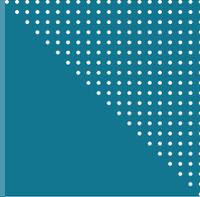


Hertfordshire Economic Strategy 2026-2036



Towards a Local Growth Plan

**HERTFORDSHIRE
FUTURES**




Hertfordshire

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Preface

Preface

Hertfordshire is a county with the talent, ambition and economic strength to shape its own future. Our £50 billion economy is home to world-leading sectors in life sciences, advanced manufacturing, defence, creative industries and the fast-growing digital economy. Alongside these strengths, thousands of small and medium-sized businesses, innovators and entrepreneurs underpin the resilience and diversity of our places. Together, they form an economy with both global reach and deep local roots.

This Economic Strategy for 2026 - 2036 builds on these foundations and sets out a clear, confident vision for the decade ahead. At its heart is a commitment to **innovation that delivers real benefits for people and communities** – ensuring that by 2036, Hertfordshire is recognised as the UK’s innovation heartland, and that residents genuinely feel that life is tangibly better.

The Strategy is intentionally ambitious. It recognises that Hertfordshire must respond proactively to the major shifts shaping our economy: the transformative power of AI and digital technologies, the transition to net zero, changing patterns of work, and the need for greater inclusion and opportunity. It also recognises that progress depends on strong local leadership and long-term investment. That is why this Strategy moves decisively towards a **new investment partnership** for Hertfordshire and lays the groundwork for a strengthened relationship with government as part of the county’s wider **devolution journey**.

Aerial view of Cell and Gene Therapy Catapult Manufacturing Centre, Stevenage



This document also provides a direct line of sight to the forthcoming Local Growth Plan, which will take forward the longer term spatial, infrastructure and environmental decisions that sit alongside our economic priorities. Together, this Economic Strategy and the forthcoming Local Transport Plan and Spatial Development Strategy will need to form a single, coherent pathway - aligning economic ambition with the power to deliver it, and ensuring that Hertfordshire can plan for sustainable, connected and inclusive growth over the long term.

None of this can be achieved alone. The Strategy has been shaped by businesses, local authorities, the University of Hertfordshire, Further Education partners, the NHS, voluntary and community organisations, and residents across the county. We are grateful for their insight and challenge. Delivery will rely on the same strength of partnership. Hertfordshire Futures - with its business-led board - will guide implementation, ensuring that investment decisions are sound, collaborative and focused on what will make the greatest difference.

Hertfordshire has always been a place that looks forward. With this Strategy, we are setting out not just what we want to achieve, but how we will work together to get there with clarity, confidence and purpose. We are proud to present the Hertfordshire Economic Strategy 2026-2036 and look forward to working with our partners to bring this vision to life.



Adrian Hawkins OBE

Chair, Hertfordshire Futures



Cllr Steve Jarvis

Leader, Hertfordshire County Council

Executive Summary

Executive Summary

Hertfordshire's economy is large, dynamic and distinctive. It includes major corporates with a strong research presence alongside many thousands of much smaller enterprises which have been formed in different places (towns and rural areas) across the county. With clear strengths in most of the key sectors identified in the Modern Industrial Strategy (the 'IS-8' sectors), Hertfordshire has succeeded in attracting substantial private sector investment – in life sciences and film and TV production, and (more recently) in the datacentres which are helping to unlock the potential of Artificial Intelligence (AI) and drive forward thriving digital businesses in Hertfordshire and beyond. At the same time, many jobs in Hertfordshire are within the 'foundational' or 'everyday' economy, which is critical in terms of 'how Hertfordshire works'.

Despite its strengths, productivity performance across Hertfordshire has declined in relative terms over the last 25 years, and for many people, the cost of living locally is presenting huge pressures: earnings from work have barely changed for a decade. Hertfordshire needs to see further investment to accelerate economic growth. This is essential if living standards are to improve; social mobility is to increase; the risks surrounding adaptation to climate change are to be managed; and the economic potential associated with Hertfordshire's businesses and people is to be realised to the full.

This Economic Strategy provides a route map for the next decade. It provides a clear 'line of sight' to the forthcoming Local Growth Plan (linked to a wider journey of devolution and the formation of a strategic authority). Within this context, it is underpinned by two key principles which anticipate major changes in the wider environment for economic growth:

- > a commitment to a new and pioneering investment partnership.
- > a commitment to a new partnership with government, focused on a small number of shared priorities.

Vision and Strategy

At the core of the Economic Strategy is a commitment to innovation. This includes the commercialisation of science and technology, but it extends far more broadly. There is a need to see real innovation in the foundational economy – and in both public and private sector delivery. There is a need for innovation in relation to the energy transition, and this must be a priority across the piece. There is also a need for a process of innovation that is more inclusive than hitherto – meaning that the benefits are shared far more equitably.



Against this backdrop, the Vision is that:

By 2036, Hertfordshire will be recognised globally as the UK's innovation heartland – with a high value, productive and sustainable economy in which people, businesses and communities progress and thrive. People in Hertfordshire will also be feeling that life is tangibly better.

Progress towards the Vision will be made through eight priorities – five are the immediate focus of the Economic Strategy whilst three will be developed further as part of the wider Local Growth Plan.

Priority 1: Digital creativity at the heart of business

The process of digital transformation is gaining momentum and it is re-shaping Hertfordshire's economy in many different ways. Through AI, the pace of change will accelerate. New sectors are being created and established ones are changing profoundly. Hertfordshire's specialisms are evolving, but convergence around digital technologies is apparent throughout.

In the period to 2036, we will:

- > Invest in digital skills and digital literacy.
- > Support businesses to embrace AI to improve productivity.
- > Develop Hertfordshire's digital infrastructure.
- > Position the University of Hertfordshire as an anchor institution at the heart of digital creativity.
- > Encourage the clustering of digital businesses around datacentres.
- > Work with the film and TV production sector to deliver its action plan.

Priority 2: Hertfordshire works for everyone

In part because of digital transformation and automation, major employment sectors will change substantially in Hertfordshire over the next decade. Some entry level jobs will disappear but there will be rising demand for roles that are already hard to fill in, for example, health and social care. In parallel, employers will need to adapt jobs and working practices as increasing numbers of people (including young people) are working with health conditions, and some are needing to work for longer. Both employers and individuals will need to be appropriately supported, recognising the particular challenges facing those who struggle to engage in the labour market in a county where the cost of living is high.

In the period to 2036, we will:

- > Deliver the actions identified in the Get Hertfordshire Working Plan.
- > Develop a skills and innovation plan for foundational economy sectors.
- > Work with employers to understand how automation and AI will change jobs.
- > Make access to work a core principle for investment and new housing plans, removing a barrier to employment.

Priority 3: Commercialisation, innovation and sustainability

Hertfordshire has substantial pedigree in respect of commercialisation and innovation across various of the key sectors identified in the Modern Industrial Strategy. It needs to continue to be a place where outstanding businesses and research organisations invest and flourish, building wider supply chains/clusters in the process. At the same time there is a need to accelerate the energy transition and other steps towards net zero carbon as part of changing business models. Some progress has been made, but there is more to be done.

In the period to 2036, we will:

- > Help early stage businesses overcome the funding gap between start-up and scale-up.
- > Encourage collaboration between sectors as a route to innovation.
- > Provide affordable, energy-efficient, commercial property and workspaces.
- > Develop strong business clusters across appropriate economic geographies.
- > Support small businesses to cut carbon emissions.
- > Encourage innovation and enterprise around the re-use of waste heat.
- > Strengthen local supply chains.

Priority 4: Places and communities thrive

Hertfordshire is defined around its towns and rural areas, and these need to be vibrant places in which people and communities thrive. The economic roles and functions of town centres will need to continue to evolve, and cultural activities will grow in importance. At the same time, there is a need to see greater provision for appropriate employment sites and premises if the economy as a whole is to grow. Hertfordshire's polycentricity means that growth tends to be spatially fragmented – which presents challenges in terms of the viability of infrastructure investment and service delivery. There is a need to think about groups of towns as 'virtual cities', and new delivery solutions will need to be found.

In the period to 2036, we will:

- > Provide employment space that meets the needs of Hertfordshire's key sectors.
- > Ensure major schemes are aligned to Hertfordshire's wider economic ambitions.
- > Explore the concept of 'virtual cities' (across groups of towns) and new New Towns as catalysts for economic growth.
- > Make community spaces (including community hubs) a priority within both new and existing places.
- > Promote access to work across new settlements and developments; and ensure that people who live in Hertfordshire's rural areas can access jobs.

Priority 5: Hertfordshire's place in the world

Hertfordshire has major assets and potential, and their national and international significance should be recognised to the full. This means that Hertfordshire needs strong working relationships with partners in London, and it also needs to be recognised in relation to the Oxford-Cambridge Growth Corridor: across this wider area, Hertfordshire is the geographical core. At the same time, the county needs to harness international opportunities for investment and trade, recognising its competitive strengths and locational advantages.

In the period to 2036, we will:

- > Engage fully in strategic conversations with London and the Oxford-Cambridge Growth Corridor.
- > Promote Hertfordshire as an investment destination.
- > Encourage more businesses to trade internationally.
- > Develop a clear plan for inward investment which is focused on the potential of key sectors.
- > Make Hertfordshire a welcoming place for talent.

Wider priorities

The Economic Strategy is paving the way for a Local Growth Plan (and Spatial Development Strategy). Some priorities that are critical to the delivery of the Economic Strategy will need to be developed in full in this wider context. These include:

- > **Building infrastructure for competitiveness and resilience** – recognising the need for investment in power and water supply; digital infrastructure; and transport infrastructure.
- > **Accelerating the delivery of new homes** – achieving a step change in housing delivery in growth locations.
- > **Valuing the natural and built environment fully** – acknowledging both its criticality in terms of ecosystems services, but also its amenity value and its significance in terms of 'what makes Hertfordshire'.

Making it happen

The Board of Hertfordshire Futures will oversee the delivery of this Strategy. Alongside new investment partnerships and new partnerships with government, Hertfordshire Futures will work closely with local partners and stakeholders (including Hertfordshire Growth Board) to ensure that progress is made. It will be accountable to the leader of Hertfordshire County Council.

A series of Key Performance Indicators will be used to monitor progress. Over the next decade, metrics linked to GVA, productivity and jobs in key sectors will be used to chart overall progress in the delivery of the Economic Strategy. Longer term – in the period to 2050 – sustained progress will need to be made in relation to the delivery of GVA, jobs and homes. The Economic Strategy will link to the Local Growth Plan and Spatial Development Strategy in advancing the associated ambitions and targets.

Hertfordshire 2036 – Vision

By 2036, Hertfordshire will be recognised globally as the UK's innovation heartland – with a high value, productive and sustainable economy in which people, businesses and communities progress and thrive.

Wherever they live and whatever their circumstances, people in Hertfordshire will be feeling that life is tangibly better.

