



# Economic Development Strategy Evidence Pack

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## Contents

The Story .....	3
East Herts Profile .....	4
1. The District and its Residents.....	5
2. Employment & Jobs .....	7
3. Skills .....	13
4. Businesses .....	15
5. Town Centres.....	19
6. The Rural Economy (Eastern Plateau) .....	20
7. The Visitor Economy.....	22
Appendix – Business Consultations .....	24

## The Story

Whilst leafy, rural East Herts is considered an attractive place to live, its poor road connections and dated stock of employment land can make it less attractive to businesses. The district's proximity to London whilst maintaining the 'rural getaway' attracts high-earning professionals to live in the area. High house prices in the district reinforce this.

Neighbouring areas to East Herts are more important for employment. Despite the fact that jobs in the district are generally in the same sector as where its residents work, there is a much greater out-flow of commuters than in-flow. As there is higher pay and a greater range of managerial and professional jobs outside of the district, many of the district's highly skilled residents commute out. Within East Herts, there are not a huge number of large enterprises with registered addresses in the area. Local units in the district are likely to be 'lower down' branches where the pay and skills requirements are lower. Consequently the skills-base in the workplace is much lower than the skills-base of residents.



The district attracts older residents and families compared to other areas. This is perhaps because of its close proximity to jobs and comparatively cheaper housing (relative to London) whilst maintaining a good education and low level of crime. However, young people seem to be driven out of the district around the age of 25. It is possible that high cost of living and a shortage of high paid jobs in the area and lack of 'excitement' (compared to London) are factors in this. This could be an issue for local businesses, as young people can often have key skills to bring to the workplace and employers could struggle to recruit for the lower-skilled professional roles in their businesses.

Bishops Stortford is a prime area for growth. However, town centres in the district are usually better equipped for serving a local market rather than a regional market and the district is not well placed for many large businesses. The nature of town centres is changing, with a declining retail offer in place of more restaurants and cafes. This has some economic benefits; the population in East Herts is greater outside of working hours and therefore town centres will have access to greater footfall at these hours, when pubs, restaurants and cafes are open to serve customers. Development of this sector will also serve the visitor economy. However, the negative impact of this is that the reduced footfall during the daytime puts current daytime operating businesses such as retail, banks and legal services at risk.

The manufacturing sector is an unusually large and growing sector in the district which is important for employment.

Overall the district is a wealthy, highly skilled district with low unemployment – even the most deprived wards in East Herts compare favourably to national averages. The skills of the workplace are lower than that of its residents. However, there is no evidence of demand for higher-skilled jobs.

## East Herts Profile

Usual Resident Population <b>143,000</b>	Resident Working Age Population <b>100,093</b> <i>70% of Resident population</i>	Residents in employment (16-74) <b>70,178</b> <i>70% of Resident working age population</i>	
Net In-commuters <b>-14,024</b>	Of which	Number of Out-Commuters <b>36,164</b> 	Workplace Population
		Number of In-Commuters <b>22,140</b> 	<b>58,180</b>
<p><b>51.5%</b> of residents (<i>in employment</i>) work outside the district:</p> <p><b>17.8%</b> of residents (<i>in employment</i>) work in <b>London</b></p> <p><b>5.0%</b> of residents (<i>in employment</i>) work in <b>Welwyn-Hatfield</b></p> <p><b>5.0%</b> of residents (<i>in employment</i>) work in <b>Harlow</b></p>			
Proportion of residents with NVQ4+ <b>50.3%</b>	<u>Top Resident Sectors:</u> Wholesale (16%) Education (11%) Professional (10%)	<u>Top Business Sectors:</u>  Wholesale and Retail Manufacturing Administrative and Support Services	
	Proportion of workers with NVQ4+ <b>33.9%</b>	<u>Top Workplace Sectors:</u> Wholesale (16%) Education (12%) Manufacturing (10%)	<i>The most common sectors in the top 50 businesses by annual turnover</i>

