

# SCRUTINY PANEL

30 October 2014

## DRAFT ECONOMIC GROWTH STRATEGY 2014-2021

Report of the Director of Places

STRATEGIC AIM:	Building our Infrastructure
----------------	-----------------------------

### 1. PURPOSE OF THE REPORT

- 1.1 To inform Scrutiny Panel of progress on the development of the Council's Economic Growth Strategy 2014-2021.

### 2. RECOMMENDATIONS

- 2.1 That the achievements under the previous Strategy for Growth (2011) are noted; and
- 2.2 That the draft Council Economic Growth Strategy 2014-2021(version at 02.10.2014) is noted; and
- 2.3 That further consultation with the business community and other key stakeholders will inform the final version prior to seeking formal Council approval.

### 3. EXECUTIVE SUMMARY

- 3.1 The draft Economic Growth Strategy is underpinned by four key principles and is set out under four thematic areas (Enterprise and Innovation, Education, Skills and Employment, Land, Development and Infrastructure and Inward Investment). The purpose of the Strategy is to be a driver for economic growth in the County. To enable economic growth Rutland we will look to retaining, attracting and growing successful businesses, maximising prosperity for all, to provide the right environment for growth and raising the profile of Rutland. The Strategy will bring together local stakeholders to have a shared vision that articulates key priorities and objectives, and creates beneficial change for the County through shared actions. The draft Economic Growth Strategy (draft at 01.10.2014) is attached as Appendix A.

### 4. BACKGROUND

- 4.1 The draft Economic Growth Strategy 2014-2021(hereafter in this document referred to as the draft Strategy) is being developed in consultation with a number of local stakeholders from the public, private and voluntary sector.

- 4.2 Consideration has been given to the national, sub-regional and local policy context in its formation. Note is made of the Government's overarching economic policy objective which is to achieve strong, sustainable and balanced growth that is more evenly shared across the country and between industries. Increasingly a range of government departmental policies and programmes are now focussed on delivering growth objectives.
- 4.3 The draft Strategy takes account of the increased role of the Greater Cambridge and Greater Peterborough Local Enterprise Partnership (GCGP EP) in driving forward a growth programme for the LEP area through its Strategic Economic Plan(SEP) and European Structural Investment Strategy(ESIS). Where relevant the draft Strategy priority actions are aligned with those set out in the SEP and ESIS. The period 2014-2021 co-incides with the time frames set out for EU and UK funding programmes (although it should be noted that the scale of funding is lower overall than in previous years). The focus is on greater collaboration between funding schemes to achieve maximum benefit.
- 4.4 The draft strategy clearly links with the Council's strategic priorities and objectives, the Rutland Sustainable Communities Strategy, Rutland Local Plan, Local Transport Plan (LTP3), the Peterborough Sub-Regional Strategic Housing Market Assessment and emerging Neighbourhood Plans. The responsibilities in relation to the Care Act 2014 (requiring an integrated social and health care service to meet the needs of an increasingly ageing population) and the potential for new social enterprises to deliver local service needs are also identified. The Strategy also recognises the opportunity for rural economic growth that could be facilitated through a joint Rural Peterborough and Rutland Local Development Strategy for 2014-2020 which is currently the subject of appraisal by DEFRA<sup>1</sup> under the LEADER<sup>2</sup> programme.
- 4.5 The draft Strategy builds on the earlier Strategy for Growth 2011, (refer Report 78/2011, 13 June 2011) which was developed as a response to the recession and impact of public sector closures (RAF Cottesmore and HMP Ashwell). This encompassed a number of projects and actions: to address barriers to growth in the Rutland economy; to support funding bids; to assist in driving forward ambition and to prevent stagnation in the economy. Table 1 provides a summary of the key outcomes.

---

<sup>1</sup> DEFRA-Department of Environment and Rural Affairs

<sup>2</sup> Liaison Entre Actions de Développement de l'Economie Rurale (French: European Union initiative for rural development).

Table 1 Outcomes of the Strategy for Growth 2011

Project/Intervention	Outcome to Date (June 2014)
Improved Broadband- Digital Rutland	£2.32m of public funding committed to providing Superfast Broadband in the County. 91% of the intervention area is already fibre enabled.
Affordable Housing - Oakham Urban Extension(OUE)	<p>Circa 1100 homes will be built in Oakham in the period up to 2026 much of this within the Oakham Urban Extension with a further 250 in Uppingham and about 390 new builds expected elsewhere.</p> <p>The development plan for OUE, submitted to RCC is for 300 of the 1100 units to be affordable although with the impact of the recession this has slowed.</p>
Improving vocational pathways - Rutland County College	The Rutland County College campus opened in 2012 (£5.5M investment) with a new engineering and construction workshop based at Oakham Enterprise Park.
Development of Employment Land and Business Units	Acquisition of HMP Ashwell now transformed successfully into Oakham Enterprise Park with high levels of take up and a mix of business sectors with aspirations for growth.
Supporting Key Sectors – The Visitor economy	Rutland Tourism Vision 2012-2015 approved. Visitor economy attracting over 1.6 m visitors and circa £92.7m into the local economy and contributing to the high quality of life and economic well-being. There is greater engagement with Visit England and Rutland's profile continues to be raised as a short break visitor destination.
Improved Transport Links – Travel 4 Rutland	A successful £4.106m funding bid has supported improved transport infrastructure and transport links (Oakham Bus Station Worklink, Shorelink, and improved cycling and walking routes).
Regeneration of Oakham- Oakham West End	Circa £1.37m of Section 106 funding contributions agreed to improve pedestrian routes, road junctions and provide Town Centre Management support over next five to ten years.

