

Cabinet Report
23rd September 2025

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: North Herts Economic Development Strategy 2025-2030

REPORT OF: Director - Enterprise

EXECUTIVE MEMBER: Councillor Tamsin Thomas – Executive Member for Enterprise and Arts

COUNCIL PRIORITY: THRIVING COMMUNITIES / RESPONSIBLE GROWTH

1. EXECUTIVE SUMMARY

The purpose of this report is to present and seek approval of the new Economic Development strategy for North Herts for 2025-2030. The team have worked alongside consultants 'SQW Limited' to develop and write the strategy, to gather research, conduct in-depth analysis and provide expert advice on economic development within the district. This report sets out the key principles and action points of the strategy, supported by the strategy itself and evidence base documented in the Appendices of this report.

2. RECOMMENDATIONS

It is recommended that Cabinet:

Approve the adoption of the Economic Development Strategy 2025-2030.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The previous Economic Development strategy was written and published in September 2015, based on historic evidence and has not been updated since. The economic landscape of both the political environment, district and wider UK has changed dramatically due to several varying factors, resulting in the strategy becoming outdated.
- 3.2. Therefore, to respond to these fundamental changes and environment, the team were tasked with analysing the district according to economic development and writing a new strategy that is aligned to the most recent Council priorities, and its long-term vision to benefit both businesses and the people who visit, work and live in the district.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. An alternative option would be to update the existing Economic Development Strategy from 2015. However, upon officer review, it was identified that the majority of the contents and evidence base was out of date or irrelevant and it would require significant adaptation to deliver the level of economic development required and outlined by Members and officers. Therefore, it was decided by officers and the Executive Member that an update would not be sufficient or drastic enough.

- 11.1. Another alternative would be to not update nor write a new strategy, meaning that Officers would be continuing to work to an outdated and not fit for purpose strategy - which presents a risk to the Council.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. The Executive Member for Enterprise and Arts has been part of the strategy process and has had several meetings with the external consultant, as well as being regularly updated by the team. The team conducted an in-person workshop whereby all Members and Shadow Members were invited to attend and contribute towards the crafting of the strategy. The workshop guided Members through the findings from the evidence base, and the initial draft of the strategy - providing an opportunity for wider discussion about how the strategy should be shaped.

The strategy has since been sent to all Executives and Shadow Executive Members for review and comment, as well as the Senior Leadership Team whereby comments have been made and addressed within the latest version attached.

6. FORWARD PLAN

- 6.1 This report does is in the Forward Plan as it contains a recommendation on a key Executive decision affecting one or more wards.

