Mid Devon District Council

Economy Policy Development Group

Thursday, 13 January 2022 at 5.30 pm
Phoenix Chambers, Phoenix House, Tiverton

Next meeting
Thursday, 17 March 2022 at 5.30 pm

PLEASE NOTE: - this meeting will take place at Phoenix House and members of the Public and Press are encouraged to attend via Zoom wherever possible. The Protocol for Hybrid Meetings explains how this will work. Please do not attend Phoenix House without contacting the committee clerk in advance, in order that numbers of people can be appropriately managed in physical meeting rooms.

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Meeting ID: 918 1473 1469
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Membership

Cllr J M Downes
Cllr Mrs C Collis
Cllr N V Davey
Cllr R J Dolley
Cllr Mrs S Griggs
Cllr B Holdman
Cllr D F Pugsley
Cllr R F Radford
Cllr J Wright

Committee Administrator: Sarah Lees
Tel: 01884 234310
Email: slees@middevon.gov.uk

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

1 **Apologies and Substitute Members**
To receive any apologies for absence and notice of appointment of substitutes.

2 **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.

3 **Declaration of Interests under the Code of Conduct**
To record any interests on agenda matters.

4 **Minutes** *(Pages 5 - 10)*
To consider whether to approve the minutes as a correct record of the meeting held on 4 November 2021.

5 **Chairman's Announcements**
To receive any announcements that the Chairman may wish to make.

6 **Budget 2022/2023 update** *(Pages 11 - 28)*
To receive a report from the Deputy Chief Executive (S151) reviewing the revised draft budget changes identified and to discuss further changes required in order for the Council to move towards a balanced budget for 2022/23.

7 **Covid 19 Economic Recovery Update** *(Pages 29 - 38)*
To receive a report from the Director of Place updating members on recovery activities undertaken at county and district level and progress on the preparation of a districtwide COVID 19 Economic Recovery Plan.

8 **Urban renewal in coastal and market towns** *(Pages 39 - 116)*
To receive a report by Hardisty Jones Associates, commissioned by Devon County Council, reviewing the potential for urban renewal in Devon's Coastal and Market Towns.

9 **Identification of items for the next meeting**
Members are asked to note that the following items are already identified in the work programme for the next meeting:

- Local Economic Recovery Plan
- Shopfront Enhancement Scheme
- Market Environmental Strategy (tbc)
- Taste Mid Devon update
- Skills and Training – briefing paper (tbc)
- Chairman's Annual Report for 2021 - 2022

Committee Administrator: Sarah Lees
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Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

Stephen Walford
Chief Executive
Wednesday, 5 January 2022

Covid-19 and meetings

From 7 May 2021, the law requires all councils to hold formal meetings in person. However, the Council is also required to follow government guidance about safety during the pandemic. The Council will enable all people to continue to participate in meetings via Zoom.

You are strongly encouraged to participate via Zoom to keep everyone safe - there is limited capacity in meeting rooms if safety requirements are to be met. There are restrictions and conditions which apply to those in the building and the use of the building. You must not attend a meeting at Phoenix House without complying with the requirements in the new protocol for meetings. You must follow any directions you are given.

Please read the new meeting protocol which is available here: https://democracy.middevon.gov.uk/documents/s23135/MeetingProtocolUpdateOct2021nextreviewFeb2022.pdf

If you want to ask a question or speak, email your full name to Committee@middevon.gov.uk by no later than 4pm on the day before the meeting. This will ensure that your name is on the list to speak and will help us ensure that you are not missed – as you can imagine, it is easier to see and manage public speaking when everyone is physically present in the same room. Notification in this way will ensure the meeting runs as smoothly as possible.

If you would like a copy of the Agenda in another format (for example in large print) please contact Sarah Lees via:
E-Mail: slees@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 4 November 2021 at 5.30 pm

Present Councillors	J M Downes (Chairman) Mrs C Collis, N V Davey, R J Dolley, Mrs S Griggs, B Holdman, D F Pugsley, R F Radford and J Wright
Also Present Councillors	R J Chesterton, D R Coren, Mrs C P Daw, R M Deed and B G J Warren
Also Present Officers	Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Paul Deal (Corporate Manager for Finance), Adrian Welsh (Strategic Manager for Growth, Economy and Delivery), John Bodley-Scott (Economic Development Team Leader), Clare Robathan (Policy and Research Officer) and Sarah Lees (Member Services Officer)

29 **APOLOGIES AND SUBSTITUTE MEMBERS**

There were no apologies for absence.

