

Report to the Cabinet

Report reference: C-066-2013/14
Date of meeting: 3 February 2014



Portfolio: Asset Management and Economic Development

Subject: An Economic Strategy for the District, and resources to go with that.

Responsible Officer: John Preston (01992 564111).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) To note that work continues to be undertaken on the detailed nature of the local economy as part of the Local Plan evidence base;**
- (2) To agree that the points listed (a) to (j) below be the high level themes which form the basis of an Economic Development Strategy for the Epping Forest District:**
 - (a) policies and approaches for productive landscapes including glasshouses and pack houses;**
 - (b) tourism next steps - marketing of what the area has to offer visitors;**
 - (c) infrastructure including transport and high speed broadband;**
 - (d) the skills agenda - in particular the role of Epping Forest College and the opportunities at Stansted airport;**
 - (e) further opportunities at North Weald Airfield for employment, aviation and events;**
 - (f) analysis of what businesses already exist, and what support they want to develop;**
 - (g) links to supply chain from growth of West Essex Enterprise zone, in particular Medical Technologies;**
 - (h) promotion of the unique selling points of the District, i.e. special character, great place to live, work and do business, links to London;**
 - (i) plans for other Epping Forest District Council assets; and**
 - (j) links with those making significant inward investment;**
- (3) That these high level themes be taken as the starting point for a more detailed Strategy, which would then be produced having regard to the evidence base gathered so far, and that contained within other up to date plans such as the Economic Plan for**

Essex;

(4) That, to boost the Economic initiatives being undertaken, that the Council be requested to add one post to the establishment, namely a grade 4 Economic Development Assistant (subject to job evaluation), with a cost of £21,170 as a Continuing Services Budget growth item; and

(5) That District Development Funding be requested from the Council to:

(a) continue the Town Centres fund for 2014/2015 in the sum of £35,000;

(b) support the Food Task Force in the sum of £30,000; and

(c) provide for a post to follow through the recommendations of the Tourism Task Force in the sum of £25,000.

Executive Summary:

The Council has been undertaking many economic development initiatives for quite some time.

The importance of the local economy cannot be under stated, and it has quite a number of unusual features. The up to date analysis of this needs to be added to the Local Plan evidence base to supplement earlier work.

The Council lacks a formal up to date Economic Strategy, and yet it recognises the importance of economic development in its corporate priorities and key objectives, and in many decisions it has taken. It is considered time to agree the high level themes for such a strategy and then to compile a document that supports and amplifies those themes.

Whatever is within the strategy needs to be resourced more effectively, and therefore some options for resourcing and a preferred set of recommendations are given.

Reasons for Proposed Decision:

The Government has been stressing the importance of growth of the economy, whether that is local or within the context of world wide trade or activities which compete at that level. Achieving growth whilst protecting the area, including the Green Belt is important in a District of this nature.

There are special characteristics of the local economy, which probably warrant greater recognition.

The Local Strategic Partnership have recognised seven themes over the past year, but it is timely for the Council to agree high level themes for an up to date strategy, setting out what the Council wants and how that fits with the aims of others. Having a proper strategy will be a pre-requisite to attracting and using funding effectively.

The Council has used resources from many officers and partners to undertake much good work over the past few years, and it will continue to work in partnership; however, it needs to devote more in house resources to these issues to deliver more outputs.

Other Options for Action:

To do nothing.

To continue with present efforts, where much is being done, but which only goes so far in dealing with these matters.

Not to agree that the recent research is added to the Local Plan evidence base.

To adopt different high level themes.

To adopt different ways of securing additional resources.

Report:

1. The Council has had Economic Development Strategies for its area in the past; for example Cabinet considered revisions to the then strategy at its meeting in November 2003. At that time there was a clear effort to recognise links in the West of Essex, and to work with other partners. However, there was also a growing emphasis on Regional arrangements that started around that time.