Priorities for Hertfordshire's Economic Strategy

PRIORITY 1

Digital creativity at the heart of business

A new digital economy, at the forefront of Artificial Intelligence, and with strong digital skills throughout

PRIORITY 2

Hertfordshire works for everyone

Supporting the foundational economy, improving productivity and giving everyone the chance to progress through work

PRIORITY 3

Commercialisation, innovation and sustainability

Unlocking science and technology across the IS-8, with a commitment to innovation diffusion and the energy transition

PRIORITY 4

Places and communities thrive

Nurturing business and enterprise across all places in Hertfordshire and unlocking the investment potential of its 'virtual cities'

PRIORITY 5

Hertfordshire's place in the world

Building relationships with neighbouring areas – especially London and the Oxford-Cambridge Growth Corridor – and enhancing Hertfordshire's international profile

Wider Priorities for the Local Growth Plan

Building infrastructure for competitiveness and resilience

Investing in transport, energy, water and utilities to enhance competitiveness whilst adapting to climate change and mitigating risk

Accelerating the delivery of new homes

Achieving a step change in housing delivery across growth locations in Hertfordshire (including growth corridors, urban extensions and 'virtual cities', and potentially new New Towns)

Valuing the natural and built environment fully

Harnessing environmental assets and respecting them fully



Hertfordshire Economic Strategy, 2026-2036



Introduction and key principles

Summary

Hertfordshire has a large economy with significant further potential, and it needs to see investment in order to accelerate economic growth. This is essential if living standards are to improve; social mobility is to increase; the risks surrounding adaptation to climate change are to be managed; and the economic potential associated with Hertfordshire's businesses and people is to be realised to the full.

Investment must be secured quickly and it should be relevant across the whole 'Hertfordshire system'. To this end, this Economic Strategy paves the way for a Local Growth Plan – with a clear 'line of sight' between the two.

Within this overall context, two key principles are central to this Strategy and they will be rolled forward into the Local Growth Plan. They underpin its design and will shape its delivery. They are defined around:

- > A new investment partnership in and for Hertfordshire.
- > A new partnership with government – in anticipation of a Local Growth Plan.

Introduction

Hertfordshire has a £50bn economy – which is close to the size of Oxfordshire and Cambridgeshire in combination. Much has been achieved over recent years, and the county has major assets that should underpin accelerated economic growth. These include:

- > **high calibre and innovation active businesses** in an array of strategically important sectors, which are aligned with national priorities.
- > **a well-qualified resident workforce** that ought to be agile and resilient in the face of change.
- > an **outstanding location** in a high quality environment on the edge of a world city and at the core of the UK's knowledge and innovation heartland.
- > **international connectivity**, with London Heathrow, London Luton, London Stansted and London City Airports all within easy reach, and European rail services accessible from St Pancras.



Yet there are challenges too. Hertfordshire's innovation ecosystem has clear strengths, but maintaining the 'wiring' is hard work – in part because of the county's settlement structure. There is a need to sustain a flow of finance, so that early stage businesses can invest and grow. As jobs are transformed through technology, the need for continual investment and re-investment in workforce skills is increasing. The infrastructure (connectivity, power, water, housing, urban realm) that Hertfordshire requires to unlock economic growth also needs funding solutions.

The private sector is investing in Hertfordshire. Hertfordshire is a dynamic and ambitious county, and it can make a major contribution to UK growth. But growth can accelerate further if there is additional targeted investment – particularly in infrastructure (of different forms), skills and early stage (often R&D intensive) high growth potential businesses.

A new investment partnership in and for Hertfordshire

With an ambition to secure strong and sustainable economic growth, this Strategy is committed to creativity and innovation in the **financing of investment and growth in Hertfordshire as a catalyst for unlocking significant economic potential.**

The Strategy is therefore premised on a new partnership with the investment community.

Building on past achievements

In this respect, Hertfordshire's new Economic Strategy is radical whilst also building on a decade of local experience.

Previously, Hertfordshire Local Enterprise Partnership built a strong track record in investing in economic infrastructure and recycling loan finance. This was achieved through the effective use of the Public Works Loan Board borrowing powers; through the operation of Herts IQ (the enterprise zone at Maylands/ Rothamsted); and through the way schemes like Local Growth Fund and Growing Places Fund were managed.

The upshot is that Hertfordshire Futures will invest in partnership with the private sector to unlock sustainable economic growth, where there is a clear rationale for doing so.

Harnessing pension reforms

In parallel, the UK Government's 2025 pension reforms and the Mansion House Accord both present potential future opportunities. Through the former, the Local Government Pension Scheme has been challenged to develop local investment strategies (within pools). Under the Mansion House Accord, some of the largest defined contribution pension providers have pledged to invest a proportion of their default funds in the UK. Although complicated and with a lot of detail that needs to be worked through¹, these changes ought to create new scope for public and private capital to work together, to unlock co-investment opportunities identified in Local Growth Plans and to increase local impact – if the right projects can be found, the right partnerships are seeded and nurtured, and there is strong governance and management in place to ensure long-term public value.

Hertfordshire has both the capacity and appetite – and the core economic assets – to be a prime investment focus. It is keen to build new partnerships within this changing investment landscape.

Working with public investment

The **British Business Bank** has launched a Nations and Regions Investment Fund in the East of England; this will bring targeted equity and debt finance to growing businesses and supporting innovation clusters. In parallel, the British Business Bank Industrial Growth Capital will focus on scale-up and ecosystem funding across priority sectors. **Homes England** and **Great British Energy** are also potentially important investors.

The objectives of the new **National Wealth Fund** are aligned with the *Modern Industrial Strategy*, a critical part of government's growth mission. The intention is to 'crowd in' private finance in support of regional and local economic growth and tackling climate change, thereby helping to deliver government's growth and clean energy missions. Priority sectors identified by the National Wealth Fund include digital and technologies; advanced manufacturing; transport; and clean energy.

With Hertfordshire County Council, Hertfordshire Futures is looking for strong working relationships with the British Business Bank, National Wealth Fund, Homes England and Great British Energy. We will develop a portfolio of credible investment opportunities, supporting the objectives of these national institutions.

1. *Scaling-up local investing for place-based impact: A strategic framework and guidance for LGPS*. The Good Economy, September 2025

A new opportunity

Putting these different strands together, there is an opportunity for a new and catalytic investment partnership.

Hertfordshire Futures will itself be an investor. It will 'crowd in' capital from these other sources to unlock economic growth, generating financial returns for the public sector as well as investment partners, and ensuring economic and social returns for the benefit of people, communities and businesses across the county.

A new partnership with government – in anticipation of a Local Growth Plan

A new relationship with UK government is also needed, framed in this investment-led context. The asks of government are proportionate and they will pave the way for a devolved investment fund linked to a Local Growth Plan once arrangements for a strategic authority are fully in place.

Among partners and stakeholders (including local politicians), **the Economic Strategy is seen as the kernel of a future Local Growth Plan.** It will inform some of the strategies/plans that are referenced in the Devolution White Paper (notably the Spatial Development Strategy, but also future iterations of the Local Transport Plan). It will also frame other strategies and plans that Hertfordshire Futures will seek to advance (e.g. a new digital strategy and a new skills strategy).

The 'line of sight' from the Economic Strategy to the Local Growth Plan is very important and a design principle. **The structure of this Economic Strategy is informed by the guidance on Local Growth Plans**, which was published in summer 2025². It therefore:

- > provides a core economic narrative for Hertfordshire
- > identifies the priorities that must be advanced to deliver an overall vision
- > presents the beginnings of an investment pipeline.

These will be the core components of a future Local Growth Plan. They will also shape an ongoing dialogue with government. As set out in the guidance on Local Growth Plans, *'the government wants to ensure that shared priorities are agreed across and hardwired into the work of all government departments. This will enable Local Growth Plans to be used by various departments, agencies, and stakeholders as the overarching plan in a region to guide their work, funding and support. To enable this, **government is committed to working in partnership with Mayoral Strategic Authorities to agree a focused set of shared priorities**'.* **This Strategy is intended to provide the basis for a relationship of this nature, in anticipation of the Local Growth Plan.**

2. See [Guidance for Mayoral Strategic Authorities on developing Local Growth Plans - GOV.UK](#)

The approach to this Economic Strategy is fundamentally place-based. It recognises the need for a 'whole system' response to unlocking growth that happens in places: siloed solutions will no longer suffice. It therefore welcomes the commitment to developing place-based business cases (and the ongoing pilot announced by the Chancellor in October 2025), alongside more general place-based analyses set out in the revised Green Book (February 2026).

These principles are important. Hertfordshire's new Economic Strategy is built on them.

Hertfordshire's economy – and future scenarios

Summary

Hertfordshire's economy is best understood in terms of a series of sectors (including those identified in the Modern Industrial Strategy) which overlap in different ways in different parts of the county, reflecting its 'polycentric' character (i.e. many towns of local/regional significance, but no dominant city within the county) and its links to elsewhere. In addition, two-thirds of jobs in the county are in the 'everyday' or 'foundational economy'.

Based on the evidence – and a consideration of broader trends and drivers which will shape local economies across the UK (and more generally) – three alternative scenarios provide different depictions of **Hertfordshire 2036**:

- > 'a focus for technological convergence, enterprise and business growth...'
- > 'a place to live...'
- > 'a servicing economy...'

None of these is inevitable, but none is implausible. Each scenario has more – and less – desirable elements. The Economic Strategy will need to recognise them, and navigate a route through them.

Economic overview

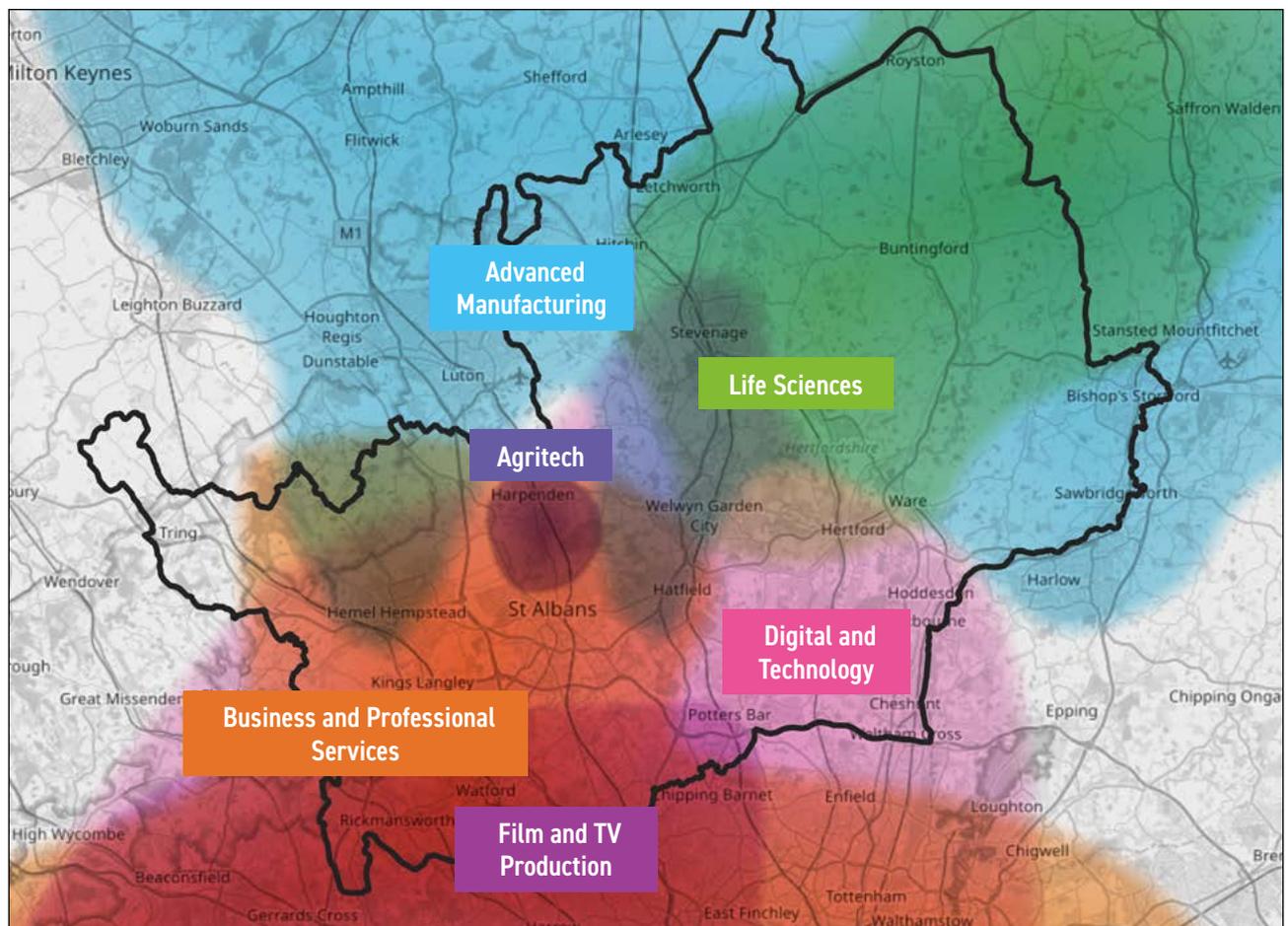
Currently, Hertfordshire is home to just over 1.2 million people. Its 66,000 enterprises account for around 640,000 employee jobs while the total number of jobs in the county exceeds 720,000 (taking into account all those people who are self-employed). The value of its economic output (GVA) is in excess of £50bn.

