

Draft Economic Development Strategy 2015-2020

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Setting The Scene

Watford is the largest town in Hertfordshire and the only non-metropolitan borough completely contained within the M25. The town benefits from excellent transport links, with the London Underground and Overground, West Coast Mainline, M1 and M25 all linking the borough with the rest of Hertfordshire, Greater London and the Midlands, as well as providing easy access to Heathrow, Luton and Stanstead airports. It is a commercial and retail hub at the centre of a sub-region serving approximately 500,000 people within a 20 minute travel time, and 5,000,000 within 45 minute travel time.

Historically, Watford has always been a strong location for business and industry, going back as far as the 1800's. Today the town remains a successful commercial hub and is a desirable place in which to live, work and enjoy leisure time. Local businesses are active and engaged in local governance and partnerships which help underpin commercial vitality, and the large, skilled working-age population makes a significant contribution to the local economy, as well as embracing the close links with London.

The town is currently home to around 3500 businesses with a good mix of company size and sector, with many international HQ's and a higher than average start-up success rate, and a range of businesses in between. There is representation from financial and professional services sectors, pharmaceutical, health sciences, creative media, manufacturing and retail and leisure industries, amongst many others.

Watford's town centre has attracted visitors to enjoy its broad retail offer and vibrant night time economy for decades, and recent initiatives such as the public realm enhancements, New Watford Market and comprehensive events programme have enabled the High Street to fare comparatively well during a challenging period for town centres across the UK. The forthcoming £100m redevelopment of Charter Place, due for completion in 2017, also demonstrates the town centres continued attractiveness to the market as one of the premier retailing destinations nationally.

However, looking back over the past 10-15 years, it is clear that the town has had its challenges. In the early 2000's jobs peaked at 61,370, however fallout from the dotcom boom and the departure of a number of key employers resulted in the town losing 9,250 jobs between 2001 and 2005¹. Yet Watford fared relatively well through the 2009-2013 global recession maintaining comparatively low unemployment levels, largely due to its locational strengths and the healthy breadth of sectors represented in the town. A number of initiatives were introduced in Watford's Core Strategy 2006-2031 and the Economic Development Strategy 2010 in order to boost workforce jobs, re-enforce Watford's position as a sustainable centre for employment and continue to improve the economic wellbeing of its residents. This included the allocation of Special Policy Areas (SPA's) as focus areas for future regeneration, and the formation of several major development projects to bring forward new housing and employment space. Progress has been made towards local employment targets since 2006 with a total of 56,800 workforce jobs recorded in 2014². 4,680 new jobs have been created over this period averaging 520 per year since 2005.

However, Watford does face some challenges in securing its future economic success. With a fast growing population and boundary constraints - its 93,736 residents³ are forecast to grow to 95,300 by 2021⁴ within a borough covering only 8.3 square miles - there is high

¹ Watford Economic Growth and Delivery Assessment – September 2014

² Watford Economic Growth and Delivery Assessment – September 2014

³ ONS Mid-Year Population Estimates 2013

⁴ ONS Population Projection 2014

demand for land and resources within this densely populated area. Therefore the social, environmental and economic pressures the town experiences are similar to those of many London boroughs, particularly in areas such as commuting, congestion and availability of land for development.

Current evidence suggests that despite Watford's strong economic profile, there are some underlying trends emerging that need to be addressed to ensure the town's economy remains robust in the future. The boroughs self-containment rate (proportion of residents working within the borough) fell from 49% to 37% between 2001 and 2011⁵, suggesting that the town has not been able to increase employment capacity in line with its population growth. Employment space across the borough has been eroded over the last 9 years⁶, with several factors accelerating the loss of employment space, particularly in disparate areas unprotected by policy which tend to support local employment. A recent study referred to an "acute shortage of available employment land" within the town.⁷ There is also recognition of the challenge to address national housing pressures, particularly in such a spatially constrained borough where demands for housing and employment land effectively compete. However, recognition of these challenges presents Watford with an opportunity to intervene, in order to protect local employment and introduce measures to deliver the sustainable growth of its employment base and workforce.

The major development projects outlined in the 2010 Economic Development Strategy are coming to fruition. In excess of £1.5bn of investment is happening, with both public and private funding to bring forward new employment and housing spaces for the residents of Watford. Croxley Rail Link (CRL) is a key transport infrastructure project which catalyses other developments through the green credentials it brings, increased sustainability and positive impact on commercial viability of nearby sites. Significant scale regeneration is happening within the Town Centre, Watford Health Campus, Watford Business Park and at Ascot Road, and is planned for Watford Junction. Major infrastructure regeneration is a key to unlocking local growth and there is strong support for Watford's growth plans at both a regional and national level - CRL is listed in the UK governments 2013 National Infrastructure Plan and Watford is key to delivery within Hertfordshire Local Enterprise Partnership's (LEP) M1/M25 Growth Area, leveraging maximum investment from its economically significant rail and strategic road networks.

A commonly held view of what makes a place successful in economic terms is a place which is able to continually upgrade their business environment, skills base and physical, social and cultural infrastructures so as to attract and retain high-growth, innovative and profitable firms. It is able to maintain an educated, creative and entrepreneurial workforce, thereby enabling them to achieve a high rate of productivity, high employment rate, high wages, high GDP and low levels of income inequality and social exclusion. Watford's aspirations for the future economic growth are in line with this thinking. This strategy considers how historic strengths can be maximised and future developments can enable Watford to deliver upon its ambition to remain the economic and transport hub of North West London and Hertfordshire. The priorities are:

- 1) The Sustainable Growth of Watford and its Economy
- 2) Transport & Connectivity
- 3) Inward investment & Business retention
- 4) Innovation & Enterprise
- 5) Employability & Skills

⁵ Watford Economic Growth and Delivery Assessment September 2014

⁶ Watford Economic Growth and Delivery Assessment September 2014

⁷ Watford Economic Growth and Delivery Assessment September 2014

Watford's Economy - S.W.O.T Analysis

Watford's Strengths

Location – excellent access to strategic road network and national rail connections
Resilience of the local economy through recent recessionary times
Diverse employment base - breadth of sectors operating in the town
Breadth of size and scale of businesses – international HQ's and start-ups
Large working age population
Skilled local workforce
High start-up survival rate
High levels of in-commuting
High demand for commercial / industrial premises
Vibrant and safe Night Time Economy (NTE)
Active local business community and strong partnership working
Regional retail hub and strong and expanding town centre offer
Stable political environment, with strong track record of delivery

Watford's Weaknesses

Lack of developable land to support growth
Declining containment rate – job creation growth rates slower than working age population growth rates
Recent losses of employment land to alternative uses
Shortage of high quality, fit-for purpose office space
Constraint of existing commercial space – demand forecast to outpace supply
Localised congestion at peak times
Support for growth and start-up businesses is constrained
Pockets of deprivation
Some constraints in the local labour market

Watford's Opportunities

Further exploit the towns locational USP
Working with neighbouring authorities to identify any potential for growth needs to be met outside of the borough
Maximise the economic impact of the major development projects
Re-energise the local commercial property market by kick-starting commercial development
Resist loss of future employment space and identify any new sites or those suitable for intensification
More sustainable commuting and travel through transport infrastructure investments
Town centre Business Improvement District (BID)
Improve broadband connectivity and speeds
Fresh approach to skills matching locally, working with West Herts College and Job Centre Plus
Business support – extend incubation capacity to meet demand and more specific support for growth businesses
Building on successes of existing business engagement agenda, including successful sector-led cluster groups

Watford's Threats

Insufficient new employment space coming forward in development pipeline
Further loss of existing employment land through competing residential land values
Not being able to provide the right spaces and places to attract future employers and enable local businesses to grow
External perceptions of the town and its overall offer
The ability to provide sufficient affordable housing for low income workers
Continued competition from other retail and employment centres
Growth of local skills gap as Watford homes a growing skilled population that commutes out – cannot meet the needs of local employers from local labour market

Watford's Priorities

Priority 1) Sustainable Growth of Watford and its Economy

Key Issues:

- Striking the balance between the competing pressures for residential and commercial development, and optimising the limited number of development sites in the town to better deliver sustainable economic growth
- Reinforcing the foundations for long term sustainable growth through delivery of new transport and social infrastructure, alleviating existing congestion and delivering new capacity to support growth
- Achieving 'smart growth' through delivery of the major development projects, which have the ability to bring a step change in both economic and social benefits

The Trajectory for Sustainable Growth

The limited availability of developable land is a primary challenge for Watford as the borough is so tightly restricted by its administrative boundaries. Bringing forward strategies to meet both housing and employment needs requires balanced and supporting approaches, and there is growing recognition that difficult choices will need to be made over the allocation of sites for both uses. Good progress has been made towards housing targets, with 3,300 of the planned 6,500 homes having been delivered by 2014 (period 2006-2031).

While progress has also been made towards the employment target of as defined in the Adopted Core Strategy (7,000 additional jobs to 2031), it's important to note that these targets were set at a point in time when national economic confidence was much lower.

In line with this thinking, and in light of a more positive economic outlook nationally, recent government policy has placed responsibility on local authorities to assess future economic development needs within the Borough objectively in line with the National Planning Policy Framework (NPPF) and supporting Planning Practice Guidance (PPG).

The recently completed Economic Growth and Delivery Assessment (EGDA) sets out 4 potential future scenarios for future employment space requirements. These are based on the Spring 2013 East of England Forecasting Model (EEFM), past development rates, labour supply (based on the Core Strategy Housing Target) and labour supply (based on 2012 Sub National Population Projections).

All scenarios tested under the EDGA, bar the past development rates scenario, anticipate a substantial additional requirement for employment floorspace, and in particular, office floorspace. The past development rates scenario is not considered a sustainable one to plan for as past development rates are likely to have been constrained by losses of space and supply side factors and would effectively represent an acceptance that the borough would continue to underperform economically in light of its wider potential – this approach would not be in line with national policy or the Councils own aspirations.

The study's assessment of this recent run of the EEFM forecasts that Watford has the potential to support total job growth of 13,290 over the period 2006-31, almost double the 7,000 minimum target set in the Core Strategy. The study has also concluded that 11,630 of these are predicted to be B1a or B1b office jobs.

