

Executive

Cherwell Economic Development Strategy

5 September 2011

Report of Head of Planning Policy & Economic Development

PURPOSE OF REPORT

To ask the Executive to approve a final version of the Economic Development Strategy 2011 – 2016 for subsequent consideration by the Local Strategic Partnership Board.

This report is public

Recommendations

The Executive is recommended:

- (1) To approve the Economic Development Strategy attached as appendix 1 to this report to go forward to the Board of the Local Strategic Partnership (LSP) for final approval.
- (2) To authorise the Head of Planning Policy & Economic Development in conjunction with the Lead Member for Estates to agree any further non substantive changes to the document following this Committee and either prior to, or following, its consideration by the LSP Board at the end of this month.

Executive Summary

Introduction

- 1.1 The Economic Development Strategy is an important document, not only for the Council, but also for our partner organisations working within Cherwell District. The purpose of the Economic Development Strategy is to set out the direction that we collectively need to take to ensure that the economy of the district remains strong and diverse for the benefit of all who live and work here.
- 1.2 The current Economic Development Strategy was prepared in 2006/7 and covers the period 2007 – 2011. It has now come to the end of its life and needs to be reviewed and updated in the light of the new Cherwell Sustainable Community Strategy (“Our District, Our Future”) and the enormous changes to the world economy which have impacted on Cherwell

District since the last Strategy was prepared.

- 1.3 A key difference between the current Strategy and the new one is that the review is being carried out by the Local Strategic Partnership (LSP). It is widely recognised that whilst the District Council will continue to play a major role in delivering any Economic Development Strategy, it can only successfully do so with the active involvement and engagement of many key partners. Ownership of the Economic Development Strategy by the LSP will help raise the profile of the Strategy and ensure that it can be delivered.
- 1.4 In November 2010, the Executive, along with the LSP Board, considered a draft Economic Development Strategy and agreed to approve the document for public consultation. A public consultation subsequently took place between November 2010 and January 2011, with further comments since also being incorporated. This is especially important as this is Vision must remain alive to changing scenarios. More details of the consultation can be found in the “background information” section of this report.
- 1.5 Following the public consultation a revised version of the Economic Development Strategy is now put forward for approval.

Proposals

- 1.6 A version of the final Economic Development Strategy is attached to this report as **appendix 1**. The Strategy was broadly supported by stakeholders during the public consultation, however the following key issues emerged in terms of changes and additions that stakeholders wish to see in the final version of the Strategy.
 - There should be a greater emphasis on the green and low carbon economy.
 - More detail should be provided on the opportunities created by the eco-Bicester project
 - There should be recognition of issues faced by rural areas arising from, for example, high fuel prices, and also the importance of agriculture.
 - Reference should be made to the opportunities provided by rail improvements including the East-West rail initiative.
 - More information on Local Enterprise Partnerships is needed
 - Explain further how Begbroke Science Park and sites around Kidlington could drive the knowledge economy.
 - Identify rail infrastructure issues & plans
- 1.7 The final Strategy for which approval is now sought differs from the draft version in the following key respects.
 1. The document is shorter than the draft Strategy. This is principally because some of the background information that supports the Strategy

has been removed. In the draft version, the “key issues” section (section 2) provided a detailed analysis to support the issues affecting the district that had been identified. Consultees found this analysis helpful in setting the context for the strategy that followed and helping them to frame their comments, however it is considered that the level of detail provided in the draft is not required in the final version. In order that this material is not lost, it is proposed that a “companion document” is prepared which will include this information. Some of the detailed comments made to the draft Strategy will be addressed through changes that appear only in the companion document. This document will be available on the Council and the LSP websites.

2. The Action Plan (within section 7) has been significantly expanded with input from stakeholders. This has been coordinated through the LSP Management Group. The draft Action Plan had a number of gaps within it – deliberately so as one of the purposes of the public consultation was to consider what actions, outcome measures and timescales should be identified, and which partner(s) should be doing this work. These gaps have now been filled and will be regularly reviewed to ensure they remain current.
 3. The Strategy has been updated to take account of the comments made in the public consultation, and also wider subsequent events, circumstances and initiatives that will impact upon it.
 4. The revisions to the document have also benefited from the recent Value for Money Review that was undertaken of the economic development service. This was concluded in July 2011 with a report to Executive. The report proposed a new vision for the council’s economic development service up to 2016, in line with this emerging Economic Development Strategy, and it also proposed a saving of £35,000 which will impact on a number of areas of work. These are taken into account in the Strategy before you today, however it should be recognised that the flexibility of the service to respond to new challenges will be reduced as a consequence of this budget reduction.
- 1.8 There are a couple of major challenges with producing a Strategy such as this. Firstly, given the pace and scale of change in the world which will impact upon any Economic Development Strategy, it is difficult to produce a document at a point in time that will not date too quickly but remain relevant and up-to-date. Secondly, given the range of activities that need to be undertaken to deliver the Strategy, it is challenging to find a means by which these can effectively be managed and monitored.
- 1.9 In the Strategy, these two issues are addressed through the way in which the **Action Plan** (within section 7) is prepared and kept up to date. The Action Plan will be monitored through the LSP of which many of the Strategy’s key stakeholders are members. Clearly, whilst Cherwell District Council’s own economic development team will deliver the Council’s Economic Development Service Plan and will have a coordinating role in this process, the responsibility for monitoring and implementing the Strategy will not be theirs alone. It is proposed therefore that the LSP Management Group takes responsibility for reviewing the partnership Action Plan at least annually. This will be done to tie in with the production of the LSP Annual Report so that any

key successes and issues can be reported here.