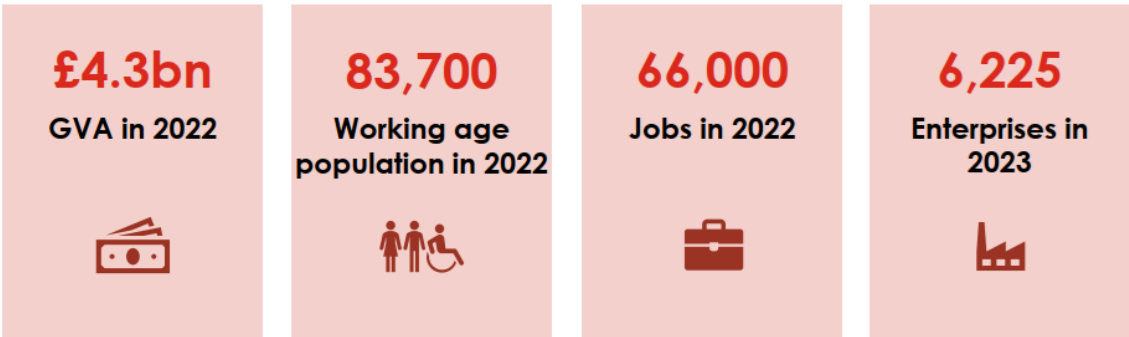
7. BACKGROUND

- 7.1. The Economic Development team continue to deliver several important work streams outside of the current strategy, to benefit both the Council and its community. In more recent times, the team have prepared, managed and delivered the UK Shared Prosperity Fund since April 2022 which supports economic growth– directly benefitting the local community and its assets. The Fund provides additional support to improving town centres and green spaces, as well as helping businesses grow, innovate and helps to fund upskilling and employment support. Since 2022, the team have launched and delivered four funding rounds resulting in over £1 million pounds being put back into the local community. The team also work closely with the BIDs and other neighbouring organisations to deliver develop the North Herts economic development presence.
- 7.2. The requirement for a new economic development strategy has been under the Enterprise work programme since 2023, and its progress has been discussed at previous Overview & Scrutiny meetings as part of the Enterprise work programme update. There has been a delay in bringing the strategy to Members, due to a number of factors set out below; a) waiting for the refresh of the Hertfordshire wide economic development strategy to be published, to ensure that the Council findings/suggestions and action points were aligned b) a change in national government c) lack of resource and expertise reducing capacity to conduct an extensive evidence base, and to write the strategy itself d) a change in Council/ Member priorities and/or emphasis (when compared to other, larger projects within the department).
- 7.3. The Council is committed to developing an Action Plan to advance each of the five Action Areas outlined in the Strategy. The Action Plan will need to consider the resources (People and Financial) available, which will depend on future Council

decisions about overall funding and relative priorities.

