

**REPORT TO:** SCRUTINY COMMITTEE

**DATE:** 14 MARCH 2023

**TITLE:** HARLOW ECONOMIC DEVELOPMENT STRATEGY

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**RECOMMENDED that:**

- A** The Scrutiny Committee recommends to Cabinet that the draft Harlow Economic Development Strategy covering 2023 to 2028 is adopted. This is subject to a consultation process.

**BACKGROUND**

1. The draft Harlow Economic Development specialist consultants Hardisty Jones Ltd were commissioned to develop and draft a refreshed Harlow Economic Development Strategy and a supporting evidence base paper to cover the next five years up to 2028, after the Council's previous strategy expired. Hardisty Jones have a good understanding of the local economy having previously developed the Council's Employment Land Review.
2. The new draft Harlow Economic Development Strategy sets out the key priorities for the Council's approach to supporting the local economy. The strategy looks to address both the immediate short-term issues facing the local economy as well as ensuring that strong foundations are laid that will support a clear direction of travel for the longer term.
3. The supporting evidence base paper reviews a range of benchmarked socio-economic data. It provides a summary of both the local labour market and the local business economy.
4. The new draft Harlow Economic Development Strategy has been built upon the findings in the evidence base paper, alongside local intelligence that has been gathered from:
  - a) Engagement with local businesses, including via a business survey, a roundtable discussion with key local businesses and direct engagement with local Small and Medium Enterprises (SMEs);

- b) Engagement with the Harlow Growth Board members; and
- c) Members of the Harlow Youth Council to get feedback on their experience of careers advice and understanding of the local economy in general.

The Harlow and Gilston Garden Town Team supported this work by helping to gather business insights to inform the development of the strategy and how it takes account of current employer-specific priorities.

## **ISSUES/PROPOSALS**

5. The draft Harlow Economic Development Strategy outlines the following five priorities that work will be focused on over the next five years.

- a) Attracting and Accommodating Growth
- b) Ensuring Residents Access Employment Opportunities
- c) Supporting Thriving and Resilient SMEs
- d) Community Wealth Building
- e) Driving Productivity and Higher Value

Two core themes support the focus of the strategy that centre around a pro-growth agenda. How to encourage greater competitiveness, and achieve the right balance in terms of resourcing and partnership work to enable a growing local economy in Harlow. These core themes are critical in helping to articulate the case for Harlow to be home to a more diverse base of businesses, and in helping to explain the targeted investment required to take the strategy forward.

6. For each of the priorities, the strategy summarises the key issues, including through a SWOT analysis of the local situation, and outlines a range of desired outcomes along with a series of potential action areas where work can be focused over the next five years.
7. The strategy points out a number of key issues facing the local economy. These include the following:
  - a) Harlow's low educational attainment and skills profile prevents potential inward investors considering relocating locally;
  - b) Harlow is running out of land for employment which prevents local businesses from growing and new employers relocating to the town;
  - c) There has been stagnation in the number of jobs available locally rather than the growth required for the anticipated increase in population;
  - d) Harlow continues to have a low wage base;
  - e) Low productivity and investment in Research and Development and Innovation; and
  - f) Congestion causes problems for local businesses.
8. However, there are a number of opportunities that can support Harlow's economy, which include:

- a) Continued developing out of the Enterprise Zone, including the Harlow Innovation Park (HIP);
  - b) Planned major investments (such as the Town Centre regeneration, a new Princess Alexandra Hospital (PAH) hospital, and the Harlow and Gilston Garden Town) offer employment and local procurement opportunities;
  - c) Identifying land for employment;
  - d) Importance of place making regeneration to attract investment; and
  - e) Relocation of the UK Health Security Agency (UKHSA) to Harlow is driving up interest in life science jobs, and opening up additional local procurement and supply chain opportunities.
9. The strategy acknowledges that Harlow Council's role is that of an enabler locally to bring people together and act as a community leader to support the improved performance of the local economy. Global and national conditions, along with national policy decisions, will have a much greater effect. Therefore, the delivery of the Harlow Economic Development Strategy is not solely in the gift of the Council. It will rely on strong relationships with many partners from both the public and private sector that will identify linkages and opportunities for collaboration.
10. The strategy also acknowledges that tackling many of the fundamental challenges that are identified is a long-term endeavour. This means the strategy will be an important starting point to increase the focus on pro-growth policies that help strengthen the resilience of the local economy. The underlying issues impacting growth, participation, skills, productivity and wages will not be fully resolved during the life of the strategy, but the plan is to make more progress by following through on the recommendations set out in it.
11. A full Equality Impact Assessment has been undertaken on the draft Harlow Economic Development Strategy. The aim of the strategy is to improve the whole local economy and acknowledges the need to support residents so that they can take up local employment opportunities and benefit from the key investments in the local economy. This approach will ensure that the strategy and the associated activity to implement it, will support the Council's equality objectives while maintaining compliance with the Equality Act 2010 and the Public Sector Equality Duty.
12. The draft Harlow Economic Development Strategy and separate evidence base paper are both set out as appendices to this report.

## **IMPLICATIONS**

### **Strategic Growth and Regeneration**

The development of this Economic Development Strategy will be a significant factor in planning for the future growth of Harlow. Economic Growth needs to match housing growth and this document sets out a clear path to achieving that.

**Author: Andrew Bramidge, Chief Executive**

## **Finance**

The costs of any actions requiring direct delivery by the Council will be a focus of future budget processes and the development of the Medium Term Financial Strategy alongside the Corporate Strategy refresh planned for 2023.

**Author: Simon Freeman, Deputy Chief Executive and Director of Finance**

## **Housing**

As contained in the report.

**Author: Andrew Murray, Director of Housing**

## **Communities and Environment**

As contained in the report.

**Author: Jane Greer, Director of Communities and Environment**

## **Governance and Corporate Services**

The implementation of economic strategy will require an impact assessment under the Equalities Act 2010.

**Author: Simon Hill, Director of Governance and Corporate Services**

## **Appendices**

Appendix A – The Draft Harlow Economic Development Strategy, 2023 to 2028

Appendix B - The Economic Development Evidence Base as drafted by Hardisty Jones Ltd.

## **Background Papers**

None.

## **Glossary of terms/abbreviations used**

SMEs – Small and medium sized enterprises

SWOT analysis – Strengths, weaknesses, opportunities and threats

UKHSA – UK Health Security Agency