



Report to: Cabinet

Subject: Economic Development Plan Review

Date: 6 September 2012

Author: Councillor M. Weisz

Working Group Members: Councillors Hughes, Paling, B Andrews, Truscott.

Purpose of the Report

To present the final report and recommendations of the Economic Development Plan Review.

1. Background

The Performance Scrutiny Committee agreed to include in its programme of work for scrutiny a review which would examine the impact of the economic development officer's role, consider how realistic future goals are and assess if the right resources are in place to deliver the expectations.

The review:

- assessed the impact of the Economic Development Officer's work plan
- considered the potential for increased strategic growth in Gedling Borough
- examined work undertaken to generate town centre activity
- learnt about new initiatives to ensure that young people have the skills to enter the workforce
- received information from the Corporate Director with responsibility for Economic Development, the Economic Development Officer, Arnot Hill House Business Centre and Connexions.

2. Information

Economic development builds up economic capacity increasing the prosperity of an area. A thriving local economy contributes to the quality of life of the local community. Economic development work involves working collaboratively to form effective partnerships, engaging with local businesses and the wider community and takes place nationally, regionally and locally. This review focuses on economic

development in Gedling Borough and specifically the work that has been undertaken by the Economic Development Officer.

The Council attaches significant importance to economic development and has encapsulated its economic development strategy through its Economic Development Plan.

The plan has five work objectives designed to:

- stimulate enterprise and the right conditions for business
- minimise the impact of unemployment and worklessness
- raise local skill levels to meet the requirements of high value jobs
- regenerate town centres and neighbourhood shopping areas
- improve access to jobs and training through delivery of infrastructure development.

The Economic Development Officer has responsibility for meeting these targets but by the very nature of the role and the constraints of time some areas of work have been prioritised and developed more than others.

Business enterprise support

In order to grow the Borough's businesses, promote and support self employment, encourage more new start ups and help them to survive a number of initiatives have been undertaken in partnership with other agencies. A number of events to encourage business training in addition to seminars and networking opportunities tailored to meet the needs of local businesses have been delivered or promoted.

These have included:

- The Gedling Business Partnership which has been highly successful forum but is now losing ground and requires rebranding and relaunching. It is envisaged that this will provide a networking forum with which the Council can engage the opinion of the business sector. However, currently it attracts mainly sole traders needing business support.
- Business breakfast events facilitated in conjunction with the Expand Business Centre Arnot Hill House is a networking event primarily for businesses in and around the Borough and enables links to be formed between businesses and Gedling Borough Council officers and Members.
- BisEx networking events have been held. These business fairs attract interest from the service industries and allow them to book exhibition

stands to display what they offer. The third event was held in March 2012, they can attract between 100-150 companies.

- Events partnered with Derbyshire and Nottinghamshire Chamber of Commerce have taken place and more are planned for the future.
- Encouraging people to register for the 'Get it in Gedling' scheme. This is a free business listing which allows businesses to promote discounts and current offers. This helps to promote Gedling Businesses and encourages people to use locally sourced products.

One to One Business advice was formerly available through the Business Link which was a government funded service that delivered advice to established businesses and start ups. This very useful and effective service was able to offer advice tailored to specific businesses issues was terminated in November and has now been replaced by a web site and call centre.

The Expand Business Centre is a self financing venture based at Arnot Hill House which is able to provide support services to help businesses grow and develop. It is able to offer regular business networking events, use of meeting rooms, online marketing and promotion and advice about funding sources.

Unemployment, worklessness and skills development

The link between education and unemployment is clear. Just by increasing the number of jobs within an area does not reduce unemployment if the skill mix required to fill those jobs is not present in the unemployed workforce. The importance for the borough to have workers who have the appropriate skills required by businesses is paramount if the borough is to be competitive when attracting and growing new businesses.

Gedling has some areas of employment which are higher than the national average of 9%. Identification of employment by ward finds youth unemployment to be consistently above the national average. This has resulted in work by the Employment and Skills Group focusing on the skills and training young people require for employment. This group is currently identifying local businesses who can offer employment and support to young people which will prepare them for employment. This partnership includes a number of key agencies including Futures, Notts. County Council, CVS, Job Centre Plus and Gedling Homes.