# 1. The District and its Residents

- 1.1. East Herts is considered an attractive place to live.
- 1.2. The largest town is Bishop's Stortford (with 38,816 residents) which is followed by Hertford (27,703), Ware (19,268), Sawbridgeworth (8,717) and Buntingford (5,581).
- 1.3. The district is a very sparsely populated area, with a population density of 300 people per km<sup>2</sup>. This places the district in the top third of the most sparsely populated districts.<sup>1</sup>
- 1.4. Whilst the age population distribution in East Herts largely reflects that of the East of England, the district attracts older residents more so than younger residents. The proportion of residents in the 45-54 year age group is higher in East Herts compared with Hertfordshire and the East of England, whereas the proportion of residents in the 25-34 year age group is lower.
- 1.5. The district has faced a greater level of ageing population than the England average between 2002 and 2012. Forecasts of further population ageing for the following decade indicate that the share of total population that is of working age is expected to decline.<sup>2</sup>
- 1.6. The car remains the major transport method for residents. Car ownership is high, with 87% of households owning at least one car. This compares to 81% of households in the East of England 74% of households in England that own a car.<sup>3</sup>
- 1.7. There has been a 47% increase in residents using the train as a major form of transport since 2001.<sup>4</sup>
- 1.8. The cost of living in the district is high. House prices are among the highest in the country; latest figures show that the average property price was £359,900. This compares to an average of £265,300 in England.<sup>5</sup>

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<sup>1</sup> 2011 Census - Population Estimates for England and Wales, Mid 2011

<sup>2</sup> Eastern Plateau Programme Local Development Strategy 2015-2020

<sup>3</sup> 2011 Census – Car Availability (from Neighbourhood Statistics)

<sup>4</sup> 2011 Census – Travel to work changes 2001-2011, ONS

<sup>5</sup> Herts LIS – House Prices 2015, October to December 2015

## Population

	East Herts	Hertfordshire	East of England
<b>Population (#)</b> <sup>6</sup>	143,000	1,154,800	6,018,400
<b>Proportion of Population aged 16-64 (%)</b> <sup>7</sup>	63.3	63.2	62.0
<b>Proportion of Population aged 16-24 (%)</b>	10.1	11.1	11.4
<b>Proportion of Population aged 25-34 (%)</b>	11.8	13.1	12.6
<b>Proportion of Population aged 35-44 (%)</b>	14.4	14.1	12.9
<b>Proportion of Population aged 45-54 (%)</b>	16.3	14.8	14.3
<b>Proportion of Population aged 54-64 (%)</b>	11.7	11.0	11.6

## Other

	East Herts	Hertfordshire	East of England
<b>Households with Dependent Children (%)</b> <sup>8</sup>	31.4	31.8	29.4
<b>Average House Prices (£)</b> <sup>9</sup>	359,900	389,900	274,700
<b>Car Ownership (%)</b> <sup>10</sup>	87%	-	81%

6 Mid-2014 Population Estimate, ONS

7 2012-based Sub National Population Projections, ONS

8 Families by Dependent Children (Census 2011) LG Inform Plus

9 House Prices in October to December 2015, Herts LIS

10 Car Availability (Census 2011), ONS Neighbourhood Statistics

## 2. Employment & Jobs

- 2.1. East Herts has higher levels of employment than the average across Hertfordshire.
- 2.2. The age profile of the district is reflected in the economically inactive population, where a higher than usual proportion is economically inactive because of retirement and a lower than usual proportion is economically inactive because they are students.
- 2.3. Additionally, a higher proportion of economically inactive residents are so because they “do not want a job” when compared with Hertfordshire and East of England levels. It is hard to break down whether this is because a job is not needed or whether there are other reasons behind it.
- 2.4. East Herts has a greater number of out-commuters than in-commuters. A number of residents find work elsewhere such as in London, Welwyn-Hatfield or Harlow. <sup>11</sup>
- 2.5. From East Herts, 51.5% of residents commute out of the district. This rate is actually lower than that of any other district in Hertfordshire. Additionally, the proportion of residents commuting to London from East Herts (18%) is below that of the Hertfordshire level (22%).
- 2.6. Around 30% of the working population of East Herts work in the district.
- 2.7. Across the whole of Hertfordshire, seven out of ten districts are net-exporters of workers. Welwyn-Hatfield has the highest level of in-commuters. <sup>12</sup>
- 2.8. Across the district, the highest level of unemployment is observed in the Hertford Sele ward at 4.6% - this is only slightly higher than the unemployment rate for England. (4.4%). The next two wards with high unemployment are Ware Trinity (3.9%) and Bishops Stortford Central (3.7%). So, relatively speaking, even our most deprived wards have low unemployment rates.