## 5. MAIN BODY OF REPORT

- 5.1 The draft Strategy has been informed through informal discussions with the Local Strategic Partnership Infrastructure Group and through one to one engagement with key employers during 2013/14. In addition a Growth Summit was held in January 2014 attended by over 40 businesses. Further consultation on the draft Strategy objectives and priorities is planned for October and November with town partnerships, town councils, businesses and community organisations.
- 5.2 The draft Strategy sets out our vision, our objectives, priority actions, outcomes and indicative outputs over the period 2014-2021. Interventions will need to build off precursors year on year and to build on the successes already achieved under the Strategy for Growth 2011 in order to achieve step change that is appropriate for Rutland.
- 5.3 The draft Strategy draws in part on a socio-economic profile for Rutland commissioned from Nottingham Business School in March 2014 and on other data sets and follows the logic model of vision, strengths and challenges, targets, priorities, interventions through to outcomes, outputs.
- 5.4 The draft Strategy when finalised will be a useful tool in articulating the shared vision to Government and the GCGP EP partners, with other local authorities, inward investors, developers and external funders. It will help yield external funding, new business, affordable housing, and new jobs and improved sub-regional partnership working.
- 5.5 The next steps for the Economic Development Team are;
- a) To undertake further business and community consultation.
  - b) To produce a final version of the Economic Growth Strategy and obtain Cabinet and Council approval and to bring the document back to Scrutiny Panel.
  - c) To launch the Economic Growth Strategy at the Annual Business Meeting in Feb 2015.
  - d) To create a short concise marketing summary that provides the reader with the key visions, priorities and ambitions for the County.
  - e) To develop and agree a detailed delivery plan taking into account delivery plans of other key stakeholders and outlining quantifiable deliverables (i.e. new businesses created, businesses supported, jobs created, new affordable housing units) and timescales.
  - f) To monitor the delivery plan annually reporting to Council and other key stakeholders and to undertake a mid-term review of the Strategy in 2017/ 18 to ensure its continued relevance against changing economic circumstances.

## 6. FINANCIAL IMPLICATIONS

- 6.1 Considerable officer time (liaison, stakeholder engagement, bidding, delivery, monitoring and evaluation) will be required to take the Strategy forward. However supporting business success and growth is consistent with Corporate Objectives and priorities set out in the medium term financial plan.
- 6.2 The full extent of any financial implications would be assessed as part of securing Council approvals for specific projects or programmes requiring financial support.
- 6.3 A number of proposed actions are dependent on securing external funding via competitive bidding process with no guarantee on success. Collaborating with other authorities in the GCGP EP area will provide the critical mass, scale and relevant programme experience to improve the chances of secure external funding (EU<sup>3</sup> and other funding streams). Match funding could then flow from the private sector rather than public funding.

## 7. RISK MANAGEMENT

RISK	IMPACT	COMMENTS
Time	Low	The delivery plan will be monitored annually and the Strategy reviewed at the mid-term point to ensure relevance. The period covered (2014-2021) is aligned with GCGP EP strategies and other programmes to support growth (EAFRD, LEADER, and EU).
Viability	Low/ Medium	Projects will be assessed and monitored for viability to ensure best use of public funds and resources.
Finance	High	Growth in the economy is essential in maintaining a range of Council services (through increased business rates, better business rate retention and through increased council tax receipts). Formal approval would be sought for projects requiring council funding.
Profile	Medium/ High	The Economic Growth Strategy would be a public document .It will provide a rationale for bidding for external funding streams and support strategic inward investment and therefore have a high profile. The summary document would be used for marketing to inward investors.
Equality and Diversity	Medium	Maximising financial well-being for all our residents is vital and is a key principle with the RCC ECGS. An equality and diversity impact assessment will be developed prior to the Council report.

### Background Papers

Background File Ref: Report 78/2011, 13 June 2011

### Report Author

Libby Kingsley

Tel No: (01572) 722577

e-mail: enquiries@rutland.gov.uk

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

<sup>3</sup> European Union