

Public
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Economic Growth Strategy

Meeting/Date: Cabinet – 21st January 2021

Executive Portfolio: Executive Councillor for Housing, Planning and Economic Development – Councillor Ryan Fuller

Report by: Economic Development Officer (Paul Gibbons)

Ward(s) affected: All Wards in Huntingdonshire

Executive Summary:

The Economic Growth Strategy is designed to place a fresh and current context around the local economy. The Strategy re-focusses and resets the agenda giving purpose over the next five years. This new agenda will help support recovery and enable growth in our local economy once again. The Strategy centres around a number of key principles; building on and recognising our strengths and the key factors which will enable recovery and economic growth once again.

Given the effects of Coronavirus, businesses are depleted of resources, resilience, and cash reserves. Economic Development, with the help of stakeholders and partners have the intellectual resource to help give direction and to signpost across many complex fields to enable our economy to recover. There will be cross cutting themes that will stimulate economic growth for all businesses as well as specialist & niche activity that will help Huntingdonshire grow in specific and pre-determined areas which link into this Strategy.

Some shorter-term projects have started but some workstreams / themes such as Inward Investment or Skills will be longer term objectives and more complex to deliver.

As and when adopted by the Council, it will be important to share once again our Strategy with key stakeholders such as the Combined Authority to align with any potential and future workstreams. Our wider network and links will be key to ensuring we achieve some of the bigger ambitions and objectives in this Strategy. It is also important to understand two significant factors. Given the shock that the labour market has experienced, and how businesses have faced a global pandemic, many businesses will also be exposed to a new trading relationship with the European Union. Doing nothing or a passive approach, while faced with such turbulence would be a high risk option and would be damaging to the businesses and residents of Huntingdonshire.

We seek approval from Cabinet to be able to implement this strategy over the next five years for the benefit of our local economy.

Recommendation(s):

The Cabinet is

RECOMMENDED

To approve the content of the Economic Growth Strategy and the actions within the first 12 months with the principle of an annual review of the Strategy implementation, upon each anniversary.

1. PURPOSE OF THE REPORT

- 1.1 Is to set out the Council's economic agenda over the next five years. Initially as a set of actions that will determine workstreams for the next 12-18 months but with a review each anniversary for the next five years.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 The previous economic growth paper (2013-23) was set during more settled economic times and relied upon organic growth occurring. Since then, the high street has suffered a decline in footfall, Coronavirus has proved disruptive and highly challenging to businesses and we are about to enter a new trading arrangement with our largest trading partner, the European Union.

3. OPTIONS CONSIDERED/ANALYSIS

- 3.1 Initially a detailed document was produced that set out the evidence and thinking behind the proposals. However, it was felt that the vision and objectives needed to be captured more succinctly.
- 3.2 A higher-level Economic Growth Strategy has therefore been developed which is supported by a more detailed Economic Growth Plan containing the detail.
- 3.3 It was felt important to also set out the objectives for the next twelve months to make the link to the Council's Corporate Plan and service plans.
- 3.4 The Council could just produce one document, however, given the range of uses it was felt producing both a Strategy and Plan at this time was the best option.
- 3.5 In addition there is always a do nothing option, however, the Council agreed in July 2020 to refresh the strategies and plans framework and given the increased focus on Economic Development it is important to bring this document forward at this stage.
- 3.6 Over the last eight months, Economic Development have reviewed a large volume of analysis and listened to commentary and advice from a wide range of organisations including the Confederation of British Industry (CBI), MAKE UK, Chambers Of Commerce, The Federation of Small Businesses (FSB) and the Institute of Directors (IOD).
- 3.7 We have also read reports commissioned by the Cambridgeshire & Peterborough Combined Authority.
- 3.8 We have considered further analysis by large corporates such as Grant Thornton and McKinsey & Company.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 The Panel discussed the Economic Growth Strategy at its meeting on 6th January 2021.
- 4.2 The Panel has discussed the importance to businesses of having available the highest speed digital connectivity. Members have been advised that this will be covered by the forthcoming Digital Strategy. It is suggested that this fact might be cross-referenced in the Economic Growth Strategy to ensure that the conditions to enable technological industries to locate to the District are promoted.
- 4.3 Following comments from a Member, the Panel has received assurances that the Strategy will be reviewed and typographical amendments made where required before it is published.
- 4.4 The Panel thought it would be useful if the actions contained in the Strategy could be clearly prioritised.
- 4.5 Members understood that the Strategy focuses on the largest industries within the District but queried whether it also should contain provisions relating to emerging industries and the gig economy.
- 4.6 The Panel endorsed the positive coverage in the Strategy of the provision of construction skills and apprenticeship schemes.

