

COUNCIL
21 NOVEMBER 2019

Report of the Head of Regeneration and Policy

DERBYSHIRE DALES ECONOMIC PLAN 2019-2033

PURPOSE OF REPORT

To approve the Derbyshire Dales Economic Plan 2019-2033.

RECOMMENDATIONS

1. Achievements from the previous Derbyshire Dales Economic Plan 2014-19 are noted
2. The outcome of consultation with businesses and partners on the draft plan is noted
3. The Derbyshire Dales Economic Plan 2019-2033 is adopted
4. Progress reviews against Action Plan priorities are reported to Members annually for consideration.

WARDS AFFECTED

All

STRATEGIC LINK

Economic development is highlighted in the Corporate Plan 2015-2019 as the District Council's highest priority. *Business growth and job creation* is the top priority confirming that a thriving district is residents' overriding wish. The District Council's vision is for a Derbyshire Dales with high-wage, high-skill jobs.

1 BACKGROUND

- 1.1 The Draft Derbyshire Dales Economic Plan 2019-2033 has been developed within the context of the Council's emerging Corporate Plan, updated evidence base, emerging D2N2 Local Industrial Strategy, a Members workshop held in October, and consultation with local businesses and partners.
- 1.2 The Draft Plan updates the 2014-2019 Economic Plan. Key achievements during the previous plan period include:
 - **Business Support:-** *approaching 500 start-up and established businesses supported. Over the last three years Derbyshire Dales Business Advice has helped clients secure offers of external grant funding approaching £1.5m, with projects supported helping to create over 120 jobs*

- **Site Promotion:-** *Derbyshire Dales Investment brochure, Investment Site summaries and Economic Profile of the Dales published in 2019 to support inward investment enquiries. Commercial Property database updated*
- **Business Engagement:-** *biennial Derbyshire Dales Business Survey delivered (2016 and 2018). Monthly PR and business e-newsletters. Successful launch of annual Derbyshire Dales Chief Executives' Forum*
- **Support Enterprise Peak District package delivery:-** *over 600 businesses signed up to the 'Inspired by the Peak District' brand (half in the Dales). 317 Dales businesses supported by the ERDF-funded 'Developing the Visitor Economy' project*
- **Grant and Loan funding:-** *supported preparation of successful PEAK LEADER 2014-2020 bid. Assisted 20 project applications (highest in Derbyshire) to Derbyshire Business Support Grant Scheme*
- **Site Development:-** *working in partnership with the County Council £1m LGF allocation secured towards the cost of enabling infrastructure – access and link road – to facilitate the accelerated delivery of serviced land and employment floorspace to form Ashbourne Business Park (at Stage 2 Business Case stage). Feasibility work being completed to bring forward employment land at Middleton Road/Cromford Road, Wirksworth*
- **Other Activities:-** *Updated and relaunched 'The Limestone Way' guidebook and marketing campaign delivered, plus continued successful joint working with local businesses to provide Visitor Information Points.*

1.3 The remainder of the report summarises the strategic aim and priorities of the new Plan and outcome of consultation with businesses and partners. The Draft Economic Plan is attached in summary as Appendix 1 and in full as Appendix 2.

2 DERBYSHIRE DALES ECONOMIC PLAN 2019-2033

2.1 Based upon updated analysis of the district's main economic challenges and opportunities, the Economic Plan looks forward 15 years. It builds on the Council's previous economic plan priority for higher-value jobs growth (in place of lower paid / lower skilled roles) and aligns with the timeframe for delivery of the adopted Derbyshire Dales Local Plan.

2.2 The purpose of the Economic Plan is to provide a strategic framework for the District Council and its partners to support the sustainable growth of the Derbyshire Dales economy. The Economic Plan includes actions the District Council will undertake with others; those it will need to undertake itself; and the longer term outcomes to work towards. The Plan also provides a basis to influence future Local Enterprise Partnership (LEP) and Government spending, in particular with regard to the proposed Shared Prosperity Fund (SPF).

2.3 The evidence base underpinning the new plan highlights a number of key issues including:

- Economic growth has plateaued – a key reason being the area has a shortage of readily available sites and premises

- The shrinking labour market is set to continue as more people reach retirement age, unless more younger people can afford to live locally
- Manufacturing remains the largest sector, and greater value is needed from the visitor economy
- More better-paid jobs are needed in higher value sectors replacing lower skilled, lower paid roles
- The Dales continues to lag behind other areas regarding access to fast broadband
- More Small to Medium sized firms need to be supported to grow and increase productivity
- Housing affordability remains a key barrier to retaining younger people and employment growth
- Further potential exists to utilise quality of place and 'natural' capital as economic attractors / drivers
- The potential for economic 'shock' during the period of the Plan post an anticipated EU exit.

2.4 The following key principles underpin the Plan and guide the approach to delivery. These are to:

- continue the previous policy to focus on productivity growth as opposed simply to job creation
- accelerate the delivery of strategic growth sites
- retain established firms and grow the proportion of businesses with 10-20 employees
- change perceptions of the Dales to help attract new, higher value business activities (as well as visitors)
- deliver sustainable rural economic growth in support of D2N2's Local Industrial Strategy
- further strengthen partnership working and pursue external funding to enable delivery
- utilise District Council assets to support economic growth where possible
- grow the business rates base and increase local spend to support delivery of Council services
- promote the Council's *One Team, One Council, One Purpose* approach
- prioritise limited resources on stimulating economic growth.

