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<b>REPORT TO:</b>	<b>ENVIRONMENTAL AND DEVELOPMENT SERVICES</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>24 AUGUST 2006</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DEPUTY CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>MIKE ROYLANCE (Ext. 5725)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>ECONOMIC REGENERATION STRATEGY: UPDATE</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: ES10, ES11</b>

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## **1.0 Recommendations**

1.1 It is recommended that the Committee:

Notes the work undertaken so far with consultation events and research for the emerging Economic Regeneration Strategy and approves the proposed way forward for its development.

## **2.0 Purpose of Report**

2.1 To feedback to Committee the findings from the consultations and research work undertaken to date and set out the remaining development work.

## **3.0 Detail**

### **Strategy Approach**

3.1 As Members are aware the current 'South Derbyshire Economic Development Strategy 2000-2005' has now expired. Preparing a new Strategy has been identified as a priority in the Council's new Corporate Plan. This Committee approved the Project Brief for a new Strategy in June 2006.

### **Strategy Development**

3.2 The development of the Strategy has progressed as outlined in the Project Brief. Desk research, exploring the current position of the District and key trends through the review of available statistics and existing studies has taken place and included the preparation of an Issues Paper.

## **Member consultation**

- 3.3 A number of events have been undertaken to inform Members about current regeneration issues and gather their views on issues and priorities. These have included a presentation to Members of the Environmental and Development Services Committee on 9 March 2006, a workshop on 23 May and a Tour of the District on 9 June.
- 3.4 The Workshop enabled Members to consider economic regeneration issues from the perspective of both businesses and local residents. Following a good discussion, each Member was then able to prioritise the three issues from each perspective that they felt were most important. An overview of the results of the Member Workshop may be found at Annex 1.

## **Business and Partner Consultation**

- 3.5 A questionnaire-based survey of one hundred businesses in South Derbyshire has been conducted, predominantly by telephone, in partnership with Groundwork Erewash Valley. A broad cross section of respondent businesses was achieved, with a mix of geographical location, size and sector. The businesses involved were then invited to a workshop on 12 July 2006 together with partner organisations, from the public, private and, voluntary and community sectors, to discuss the issues arising.
- 3.6 The event provided participants with an overview of the current position of the District and an opportunity to discuss and prioritise issues under three themes:
- People and Communities – for example, commuting and earnings.
  - Business Development – for example, recruitment and assistance.
  - Business Infrastructure – for example, development sites and HGV weight restrictions.

A summary of the findings of the survey may be found at Annex 2 and an overview of the results of the Business Workshop may be found at Annex 3.

## **Next Steps**

- 3.7 Following analysis of the results and consultations to date, and a review of the policy context (including 'A Flourishing Region' - the new Regional Economic Strategy for the East Midlands for the period 2006-2020 which has now been published) the intention is to prepare some draft proposals. An event will then be held in the Autumn to which all interested parties will be invited to amend and agree the proposals and contribute to the more specific objectives that will form the basis of the Strategy.

## **4.0 Financial Implications**

- 4.1 It is anticipated that it will be possible to meet all costs associated with the preparation of the Strategy from the existing Economic Development Promotions budget for 2006/07.

## **5.0 Conclusions**

5.1 As previously stated, the development of a new Economic Regeneration Strategy will:

- improve understanding of local economic and related issues and enhance engagement with local businesses;
- establish a key strategy document, setting out a common vision, objectives and priorities for the District;
- contribute to the development of other key strategies, including the Local Development Framework and Community Strategy.
- help to co-ordinate the activities of the numerous public, private and voluntary and community agencies engaged in economic regeneration activities; and,
- raise awareness of economic regeneration issues in South Derbyshire amongst key agencies, assisting the attraction of external funding and other support.

5.2 The consultations to date have successfully engaged numerous partner organisations and local businesses in a positive debate about the future economic regeneration of South Derbyshire. Further, it has become apparent that there is a significant degree of consensus emerging regarding the challenges that the District faces. A summary of the Workshop consultations may be found at Annex 4.