2. The first Community Strategy which started to be developed in 2004 also contained a theme of economic development within the overall strategy for the area, and contained areas where action was to be expected. Not surprisingly this recognised that the economic profile of the area was relatively affluent, involved many residents in commuting out to London for employment, and that many commuted into the District as well. It recognised issues with transport, skill levels and that some parts of an affluent area suffered from economic problems. It similarly recognised the need for support to be given to Town Centres. The 2011 Community Strategy continued those same themes. Work has been undertaken on many of those subject areas over the time since.

3. The Local Strategic Partnership (LSP) has maintained and inspired involvement in the changing economy of the area, and has helped undertake a number of significant individual pieces of work in the period since; for example the task forces on the impacts of the credit crunch and on Tourism.

4. The Green Belt is a constraint to economic development, and the Local Plan for such an area has to grapple with that, and the evidence base for the Local Plan has been gathering information about employment land, town centres and economic structure.

5. However, there has not been a formal replacement Epping Forest District Economic Strategy, although the LSP (in which the Council has a major role) did formally adopt the document attached in Appendix 1 in 2012. The Council has also recognised the importance of such matters, not least because of the emphasis given in the Key Objectives of the Authority which have been developed in recent years. It is considered that it is time to agree an Epping Forest District Strategy for Economic Development; this can then properly be reflected in the Local Plan for this area, but also within the approaches being taken on such issues by other bodies such as the South East Local Enterprise Partnership, West Essex Alliance, London Stansted Cambridge Consortium, the Essex Economic Plan, and on many other work streams.

6. Although the Chief Executive, relevant Director and Assistant Director spend some of their time on Economic Development matters, the main resource is the Economic Development Officer. In addition, quite a number of other officers have, at different times contributed some of their expertise to such matters. Examples include the LSP Partnerships Manager (in particular whilst other staff have been on maternity leave) the Council's Policy Officer, the Head of Estates, and, when there was a Town Centres Officer in post, then they also played a role.

7. In recent time many initiatives have been instigated and supported by drawing on this latter group of officers, who have met regularly as a “business team.” Those initiatives include work on Town Centres, particularly in the last year. Bids for Portas funding were made, a series of business bulletins are regularly issued, One Shops Local and Visit Epping Forest websites have been supported. Recently, the County Portfolio Holder for Economic Development joined The Leader and relevant Portfolio holders from EFDC on a tour of significant economic sites. An assistant has been able to be employed for a short period of time earlier this year, and funds will permit a short term further appointment.

8. Whilst much has been achieved with these arrangements they are increasingly challenged as a resource. Examples include the following: there are a growing number of schemes which might be regarded as being transport schemes, but which have significant economic impacts; those included changes to the M25, a new junction 7a for the M11, West Anglia Rail improvements, Crossrail2 and Central Line issues, and the issues surrounding the development of Stansted. Increasingly, it is necessary to ensure that policies, resources, or bids for funding from such bodies as the Local Enterprise Partnership, or closer neighbours such as the West Essex Alliance (Epping Forest, Harlow and Uttlesford) pull together, as opposed to just happening to fit or being mismatched.

9. Future economic development within or near to the District can have very positive impacts; for example, if substantial rateable income was able to be retained locally. However, development may have more mixed impacts (The West Essex Enterprise Zone ought eventually to deliver a significant number of new jobs, but these need to be more than replacements for lost jobs, and some businesses are attracted to leave nearby locations in favour of the attractions of the enterprise zone, depleting income in nearby Districts unless those premises which are vacated are promptly re filled.)

10. There are opportunities for this Council to use its commercial estate, which is much greater in extent than in many District Councils, or to assist the development of particular industries or enterprises (such as those involved in food production and distribution) The Council is working with several other Councils and partners on a Food Task Force at present.

11. The Essex County Council has become ever more active on economic matters, with significant work having been undertaken on the Essex Integrated County Strategy, the 2012 Economic Growth Strategy, and its replacement, The Economic Plan for Essex.