The table below, extracted from Table 7.3 of the EGDA summarises the potential requirement in sq.m:

Scenario	Baseline EEFM (Spring 2013)	Labour Supply (260dpa)	Labour Supply (2012 SNPP)
Office Space requirement	249,510sq.m	198,190sq.m	239,815sq.m
Potential supply of office space	38,295sq.m	38,295sq.m	38,295sq.m
Surplus(+)/Shortfall (-)	-211,215sq.m	-159,895sq.m	-201,520sq.m

(extract from Table 7.3, EGDA 2014)

These new projections are not intended to replace those set out in the Core Strategy, but to ensure this strategy takes into account the most evidence at time of writing. The projections do, however, highlight the Boroughs need to protect, improve and indeed increase our stock of high quality commercial accommodation.

Delivering New Employment Space to 2031

In light of these revised economic projections, it's important to understand the Boroughs likely ability or propensity to deliver against this opportunity. The EDGA goes on to state that "the boroughs employment potential remains constrained by a number of factors." These can be summarised as:

- High land values restrict the viability of commercial development and favour residential schemes
- Total office space in Watford decreased by 6% between 2000 and 2012, whilst it increased by 15% across the East of England as a whole.
- Total industrial space in Watford decreased by 11% during the same period, whilst increasing by 4% across the wider region.
- Minimal new office space has come forward over the last decade
- Permitted Development Rights continue to threaten unprotected employment spaces
- The spatial constraint of the borough results in different uses replacing each other rather than bringing forward net new capacity
- Miss-match between jobs available (high proportion of service-related jobs) and highly qualified professional resident workforce, many of whom commute out of Watford for higher paid employment

It is important that these issues are understood and addressed if Watford is to ensure it is delivering sustainable local economic development, particularly the need for the Borough to increase the supply of new and improved employment space. This will require an adjustment to current policy approach, as discussed below.

Balancing Land Uses

Watford's Functional Economic Market Area (FEMA) is wide, reaching across Greater London and into Buckinghamshire and Bedfordshire, as well as across wider Hertfordshire. The borough remains a net-importer of labour - its location and reputation as an employment

hub means the town can attract and retain high quality employers that provide employment for populations across neighbouring districts and counties, accessing Watford via good transport links. Based on recent census data, the town supports employment for up to 2,000 residents from St Albans district, between 2,000 and 5,000 residents from each of Hertsmere and Dacorum districts and over 5,000 from Three Rivers. Thousands of workers also commute both in and out of Watford from Greater London each day⁸. Whilst being an attractive destination for workers, Watford also has a duty to support its own residents employment needs, but the decline in self-containment rate between 2001-2011⁹ suggests this is proving increasingly challenging.

The factors outlined earlier demonstrate the implications of a shortage of space on the town's employment potential. For Watford to maintain its position as a regional economic centre, delivering employment not only for its own residents but for a significant number of residents from neighbouring authorities, a fine balance needs to be struck between the competing land uses of residential and employment.

The borough also needs to strive to provide spaces for supporting services for the growing population, to meet demand for schools, local centres, green spaces and community facilities. Whilst Watford endeavours to optimise land utilisation within its boundaries, dialogue is also needed with neighbouring authorities under Duty To Cooperate, to consider how best to provide the sites to support demand from the population across the sub-region.

Central to both the challenge and opportunity in Watford is land values. Watford is a desirable location both to live and to work, so demand is high, yet space is constrained. This results in higher land values, which makes residential development more viable than office or industrial development in the short term. Whilst local commercial property agents suggest there is growing investor confidence in the town, there is still latent uncertainty which is restricting funding for new commercial developments. However recent evidence suggests that demand is very high and supply tighter than headline figures indicate, so it is possible that within 1-2 years this tight supply will push values to the level where new commercial development can occur¹⁰.

As things stand, the lack of new commercial development in the town over the last two decades has led to a stalling in the office market. Growth businesses are struggling to find the accommodation they need within the town as they expand, and natural churn is not happening because many businesses want to stay in Watford but have to remain in outdated premises due to the lack of alternative space. This has resulted in some Watford employers paying high rents for sub-standard properties. Many new leases were signed during the peak of the early 2000's, so there is likely to be a wave of lease breaks coming within the next few years. Proposed changes to the energy performance ratings of commercial buildings in 2017 also have the potential to further impede the attractiveness on Watford existing commercial stock. This trigger point will lead to employers re-evaluating their premises and location choices, and the town needs to be able to offer sufficient capacity of fit-for-purpose accommodation to secure this employment for the long-term.

In parallel there has been an erosion of existing commercial space. As an historic industrial town, Watford's employment sites are dispersed across the borough. Some areas can be logically packaged and protected as employment spaces through policy, as was done through the Core Strategy and Local Plan, but 52% of 'B Class' jobs (office, commercial, industrial) are within employment space that is spread across small sites outside of the core

⁸ Watford Economic Growth and Delivery Assessment (EGDA) September 2014

⁹ Watford Economic Growth and Delivery Assessment (EGDA) September 2014

¹⁰ Watford Economic Growth and Delivery Assessment (EGDA) September 2014

employment areas¹¹. This space typically provides employment for local residents, and is the most likely to be targeted for conversion to non-commercial uses.

Engagement with the property market through the recently formed Watford Developers Forum provides a channel to communicate with developers and landowners around current evidence and local market trends, and will help build confidence in the town's potential. However at the same time a level of intervention may be required to kick start the commercial market, in order to demonstrate the viability of commercial developments and act as a catalyst for private sector investment new commercial capacity in the town.

Smart Growth – the Role of Watford Major Infrastructure and Regeneration Schemes

Major infrastructure regeneration is often the key to delivering sustainable development, which is why the Croxley Rail Link was a critical, enabling project in unlocking Watford's future economic potential. The town strives to achieve 'smart growth', meaning that the major development projects are linked, complement each other, and the cumulative benefits are far greater than those of each individual project. The projects represent a step change in the town's development, delivering significant new economic, social and environmental benefits to Watford's residents, ranging from improved access to transport and employment opportunities for deprived communities, to expanding the retail and leisure offer in the town centre, to creating new employment spaces and therefore new jobs for local people. As a programme, the major development projects deliver a mixed composition of new employment and residential spaces, as well as servicing accommodation, including education, leisure and health facilities that are suited to the wider long-term needs of the town.

Herts LEP SEP outlines their commitment to working with WBC to achieve maximum economic impacts linked to the major development projects happening across Watford. These are recognised as significant infrastructure and brownfield regeneration schemes that will bring forward new spaces for much needed residential and commercial developments. The towns 'smart growth' approach will underpin the developments and ensure sustainability in the growth of Watford's local economy over time.

Croxley Rail Link

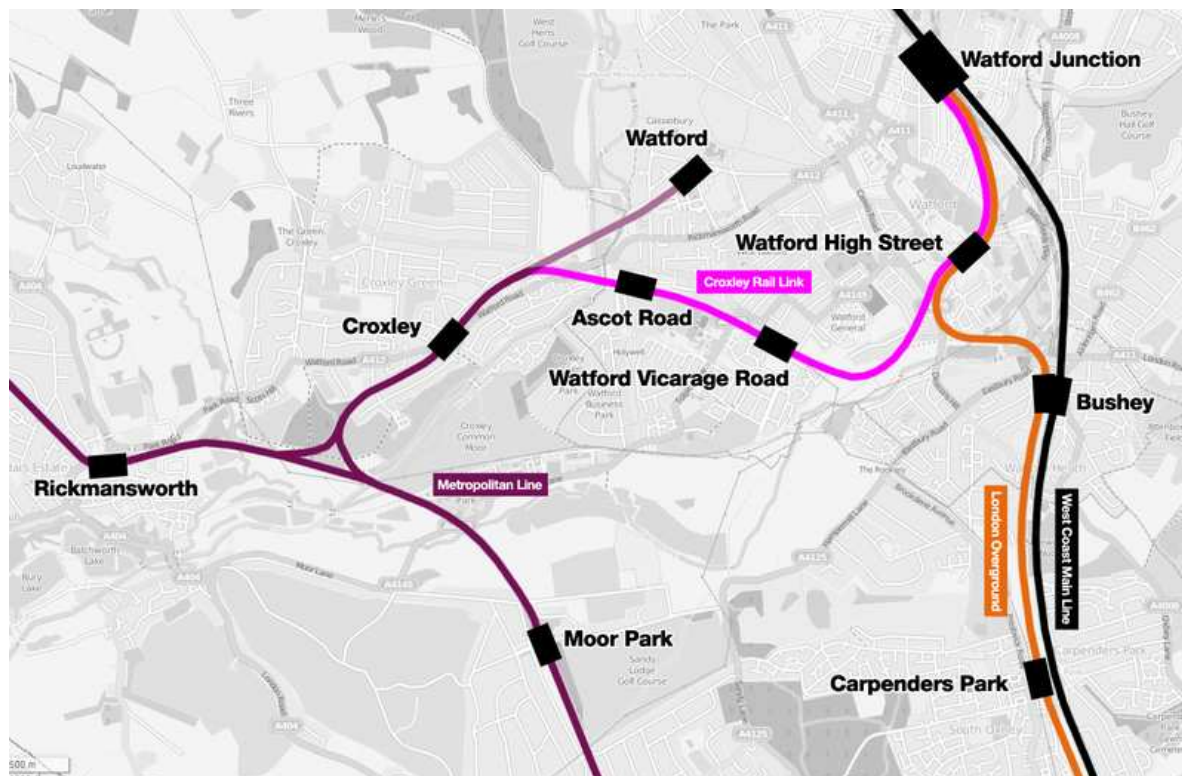
Croxley Rail Link (CRL) is a £175m investment to extend the Watford Branch of the Metropolitan Tube Line to Watford Junction via Watford High Street. Two new stations are being created, at Ascot Road – Cassiobridge Station – which will serve Ascot Road and Watford and Croxley Business Parks, and at Vicarage Road, serving Watford Health Campus and the hospital, Watford Football Club, as well as the residential areas of West Watford. The line will come into Watford High Street Station, linking the town centre, and into Watford Junction, enhancing this regional transport hub. The town will have excellent tube connectivity with 4 stations in the Borough.