30 **PUBLIC QUESTION TIME**

There were no members of the public present.

31 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

No interests were declared under this item.

32 **MINUTES**

The minutes of the meeting held on 9 September 2021 were confirmed as a true and accurate record and signed by the Chairman.

33 **CHAIRMAN'S ANNOUNCEMENTS (00:05:00)**

The Chairman had the following announcements to make:

1. The recent informal PDG workshop had been extremely informative, Members had received a tremendous amount of statistical economic information which was all relevant to Mid Devon. The challenge now was to move forward and produce effective policy. The Group had tasked officers to go away and

produce a report which could list those aspects that the Council could contribute to and then to use those aspects as markers going forwards.

2. The next informal PDG workshop would be held on 25th November and would be centred around the agricultural sector with a representative from the NFU attending. He was keen that the Council could build a relationship with the sector that could benefit them going forwards.

34 **COVID ECONOMIC RESPONSE UPDATE (00:07:00)**

The Group received, by way of presentation, an update regarding the current economic position within Mid Devon as a result of the pandemic. This included the following information:

- At the recent workshop Members had been surprised by the positive economic recovery data both locally and nationally.
- Metals and fabrication manufacturing industries were showing signs of growth within Mid Devon.
- The lack of a full labour market was a key issue both locally and nationally. Mid Devon represented 10% of the population of Devon but represented only 7% of the total output.
- Demography would remain a core challenge for the district, with a rapidly aging population and low rates of under 30s.
- Payroll had bounced back to pre-pandemic levels across the HOTSW area.
- Unemployment rates were historically very low in Mid Devon with many of those long-term unemployed having fundamental barriers to employment.
- SW house prices had risen by 17% over the last year – while the supply of rental properties had decreased.
- Job vacancies within the district were outstripping supply.
- Many people had reassessed their working lives during the pandemic, some deciding to retire, go back to studies or working remotely for companies outside of the district.
- Educational attainment lagged behind neighbouring authorities and this was particularly evident within Mid Devon’s towns.
- Town Centres, which were already suffering beforehand, had been significantly impacted as a result of the pandemic.
- Another challenge was the automation of jobs currently undertaken manually.
- A Household Support Fund would be made available to those families that qualified for it over the winter period. This was due to be launched on 15th November 2021.
- A ‘Visit Mid Devon’ event would be held in February 2022 to support hospitality and tourism sectors and develop local supply chains. It was requested that this not be arranged on a day when Members needed to attend a formal committee.
- There had been some successes and failures in terms of funding bids. The ‘Reconnecting Tiverton’ Community Renewal Fund bid had been unsuccessful, similarly the Levelling Up Fund Round One bid for the Cullompton Relief Road was also unsuccessful but funding had been received for the Cullompton & Wellington Railway Station project in the region of £5m. It was currently anticipated that construction of the new station would start in 2024/5.

Discussion took place regarding:

- The situation regarding units in Market Walk, Tiverton. Up to date information was not available for the meeting but would be supplied to Members as soon as possible thereafter.
- Upskilling individuals was a positive and necessary ambition but how would it be achieved and how would those individuals be retained within the Mid Devon workforce? Currently there was a mismatch between the skills needed and the skills available. The Council was working where it could with local businesses, schools and colleges to ensure youngsters were made aware of all the opportunities which existed. This would be a key theme of a future PDG workshop and Members would have an opportunity to bring their ideas and develop a strategy going forwards.
- Providing the right type of housing was key in attracting and keeping people with the right skills needed for district. This could be achieved through allocating appropriate sites within the Local Plan and through the planning process.
- Effective and targeted communication was key.
- Biggest problem facing the education sector within Devon was a lack of adequate funding per child but District Councillors could act as lobbyists to those that had influence.
- Members had recently received a communication of a possibility of service cuts to the South West Trains services to London. However, if this was to come to fruition it was recognised that this could provide positive benefits as freeing up capacity on the rail line could provide addition services in the area.
- The Council was well engaged within various railway forums and were receiving weekly updates.
- Seating within Tiverton Town Centre, some of this had been removed during the pandemic to discourage public gathering. There was an opportunity to comment on improved seating provision in the second phase of the Tiverton Town Centre Regeneration project.

It was confirmed that the update provided to the January meeting would be in the form of a written report.