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<sup>11</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP

<sup>12</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP



## Economically Active Population<sup>13</sup>

	East Herts	Hertfordshire	East of England
Proportion of Population that's Economically Active (%)	83.7	81.5	80.0
Unemployment Rate (%)	3.4	4.3	4.9

## Economically Inactive Population

	East Herts	Hertfordshire	East of England
Economically Inactive Because of Retirement (%)	23.7	14.5	15.7
Economically Inactive Because they are Students (%)	26.8	34.8	25.0
Economically Inactive Because they do not want a job (%)	84.1	82.2	75.6

## Where do East Herts Residents work?<sup>14</sup> (Some examples)

	Number of East Herts residents working
Total working Population of East Herts	70,178
East Herts	21,543
London	12,844
Welwyn-Hatfield	3,530
Harlow	3,467
Uttlesford	3,467
Stevenage	1570
Epping Forest	1,297
North Herts	968
City of Cambridge	427

<sup>13</sup> Census 2011 - East Herts Labour Market Profile, from NOMIS Office for Labour Market Statistics

<sup>14</sup> 2011 Census – “Where do we commute to? - Commuting patterns in the United Kingdom” (from neighbourhood Statistics)

- 2.9. There are a higher than average number of residents in more managerial or professional positions
- 2.10. There are more jobs in financial & other business services in East Herts than the East of England levels.
- 2.11. The largest proportion of jobs in the district are in financial & other business services (31%), public admin, education and health (23%), wholesale & retail (15%) and manufacturing (9.3%).
- 2.12. From a separate dataset that was used in the Hertfordshire Strategic Economic Plan, the most common jobs that residents of the district have are in wholesale (16%), education (11%) and professional services (10%)<sup>15</sup>
- 2.13. On balance, the county of Hertfordshire exports people for professional, scientific & technical activities and finance & insurance roles but it imports workers into wholesale & retail, construction and manufacturing roles. Data is not yet available on the breakdown at district level.<sup>16</sup>
- 2.14. By occupation, the county of Hertfordshire exports people to work in higher level occupations and imports workers into lower level occupations. Data is not yet available at district level.<sup>17</sup>
- 2.15. The number of jobs in East Herts is expected to rise to between 71,000 and 75,300 by 2020 and to between 73,600 and 79,200 by 2030. This is only just above the working population of the district.

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<sup>15</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP

<sup>16</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP

<sup>17</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP

## Employment by Occupation (Residents) <sup>18</sup>

	East Herts	Hertfordshire	East of England
Managers, directors and senior officials	16.30	12.10	10.60
Professional occupations	28.30	24.50	19.60
Associate professional & technical	16.30	16.10	14.40
Administrative & secretarial	7.50	11.10	11.10
Skilled trades occupations	10.60	8.90	10.90
Caring, leisure and Other Service occupations	7.30	7.80	9.10
Sales and customer service occs	#	6.10	7.00
Process plant & machine operatives	#	4.10	6.50
Elementary occupations	9.80	8.90	10.60

# - sample size too small for accurate estimate.

## Jobs in the District by Industry (Workers)

	East Herts	Hertfordshire	East of England
Primary Services (A-B: agriculture and mining) (%)	0.3	0.1	0.3
Manufacturing (C) (%)	9.3	6.5	8.8
Energy and Water (D-E) (%)	0.4	0.6	0.9
Construction (F) (%)	5.4	5.6	4.8
Wholesale and retail, including motor trades (G) (%)	15.1	19.4	17.7
Transport storage (H) (%)	1.8	3.2	4.7
Accommodation and food services (I) (%)	6.7	5.5	6.3
Information and communication (J) (%)	3.3	4.9	3.5
Financial and other business services (K-N) (%)	30.9	29.1	22.2
Public admin, education and health (O-Q) (%)	23.0	20.9	26.6
Other Services (R-S) (%)	3.7	4.3	4.2

<sup>18</sup> Census 2011 - East Herts Labour Market Profile, from NOMIS Office for Labour Market Statistics

