

PRESENTATION BY THE LEADER OF THE COUNCIL ON THE ECONOMIC DEVELOPMENT PROGRAMME AREA**Report By: Leader of the Council****Wards Affected**

Countywide

Purpose

1. To receive a presentation from the Leader of the Council to advise Members of the annual activity in the Economic Development programme area within Herefordshire.

Financial Implications

2. None.

Background

3. This report summarises the key economic development issues which the Council has engaged with over the year.
4. **Rotherwas Futures** - Report commissioned by Advantage West Midlands (AWM) and South Wye Regeneration Company to provide framework for future development on the Rotherwas Industrial Estate. Draft report finished which investigates development constraints, potential development sites, management issues, and the funding package. Waiting for decision on Local Transport Plan funding to establish exact position regarding funding. Potential to enter into a Joint venture agreement with AWM to progress the proposals.
5. **Rotherwas Access Road** - Planning permission gained, CPO orders handed out, waiting a decision from the DTI regarding the Local Transport Plan funding. Decision expected by mid to late June, scheme within top priority category in West Midlands.
6. **RRZ Enterprise Centres** – The Rural Regeneration Zone (RRZ) have signed an agreement with Evans Easy Space to provide three enterprise centres in the County. The centres will be provided on a Hub (Hereford) and spoke (Leominster and Ross-on-Wye) system with management for the three sites to be co-ordinated from Hereford. Sites identified in Rotherwas, for Hereford, and on Leominster Enterprise Park, still investigating a site in Ross on Wye. Anticipate that all three centres to be finished within next two years. Will provide managed workspace, small starter offices, and suitable support systems.
7. **Hereford City Centre Projects** - Spring/summer 2005 saw the refurbishment of Eign Gate, with lighter coloured paving, feature areas of paving down the centre of Eign Gate and outside All Saints Church, and new lights and trees. Overall, the scheme has been very successful in achieving its objectives and delivering within budget.
8. Early this year, following on from the Eign Gate scheme, part of High Street was also repaired.

9. In April 2005 work started on options for refurbishing the rest of Hereford city centre, following the Council's announcement that £2 million would be made available for this work. Two public consultation events have been held, the contract for re-paving let, and work in High Town started in May.
10. **Strategy/Business Support** - The updated economic development strategy will be published shortly, but actions arising from it, such as improving communications between organisations supporting businesses, are already taking place. The Council continues to deliver a property finding service for business, a business start-up grant and advice on possible availability of grants or other assistance for businesses. The property finding service had 177 enquiries and 55 start-up grant applications were successful.
11. **Shop Front Grants** - The Kington and Bromyard schemes have now been completed, finishing at the 31 March 2006. Bromyard achieved 12 shops supported over the life of the scheme, leveraging in significant private investment. Kington achieved 11 shops supported over the 12-month scheme.
12. Leominster is now into its second year with 8 shops being offered grants. Ross has seen unprecedented numbers of shops applying for the grant. So far, Ross has offered 13 shops grants with 2 applications pending.
13. All the above schemes have been supported through the Market Towns Initiative.
14. Hereford City's scheme is supported through the Council's Capital Programme. It has offered grants to 19 shops. The scheme is scheduled to finish in March 2008.
15. **Ross New Trader Support Grant** - This scheme is being piloted in Ross-on-Wye, where, at the time of the request for support had some 21 shops vacant in the Town Centre. The basis of this scheme is a rate relief scheme to give new traders a helping hand in the first few months of their business life. It equates to £750 or three months equivalent business rates whichever is the lesser.
16. It was launched on 1 October 2005 and is due to finish on 30 September 2006. If the scheme shows some demonstrable benefit to Ross then there is a hope that it may be rolled out to other Market Towns. The scheme has supported 3 shops so far, to the value of £1693.86. Further publicity has just been undertaken.
17. **Leominster Enterprise Park** – The site is currently owned by Advantage West Midlands (AWM) and has been developed with the new Leominster Industrial Estate Access Road. A number of plots have been allocated on the Eastern side of the Leominster Enterprise Park, discussions are also underway on a number of other plots:
 - Lancroft Developments have purchased plots 1 to 6 and planning permission has been given to build the first phase of the development. Construction is expected to start late summer. Lancroft have commissioned a local estate agent to market the units.
 - The Bulmers Foundation and the AWM Food & Drink Cluster Team are leading on a project to provide food & drink incubator facilities on the Park. These are medium to short term-let food processing units with purpose made kitchen/processing facilities.

- West Mercia Police have been allocated an extended plot 13. Planning permission has been agreed and contracts have been exchanged. A start on site date is provisionally set for the end of July 2006 to coincide with judicial review, but this may be brought forward.
 - The proposed RRZ Enterprise Centre 'spoke' is due to be situated on plots 9 and 10.
 - Whilst significant progress is being made on these key projects the County continues to face a number of challenges. The County has low levels of unemployment but income and skill levels remain low and these areas will be priorities for the next 12 months. AWM is revising the regional Economic Development Strategy which will play a key role in helping the County to address these issues.
17. Significant progress has been made over the year in taking forward the exciting strategic proposals for Edgar Street Grid. The Council has worked closely with AWM and as commenced acquisition of key plots of land on the site. A board for the Edgar Street Grid Company has been established under the leadership of Clive Richards and a Chief Executive has been appointment to lead the projects delivery.

RECOMMENDATION

THAT, subject to any comments that the Committee may have, the report be noted.

BACKGROUND PAPERS

- None Identified