## **6.0 Background Papers**

6.1 Background papers, including the South Derbyshire Issues Paper, are held on Policy and Economic Regeneration Divisional files.

<b>BUSINESS PERSPECTIVE</b>	<b>No.</b>
Routes/infrastructure; Transport/access routes applied; Big vision carefully/in partnership with other authorities encourages who we want to invest in district	11
Rail links/bus services; Encouraging links; Ivanhoe Line (National Forest)	6
Links to spatial strategy	5
Schools/community facilities; Attracting investors	4
Location of office accommodation; Right sites for offices	4
Innovation; Encouraging niche markets	3
Lack of office space/accommodation; Quality of infrastructure; Attracting employers who can provide greater opportunities; Managed workspace/accommodation	2
Broader economic base	2
Regeneration of rural areas	1
Good access to District; Links to airport/main routes	1
Businesses diversifying; Need to be encouraged	
The market	
Lack of variety of eateries/restaurants	
Controlled development across whole district	
Migrant workers likely to increase	
Swadlincote town centre; Local craft fairs	
Specific employers e.g. dress manufacturer	

<b>PEOPLE PERSPECTIVE</b>	<b>No.</b>
Low skills/qualifications; Access to facilities	7
Raising expectations; Encouraging young people to strive for better skills	7
Skills/vocational training	5
Local training venues; All ages	4
Skills centre; District needs this; Ensuring skills are available locally	4
Knowing employers' requirements; Working with employers to ascertain skills required now/in future (long-term)	3
Local employment; Local recruitment; Working with employers: Selling benefits of employing local people; Fit for purpose local skills/training package	2
Wide range of job opportunities; All levels of skill; Work within District	2
Lack of money; Funding schools for centres of learning	1
Rural transport issues	1
Women wanting to return to work; Qualified women wanting to get jobs locally	1
Derby University/other Higher Education institutes; Locally-based unit; Foundation level courses	1
Decent affordable housing; Available at all levels	1
Location of businesses/access	
Company training/apprenticeships; Lack of training/workforce development; Training often cut back when firms suffer resource constraints	

## Member Workshop (23 May 2006)

### What is the main difference that you would like the economic regeneration strategy to make to South Derbyshire by 2011?

- sustained controlled growth across the District
- to make significant impact on moving people (residents) from relative poverty to prosperity
- route of an A38 – A42 – M42 link agreed and a start made on it
- ensure that the number of children in Higher Education is increased to above the national average
- a thriving economy whilst still retaining our historical and environmental heritage
- road network finalised and operating to bring jobs & prosperity to all (and a pension increase!)
- significant road/transport routes around, into and out of Swadlincote
- make a beautiful area for people to live in by having rail links and bus transport to all main cities and towns
- roads – transport – public links with the outside world; Its own respect
- agreement on infrastructure between local authorities
- more high tech manufacturing jobs with training facilities based locally to meet ongoing needs
- employers with a high level of training
- to be able to travel by train from Swadlincote to major centres, including airports

The survey of 100 businesses in South Derbyshire encompassed a cross section of business (by size and sector) operating across the District. The findings included the following:

### Location for Business

- 42% of respondents rated South Derbyshire as a 'Good' or 'Excellent' location for business; 21% as 'Poor' or 'Very Poor'; and, 29% as 'Average'.

Identified strengths included:

- accessibility;
- central location;
- attractive rural environment; and,
- lower land/rental costs.

Weaknesses included:

- road congestion;
- unattractive areas, especially Swadlincote itself; and,
- constraints of the planning system.

### Business Operation

- 76% do not anticipate moving from their present location in the foreseeable future; A high proportion had been in the present location for many years.
- The rural location was seen as both an advantage (attractive location) and disadvantage (road network/congestion).
- 68% provide some form of training to their employees; Training varied by sector, but included Health & Safety, Information Technology and HGV driving, and was conducted both in the workplace and at educational institutions.
- The most commonly sought support by businesses related to:
  - recruitment;
  - crime prevention;
  - environmental issues;
  - business advice; and,
  - training.