- 2.16. It can be observed from the tables on the following page that on average residents in East Herts earn more than the workplace in the district.
- 2.17. Residents in East Herts earn more on average than the East of England average. Resident earnings are of a similar level to resident earnings in Hertfordshire and outer London but less than those living in inner London.
- 2.18. The job market in East Herts is in competition with inner London, where jobs pay 30% more. Those who work in East Herts earn similar to Hertfordshire and outer London, but more than those in East of England averages.<sup>19</sup>
- 2.19. The workplace in East Herts is of a very different make up to its residents in terms of their socio-economic make-up. Despite the fact that the sectors with jobs in East Herts match the sectors for which its residents work in, many commute out of the district for jobs. Higher pay and a greater range of higher level jobs elsewhere are likely factors in this.
- 2.20. Manufacturing is an unusually large and potentially growing sector in East Herts and it is important for employment.

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<sup>19</sup> Hertfordshire: Employment issues and the Strategic Economic Plan, SWP

## Weekly Earnings (Residents)<sup>20</sup>

	East Herts	Hertfordshire	East of England	Inner London	Outer London
Full-time workers	596.4	601.2	539.1	645.2	598.6
Male full-time workers	674.6	660.1	586.8	680.5	647.5
Female full-time workers	512.6	533.5	471.7	613.1	550.0

## Weekly Earnings (Workers)<sup>21</sup>

	East Herts	Hertfordshire	East of England	Inner London	Outer London
Full-time workers	546.0	548.7	505.8	709.5	564.7
Male full-time workers	593.1	593.8	548.6	781.9	599.8
Female full-time workers	477.1	498.3	443.3	636.3	517.5

<sup>20</sup> ONS annual survey of hours and earnings - resident analysis

<sup>21</sup> ONS annual survey of hours and earnings - workplace analysis

### **3. Skills**

- 3.1. Qualification levels for residents of East Herts are well above levels for Hertfordshire or East of England as a whole.
- 3.2. However, qualifications held by the workplace are lower than resident levels. Only 33.9% of the workplace holds NVQ4 and above in the workplace compared with 50.3% of residents holding NVQ4 and above.
- 3.3. Skills deprivation across the district does not correspond with areas of high unemployment. The three wards with the lowest proportion of residents holding NVQ4 and above are Buntingford (14.1%), Puckeridge (14.8%) and Great Amwell (15.2%). These wards are categorised by very rural isolated areas as opposed to pockets in major towns where unemployment can be observed.

## Breakdown of Qualifications Held by Residents<sup>22</sup>

	East Herts	Hertfordshire	East of England
NVQ4 and above (%)	50.3	43.5	33.1
NVQ3 and above (%)	68.9	63.4	54.1
NVQ2 and above (%)	80.1	78.7	72.1
NVQ1 and above (%)	89.6	88.8	86
Other qualifications (%)	6	5.5	5.9
No qualifications (%)	4.5	5.7	8.1

<sup>22</sup> Census 2011 - East Herts Labour Market Profile, from NOMIS Office for Labour Market Statistics

## 4. Businesses

- 4.1. The tables on the following page show the breakdown of enterprises by size in East Herts to be very similar to the breakdown across Hertfordshire. It is also not too dissimilar to the East of England.
- 4.2. Across other districts in Hertfordshire, Watford and Welwyn-Hatfield have a slightly greater proportion of medium and large enterprises (by around 0.5% each) than the other districts.<sup>23</sup>
- 4.3. The breakdown of local units by size in East Herts is only slightly different compared to Hertfordshire. East Herts has more micro units and less large units
- 4.4. Looking at Inner London as a more extreme comparison to East Herts the breakdown of enterprises between the two areas is perhaps surprisingly similar. Although Inner London has nearly 30 times as many enterprises as East Herts, the distribution by size only differs by around a 2% greater proportion of small businesses and a 3% smaller proportion of micro businesses.