2.5 Balancing the core objective of growing the local economy, current economic uncertainty and maintaining a sustainable approach, the strategic aim of the Derbyshire Dales Economic Plan is to develop:

***A resilient, higher value and more productive
Derbyshire Dales economy***

2.6 The following five strategic priorities are proposed to provide the focus for activity :

PRIORITY 1: Accelerating the delivery of strategic growth sites through provision of enabling infrastructure, with direct intervention where necessary to provide good quality commercial floorspace

PRIORITY 2: Providing 1:1 support to businesses and facilitating access to finance, particularly targeting growth companies, encouraging business investment in new technologies and directing intensive support to help increase productivity and exporting

PRIORITY 3: Supporting tailored initiatives to enhance productivity growth in established sectors (with significant existing employment) **and higher value sectors** (with opportunity for better paid jobs) – sector focus: Manufacturing (esp. advanced activities and F&D), Knowledge based / CDI and Visitor Economy

PRIORITY 4: Encouraging re-investment by established companies and attracting new investment by promoting the Dales as a business location, particularly targeting smaller scale, higher value activities

PRIORITY 5: Assisting employers access externally funded support programmes and finance to invest in workforce development, retain more younger people in the area in key sectors and improve recruitment in order to develop people of the calibre needed to drive up skills and productivity.

2.7 Working with landowners, the Plan continues to prioritise delivery of six strategic growth sites:

- Ashbourne Airfield Industrial Estate extension (Ashbourne Business Park)
- Cawdor Quarry, Matlock
- Riverside Business Park, Bakewell
- Halldale Quarry, Matlock
- Middleton Road / Cromford Road, Wirksworth
- Bakewell Road town centre site, Matlock

2.8 The Plan sets out actions to deliver the strategic priorities (priority actions in **bold**). The majority of actions are dependent on the joint commitment of partners and other stakeholders (public, private and voluntary sector) and on securing limited available external funding. Close partnership working therefore remains essential to enable delivery. Progress will be reviewed annually with progress reported to Members and the action plan updated accordingly. An overarching action remains to pursue programmes and external funding support which enable rural economic growth.

2.9 Alongside individual action targets, five high level outcome measures will be monitored to track the Plan's progress regarding growth in: higher-value jobs; workplace earnings and GVA; occupied employment land; and maintaining the town centre retail vacancy rate below the national average.

3 CONSULTATION COMMENTS

3.1 Comments received at the Member workshop held on 14 October were incorporated into the Draft Plan which was then circulated to businesses and

partners via the following methods on 21 October with a deadline for comments of 4 November:

- Link circulated via the Council's e-newsletter to 600+ subscribers of businessMATTERS
- Emailed to local business clubs
- Direct email to Business Peak District (BPD) Board members
- Posted as news item on BPD website
- Emailed to business leaders attending the Derbyshire Dales CEOs Forum
- Emailed to partner organisations including: D2N2; MPDD; East Midlands Chamber; Defra; Derbyshire County Council; PDNPA; HPBC; DDCVS and Derbyshire Economic Partnership.

3.2 Eight responses were received to the consultation. Key points were noted as follows:

- A clearer emphasis on targeting growth companies through business support
- Ensuring external grant funding is available to support growth in high tech / higher value businesses as well as more traditional sectors
- Poor connectivity, both physical and digital, across the district and the continuing need to press for access to high speed broadband and enhanced mobile phone connectivity throughout the area
- Ensuring the Plan addresses needs across the whole of the district, including the National Park
- The need for enhanced infrastructure to support the visitor economy
- More recognition of the need to support other important local sectors
- Greater emphasis on promoting energy efficiency and carbon reduction across sectors and opportunities within the growing low carbon economy
- Recognising the opportunities for employment development on other important sites within the district (beyond strategic sites)
- The need for new, good quality employment floorspace
- Making clear Priority 4 is about marketing the Derbyshire Dales as a business location with the aim of attracting more higher value business activities into the area and further investigation into the type of businesses to target (to be looked at further as part of the Place Branding work)
- Giving further consideration to 'enabling resources', particularly with regard to assisting the delivery of strategic sites
- More detail on the delivery of actions (a more detailed action plan will be prepared following adoption of the final Economic Plan).

3.3 Following consideration of the comments, the Derbyshire Dales Economic Plan is attached for approval.

4 RISK ASSESSMENT

4.1 Legal.

There are no legal risks arising from the report.

4.2 Financial.

Some of the activities/initiatives in the proposed economic plan are funded from the existing revenue budget and capital programme (and the use of the Economic Development Reserve); others are dependent on securing external funding (see the table in section 5.3 of the proposed plan). The financial risk at this stage is therefore assessed as High.

4.3 Corporate.

The risk of carrying out the actions identified in the draft Economic Plan will need to be managed. The Strategic Risk Register currently identifies the Ashbourne Airfield Link Road (part of Priority 1 in the draft Economic Plan) as a High risk. However the approach set out in this report will lessen the risk of not achieving results on this priority. Overall, the corporate risk is assessed as Medium at present.

5 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

CONTACT INFORMATION

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BACKGROUND PAPERS

None

ATTACHMENTS

Appendix 1	Summary draft Derbyshire Dales Economic Plan 2019-2033 ('Plan on a page')
Appendix 2	Draft Derbyshire Dales Economic Plan 2019-2033
Appendix 3	Report on rural economy commissioned as part of evidence base