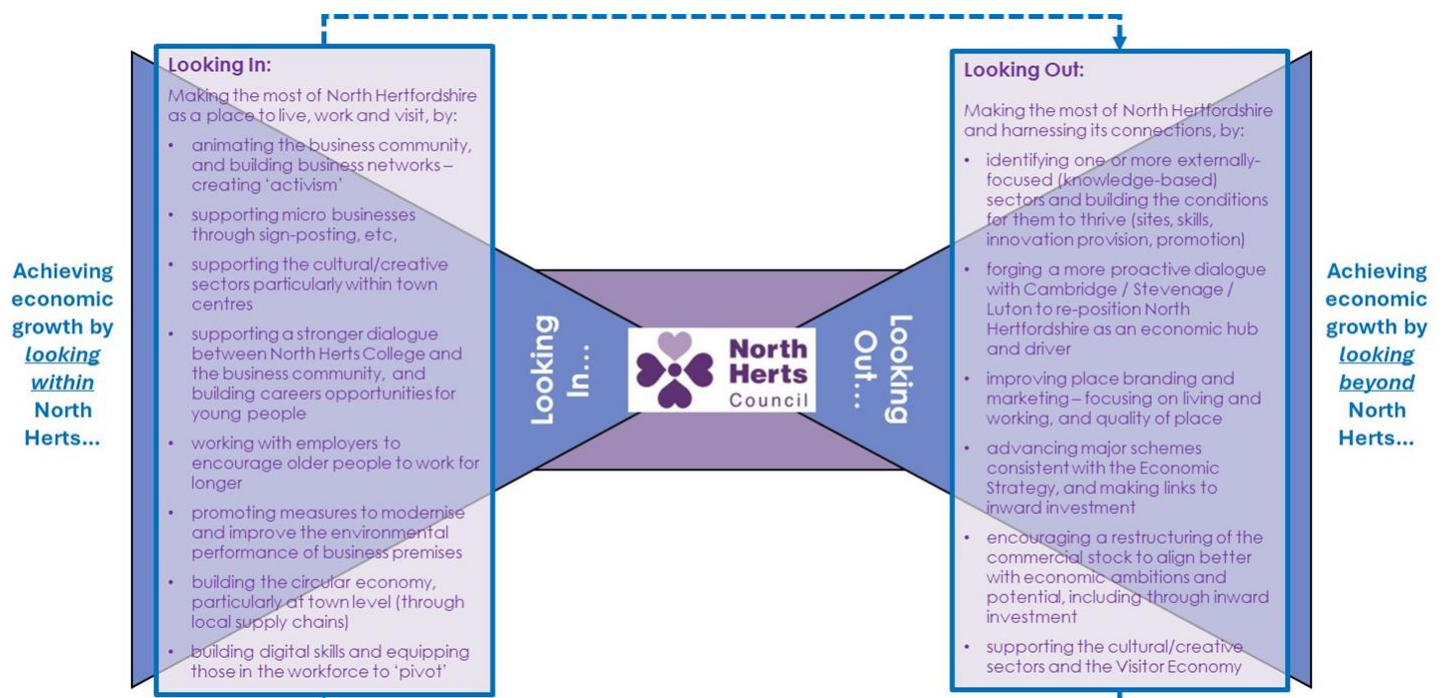
8. RELEVANT CONSIDERATIONS

- 8.1. The Council was working to an outdated Economic Development strategy that was published in 2015. This strategy was no longer fit for purpose and did not respond to the current economic environment (on a district, county and country level). Therefore, the Council committed to the creation of a new strategy that would be align with the Council’s economic aspirations, priorities and economic vision. Within the Council Plan (2024-2028), it sets out the importance of ‘Responsible Growth’. This demonstrates a clear commitment has been made to “support economic growth across the district”, and to “work closely with businesses and other partners to deliver on our key objectives”. Therefore, to respond to this a new strategy must be delivered.
- 8.2. Consultants ‘SQW Limited’ were appointed via a single-tender report to gather research, conduct in-depth analysis, run a stakeholder engagement exercise with local businesses (of all sizes and sectors), and provide expert advice on economic development within the district – to ultimately write the new five-year strategy and accompanying evidence base. SQW Limited had already written and delivered the Hertfordshire-wide economic development strategy for Hertfordshire Futures (previously known as the Local Enterprise Partnerships) and therefore were experienced and knowledgeable about the Hertfordshire economic position. This enhanced the ability to provide accurate data for the creation of the Council strategy.
- 8.3. The purpose of this Economic Strategy is to help navigate the journey, set out North Hertfordshire’s current ambitions, and equip North Hertfordshire – and its people, communities and businesses – to build a strong, resilient and sustainable local economy within this fast-evolving context. The strategy is supported by a comprehensive Evidence Base (found in Appendix B) which demonstrates the volume and detail of the due diligence gathered. The Evidence Base is an analysis that draws on secondary data, inclusive of stakeholder and business consultations, and is split into seven sections. The key figures for North Herts (from when the strategy analysis began) can be seen below:



8.4. The strategy document has been set out as follows:

- a) Understanding the economy of North Hertfordshire – this section focuses on the position of the district, delving into the opportunities and challenges that are presented according to connectivity and position.
- b) Economic performance of North Hertfordshire – focusing on jobs, employment, productivity, industries/sectors available within the area and affordability (mainly housing).
- c) Economic portraits of each North Hertfordshire town – an insight into the opportunities/challenges and points to consider for each town, with specific references to Local Plan provisions, redevelopment opportunities, partnerships and thriving, large employers.
- d) Opportunities and Challenges – focusing on the economic strengths such as a strong visitor economy, good connectivity/linkages, a diverse local economy etc (more can be found in the document).
- e) Wide drivers of change – this section looks more widely at varying factors happening on a county, country and worldwide basis and what this means for NH – such as artificial intelligence.
- f) The Strategy - Theme 1 'Looking in' and Theme 2 'Looking Out'. This provides the basis of the strategy itself, divided into two sections that seek to respond to the opportunities, challenges etc set out in the rest of the document. Theme 1 celebrates what the district has to offer and what it is doing well, however sets out what more could be achieved by "*strengthening economic linkages, building local multipliers, celebrating local enterprises and countering what many regard as fragmentation.*" Theme 2 emphasises the position of NH, and what this means for our relationship with the likes of Stevenage, Luton etc and how this can be enhanced on to create more opportunity. Please refer to figure 1 below for more detail (this can also be found in Appendix A).
- g) Actions Areas – as a result of the findings, stakeholder engagement and due diligence, the areas for NH to focus on are support for business and enterprise, people and skills, innovation and economic change, site and premises, investment, position and promotion. These actions areas will make up the Action Plan that will detail specific objectives for the team to carry out to deliver the strategy.
- h) Delivery and Implementation – this covers the actions points that will be addressed in the Action Plan, and how the two themes can be embedded into the delivery of this strategy.



