

# Growing the Rural Economy: Derbyshire Dales & High Peak

Intelligence to support emerging Local Industrial Strategy

High Peak & Derbyshire Dales occupy a Strategic Central Location between adjacent City Regions with clear and developed economic linkages to Greater Manchester and Sheffield City Region and we well as within the D2N2 Local Enterprise Partnership area.



**1,300km<sup>2</sup> and a population of 164,000 ideally placed to benefit from multiple city region economies**

While the vast majority of the Peak District National Park is situated within the two districts, it is a mistake to consider the rural economy as one dominated by tourism and farming. The districts are home to a number of towns, industrial estates, and businesses of regional/national importance in particular from the manufacturing sector which is the main employer and GVA contributor.

**High Peak & Derbyshire Dales have 7.4% of D2N2 population but 7.7% of D2N2 output**



And despite having limited public investment in infrastructure, innovation & growth funding to stimulate business growth compared to urban areas

**Long-term resilient economy**  
- GVA Growth since 1998  
**matches D2N2 growth (24%)**



Between 1998 and 2016 GVA comparators show, Derbyshire Dales, High Peak or both Districts have outstripped the D2N2 growth rate in Six of the Ten GVA categories including

|   | D2N2 Growth | Derbyshire Dales & High Peak Growth     |
|---|-------------|---|
| Manufacturing                                 | 30%         | 54% Derbyshire Dales<br>46% High Peak   |
| Distribution, Transport, accommodation & food | 96%         | 114% Derbyshire Dales<br>120% High Peak |
| Mining, Electricity, Gas, Water & Agriculture | 73%         | 88% High Peak                           |
| Recreation, Services & household activities   | 147%        | 196% Derbyshire Dales<br>197% High Peak |
| Financial & insurance activities              | 32%         | 77% High Peak                           |
| Professional & Administrative services        | 134%        | 137% High Peak                          |

**Manufacturing growth outstrips the LEP and generated 9.4% of D2N2's manufactured output employing 11,000 people**



Home to large and well established businesses such as Federal Mogul (Ferodo); Swizzels Matlow; Moy Park and Trow Nutrition there are many other growing SME businesses such as Longcliffe Group, Breasley Foam, Nenplas, Thornbridge Brewery, Buxoplas, Seldon Research, Retrogenix and Prisma Colour

**Quarrying and mineral products Nationally significant and provide £133m to UK economy**



## Key Strengths

At the core of the economic strength of the area is the skills base.

Residents are more likely to be qualified to NVQ4 standard or above (50%) than across the D2N2 area (33%) and as a result, the working population is more likely to be employed in higher level occupations of higher management, professional or technical graded roles (50% compared to 42% for D2N2).

**Both Local Authorities have returned to virtually full employment despite losing a greater proportion of public sector employment than that lost nationally or from within the East Midlands & in Derbyshire Dales – available employment outstrips available workforce**



The area also has high levels of self employment and Economically Active Businesses.

|  | D2N2 | Derbyshire Dales & High Peak            |
|--|------|---|
| Business per 1,000 economically active | 52   | 122 Derbyshire Dales<br>87 High Peak    |
| 5-year survival of new enterprises     | 44%  | 49% Derbyshire Dales<br>47% High Peak   |
| Self employment                        | 9%   | 16% Derbyshire Dales<br>12% High Peak   |
| Level 4 & above                        | 33%  | 48% Derbyshire Dales<br>43% High Peak   |
| Level 2 & above                        | 73%  | 80% Derbyshire Dales<br>83% High Peak   |
| Economically active                    | 78%  | 84% Derbyshire Dales                    |
| Claimant count (aug 2019)              | 2.7% | 1.1% Derbyshire Dales<br>1.8% High Peak |

**80% of Business Leaders say that quality of place is an important factor in investment decisions**

High Peak & Derbyshire Dales has a nationally recognised landscape, with a distinctive built and cultural heritage meaning our districts are unrivalled locations for high quality living, access to the countryside and recreation. The area should not just be seen as a leisure 'playground for cities' but offers a strong inclusive cultural and leisure offer for its communities – which is attractive to business leaders wanting to attract a high quality workforce.