35 MEDIUM TERM FINANCIAL PLAN - GENERAL FUND, HOUSING REVENUE ACCOUNT AND CAPITAL PROGRAMME (01:23:00)

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) presenting to Member's the updated Medium Term Financial Plan (MTFP) which covered the period 2022/23 to 2026/27 and options available in order for the Council to set a balanced budget.

Before discussing proposed budget savings the Corporate Manager for Finance provided high level detail regarding the Chancellor's recent budget, this included the following:

- Spending for Government departments would increase by 3.8%, whilst this was better than expected, no detail had been received yet.

- Part of the 3.8% increase would be needed to cover cost inflation linked to the national staff pay award and this was predicted to take up the greater part of that increase.
- Local authorities would be required to retain their current referendum limits of 2% or £5, this would have the effect of capping the Council's income.
- A number of changes to Business Rate Reliefs were highlighted – but due to current legislation the Council is unable to benefit from them as it is prevented from claiming relief on its own property.
- Whilst the Chancellor's budget covered a high level 3 year settlement there was no helpful detail yet as to how this would affect local authorities.

The forecasted General Fund shortfall for 2022/2023 was currently £1,072m and was predicted to rise to £1,643m by 2026/2027. A public consultation process had commenced and Members were encouraged to ask their constituents to engage in the process.

Suggested budget savings were presented in Appendix 2 and the Policy Development Group were asked to comment on whether or not they supported those that related to the Economy area or whether they had any alternative saving ideas:

Discussion took place with regard to:

- There was no more 'low hanging fruit' to cut, this had already been done in the previous 10 years plus of budget cutting.
- The effect of the pandemic on Council finance was ongoing.
- So much detail was yet to come from central Government.
- Public concern regarding the 'big numbers' in relation to Council Tax.
- The number of question marks shown in Appendix 2 in relation to the Economy service areas was noted by the PDG.
- Making sure all available Council owned units were occupied thereby ensuring maximum income.
- The need for the PDG to identify and recommend savings where it could to the Cabinet in order to address the shortfall in the budget.
- The scope of the Economy PDG budget area being limited with its emphasis being more on growth and bringing money in.
- The Council's retail portfolio was as full as it had ever been.

The Chairman stated that because of the current uncertainties regarding the areas identified in Appendix 2 under the Economy area he did not feel the PDG were able to comment savings options at the current time. He thanked the Deputy Chief Executive (S151) and his team for all that they had done to progress the budget thus far.

<u>Note</u>: * Report previously circulated; copy attached to the signed minutes.

36 **PENINSULA TRANSPORT: RESPONSE TO THE CONSULTATION ON REGIONAL TRANSPORT STRATEGY VISION (01:47:00)**

The Group had before it, and **NOTED**, a report * from the Director of Place informing Members of the District Council's response to the Regional Transport Vision consultation being undertaken by Peninsula Transport, the sub-national transport

body. This report was requested by the PDG following consideration of consultation material at its last meeting.
It was explained by the Strategic Manager for Growth, Economy and Delivery that Members had shown an appetite at the last meeting to continue to be involved in the discussion around a regional transport strategy. It was suggested that perhaps more Member engagement could be had by having discussions with the transport team at Devon County Council. This was something that the Economic Development team could investigate since not all the issues previously raised were regional, some were very local and Members could have a great deal to contribute. This suggestion was supported by the PDG. There were links with 'skills and employment' and an opportunity to 'join up some of the dots'.

Note: * Report previously circulated; copy attached to the signed minutes.

37 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:55:00)**

Other than the items already identified in the work programme, the following was requested to be on an agenda for a future meeting:

- As part of the emerging Recovery work, a report setting out suggested plans for initiatives which were 'ready to go' should Government funds subsequently become available to progress them.

(The meeting ended at 7.26 pm) **CHAIRMAN**

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ECONOMY POLICY DEVELOPMENT GROUP
13 JANUARY 2022

BUDGET 2022/23 - UPDATE

Cabinet Member	Cllr Andrew Moore, Cabinet Member for Finance
Responsible Officer	Andrew Jarrett, Deputy Chief Executive (S151)

Reason for the report: To review the revised draft budget changes identified and discuss further changes required in order for the Council to move towards a balanced budget for 2022/23*.*

RECOMMENDATION: To consider the updated budget proposals for 2022/23 for the General Fund and Capital Programme and identify additional budget savings options within the Economy PDG's service areas to be formally recommended to Cabinet and Council.