Hertfordshire is predominantly rural, and it benefits from a generally high quality built and natural environment, some of it within the Chilterns National Landscape. Most people live and work in a group of towns which generally have populations of between about 20,000 and 100,000. None of these individually has the scale of a significant city, but in combination, they are substantial on a distributed (or polycentric) basis. Hertfordshire is also very well connected to elsewhere, particularly London and – via radial motorways and both the East and West Coast Mainline railways – to towns/cities within the Oxford-Cambridge Growth Corridor and beyond.

This spatial footprint is very significant in terms of how Hertfordshire's economy works. Hertfordshire has distinct sectoral specialisms – many of which map onto those identified as the 'IS-8' in the *Modern Industrial Strategy*, which was published by UK Government in summer 2025. These include, in particular, defence and aerospace (which can be considered within a broader advanced manufacturing sector); life sciences (including cell and gene therapy, but also extending across pharmaceuticals and medtech); agritech; professional and business services; and film and TV production, a key part of the broader creative industries. Digital and technology is also a major sector in Hertfordshire and one that is influencing all others through pervasive digitisation of many forms including, increasingly, the transformational use of AI.

Hertfordshire's sectoral specialisms are shaped by its distinctive spatial make-up, creating a complex but potentially highly effective network of overlapping and converging specialisms and competencies. These in turn shape – and are shaped by – Hertfordshire's labour market and the characteristics of businesses and other key organisations within and beyond county's boundaries. **The asset base is very dynamic and potentially very innovative, representing a substantial resource for Hertfordshire and indeed the rest of the UK.**

Figure 1: Sectoral footprints within and beyond Hertfordshire



Source: Produced by SQW using QGIS. Office for National Statistics licensed under the Open Government Licence v.3.0. Contains OS data © Crown copyright and database right 2025. Basemap from OpenStreetMap.

Overall, the IS-8 sectors account for about a third of all employment within Hertfordshire. The significance of 'the rest' must also therefore be recognised as the livelihoods of many individuals and households depend on it.

The 'everyday' or 'foundational' economy has many different strands – from utilities and transport services through to health and social care, and retail. These jobs tend to be local in focus; and many (although not all) are characterised by low pay. Yet they are critical in terms of the functioning of Hertfordshire's economy, and there is a symbiotic relationship between services essential to daily life and the innovative 'leading edge'. They will be a very important part of Hertfordshire's economy looking ahead.

Alternative scenarios

In the light of the evidence and arguments, three alternative economic scenarios for Hertfordshire through to 2036 are set out in Figure 2.

None of these scenarios is inevitable. By the same token, none is implausible – particularly given the characteristics of Hertfordshire currently and the direction of travel signalled by recent investment decisions, policy announcements and wider socio-economic trends and drivers. Each scenario has both desirable elements and others that businesses, individuals and communities would probably prefer to avoid – albeit constituencies may well have different views on what 'good' looks like.

Across the three scenarios, key interdependencies include:

- > the extent to which **people in Hertfordshire are equipped and enthused to fill the jobs** that are created.
- > the extent to which those jobs **enable individuals to progress and to live well locally** (particularly in terms of the affordability of housing).
- > the **availability of appropriate land and premises** (and especially the balance between commercial and/or housing uses, particularly in prime locations).
- > the extent to which enterprises (at all growth stages) can secure **equity and debt finance** to invest and grow.
- > the scale of **infrastructure investment** – in transport, water supply, energy provision, digital connectivity, and so on.
- > the nature of **local ambition** and the efficacy of local leadership.

In practice, global geopolitics, macroeconomic factors and demographic change will have a major influence, but local leadership and ambition are very important too – particularly in putting in place the foundations for good growth and building investor confidence. This in turn will have a material bearing on whether Hertfordshire is 'done to' or whether it steers its economic journey with ambition and purpose.

Figure 2: Hertfordshire 2036: alternative scenarios

SCENARIO 1

A focus for technological convergence, enterprise and business growth...

'Across and beyond the IS-8 sectors, there is evidence of major businesses reinvesting in Hertfordshire. Working within global value chains, early stage businesses are securing equity and debt finance and they are advancing commercialisation journeys with the benefit of accelerator and innovation provision, and a good supply of appropriate move-on space, and because people want to work in Hertfordshire. Across the IS-8 sectors there is increasing evidence of technological convergence and the effective use of AI is commonplace, facilitated by a high quality digital infrastructure. Links are strong to both London and the Oxford-Cambridge Growth Corridor, and Hertfordshire is a confident and willing partner; its contribution is distinctive with a private sector focus, but it is widely recognised as fully part of a world class and internationally competitive innovation ecosystem. Whilst there continues to be a flow of people (in both directions) through migration and commuting (aided in part by infrastructure improvements), Hertfordshire is seen as 'the best of all worlds'. Because of this, investor confidence is high and further major infrastructure projects are well advanced. However Hertfordshire is still an expensive place to live, and for those in low pay employment, the pressures can be acute. This is creating some tensions locally'.

SCENARIO 2

A place to live...

'There has been some progress in the delivery of housing in Hertfordshire – albeit demand and supply are still out-of-kilter. The loss of employment sites has however continued, and parts of Hertfordshire are prohibitively expensive for most businesses. Although Hertfordshire remains a good place to start a business, entrepreneurs routinely expect to relocate once they start to recruit more than a handful of staff: the disruption linked to moving is more than offset by the wider benefits of Cambridge and London, particularly as the cost differentials (in terms of commercial property) are lower than they used to be. Hertfordshire continues to attract highly qualified people, particularly adults in their 30s and 40s with children. However the pressure on local service delivery is substantial and many providers have turned to automation. Within this context, there is growing concern about the opportunities for local young people: progressing in Hertfordshire seems to have become more difficult. Whilst it is generally possible to find a local job, social mobility may have declined'.

SCENARIO 3

A servicing economy...

'Over the last decade or so, the embryonic core of various growth sectors has been eroded – because commercial property has been hard to find, the road and rail infrastructure has been congested, recruiting the right people has been impossible (partly because they have found travel difficult), and equity investors have lost interest. Datacentres are now a major element of the commercial landscape and they are doing well – albeit they are voracious consumers of both power and water. Although automation has been a feature, Hertfordshire continues to create some jobs, many of them linked to servicing London. The logistics sector has thrived – but this has meant even less opportunity for more research-focused activities to grow locally and large parts of the private sector have been squeezed out. Hertfordshire is increasingly a low value servicing economy without an identifiable economic 'purpose' and much of it feels like outer London'.

Vision and Strategy

Summary

Hertfordshire needs to be a county of innovation, creativity, social mobility and inclusivity, whilst improving the sustainability of resource use and securing progress towards net zero carbon. Against this backdrop, the Vision is that:

'By 2036, Hertfordshire will be recognised globally as the UK's innovation heartland – with a high value, productive and sustainable economy in which people, businesses and communities progress and thrive. People in Hertfordshire will also be feeling that life is tangibly better'.

Progress towards the Vision will be made through eight priorities – five are the immediate focus of the Economic Strategy whilst three will be developed further as part of the wider Local Growth Plan.

Vision

From Stevenage to Hoddesdon, Watford to Hemel Hempstead, and Hitchin to Hatfield and St Albans – as well as across the extensive rural areas – Hertfordshire needs to be a **county of innovation, creativity, social mobility and inclusivity, whilst improving the sustainability of resource use and securing progress towards net zero carbon.**

To these different ends, Hertfordshire's economy must grow. New businesses must be formed while existing ones need to be encouraged to invest, innovate and grow; they must develop new products and services, open up new markets, and transform the processes through which business is done. They must embrace AI constructively and intentionally. Productivity must increase.

These imperatives apply across the sectors identified in the Modern Industrial Strategy – from life sciences and advanced manufacturing (which have long been recognised as key specialisms locally) through to professional and business services, and defence (which are national priorities with very considerable local strengths). They also apply across the breadth of the foundational economy – including health and social care, education, and a raft of local services. They are equally germane across private sector and public sector employers alike.

Innovation needs to be at the heart of economic restructuring and change. This includes innovation through the commercialisation of science and the creative adoption of technology, but innovation also needs to be understood far more broadly:

- > **innovation within the foundational economy** will have a major bearing on the prosperity of Hertfordshire over the years ahead – meaning the appropriate adoption of technology as well as new working relationships between the private and public sectors.
- > there is a widespread need for **innovation in the use of resources and in relation to the energy transition** – recognising the imperatives linked to legal (and moral) commitments to net zero carbon.

At the same time, the **process of innovation needs to be inclusive** – engaging communities and places in progressive processes of change. There is a need also to consider and support the **diffusion of innovation** and best practice, across the business population and beyond.

Across the piece, new jobs will be created through innovation – sometimes relating to occupations that do not yet exist – and some existing jobs/occupations will disappear. Individuals must be equipped and empowered to respond. This means that upskilling and reskilling will continue to be essential across people of all ages. No one should be excluded from the possibilities that will follow.

To unlock all of this, **investment will be essential** – in people, business, places and various forms of infrastructure.

The result will be that **by 2036, Hertfordshire will be recognised globally as the UK's innovation heartland – with a high value, productive and sustainable economy in which people, businesses and communities progress and thrive. People in Hertfordshire will also be feeling that life is tangibly better.**

Strategic priorities

This Vision will be achieved by advancing eight strategic priorities.

All eight are important in **delivering the Economic Strategy, and all eight will be taken forward as the Local Growth Plan is developed fully.** Recognising the 'line of sight' between the Economic Strategy and the Local Growth Plan, the strategic priorities form two main groups:

- > **Priorities for Hertfordshire's Economic Strategy:** Five of the eight are realistically the responsibility of Hertfordshire Futures to progress – sometimes directly but usually in partnership with other organisations across Hertfordshire (and, at times, with UK government).
- > **Wider Priorities for the Local Growth Plan:** Three of the eight are key to delivering the Economic Strategy, but responsibility for them sits elsewhere. The narrative in this document is a 'place holder' to be developed within the Local Growth Plan.

