

# Executive

## Economic Development Strategy

1 November 2010

### Report of Head of Planning Policy & Economic Development

#### PURPOSE OF REPORT

To ask the Executive to consider a draft version of the Economic Development Strategy for public consultation.

This report is public
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#### Recommendations

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The Executive is recommended:

- (1) To approve the Draft Economic Development Strategy attached as appendix 1 to this report for public consultation
- (2) To give delegated authority to the Head of Planning Policy & Economic Development, in conjunction with the Portfolio Holder (Economic Development & Estates) to make minor further modifications to the draft Economic Development Strategy prior to it being published for public consultation.

#### Executive Summary

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##### 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 the direction 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 Cherwell District Economic Development Strategy was prepared in 2006/07 and covers the period 2007 – 2011. It was prepared by the District Council and supported and developed the themes outlined in the (then) Community Plan. With that Strategy coming to the end of its life, it was always understood that it would need to be reviewed in 2010.
- 1.3 A key difference between the current Economic Development Strategy and any review is that this review is being carried out by the Local Strategic Partnership (LSP). It is widely recognised that whilst the District Council will

have a major role to play in helping to deliver any Economic Development Strategy, it can only do so successfully with input from 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 The new Sustainable Community Strategy “Our Vision, Our Future”, issued by the Cherwell Local Strategic Partnership in February 2010, sets the context for any review of the Economic Development Strategy. One of the four “ambitions” for the district in the period up to 2030, “Diverse & Resilient – Our Economy in 2030” sets some clear objectives to which the Economic Development Strategy needs to respond. Also, the ambitions of “Opportunities for all – our communities in 2030” and “Connected and protected – our infrastructure and environment in 2030” have objectives which need addressing within the Economic Development Strategy.

### **Proposals**

- 1.5 The Draft Economic Development Strategy is attached as **appendix 1** to this report.
- 1.6 It should be noted that this draft Strategy is reflecting the most up-to-date information available including from studies commissioned to inform its production. There may be further minor changes needed to the draft strategy before it is published for public consultation, including amendments to the Delivery Plan. We also propose to improve the formatting of the document prior to commencing any public consultation. It is therefore requested that delegated authority is given to the Head of Planning Policy & Economic Development and the Portfolio Holder (Economic Development & Estates) to make any further minor changes as are necessary prior to public consultation.

### **Conclusion**

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

## Background Information

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- 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 Economic Development Strategy was prepared only three years ago however 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 Consequently, rather than just rolling forward the previous Economic Development Strategy, the new draft Economic Development Strategy has been informed by work with a number of partners and through several new studies.
- Understanding the Resilience of Cherwell (July 2010) – commissioned by the Cherwell LSP and Cherwell District Council from CLES
  - Oxfordshire Employers Skills Study 2010: Cherwell - commissioned by Oxfordshire Economic Partnership and Cherwell District Council from Step Ahead Research Ltd.
  - Employment Land Review 2010 – commissioned by Cherwell District Council from URS Ltd
- 2.3 A consequence of this work has been that the new Economic Development Strategy has redefined the **key issues** that are currently facing Cherwell District (see section 2). In doing so, I has identified several themes:-
- Whilst levels of employment remain high, not everyone is benefiting from this.
  - We have relied heavily on public sector jobs which are set to reduce in number.
  - Whilst we still have a diverse economy, this is often seen in “lower value” activities, in common with other areas of the south Midlands.
  - Whilst manufacturing remains a particular strength, it is often seen in lower skilled jobs locally.
  - Whilst businesses are often highly satisfied with their location in Cherwell, this is not widely understood beyond the district.
  - We have an enterprising district with potential for innovation.
  - Global climate change is both an opportunity and a challenge for the economy of the district.
  - In the future, the community sector is seen as having an increased role to perform.

2.4 Emerging from these key issues, and from the objectives of the Sustainable Community Strategy, are a series of key **themes for delivery**, and these form the heart of the Economic Development Strategy. These are set out in section 6. They are divided into three groups:-

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|---------------------|---|
| Developing people   | <ul style="list-style-type: none"><li>• Creating employment</li><li>• Providing access to employment</li><li>• Enhancing skills</li><li>• Engaging the community in economic development.</li></ul>   |
| Developing place    | <ul style="list-style-type: none"><li>• Promoting employment sites and premises</li><li>• Managing our infrastructure development</li><li>• Supporting rural areas</li><li>• Supporting urban centres</li></ul>   |
| Developing business | <ul style="list-style-type: none"><li>• Promoting business start up and enterprise</li><li>• Developing local procurement and supply chains</li><li>• Promoting business and cluster development</li><li>• Attracting new investment</li><li>• Developing a “world class” business community</li><li>• Developing tourism</li></ul> |

2.5 Running throughout the Strategy are three “golden threads” which will inform all of the above themes. These lie at the heart of the strategy, and must inform the overall approach that the Strategy takes. These “golden threads” are:-

- The need to ensure that a diverse and resilient economy is at the heart of Cherwell’s vision
- Recognition of our capacity to deliver the Strategy and the importance of partnership working and building strong relationships as we seek to do so
- Maximising the green economy benefits arising from “Eco Bicester”.

#### **Public consultation**

2.6 This draft Economic Development Strategy is being recommended for public consultation only. It is proposed that we now consult on the document before bringing it back to the Council and the LSP Board early in 2011.

2.7 The proposed dates for the public consultation are 8<sup>th</sup> November to 17<sup>th</sup> January 2011. Copies of the document will be circulated to key stakeholders including all members of the LSP Board. We will also look to do the following to support the public consultation:-

- Inform local business organisations and their representative bodies
- Use our regular liaison meetings with the Bicester and Banbury Chambers

of Commerce and the Kidlington Voice to discuss the draft Strategy

- Discuss the Strategy with our partners in the Cherwell Investment Partnership (CHIP).
- Share the Strategy with all potential Local Enterprise Partnership partners, including Oxfordshire County Council, all Oxfordshire districts and authorities within the South East Midlands LEP.

### **Key Issues for Consideration/Reasons for Decision and Options**

- 3.1 The key issues for consideration is whether the draft 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, such that it should be published in draft form for public consultation.

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

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|---------------------|---|
| <b>Option One</b>   | To approve the draft Economic Development Strategy and agree that public consultation should be undertaken on it.                 |
| <b>Option Two</b>   | To approve the draft Economic Development Strategy with amendments and agree that public consultation should be undertaken on it. |
| <b>Option Three</b> | Not to approve the draft Economic Development Strategy.   |

### **Consultations**

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| <b>Local strategic Partnership Board</b>                     | The Board has met on several occasions to consider the emerging Economic Development Strategy.   |
| <b>Portfolio Holder – economic development &amp; estates</b> | Briefing   |
| <b>Local businesses</b>                                      | There has been advanced publicity on the emerging Economic Development Strategy through the latest issues of the Cherwell Investment Partnership publication “Business Moves” (Autumn 2010). |

### **Implications**

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| <b>Financial:</b> | The costs of producing the Economic Development Strategy, including the public consultation, can be met within existing resources.<br><br>Comments checked by Eric Meadows, Service Accountant 01295 221552 |
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**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, Solicitor, 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 Rosemary Watts, Risk Management & Insurance Officer 01295 221566

### **Wards Affected**

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All

### **Corporate Plan Themes**

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A District of Opportunity

### **Executive Portfolio**

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**Councillor Norman Bolster**  
**Portfolio Holder for Economic Development & Estates**

### **Document Information**

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<b>Appendix No</b>	<b>Title</b>
Appendix 1	Draft Economic Development Strategy
<b>Background Papers</b>	
None	
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