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<sup>23</sup> Inter Departmental Business Register (ONS)



## Business Counts (Enterprises)<sup>24</sup>

	East Herts	Hertfordshire	East of England	Inner London
Micro (0 to 9 employees) (%)	90.5	90.1	88.9	87.7
Small (10 to 49 employees) (%)	7.7	7.9	9.2	9.7
Medium (50 to 249 employees) (%)	1.5	1.5	1.6	1.9
Large (250+ employees) (%)	0.3	0.5	0.4	0.6

## Business Counts (Local Units)<sup>25</sup>

	East Herts	Hertfordshire	East of England	Inner London
Micro (0 to 9 employees) (%)	87.1	85.9	84	83.7
Small (10 to 49 employees) (%)	10.7	11.3	13	13
Medium (50 to 249 employees) (%)	1.9	2.4	2.6	2.8
Large (250+ employees) (%)	0.3	0.4	0.4	0.6

<sup>24</sup> Inter Departmental Business Register (ONS)

<sup>25</sup> Inter Departmental Business Register (ONS)

- 4.5. The most common businesses in East Herts specialise in Professional, Scientific & Technical Activities, Administrative & Support Service Activities and Construction.
- 4.6. Of the top 50 businesses (in terms of annual turnover) in the UK, none have a registered address in East Herts.
- 4.7. The company with the highest annual turnover and with their registered address in East Herts is L&L Inc. Limited, accounting for over £99k in 2013. The company is associated with Mercedes Benz sales.
- 4.8. Of the top 50 business in terms of revenue with an East Herts registered address in East Herts, 32% operated in Wholesale, 24% were in Manufacturing and 14% were in Administrative & Support Service Activities. The top manufacturing firms produce beer (McMullens & Sons), plastics (Fluorocarbon Group), chemical products (WH Palmer and Co), machinery (Hayter Ltd.) and lighting (C U Phoso).
- 4.9. At business consultations in Hertford, Ware and Bishop's Stortford, key issues raised by businesses were<sup>26</sup>:
- The decline in retail in the town centre means reduced footfall in the town centres, which impacts all other daytime operating businesses including banks and legal services.
  - There is a need for greater marketing of the area.
  - Business rates are too high.
  - There should be more support for business start-ups.
  - A greater level of business engagement is required.
  - Infrastructure needs to be improved – road, rail, parking and broadband.
  - The visitor economy is vital to businesses.

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<sup>26</sup> East Herts Business Breakfast Consultation – Hertford 12 June 2015

## Breakdown of Most Common Active Businesses by Sector<sup>27</sup>

	Registered address in East Herts
Professional, scientific and technical activities (M) (#)	1312
Administrative and support service activities (N) (#)	1070
Construction (F) (#)	954
Information and communication (J) (#)	821
Wholesale and retail, including motor trades (G) (#)	600
Activities of households as employers (T) (#)	578
Other service activities (S) (#)	483
Real estate activities (L) (#)	457
Manufacturing (C) (#)	403
Public admin, education and health (O-Q) (#)	389

## Breakdown of Top 50 Businesses (Annual Turnover) by Sector<sup>28</sup>

	Registered address in East Herts
Wholesale and retail, including motor trades (G) (#)	16
Manufacturing (C) (#)	12
Administrative and support service activities (N) (#)	7
Professional, scientific and technical activities (M) (#)	6
Construction (F) (#)	3
Financial and Insurance Activities (K) (#)	3
Transportation and Storage (H) (#)	1
Information and communication (J) (#)	1
Arts, entertainment and recreation (R) (#)	1

<sup>27</sup> FAME Businesses Database – Accessed 11/12/2014

<sup>28</sup> FAME Businesses Database – Accessed 11/12/2014

## 5. Town Centres

- 5.1. Bishop's Stortford is the district's most important employment location, due to its proximity to the M11 and Stansted Airport<sup>29</sup>
- 5.2. Hertford and Ware provide the bulk of employment stock but the towns are not considered by the market as prime commercial property locations. The employment stock serves much more of a local market than Bishops Stortford.
- 5.3. The weaknesses that town centres face are poor road links, limited parking and a dated pre-1940 stock of office space, which means the area is less attractive to many modern businesses.
- 5.4. The low demand for office space reinforces the low quality of stock, forming a further barrier to attracting businesses to the district.
- 5.5. In the Employment Land Review, most estates were ranked amber, which means they would benefit from some refurbishment, signage and branding.
- 5.6. Predicted structural change up to 2021 suggests a reduced demand for B2 (general industry), but an increased demand for B1 (offices, R&D) and B8 (warehousing, distribution). Some B2 sites could be potentially be redeveloped to make place for B1 sites, depending on the location and attractiveness of sites.
- 5.7. At business consultations, businesses identified that the decline in retail in place of a rise in the hospitality industry means the footfall in towns during the day is decreasing. This impacts other day-time operating businesses. It was suggested that increasing the number of events and community initiatives in towns would benefit towns.<sup>30</sup>
- 5.8. It should be noted that the net in-flow of commuters for East Herts is a negative value (-14,020). The sectors residents work in are generally 9-5 jobs; this would mean that the district has a greater night-time population than day-time population. Therefore, businesses that operate outside of 9-5 hours, such as restaurants and pubs, will have access to a greater population of potential customers.