### Business Challenges

Key challenges identified by businesses, included:

- complying with legislation (eg. environmental, Health & Safety);
- appearance of business premises and the area generally;
- waste and energy costs;
- crime and vandalism;
- traffic, public transport and parking; and,
- effective marketing, including e-marketing.

<b>PEOPLE AND COMMUNITIES</b>	<b>No.</b>
Basic Skills shortfall; New skills for new industries; Improved Learning Centre in Swadlincote	16
More investments in youth facilities/developments; Legislative constraints for example CRB checks; Opening hours of youth information shop; Awareness of new economies in the District; Encourage potential employees via open days and work experience; How do we raise aspirations of the young?	14
Lack of facilities – for example entertainment, shopping, GPs, etc	8
Sustainable Planning policies	7
Appearance of South Derbyshire particularly urban area; Example – Woodville; Quality of physical environment	6
House prices – affordability	3
Encourage local people to support local businesses; Especially in rural areas	3
Improved Swadlincote town centre	3
Need to attract quality jobs	3
Size of school facilities – catchment areas	2
Discrimination re. access to services – jobs, health, etc	2
Economic gaps – prosperous versus poor	2
Price of land – restriction of building land	1
Transport – rail link Burton-on-Trent to Leicester – re-open?	1
Improved market in Swadlincote	1
Incomers - new residents having different community expectations; Lack of sense of community – need to improve	

<b>BUSINESS INFRASTRUCTURE</b>	<b>No.</b>
Highway Links – quick access to airport; Need for better North/South access; Capacity for HGV – links to trunk roads; Weight restrictions create problems; Congestion – rural villages and Swadlincote/Woodville	11
Availability of small and medium size workspaces with support; Uneconomical to develop, need intervention; Affordable small office space needed	10
Exploit the presence of The National Forest to attract businesses; Ask businesses to contribute to The National Forest; A two way partnership – National Forest branding for the area	10
Public Transport (buses) – inconvenient, limited provision; Lack of railway link to Swadlincote; Poor links to rural employment centres, for example Dove Valley Park	8
Sustainability – proofing the Regeneration Strategy; Strategy should seek innovative solutions to environmental issues taking account of the presence of The National Forest	7
A need for pragmatic planning policies to accommodate business growth	5
Lack of conference facilities with ICT and information points to support business training	4
New employment sites should take into account the existing highway capacity to avoid further congestion	3
Rural planning policies to support and sustain businesses	3
Enhance environmental quality of the public realm across South Derbyshire	2
Need for improved tourism facilities – quality hotels etc	2
Maintain industrial heritage for tourism; Protect relevant existing sites	2
Build on presence of Morrisons to revitalise Swadlincote town centre; Transform Swadlincote to better meet the needs of in-coming population but don't over-expand; Retail offer – need for greater choice	2
Need for secure HGV parking	2
Free parking – more spaces needed in Swadlincote	1
Need to encourage use of rail freight – make provision	
Provide for employment development to capitalise on airport	

## Business/Partner Workshop (12 July 2006)

<b>BUSINESS DEVELOPMENT</b>	<b>No.</b>
Skills shortages/new industries; High level/wrong skills/no skills	15
Rate relief; Economic/business workspace supply/demand; Local authority support for business; The lack of perceived government help; Availability for all business sizes; Plus move on and up opportunities; Possible loss of business out of area	9
Skills/ability of local workforce; Attitude, commitment and work ethic; Link to training/skills education	8
Support for manufacturing industries; Support for growth of manufacturing base; Promotion of business	6
Support for social enterprises – retaining created wealth in area	5
Networking/use of Jobcentre plus and Connexions	
Lack of Higher/Further Education; Local deficit; Lack of adult education facilities; Clarification of modern apprenticeships	5
Attitudes to business; Culture and cultural views of business; Talking area down – for example crime	5
Planning legislation/over-regulation; Particular Impact on smaller businesses; Large volume – new legislation (eg H&S); Advice/information/lack of flexibility	4
New products and processes – support for	3
Potential grant aid for rural business/enterprise	3
Crime/disorder (perceived); Anti-social behaviour?; Policing as more influx to area; Local – control of police issues	3
Financial assistance; Difficult to understand/complex; Nothing available to business; Good business ideas – little monetary assistance; Whole range of businesses	2
Use of airport	1
Support for retail sector	1
Lack of funding for vocational training	1
Quality of life; However high commuter numbers; Effect on Swadlincote and area	1
Accessing new markets	
Information technology – affordability	

