

## RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS

3<sup>RD</sup> JUNE 2015

### REPORT OF HEAD OF COMMUNITIES & NEIGHBOURHOODS

#### ECONOMIC DEVELOPMENT STRATEGY (2015-2020) PROGRESS

#### 1.0 PURPOSE OF REPORT

- 1.1 To provide Members with an update on the performance, improvements and progress of Melton Borough Council's Economic Development Strategy activities.

#### 2.0 RECOMMENDATIONS

- 2.1 **Members note and comment on the performance, improvements and progress made in relation to the Economic Development Strategy (Appendix A and Appendix B)**

#### 3.0 KEY ISSUES / BACKGROUND

- 3.1 The previous Economic Development Strategy (2012-2015) was approved by members at their meeting of 4<sup>th</sup> September 2012. The strategy has now progressed further and members approved the refreshed Economic Development Strategy (2015-2020) at their meeting of 7<sup>th</sup> January 2015.
- 3.2 Melton Borough Council is the lead partner for the strategy; however, the strategy is a partnership document with commitments from all partners of the Melton Community Partnership (MCP). The revised Economic Development Strategy was presented and approved by the MCP at their meeting of 22<sup>nd</sup> January 2015. Members are asked to note and comment on the performance, improvements and progress made since its implementation (attached as Appendix A and Appendix B).
- 3.2 The Economic Development Strategy provides a framework for partners from all sectors (public, private, voluntary and community) to respond to the economic challenges facing Melton. A key strength has been the ability of the Council to forge relationships with local businesses and agencies providing direct business support, both general and sector specific. Excellent links have also been established with government agencies such as DEFRA, the Department of Work and Pensions (DWP), and more locally, the Leicester and Leicestershire Local Enterprise Partnership (LLEP).
- 3.3 This strategy has been developed from a robust evidence base and takes account of the current key economic issues faced by Melton Borough. It outlines local actions to tackle local issues, set within a wider strategic framework, the successful delivery of which will support the sustainable growth and development of Melton's local economy in line with the Melton Local Plan.
- 3.4 Key Findings

The proportion of the resident working age population who are in employment in Melton is high at 77.6%, compared to 73.5% in Leicestershire and 72.4% nationally (Jan 2014-Dec 2014).

The proportion of the resident working age population who are unemployed in Melton is low, with 0.9% of people claiming job seekers allowance (JSA), compared to 1.8% in Leicestershire and 1.9% nationally (November 2014). Recent statistics demonstrate the significant reduction in those claiming JSA within Melton Borough, with a drop from 456 in April 2014 to 295 in April 2015.

- 3.5 Melton has a very small employment base, and workplace earnings of those in work are comparatively low by sub-regional and national standards, at £403, compared to £477 in Leicestershire and £520 nationally (2014). In part this is reflected in the proportion of our labour market working in certain sectors associated with low pay including hotels, restaurants, wholesale and retail, admin and support service industries, or in elementary occupations, sales and customer services.
- 3.6 Relative to other districts in the UK the size of the economy in Melton is small with a Gross Value Added (GVA) per job in Melton at £38,040 compared with £44,127 in Leicestershire and £49,471 nationally. However, the self-employment rate in Melton is high by regional and national standards at 12.5%, compared to 8.9% in Leicestershire and 10.0% nationally (Jan 2014-Dec 2014).
- 3.7 Growth in enterprises is strong with a 4% increase during the last 2 years (85 new enterprises), which is above national trends. In Melton the sectors with the largest number of enterprises were agricultural, forestry and fishing (16%), professional, scientific and technical (15.4%), construction (12.2%), retail (7.1%) and business administration and support services (6.9%).
- 3.8 Key Activities
- In order to support enterprise growth, a significant range of events and packages of support are provided by the Council, taken together these initiatives give Melton Borough businesses the best chance of future success.
- 3.9 Engagement with local businesses, landowners and developers has been a primary focus, with approximately 55 businesses having received tailored support during January – April 2015. This engagement has taken the form of meeting with individual businesses to provide information, guidance, advice, discuss proposed projects, ascertain growth aspirations, support to assess funding opportunities and assistance with skills and recruitment.
- 3.10 In response to the MBC Business Survey conducted in 2013, the Melton Business Forum was launched in March 2014 to provide an opportunity for local business owners to network and obtain information and advice on business related topics. Attendees also receive MBC updates regarding events, training and funding opportunities. A mentoring element has also been introduced to support those businesses that are newly established. An evaluation of the quarterly held forum was conducted at the end of 2014, with feedback very encouraging with 100% of respondents stating that they wish for the forum to continue.
- 3.11 Melton Borough Council, in partnership with Pera Training, hosted a successful ‘Have Your Say’ event in January 2015. The event was hosted to gain an understanding of the issues currently facing local employers and to provide information on business support opportunities and routes to up-skilling and training. Approximately 25 local businesses attended the event, from a variety of sectors and sizes. A summary report has been developed which takes account of the key findings and recommended actions.
- 3.12 The bi-annual Melton Job Fair was held in April 2015 to support and encourage local employers to recruit local residents. The Melton Job Fair is also an opportunity to promote

training opportunities, support to find employment and includes intermediaries and stakeholders. The event was very successful with over 30 exhibitors and over 100 attendees.