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<sup>29</sup> East Herts Employment Land Review Update 2013

<sup>30</sup> East Herts Business Breakfast Consultation – Hertford 12 June 2015

## 6. The Rural Economy (Eastern Plateau)

- 6.1. East Herts is currently part of a Rural Economic Development Programme (RPDE) with Uttlesford, Epping Forest and North Herts councils. 'The Eastern Plateau' is the rural area of the four districts, comprised of small towns, villages, arable farmland, pasture, woodlands and undulating hills. The area excludes larger towns in the districts. This section shall refer to the Eastern Plateau as a whole rather than the sole rural sections of East Herts.<sup>31</sup>
- 6.2. The Eastern Plateau has a population of 148,330, making it a very sparsely populated area. The impact of this, combined with poor road networks, is that business networks will be more difficult to sustain without intervention or assistance. Additionally, professional services such as banks, accountancy and legal services, which are vital for business growth, are less accessible.
- 6.3. The economy has faced a slow rate of growth over the past decade, particularly in East Herts.
- 6.4. The economic output (GVA) per head across Eastern Plateau is lower than average for England.
- 6.5. There 218,000 jobs in 2012, which is a decline of nearly 5% since 2005. The county of Hertfordshire faced a rise over this period. There was a recovery in jobs between 2010 and 2012, except North Herts saw a further decline in jobs.

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<sup>31</sup> Eastern Plateau, Local Development Strategy, Eastern Plateau Programme 2015 - 2020

- 6.6. The Eastern Plateau is an entrepreneurial area with 54.4 enterprises per 10,000 residents. This is significantly higher than the national average of 38.7 enterprises per 10,000 residents. Business survival rates are similar to national levels.
- 6.7. There's a greater reliance on small enterprises for employment. Micro businesses with less than four employees account for 12.3% of total employment in the area, compared with 7.3% nationally.
- 6.8. Only 31.2% of employment in the area is in large enterprises with 1,000 or more workers, compared with 46.5% nationally.
- 6.9. There's a greater rate of self-employment in the district, with 13.6% of the working age population of the Eastern Plateau self-employed, compared with 9.9% nationally.
- 6.10. Small rural businesses face a challenge to compete with larger urban businesses to deliver quality, cost and customer services.
- 6.11. Agriculture & horticulture, manufacturing, constructing, accommodation & food service activities and professional, scientific & technical activities are more important sectors in the Eastern plateau than they are nationally.
- 6.12. The Eastern Plateau faces the same issues as East Herts in terms of its ageing population. The Eastern Plateau saw a greater level of ageing population than nationally. This is further forecast to be the case, which will result in the proportion of the working age population in the area falling.
- 6.13. The working age population is expected to grow at a similar level to previous years. However, the number of young people in the district is forecast to grow much faster. This will bring in new potential labour force.

## 7. The Visitor Economy

- 7.1. The main attractions in East Herts are Paradise Wildlife Park and the Henry Moore Foundation.
- 7.2. In 2014, the total number of trips to East Herts was 224,000, of which 171,000 were from UK residents and 52,000 were from overseas visitors.<sup>32</sup>
- 7.3. Visitors spent a total of 1,298,000 nights were spent in East Herts, of which 843,000 were from UK residents and 455,000 were from overseas visitors.
- 7.4. Total expenditure on visits to East Herts was over £197,341,000. An increase on 10% of the previous year.
- 7.5. Over £64,000,000 of this was on overnight stays and over £132,000,000 on day trips.
- 7.6. Of those visiting East Herts for overnight stays, 46% were for holidays, 32% were for visits to friends or relatives and 19% were on business. The split is different for UK residents and overseas visitors, where many more overseas visitors than UK residents were on visits to friends or relatives (48% against 27%) and less overseas visitors were spending holidays in the district compared with UK residents (26% against 53%).