Figure 3: Hertfordshire 2036: Vision and Strategy

Hertfordshire 2036 – Vision

By 2036, Hertfordshire will be recognised globally as the UK’s innovation heartland – with a high value, productive and sustainable economy in which people, businesses and communities progress and thrive.

Wherever they live and whatever their circumstances, people in Hertfordshire will be feeling that life is tangibly better.

Priorities for Hertfordshire’s Economic Strategy

PRIORITY 1

Digital creativity at the heart of business

A new digital economy, at the forefront of Artificial Intelligence, and with strong digital skills throughout

PRIORITY 2

Hertfordshire works for everyone

Supporting the foundational economy, improving productivity and giving everyone the chance to progress through work

PRIORITY 3

Commercialisation, innovation and sustainability

Unlocking science and technology across the IS-8, with a commitment to innovation diffusion and the energy transition

PRIORITY 4

Places and communities thrive

Nurturing business and enterprise across all places in Hertfordshire and unlocking the investment potential of its ‘virtual cities’

PRIORITY 5

Hertfordshire’s place in the world

Building relationships with neighbouring areas – especially London and the Oxford-Cambridge Growth Corridor – and enhancing Hertfordshire’s international profile

Wider Priorities for the Local Growth Plan

Building infrastructure for competitiveness and resilience

Investing in transport, energy, water and utilities to enhance competitiveness whilst adapting to climate change and mitigating risk

Accelerating the delivery of new homes

Achieving a step change in housing delivery across growth locations in Hertfordshire (including growth corridors, urban extensions and ‘virtual cities’, and potentially new New Towns)

Valuing the natural and built environment fully

Harnessing environmental assets and respecting them fully

Priority 1: Digital creativity at the heart of business

Summary

The process of digital transformation is gaining momentum and it is re-shaping Hertfordshire's economy in many different ways. Through AI, the pace of change will accelerate. New sectors are being created and established ones are changing profoundly. Hertfordshire's specialisms are evolving, but convergence around digital technologies is apparent throughout.

In the period to 2036, priorities include:

- > Invest in digital skills and digital literacy.
- > Support businesses to embrace AI to improve productivity.
- > Develop Hertfordshire's digital infrastructure.
- > Position the University of Hertfordshire as an anchor institution at the heart of digital creativity.
- > Encourage the clustering of digital businesses around datacentres.
- > Work with the film and TV production sector to deliver its action plan.

Strategic significance

Digital transformation

The pace of digital transformation is accelerating in Hertfordshire. Through the pervasive use of data, the digital, physical, and biological 'worlds' are increasingly indistinguishable. As a result, sectors like life sciences and defence are already digital sectors, relying on AI and data science to drive innovation and value creation.

Automation and the adoption of AI are affecting many sectors significantly. Professional and business services – which is a specialism in Hertfordshire (particularly south west Hertfordshire) and one of the IS-8 sectors – is perhaps especially ripe for disruption. Some level of restructuring seems inevitable, bringing both upside and downside risks. This could have a major impact on places like Watford and St Albans. This in turn is affecting opportunities for work.

The same is true across large parts of the foundational economy. Patterns of healthcare delivery are quickly being transformed by digital technologies – and the pace of change is likely to accelerate.

Digital creativity

Hertfordshire has significant digital and creative specialisms. These are evolving very quickly and present a real opportunity – both in themselves and as a wider set of cross-cutting competencies.

University of Hertfordshire is a major player nationally. It excels in digital creative arts, ranking among the world's best for animation, visual effects and game design.

Within the county, there are also some major digital businesses with strong pedigree in animation and visualisation.

Among these, Imagination Technologies is perhaps uppermost. Its origins are in Hertfordshire and it continues to have a substantial local presence (including its HQ). Its growth narrative includes a series of licensing agreements with Apple, and various acquisitions and ownership changes. It is a leading player in a critical part of the economy. Its semiconductor IP solutions underpin Graphics Processing Unit (GPU) architectures and compute accelerators, with many applications, including in gaming, automotive and electronics.

Film and TV

Within the context of the wider creative industries, the strategic significance of film and TV production in Hertfordshire is widely recognised both locally (resulting in the production of a sector action plan³) and nationally. This reflects the presence of major studios at Leavesden and Elstree, and also the substantial increase in studio capacity over recent years (although not all of it is being used currently). The major film and TV production businesses (Warner Bros, Sky) continue to be hubs of creativity, and their wider significance needs to be recognised. They provide the focus for networks of freelancers involved in film and TV production. Roles range from hair and make-up, through costume design, to set building, with a raft of specialisms linked to digital technologies (through animation, virtual reality, and other post-production activities).

Datacentres

Another facet of the digital economy relates to datacentres – which since September 2024, have been recognised as critical national infrastructure⁴. Hertfordshire has attracted a growing number of datacentres. These include NTT Global (Hemel Hempstead) and ServerChoice (Stevenage). Google's development at Waltham Cross is nearing completion and a major DC01 development at Hertsmere has planning approval and is moving forward. Looking further ahead, there is ongoing site acquisition in at least four other locations in Hertfordshire. In total, these would add over 600MW of capacity.

3. See [Film and TV Production, Sector Action Plan, Hertfordshire Local Enterprise Partnership, 2022](#)

4. See [Data centres to be given massive boost and protections from cyber criminals and IT blackouts - GOV.UK](#)

The local impacts of datacentres are double-edged. As well as providing a critical national infrastructure, they are voracious consumers of power, water and land – and all three are in short supply. Nevertheless, they ought to be a source of competitive potential, and the challenges presented by them will need to be managed creatively.

Case Study:

Create Growth Programme: Accelerating innovation in Hertfordshire's creative sector

The Create Growth Programme, led locally by Hertfordshire Futures, is helping creative businesses scale, innovate, and contribute directly to Hertfordshire's economic growth. Backed by the Department for Culture, Media and Sport (DCMS) and Innovate UK, the programme supports high-potential SMEs in sectors such as film, TV, design, and digital media. Delivered in partnership with Hertfordshire Growth Hub, the University of Hertfordshire, and Estu, the programme offers a structured four-stage journey - from growth diagnostics and supply chain innovation to product development and investment readiness.

The programme is delivering tangible impact:

King Bee Animation secured a grant from Innovate UK after receiving coaching on innovation and investment readiness. Magazine and music hub Headliner Group also received funding and both received follow up funding from Innovate UK.

Phil's Cuisine, a local catering business, generated 10% of its annual revenue through new connections made via the programme.

"Just by meeting one person, 10% of my turnover is now a direct result of the Supply Chain Innovation Programme. It opens many doors and helps you to prioritise."

Philippe Meyepa, Owner, Phil's Cuisine

Sarah Maylin Flowers expanded its client base and strengthened operations by engaging with the creative sector through the programme.

These stories evidence how the Create Growth Programme is unlocking commercial potential, strengthening the county's position as a hub for creative excellence, and building a more resilient and dynamic business ecosystem.

Future priorities

The digital revolution has many different dimensions. It is accelerating and it will re-shape Hertfordshire's economy in fundamental ways. It brings clear risks (both upside and downside) and a response is core to the Economic Strategy.

Priorities therefore include:

- > **Invest in digital skills and digital literacy** – including high level data science specialisms but also entry level and intermediate skills, to support progression in work and avoid new forms of digital exclusion.
- > **Support businesses to embrace AI to improve productivity** – recognising that disruption is inevitable and that it needs to be navigated creatively.
- > **Develop Hertfordshire's digital infrastructure** – ensuring that it is best in class and appropriate for the growth of digital businesses.
- > **Position the University of Hertfordshire as an anchor institution at the heart of digital creativity** – including through increased awareness among new graduates of career opportunities in Hertfordshire linked to digital animation.
- > **Encourage the clustering of digital businesses around datacentres** – creating latency benefits for business that need significant computational power, and deriving wider cluster benefits in the process.
- > **Work with the film and TV production sector to deliver its action plan** – with a particular focus on skills development within the freelance community.

Priority 2: Hertfordshire works for everyone

Summary

In part because of digital transformation and automation, major employment sectors will change substantially over the next decade. Some entry level jobs will disappear but there will be rising demand for roles that are already hard to fill in, for example, health and social care. In parallel, employers will need to adapt jobs and working practices as increasing numbers of people (including young people) are working with health conditions, and some are needing to work for longer. Both employers and individuals will need to be appropriately supported, recognising the particular challenges facing those who struggle to engage in the labour market in a county where the cost of living is high.

In the period to 2036, priorities include:

- > Deliver the actions identified in the Get Hertfordshire Working Plan.
- > Develop a skills and innovation plan for foundational economy sectors.
- > Work with employers to understand how automation and AI will change jobs.
- > Make access to work a core principle for investment and new housing plans, removing a barrier to employment.

Strategic significance

Changing nature of work

Over the decade to 2035, forecasts point to growing demand within Hertfordshire for people with high level qualifications; the reverse is true for those with low or no qualifications. Cut another way, whereas demand for those working in professional occupations is projected to increase by 35,000 between 2020 and 2035, the number of jobs in administrative and secretarial occupations is expected to fall by 11,000⁵.

5. Based on projections prepared by National Foundation for Educational Research (NFER) as part of the *Skills Imperative 2035* research programme

Many different factors underpin shifts of this nature – not least automation. However the implications are substantial for people, particularly those on the margins of the labour market and with no/low qualifications.

A report on a business survey (completed on behalf of Hertfordshire Chamber of Commerce in 2024/25 and linked to the Local Skills Improvement Plan), observed that *‘while overall recruitment intent remains high, businesses are navigating a more selective and skill sensitive hiring environment. Digital transformation, AI integration and operational shifts have made candidate suitability – not just availability – the defining recruitment challenge’*⁶.

The Skills Imperative 2035 projections for Hertfordshire indicate that the number of jobs associated with health and social work is expected to increase by about 10,000 between 2020 and 2035. In construction, the figure is 16,000, and in accommodation and food, it is around 7,000.

These sectors – and the occupations linked to them – are at the core of Hertfordshire’s foundational economy. In the main, wage levels are low. There is much evidence that employers already struggle to recruit. Equally though, (short-term) survey evidence suggests that employers in these sectors have so far been slow to explore the possibilities linked to AI and automation. This journey will accelerate over the years ahead with implications for productivity – but also for the people whose jobs may well be affected. A rounded response will be important. Alongside employers, the role of the county’s further education colleges, training providers and the University of Hertfordshire will be critical.

Work, employability and health

Despite its economic assets and potential, life chances in Hertfordshire are very variable. In part, this is because earnings (from work) have grown more slowly than wealth (often linked to residential property and home ownership).

Especially since the pandemic, there has been increasing recognition of the challenges facing young people. Poor mental health seems to be a growing factor and for some, this is resulting in labour market exclusion at a crucial point in their lives. Overall the incidence of young people aged 16-17 who are not in employment, education or training (NEET) is lower than the national average, but data from HCC suggest that locally, the figure is twice as high in the some areas (Dacorum and Stevenage) than others (St Albans and Three Rivers). As of January 2026, there were almost 4,000 claimants aged 18-24 in Hertfordshire.

There are major challenges for older workers too. In the context of needing to work for longer, job roles are changing – and this process is likely to accelerate.

