

MEETING:	COUNCIL
DATE:	18 NOVEMBER 2011
TITLE OF REPORT:	ECONOMIC DEVELOPMENT STRATEGY FOR HEREFORDSHIRE 2011-2016
REPORT BY:	DIRECTOR FOR PLACES AND COMMUNITIES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

That the content of the Economic Development Strategy for Herefordshire 2011-2016 is considered and agreed as a policy framework for sustainability and growth of the local economy and therefore approval of this item is reserved for Council.

Recommendations

THAT:

- (a) **the Economic Development Strategy be agreed; and**
- (b) **that the actions in the Strategy are progressed.**

Key Points Summary

- The Economic Development Strategy outlines the priorities and actions that will aid the regeneration in the County. In particular it forms a basis for the private sector to plan future investment decisions, as well as giving direction to the local authority to identify where infrastructure improvements will have a positive impact on the economy.
- The Strategy has been produced to reflect the challenges and opportunities arising from the changing economic climate. The Strategy is based on the findings of an Economic Assessment that was undertaken to assess the economic pressures and strengths of the County.

Alternative Options

- 1 That the Strategy is amended to reflect different priorities not highlighted through the consultation or research.
- 2 That the Strategy is not accepted or published.

Further information on the subject of this report is available from
Natalia Silver, Project Director on (01432) 260732

Reasons for Recommendations

- 3 The Economic Development Strategy has been produced to reflect an agreed approach on the actions and priorities to aid future economic prosperity of the County.

Introduction and Background

- 4 In 2010 Herefordshire Council along with all other top tier local authorities received funding to conduct an Economic Assessment. This forms the basis of research, a questionnaire to businesses and consultation with the private sector and other stakeholders. The resulting data informed the content for a new Economic Development Strategy.
- 5 The timing of the new strategy is important to reflect the very changing economic climate, and the key role of the private sector to be the drivers for economic regeneration whilst the public sector investment is to create the conditions for economic growth.

Key Considerations

- 6 The Strategy emphasises the distinctiveness of the County's industries and economy, building on its strengths to create a resilient and prosperous County at a time of economic challenge.
- 7 The Strategy highlights ten projects that are to be achieved or significantly progressed by 2015. These are ambitious initiatives that are strongly interlinked.
- 8 The Strategy is strongly linked to the Local Development Framework and the Local Transport Plan.
- 9 The key objective of the Strategy is to: increase economic wealth of the County through the growth of business. This will be achieved through the aims of:
 - Sustaining business survival and growth;
 - Increasing wage levels, range and quality of jobs;
 - Having a skilled population to meet future work needs;
 - Developing the county's built infrastructure so enterprise can flourish.
- 10 The Strategy includes a number of case studies that emphasis the enterprising nature of the County and demonstrate how companies have used the character and nature of the County to development their business.

Community Impact

- 11 The implementation of the Strategy has the potential to have significant community impacts. The achievement of the actions will support individual and community economic prosperity, and improve the general wealth creation of the County. This includes raising training level, aiding people's career advancement and increasing wage levels.

Financial Implications

- 12 The financing of the individual actions will be achieved through combined funding including Government grants, local authority finance and private sector contributions.

Legal Implications

- 13 The Council has a duty to prepare an assessment of the economic conditions of its area under Section 69 of the Local Democracy, Economic Development and Construction Act 2009.

Risk Management

- 14 There is risk in realising the ambitions of the strategy in uncertain economic times. This will be mitigated by working with partner organisations to deliver effective activities to achieve ambitions.
- 15 There is risk in ensuring funding streams are available to progress key projects, particularly in relation to infrastructure. This will be mitigated by working through the Marches Local Enterprise Partnership (LEP) to access funding and to encourage business led regeneration.
- 16 There is also risk in ensuring engagement from the private sector which is necessary to deliver the strategy. This will be mitigated by working with the Herefordshire Business Board and Economic Development Partnership involved in the production of the strategy.

Consultees

- 17 The Economic Development Strategy has been produced in partnership with the Herefordshire Business Board. The wider consultation taken place has been via:
- Employer Survey – conducted May 2010. Seven hundred and eighty two businesses responded;
 - Public consultation document sent to town and parish councils as well as wider stakeholder groups/organisations;
 - Consultation events/roadshows:
 - 7 September Training and Support providers meeting at Bishop Frome Village Hall
 - 22 July Addressing Child Poverty, workshop looking at causes of worklessness in the county at the Kindle Centre
 - 21 September at Arctic Circle offices, Rotherwas Industrial Estate
 - 23 September at Best Western Talbot Hotel, Leominster
 - 7 October at Bronsil House, Eastnor Nr Ledbury
 - 13 October at Leftbank in Hereford
 - 15 October Agricultural focus group
 - 16 November workshop at Social Enterprise Conference
 - 2 November Rural Hub AGM
 - 3 November Bromyard
 - 11 November Golden Valley
 - Refining strategy with Business Board and Economic Development Partnership Group – January / February 2011

Appendices

- 18 Appendix 1 – Economic Development Strategy

Background Papers

Your Business, Your Future - the Herefordshire Economy” consultation document

Herefordshire Employer Survey, 2010

“Your Business, Your Future” – the Business perspective of the Herefordshire Economy March 2011

State of Herefordshire Report, Business and Enterprise Chapter