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<sup>32</sup> Economic Impact of Tourism, East Herts District 2013 Results.

7.7. For overnight stays, serviced accommodation such as hotels and bed & breakfasts accounted for 30% of all accommodation. This made it the most important of all paid accommodation, accounting £13,454,000 worth of spending in 2013, which is 36% of all spending on accommodation.

7.8. Despite accounting for only 19% of overnight stays, business trips accounted for 28% of all overnight trip expenditure (£16,974,000).

7.9. As a breakdown of the total expenditure on visits to East Herts (£197,341,000):

- 35% was on food and drink
- 30% was on shopping
- 13% was on travel
- 12% was on attractions
- Only 9% was on accommodation.

7.10. Hence, the visitor economy is much more reliant on local day visitors than holiday makers. Accommodation plays a small role in the overall picture.

7.11. However, accommodation expenditure is the greatest expense of those taking overnight trips, accounting for 29% of overnight expenditure.

7.12. The retail offer and hospitality services play an important role in the East Herts visitor economy.



## **Appendix – Business Consultations**

East Herts arranged business consultations with businesses in the towns of Hertford, Ware and Bishop's Stortford. The following sections of this evidence pack contain the notes from these sessions.

Unless expressed otherwise, the issues discussed and the priorities listed are representative views of business in attendance and are not necessarily the view of the Council.

## **HERTFORD BUSINESS BREAKFAST MEETING**

### **NOTES FROM CONSULTATION**

**12 JUNE 2015**

#### **Background**

Mary Sykes (acting on behalf of Herts Chamber of Commerce) had been asked by East Herts Council to organise consultations with local businesses to inform the Council's new Economic Development Strategy. A meeting had already taken place in Hertford with another planned for Bishop's Stortford in early October. Mary had used her wide network of contacts to invite businesses to the breakfast meeting.

Paul Pullin (Economic Development Manager, East Herts Council) explained that EHC is seeking a light of touch, informal dialogue to help identify key priorities for the districts economy that will form the foundation of the strategy.

#### **Issues discussed**

There should be more promotion of businesses from East Herts Council. There is not enough excitement from the council. Certain areas of the town, particular on the outskirts of the town centre, get less attention.

There has been a loss of community focus in Hertford. More should be done to support the daytime economy of town. The retail offer in Hertford is poor and this ultimately affects the daytime footfall in business. Daytime events, including more regular market events, could be run again.

Business rates are high in the town.

East Herts should hold more frequent market events in town.

Diversity of businesses is low. There is a problem getting skilled people into jobs, particularly for manufacturing.

## Summary of priorities identified

- Support business networks in the town and encourage in-town investment from businesses
- Support business proposals where they add value to the local community (e.g. town events) – could there be funding support for this?
- Develop the job market for young people – more apprenticeships, graduate schemes, development opportunities. Work experience and apprenticeship opportunities in East Herts?
- Hold more events in the town and publicise external events held.
- Consider lowering business rates?
- Better parking and transport in the town?
- Invest in under-utilised areas of town?
- Greater investment in skills

## **BUSINESS BREAKFAST MEETING**

### **NOTES FROM CONSULTATION**

**14 SEPTEMBER 2015**

#### **Background**

Mary Sykes (acting on behalf of Herts Chamber of Commerce) had been asked by East Herts Council to organise consultations with local businesses to inform the Council's new Economic Development Strategy. A meeting had already taken place in Hertford with another planned for Bishop's Stortford in early October. Mary had used her wide network of contacts to invite businesses to the breakfast meeting.

Paul Pullin (Economic Development Manager, East Herts Council) explained that EHC is seeking a light of touch, informal dialogue to help identify key priorities for the districts economy that will form the foundation of the strategy.

Councillor Gary Jones attended the consultation. He is Executive Member for Economic Development and is leading the work on the new strategy on behalf of the Council and its newly established Executive Committee.

#### **Issues discussed**

The meeting covered a wide range of key issues summarised below. There was significant discussion about how young people need to be better equipped for the world of work and about the pressure that schools exert on their students to achieve examination grades and go to University. Vocational skills were considered important.

Lots of positives concerning the district were identified. Small business rate support initiatives were considered beneficial.

High levels of out-commuting, particularly to London, was a characteristic of the district, as well as changing town centres and a thriving evening economy in the towns. The district itself tended to lack a clear identity but is to an extent defined by North to South corridors.

