

Overview

The Hertfordshire Futures Business Intelligence Report for November highlights a strong recovery in employment post-pandemic, with a 79.8% employment rate, surpassing the national average. Unemployment has dropped to 2.2%, the lowest in 20 years. Economic inactivity has also declined, with fewer residents inactive compared to previous years. Business demography shows a positive trend, with business births exceeding deaths for the first time since the pandemic. Larger SMEs have shown resilience, and the tourism sector is nearing pre-pandemic levels. Additionally, Hertfordshire Futures and the University of Hertfordshire have joined the Space East cluster, supporting regional space industry development.

Summary

- Unemployment falls to 2.2%
- Employment rate rises to 79.8% in Jun 2024
- Despite the number of active businesses falling in 2023, there has been strong growth in the number of larger employing businesses in 8 of Hertfordshire's 10 districts.
- The proportion of high growth businesses in the county is close to the national average with Stevenage and Hertsmere outperforming the UK in the density of its high growth companies.

Hertfordshire Employment & Skills

Employment rate

- There has been a steady recovery in the employment rate in the three years following the pandemic with 630,600 of our resident adults now in work.
- This equates to an employment rate of 79.8% compared to an employment rate of 75.5% for GB as a whole.
- This is the highest rate for the 12 months ending June in recent times.
- There are seasonal fluctuations, and it may be higher in other quarters, but, compared to the corresponding period in previous years, the number and proportion of people in employment appears to be at a record high.

Unemployment rate

- In the last quarter for which data was available, there has been a continuing drop in the number of people out of work and looking for a job.

- The number of people unemployed fell from 16,800 in Jun 23 to 14,300 in Jun 24.
- The rate dropped from 2.7% to 2.2% in this period which compares with an unemployment rate of 3.7% for GB.
- This represents the lowest level of unemployment in Hertfordshire for the 12 months ending June, in the last 20 years.

Inactivity rate

- Economic activity rates have fallen slowly since 2021.
- The number of people identified as being economically inactive fell by 6,800 people to 138,200 in the 12 months ending June 2024 compared to June 2022.
- This has led to the proportion of people claiming to be economically inactive falling from 19.3% in Jun 2022 to 18.3% in June 24. The long-term trend, indicated by the trend line on this chart shows a gently declining trend in inactivity rates over the last two decades although it is higher than its lowest point in 2020 and 2021.



Table One: Jobs & Employment rate in Hertfordshire: 2005-2024

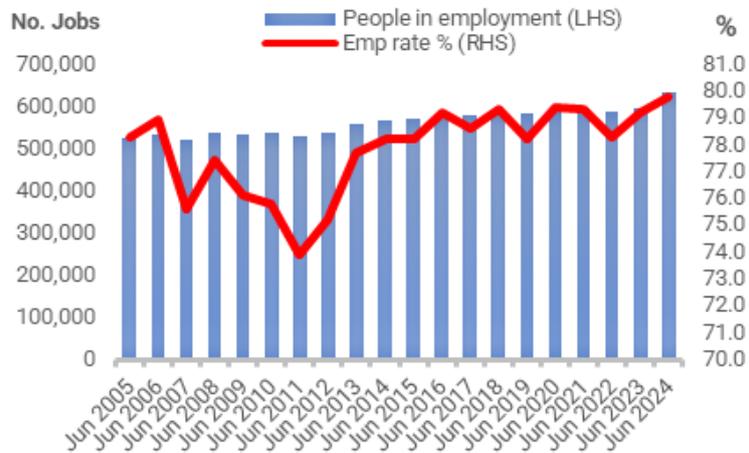


Table Two: Number and proportion of people out of work and looking for a job in Hertfordshire.