More needs to be done to ensure that the workforce has the necessary skills needed by businesses; a highly skilled and trained workforce is crucial to the success of a business. There is also some concern about the work readiness

of some young people in the borough who lack 'soft skills' that make them employable. These include things like time keeping, team work and enthusiasm and the loss of work experience plays a vital part in preparing a new generation of workers. Colleges are addressing this gap but the lack of a formal work experience placements may hinder the progress of making young people ready for work.

The ending of the contract by Notts County Council with Connexions (Futures) which entitled all young people to at least one interview with a personal adviser has moved responsibility for career guidance and support to schools. Futures' services are available for schools to contract into but many have made the decision to undertake this activity themselves. They may lack the influence and knowledge that the former careers advice service had. The County Council will still offer targeted support for the hardest to help and young people not in education, training or employment (NEETS).

Gedling Borough cannot deliver job skill training itself but has a role in collating information about the availability and access to training and support networks to help people get into work. However there is a need to grow jobs in Gedling if unemployment is to decrease.

Town Centre Regeneration

With the change in traditional shopping habits and the dominance of large supermarkets, town centres in the borough are facing some difficulties but not on a scale compared to some other areas. The number of empty shops in the traditional shopping centres in Arnold, Carlton, Mapperley and Netherfield is less than the national average.

Work undertaken to improve economic activity in town centres includes:

- shop doctor workshops which offered retail training and advice on how to increase the vitality of shops
- the shop front grant scheme funds 50% of the cost up to a maximum of £2,000. Grants can cover work from simple restoration to complete new frontages
- arranging Arts and Craft fairs and Christmas light switch ons in town centres to encourage additional footfall in centres
- benchmarking of shopping centres. An annual health check which identifies issues.

Infrastructure Development

The Gedling Developers' Forum which is led by the Portfolio holder for Economic and Strategic Development, the Service Manager for Planning and Economic Development and the Economic Development Officer focuses on a specific locality and conducts an appraisal of potential development opportunities.

Reprioritising Economic Development

Whilst this review was gathering evidence the focus of Economic Development within the Borough has changed and there has been a reprioritisation of the function. This may result in some of the initiatives that had formerly been undertaken having to be curtailed or reined back. The focus for economic development has moved away from town centre regeneration and is now directed towards stimulating and unlocking growth, planning for any upturn in the economy by preparing a skilled and ready workforce to meet the needs of businesses. This proactive approach seeks to prepare for future economic recovery ensuring that the Borough is ready to take up any opportunities that arise. There is a need to develop and nurture new business start-ups and develop work around key skills. Information about current business activity is required to be able to plan and shape what skills and services new business will need and information from Experian is currently available and will be used to reprioritise support.

The programme to 'Grow Gedling' and to 'Get Gedling Building' aims to promote Gedling as a place to do business, to live, work and invest. To make this possible there is a need to identify land available for use by business start ups and for housing, a ready and skilled workforce and a clean, green and safe environment.

In order to be able to promote Gedling it is important to up skill the workforce and work out what expertise new and existing business will require. To facilitate the development of a skilled and work ready workforce discussions have taken place with colleges to develop a further education presence in the area. South Notts. College is working towards delivering this with the opening of a new facility in the borough.

As a local authority and not a direct deliverer of business services economic development initiatives are dependent on other partners to broker services or work in partnership to work together to move forward. There is a need to develop and nurture new start ups and develop work around key skills. Information about current business activity is required to be able to plan and shape new businesses and promote new services. Information which has

been obtained by the Economic Development Officer from Experian should help reprioritise business development and provide information for some of these partnerships.

In addition there is a need to have adequate housing provision to attract workers into the borough and there is a need to stimulate house building, which in itself adds to the number of people employed and currently there are a number of stalled building sites which are under consideration. Within the Align Core Strategy land suitable for industrial development has been identified however, due to the current economic climate, developers are not taking up these sites. The Council currently owns 8 industrial units in Newstead for let to small and start up businesses, there are also some units available in Calverton.

Integral to planning for the future is the need to be prepared to apply for any funding or grants that may be available to stimulate economic activity. Plans need to be developed which can quickly be redrafted and tailored to meet the specific criteria for any funding that may become available. These may be through enterprise grants, Regional Growth Fund or the recently piloted Portas grants to regenerate town centres.

To prepare Gedling for any future economic upturn a leaflet which will 'sell' Gedling is being developed. This will promote Gedling as a place to live, work and importantly invest in.

