

Herefordshire Big Economic Plan

Meeting: Cabinet

Meeting date: Thursday 26 January 2023

Report by: Cabinet member environment and economy;

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To approve the Herefordshire Big Economic Plan and accompanying initial five year delivery plan 2023 to 2028. To explore the principle of developing a place-focused partnership board, to lead the implementation of the Big Economic Plan and other associated key strategies, embedding a cross county partnership approach to achieving the county's opportunities, and seek the public and private investment required to achieve our ambitions.

Recommendation(s)

That:

- a) To approve the Herefordshire Big Economic Plan, and initial five year delivery plan 2023 to 2028;**
- b) To agree to the principle of creating a place-focused partnership board, with proposals to be developed for cabinet's consideration; and**

- c) **To delegate to the Corporate Director Economy and Environment authority to agree minor typographical and presentational amendments prior to formal publication of the plan, subject to consultation with the Cabinet Member for Economy and Environment.**

Alternative options

1. To not approve the Herefordshire Big Economic Plan. The county faces some significant long term economic challenges, which won't be addressed without a clear vision and strategy, and collaborative approach to achieving change and realising the county's fantastic opportunities

Key considerations

2. Herefordshire faces some significant long term economic challenges. Between 2015 and 2020 the county's Gross Value Added declined by 4.4% compared to 2.2% nationally¹, the number of jobs available in the county grew by 2.5% between 2016 and 2021 compared to 4.4% nationally², 21.7% working age residents have NVQ3 (18.2% nationally) and 39% qualified to degree level or above (43.1% nationally), workplace earnings almost £5,000 lower (£26,769) than the national average (£31,480)³, and we have an aging population with 25% of residents aged over 65.
3. We also have fantastic opportunities as a county, with excellent quality of life and environment, strengths in further and higher education including one of the first new universities to be established in the country in decades (New Model Institute in Technology and Engineering), a thriving Enterprise Zone, and strengths in areas such as defence, food and drink, tourism and cyber security. We are also well placed to benefit from new opportunities in the green economy, and changing lifestyle choices as people choose to seek an enhanced quality of life whilst working remotely.
4. The Herefordshire Big Economic Plan (appendix A) has been developed with and by partners through extensive engagement and consultation, overseen by the Herefordshire Sustainable Growth Strategy Board, to establish a shared long term 2050 vision for the county. The strategy identifies the place we collectively want Herefordshire to aspire to be, to address our economic challenges, and to realise our great opportunities. The Big Economic Plan will be supported by 5 yearly action plans, detailing the activities public, private and community partners will lead to deliver the strategy. The draft first five year plan can be found in appendix B. This decision seeks cabinet's approval of the Big Economic Plan and draft five year delivery plan. It should be noted that it is intended that the proposed Herefordshire Economy and Place Board (please see below and recommendation b) will finalise the delivery plan, identify initial priorities, lead partners and seek to secure the required public and private resources.
5. The 2050 vision identified in the strategy is;

'In 2050 Herefordshire is a vibrant, healthy, zero carbon, and inclusive place to live, work, study and visit at all stages of life. Our rural communities, market towns and university city are thriving with high quality employment, housing and services. A high technology, higher value and creative economy has enabled living standards to rise. We have protected our rich natural environment'.
6. The vision above and ways of working below reflect a strong local consensus around the importance of looking across all aspects of our economy, building on the Six Capitals approach. Six Capitals is a robust and well-established approach developed by Benjamin

