

HEREFORD CITY – ECONOMIC SITUATION

Report By: Director of Policy and Community

Wards Affected

County-wide.

Purpose

1. To consider an update on the economic situation in Hereford City.

Financial Implications

2. None.

Considerations

3. 2003 was a difficult year for the local economy of the City. The year saw the takeover of Bulmers by Scottish and Newcastle with the resultant loss of some 250 head office jobs from the company. Other well established businesses in the manufacturing sector also saw reductions in their labour force. At the end of the year the outbreak of Legionnaires disease also had significant economic impacts on the City, with in particular the retail sector being hit by a downturn in trade at the very time of the year when businesses most rely on increased turnover. This was against a background of national media reports, which indicated some changes in some shopping patterns generally.
4. Within this context a special meeting of the Council's Social and Economic Development Scrutiny Committee was organised for the 14th January 2004 at Maylord Orchards Shopping Centre, Hereford. The meeting provided an opportunity for representatives of the business community in the City centre to give evidence to the Council on the economic impacts of recent events and to make suggestions about initiatives which could be undertaken to improve the situation. The outcomes of this meeting were considered at the meeting of the Social and Economic Development Scrutiny Committee on 5th February 2004 when it was agreed that the Committee should receive an update later in the year.
5. Since February a significant amount of progress has been made in taking forward issues to address the future health and vitality of the City. The key progress made is summarised below:
 - **Hereford City Manager** - Cynthia Spaul has now been appointed by the Hereford City Partnership as the new Hereford City Manager. She is already working on a range of initiatives which should support the health and vitality of the City.
 - **Edgar Street Grid** - The Council and Advantage West Midlands are continuing to develop proposals for the 100 acre Edgar Street Grid site to the north of the existing historic City Centre. The Council has adopted a Masterplan for the site and key proposals have been integrated into the

Herefordshire Unitary Development Plan. The Council and Advantage West Midlands are working together to establish a Joint Venture Company to take the proposals forward to implementation.

- **City of Living Crafts** - The Council has continued to develop projects in the City Centre as part of the City of Living Crafts Programme including:

Council's Capital Programme - The Council has approved approximately £1 million in its capital programme, for a range of City Centre Enhancements over the next few years. Schemes included are Eign Gate refurbishment, Shop Front Grant Scheme, Initial works on High Town/High Street and Victoria Footbridge refurbishment.

Eign Gate Refurbishment - The Council has commissioned options for the refurbishment of Eign Gate which will go out to public consultation in the Autumn of this year with a view to being implemented early in 2005.

Hereford Cathedral - The Council is working with the Cathedral to develop a Heritage Lottery bid for the Regeneration of Cathedral Close and associated Cathedral buildings. A Project Planning Grant has been secured with a view to submitting a full bid for Heritage Lottery funding later this year. In the interim, a schedule of remedial works has been completed in the Cathedral Close. New turf and top soil has been laid, improvements have been made to the surfacing of the paths and pot holes have been filled.

Castle Green - The Council has also commenced work on putting together a team to develop a Heritage Lottery bid for a major refurbishment of Castle Green and its environs.

- **Rotherwas Access Road** – The special meeting of the Committee in January 2004 recognised the importance of wider infrastructure improvements in the City in respect of the economic health of the City Centre. The meeting particularly identified the importance of the Rotherwas Access Road in this respect. The Council has successfully secured planning permission for this scheme and is now working to secure the funding to enable the scheme to proceed at the earliest possible opportunity. An application for funding has been submitted to the Department of Transport and a decision is anticipated during December of this year. A petition in support of the scheme is currently being put together and it is anticipated that a local delegation will see the Minister to promote the scheme at the end of October.

RECOMMENDATION

THAT Members note the content of the report for referral to the appropriate Cabinet Member(s).

BACKGROUND PAPERS

- Report to Social and Economic Development Scrutiny Committee on 14th January 2004.