Reason for the recommendation: The Local Government Finance Act 1992 places a legal requirement on the Council to approve a balanced budget. The first draft of the General Fund budget for 2022/23 indicated a deficit of £1.072m. This report updates that deficit to the current position of £1.427m and proposes measures to consider to achieve the statutorily required neutrality.

Relationship to the Corporate Plan: To deliver our Corporate Plan's priorities within existing financial resources.

Financial Implications: The current budget for the General Fund shows a deficit of £1.427m. In addition, as shown in the November report, a funding deficit is also projected in future years. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels. The Capital Programme shows over £20m investment is planned for the General Fund and a further £11m for the Housing Revenue Account.

Legal Implications: None directly arising from this report, although, as above, there is a legal obligation to balance the budget. There are legal implications arising from any future consequential decisions to change service provision, but these would be assessed at the time.

Risk Assessment: In order to comply with the requirement to set a balanced budget, management must ensure that the proposed savings are robust and achievable. We must also ensure that the assumptions we have used are realistic and prudent. Failure to set a robust deliverable budget puts the Council at risk of not being able to meet its commitments and casts doubt on its "going concern" and VFM status.

Equality Impact Assessment: There are no Equalities Impact implications relating to the content of this report.

Climate Change Assessment: The General Fund and Capital Programme contain significant investment in order to work towards the Council's Carbon Reduction Pledge.

1.0 Introduction

1.1 On 26 October, the first draft of the Medium Term Financial Plan covering the period 2022/23 to 2026/27 for the General Fund (GF), Capital Programme and Housing Revenue Account (HRA) was presented to Cabinet. The GF indicated a deficit of over £1.6m by the end of the 5-year timeframe. The Capital Programme showed significant investment, subject to appropriate business cases and funding available, in the decarbonisation of our estate and investment in the development of additional housing, and therefore an associated increase in the capital financing requirement. The HRA showed a balance position in the early years of the MTFP, but a budget deficit in the latter years.

1.2 This report provides an updated position across the General Fund and Capital Programme following a detailed budgetary review. It also includes the outcomes of the "Provisional local government finance settlement: England, 2022 to 2023" published (16 December).

1.3 Within this report is also a summary of the results of the budget section within the Residents Survey recently undertaken. This meeting should consider the budget feedback when reviewing the movements in the budget and when reviewing and identifying new budget options to propose to Cabinet. All of the other feedback from the survey will be reviewed (including any associated action plans) in a Cabinet report in March 2022.

1.4 The "Provisional local government finance settlement: England, 2022 to 2023" has just been published (16 December) giving further funding information for next year. The government have indicated that Core Spending Power will rise by an average of 6.88% on the assumption that Councils raise their council tax by the maximum permitted without a referendum. This includes social care authorities who may raise Council Tax by up to 3%, and so the benefit to District Councils is demonstrably lower. For MDDC, our specific increase in Core Spending Power is 0.82% including increasing Council Tax by £5. Therefore, after accounting for inflation, which is currently running at 5.1%, and lost income due to Covid-19, the true impact is a reduction in spending power.

2.0 2022/23 General Fund Budget – Revised Position

2.1 The draft budget deficit for 2022/23 has increased to £1.427m. The main reasons for this is:

- Income levels recovering from Covid-19 slower than originally anticipated;
- Increased assumptions around inflationary uplifts;
- Reduced income from investments – particularly due to slippage in 3Rivers;
- Investment in IT systems and vehicle fleet being funded by Revenue instead of Capital;
- Partially offset by increases in Grant funding, one-off utilisation of Earmarked Reserves and Council Tax income.

2.2 The current position is included with **Appendix 1**, which shows the movement at service level.

2.3 Although the Chancellor announced an end to the Public Sector Pay freeze in 2022/23, there is no clarity on what the agreed pay award for 2021/22 will be, and negotiations for the 2022/23 uplift have yet to begin. Therefore, the assumptions within the budget remain as before.

2.4 The Council has a 30-year cyclical programme of essential property maintenance. After close scrutiny, it is felt that elements of this programme can be delayed until future years and further use of Earmarked Reserves can mitigate any increase in the budget requirement for 2022/23. As the deferred expenditure will still need to be incurred, it is not an overall saving and will not be a benefit during the period of the MTFP.