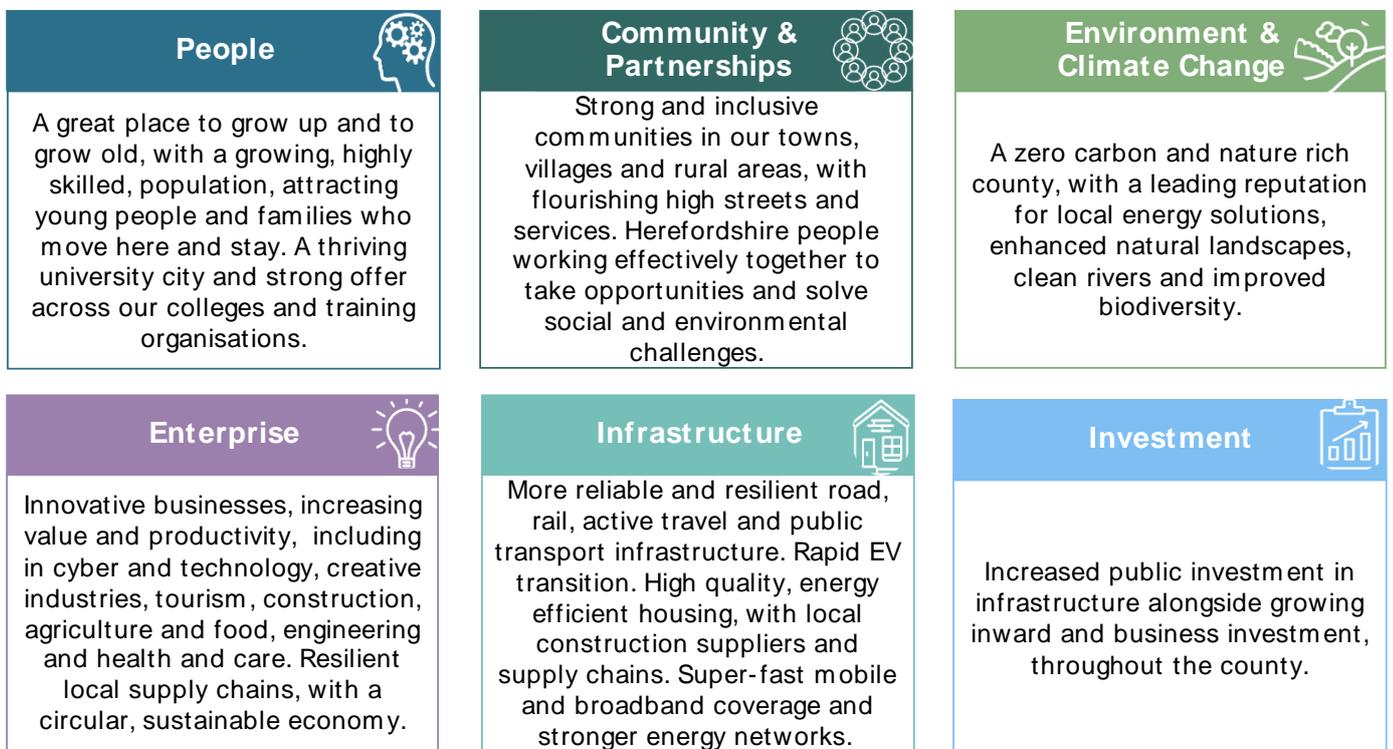
¹ ONS GVA (2015-20);

² ONS Business Register and Employment Survey (BRES) (2016-21)

³ ONS [Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk)

Mitra-Kahn and Diane Coyle, of the Bennett Institute, Cambridge. It was designed post-2008 financial crisis as a response to measuring wealth that goes beyond GVA or GDP focused models. It reflects the strong evidence that overly focusing on these narrow definitions of economic output has failed to reverse social, health and spatial inequalities and does not encourage an approach to resource use that is consistent with tackling a wide range of environmental pressures.

7. This model looks at the economy through six elements: Physical, Natural, Human, Knowledge, Social and institutional, and Financial Capital. The Six Capitals approach is also utilised in the government's Levelling Up white paper published in 2022. We have built on and adapted this approach to reflect the Herefordshire context. This approach is used as the framework to structure the vision, priorities and actions in our Big Economic Plan.