Time Officer who is on a shared agreement set up with East Herts Council. SQW have provided a proposal for the ideal structure, that would enable the Council to fully deliver the strategy. Going forward, any request for increased resources would need to be considered by Council and would usually be part of the budget-setting process.

- 8.6. The overall aim of this Economic Development strategy is simply for North Hertfordshire to thrive – with greater economic resilience and well-being for people, communities and businesses across the district.

9. LEGAL IMPLICATIONS

- 9.1. There are no direct legal implications from this report in the adoption of the strategy, however it is noted that there may be investment in schemes and proposals that may arise from this Strategy. In supporting the local economy and businesses the Council should be mindful of any subsidy considerations that may be caught by the Subsidy Act 2022. These will be considered on a case-by-case basis.
- 9.2. The strategy highlights that whilst the governments Local Government Reform agenda means that the Council will not exist in its current form, the strategy is centred on the place as opposed to the Council.
- 9.3. Pursuant to paragraph 5.7.1 in Part 5 of the Council constitution.

The function of Cabinet is set down to:

To prepare and agree to implement policies and strategies other than those reserved to Council.

10. FINANCIAL IMPLICATIONS

- 10.1. As highlighted in paragraph 8.5., the Action Plan will need to consider available resources. Full Council will need to consider any ongoing budget increases to deliver the strategy, which would usually form part of the budget setting process. There is high uncertainty over our future funding (we will be subject to a new funding formula from April 2026), and any growth may need to be prioritised against other services
- 10.2. Under the current funding system (and likely to form part of new funding proposals), the Council retain a small proportion of growth in Business Rates in the district. This is supposed to be periodically reset so that growth is only retained for a short period. Whilst the last reset was in 2013, it is expected that they will be more frequent in the future (e.g. every 3 years). Therefore, business growth can lead to additional funding for the Council, but it is uncertain, especially how long any growth funding would last for. We do not budget for growth in Business Rates.

11. RISK IMPLICATIONS

- 11.2. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.3. Failure to approve a new Economic Development Strategy will mean that Officers continue to work with an outdated and not fit for purpose Strategy that is currently in place.
- 11.4. Approval and adoption of the Economic Development Strategy by the Cabinet may imply commitment by the Council to the funding of an Action Plan to ensure delivery of the Strategy. The approval for the allocation of adequate resource to deliver the Action Plan can only be made by Full Council using the normal budgetary Process.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. Increased economic activity in the district will have environmental impacts. The Action Plan must address the monitoring and mitigation of specific activities and address the opportunity to improve the environmental performance of local companies.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 As stated in the main body of this report, there will be a requirement to have additional resource in the Economic Development department. The team is currently represented by 1x Part Time Economic Development Officer who is on a shared agreement with East Herts Council (time is split 50/50 between the two Councils). Whilst this post has been sufficient since 2015, there is a greater requirement and demand for more economic activity and presence (as demonstrated in the strategy) – and therefore this cannot be delivered by the existing limited resource.

16. APPENDICES

- 16.1 Appendix A - North Hertfordshire Economic Development Strategy 2025-2030
Appendix B – North Hertfordshire Economic Development Evidence Base.

17. CONTACT OFFICERS

- 17.1 Chloe Gray, Enterprise Manager chloe.gray@north-herts.gov.uk; ext 4223
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Steve Crowley, Director – Enterprise steve.crowley@north-herts.gov.uk; ext 4211

18. BACKGROUND PAPERS

- 18.1 North Hertfordshire District Council Economic Development Strategy – 2015
North Herts Council Plan 2024-2028.