12. This Council has undertaken reviews of its employment land, considered the strengths and issues for its town centres as part of the evidence base that was being gathered in connection with the new Local Plan. These suggested that more work was required to understand more of the detail of the Epping Forest economy. That work is not complete, and will need to be added to the evidence base. The work has considered, where available the statistics that show the economic structure of the area, although this work is subject to checking against census 2011 information which is due to be published shortly. Put simply there are some key points:

- There is significant out commuting, not only in the obvious sense of those using rail into London, but also those who whilst nominally working in construction activities whose HQ or depot may be in the District, but who work on construction sites elsewhere accessed by vehicle probably using the motorway network.
- There is a very significant small business sector in addition to those whose employment involves the commuting described above.

- Analysis of the earnings of full-time workers resident in various areas strongly suggests that in Epping Forest District earnings are on a par with those in Hertfordshire and comfortably higher than those in Hampshire, Kent and the rest of Essex. A common contention is that a key driver of productivity and therefore earnings is the skill level of the workforce concerned. This works well in the case of Hertfordshire, it has both 20% higher earnings than England and 20% more residents with higher education qualifications than on average in England. Kent proves the point in the other direction – it has lower earnings and few with higher qualifications than on average. But this is not true of Epping Forest District. Compared with other high earning areas, it does not excel in terms of qualifications. Although it is on a par with Hertfordshire for earnings, it is on a par with Essex for Level 4 qualifications. In fact Epping Forest District's proportion of economically active residents holding a high level qualification is regularly estimated as below that of England. This is also the case with middle-level qualifications. Whatever is driving Epping Forest's high level of earnings it is not the qualifications of the workforce.
- The District is conventional in retaining identifiable town centres, industrial estates rather than business parks, and the variety and character of its housing stock. It is also conventional in another interesting sense; as women's employment outside the home has forged ahead, Epping Forest District still registers a notably large difference between the employment rate of men and that of women (11.8 percentage points – 2011 Census).

13. The work being undertaken at an Essex level, and at Local Enterprise Partnership level suggests it would also be odd if the Council did not have its own up to date strategy, in part to confirm that what is in the higher level document is a fair synopsis of the local economy, but also to add more of the local detail and the local importance of such matters.

14. It is suggested that there are a number of areas which should be covered by such a strategy, as follows:

- (a) policies and approaches for productive landscapes including glasshouses and pack houses;
- (b) tourism next steps - marketing of what the area has to offer visitors;
- (c) infrastructure including transport and high speed broadband;
- (d) the skills agenda - in particular the role of Epping Forest College and the opportunities at Stansted airport;
- (e) further opportunities at North Weald Airfield for employment, aviation and events;
- (f) analysis of what businesses already exist, and what support they want to develop;
- (g) links to supply chain from growth of West Essex Enterprise zone, in particular Medical Technologies;
- (h) promotion of the unique selling points of the District, e.g. special character, great place to live/work/do business, links to London;
- (i) plans for other Council owned assets; and

(j) links with those making significant inward investment.

15. These plainly mirror what is in the document at Appendix 1, and are a brief version of what the key themes of a strategy would include. Whilst there is no point in repeating material at great length which may be evidenced in, for example, the Economic Plan for Essex, it is considered that the strategy needs to be a document of sufficient nature that it can stand on its own as a reference, not least when there are subtle but important local matters to be drawn out. For example, the Central Line is seen as rather a minor issue compared to the road and over ground rail lines elsewhere in the County, and has a London based set of funding and prioritisation, rather than an Essex based funding or prioritisation. Accordingly it is suggested that although agreement that these are the key themes can be reached, that the strategy itself should be created as a distinct document.

16. On the assumption that the weight which the Council has been giving to Economic Development, for example, keeping Council tax and parking charges low, considering carefully how to develop the Council's own assets, including North Weald Airfield, and adopting an economic strategy, then that reflects a need to resource that more effectively, or to accept that the priority would have to be lessened.

17. The establishment position on staffing below Assistant Director level is that there is the Economic Development Officer post, and short term funding has been achieved for an Assistant. Otherwise what is relied upon at present is, in effect, part of the time of officers with other duties, such as the Head of Estates, the Local Partnerships Manager, and the Policy Officer from this Council together with work from a number of Partners including Essex County Council and Job Centre Plus.