## **Business/Partner Workshop (12 July 2006)**

### **What is the main difference that you would like the economic regeneration strategy to make to South Derbyshire by 2011?**

- create a culture whereby businesses and individuals support local – what is on their doorstep - to boost the economy
- improve the physical environment of Swadlincote as a gateway into South Derbyshire and encourage businesses to do the same to their premises; Links in with The National Forest brand
- to provide an economy which supports and includes all sectors of the community and does not contribute to the skilled/affluent and non skilled/poor divide
- sustainability for all sections of our community; Not strengthening the North/South, skilled/no skilled divide further
- assistance given to SMEs relating to managed office space and managed workspace, especially in the start-up period
- to lower house prices by increasing availability of building land; Ease congestion in Woodville/Clock Garage
- more use of local businesses - especially larger businesses making use of the smaller ones; A cleaner and safer environment
- integrate the potential benefits of proximity to the airport with the economy
- to be more attractive to people living in the area: i.e. choice of shops/restaurants and nice pubs in Swadlincote; Try to stop the need to go into Burton or Ashby
- increase prosperity and well-being through sustainable development in terms of housing and employment; Create a proper balance between the urban and rural economies
- to develop a positive and forward looking image and approach
- work to grow the skills in the workforce, starting at school leaver level
- improve self-confidence; Keep South Derbyshire rural
- a stronger economy and a better place to live
- promotion and support of manufacturing industry
- improvements to the town centre and an evening economy

- inward investment – bringing jobs supported by local training; Quality shops – rebranding the area; Improve local self confidence
- don't dwell on the past; Are coalfield issues still relevant?

**Member Workshop**

<b>PEOPLE PERSPECTIVE</b>	<b>BUSINESS PERSPECTIVE</b>
=1. Skills – low levels of skills/qualifications	1. Infrastructure – need for a big vision for the future of the District - sites and access
=1. Expectations – need to raise expectations, particularly amongst young people	2. Public transport – limited bus and rail service provision
3. Skills – limited provision of vocational training	3. Spatial strategy – need to ensure links between economic regeneration and spatial planning
=4. Skills – poor access to training venues (for all ages)	=4. Schools/community facilities – improved provision required to attract investors
=4. Skills – need for a skills centre to be provided locally	=4. Office development – appropriate sites required to attract office-based employment

**Business/Partner Workshop**

<b>PEOPLE AND COMMUNITIES</b>	
Skills – poor skill levels; demand for new skills with new industries; limited training facilities	16
Young people – limited services and facilities; low aspirations; need for routes into work	14
Community facilities – limited provision of entertainment, shopping, GP surgeries, etc	8
Planning – need for sustainable planning policies	7
<b>BUSINESS INFRASTRUCTURE</b>	
Highways – poor north/south and airport links; weight restriction constraints for HGVs; congestion in rural and urban areas	11
The National Forest – potential to further develop business links and use brand to attract inward investment	10
Workspace – intervention required to provide small/supported office and workshop space	10
Public Transport – limited bus and rail provision, including to employment centres	8
<b>BUSINESS DEVELOPMENT</b>	
Skills – low skills; skill shortages; demands for higher different/skills, including from new industries	15
Public sector support – need for improved financial assistance; provision of starter and move-on business units	9
Employability – issues of attitudes, commitment and ‘work ethic’, together with improved education/skills	8
Manufacturing – need to support growth and development of sector	6