Hertfordshire LEP SEP's 'game changer 2' is investing in infrastructure, and Croxley Rail Link is outlined as the highest priority. Due for completion in 2017, this is deemed a "transformational regeneration project" which will "stimulate investment in a range of complex brownfield sites across Watford."¹² CRL is a clear example of sound development and 'smart growth', as it is the thread that links Watford's major development projects together. It not only provides physical connectivity between them, it also positively impacts the surrounding land values and addresses sustainability and green travel issues that enable smart growth. It is a catalyst in unlocking the viability of other development schemes across

¹¹ Watford Economic Growth and Delivery Assessment (EGDA) September 2014

¹² Hertfordshire LEP Strategic Economic Plan March 2014

the town, resulting in new employment and residential spaces being created and existing ones refreshed so that Watford can continue to attract and retain good quality employers and secure local jobs for the long term. The Croxley Rail Link is also a committed scheme in the Governments National Infrastructure Plan 2013, demonstrating the scheme's strategic importance both locally, regionally and nationally.



Benefits of Croxley Rail Link

- Approximately 2,700 net additional households will fall within an 800m catchment area of a station
- Improved East-West public transport connection for Watford and Croxley Green
- Will provide an important public transport link for patients and employees of the existing hospital and planned Watford Health Campus
- Supports economic development in Watford by providing first class transport links to business and retail centres
- Provides an Underground rail link to central London for all of Watford's residents and will supplement existing passenger services from Watford Junction and Watford High Street. On completion of the proposed rail link up to 16 trains an hour will link the town with London

Ascot Road

This 5 acre site is adjacent to the new Cassiobridge Tube station, due to open in 2017, and was previously home to a Royal Mail depot. It is part of a broader 13 acre mixed-use development which also encompasses a new Morrison's supermarket and a primary school. CRL connectivity transformed this site from one limited to industrial or warehousing use, to a site suitable for high-quality office space. With a capital investment in excess of £100m, this offers excellent potential for major HQ office building, being located directly next to a London tube station and at the gateway to the Watford and Croxley Business Parks. Whether

occupied by a single or multiple tenants, this scheme creates a significant capacity of new, contemporary employment space, which will attract employers to the town and has the potential to support over 3,000 new jobs. The recent EDGA study referred to Ascot Road as “a good employment site”, due to its proximity to Watford and Croxley Business Parks, transport connectivity and employment capacity.

Watford Business Park

Watford Business Park, within Special Policy Area (SPA) 6 covering the Western Gateway, comprises around 65 acres in the South-West of Watford, currently supporting over 100 businesses and employing in the region of 1,200 jobs. Whilst it is a major employment area, a significant proportion of the existing properties are over 50 years old, of poor specification and are deteriorating. The supporting road and communication infrastructure is also outdated.

WBC is the freeholder, and most buildings were sold off with long ground leases during the 1950's and 1960's with little service or estate management provision. The leases have between 42 and 111 years remaining and this fragmented leasehold structure has proved a significant barrier to new investment. Existing property and land uses are also disjointed, comprising a mix of car dealerships and trade counters alongside major employers such as Beko and Prism Power. Improved transport connectivity delivered by CRL and the new Cassiobridge Station significantly elevates the strategic importance of this site, and boosts the case for redevelopment of the business park as an employment destination. However without a significant rationalisation of landholdings and uses there is a risk that this strategic site may fail to secure new businesses and employment and could deteriorate further.

WBC is working in partnership with Greenhills Asset Management who successfully manage the adjacent Croxley Green Business Park on behalf of Threadneedle Investments, to deliver the Strategic Masterplan and Regeneration Initiative for the site into which Herts LEP invested £1.5m in December 2013. Initial work has identified potential for phased redevelopment, on a site by site, opportunistic basis over a 15 year period. Intensification of the sites will provide more employment capacity, as existing land use is currently inefficient at 1 job per 76sq.m. compared to 1 job per 22sq.m in Croxley Green Business Park¹³. Preliminary assessment suggests that development values of initial phases could be in excess of £100m, have the potential to create over 1,300 jobs and bring an increase in rateable value of over £3m.

Watford Health Campus

The regeneration of this 29 hectare brownfield site surrounding Watford General Hospital and Watford Football Club has been a long term strategic objective for the town. The Watford Health Campus scheme brings together the public and private sector to transform this area over the next 15-20 years, creating an attractive new community, delivering new jobs, homes, public and green open spaces and community facilities.

Watford Health Campus' location adjacent to Watford General Hospital presents a once in a lifetime opportunity for future development of the hospital site. The £300m project will bring forward 750 new homes, including 35% affordable, and significant new business and employment opportunities with new commercial and industrial spaces and capacity for 1,300 new jobs.

Better access and modern infrastructure will reduce congestion and improve access to the site. The new Vicarage Road tube station created as part of CRL will provide good transport

¹³ Watford Economic Growth and Delivery Assessment (EGDA) September 2014

links for hospital users, residents and businesses occupying the Health Campus, as well as for the wider community in West Watford, and new road infrastructure will provide far quicker access for hospital vehicles. There new cycle and pedestrian routes will also be created. Community green open spaces are planned, and shops and community facilities are designed to build a lively neighbourhood centre.

Hertfordshire LEP have contributed £6m Growing Places Funding towards the scheme, and £7m of NHS funding has helped secure delivery of the new road infrastructure linking the hospital to the wider region. While funding is yet to be secured, Watford is also likely to see a £350m-£400m redevelopment of the hospitals clinical facilities over the coming years, to deliver improved health services for residents across wider South West Herts.

Watford Junction Interchange Re-development

The redevelopment of the area surrounding Watford Junction presents an unprecedented opportunity for the town to deliver significant new housing and employment capacity, and is critical to meeting both employment and residential targets as defined in the Adopted Core Strategy. The regeneration will deliver a high-density mixed-use scheme as well as leverage a significantly enhanced transport interchange, 1,800 new homes, employment space to support around 2,300 new jobs, as well as retail and leisure spaces and community facilities. Again Croxley Rail Link has been a catalyst for redevelopment as it improves access to the site and increases the flow of passengers through Watford Junction transport interchange.

This is a complex scheme, with a number of obstacles to overcome in making the development fully viable. New infrastructure is required in the form of an access road and a pedestrian bridge, multiple landowners bring land assembly challenges, remediation work is complex, and working across the West Coast Mainline creates physical construction challenges. Provision for a new school will also be required to support the growing local population. However, the benefit this redevelopment will bring to the town is unparalleled in both economic a social terms, because of the scale of new employment and housing capacity, and it also presents an opportunity to boost perceptions of visitors and investors of by transforming this gateway to the town.

The total development value of this scheme is likely to be in excess of £600m over a 15 year period. A phased approach will be undertaken, with the first phase deliverable by the end of 2020. Achieving a strong commercial centre at Watford Junction is essential in enabling the town to provide the employment spaces needed to secure its economic future and put growth on a sustainable footing, yet the scale of this site also enables provision for the towns housing needs alongside new employment space.

Town Centre

Watford town centre has always been a successful retail destination, anchored by what was the Harlequin centre, now Intu Watford, and was ranked 37 in the national retail index in 2008¹⁴. It plays a pivotal role in driving forward the local economy and providing around 90,000 residents and 500,000 people living within 20 minutes of Watford with a thriving sub-regional centre which meets their needs in terms of retail, business, social, leisure and cultural activities. However, Watford's national retail rank slipped to 41 in 2009 and 45 in 2013¹⁵. The town centre was highlighted as a priority area for development in 2010 ED strategy, which noted the changing nature of retailing, the challenges being faced by High Street decline nationally, and strong competition from nearby retail centres. The priority set

¹⁴ Javelin Venuescore 2009

¹⁵ Javelin Venuescore 2013-14

out to re-establish Watford as a successful and vibrant regional retail destination, with a thriving High Street alongside a one of the biggest indoor shopping centres in the UK.

The £100m+ redevelopment of Charter Place and expansion of Intu Watford, expected to be completed by Autumn 2017, will attract new major brands to the town, create hundreds of new jobs, and enable Watford to compete successfully for regional retail spend. Intu regional director Rebecca Ryman stated that the scheme will “transform the town” and considerably boost retail rankings, placing Watford “firmly in the top 20”. The redevelopment will also bring a multi-screen cinema and bowling facilities into the town centre. This will build more diversity in recognition of the need to balance retail and leisure offerings, and provide linkage between daytime and night time economies which will encourage longer dwell time, and enable families to enjoy a more rounded town centre experience.

Significant public realm works were completed in 2013/2014, with over £8m invested in the redevelopment of The Parade, creation of the Met Quarter restaurant area and the New Watford Market, as well as several smaller schemes. Further improvements are planned for other areas along the High Street. The Parade redevelopment included creation of new events spaces, and has resulted in a more European style café culture which has encouraged new restaurants to open, all bringing more vibrancy to the town and contributing to the positive link between the town's day and night time offers.

There is wide recognition of the positive impact of culture on local economies. The growing role of culture in Watford town centre, again identified in the 2010 strategy, has progressed significantly with the annual Imagine Watford Festival launching in 2011 and a year long Big Events Programme launched in June 2014. The cultural programme is being delivered in partnership with stakeholders across the town and will be carried forward by the Town Centre Partnership (formed September 2013).

The Town Centre Partnership (TCP) is the catalyst to ensuring maximum benefit is derived from recent investments and securing the town centre's sustainable future. In 2014 WBC recruited a Town Centre Manager and used £100k High Street Innovation Fund, awarded by government following the 2011 Mary Portas report, as a fund for the TCP to evidence early delivery and to support the TCP in its aspirations to develop into a Business Improvement District (BID). BID's are a proven model, and this will become the future engine for development within the town centre. There are uncertainties around the future of local authority regeneration funding, and whilst the WBC is committed to delivering a high quality of baseline services to the town centre, there is recognition that a BID would bring a level of sustainability to future funding, over and above that provided by the council, and with predictability over the 5 year BID term. This also puts the decision making about spend into the hands of those private sector businesses that will derive most benefit from future investments. The Town Centre Partnership hopes to go to BID ballot in October 2015.