6. [Employer Perspectives, Challenges and Opportunities.](#)

Case Study:

Step2Skills – Creating opportunity, changing lives

Step2Skills is enabling more Hertfordshire residents to access employment and contribute to the local economy by removing barriers to participation and aligning support with employer needs. It also helps employers access new talent pools, reduce turnover and build resilient teams.

At Kent Brushes, a historic hairbrush manufacturer, persistent challenges with staff retention and recruitment were affecting productivity and making it difficult to pass on specialist skills. Seeking a more sustainable solution, the company engaged with Step2Skills and Hertfordshire Growth Hub to explore inclusive recruitment approaches. This involved attending targeted job fairs and joining the Inclusive Employment Forum - connecting with candidates who may face barriers to employment, such as disability, low confidence, or limited formal qualifications. As a result, Kent Brushes recruited seven new employees, improved operational efficiency by 10%, and launched a bespoke product line driven by internal talent, demonstrating how inclusive hiring can support business growth.

“There are a lot of highly skilled people out there who will work hard and are determined to succeed if you just give them a chance.”

Andy Harris, Production & Warehouse Manager, Kent Brushes

Another example is John, who joined facilities provider Samsic UK after receiving tailored support from Step2Skills. Previously unemployed and facing confidence challenges, John is now a valued team member delivering service excellence at Berkhamsted Fire Station.

These examples demonstrate how Step2Skills is contributing to Hertfordshire’s vision to grow the economy by enabling more people to participate in meaningful work, with clear benefits for individuals, employers and the wider community.

Future priorities

The issues surrounding economic inactivity and health on the one hand, and changing demands from employers on the other, are complicated – particularly in foundational economy sectors where wages tend to be low. The picture will change quickly and unpredictably over the duration of this Economic Strategy. There is a need for a concerted and creative response.

In this context, future priorities include:

- > **Deliver the actions identified in the Get Hertfordshire Working Plan** – which has been developed by Hertfordshire Futures/ Hertfordshire County Council, West Essex and Hertfordshire Integrated Care Board, and Hertfordshire and Essex Job Centre Plus, together with partners and stakeholders from across the county.
- > **Develop a skills and innovation plan for foundational economy sectors** – advancing some of the priorities within the Local Skills Improvement Plan, but also acknowledging the importance of innovation (and the scope for increasing productivity across major employment sectors).
- > **Work with employers to understand how automation and AI will change jobs** – recognising that Hertfordshire is on the cusp of significant change, albeit some sectors are responding more quickly than others.
- > **Make access to work a core principle for investment and new housing plans, removing a barrier to employment** – recognising that there is no shortage of jobs in Hertfordshire, but access can still be very problematic.

Priority 3: Commercialisation, innovation and sustainability

Summary

Hertfordshire has substantial pedigree in respect of commercialisation and innovation across various of the IS-8 sectors. Notwithstanding current challenges in terms of international investor appetites, it needs to continue to be a place where outstanding businesses and research organisations invest and flourish, building wider supply chains/ clusters in the process. At the same time there is a need to accelerate the energy transition and other steps towards net zero carbon as part of changing business models. Some progress has been made, but there is more to be done.

In the period to 2036, priorities include:

- > Help early stage businesses overcome the funding gap between start-up and scale-up.
- > Encourage collaboration between sectors as a route to innovation.
- > Provide affordable, energy-efficient, commercial property and workspaces.
- > Develop strong business clusters across appropriate economic geographies.
- > Support small businesses to cut carbon emissions.
- > Encourage innovation and enterprise around the re-use of waste heat.
- > Strengthen local supply chains.

Strategic significance

Innovation and commercialisation

Hertfordshire is already a hub for science, technology and innovation. **Much of this is led by major businesses** – from Airbus Defence and Space and MBDA across defence and aerospace through to Johnson Matthey in sustainable technologies (including low carbon hydrogen), RES in renewable energy, and GSK, Roche, Pharmaron, Eisai and Smith & Nephew in different parts of the life sciences sector.

Alongside the business community is a **group of organisations with substantial research pedigree**. These include Rothamsted Research (sustainable agriculture and agritech) and BRE (sustainable construction), as well as University of Hertfordshire (with wide-ranging specialisms, some linked to its origins as an aeronautical college, but now the highest ranking post-92 university in terms of research impact)⁷.

All of these businesses/organisations are long established in Hertfordshire – and they are scattered across the county. Some are acting as anchor institutions and – working closely with wider partners – significant provision has been made to nurture and support small business formation and growth as part of a wider commercialisation journey.

Rothamsted Enterprises, for example, was set up in 2015. Through the Daniel Hall Building and the Lawes Open Innovation Hub, it provides space for small businesses as well as access to laboratory equipment, helping to nurture the growth of **agritech** start-ups. It is part of the wider Herts IQ venture – and the enterprise zone at its core.

In **life sciences**, GSK's campus in Stevenage has been a particular focus. Stevenage Bioscience Catalyst and the Cell and Gene Therapy Catapult Manufacturing Innovation Centre have provided a unique environment for early stage businesses, and this has gradually been developed and expanded through, for example, the modular Spark Building, Sycamore House and the planned life science campus on the GSK site (led by UBS Asset Management and Reef Group).

Whilst life sciences in Stevenage has not been immune from global business and investment cycles (linked in part to expansion prompted by the pandemic and some level of subsequent retrenchment), there have been some outstanding successes. These include several new enterprises which have been nurtured locally before successfully completing IPOs and/or growing significantly to establish sizeable operations nearby. Autolus is perhaps the best example. Originally a spin-out from UCL, its early development was at the Catapult facility on the GSK site; a couple of years later, it completed a successful IPO on Nasdaq. It now occupies a 70,000 sq ft commercial manufacturing facility in central Stevenage and it is a major local employer.

Defence and aerospace is another sector that has seen recent investment in Hertfordshire. Airbus Defence and Space, for example, was awarded £3.9m from the UK Space Agency to create a space and connectivity catalyst in Stevenage. Officially opened in January 2026, the Airbus Launchpad facility is providing SMEs, start-ups and research organisations with access to laboratories, workspaces and testing facilities⁸. The development of the Launchpad has been in addition to investment from Airbus to redevelop the site and grow and its satellite design and manufacturing capabilities locally.

7. [Powering Impact Report](#), May 2023 – University of Hertfordshire

8. See [New facility to boost UK space SMEs opens with £3.9 million government backing - GOV.UK](#)

However despite the pedigree and strength of commercialisation opportunities in Hertfordshire and some major past successes, there are also challenges. In part these reflect national and international business and investment cycles. In life sciences for example, major national investments have been paused⁹ and this is affecting investor sentiment more generally. The flow of investment into early stage businesses declined after the pandemic, and many small businesses with high growth potential are struggling to secure the investment they need. However there are more local factors too – particularly linked to commercial property and skills provision.

Innovation, sustainability and the energy transition

Against the backdrop of the UK's legal commitments to net zero carbon, there is a need for substantial progress in relation to carbon reduction and the energy transition over the timescale of this Strategy. This will require innovation across the board – and Hertfordshire's know-how in relation to associated science and technology will be important.

Hertfordshire's businesses are major consumers of power – and the datacentres which are being built to enable digital transformation are, at the same time, creating new demands. Innovation will be needed across the piece. This will include steps to reduce energy consumption but also to recycle resources, including waste heat.

However, Hertfordshire has leading businesses which are helping to drive the energy transition globally – notably RES (renewable energy) at Kings Langley and Johnson Matthey (hydrogen technologies) in Royston. Across Hertfordshire's 66,000 businesses, there is however a journey to travel. Reducing reliance on fossil fuels will require innovation across a variety of business practices – from the way in which property is used, to the management of supply chains and working practices. Hertfordshire's businesses will need to be supported in this journey.

9. September 2025, Merck announced that it was scrapping substantial planned investment in London and moving jobs from the UK to the USA ([Merck scraps £1bn expansion in the UK over lack of state investment - BBC News](#)). In the same month, AstraZenca announced that it was pausing planned investment in Cambridge ([AstraZenca pauses £200m Cambridge investment - BBC News](#)).

Future priorities

Aligning fully with the *Modern Industrial Strategy*, it is essential that these different innovation and commercialisation 'journeys' continue to be nurtured and supported. There are however risks to navigate – particularly in the context of geopolitical and macro-economic uncertainty (including in relation to international investment).

Priorities therefore include:

- > **Secure sources of equity and debt finance** – particularly for early stage businesses that are navigating the 'valley of death' between start-up and scale-up, and are struggling to grow.
- > **Encourage collaboration between sectors as a route to innovation** – noting that boundaries between specialisms are increasingly meaningless and there is a real opportunity to unlock synergies (particularly in relation to skills development and knowledge exchange), especially through the use of digital technologies and AI.
- > **Provide affordable, energy-efficient, commercial property and workspaces** – noting that many businesses want flexible arrangements whilst also needing the confidence to invest and grow.
- > **Develop strong business clusters across appropriate economic geographies** – recognising the benefits of networking and knowledge exchange to achieve scale and critical mass within 'real' economic geographies (noting, for example, the importance of links into South Cambridgeshire and Central Bedfordshire in the context of defence and aerospace).
- > **Support small businesses in their journey to net zero carbon** – recognising that this will accompany broader forms of innovation.
- > **Encourage innovation and enterprise around the re-use of waste heat** – recognising that this is an environmental imperative as well as a commercial opportunity.
- > **Strengthen local supply chains** – acknowledging that value creation locally depends on the transition to production, and Hertfordshire needs to be a place where appropriate provision is made (with implications for commercial property, skills development and business support across the supply chain).

Priority 4: Places and communities thrive

Summary

Hertfordshire is defined around its towns and rural areas, and these need to be vibrant places in which people and communities thrive. At the same time, there is a need to see greater provision for appropriate employment sites and premises if the economy as a whole is to grow. Hertfordshire's polycentricity means that growth tends to be spatially fragmented – which can present some challenges in terms of the viability of infrastructure investment. There is a need to think about Hertfordshire in terms of 'virtual cities', and new delivery solutions need to be found.

In the period to 2036, priorities include:

- > Provide employment space that meets the needs of Hertfordshire's key sectors.
- > Ensure major schemes are aligned to Hertfordshire's wider economic ambitions.
- > Explore the concept of 'virtual cities' (across groups of towns) and new New Towns as catalysts for economic growth.
- > Make community spaces (including community hubs) a priority within both new and existing places.
- > Promote access to work across new settlements and developments; and ensure that people who live in Hertfordshire's rural areas can access jobs.

Strategic significance

Hertfordshire is defined around its towns and rural areas. Within this context, **opportunities to work and learn locally will be important, for individuals and for sustainable communities.** Hertfordshire's businesses also need to flourish – which means that they need to be able to find suitable premises and recruit the workforce they need. In order to unlock these challenges – and to contribute fully to the UK's wider growth mission – Hertfordshire needs to see appropriate provision for both more homes and more high quality jobs over the next decade and beyond. At the same time, its towns and villages must thrive.

Provision of employment land and premises

Between 2008/09 and 2017/18, Hertfordshire lost approximately 771,000 square metres of employment floorspace; within this, office space declined by about a fifth. Post pandemic and across Hertfordshire as a whole, the erosion of office space has largely continued, particularly within the secondary stock. Conversely demand for industrial/logistics space has broadly increased; there now appear to be capacity constraints. Some of this demand has been linked to datacentres.