- 3.13 Melton Borough Council has been involved in the development of the East Leicestershire LEADER Programme (2014-2020) bid. The Leicestershire Rural Partnership has recently received confirmation that its LEADER bid has been successful and that €1.989m (Indicative amount £1.591m based on Euro exchange rate of 0.8) has been allocated to East Leicestershire. The LEADER area comprises of the whole of Melton Borough and Harborough District and pockets of Blaby District and Charnwood District. Various projects have already been identified across the Borough and will be considered as part of this programme once DEFRA have given permission for commencement.
- 3.14 Other economic related activities planned include the formation of Business Information Guides, which will be produced by June 2015 and distributed to businesses in the Borough, as well as those individuals considering starting up their own business. The guides will include information pertaining to business premises, licencing, health and safety information, business rates, funding opportunities, events and routes to training and skills development, as well as a host of other information.
- 3.15 An Inward Investment Guide will also be produced in June 2015 to complement the Business Information Guide. This has the potential to address the skills gaps that have been identified as a barrier to business growth, as it aims to attract inward investors, increase the number of businesses and job opportunities for local residents and those looking to work within the Borough. This guide will feature some of the information mentioned above, but also concentrate on promoting Melton's aspirations for growth alongside its wonderful environment, it's culture and leisure opportunities, it's competitiveness as a business location as well as highlighting the key growth sectors within the Borough.
- 3.16 Innovation is a fundamental component of economic growth and generally refers to changing or creating more effective processes, products and ideas, and can increase the likelihood of a business succeeding. Businesses that innovate create more efficient work processes and have better productivity and performance. The Council was awarded an iESE 2015 Certificate of Excellence for improving services to the public sector and its citizens in relation to our economic development and planning functions to deliver a shared and prosperous local economy. Continuing this focus, an Innovation Week is planned for June 2015, which will support local businesses and in particular young entrepreneurs to innovate to compete and grow in a more globalised marketplace.
- 3.17 As highlighted within the Economic Development Strategy the broader economic priorities relating to food and farming are being actively progressed. The Council has successfully secured frontrunner status with grant funding from DEFRA for the implementation of the Local Development Order and gaining Food Enterprise Zone status, whereby Melton's pioneering approach has been praised and recognised by Elizabeth Truss, Secretary of State for Environment, Food, Farming and Rural Affairs at the NFU's national conference in February 2015 at Birmingham. The Melton food and farming (LDO) will ultimately help to deliver the planned growth of Leicestershire's only Food Enterprise Zone. It will allow a specific range of development to be fast tracked, enabling new and existing food and farm based businesses to innovate, grow, and adapt to changing market opportunities delivering enterprise and additional jobs for the local and sub-regional economy.
- 3.18 The Council continues to work closely with the Leicester and Leicestershire Enterprise Partnership (LLEP) including informing the development of the emerging key growth sector

plans, acting as key lead for the Food and Drink Growth Sector Plan and supporting the formation of the Tourism, Creative Industries and Logistics and Distribution Growth Sector Plans. Alongside this work over 100 in depth telephone surveys were conducted in each district and enquired about a series of business related topics. The key findings of those surveys which relate to Melton Borough will be considered, alongside the recommended actions, in order to inform future economic development activities as well as feeding into the Local Plan.

3.19 Partnership working and co-ordination of longer term strategies are key factors to delivering successful economic growth and development within the Borough. As such the Economic Development Strategy has closely aligned with the local planning process, supporting and informing key evidence based documents underpinning the emerging Local Plan, including the Employment Land Study and Retail Study; this will need to be complimented by establishing the foundations for more proactive approaches to inward investment.

3.20 There is a comprehensive action plan that supports this strategy and delivery of each priority will be measured against the progress of these actions. Members are asked to note that the EDS and actions to support the priorities will be the key focus of the Economic Development Officer during 2015/16.

#### **4.0 POLICY AND CORPORATE IMPLICATIONS**

4.1 There are clear links to priorities within the Corporate Plan:

- Support people and businesses through the economic downturn
- Improving the well-being of vulnerable people
- Improve quality of life for people living in the most disadvantaged neighbourhoods
- Encourage people to take an active role in their communities
- Meet the Economic needs of Borough
- Maximise the potential of Melton Mowbray Town Centre

#### **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 Projects that are developed in support of the Economic Development Strategy will be subject to their own assessment in regards to costs and if applicable project mandate and business case will be developed.

#### **6.0 LEGAL IMPLICATIONS/POWERS**

6.1 No direct legal implications have been identified.

#### **7.0 COMMUNITY SAFETY**


7.1 There are no direct community safety implications arising from this report, however, as part of the development of an evening economy there will be links to creating a safer town.

#### **8.0 EQUALITIES**

8.1 An Equalities Impact Assessment has been completed and has identified no negative impacts.

#### **9.0 RISKS**

9.1

Very High A				
High B				
Significant C				
Low D				
Very Low E			1	
Almost Impossible F				
	I Negligible	II Marginal	III Critical	IV Catastrophic
				
	<b>Impact</b>			

Risk No.	Description
1.	Actions within the strategy not delivered.

10.0 **CLIMATE CHANGE**

10.1 There are no direct climate change implications arising from this report.

11.0 **CONSULTATION**

11.1 The Melton Community Partnership considered and approved the refreshed Economic Development Strategy (2015-2020) for a 6 week consultation period ending on 22<sup>nd</sup> January 2015. The strategy was also sent to all of the delivery groups supporting the Melton Community Partnership for comments.

12.0 **WARDS AFFECTED**

12.1 All wards are affected

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Appendices            Appendix A - Economic Development Strategy (2015-2020)  
                             Appendix B - Economic Development Progress

Date:                    3<sup>rd</sup> June 2015

Back ground papers: None

Committee:            X drive/Cttee/REEA/2015.16/ 030615/HR Economic Development Strategy