# Key Issues

**Low Paid local workers** are being outpriced of housing market

More attractive urban salaries – result in local workforce shortages or high levels of commuting

## **Derbyshire Dales:**

**Median weekly wages of all employee jobs** £376;

**Full time annual gross workplace earnings** £27,126

## **High Peak:**

**Median weekly wages of all employee jobs** £380;

**Full time annual gross workplace earnings** £23,702

## **D2N2:**

**Median weekly wages of all employee jobs** £417 (East Midlands)

**Full time annual gross workplace earnings** £27,501

## **Lack of Public transport or High Cost to access**

Lack of Rail & Bus provision between key destinations and no subsidies in rural areas – means access to work, apprenticeships and training is significantly more expensive than in urban areas – and makes rural areas car reliant impacting on local congestions & productivity. Industrial estates are badly served by bus networks restricting job opportunities and the ability of businesses to attract new employees, especially young people.

## **Town centre change & retail shrinkage**

While retail change and the shrinkage of multiples is impacting on town centres nationally, many smaller towns are less resilient to economic shock due to a combination of lower footfall, heritage buildings which offer less scope for affordable re-development and limited housing and office growth to off-set infrastructure costs.

## **Lack of sites and premises**

High Levels of business occupancy mean there is very little turnover of industrial and office space which has led to decades of market failure in the speculative commercial development sector – who without evidence of lease turnovers – have failed to invest for business use. The lack of supply of serviced plots and high quality business accommodation hold back the areas indigenous start-up and growth as well as the ability to attract inward investment.

# What factors are limiting Growth?

## How could the Local Industrial Strategy and Shared Prosperity Fund help?

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The ability to attract and grow businesses and working age employees depends upon the infrastructure and services being improved across the rural areas. As recognised by the All Party Parliamentary Group in their 'Time for a Strategy for the Rural Economy 2019', the UK has huge economic potential which can be gained from areas such as Derbyshire Dales and High Peak with its highly qualified, participative and entrepreneurial workforce.

- Long established, large and SME businesses have potential for further investment – but may not meet scale-up definitions – *need for holistic local engagement linking them to available advice, access to finance and business solutions including specialist support within the area such as export, R&D and supply chain development programmes*
- Business growth can't happen without business start up – *Consider local provision and use of digital technologies that deliver interactive start-up provision which is accessible for local entrepreneurs, especially those with who wish to exploit their expertise or diversify as a means of creating a pipeline of future growth*
- Business networks can help drive growth and innovation/product development – but need to be accessible not just based in Derby and Nottingham city centres – *Consider local provision or voucher schemes that enable geographically remote businesses to access innovation & specialist business support from institutions outside of the D2N2 administrative boundaries;*
- Ensure Rural Businesses are equipped for digital transformation – *Need for faster more comprehensive roll out of higher speed broadband especially in key business locations, and consider need for digital revolution brokers to help businesses innovate, incorporate smart-technologies within manufactured products and understand options with regard to technology investment*
- Location is not enough – connectivity is vital – *Strategies need to understand the infrastructure corridors and supply chains that exist beyond the M1 corridor and alongside supporting long term nationally important infrastructure proposals, – need for greater consideration and investment in localised infrastructure to unlock growth and much greater focus on linkages to Manchester's Northern powerhouse and Sheffield City Region.*
- There needs to be a supply of suitable modern accommodation and serviced employment land close to existing industrial premises and town centres – and funding to unlock infrastructure costs to deliver these – *Need for ongoing funding to address viability gap, conversion costs of reuse of rural buildings and infrastructure to unlock development and greater consideration of criteria which may inadvertently discriminate against business cases of rural projects – recognise cost of sparsity i.e the rural premium*
- Business investment & high skilled workforce is attracted to the area by the high quality of life & access to high quality environment – *a greater sense of importance on overall wellbeing and landscape. Need for programmes to respect and contribute towards the sense of place including supporting housing for the future workforce in areas where there is market failure*
- Improve workforce productivity through skills and wellbeing – *Need to consider on-going access to skills and leisure provision for employees and impact of low workforce earnings and urbanisation of leisure, health, cultural and sports facilities which result in 'rural social deprivation'. Facilities and support needs to be provided within the area not just in urban centres*
- Opportunity to exploit International tourism from devaluation of Sterling – *Consider ways of increasing Peak District International visitor numbers through both investment in marketing and development of product/experiences to meet expectations*
- Small and micro businesses have opportunity for growth – *need for ongoing access to finance through grant and loan programme which reflect scale of operation and outcomes to support delivery in rural areas*