The changing make-up of Hertfordshire's commercial property market presents some risks in relation to future economic growth. Specifically, businesses within key IS-8 sectors – notably advanced manufacturing and defence – may well struggle to find appropriate premises within the county (see the case study below). As well as limiting expansion, commercial property constraints also act as a potential brake on productivity, as firms make do with suboptimal (and sometimes less energy efficient) premises. Similar challenges face potential inward investors.

Case Study:

Arkle Electronics

Arkle Electronics was established over 50 years ago. Privately owned, it operates across a range of market sectors and has many different customers, some of which are local. It continues to operate from premises in Stevenage and it currently employs 38 people (most of whom live locally, although some senior staff commute from outside Hertfordshire). With a change of senior management, the company is growing quickly: its turnover has increased by about a third over the last year and having secured a range of new contracts, some in the defence sector, the pace of growth is set to continue. Arkle recognises the significance of Airbus and MBDA in Stevenage and sees itself as part of the developing defence cluster.

As a business, its most immediate growth constraint relates to commercial premises. It would like a bigger unit (moving from 10,000 to 15,000 sq ft) but does not want to leave Stevenage. However suitable local provision is currently in short supply and very expensive for businesses in the sector.

Hertfordshire's places: urban and rural

Hertfordshire's towns – like many settlements of their size across the UK – have seen significant changes over the last two decades driven (in the main) by the shift to online retailing and (to some extent) by the move to hybrid or home-based working. Town centres are being reinvented – with more residential development and, in economic terms, a stronger focus on cultural/leisure activities. This transition is important in terms of the amenity value it delivers for local people and in seeking to attract visitors from elsewhere. More generally, town centres need to be hubs for economic and social life, and associated community infrastructures are important.

In practice, the move to hybrid or home-based working may prove to be temporary and there is increasing evidence that major employers want to see at least partial returns to the office. This should present an opportunity – if businesses are able to invest and grow in or close to major towns in Hertfordshire. To reflect the needs of key sectors, there will need to be a mix of provision – including a clear property ladder with move-on space as well as incubator provision, and lower priced commercial space as well as high quality business parks.

Hertfordshire's towns are very varied in terms of their history and their relationship to employment provision. The New Towns (for example, Stevenage and Hemel Hempstead) were designed to separate employment provision from residential development and major industrial areas like Gunnels Wood Road and Maylands were the consequence; 80 years later, demarcations are far more fluid in terms of what, where and how work is done, and by whom. For the most part, work is far more integrated, particularly in the context of innovation and creativity. It is for this reason that **contemporary innovation districts are typically urban in character with a mix of residential, cultural, leisure and employment provision**. Much has been achieved in the New Towns – particularly Stevenage – in re-orienting the urban centre towards the needs of the mid 21st Century whilst retaining key elements of heritage.

In some respects Hertfordshire's historic settlements, particularly those that are well connected, fit more straightforwardly with this new model. St Albans has major strengths in this regard as – in different ways – does Hitchin. Plans for Watford are also very important. The Watford Local Plan (2021-38) defines a Core Development Area with three main components. One of these is Watford Gateway, including both Watford Junction and Clarendon Road (one of Hertfordshire's key locations for professional and business services). The aim is to *'create a mixed-use urban quarter of high quality design and place-making, with excellent connectivity to support a mix of housing, employment and other subsidiary land uses and community orientated facilities'*¹⁰.

However a challenge shared by most towns in Hertfordshire relates to scale. None of the towns has the scale of a city and most towns therefore struggle to attract and sustain major city functions (linked for example to sport and culture, but also in terms of large scale service centres). **The consequence is that they struggle to attract the infrastructure and other investment that is really required.**

The lessons ought not to be lost in the context of discussions around new New Towns. One – or perhaps two – of these ought to be considered, given the county's economic assets, ambition and potential, and the opportunities that exist to accelerate the growth of one or more of the IS-8 sectors. But any new New Town should be sizeable for reasons of viability, sustainability and impact.

10. See [Watford Local Plan](#).

In the meantime, it will be important that significant progress continues to be made in the ongoing delivery of major schemes. Two are especially important: **Hemel Garden Communities** to the north and east of Hemel Hempstead (in Dacorum), and **Gilston** (in East Hertfordshire). Both need effectively to become exemplary new developments for the mid 21st Century, and places for both working and living; they need to build vibrant, sustainable and connected communities in the process.

In parallel, the significance of rural areas in Hertfordshire must be recognised fully. These too need to be vibrant, sustainable and connected. Rural communities need to flourish. Rural areas should also be places of work and appropriate forms of economic activity. This means that provision needs to be made for appropriate forms of commercial land and property. Often this will involve small scale and flexible units, perhaps linked to community facilities and hubs. The process of enterprise in rural communities also needs to be understood and supported, recognising that it is a core part of Hertfordshire's enterprising economy. The vibrancy of Hertfordshire's rural places will be a central concern in delivering this Strategy and judging both its progress and success.

Future priorities

In ensuring that communities and places thrive, future priorities include:

- > **Provide employment space that meets the needs of Hertfordshire's key sectors** – recognising that key sectors have clear spatial footprints, some of which span boundaries.
- > **Ensure major schemes are aligned to Hertfordshire's wider economic ambitions** – including the pursuit of innovation and creativity, and shaping the delivery of business support and other services in response.
- > **Explore the concept of 'virtual cities' (across groups of towns) and new New Towns as catalysts for economic growth.**
- > **Make community spaces (including community hubs) a priority within both new and existing places** – reinforcing a rounded approach to place-making, and helping to shape the delivery of key local services, including those linked to health and work.
- > **Promote access to work across new settlements and developments; and ensure that people who live in Hertfordshire's rural areas can access jobs.**

Priority 5: Hertfordshire's place in the world

Summary

Hertfordshire has major assets and potential, and their national and international significance should be recognised to the full. This means that Hertfordshire needs strong working relationships with partners in London, and it also needs to be recognised in relation to the Oxford-Cambridge Growth Corridor: across this wider area, Hertfordshire is the geographical core. At the same time, the county needs to harness international opportunities for investment and trade, recognising its competitive strengths and locational advantages.

In the period to 2036, priorities include:

- > Engage fully in strategic conversations with London and the Oxford-Cambridge Growth Corridor.
- > Promote Hertfordshire as an investment destination.
- > Encourage more businesses to trade internationally.
- > Develop a clear plan for inward investment which is focused on the potential of key sectors.
- > Make Hertfordshire a welcoming place for talent.

Strategic significance

The *Modern Industrial Strategy* has set the agenda for accelerated economic growth nationally, and much is resting on the future growth of the IS-8 sectors. The read-across to Hertfordshire's leading businesses is compelling. All of them are operating nationally and internationally.

National dimensions

Most immediately, this means that links to the major 'economic engines' of London and (increasingly) across the Oxford-Cambridge Growth Corridor need to be nurtured and developed. Businesses in Hertfordshire are more likely to thrive if they are part of these wider growth narratives – and they are much less likely to invest locally if they are not. Sometimes this will mean that local businesses are 'lost' to either London or Cambridge – particularly at low points in the business cycle – but if this really is a zero sum game, it is not doing much to benefit the UK as a whole.

Hertfordshire can and must offer something that is complementary and value adding, allowing businesses in key growth sectors to thrive as part of the growth narratives that tend to be focused on either London or the Oxford-Cambridge Growth Corridor. **Hertfordshire is at the geographical centre of this area and the opportunities ought to be substantial.** In harnessing these benefits, the quality of life in Hertfordshire will often be a key ingredient, but accessibility will matter too.

International perspectives

In practice most of Hertfordshire's leading businesses across the IS-8 are also intrinsically and increasingly **international in focus, character and ambition.**

Hertfordshire is very well located for international business – with easy access to four major airports (including London Heathrow) and European rail services (via St Pancras). But while major airports are necessary, they are not sufficient for Hertfordshire to thrive on an international canvas. Much more important is an ethos of international ambition and 'attitude'. This must be embraced by stakeholders and politicians, as well as by businesses and investors in Hertfordshire.

Hertfordshire needs to be open for international business. It needs to recognise that flows of knowledge and capital are national and global and that much can be gained through both trade and inward investment. It must also acknowledge that global talent is global – and it must work hard to attract, recruit and retain workers who are potentially internationally mobile. Hertfordshire needs to continue to be a welcoming place to live as well as work – and the quality of local schools and other key services will be important parts of the overall jigsaw.

Hertfordshire's **visitor economy** offer is also part of the mix. Leisure and business visitors need to be encouraged and welcomed, recognising that they bring both local jobs and global learning and insight.

Future priorities

Building and harnessing Hertfordshire's national and international linkages will be critical for the delivery of this Economic Strategy.

Priorities therefore include:

- > **Engage fully in strategic conversations with London and the Oxford-Cambridge Growth Corridor** – recognising that Hertfordshire has important and growing synergies with both, and that there are clear growth opportunities.
- > **Promote Hertfordshire as an investment destination** – showcasing sectors and clusters as part of wider national and regional growth narratives.
- > **Encourage more businesses to trade internationally** – recognising that this is the key route to net wealth creation and growth that is wholly additional to the UK.
- > **Develop a clear plan for inward investment which is focused on the potential of key sectors** – acknowledging the wider benefits (in terms of knowledge transfer, etc.) that might also be achieved.
- > **Make Hertfordshire a welcoming place for talent** – enabling skilled people and their families to live, work and learn locally, supported by high-quality housing, schools and services.

Wider priorities for the Local Growth Plan

Summary

The Economic Strategy is paving the way for a Local Growth Plan (and Spatial Development Strategy). Three priorities that are critical to the delivery of the Economic Strategy will need to be developed in full in this wider context. These are:

- > **Building infrastructure for competitiveness and resilience** – recognising the need for investment in power and water supply; digital infrastructure; and transport infrastructure.
- > **Accelerating the delivery of new homes** – recognising the opportunities and imperatives linked to key growth locations.
- > **Valuing the natural and built environment fully** – acknowledging both its criticality in terms of ecosystems services, but also its amenity value and its significance in terms of ‘what makes Hertfordshire’.

Alongside the five priorities at the heart of the Economic Strategy are three that – while equally important – will need to be developed further in the Local Growth Plan (and also the Spatial Development Strategy).

Building infrastructure for competitiveness and resilience

Strategic significance

Hertfordshire needs to see increased infrastructure investment of many different forms. This is a straightforward corollary of – and precursor to – accelerated economic growth. At the same time, however, far more attention needs to be paid to the resilience of infrastructure provision given the imperative to adapt to climate change and to advance the transition to net zero carbon.

This agenda is very challenging and appropriate responses will need to be developed as part of the wider Local Growth Plan. From the perspective of the Economic Strategy – and acknowledging the ‘line of sight’ between the two – the following themes are especially important.

Power and water supply

Securing an appropriate supply of both power and water is fast becoming a major growth imperative. It is critical in relation to Hertfordshire's digital infrastructure and datacentres will not be built unless solutions are found – noting that datacentres themselves have been identified as a critical national infrastructure. In this context, **there is an emerging opportunity to recycle heat from datacentres within new developments (both residential and commercial).**

It is also essential to reduce the county's dependence on fossil fuels. Some of this links to business behaviour, but there are infrastructural dimensions too. There is, for example, a need to support the development of a comprehensive EV charging network that enables the transition to an EV fleet.

Digital infrastructure

Alongside datacentres, other elements of Hertfordshire's digital infrastructure also need to be recognised.