It was felt that East Herts Council and other public bodies should seriously engage with business on a regular basis. The Council and its partners (e.g. the Local Enterprise Partnership and the Herts Chamber of Commerce) are in a good position to signpost businesses to a range of provision.

## Summary of priorities identified

- A pressing need for the right blend of workforce skills and qualities
- Support for apprenticeships and a recognition that Higher Education does not necessarily equip graduates with the work or life skills needed in the workplace
- Higher Education (particular emphases was secondary schools, their staff and careers advisors working with local businesses but this may be difficult because of financial incentives put to schools for keeping students in at A levels vs out at industry/apprenticeships)
- Improved Broadband provision in specific areas
- Access to business advice and support including grant provision and access to finance
- Inward investment, the employment land stock, the need for grow-on space and the attraction of new business to the district
- The importance of the visitor economy and the need for destination management
- The importance of East Herts as an excellent place to live and work
- Marketing East Herts should be joined up with the whole of the County. Residents and local businesses do not refer to their 'East Herts' locality when referring where based but rather 'North of London'
- Better communication for businesses about opportunities available e.g. from the Local Enterprise Partnership, the Growth Hub
- Recognition that the East Herts economy is largely of businesses employing less than 10 people
- The need for the Council to engage directly with local business on a regular basis and in a variety of ways including networking meetings, e-mail updates and new media

## **BUSINESS BREAKFAST MEETING**

### **NOTES FROM CONSULTATION**

**13 OCTOBER 2015**

#### **Background**

Janine Garner (acting on behalf of East Herts Council) had been asked to organise a consultation with local businesses to inform the Council's new Economic Development Strategy. Meetings had already taken place in Hertford and Ware and with representatives from Herts Chamber and the federation of Small Business. Janine had used her wide network of contacts to invite businesses to the breakfast meeting.

Paul Pullin (Economic Development Manager, East Herts Council) explained that EHC is seeking a light of touch, informal dialogue to help identify key priorities for the districts economy that will form the foundation of the strategy.

Councillor Gary Jones attended the consultation. He is Executive Member for Economic Development and is leading the work on the new strategy on behalf of the Council and its newly established Executive Committee.

#### **Issues discussed**

The meeting covered a wide range of key issues summarised below. There was significant discussion about the importance of more collaborative working with Hertfordshire County Council, Uttlesford District Council and Essex County Council. Bishops Stortford is perceived as slightly isolated from the rest of Hertfordshire due to poor road infrastructure linking the town to the West; business growth in the town is much more reliant on Essex to the East and other neighbourhoods along the M11 corridor. There was discussion around East Herts District Council undertaking a lobbying role as well as a service delivery role.

Incubator space for the town could be improved and it was suggested that a feasibility study should be undertaken for additional incubator space, looking beyond the East Herts district boundary. We should draw on the energy of young entrepreneurs to bring in results

It was felt that East Herts Council and other public bodies should engage with businesses on a more regular basis. The Council should work more closely with the Herts Chamber of Commerce and Bishops Stortford Chamber of Commerce, as well as neighbouring councils to deliver broader outcomes. Initiatives such as the Growth Hub can bring value to businesses but it requires greater promotion from the council and its partners. There are a number of marketing strands for businesses in the town that could all be brought in together.

## Summary of priorities identified

- There should be greater partnership working with Herts County Council, Essex County Council and Uttlesford District Council to deliver economic objectives.
- East Herts should undertake a greater lobbying role in improving infrastructure vital for business growth. (E.g. For broadband coverage, improvements to A120).
- There should be greater transparency on what each council is responsible for
- There's a big opportunity around skills and a need to work more closely with local colleges to deliver.
- Employment land needs improving.
- Parking in the town needs to be reviewed – Residents CPZ is not business-friendly.
- There's a need for more incubation space in the town for start-up businesses.
- Investigate partnerships with University of Cambridge and University of Hertfordshire to bring in new businesses.
- Collaborate with partners to take a joined-up approach to marketing of all Hertfordshire.
- Work harder to engage businesses in the growing manufacturing sector.
- Increase business engagement with retail.
- Investigate business improvement bids for Rainham Road area.
- Ensure Growth Hub is appropriately marketed to those businesses that can benefit from it.