

Part I
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All wards

WELWYN HATFIELD BOROUGH COUNCIL
CABINET– 8 OCTOBER 2019
REPORT OF THE CORPORATE DIRECTOR (PUBLIC PROTECTION, PLANNING
AND GOVERNANCE)

HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP (HERTS LEP)
LOCAL INDUSTRIAL STRATEGY DRAFT FOR CONSULTATION

1 Executive Summary

- 1.1 Hertfordshire LEP are tasked to drive growth and the creation of jobs, and have been asked by Government to prepare a Local Industrial Strategy to help deliver national ambitions to improve productivity and tackle future challenges. This report summarises the content of the draft strategy and sets out the Council's proposed response.

2 Recommendations

- 2.1 That members note the contents of the strategy and offer comments.
- 2.2 That members authorise the Head of Planning in consultation with the Corporate Director and Executive Member for Planning and Executive Member for Business to respond to the consultation.

3 Explanation

- 3.1 Hertfordshire LEP are a partnership between local authorities and businesses and are tasked with determining local economic priorities and activities to drive growth and the creation of local jobs.
- 3.2 The Government's Industrial Strategy White Paper was published in November 2017 and it tasks all LEPs in England to develop a Local Industrial Strategy. It asserts that the strategy should be structured around the five foundations of productivity (ideas, people, infrastructure, business environment and places) and four grand challenges (artificial intelligence and data economy, clean growth, future of mobility and ageing society).
- 3.3 Herts LEP have therefore engaged with local authorities, businesses and many other stakeholders to develop the draft strategy for consultation. A copy can be found at www.hertfordshirelep.com/media/7569/hertfordshire-lis-consultation-draft-2019.pdf.
- 3.4 It starts by identifying Hertfordshire's key challenges: that productivity has grown more slowly and declined relative to the UK average; pockets of deprivation which they describe as 'poor in a rich place'; London has grown by adding to its workforce rather than producing things more efficiently; and that the county is a net exporter of higher-skilled workers and a net importer of lower-skilled workers.

- 3.5 It identifies that Hertfordshire's economy principally relies on: life sciences in and around Stevenage, Welwyn Garden City and Hatfield; advanced engineering and manufacturing, sustainable construction such as BRE in Watford, agri-tech such as Rothamsted Research in Harpenden and film and TV in Warner Bros Studios, Leavesden and Elstree studios.
- 3.6 It recognises that Letchworth Garden City, Welwyn Garden City and Stevenage, Hatfield and Hemel Hempstead New Towns are a key part of the Hertfordshire story, that face challenges such as infrastructure, inter-generational deprivation, the mismatch between local people and local jobs and limited cultural offer but have scope to be reinvigorated for the 21st century alongside entirely new garden communities and new towns.
- 3.7 It identifies major trends that are likely to be important in the near and longer-term future: Brexit; data and digitalisation; town centres will redefine themselves as cultural experiences; climate change; efficient resource use; ageing population; millennials value experiences over things; personalised medicine and social care; and transport as a service.
- 3.8 It proposes to improve productivity and ensure that growth is more inclusive across all communities, especially in New Towns and areas close to London.
- 3.9 It envisages two probable scenarios:
- 3.10 Scenario 1 is for Hertfordshire to fulfil its potential within the Golden Triangle (by which it means London, Oxford and Cambridge): with the A1(M) emerging as a science corridor to complement overheating London and Cambridge; wider cluster development elsewhere in the county; skills provision to equip local people to access these jobs; and scope for major corporate companies to be retained and to (re)invest in the area.
- 3.11 Scenario 2 is for Hertfordshire to facilitate London's growth: with the prediction that housing and population growth will fuel job growth, that employment land will continue to be lost, that commuting rates will continue and that traffic congestion will remain a challenge.
- 3.12 It ultimately identifies one overarching theme which it calls 'Digital Foundations, Frontiers and Futures: re-inventing connectivity, potential and prospects' and clarifies that the county should harness digital connectivity in order to reduce pressure on bricks-and-mortar infrastructure.
- 3.13 It also identifies six strategic themes:
 - Old New Towns – new New Towns: Creative and aspirational communities for 21st Century – which means reinvigorating garden cities and new towns, something that is well underway in Hatfield and beginning in Welwyn Garden City with the creation of a partnership board.
 - Unlocking science-based cluster in golden triangle: life sciences, advanced engineering – which means expenditure on research and development and a science corridor along the A1(M) between Hatfield and Stevenage.

- East/West growth corridors: A414 Hemel-Hatfield-Harlow, A505 Luton towards Cambs – to offer an alternative to north-south corridors and connect strong economic locations such as Luton Airport, Stansted Airport, Hemel Hempstead Enterprise Zone, Harlow Enterprise Zone, etc.
- Space to grow: from enterprise to business in Hertfordshire – to help smaller businesses to scale-up by having grow-on land and premises available.
- “Beyond boundaries’: new relationship with London, with a focus on south-east Herts – as it is the most poorly performing part of the county.
- Creative sectors and creative people: from good to great in south-west Herts and elsewhere – which means cultural industries, film and TV activities.