Compared to national benchmarks, Hertfordshire's digital infrastructure is, in large part, reasonably strong. For example, in 2023, some 98.1% of premises were able to receive superfast broadband, and 83.4% of premises were able to receive gigabit broadband; this was close to (but below) the government's target of 85% gigabit-capable coverage by 2025. The corresponding figures for England were 96.9% and 76.9% respectively¹¹. In terms of mobile phone coverage, Hertfordshire is ranked as the 36th best area (out of 96) in the UK¹².

However the picture is actually complicated and nuanced. A digital exclusion index has been developed by Hertfordshire County Council. It identifies local areas across the county which are at high risk from digital exclusion. In part this relates to broadband affordability and availability, but it also reflects factors linked to demography and the ability/confidence of individuals to use digital technology.

In addition, it is important to recognise that **demands in relation to digital connectivity are continuously increasing** – across broadband and mobile infrastructures, and also in terms of smart (internet of things) technologies. Over the timescale of this Strategy, leading edge digital connectivity will be important in terms of many aspects of public service delivery as well as the operations of businesses across most sectors. The resilience of digital infrastructures is also therefore becoming increasingly critical. This will have a bearing on the productivity of Hertfordshire's economy over the years ahead.

11. [Connected Nations Report](#), Ofcom, 2023

12. See signalchecker.co.uk

Transport infrastructure

Although there is a shared commitment to sustainable transport solutions, some major transport schemes still need to be completed.

Longer term, future priorities will include:

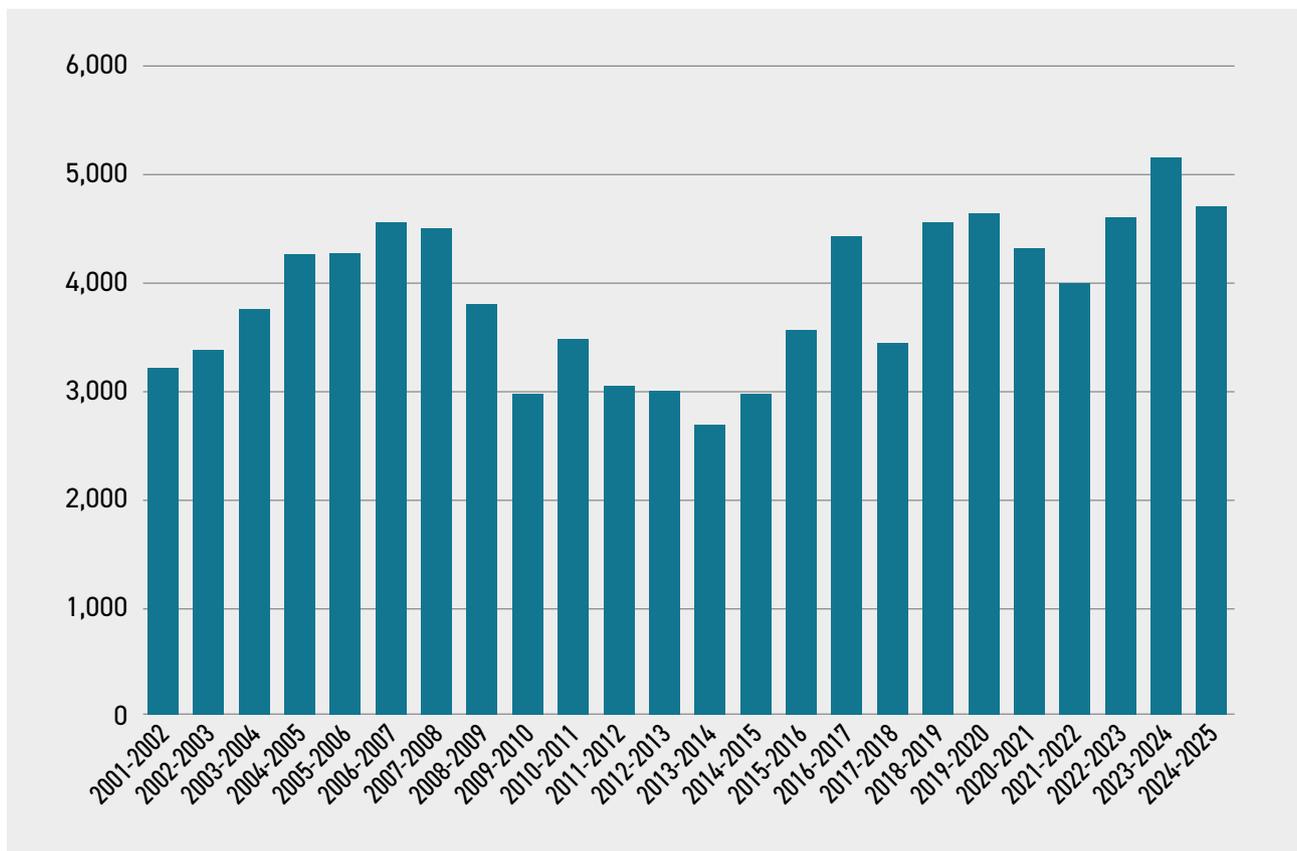
- > **delivering east-west connectivity** (potentially through the Hertfordshire Essex Rapid Transit (HERT) network) – providing connections to local and regional bus and rail networks to address east-west passenger transport challenges and connect the county.
- > **supporting the development of an integrated bus and passenger transport network across Hertfordshire** – building on the existing Bus Service Improvement Plan.

Accelerating the delivery of new homes

Strategic significance

There are currently about 517,600 dwellings in Hertfordshire. Since 2001, the average net build rate in Hertfordshire has been 3,888 homes per year. As the chart below shows, the largest number in any one year was 5,159 (in 2023/2024).

Figure 4: Housing delivery in Hertfordshire



Source: HCC Growth Annual Monitoring Report 2024-2025.

Within this context:

- > the average target from existing (adopted or Reg 18) Local Plans is 6,987 homes per year
- > the government's [housing delivery test](#) states that 10,096 homes need to be built in Hertfordshire per year.

The affordability of housing is an ongoing concern – and in parts of Hertfordshire, affordability ratios are among the most challenging nationally (outside central London). Data from ONS suggests that in Hertfordshire, the median house price is £449,950, median earnings are £39,862 and the affordability ratio is 11.29. This ratio has declined very slightly, but remains notably higher than the England average of 7.71. The inference is that the rate of house building in Hertfordshire needs to increase substantially.

The Local Growth Plan and Spatial Development Strategy will need to formulate appropriate responses. In principle, this could involve urban regeneration, urban extensions, growth corridors and new New Towns, with a particular focus on high-density opportunities adjacent to existing railway stations. Whatever the precise solution (or mix of solutions), accelerating housing delivery will be a major priority for the county.

Valuing the natural and built environment fully

Strategic significance

The strategic significance of Hertfordshire's natural and built environment is difficult to overstate. It is crucial. There are many different layers – from the amenity value it generates (and it is 'what makes Hertfordshire') to the ecosystem services that it affords (which are critical in mitigating some of the impacts of climate change) and the resource it provides for food production. It is an economic driver insofar as it links to the visitor economy and to the popularity of Hertfordshire as a setting for films and TV programmes. Beyond all of this, it is critical for mental and physical wellbeing.

Hertfordshire's natural environment includes extensive areas of designated landscape – including a large part of the Chilterns National Landscape (formerly AONB). It also has a patchwork of other designations, often at very granular scales. These include Ramsar sites, National Nature Reserves, Sites of Special Scientific Interest and Special Areas of Conservation. Hertfordshire's Local Nature Recovery Strategy (LNRS) has recently been published¹³. It is a statutory document, and it sets out opportunities and priorities for what, where and how nature might be recovered across Hertfordshire.

13. See [Local Nature Recovery Strategy](#)

LNRS priorities will need to be advanced. Beyond that – and through the lens of the Economic Strategy – the following themes are important:

- > **the value of nature should be recognised explicitly in development processes** – and appraisal techniques that recognise this explicitly should be adopted.
- > **access to nature is very important in the context of wellbeing agendas, with clear links to mental and physical health.** This should be ‘designed into’ plans for new developments – whether residential or commercial or both, and across all parts of the county.
- > **the significance – and value – of Hertfordshire’s natural and built environment should be recognised in the context of inward investment and other place-based marketing,** building knowledge and raising awareness in the process.

Towards a new spatial framework for economic growth?

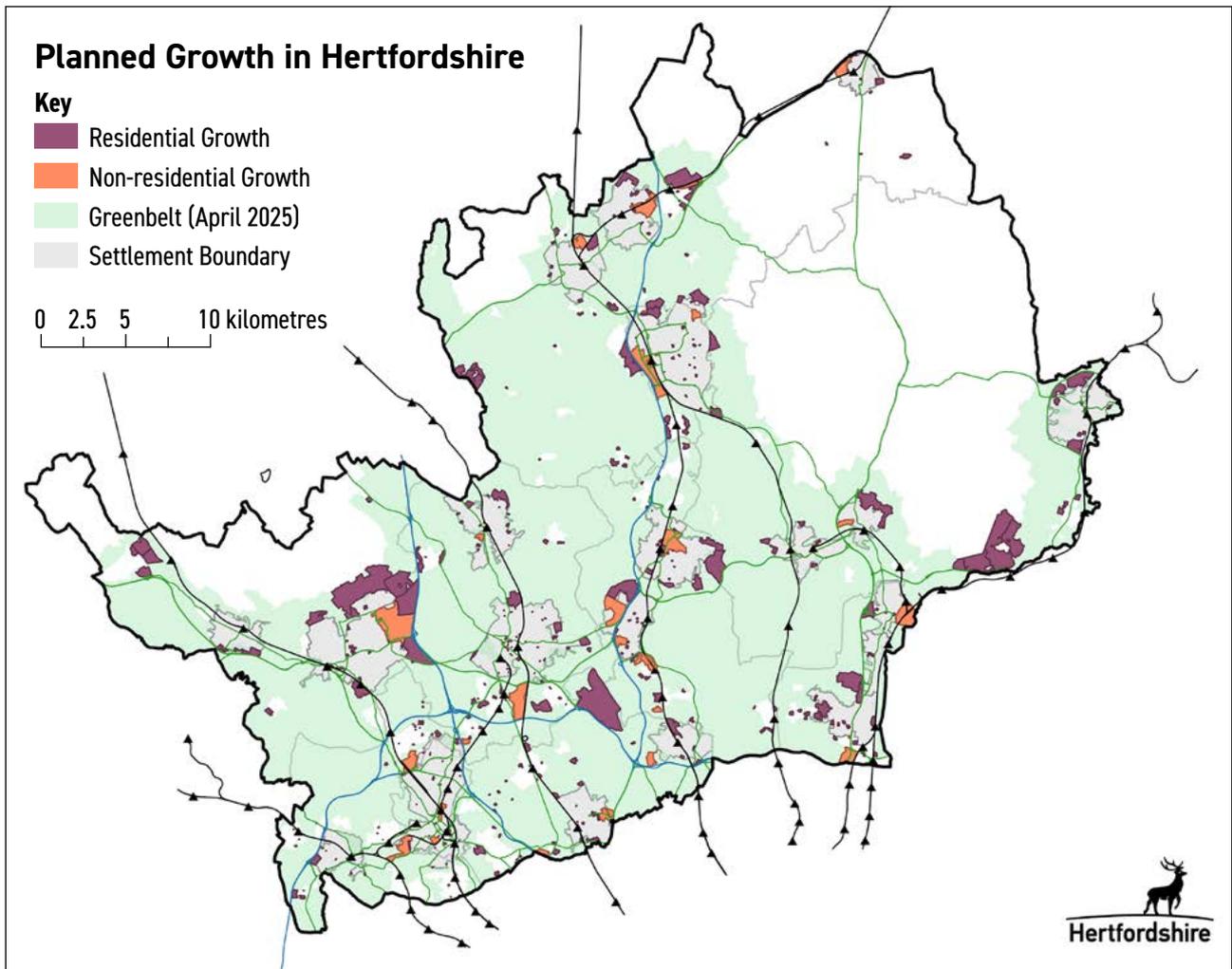
Summary

The delivery of the Economic Strategy will be shaped fundamentally by Hertfordshire's spatial planning framework. Notwithstanding progress in the development of Joint Spatial Plans, this is currently defined through ten Local Plans which result in a fragmented approach. As a basis for discussion and debate – and as an input into a future Spatial Development Strategy – the beginnings of a spatial framework aligned with the ambitions of the Economic Strategy is presented. This is driven by existing and potential infrastructure corridors, their relationship to existing and potential settlements, and by the spatial footprint of some of Hertfordshire's major sectors.