The Town Centre Strategy 2013 explores the current challenges and opportunities facing the town centre in more detail, sets the direction for the TCP and considers activities that a future BID may undertake in order to secure long term sustainability. Watford's town centre redevelopment and strategy is also supported by Hertfordshire LEP's Priority 3 're-invigorating our places', which suggests that successful town centres play a key part in delivering economic growth and sustainability.

Already, however, there is a growing body of evidence to demonstrate how recent investments such as the public realm enhancements and market relocation have helped catalyse private sector investment in the town centre. The vacancy rate in Watford town centre has decreased significantly throughout 2014 and following recent dialogue with local agents, approximately 80% of the vacant units in Watford, including units which have been vacant for a number of years, are now under offer and progressing towards occupation.

While some of these new High Street tenants are existing tenants displaced by the forthcoming Charter Place redevelopment, many are new entrants to Watford.

Major Development Projects - Impact Summary

Project	Timeframe	Gross Development Value	Total Direct Jobs – excluding indirect and induced jobs	Long Term Impact (Direct GVA per annum)
CRL	Complete Autumn 2017	£175m	NA	£300m+ per annum (wider economic benefit, CRL Business Case)
Watford Town Centre	Charter Place Complete Autumn 2017	£100m+	2,220	£23.9m GVA per annum
	New Watford Market, completed 2014	£2.6m		
	Public realm enhancements, completed 2014	£4.3m		
Ascot Road	Completed 2017	£100m+	3,020	£130.8m GVA per annum
Watford Business Park	2015-2025	£100m+	1,110	£47.8m GVA per annum
Watford Health Campus	2015-2025	£300m+	1,280	£41.4m GVA per annum
Watford Junction redevelopment	Phase 1 2017-2020	£600m+	1,910	£86.2m GVA per annum
	Future phases to 2030			

Accommodating Positive Growth

Watford's Major Development Projects created an ambitious yet achievable framework for development across the town. Following many years of under investment, these bring a unique opportunity for the town to re-establish itself as a regional economic hub, secure a sustainable future, and enable the creation of new commercial spaces. This increased supply should ease the pressure on land values, encouraging redevelopment of existing commercial spaces and further new development. These projects are the foundations for achieving both the employment and housing targets set out in the Core Strategy.

The trajectory for growth outlined in 2006 was robust. Yet both the local and national economy has changed significantly over the last 9 years. Local population growth has accelerated far faster than projected by the ONS; the growth in Watford's working age population has been significant and is forecast to increase further. It is prudent to take

account of new evidence as it emerges and adapt evolving strategies accordingly. The 2014 Watford EGDA suggested that even taking into account all of the new employment capacity planned for through the Major Development Projects, Watford will still have a shortage in capacity of both commercial and industrial space¹⁶.

Within the context of accommodating a positive floorspace requirement for both office and industrial uses over the plan period, the EDGA outlines a number of (but not mutually exclusive) options for the Council to consider, both as part of its ongoing site allocations work, through Local Plan Part 2, and wider policy formulation.

- Major Development Projects
Assess the allocation of employment space within the major development projects and identify any scope to increase capacity, or intensify development
- Resist loss of employment space in the future
There has been “significant loss of employment spaces over the last decade”¹⁷, so sites should be reviewed and new policy protection introduced where appropriate. Also the Article 4 Direction on Clarendon Road could be extended to other employment areas.
- Allocate new employment sites
The Watford EGDA recognises that “as a tightly constrained and under-bounded borough, new development sites are limited”. However, all new potential for both employment and housing within the borough needs to be identified and assessed. Any new employment sites should seek to benefit from Watford’s strong transport links and be located close to established employment areas where possible to capitalise upon critical mass and cluster effects as well as existing amenities and facilities.
- Intensification of existing sites
Better utilisation of the existing office and industrial stock could be achieved through gradual redevelopment of individual plots. In major employment areas policy could attempt to reduce encroachment of non ‘B-Class’ uses which tend to produce lower intensity of job creation.
- Assume (and plan for) needs to be met elsewhere
 - Duty to Cooperate arrangements could enable consideration of how needs could be displaced to adjoining local authority areas that fall within the boroughs functional economic market area (FEMA).

Planning for the long-term sustainable future of the town requires vision beyond the major development projects. Refreshment and re-invigoration of the town needs to be an ongoing process if sustainability is to be achieved in Watford’s growth and resilience secured in its economy. A continual process of monitoring and improvement will keep the towns offer fresh for visitors, residents and businesses and in doing this, the next wave of private sector led development projects will emerge. Sustainability runs through all of the priorities in this strategy, which are interlinked, and all contribute to delivering long term sustainable economic wellbeing for the borough.

¹⁶ Watford Economic Growth and Delivery Assessment 2014

¹⁷ Watford EGDA 2014

Priority 1 - Emerging Actions

Action	Partners	Milestones
Enter discussions with neighbouring districts within Watford's FEMA, under Duty to Cooperate, to consider how land for future employment and residential uses could be better provided through a joined up approach across districts.	Neighbouring Local Authorities Hertfordshire County Council	
Accelerate and where appropriate, consider intensification of the Major Development Projects.	WBC Watford Health Campus LLP Developers Landowners	
Improve policy protection for small local employment areas – extend policy protection to all viable employment areas in the town, including potential extension of Article 4 Direction to remove Permitted Development Rights from strategic employment sites.	WBC – Planning Policy	
Within Local Plan Part 2, identify on any potential new employment sites through Site Allocation work.	WBC – Planning Policy	
Identify other existing employment sites suitable for upgrading/intensification.	WBC – Planning Policy	
Working with landowners to overcome obstacles and bring forward a viable Watford Junction redevelopment scheme.	WBC Network Rail Landowners Hertfordshire County Council Hertfordshire LEP	
Work with Greenhill's Asset Management to rationalise landholding in Watford Business Park to enable new investment and upgrading of outdated commercial stock.	WBC Greenhill's Asset Management	
Commission a detailed assessment of the viability of commercial development in Clarendon Road compared to other commercial areas, and also into wider blockages in the office and industrial markets across the Borough.	WBC Hertfordshire LEP Watford Developers Forum Landowners	
Continued sector engagement with local property market through the Watford Developers Forum.	WBC Local Development Sector	
Support for the TCP and its proposed progression to a BID as the engine for future development of the town centre.	WBC Watford Town Centre Partnership	

Priority 2) Transport and Connectivity

- Maximising Watford's location strengths and reinforcing the towns role as a regional transport hub for London and South West Hertfordshire
- Planning for and delivering improvements to transport infrastructure and services in order to continue to attract investment and secure high-quality long-term employment
- Supporting sustainable travel through local, regional and national transport connections, and delivering improved access to employment, leisure and community services

The Role of Transport in Local Economies

Watford's location and transport infrastructure continues to be one of its primary assets. Transport and connectivity has a direct impact on an area's economic competitiveness as it facilitates the free flow of goods, services and people. This strategy considers the impact of current schemes, but also points to the next wave of transport and infrastructure projects needed to sustain the borough over the longer term.

Transport investments unlock local economic growth in many ways:



Sustainable Transport Infrastructure to Support Future Growth

Watford was the first district in Hertfordshire to justify a specific Growth and Transport Plan (GTP), largely in recognition of the urban nature of the borough and growing evidence to suggest that where green and sustainable forms of transport are introduced, modal shift occurs and local people start to use them. The role of the town as a sub-regional transport hub also requires that bespoke infrastructure planning is undertaken. The 2014 GTP considers the impact of the current major development projects, but also provides initial scope to support future investments, and links into Hertfordshire LEP's Strategic Economic Plan (SEP). It seeks to ease constraints and increase capacity on all transport modes, particularly on road and rail networks which are used by the majority of commuters. In a spatially constrained borough which is part of a highly congested region, improvements in transport infrastructure are a positive investment in the long-term sustainability of the local economy.

The 'smart growth' approach interlinks investments in transport infrastructure and development of employment spaces. Major employers expect to be located on strategic sites that are close to transport hubs. Where there is a cluster of company head quarters, as there is in Watford, the nature of their operations means that they draw skills from a wide catchment and visit other sites nationally, and internationally, therefore strategic transport connections are needed to support this. This impacts how sites are allocated, as the sites with the best access to good transport infrastructure will attract and retain good employers, whilst sites outside the immediate vicinity of a transport connection may be more suited to residential uses. This highlights that it is not simply about having the number of sites for employment, sites also need to be in the right location in terms of transport connectivity to achieve the full employment potential.

M1/M25 Growth Area

Hertfordshire LEP considers investing around transport hubs as the key to unlocking local economic growth, setting out three growth areas in its SEP, each linked to major road and rail arteries. Watford is at the heart of the LEP's proposed M1/M25 growth area. Whilst transport links are deemed good, the region experiences heavy congestion, particularly on its road networks and on mainline rail routes into London Euston. Herts LEP refer to "the chronic congestion facing much of the county"¹⁸ partly as a result of Hertfordshire claiming "2% of the national population, 1.3% of the land and nearly 3% of all national vehicle miles"¹⁹. Significant population growth and the lack of investment over recent years has helped build the case for new infrastructure projects to support future economic growth within the region.

Croxley Rail Link is the primary infrastructure investment for Hertfordshire LEP over coming years as it delivers the wide scale economic benefits discussed in the previous chapter. Whilst the Metropolitan Line is already a core part of Watford's existing transport infrastructure, the extension gives Watford's business and employment areas far greater accessibility to labour and services both locally, and from a wider catchment. CRL opens up transport interchanges, commuter routes and travel choices at a neighbourhood level, across the region, into London and nationally.

The improvements in congestion will be realised through increased travel choices for local communities – a journey from Croxley Green to Watford Junction will take 12 minutes – and residents will have greater transport access to employment, but also to health, education

¹⁸ Hertfordshire LEP Strategic Economic Plan March 2014

¹⁹ Hertfordshire LEP Strategic Economic Plan March 2014

and leisure services. CRL delivers improved access to economic opportunity communities across the borough.