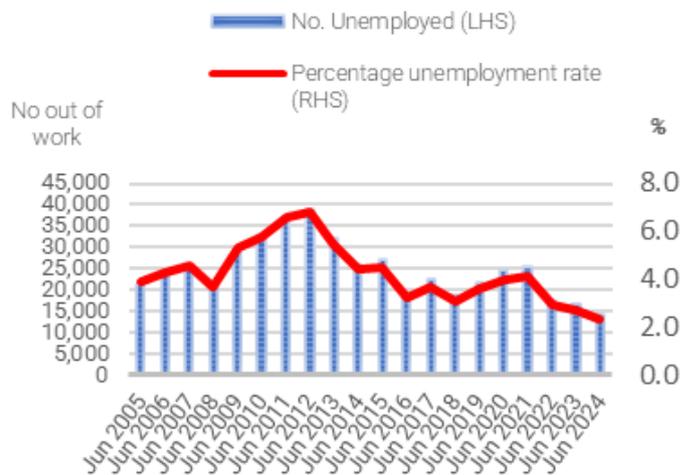
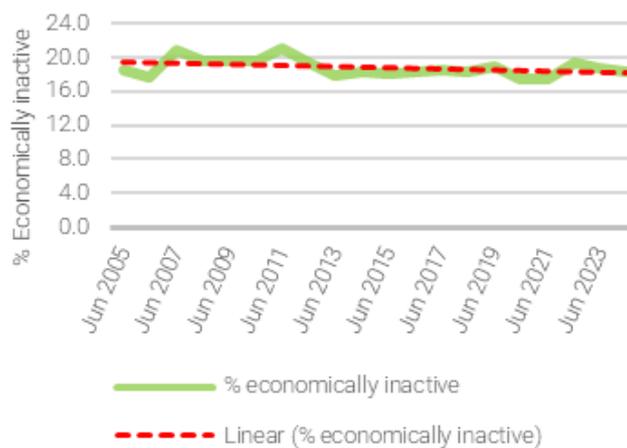


Table Three: % Adult population identifying as economically active.



Hertfordshire's Business Demography

We previously reported that a snapshot of Hertfordshire's business base in March 2024, was 7 percent smaller than in the financial year preceding the outbreak of the first covid lockdown in March 2020, and had started to recover in 2024.

Additional data published by ONS on 18th November highlighted the strains on the business sector leading up to the 2024 snapshot. Hertfordshire's birth rate since 2021 had been stable, albeit that it has been running at a lower growth rate than the UK for some time. In 2020, Hertfordshire's business death rate exceeded business births in consecutive years, leading to a year-on-year fall in the number of active businesses.

Encouragingly, there has been a slowdown in the rate of business deaths for both the UK and Hertfordshire. Business births exceeded business deaths in 2023 for the first time since the covid pandemic. In the case of the UK, the 2023 birth rate although higher than the death rate, is the lowest it has been since 2010.

Since the peak of 2019, the number of small and medium sized businesses had by 2024 increased in number, but the impact of Covid and the slowing of the economy at the end of 2023 had its biggest impact on Micro businesses of less than ten employees – the vast majority of whom are in in the 0 to 4 employees size band.

The latest business demography data for 2023 shows encouraging signs of an increase in the number of non-micro businesses employing ten people or more. The stock of larger employing companies increased in 8 of Hertfordshire's districts and suggests that larger SMEs have weathered the challenges of recent times better than smaller, nascent stage SMEs.

Only Dacorum and East Herts saw reductions in the number of larger employing businesses in their districts. Certainly in 2023, there was a much larger increase in the growth of larger employing businesses compared to the average for GB and the East of England.

That growth in larger employers also manifested itself in an increase in the number of High Growth companies. High growth, for the purpose of this publication, measures all businesses with an average growth in employment of greater than 20% per year, over a three-year period (between 2020 to 2023). The size threshold used to identify these businesses is that they have 10 or more employees.

At the UK level, out of 291,000 businesses that had 10 or more employees in 2023, 13,750 businesses (4.7%) are classed as high growth. Hertfordshire is slightly behind the UK with 260 out of 5,830 of its active larger employers identified as a high growth (4.5%).