In seeking to deliver the Economic Strategy, a new dialogue around the geography of development in Hertfordshire will be important.

Progress has been made in advancing Joint Spatial Plans in both South West Hertfordshire and North East Central Hertfordshire. Nevertheless, as it stands, the current county-wide 'spatial plan' is effectively an amalgam of ten district/borough plans – some of which are dated. As a result the overall 'spatial plan' is piecemeal and fragmented. Growth is literally scattered across Hertfordshire – sustaining a polycentric pattern and perpetuating the challenges of investment and growth which are linked to it.

Figure 5: Current geography of planned growth in Hertfordshire



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Source: Hertfordshire County Council. Note that this map was produced in Summer 2025

In February 2026, government published a consultation paper on the proposed sub-regional geographies over which Spatial Development Strategies (SDS) should be produced. Hertfordshire was identified as one of those areas – on the basis that *‘there is local consensus on the geography for working together’*. The SDS will set the framework for future Local Plans, including in relation to the appropriate scale of growth and development; broad locations for growth; and associated infrastructure requirements. Responsibility for an SDS will sit with a mayoral strategic authority, or a non-mayoral foundation strategic authority, or an upper tier county council¹⁴.

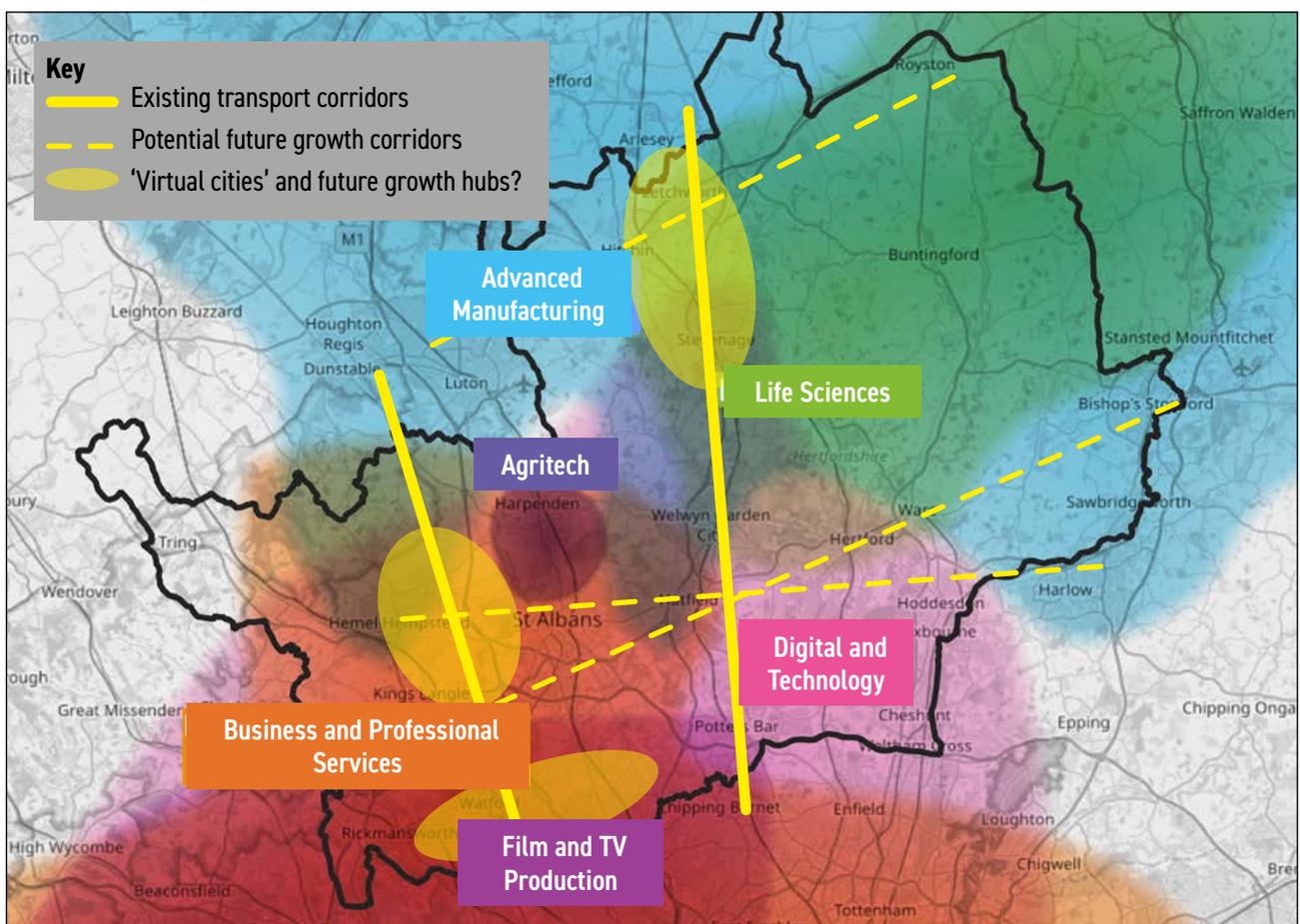
Simply as a basis for discussion, a sketch map (Figure 6) presents a spatial formulation that would be broadly consistent with the delivery of the Economic Strategy and the growth opportunities and imperatives implicit within it.

14. [See Areas for producing spatial development strategies - GOV.UK](#)

The map is informed by:

- > **the broad spatial footprints of key clusters and sectors**, noting that these often extend beyond the boundaries of Hertfordshire.
- > **the existing major road and rail corridors and the major settlements linked to them** (on the premise that growth might be possible in this context, and that development linked to railway stations has been encouraged in the proposed revisions to the National Planning Policy Framework¹⁵, published for consultation in December 2025):
 - M1/West Coast Mainline with Watford and Hemel Hempstead
 - the A1(m)/East Coast Mainline with Stevenage and three North Hertfordshire towns – Hitchin, Baldock, Letchworth Garden City.
- > **broad corridors which could – in principle – provide the focus for enhanced east-west connectivity** (the A505 in the north, and (very broadly) the A414 in the south) and, were they to do so, provide a stronger rationale for one or two new New Towns.

Figure 6: Towards a new spatial framework for economic growth in Hertfordshire?



Source: Produced by SQW using QGIS. Office for National Statistics licensed under the Open Government Licence v.3.0. Contains OS data © Crown copyright and database right 2025. Basemap from OpenStreetMap

15. See [National Planning Policy Framework: proposed reforms and other changes to the planning system](#)

The map that emerges has some logic. It creates more scale and focus and – perhaps – more legibility and coherence whilst not changing the county's essential character. It is no more than a contribution to a debate, and many other considerations will in practice need to be taken into account. That all said, this is a discussion that Hertfordshire will shortly need to have.

Making it happen – and measuring progress

Summary

The Board of Hertfordshire Futures will oversee the delivery of the Economic Strategy. Alongside new investment partnerships and new partnerships with government, Hertfordshire Futures will work closely with local partners and stakeholders (including Hertfordshire Growth Board) to ensure that progress is made. It will be accountable to the leader of Hertfordshire County Council. A series of Key Performance Indicators will be put in place to monitor progress.

The Vision at the heart of this Economic Strategy is ambitious and the intention is to make tangible progress towards it over the next decade. In driving forward delivery, two key elements are crucial: the processes of accountability and governance, and the metrics on which progress will be measured.

Making it happen

In advancing the Strategy, the **business-led board of Hertfordshire Futures** will play a key role. Its 'business voice' will be critical in relation to the Economic Strategy – both directly (as a board) and indirectly (through the many networks and relationships linked to it). The Board will need to be convinced that resources are being appropriately directed; that good investment decisions are being taken; and that overall progress is being made.

To this end, Hertfordshire Futures will want to engage with **key delivery and investment partners and stakeholders** to help implement the Strategy in economic circumstances which may well change. **Hertfordshire Growth Board** will be a key constituency in this context – as will individual **district and borough councils**. In addition, there will be a close dialogue with major organisations like **University of Hertfordshire** (and the wider **Hertfordshire Higher Education Consortium**); **further education colleges; business representative groups** (including Hertfordshire Chamber of Commerce, Biz4Biz and others); and key partners from the **voluntary and community sector**.

The board will also actively manage the use of Hertfordshire Futures' reserves in advancing the delivery of the Strategy. As set out earlier, new partnerships with investors and with government will be very important in this context.

The board itself will be accountable to the **leader of Hertfordshire County Council**. The County Council is ultimately the owner of the Vision.

Over time, arrangements in terms of governance and accountability are likely to change. This will reflect the journey of devolution. It will include progress towards both a strategic authority and an elected mayor, and also the emerging Local Growth Plan of which the Economic Strategy will be a core part. Local Government Reorganisation (LGR) will also be a factor.

Whatever the institutional arrangements, the priorities for economic growth in Hertfordshire – and the pursuit of the wider Vision which defines the essence of the Economic Strategy – will remain the overarching focus.

Measuring progress

In practice, many different factors will impact on the performance of Hertfordshire's economy and not all of them are in the county's gift to determine, not least macroeconomic and geopolitical circumstances. It is also important to acknowledge that attempts at measurement are increasingly difficult given the complexity of modern economic life. In official statistics, economic output (GVA) is for example attached to workplaces, yet much work is done at home; household circumstances may depend on many factors other than income through earnings (notably wealth); and some individuals may be able to choose not to work (so economic inactivity is a complex measure).

Nonetheless – as set out in the Vision – people in Hertfordshire should be feeling that life is tangibly better by 2036, and Hertfordshire Futures (and its wider stakeholders and partners) and HCC need to hold themselves to account.

Over the period to 2036, three headline targets have been identified at the level of the Strategy as a whole:

- > to increase GVA to £63 billion
- > to increase productivity to £85k per filled job
- > to increase the overall number of jobs in priority (IS-8) sectors to 270,000.

Looking further ahead, there is scope for sustained growth to 2050:

- > to increase GVA to £80bn
- > to increase the number of employee jobs to 800,000
- > to deliver 200,000 new homes, doubling the build rate.

The scale of ambition linked to future growth will be firmed up as the new Local Growth Plan and Spatial Development Strategy are developed.

Hertfordshire Economic Strategy 2026-2036

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