8. Through the development of the Big Economic Plan partners have identified that we have to work together to bring expertise, resources and advocacy to deliver the vision and actions in the plan. The following 5 changes have been identified that will underpin Herefordshire's way of working:

- i. ***We will take a proactive and purposeful approach to land use planning, including employment land, housing and natural capital, with an implementation plan that sits alongside the local plan and is delivered through partnerships with developers and investors – including plans for our market towns and Hereford, being clear about where growth will happen and considering how best to protect biodiversity and our environment.***
- ii. ***We will commit to growing and retaining value locally - developing services and solutions with local voluntary, community and social enterprise organisations and networks, and local businesses. We will also create a clear statement or charter setting out our expectations of investors, businesses, landowners, and others, in terms of job quality, local***

procurement and environmental improvements, bringing benefits for staff retention, local supply chains and carbon reduction.

- iii. ***We will establish a new Herefordshire Economy and Place Board*** – as a strategic public and private partnership with shared responsibility to drive delivery of major elements of our 2050 vision and Big Economic Plan, including maximising government investment and reviewing priorities and progress. We will put in place appropriate delivery mechanisms for individual major projects and developments.
 - iv. ***We will support local businesses to scale and grow, including those solving the challenges of low carbon transition and environmental and social renewal*** – supporting our existing county-based businesses as well as encouraging entrepreneurship and new enterprises.
 - v. ***We will develop and deliver a new approach to inward investment and place marketing*** – promoting our sectoral strengths and assets into a range of new markets. This will include a new inward investment offer to attract external private sector investment, for example through help and support around finding sites, place marketing, skills and education, workforce development and strengthening local supply chains.
9. As per iii the possible creation of a Herefordshire Economy and Place Board, forming a long term public, private and community partnership to drive forward the strategy, and seek the required investment, has been identified as an early priority. This is reflected in recommendation (b). Once formed the Board will finalise and oversee implementation of the delivery plan.
10. The Big Economic Plan is one of four key strategies currently being developed for the county, alongside the Community and Wellbeing Strategy, Local Plan review and the Hereford City Centre Masterplan. The Plan has been developed in co-ordination with and integrated with the other key strategies, to ensure an aligned and added value approach to delivering the cross cutting outcomes the county critically needs, and to realise our outstanding opportunities.

Community impact

11. The focus of the Big Economic Plan is to create a sustainable future for thriving communities in the county, establishing higher value jobs and careers, enhancing quality of life, protecting our environment and raising living standards for all. Community and partnerships is one of the six capitals and a key focus of the strategy.
12. The strategy states that *Herefordshire in 2050 will have empowered and resilient communities that are inclusive, well connected and engaged in decision making, creating balanced and thriving places. A core part of this is a thriving voluntary, community and social enterprise sector with the capacity and resources to support the co-design and delivery of critical services, and to create and retain value in the local economy through local supply chains and employment. Partners across the public, private and third sectors will have formed established ways of working to deliver our shared vision and priorities through transformational and meaningful action, drawing on our collective resources and levers.*
13. The Big Economic Plan is fully aligned to and will directly contribute to meeting the vision of the County Plan 2020 to 2024 *'Respecting our past, shaping our future - we will improve the sustainability, connectivity and wellbeing of our county by strengthening our communities,*

creating a thriving local economy and protecting and enhancing our environment'. The economy is one of three pillars of the County Plan which states we will 'Support an economy which builds on the county's strengths and resources'.