Long-term sustainable economic benefits of CRL:

- Catalyst for creation of new employment and housing spaces by improving the viability of brownfield regeneration schemes
- More high quality employers attracted – improve local employment offer for high skilled workers and reduce out-commuting
- Better strategic connections - direct connectivity to London and interchange at Watford Junction for the Midlands
- Improved local connectivity – better local access for residents to key employment and leisure areas, enhancing quality of life
- Expanding the labour market and encourage inward investment – a wider catchment of skills and labour for current and future Watford employers
- Encourage sustainable commuting – modal shift away from the car
- Reduce congestion by improving and introducing new public transport links
- Increase business productivity by reducing journey times and congestion, and delivering agglomeration benefits

Links with London

Being inside the M25 and with strong transport links, the town offers an excellent location for businesses requiring close proximity to London, but without the overheads a London location commands. Hertfordshire LEP outlines its ambitions around 'Harnessing our relationships with London'²⁰ and Watford is perfectly placed to do this. The existing transport network enables 47% of working Watford residents to commute into Greater London and around 27% of those employed in Watford commute in from London, enabling great cross fertilisation of skills and knowledge between the two centres. Watford benefits from a wide range of businesses re-locating outside of London as they grow, bringing a wealth of diverse employers into the town.

Good transport links encourage inward investment, but they also enable local skilled workers to commute out to other areas. A factor in the decline of Watford's self-containment rate is the increasing number of high-skilled workers commuting out of the borough for higher-paid work. But also over the same period the number of in-commuting workers originating from London has increased by 13%, highlighting the growing economic and spatial connectivity between Watford and the capital. The implications of this are discussed further in the Employability and Skills chapter.

Watford Junction

Watford Junction is the gateway for London commuting, and also for sub-regional and regional commuting. It is a key enabler to Watford's role as a regional employer. The station currently provides an interchange for West Coast Mainline and Virgin train services into London Euston and out across the Midlands towards the North West, connections to Gatwick airport and Clapham Junction, London Overground services and local train connections to St Albans and the Chilterns. From 2017 it will also connect with the London Underground Metropolitan Line through CRL.

The strategic importance of Watford Junction is increasing, linked with the impact of the major development projects. It acts as the entrance to the town for workers, and business and leisure visitors, and facilitates the flow of investment. It is the point at which many

²⁰ Hertfordshire LEP Strategic Economic Plan March 2014

people form first impressions of Watford. A recent capacity study suggesting that the 6.9m people travelling through this interchange is forecast to increase organically, but also that CRL will bring an additional 1.6m people per annum through the station by 2017. There is already overcrowding at peak times so increased patronage will result in additional pressure on the existing facilities and services. Enhancements to the station itself are essential in supporting this forecast growth in capacity and to cater for the needs of the town and its commuters over coming decades. In line with a 'smart growth' approach, regeneration is linked to surrounding schemes, and transformation of this interchange in turn improves the viability of adjacent land, making the location increasingly attractive as an employment location. An improved interchange would also provide an opportunity to improve permeability through the site and into the existing Imperial Way/Colonial Way employment area, significantly improving its pedestrian and cycle access from the station itself.

As discussed in the last chapter, regeneration of the wider site is critical in meeting Watford's employment and housing targets. Hertfordshire LEP has stated its commitment to working with Watford Borough Council to achieve maximum economic benefit from the developments related to Watford Junction

Improved Services

The government is consulting on the Rail Utilisation Strategy which considers a broad range of UK wide rail improvement programmes and rail services, including schemes like HS2 and Cross Rail. Some of these have the potential to impact on Watford Junction. Any impact from other schemes needs to deliver net additional capacity to support future economic growth, and not lead to displacement of existing services. Another consideration is the pressure to increase the movement of freight by rail in order to alleviate road congestion. If this were to compromise Watford's inter-city or commuter rail connections it, could potentially inhibit local growth.

Some of this current constraint is legacy from the 2008 timetable changes which reduced the number of trains stopping at Watford Junction. There have recently been some positive increases with Southern Services delivering more capacity in 2014 and London Overground trains increasing the number of carriages. These measures attempt to maximising potential from existing infrastructure, but new infrastructure is required to support future need. This strategically important interchange must have sufficient services and capacity to support the growing local and regional economy.

Watford's Transport Investments

CRL and Watford Junction are the two most significant investments in transport infrastructure to support growth; however, there are several other schemes detailed in the 2014 GTP, at various stages of planning and feasibility, which will support growth in the local economy by improving accessibility and reducing congestion..

The next wave of transport schemes to support growth

M1 Junction 5 – Major Highway Maintenance

This scheme will improve signalling and provide additional capacity at this key motorway interchange. Improving connectivity here would help unlock economic growth in many of the ways discussed at the beginning of this chapter, and will also influence the towns ability to attract and retain international businesses due to improved access to the major airports.

Watford Junction: Colonial Way Link Road

A key element to unlocking the potential of the Watford Junction regeneration scheme is this link road. It would connect the A4008 at Stephenson Way (which links to the M1 J5) and the A412 St Albans Road, including crossing over the St Albans branch line.

Watford Health Campus Link Road

A new access road will open up the Health Campus site and create a bus-only link to Willow Lane. This will connect Wiggshall Road and Dalton Way, providing access to the M1. The primary purpose is to provide better strategic access to the Watford General Hospital, enabling it to service a wider population across the region, but it will also provide access to new homes and businesses and alleviate congestion around the local area.

Western Gateway: Tolpits Lane Link Road

Watford Business Park is currently only accessible from the North of the site. This scheme would open up access from the South, alleviating congestion at the current access points, including Rickmansworth Road, and improving current constraints on vehicular flows in and out of the park. It would help deliver productivity gains and cost reductions to businesses in Watford and Croxley business parks. This road is linked to delivery of the overall Watford Business Park regeneration project discussed in the last chapter and again demonstrates 'smart growth' with transport investments supporting sustainable redevelopment of employment spaces.

Abbey Line Upgrade

A feasibility study is being undertaken to assess various improvement options for the rail line connecting Watford and St Albans. These include rationalisation of stations including potential for a new station near to the Dome roundabout, conversion to light rail and connecting to Euston post 2026. The study also assesses conversion to guided bus and extending the line into St Albans city and Watford town centres.

Dome Roundabout

This busy interchange experiences heavy congestion at peak times, particularly on the A41 and A412. A number of improvement options are currently being considered.

Local road junction improvement schemes

There are a range of schemes proposed to improve capacities and flows of traffic around many of the town's major road arteries and junctions. These include several along both the A411 and A412, maintenance of the A41, improvements around Bushey Arches, and at road junctions between Eastbury Road / Brookdene Avenue, Vicarage Road / Wiggshall and the A41 / Hartspring Lane.

Access to the town centre will be greatly improved through CRL connectivity, and this has been a major catalyst for the Intu expansion. Improvements in transport help connect employers to the labour market, but also give local people better access to leisure opportunities so that spend is reinvested in the local amenities rather than in competing centres. Enhancements in local travel amenities such as bus services, cycle routes and pedestrian areas all contribute to improvements in access to amenities for local communities, and provide critical connectivity particularly in the parts of Watford where up to 40% of residents do not have access to a car²¹.

The Watford Urban Futures Transport Package, supported by Hertfordshire LEP provided funding for Watford Business Park pedestrian and cycle access enhancements, and for low

²¹ 2011 ONS car ownership data

cost travel alternatives to access key areas of growth and employment in Watford. The influence of local transport on inward investment should not be underestimated – employers are highly concerned by how easy it is for their staff to get to work because this affects their ability to attract the required levels of skills into their businesses. If journeys to work are too difficult, they will not be able to recruit and retain the staff they need to operate, and this will ultimately determine where they locate. Ensuring appropriate travel-to-work schemes are in place is a key component in retaining good local employment. These can be varied, but could include park and share schemes, or priority bus and business routes, as well as improved cycle and pedestrian access.

Better transport links encourage inward investment, support business retention and enable workers to access employment, all of which help contribute to the local economy and improve containment rates, which then in turn, reduce congestion. The linkage between these factors is what helps build sustainability.

Emerging Actions

Emerging Action	Partners	Milestones (to follow)
Lobby for new rail services through Watford Junction to deliver increased capacity, and more interchanges across Watford's wider transport network of rail, road and tube routes.	WBC Herts LEP Network Rail London Underground HCC DfT Local Businesses Developer, investors and landowners	
Lobby for local transport improvements targeted at congestion in the main road arteries connecting the town	WBC Herts LEP HCC Local Businesses	
Lobby for more local transport schemes, bus, cycle and pedestrian, particularly to better connect deprived areas to employment opportunities, leisure and community services	WBC Herts LEP HCC Local Businesses	
Mitigate against the effects of the major development project construction phases on local transport routes	WBC HCC	
Plan for and deliver the next wave of transport schemes to support growth	WBC HCC Herts LEP	
Work with the Town Centre Partnership to introduce an improved Town Centre Parking Strategy	WBC Watford TCP	
Utilising Watford's unique transport strengths as a lever for inward investment and business retention	WBC Chamber of Commerce Herts LEP	
Ongoing updating and delivery of the Council's Infrastructure Delivery Plan	WBC HCC	

Priority 3) Inward Investment and Business Retention

- Making sure Watford has the right places and spaces to retain and attract Watford's current and future employers
- Improved promotion of the town as a place to do business
- Ensuring Watford has the right services and processes to embrace business investment in the town

Watford's ability to attract good employers and ensure they remain within the borough, providing long-term appropriately skilled employment for local people, will affect sustainability in the local economy. In order to do this, the right business accommodation needs to be available. Watford has been successful in securing a number of major employers from across a range of business sectors, and in nurturing and growing a strong SME base. However, recent evidence has suggested there has been a decline in both the quality and quantity of commercial and industrial space in Watford, in contrast to the wider regional trend²². This could affect the towns' ability to compete to attract good employers in the future, despite its locational strengths. Once businesses are located in the borough, the right environment needs to be created to promote and support growth, in order that they remain in Watford and provide long-term employment.