In addition the creation of a think tank comprising senior staff and Members in a process of high level thinking and internal policy innovation is currently being considered. This would consider how to attract high level jobs, what existing capital assets and buildings can be used for job creation, how young entrepreneurs be identified and nurtured, how young people promote their skills and what potential is there for business professionals to work with the Council on an advisory basis.

3. Conclusions and recommendations

Members have considered a range of activities which deliver economic development initiatives in partnership with other agencies, proposals relating to employment and skills and a range of schemes that have been used to maintain town centre viability. They recognise that there is a need to create a flexible approach which is able to adapt and meet the challenges presented by the current economic conditions.

Gedling Borough Council will have a crucial role in taking forward the economy in the borough and has a vital role in bringing together all the different agencies;

working collaboratively with local businesses in preparing the right environment to be able to move forward when there is a recovery in the economy. Members consider it is important therefore that the good working relationship with the local businesses is maintained and nurtured and the work that has been taking place with the business sector continues. Gedling needs to create a climate where businesses can grow.

Recommendation - 1

Additional staffing resources should be made available to increase the economic development initiatives in the Borough.

Members consider the range of activities undertaken by the Economic Development Officer have had a positive effect. They are aware however, that as the focus for economic development in the borough has moved to have a wider strategic focus some of the current initiatives may falter due to lack of officer time. This change of emphasis should not be to the detriment of work that is already underway. Members consider that the resources available to support the work that is needed to drive forward the economic potential may not be adequate to progress in an effective manner. They feel that further resources should be made available for this work that it is vital for the future prosperity of the borough

Recommendation -2

The initiatives undertaken to support shopkeepers and town centre regeneration continue.

Members are concerned that the move to a more strategic emphasis outlined above, will have a detrimental effect on the regeneration initiatives of town centres. Members are aware that there is much more to economic development than a thriving town centre but feel that supporting shopping centres is central to maintaining Gedling as an attractive place to live and work.

Recommendation -3

Consideration must be given to how a brochure can be used and made available to publicise the benefits of living and working in the borough.

Members fully support the Programme to 'Grow Gedling' and 'Get Gedling Building' and its ambition to prepare for the economic recovery and drive forward the economic potential of the borough. They endorse the need for the development of a brochure promoting Gedling providing information about potential business opportunities and the benefits of locating businesses and living in Gedling. Support for this brochure is crucial if Gedling is to benefit and careful consideration needs to be given to how this can be promoted and brought to the attention of potential business investors. In addition to the brochure a web based information sheet featuring prominently on the Gedling Borough site should be available.

Recommendation -4

Develop strategies and effective communication systems between education and training providers and local business, to ensure that the right mix of skills is available in the workforce to meet the needs of current and potential business in the Borough.

The need to reduce the gaps between the prosperous and less prosperous areas of the borough by up skilling and cultivating a trained and ready work force, to take up employment when opportunities arise, is key to raising the prosperity of the borough. The links that are being developed between the education sector and business are vital if people living in Gedling, particularly young people, are going to have the right skill base to attract investment into the borough. There is a need to ensure that a mix of the skills training is available to enable unemployed and young people make the most of opportunities presented by the changing jobs market. Members are concerned that the training and skills on offer are the ones needed and how this can be determined.

Recommendation -5

Additional resources should be made available to support the development of further education facility in the Borough.

Members fully support the work that has been taking place with South Notts. College to facilitate the establishment of a further education facility the borough. They recognise the benefits that will ensue for both individuals and businesses from the location and congratulate officers on the work that has been initiated to drive this forward.

Recommendation -6

When awarding contracts and purchasing goods and services preference should be given to businesses based in Gedling and consideration should be given to a covalent target being set to measure how this progresses.

Members considered that the Council should try as far as possible to purchase from business in the Gedling area. This may not possible for some of the larger items but wherever possible any goods and services purchased should take place with businesses in the Borough.

Recommendation -7

Consideration should be given to ways to simplify the planning process so that it can facilitate new business start ups and job creation schemes

Members felt that consideration should be given to how links between the planning process and economic development could be strengthened. Ways to simplify the planning process that would encourage the start up of new businesses could be explored.

Recommendation -8

Consideration should be given to how new businesses could be provided with advice and information by the Borough that would assist in the setting up of new businesses.