5. KEY IMPACTS / RISKS

- 5.1 If we do not have a focused approach during recovery or do not adopt this strategy then we risk a much longer recovery period with less influence which would be damaging for both our businesses and our residents. The themes in this Strategy have been adopted from national economic themes, pertinent to the UK economy. The strategy proposes to apply the themes locally whilst taking a bespoke Huntingdonshire approach with our business sectors and to align our skills activities to our local economy.

6. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- 6.1 Once adopted by the Council, this Strategy has a full timetable noted in the actions log (in the appendix) which will take up a minimum of 12-18 months to implement. Given the changing nature of the economic landscape there are likely to be emerging opportunities across the themes, the sectors and skills which will need reviewing annually to ensure this strategy remains fit for purpose until 2025.

7. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 7.1 There is a one-year action plan linked from this Economic Growth Strategy which will link into objectives set into the existing Corporate

Plan. This will be reviewed when the new corporate plan is refreshed in Autumn 2021.

8. CONSULTATION

- 8.1 Two rounds of consultation have been undertaken with national and local organisations including the: CBI, MAKE UK, The Cambridgeshire Chambers Of Commerce, The FSB, The IOD, The Cambridgeshire and Peterborough Combined Authority and Urban & Civic. Improvements to the strategy have been made at each step based upon the constructive feedback received.

9. LEGAL IMPLICATIONS

- 9.1 The only legal implications that have been identified relate to investment in schemes that may arise from this Strategy. In supporting the local economy and businesses the Council has to be aware of any potential State Aid issues which will be considered on a case by case basis.

10. RESOURCE IMPLICATIONS

Whilst the key co-ordination link for the Strategy will be the Economic Development team, the delivery of actions will necessitate a holistic organisation wide approach and 'think business' mindset across related services that impact on economic success factors, for example:

- Environmental Health
- Licensing
- Planning and
- Revenues

Given the discretion permitted by government on the usage of additional support grant (a one-off sum of £3.5M) that resource will be a useful pump-primer to enable earlier instigation of some key actions. Particularly business support activities.

The skill will be in securing ways in which the sums can be used creatively to perhaps develop revolving funds that enable a longer term set of actions to be achieved.

Working with key partners such as the Cambridgeshire and Peterborough Combined Authority will be important to help champion investment opportunities within the District and leverage external funding. Similarly, the use of the Council's future capital programme, property assets and Corporate Investment Strategy portfolio will be an important tool to influence the nature of premises across the district.

11. HEALTH IMPLICATIONS

- 11.1 The long-term effects of unemployment are known to leave scarring. And it is unknown what the effect is on mental health conditions would be if

the economy struggled to recover in good time or were to contract further if a 'do nothing' approach was adopted.

12. OTHER IMPLICATIONS

- 12.1 There will be emerging programmes from Government encouraging a green jobs recovery designed to help the UK achieve it's net zero target by 2050. Jobs growth is emerging as a central focus to support economic recovery.

13. REASONS FOR THE RECOMMENDED DECISIONS

- 13.1 An endorsement from Cabinet would give full confidence to implementation of the Economic Growth Strategy. Setting out the priorities for Huntingdonshire and the use of Council resources and support grant funding aims to help our local economy recovery faster and experience growth once again and to build back better, in line with the UK Government's ambitions.

14. LIST OF APPENDICES INCLUDED

Appendix 1 & 2 – Statistics from economic growth plan
Appendix 3 - Metrics
Appendix 4 – Actions Log
Appendix 5 – Network Linkages
Appendix 6 – References, Important papers, Recommended Reading
Appendix 7 – Alignment with Place Strategy 2050

15. BACKGROUND PAPERS

[CPIER](#) report

[Local Industrial strategy](#)

[Economic strategy for the east of england](#)

[New Anglia LEP economic recovery strategy](#)

[West Midlands Combined Authority Economic Recovery Strategy](#)

[Oxford Cambridge Arc Economic Prospectus](#)

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Market Town Reports (Prospectus for growth)

- [St Ives report](#)
- [Huntingdon report -](#)
- [Ramsey report](#)
- [St Neots Masterplan Report](#)

Commercial Property Commentary

Retail - <https://www.bsm.uk.com/blog/our-post-pandemic-high-street-an-initial-view-and-concern-for-q2/>

Office - <https://www.bsm.uk.com/blog/wfh-and-office-occupation/>

Industrial - [https://www.bsm.uk.com/blog/the-a14-funnel-effect/Community impact assessment](https://www.bsm.uk.com/blog/the-a14-funnel-effect/Community%20impact%20assessment)

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