Watford's Employment Spaces

Watford has seven main commercial and industrial employment areas: Clarendon Road / Station Road, Watford Business Park, Ascot Road, Colonial Way / Imperial Way, Greycaine Road / Odhams Industrial Estate, Sandown Road and Fishers / Wighenhall Road which will become part of the Watford Health Campus employment area. These areas account for around 48% of 'B Class' jobs (office, commercial, industrial) and 24% of total jobs in the borough. The remaining 52% of B Class jobs is spread across smaller disparate sites which span the borough. Recent evidence suggests that there continues to be high demand, but that there is insufficient supply of good quality spaces, as outlined in Priority 1. Outside of B Class jobs, retail is the dominant employment sector, supporting significant local and regional employment in the town centre and is forecast to bring forward substantial additional employment potential through the Charter Place redevelopment, with new jobs in the retail, leisure and food and drinks sectors.

Industrial Market

Watford is home to a diverse range of businesses involved in a wide spectrum of industrial activities, and several specialist manufacturers are based in the borough including DDD Ltd, Prism Power, Sigma Pharmaceuticals, Siemens and Teledyne TSS. Demand is high due to Watford's M1/M25 location, and the vacancy rate has remained comparatively low at around 7.5% for some time²³. However this persistently low rate has had the adverse effect of preventing the churn, intensification and upgrading of existing sites that would be expected to take place within a normal market environment. Therefore many of Watford's industrial sites are dated and poorly specified, with businesses remaining in properties longer than they might otherwise because of the lack of alternative accommodation. This does however evidence Watford's strengths as an employment location, as businesses are often prepared

²² Watford Economic Growth and Delivery Assessment (2014)

²³ Watford Economic Growth and Delivery Assessment (2014)

to pay similar rents to neighbouring areas for what in reality is sub-standard premises, in order to remain in the town.

Local agents suggest that a continued lack of supply will severely impede Watford's future economic growth potential²⁴. New industrial sites are sorely needed in order to decant existing businesses and allow redevelopment and reconfiguration of older sites to better meet future need. However, this requires new development land to come forward which is highly constrained. Whilst some new capacity will be delivered through the major development projects such as Watford Health Campus and Watford Business Park, without a significant step change in policy it will be difficult to protect against further loss of employment space. If losses continue the net result may be that no new capacity is created in the town despite the major development projects, and the gap between Watford's ability to create jobs and growth in its working age population continues to deepen, putting further pressure on commuting, congestion and local labour markets, and undermining the towns aspirations as a regional employment hub.

Office Market

Clarendon Road is Watford's prime office location. The office stock here is a mixture of relatively new high quality offices and older secondary space. Major employers KPMG, TJX Europe and FIS Global are located on Clarendon Road, whilst other big employers including HSBC, Hilton Worldwide, Majestic Wine and Weatherspoons are located in employment areas across the town. Property agents suggest that the office market has improved recently and there is a growing investor confidence in the town²⁵.

However, a residual market uncertainty has resulted in minimal new office space being developed over recent years, and there is still a significant challenging in funding office developments, undermining the short term viability of bringing forward new schemes. Vacancy rates are around 15% (down from 24% in 2010), but more detailed analysis shows that this drops to only 4.1% when considering vacancy of high-quality space²⁶. This constraint in the office market is resulting in similar problems to those in the industrial market, where many businesses find themselves locked into outdated premises due to lack of alternative space. Market feedback suggests that growth businesses struggle to find new premises to accommodate their expansion locally, and so are inclined to move outside of the borough. Again, the lack of new space coming forward is restricting the necessary churn in the market which would ordinarily allow upgrading or intensification of existing sites. There is growing evidence of a level of market failure in the local commercial property market, particularly with regard to office development.²⁷

High land values present both opportunities and challenges, but could lead to further erosion of Watford's existing office stock, particularly where older premises are below short term viability for organic commercial redevelopment and residential development is more feasible. If sites are bought at a value which only makes residential viability possible, commercial redevelopment will be significantly compromised. WBC introduced an Article 4 Direction on Clarendon Road in order to protect the office accommodation from switching to residential use, but these pressures are being felt across the borough, particularly if premises stand vacant for any period of time. The recent EGDA assessment suggested that it is possible that the tight supply may push rental values to a level where development is viable if sufficient land can be made available to accommodate growth. Headline rental values on

²⁴ Watford Economic Growth and Delivery Assessment (2014)

²⁵ Watford EGDA 2014

²⁶ Watford EGDA 2014

²⁷ Watford EGDA 2014

Clarendon Road are currently £20-£22 per sqft²⁸ and market feedback suggests that values of £25 per sqft would be the trigger point for organic commercial redevelopment. In parallel to this, market feedback also suggests that if a new block were to come forward on Clarendon Road this could break the market deadlock by providing new capacity to support natural churn and demonstrate viability of commercial space in this location, both resulting in a kick-start to the market.

Hertfordshire LEP is committed to working with WBC to achieve “maximum economic impacts”²⁹ linked to Watford’s major development projects. In order to do this, pre-existing issues in the commercial market need to be addressed, and then appropriate levels of employment space need to be delivered through these schemes. Even with protection of existing sites and delivery of new spaces through the major development projects, forecasts indicate that there will still be a shortage of capacity in the commercial market if jobs are to be created in line with working age population growth. Therefore, and as stated under Priority 1, dialogue is also needed with neighbouring districts to consider how new employment and residential space is provided for local people in the sub-region in the longer-term.

The wider context of this is the growing body of evidence suggesting that if adequate space cannot be provided in the Watford area, it is often the case that the businesses will tend to focus their search on other regional centres such as Milton Keynes, Slough, Maidenhead or Reading – this potentially represents not only lost economic opportunity to Watford, but to the wider sub-region. Securing Watford’s employment position is therefore strongly in the interests of the wider sub-region due to the large volume of residents from neighbouring districts that are employed in the Watford.³⁰

It is also worth noting that in practice the employment area in which Watford operates extends beyond its boundaries, which are little recognised by local businesses. Immediately beyond Watford’s boundary are a number of industrial estates, including several developments on Tolpits Lane and also on Otterspool Way. There are commercial office locations at Croxley Green Business Park and also at Leavesden, all of which are seen as Watford locations by many businesses – for this reason, it can often be the case that Watford’s wider role is underplayed. This reinforces Watford’s strategic role in the heart of this economic sub-region.

Promoting Watford

Watford’s historical strengths as an employment, retail and transport hub has created a reputation for the town as a good place for business to locate. There is an opportunity, however, to extend and enhance the marketing and promotion of Watford as a regional hub, but also profiling the town’s major development projects and wider quality of life offering.

Watford has always experienced strong success with companies seeking relocation from London, and this will continue as firms look for the cost efficiencies to be gained from a strong edge of London commercial and transport hub. However the towns appeal extends beyond this and Watford attributes enable it to continue to attract inward investment on a national and international basis, as well as through exploiting links with London.

²⁸ Watford EGDA 2014

²⁹ Hertfordshire LEP Strategic Economic Plan March 2014

³⁰ Watford EGDA 2014

Town Centre

Watford's town centre supports a significant level of employment particularly in the retail and leisure industries. Recent pressure on the retail sector and high streets nationally has led to the closure of businesses in many other town centres. But Watford has fared well. As a result of the investment discussed in the first chapter, this national trend has been reversed locally, with many new shops and food businesses opening on the High Street, and new brands are being attracted into the expanded Intu Watford. This is a very positive position for the town and is boosting local employment as well as create an even more vibrant town centre. New businesses need to be secured in the town and an environment created in which they can trade successfully. The creation of the Town Centre Partnership in 2013 and potential future Business Improvement District provides a vehicle to help achieve this, as it brings those businesses together to plan for future success collectively, and decide how to invest in the town centre to provide a sustainable long-term trading environment.

There are also a number of office sites within the town centre that provide employment. If the Town Centre Partnership is successful in securing a BID, these would be inside the proposed BID area. Any future BID Board will shape the future of the town centre and have an influence over how these premises are retained and marketed as employment spaces. There currently is a challenge with many vacant upper floors. Consideration is needed of how best to utilise these spaces which have the capacity to contribute towards either employment or residential targets, yet both present their own individual challenges. The spaces may require investment to make them fit-for-purpose for business which could lead to viability challenges, whilst residential uses is already proving problematic due to conflict with existing town centre uses, particularly Night Time Economy. Together stakeholders and the TCP / BID Board will seek to establish right approach for the town centre and wider borough.

Business Retention

Once businesses are located in Watford, proactive business retention is needed to secure this employment for the long-term. Watford is considered a positive place for businesses to operate, indicated by an active local business community and engagement in local governance and partnership activities. Ensuring the town remains conducive to local business operations will help sustain a strong employment base. There are many measures that can be introduced that support business retention locally, for example.

- Engaging major employers: active engagement with existing major employers to identify any barriers and provide assistance where possible. Watford's Big Business Connect, established in 2013, provides a forum to engage and support the top 30 employers in the town.
- Planning for growth: identifying high growth local companies and planning for growth with them. The Business Growth Forum is a forum well suited to extending this activity within the town.
- Ease of engagement with the local authority: Hertfordshire's Better Business For All initiative encourages a more open and supportive approach by local authorities when assisting with regulatory matters, in order better meet the needs of businesses.
- Business Charter: Watford will create a business charter to outline commitments to support local businesses and create a framework for simple engagement with the council.

- Local supply chain: active promotion of the local supply chain helps stimulate demand and supply, and therefore growth of locally based businesses. WBC is in a strong position to lead by example in supporting local supply chain, and can influence how the requirement to support local supply chain is embedded in to contracts. With the scale of development in the town there is scope to seek commitments from the developers involved in these schemes, and also to consider how this could be further encouraged through planning policy.