18. There are a number of options for improving or altering the resources being deployed in delivering existing economic development work, as follows;

- The temporary assistant post could be made into a longer contracted position or added to the establishment at grade 4 as a permanent position (subject to any necessary job evaluation).
- A case could be made for a technical officer as a longer contracted position, or added to the establishment at grade 5 (subject to any necessary job evaluation.)
- One could revert to the way that the Council has operated in the past where an officer with economic development duties was supplemented by an officer with town centre duties at grade 8.
- An alternative is to continue with drawing from many different resources but to recognise that a coordinator role is required above the present Economic Development Officer reporting to the Assistant Director.
- The Assistant Director post being shown within the agreed restructure report is to cover both Forward Planning, but also Economic Development (reflecting the present establishment) However, to give the Local Plan due priority, and recognising how much more difficult that has become to deliver, an interim measure for a contract for an temporary Assistant Director (Asset Management & Economic Development) has been created for a one year period.

19. It is recommended that a permanent assistant role at grade 4 is added to the establishment. This will cost £21,170 per year at mid point including on costs.

Other Work Themes

20. During 2013/14 the Council agreed to fund a £35,000 Town Centres Fund which has enabled a wider set of Partners to undertake projects to support the local main High Streets.

21. The projects supported this year, in addition to the administrative grant to each of the six Town Centre Partnerships (TCPs) are:

- Buckhurst Hill TCP – Photography Exhibition/Fashion Show;
- Loughton Broadway – Christmas Shop Local, Mural Project and Debden Day 2014;
- Loughton High Road TCP – originally for the Loughton Summer of Fun but as that did not go ahead in summer this has been agreed for a similar project later in the year;
- Ongar Town Centre Forum – Multi-disciplined/faceted approach to tourism;
- Epping TCP – Epping Festival 2014;
- Epping Forest Chamber of Commerce – Marketing of One Shops Local;
- Golden Triangle (Buckhurst Hill, Chigwell, Loughton) – Golden Triangle “app”; and
- Waltham Abbey TCP - was for Cucumber Festival but now likely to be redirected towards Meridian Event.

22. There is currently £3,435 left in the 2013/14 budget, for which the Town Centre Partnerships are currently submitting bids, and it is suggested that the same level of District Development Funding is provided for 2014/2015.

23. The Food Task Force to date has relied on time inputs from Members and Officers and the private sector, and it has drawn on research already funded in connection with the Local Plan evidence base, such as the Lawrence Gould report on the local Glasshouse industry. However, to take the work on that to a further level, not least of which to put together a bid for European and Local Enterprise Partnership Funding and for work on new business models and other opportunities for growth requires more. Contributions will also be sought from the London Borough of Enfield and the Borough of Broxbourne at least.

24. It is suggested that the Council makes a District Development Fund contribution of £30,000.

25. Councillor Boyce chaired a Tourism Task Force during 2012. The report of their work recognised that Tourism is a locally significant sector of the economy, but that it had significant potential for further growth. The next steps were as follows:

- Establishment of tourism network/ newsletter to enhance communication and capitalise on joint opportunities. Provide newsletter potentially bi-monthly plus ad-hoc newflash updates. Potential for barometer/surveys of industry.
- Production and planned distribution of Visit Epping Forest leaflet.
- Design and implement a residents' campaign.
- Establishment of permanent tourism committee with broader representation of District's visitor economy interests.
- Secure expert assistance to better define what our product/offer is, our key messages and the Visit Epping Forest brand.
- Explore funding opportunities for delivery of tourism development work (securing of funding commitment from Epping Forest, look at other mechanisms for securing financial commitment from local operators (pooled tourism budget), including Visit Essex's current analysis of a Tourism BID (Business Improvement District) approach in the County, Visit Essex has received European funding for rural tourism work – what stage is this at/ how do we get on-board).