The end of the face to face business advice by Business Link was considered by Members to be a big loss and one that could hinder the start up of new businesses. It was felt that this was one area that should be considered as a possible area of work that should be undertaken by the borough.

Recommendation- 9

Formally end the Get it in Gedling scheme.

The change of priorities has meant that not all earlier economic development initiatives have been maintained and Members question the value of the continuation of the 'Get it in Gedling 'scheme. The website is currently not being maintained and they consider that rather than it just wither away it should be curtailed.

Recommendation 10

Progress to these recommendations be monitored and be reviewed in six months time



Scope

Scrutiny committee:	Performance Review
Working Group:	Economic Development
Chair of group:	Muriel Weisz
Working group members:	Cllrs: J Truscott, P Hughes, M Weisz, M Glover, M Paling, B Andrews
Portfolio holder/s:	R Allen

(1) Scope

Why this review is being undertaken

(List the specific outcomes – **S**pecific, **M**easurable, **A**chievable, **R**ealistic and **T**ime bound)

To assess the impact of the Economic Development Officer's role and to determine the potential for increased strategic growth within Gedling Borough

Aims

Aim	Corporate Priority
Examine the impact of current work to date	A place where people are treated fairly and have the opportunity to get involved
Consider how realistic the future goals of the post are, and assess if they are still applicable in the current climate	A place that contributes to a vibrant and prosperous Greater Nottingham
Explore what support and links are available to the assist the post holder	
Establish if the resources available will be able to support effective economic	

<p>development in the borough Examine the potential for a diverse range of economic development - not just retail – for example I.T.</p> <p>Assess if the borough has a broad based skilled workforce to attract business and examine how apprenticeships schemes may increase the level of skilled workers available</p> <p>Consider actions to mitigate the impact of public sector redundancies</p>	
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(2) Timetable

The review will commence in:	7 September 2011
Milestones:	Information gathering October - December
The review will report in:	To be established
Committee dates:	TBA
Frequency of meetings:	Monthly

(3) Information gathering and consultees

The working group has requested the following information:

<ul style="list-style-type: none"> • Current economic development initiatives • Current and potential facilities/premises available for small and medium sized enterprises • Exploration of the potential of the Home Brewery Site • The role and services provided by the Arnot Hill House Business Centre? Other organisations who can advise small businesses? • 50% of Gedling residents work in the city; only 20% of residents live and work in the borough - does this have an impact on economic development? • Effect of rising unemployment in the Borough • Brownfield sites currently exist in the Borough • The role of the Leadership Board in economic development? • Assess if the provision of a wider range of apprenticeship opportunities and encouraging graduates to the borough would make Gedling a more attractive option for business relocation

What are the main questions to be asked and of what parties?

James Mann

- Explanation of the business support infrastructure
- How large businesses are made aware of the opportunities available of working in Gedling.
- What work is in place to encourage businesses to relocate or be established in Gedling
- What formal evaluation of current schemes has taken place, what can we learn from this?
- What if anything is being done to attract graduates into the borough

Arnot Hill House Business Centre

- A profile of current range and number businesses in Gedling.

Connexions

- The career destinations of Year 11 pupils.
- What links exist between schools and businesses e.g. work placements year 10
- Do schools and education establishments actively promote apprenticeships

Business Forums

- Explanation of the business support infrastructure
- What would attract businesses to the borough

The working group will be inviting the following persons/organisations to one or more meetings to help with the review:

James Mann, Gedling Borough Council Economic Development Officer
Connexions

Visits

The working group might need to consider a visit to:

Arnot Business Centre
Connexions?
Top Whighay – Hammonds Business Centre
Redhill House Development

(4) How the community will be consulted, informed and involved

The working group wishes to consult through:

Discussing with Business Forums in Gedling what help and support they are able provide to business, what they would like to make available and what assistance would enable them to improve their services.

(5) Equality of opportunity

The following Equality impact Assessment method will be applied

The needs of British Minority Ethnic Community, Rural/urban residents and women will be considered when making recommendations.

(6) Resources

The working group is supported by:

Members Services Manager

Members Services Officer

(6) How the effectiveness of the review will be measured

After the initial review the working group will....

(Review date to be included in Scrutiny Forward Plan)

A six month follow up review of recommendations made will be included in the Scrutiny work plan.