Emerging Actions

Emerging Action	Partners	Milestones (to follow)
Continue and strengthen local business groups such as Big Business Connect and the Business Growth Forum	WBC Chamber of Commerce	
Extend marketing of the town, specifically marketing opportunities around the major development projects and further enhance the Watford For You brand	Chamber of Commerce Watford For You Big Business Connect Business Growth Forum	
Support the HCC Better Business For All initiative	HCC	
Create a Watford Business Charter	Big Business Connect Business Growth Forum Chamber of Commerce	
Lead by example by further supporting local supply chain through procurements and policies, and through greater application of 'social value'.	HCC Chamber of Commerce	

Priority 4) Innovation and Enterprise

- Supporting Watford's entrepreneurial and innovative local economy
- Ensuring the right spaces, advice and guidance are available for both start-up and growth businesses within the town
- Nurturing the local business environment and supporting initiatives that help our local employers improve their productivity and competitiveness

Watford is, and needs to continue to be a place where businesses thrive and grow. Increased productivity all creates positive impact on local economies, enabling firms to employ more people and retain more spend within the local economy. Watford has a strong track record in nurturing enterprise and fostering entrepreneurial activities; this can be strengthened and extended to meet the growing local economy and needs of Watford businesses.

Start-ups and Entrepreneurism

Watford has a higher than average start-up success rate and an established culture of entrepreneurial activity. The Borough supports high levels of business start-up rates, with 93 new VAT registered businesses per 10,000 working-age inhabitants in 2010, which is much higher than county (81), regional (61) and national (59) average³¹ However, Watford performs slightly less well in terms of business survival rates, with 43% of new start-ups surviving at least five years in the Borough. This compares with 44% across Hertfordshire, 46% across the wider East of England and 44% across the UK as a whole

Social enterprise Wenta (Watford Enterprise Agency), now the leading provider of business support across Herts, Beds and Bucks, has been successfully providing help and guidance to local businesses for over 30 years. They have made significant progress in improving business survival rates through the support they offer to start-up and small businesses. In 2010, with support from WBC, they launched the My Incubator service at their site in Colne Way, Watford. This initiative is designed to provide physical space and mentoring support for start-up businesses in those critical early stages of operation. My Incubator has proved a great success. Since it opened, the Watford Incubator has helped 665 businesses start up; they have run 161 courses which have helped train 1214 clients and they have held over 3700 1:1 advisory sessions. Clients who have received intensive support through the Incubator have a 96% survival rate after the first year.

Support for start-up businesses is critical. According to the office of national statistics 1 in 7 people now work for themselves. There are 4.54 million self employed people in the UK, a figure which is up 8% on 2013. The biggest rise being the over 50's where the figures are up 35% on 10 years ago. If this trend continues, support for these entrepreneurs in terms of advice and suitable start up premises will be key to helping the local economy prosper and grow.

However, the current Wenta premises are dated, comprising a mix of old industrial units along with some more modern office units added in 2004. Despite the age of the premise Wenta has been operating at near full capacity for some time. There is a great level of need in the market, but scaling up services to meet this high demand in the existing location is challenging. Wenta's ability to grow, extend support to more entrepreneurs who need it, and

³¹ Watford 2014 EGDA

to provide contemporary office space for start-up businesses, is restricted by the physical space they are operating in. New facilities are needed in order to scale local start-up support services to meet increasing demand, and offer more fit-for purpose high-quality space.

Nurturing Growth Businesses

Whilst Watford supports a good number of knowledge-based activities compared to the wider region and nationally, it is less well represented than other areas in the sub-region, suggesting neighbouring local economies are better placed to harness and benefit from these growth sectors³². However, this may reflect the fact that Watford is home to a greater share of larger employers (many of which operate in knowledge-based industries) compared with other authorities in the sub-region that are characterised as having a greater SME business base. The town has always achieved resilience from its healthy spread of sectors, yet specific focus on further developing knowledge-based activity will help embed sustainability within the towns economy, and will complement the capability in nearby areas.

The creative economy in Watford is considered to be relatively under developed given the close proximity to London and the commercial and lifestyle benefits this offers.³³ However, Watford's Cultural Plan suggests that there is "considerable scope to bring the sector up to and beyond the national and South East average". The programme of cultural events and creation of new cultural spaces, launched in 2013, gave a boost to this aspiration. In addition the success of Warner Bros Studios Leavesden is making a significant impact on the growth of this sector within the town, particularly in local supply chain businesses. Watford's Creative Industries Networking Group was started in 2012 and has proved highly successful as a forum which brings together local businesses in the creative sector to share best practice and promote growth of the sector.

SMEs are widely recognised as the growth engines of the UK economy, and are expected to deliver much of the employment growth during the ongoing economic recovery. Small, growing businesses face specific challenges which need to be supported in order to retain them within local economies. Providing the quality and quantity of fit-for purpose work spaces to support these companies as they grow will with help Watford's small businesses survive and thrive. The significance of this was highlighted in the previous chapter.

Effective signposting for all local businesses, but particularly for SME's and growth businesses is essential to ensure companies can access the support that they need. Rationalising support services and bringing them into single point of local access would streamline services and make them more accessible to firms. This could provide a single point of access to a wide range services from business support and mentoring, to regulatory advice, education, finance, premises, and skills. Providing signposting to apprenticeship schemes will enable firms to harness the skills needed to operate, and awareness of business support programmes could identify financial investment schemes.

Hertfordshire LEP SEP outlines the county-wide initiative "Hertfordshire Business Growth Programme", intended to support growth businesses and the proposed Hertfordshire Growth Hub is intended to provide access to knowledge and expertise to help drive better performance. Wider promotion of these initiatives and improved signposting would better enable for Watford's growth businesses to access sources of support available in the region.

³² Watford EGDA 2014

³³ Watford EGDA 2014

Improving Competitiveness

Watford has an active business community which participates in local forums, partnerships and governance structures across the town. This culture of positive business engagement is one to be strengthened and extended to benefit the wider community of local businesses. This involvement by local companies helps create a more competitive environment for all business to operate in, by removing barriers to trade and pioneering new initiatives to increase productivity for local businesses. Examples of this are the Business Growth Forum, a group of local businesses committed to improving Watford's overall competitive business environment; Big Business Connect, a forum of Watford top 30 businesses; and the Town Centre Partnership, a group of town centre business leaders introducing a Business Improvement District to boost that specific trading environment.

Whilst Watford's diversity of sectors has added resilience to the local economy, a number of specialist sectors also operate within the town. Two sector specialist networking groups have emerged, CING, the Creative Industries Networking Group, and PING, the Pharmaceutical Interest Networking Group. Hertfordshire LEP has stated its commitment to nurturing networking to support growth, and PING in particular is well aligned with their SEP priority around 'Global excellence in Science and Technology'. These groups both aim to promote best practice and knowledge share between local specialist companies, which helps improve their competitive positions in both national and international markets, and embedded the strength of these sectors within the local economy. There is potential to support other sector aligned forums to come forward and evolve within the town.

Watford and West Herts Chamber of Commerce is an active and dynamic chamber offering a range of support services to help businesses operate and compete effectively in local, national and international markets. Membership enables businesses to access specific expertise and advice around all business functions. Networking is also a core part of the Chambers' offer, bringing local businesses together to connect and build relationships that foster mutual growth.

There are a range of active networking groups operating within Watford, each with a slightly different offer, so something suited to all types of business. The Federation of Small Business (FSB) is very active locally, providing comprehensive support and engagement with national agendas. Networking groups like BNI and Business Buzz offer diverse ways for businesses to connect for mutual benefit. Engaging with these groups proves an excellent way for local authorities to improve communication and extend links with local businesses. Regular participation could better enable WBC to deliver against several of its economic development priorities by improving signposting and communication, and could give a mechanism for more structured feedback from a wider range of local businesses.

Watford town centre is the heart of the town, and the local business community has come together to creating the Town Centre Partnership in order to secure the long term future of the town centre, as discussed earlier in this document. Improving the competitiveness of Watford's Town Centre as a regional destination for retail and leisure is a key objective of the TCP and any future BID. Watford's forecast rise in retail rankings will be one of many indicator of success. Footfall is also a key metric, and WBC and the TCP are jointly investing in a footfall counting solution, due to be in place by Christmas 2014, in order to assess pedestrian flows around the town. This will give robust metrics to evidence the impact of investments made, particularly for events. This will also aid future decision making about areas for investment.

As Watford seeks to improve the promotion of the town and enable businesses to adapt to changing trends in consumer behaviour, particularly in the retail sector, the need for wireless internet connectivity in the town centre has become more evident. There is a growing

expectation for people to connect to the internet wherever and whenever they want, at no cost. For business, this transforms the way they can engage their customers, bringing vast opportunities for innovation in how they attract and retain customers, and drive efficiencies through their organisations. WBC, working with local partners is seeking to introduce WiFi to the town centre in late 2015. In parallel to this many business areas outside of the town centre are struggling to operate with poor internet connectivity, due to the lack of super fast broadband being available. WBC is exploring ways to improve broadband speeds and download capacities in business areas either through fibre or wireless connectivity. There is also the potential to introduce this key infrastructure to business areas across the town

Watford has approximately 22 local or neighbourhood centres across the Borough which have a key role to play in serving residential areas across the borough. These range in size and scale, some distributed along major arterial routes such as St Albans Road, and other serving specific local residential catchment areas. The success of these local centres is key in providing access to particular types of convenience retail offers and service that are best delivered near to residential, and therefore reducing impact on local congestion.