Two districts where the county has significant growth clusters (Stevenage – Lifesciences and Advanced Manufacturing; and Hertsmere, Film and TV production) have deeper concentrations (6.1%) of high growth companies than the UK average.

Table Four:



Table Five:

Herts & UK birth & death rates	2021	2022	2023
UK birth rate	12.4%	11.5%	11.0%
Herts birth rate	10.5%	10.5%	10.4%
UK death rate	11.2%	11.9%	10.8%
Herts death rate	12.3%	11.4%	10.1%

Table Six: [Count of Active Enterprises with 10+ employees 2022 & 2023](#)

Great Britain East	2022	2023	% change on 2022
Great Britain	283,465	283,720	0.1%
East	26,855	26,905	0.2%
Hertfordshire	5,715	5,830	2%
Broxbourne	385	390	1.3%
Dacorum	735	725	-1.4%
East Herts	720	715	-0.7%
Hertsmere	635	660	3.9%
North Herts	655	685	4.6%
St Albans	755	765	1.3%
Stevenage	320	330	3.1%
Three Rivers	460	465	1.1%
Watford	535	555	3.7%
Welwyn Hatfield	515	540	4.9%

Table Seven: [Number & proportion of high-growth companies in Hertfordshire 2023 with 10+ employees](#)

	Active	Active high-growth	% High-growth
Hertfordshire	5,830	260	4.5%
Broxbourne	390	15	3.8%
Dacorum	725	30	4.1%
East Herts	715	25	3.5%
Hertsmere	660	40	6.1%
North Herts	685	25	3.6%
St Albans	765	35	4.6%
Stevenage	330	20	6.1%
Three Rivers	465	20	4.3%
Watford	555	25	4.5%
Welwyn Hatfield	540	25	4.6%

Business Intelligence

Results from independent research commissioned by Visit Herts using the industry-respected Cambridge Economic Impact Model suggests that Hertfordshire's tourism industry is nearing, and in some areas surpassing, pre-pandemic levels of activity in terms of growth in the number overnight stays and number of visitors. [See Hertfordshire 2023 Cambridge Model results.](#)

Hertfordshire Futures and the University of Hertfordshire have joined the regional space cluster network, Space East. The announcement was made on Tuesday, November 26, at Airbus Defence and Space's UK headquarters in Stevenage. In addition to joining Space East, Hertfordshire Futures are supporting the development of a collaborative bid to the UK Space Agency for Community development funding. See: [Space East Cluster expands in Hertfordshire.](#)

The University of Hertfordshire has said its new medical school will now open a year ahead of schedule, in September 2026. [University of Hertfordshire hopes to open medical school in 2026 - BBC News](#)

A £40m logistics facility can be built in Stevenage after the borough council's planning committee granted permission for it to go ahead at their meeting on Tuesday (October 29). [Hertfordshire news: £40m logistics facility to be built in Stevenage as Morrisons supermarket plan scrapped - Essex Live](#)

Private equity fundraisings in Hertfordshire in Q3 of calendar year 2024 are down compared to the same quarter in 2023. In total there were 15 fund raisings at a value of £5.74million in Q3 – including a £4m investment into Watford Football club. This compared to 35 investments in Q3 2022 at a total value of £16million. Investment activity has been muted in the last two years. In the year to date, there have been 63 fund raisings to a total value of £150million. At the end of November, this was down by 25% on 2023 levels of investment activity Source: Beauhurst.com

Hertfordshire Growth Hub in its contributions to Hertfordshire Futures has reported on the possible lack of commercial space in Hertfordshire.

A confectionary retailer which has grown from 2 staff to 18 within 2 years and now generating £ multi million in revenues has reported they are leaving Hertfordshire. The company is moving to



a location in Beds (Biggleswade) in January due to the lack of commercial property in Herts and the comparatively high price of units sq/ft.



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