14. The Big Economic Plan will deliver the following actions in the council's delivery plan;
 - a) Develop the 2050 Economic Big Plan (supporting objective EC1)
 - b) Deliver improvements in the infrastructure and public realm (supporting objective CO0)
 - c) Develop & implement Market Town Economic Development Investment (supporting objectives EC2 & EC5)
 - d) Support economic opportunity through business support (supporting objectives EC2 & EC6)
 - e) Work with partners to increase the Skills and Workforce in the county (supporting objective EC3)
 - f) Support Tourism and Cultural Sector in the county (supporting objective EC5)

Environmental Impact

15. The Big Economic Plan states that *'Herefordshire in 2050 will be a leader in net zero, sustainable, rural living. Our businesses will be integral to this shift and transition. We will have transformed our land management and farming practices to support sustainable food production and the restoration of natural and environmental systems. Development and growth will be sympathetic to enhancing our natural landscapes for instance by not allowing building on flood plains. Our rivers and streams will have high levels of water quality'.*
16. The environment is a key focus and priority throughout the strategy, recognising our natural environment and quality of life as a critical strength that must be recognised and protected. The strategy also recognises the significant long term new market opportunities in the green economy, and the need to ensure the county is well placed to benefit.

Equality duty

17. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
18. The development of the strategy has included consultation and engagement with a broad spectrum of residents and partners, both one to one interviews, workshops and online surveys.

A key focus of the vision and the strategy is to improve living standards for all, through creating a thriving and sustainable local economy.

19. As each action in the delivery plan is brought forward, Equality Impact Assessments will be undertaken to ensure any resulting services and activities are open and accessible to all.

Resource implications

20. The Big Economic Plan and Delivery Plan are partnership documents, identifying respective organisational leads. There are no new direct resource implications to the council in approving the Big Economic Plan and Delivery Plan. Where the delivery plan identifies the council as a lead, this is in relation to either seeking future investment (public or private), or through the alignment and implementation of other existing programmes which are subject to separate governance decisions such as the UK Shared Prosperity Fund.
21. To realise the full ambitions set out in the Big Economic Plan and delivery plan the county will need to secure significant long term public and private investment. A key role of the proposed partnership board (with the council as one of the members) will be to seek to secure the investment the county needs.

Legal implications

22. No specific property implications as economic plan.

Risk management

<p>Risk / opportunity Partners and stakeholders do not recognise and support the implementation of the Big Economic Plan.</p>	<p>Mitigation The plan has been developed through extensive consultation and overseen by the Herefordshire Sustainable Growth Strategy Board, to ensure partner contribution and agreement.</p>
<p>The Big Economic Plan is not delivered.</p>	<p>An early priority identified in the strategy is to explore the development of a place focussed partnership board, to oversee the implementation of the strategy and aligning other policies and resources.</p>
<p>Economic circumstances and priorities change over the next 28 years, in setting a 2050 vision now.</p>	<p>It is recognised that economic circumstances will change, and the Big Economic Plan will be a 'live' document which will be reviewed and changed as needed. The aim is to set a long term direction and partnership that we can collectively work towards. The five year delivery plans will provide an opportunity to respond to changing national and local circumstances.</p>

Consultees

23. The Herefordshire Sustainable Growth Strategy Board has overseen the development of the strategy, led by highly experienced consultants Metro Dynamics. In developing the strategy they have engaged over 100 businesses, interviewed all significant local partnerships boards and groups, and held an online survey.
24. An all member briefing was held in November 2022 and political group consultation in early January 2023. The political group consultation supported the development of the Big Economic Plan, and commented on the need to ensure that in setting a long term direction we needed to be mindful and adapt to changing economic conditions. We need to ensure continued engagement with local businesses, ensure implementation considers the market towns and wider rural Hereford.

Appendices

Appendix 1 – Herefordshire Big Economic Plan
Appendix 2 – Delivery Plan 2023 to 2028

Background papers

None

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	John Coleman	Date 20/12/2022
Finance	Louise Devlin	Date 19/12/2022
Legal	Faron Wong	Date 06/01/2023
Communications	Luenne Featherstone	Date 19/12/2022
Equality Duty	Harriot Yellin	Date 06/01/2023
Procurement	Lee Robertson	Date 20/12/2022
Risk	Kevin Lloyd	Date 04/01/2023
Approved by	Ross Cook	Date 10/01/2023