Emerging Actions

Emerging Action	Partners	Milestone (to follow)
Working with stakeholders to investigate ways to improve accessibility to start-up business support, and enable services to scale to meet growing demand within the market	Wenta Chamber of Commerce Business Growth Forum Herts LEP	
Improve local signposting to support for small and growth businesses	Chamber of Commerce Business Growth Forum	
Signposting for local businesses to the Herts Growth Hub	Herts LEP	
Identifying Watford's SMEs with most growth potential and facilitating links to appropriate support to nurture growth	Chamber of Commerce Business Growth Forum Herts LEP	
Support for sector specialist local networks	CING, PING, Chamber of Commerce Business Growth Forum	
Local networking groups supported	Herts LEP Chamber of Commerce Watford's range of networking groups	
Support Town Centre Partnerships development towards a BID	TCP	
Wireless broadband connectivity delivered – WiFi in the town centre and community areas and business quality broadband into major employment areas	TCP Watford Community Housing Trust West Herts College Safer Watford	
Footfall counting solution implemented in town centre	HCC TCP	

Priority 5) Employability and Skills

- Working with local employers to deliver the right labour pool to support private sector job growth
- Ensuring local residents have the appropriate skills to access the new jobs being created
- Addressing gaps in the local skills market that have knock on effect on the overall sustainability of the local economy

Watford has a large working-age population and a skilled local workforce. These strengths have contributed to the town's economic resilience over recent years and has positively influenced inwards investment and the town's appeal to businesses. At a county level, Hertfordshire LEP's SEP recognises that whilst the wider working age population is generally well qualified and headline indicators for economic activity and employment rates are strong, this masks some underlying issues in the labour market. In Watford this is evidenced through a miss-match between jobs available (high proportion of service-related jobs) and highly qualified professional resident workforce, many of whom commute out of Watford for higher paid employment³⁴. The decline in self-containment rate has highlighted the need to better connect the skills of local people to the jobs available, which in turn would improve pressures of commuting and congestion. Also, within Watford there remain small pockets of persistent or entrenched unemployment, primarily in the more deprived areas of the town.

Unemployment

In economic terms unemployment is lost productivity. Whilst it clearly also has wide ranging social implications, equipping unemployed groups with the skills needed to return to the local workforce will help provide more capacity in the labour market and build in more stability in the local economy. Unemployment levels in Watford have historically been comparable to the regional average, but lower than the national average. The number of Job Seekers Allowance claimants fell by 34% over the last year. 22% of claimants are considered long-term unemployed, but targeted schemes such as 'work coaching' for this group are proving to have some success and should be supported and extended where possible.

Unemployment in the 18-24 age group fell from 3,085 to 2,030 between 2013 and 2014; in the 25-49 age group from 620 to 390; and in the 50+ age group from 645 to 485. Whilst these figures are very encouraging, there still remain a number of people out of work with the potential to respond to effective schemes aimed at re-engaging them in economic activity. A consideration when assessing Watford's unemployment figures is whether or not they are wholly representative of borough residents, as many job seekers from outside the borough register in Watford due to the good employment potential and number of employers located here – this again reinforces Watford's role in providing employment for many residents beyond its statutory boundary.

The forthcoming changes to the benefits system and introduction of Universal Credit is expected to make it easier for people to access short term and flexible employment opportunities, because of the removal of the 16 hour threshold in place with Job Seekers Allowance. Local partners have suggested that they expect to see an improvement in how people can access work opportunities, partly due to new automation within the system, and also because benefit payments will be able to supplement low pay regardless of hours worked.

³⁴ Watford 2014 EGDA

The Hertfordshire LEP SEP outlines its 'Foundations for growth' initiative which considers the localised pockets of chronic disadvantage and poor performance in the county, and seeks to enable individuals to develop skills needed to progress within the workforce. Watford supports this programme, and will work with the LEP to deliver initiatives that help bring Watford residents back into the local workforce.

Skills Provision

Good education provision facilitates development of skills within the local population, but also influences inward investment. Employers will make location choices based on skills within the local labour market and also on the quality of local school provision for families of their staff. Watford has 23 primary schools and 8 secondary schools³⁵, many of which are rated 'Outstanding' by Ofsted, and also West Herts College and Watford UTC providing a range of academic and vocational education options up to the age of 18. With the town's population growing fast, there is a need to work closely with HCC to ensure adequate sites are available for education provision in order to retain the boroughs reputation for outstanding schools and colleges. There is also scope to engage employers in education more actively at an earlier stage, developing the links to employment earlier in the education process, inspiring young people about future workplace opportunities across Watford's Functional Economic Market Area (FEMA) and improving alignment of the skills being developed to better meeting employers future needs.

West Herts College has strong links with local businesses and highly regarded work placement and apprenticeship programmes. Development of workplace skills is embedded throughout their range of courses to ensure students leave not only with good qualifications, but also with the attributes needed in the work place. They work closely with local employers to identify skills required, seeking to match their requirements with strong student candidates. Watford UTC is underpinned by the UTC models core principle of developing technical work place skills and close alignment with local employers. Watford UTC is supported by local companies Hilton Worldwide, Twin Technologies, Watford Football Club, CAE Technologies, The Grove and Warner Bros Studios Leavesden.

However despite these strong and varied education offerings and their active approach to business engagement, there are indicators pointing to a skills gap both across the county and locally. Hertfordshire LEP reports that 79% of Hertfordshire businesses experience skills gaps amongst their employees.³⁶ This highlights the scale of challenge for businesses in sourcing not only the quantity, but also the quality of skills they need to operate their businesses at optimum productivity. There is a growing body of evidence from Watford employers who have expressed similar challenges, suggesting they are struggling in particular to fill low-skilled posts. This is driven by a disconnect between local supply and demand, but specific challenges also exist, for example small businesses, which make up a significant proportion of the local and national economy, are less able to plan for recruitment and skills development. Another consideration is that the economic activity rate (i.e. the proportion of working age residents either in or seeking employment) in Watford at 88.9% is higher than both the regional (80.3%) and national (77.4%) figures. This suggests that limited capacity exists to expand local labour supply from current residents³⁷.

This all points the need to create a Watford Skills Board to enable those experienced in the field to take a more joined-up and effective approach to improving the connection between employers needs and local skills. A Skills Board would have a remit to assess the local skills

³⁵ <http://www.watford.gov.uk/ccm/navigation/education-and-learning/schools-and-colleges/>

³⁶ Hertfordshire LEP Newsletter September 2014

³⁷ Watford 2014 EGDA

gap, review current provision and make recommendations for future interventions. The benefit of doing this collaboratively is to maximise impact, achieve better scale of resources and bring a more cohesive engagement with local employers, ultimately achieving a better outcome for Watford businesses and residents.

The remit of this board could include:

- Commission a detailed labour market analysis - quantify the gap between supply and demand
- Identify ways to extend programmes intended to re-skill Watford's unemployed population and to re-engage residents in the labour market
- Highlight any overlap between providers and identify potential economies of scale through collaboration
- Explore potential to consolidate approaches to apprenticeships, particularly those servicing the forthcoming major development projects, through a dedicated Watford wide scheme – making it easier for contractors and sub-contractors to employ local people on short term basis
- Identify ways to improve access to skills for local employers, bring better awareness of schemes aimed at connecting skills and jobs.
- Recommend ways to better match skills delivery programmes to the needs of future employers

Connecting Skills and Jobs

Wage levels for workplace jobs within Watford are 14% lower than resident wages. This suggests that skilled residents are commuting to higher paid jobs outside the Borough, particularly in Central London - between 2001 and 2011, the volume of residents travelling to London for work increased by 25%³⁸. Yet whilst it is recognised that in recent years local job growth has not keep pace with growth in Watford's working-age population, it is also likely that Watford has attracted a flow of London workers to relocate, with the increased capacity in housing stock in recent years proving more affordable than London housing. The town is an attractive place to live, so people may have relocated but retained their London based employment. It should also be recognised that high-skilled and highly-paid workers, particularly those holding senior positions, are naturally more likely to have the means and ability to commute. These factors therefore also contribute to the gap between resident and workforce wages

Whilst the town embraces these labour market links with London, Watford's economic aspirations mean that the town needs to strive to address the decline in self-containment rate noted earlier in this document. There are a number of benefits associated with high levels of workforce self-containment, which include reduced congestion and traffic at peak times, a better work-life balance and increased local expenditure as an area's population grows. Watford's vision sees the town as vibrant economic hub, as a good place to both live and work – not simply a dormitory town for London. The town is challenged to both increase supply of lower level skills from within its local population, and also to attract more high skilled posts to the borough, encouraging high skilled workers to take up local employment and the lifestyle benefits this brings.

Watford Borough Council's role within the major development projects presents an opportunity to lead by example in connecting jobs and skills. Watford's comprehensive regeneration programme will bring forward a wide range of new jobs, both during construction phases and long term. Requirements can be embedded into contracts obliging

³⁸ Watford 2014 EGDA

contractors seek local skills and support apprenticeship programmes. Social Value is a vehicle that can support this; however, the stipulation can be more proactively incorporated into contracts where WBC has appropriate influence, as has been done on the Watford Health Campus scheme with development partner Kier, and also elsewhere through policy, for example requiring developers to incorporate apprenticeships as part of planning conditions. Even during times of austerity, the public sector remains a significant procurer of goods and services, and as such, is well positioned to positively influence adoption of local skills.

Emerging Actions

Emerging Action	Partners	Milestones (to follow)
Support creation of a local skills board, bringing together key partners to review the skills landscape in Watford and wider SW Herts and drive forward a more comprehensive to education and skills across the sub-region	Herts LEP HCC JCP Youth Connections West Herts College Watford UTC Neighbouring authorities	
Work with partners to review of the Major Development Projects to match jobs created with local skills	WBC Development Partners West Herts College Watford UTC Watford JCP Youth Connexions	
Identify ways policy led approaches to encourage broader use of local skills in major developments	WBC Watford JCP Developers Forum	
Working with WBC housing team to explore how the Housing Nominations Policy can better support economically active residents	Housing team	
Supporting Herts LEP in developing their skills strategy, and specifically with the Watford elements, and to implement its 'Foundations for Growth' initiative locally.	Herts LEP HCC	
Supporting HCC, as the education authority, in delivery of local initiatives to improve the education offer	HCC	
Working with HCC to identify appropriate sites for education provision	HCC	
Support for workforce planning with SMEs	Chamber of Commerce Business Growth Forum	

Consultation Questions

- 1) Do you agree with the overall Priorities of the Draft Economic Development Strategy?
- 2) Do you agree with the emerging actions of the Draft Economic Development Strategy?
- 3) Do you feel the revised economic forecasts for the Boroughs future employment growth are realistic and deliverable?
- 4) Have the correct partners been identified in terms of delivery?
- 5) With particular regard to short term viability challenges in delivering new office space, how do you consider these can be overcome?
- 6) What metrics do you consider relevant to monitoring the overall impact of the proposed strategy?
- 7) How should the strategy be communicated with the wider public, including businesses, residents and the development sector?