- 1.10 It is hoped that, with the exception of the Action Plan, the wider Strategy will not need to be reviewed until 2015/16. If, however, a re-fresh of the whole Strategy is needed, this will be led by the LSP.
- 1.11 The recommendation to the report includes a request to authorise the Head of Planning Policy & Economic Development in conjunction with the Lead Member for Economic Development to agree any further non substantive changes to the document following this Committee and either prior to, or following, its consideration by the LSP Board at the end of September. This is because the document still needs to be considered by the LSP Board and it may wish to make further changes to the document at that time. Also, it may be that other partners wish to clarify their role and ability to contribute to meeting various targets in the Action Plan. Clearly, if the Board makes significant changes to the Strategy that will impact upon this Council's desire or capacity to support it, these will need to be reported back to the Executive as appropriate.

Conclusion

- 1.12 The Economic Development Strategy is an important document for helping shape the economic development priorities of the Cherwell District. It will help us to consider how best to use our resources, and those of our partner organisations within the LSP, to build upon the strengths within our economy and tackle those issues we know that our local economy is facing now, and to respond to issues that our economy will certainly face in future.

Background Information

- 2.1 Creating a "district of opportunity" is one of the key priorities in the current corporate plan, and the Economic Development Strategy is an important tool to help the Council support this aim. The current Strategy was prepared only four years ago, although the ensuing period has seen Cherwell District, as everywhere else, facing huge economic challenges as a consequence of the global credit crunch in 2008. Tellingly, when the Sustainable Community Strategy was prepared in 2009 – 10, the two words that emerged as ambitions for our economy over the next few years were "diverse" and "resilient". A key challenge of the new Economic Development Strategy is to help achieve this ambition.
- 2.2 The draft Economic Development Strategy was placed on public consultation between 29 November 2010 and 24 January 2011. Consultation was undertaken in the following ways:-
- A new page of the website was created and the document, together with a comments form, was placed here.
 - Copies of the document were placed in local libraries.
 - The following organisations were directly consulted:-

- All members of the LSP Board, Management Group and Reference Group (over 200 organisations in total). Board members were sent hard copies of the document.
 - All members of the Cherwell Investment Partnership Board
 - All other Oxfordshire authorities as well as all those within the South East Midlands Local Enterprise Partnership.
 - Local business organisations and representative bodies such as the Chambers of Commerce, Bicester Vision and Kidlington Voice.
 - Over 900 local businesses on our database.
- 2.3 Furthermore, prior to the consultation, engagement with a number of local groups (e.g.: Banbury Corporate Finance Initiative, Eco-Bicester Economic Strategy Group) and at a number of events (e.g.: Banbury in Business) had taken place to inform the draft Strategy.
- 2.4 The consultation received a total of 18 formal external comments. These came from a wide range of types of group and included town councils, chambers of commerce, education establishments, landowners and businesses. Many of these were detailed, some covering specific points and others covering a wide range of different areas.
- 2.5 In addition to these comments, a number of comments were made verbally, both during the consultation and subsequently, with members of the LSP Board and Management Group. These have all been fed into the final version of the Strategy that is before members today.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The key issues for consideration is whether the final Economic Development Strategy provides a useful summary of the key issues affecting our economy today, and a credible strategy for addressing problems within the economy.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- | | |
|---------------------|---|
| Option One | To approve the Economic Development Strategy for consideration by the LSP Board |
| Option Two | To approve the Economic Development Strategy with amendments for consideration by the LSP Board |
| Option Three | Not to approve the Economic Development Strategy. |

Consultations

- | | |
|------------------------------------|---|
| Local Strategic Partnership | The Management Group has helped develop the Action Plan in section 7. |
|------------------------------------|---|

Other local authorities, local businesses and others See paragraphs 2.2 and 2.3 above for more details.

Implications

Financial: The cost of producing the Economic Development Strategy, including the cost of the public consultation, can be met within existing resources. The cost of provided officer input to delivering the Strategy will be met by the current economic development team, again within their existing budgets. Members should be mindful of the £35,000 saving from the economic development budget that was agreed as part of the VFM review approved by Executive in July 2011. Achieving some of the actions within the Strategy may require additional resources, either from the Council or its partners. These will be considered at the appropriate time. This report is not committing the council to any expenditure beyond current budgets.

Comments checked by Karen Muir, Corporate System Accountant, 01295 221559

Legal: There are no legal implications associated with the Economic Development Strategy. A robust Economic Development Strategy is, however, a useful part of any evidence base for the LDF which should help contribute towards a sound Plan.

Comments checked by Nigel Bell, Team Leader – Planning & Litigation/Interim Monitoring Officer, 01295 221687

Risk Management: There is a risk to the reputation of the Council and to the LSP if a poor Economic Development Strategy is produced, or if the Council and its partners are not able to deliver on the promises made in the document.

Comments checked by Claire Taylor, Corporate Strategy & Performance Manager, 01295 221566

Equalities An Equality Impact Assessment has been completed.

Comments checked by Caroline French, Equalities and Diversity Officer, 01295 221586

Wards Affected

All

Corporate Plan Themes

Cherwell, a District of Opportunity

Lead Member

Councillor Norman Bolster
Lead Member for Estates

Document Information

Appendix No	Title
Appendix 1	Economic Development Strategy
Background Papers	
Report to Executive, 1 November 2010 Draft Economic Development Strategy, November 2010	
Report Author	Steven Newman, Economic Development Officer Philip Clarke, Head of Planning Policy & Economic Development
Contact Information	01295 221860, steven.newman@Cherwell-dc.gov.uk 01295 221840, philip.clarke@cherwell-dc.gov.uk