- Visit Epping Forest attendance at further trade shows/ enhanced presence at Excursions 2014 and exposure at key local events. To also include improved presentation of Visit Epping Forest at such events – stand backdrop, packs, video etc.
- Production of Tourism Development Plan (recognising that many of the priority areas for work are ‘marketing’ related the TDP should address concept of broader marketing strategy plus also addressing other aspects in tourism development i.e. development of existing product – training needs and scope for new development – new facilities, physical improvements etc.).
- Investigate potential to work with partners such as Epping Forest Countrycare to produce an updated suite of walks leaflets, which also promote tourism facilities such as food and drink providers, visitor attractions, accommodation and Visit Epping Forest more broadly.
- Making connections with groupings/ geographies beyond Epping Forest District, whether neighbouring local authorities, groupings such as Visit Essex, West Essex Alliance, London Stansted Cambridge Growth Corridor, London connections, including direct green linkages to the District etc.
- A more coordinated approach to brown tourism signage.
- Works to website – ensure successful integration and promotion of new ‘what’s on’ listing element, updated website/ revise structure to enable greater detail. Ensure that website and other activity is supported by a strong social media presence.

OTHER POTENTIAL AND LONGER TERM PRIORITIES RAISED IN DISCUSSIONS

- Develop joint ticketing.
- Design and install further visitor interpretation boards.
- Exploring opportunities for Epping Forest College to offer more training in relation to tourism/ hospitality.
- Define priority physical improvements to the District’s tourism offer – iconic sculpture!
- Developing local festivals and events offer.

26. To implement the recommendations of the Task Force it is suggested that £25,000 is provided from the District Development Fund for a one year part-time post.

27. In recent years the Council, conscious of the various resources available, and in recognition of the need for such work to be employer and partner led and resourced, has worked through the One Epping Forest platform. This is viewed as the best value for money approach as well as achieving the best outcomes in an austere period. Some projects are being undertaken by having officers from different partners hot desk with the Council’s own officers who are undertaking economic development activities, and it is suggested that those arrangements are continued as being mutually beneficial.

Legal and Governance Implications:

It is not considered that significant legal & governance implications arise from this report. Where the Council makes a financial contribution with other partners, such as in furthering

the work of the Food Task Force, or in submitting a joint bid for funding, then there will have to be proper Governance arrangements in place.

Safer, Cleaner and Greener Implications:

The protection of productive landscapes, the promotion of broadband in rural areas, and the recognition of the character of the area are all important green dimensions to this work.

Consultation Undertaken:

None at this stage, although the One Epping Forest work has involved consultation.

Background Papers:

The report of the Tourism Task and Finish Panel.

Impact Assessments:

Risk Management

The use of the many and varied resources which have been used to date to support Economic Development has delivered some impressive outcomes, but it is often too dependent on the good will of those involved. The importance of economic development being undertaken to soundly grow the local economy is really too important to resource in such a way, and a more focused and coordinated approach is required.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?
N/A.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A.

EMERGING ECONOMIC DEVELOPMENT PRIORITIES

An initial consultation draft of an economic development strategy has been produced to support discussions on the District's long term aspirations. This will be agreed as part of the local Plan following extensive consultation with stakeholders. However a number of key priorities/themes based on initial analysis and consultation have emerged, and will form the basis for further discussion. These are set out below.

Emerging priorities and themes

1. **Developing and resourcing productive landscapes**, concentrating on food production/ security, intensification of land use, supporting/enhancing existing food production platforms, and exploration of food technology skills.
2. **Developing an integrated and coordinated approach to tourism**, engaging with attractions in the District, and feeder attractions and partner initiatives across west Essex and north London to grow the Visitor Economy with a special focus on green tourism and adrenalin attractions.
3. **Developing an infrastructure of business support** focusing on:
 - Business start ups/business up to two years old;
 - High Street viability and independent trading; and
 - High Speed Broadband particularly in rural areas.
4. **Expanding the Higher education offer in the District**, encouraging the relocation of existing institutions/faculties into the District in and around the Epping College site.
5. **Tackling long term youth unemployment**, enhance training and skills, and work experience and apprenticeships availability in the District.
6. **Securing inward investment**, in jobs and capital infrastructure funding.
7. **Building effective partnerships** within and outside the District to deliver.