4 Proposed Response

- 4.1 It is proposed that the Council responds in the following manner:
- 4.2 Thank you for allowing Welwyn Hatfield Borough Council the opportunity to comment on your draft Local Industrial Strategy for Hertfordshire.
- 4.3 Welwyn Hatfield is exceptionally well-placed in the centre of the county to contribute to its long-term growth and economic aspirations. Its towns and villages are served by the north-south A1(M) and East Coast mainline and the east-west A414 plus a number of M25 junctions. The borough contains two large employment areas in Welwyn Garden City and Hatfield which are respectively home to Tesco HQ and Ocado HQ and is also home to the University of Hertfordshire and Royal Veterinary College, all of whom are engaged in many of the sectors identified in the draft strategy. The Council is already working hard with its partners to regenerate its existing towns and town centres.
- 4.4 Overall we consider that the strategy is a strong attempt to describe and define the key economic and business characteristics of the county and to identify the themes that might guide a brighter future.
- 4.5 The strategy identifies that low productivity is a key challenge. It attempts to diagnose precisely why this is happening but is forced to conclude that it is for inter-related reasons. This means that it struggles slightly to explain exactly what can be done to reverse the trend.
- 4.6 The Council supports Scenario 1 to fulfil the county’s potential within the golden triangle (Oxford, Cambridge, London). This is far more aspirational and beneficial to businesses and residents than the second scenario, which assumes that Hertfordshire will remain subservient to whatever happens in London.
- 4.7 We agree that the county has the opportunity to take itself in an ambitious new direction, which embraces the potential of high value sectors and digital connectivity, so long as the benefits are experienced in all communities and by all residents. Significant efforts should be made to make sure that no-one is left behind. This means that the strategy must interact with bodies that deliver services such as health, education, academia, training, social care, etc.

- 4.8 We consider that the ambitions of the strategy fit very closely with the on-going work and discussions of Hertfordshire Growth Board, to guide long-term growth and infrastructure investment for the county.
- 4.9 The Council considers however that the strategy arguably contains too many visions and themes but not enough true explanation about what is going to be done, how decisions are going to be made, how businesses are going to be targeted, how skills are going to be improved, how funding is going to be invested, how Government is going to be lobbied, etc. We hope that this is a debate that will continue with councils, partners, stakeholders, businesses and others beyond the adoption of the strategy.
- 4.10 Herts LEP may wish to consider an executive summary, leaflet or publicity campaign which presents the strategy in a format that is easily digestible for the average person on the street. This is because many of the actions needed to deliver the strategy will eventually become planning applications or infrastructure projects that will be subject to public consultation, and these types of projects often generate opposition, unless people understand the reasons and the benefits of the change and disruption it will bring to their existing lives.
- 4.11 The Council would like to remain involved in the finalisation and delivery of the Local Industrial Strategy over the coming months and years and believes that it can play a key role in the overall prosperity of Hertfordshire as a place to live, work and invest.

5 Legal Implications

- 5.1 There are no legal implications associated with responding to this strategy.

6 Financial Implications

- 6.1 There are no financial implications associated with responding to this strategy. It should be noted that Hertfordshire LEP award funding and investment where it achieves their objectives. This Council has received funding for the regeneration of Hatfield town centre and the creation of HatTech business premises. The identification of Garden Cities and New Towns as important places for the future of Hertfordshire suggests that the Council could continue to be successful in securing funding and investment as it continues to re-invigorate Welwyn Garden City and Hatfield.

7 Risk Management Implications

- 7.1 There are no risk management implications associated with responding to this strategy.

8 Security and Terrorism Implications

- 8.1 There are no security or terrorism implications associated with responding to this strategy.

9 Procurement Implications

9.1 There are no procurement implications associated with responding to this strategy.

10 Climate Change Implications

10.1 There are no climate change implications associated with responding to this strategy. The strategy recognises that climate change and efficient use of resources are key challenges for the future.

11 Human Resources Implications

11.1 There are no human resource implications associated with responding to this strategy.

12 Health and Wellbeing Implications

12.1 There are no health or wellbeing implications associated with responding to this strategy.

13 Communications and Engagement Implications

13.1 There are no communication or engagement implications associated with responding to this strategy.

14 Link to Corporate Priorities

14.1 The subject of this report is linked to the Council's Business Plan 2018-2021 and particularly Priority 4 Our Economy to promote investment and regeneration, revitalise our neighbourhoods and town centres, support sustainable economic growth and be business friendly.

15 Equalities and Diversity

15.1 An EqIA was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

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Appendix 1: Council's formal response to the consultation