connect businesses to businesses, training providers, job seekers, the third sector, our partners and other departments within the council, as appropriate.

We also recognise the need to ensure that our resident population and businesses have the right education and skills for current and future job requirements and that there are a range of opportunities available to enable residents to work locally as much as possible.

It is vital that we continually review and recognise the differing dynamics in our local business community, along with all changes and trends both locally and in the wider national arena. This information allows us to comprehend, anticipate, and respond to local challenges and opportunities to deliver further economic growth and prosperity.

PRIORITY 7

Partnership working to support the effective delivery of economic development in the borough

As part of our economic development function, we understand the value and importance of close partnership working to achieve economic success. We will work to enhance and foster our existing relationships, as well as form new partnerships around the county, to promote the borough's successes and encourage support and involvement in its economic development. We aim to ensure that our local businesses are aware of, and able to access, all available sources of support, funding and initiatives relevant to them, in a timely, easy and well-co-ordinated manner.

We recognise that the current need for commercial business premises is changing and we need to guarantee that we are equipped to cater for the new way of working to encourage smaller businesses to expand and seek their first commercial premises. We also understand the need for 'move on' to help businesses grow and take on more employees. This in turn should ensure that we retain them in the borough.

Measuring success

Specific actions and monitoring will be set out in the accompanying Action Plan to this strategy.

Further information

For all enquiries, please contact Lesley Crisp on economic.development@hertsmere.gov.uk