2.5 In 2021/22, a vacancy management factor of £150k was included. This has been removed due to the in-year monitoring showing that the cost of agency cover exceeds the value of salary savings.

3.0 Local Government Funding Settlement

3.1 It was expected that the funding settlement would cover a multi-year period, most likely 2022/23 to 2024/25. However, the settlement announced covers only 2022/23 and is largely a roll forward of previous year's settlements.

3.2 The New Homes Bonus grant has previously been announced to cease after 2022/23. The Government remains committed to reforming New Homes Bonus to improve how housing growth is incentivised, and their response to the consultation on the New Homes Bonus will be published in the coming months. The 2022/23 allocation increased to £719k from £460k as previously announced. This is due to the inclusion of a further year's allocation. The increase of £259k has been utilised to reduce the current budget deficit.

3.3 The Rural Services Delivery Grant will be £490k, frozen at the same level as in 2021/22. There is no clarity on this funding stream beyond 2022/23.

3.4 The Lower Tier Services Grant introduced in 2021/22 has been decreased to £99k. This is a loss to the GF of £80k due to amending the distribution mechanism to ensure that no authority receives less in their overall Core Spending Power. There was no commitment for this funding in future years.

3.5 A new grant was announced, named 2022/23 Services Grant with MDDC's allocation being £153k. This is similar to the Lower Tier Services Grant newly announced in 2021/22 in that it is unring-fenced and provides funding in recognition of the vital services delivered by Local Government. Although it also includes funding to cover the ongoing cost of the increase in employer National Insurance Contributions, it is announced as one-off.

3.6 A summary of these grants is as follows:

	2021-22	**2022-23**	**Movement**
	£ millions	**£ millions**	**£ millions**
New Homes Bonus	0.959	0.719	- 0.240
Rural Services Delivery Grant	0.490	0.490	-
Lower Tier Services Grant	0.179	0.099	- 0.080
2022/23 Services Grant	-	0.153	0.153
Total Grant Funding	**1.628**	**1.461**	**- 0.168**

Change (£ Millions)	**- 0.257**	**- 0.168**	
Change (% Change)	**- 13.63%**	**- 10.28%**	

Note: In addition to these core funding streams shown above, it should also be noted that the one-off Covid-19 Grant of £408k has not be reissued in 2022/23. Furthermore, the Income Compensation Claim scheme ceased in Qtr 1 2021/22, which we had estimated £570k. **Therefore the level of government support has actually reduced by £1,146k year-on-year.**

3.7 It was confirmed that Councils could raise Council Tax by 1.99% or £5 whichever is higher. The previous assumption was based upon the 1.99% increase, and therefore increasing by £5 instead of 2% provides an additional £22k. Adding to this, the collection rate has been increased to 97.5% (from the previously assumed 97%) based on current performance. This has contributed an additional £33k. The taxbase has increased by over 4% providing additional income of £124k. Finally, the assumptions included within the 2021/22 budget have proven to be prudent and therefore we are forecasting to collect £377k more than anticipated – this will be used to aid the 2022/23 budget.

3.8 Government have confirmed that no further funding relating to Covid-19 will be provided. This leaves the Council exposed to the reductions in service income, particularly within Leisure and Car Parking which currently sum to approximately £500k on pre-covid levels.

3.9 The Funding Settlement was silent on details of how the Business Rates reset / revaluation, due in 2023/24, will happen. However, the continuation of the Devon Business Rates Pool was confirmed, which should benefit the Council through paying a lower levy on any growth. A refinement of the current Business Rates forecast has reduced the growth by £115k. However, this remains subject to further revision when the NNDR1 form is completed in January. This will then be available for the final draft of this budget.

4.0 Resident's Survey – Budget Results Summary

4.1 During November, the Council undertook a Resident's Survey. The feedback from which will be reviewed (including any associated action plans) in a Cabinet report in March 2022.

4.2 However, part of that survey included specific consultation on the 2022/23 budget. The budget feedback will be considered at the next round of Cabinet and PDG meetings in January. A summary of the budget related responses is included below:

- Over 40% of responses indicated they agreed that the Council's services provide value for money
- 38% said the most important priority when making spending decisions was providing basic statutory services, 21% tackling climate change, 19% said providing affordable housing.
- 46% said when making spending plans the council should protect services even if it means it will need to increase council tax and fees and charges. 29% said the Council should share services with other organisations.

- 52% think the Council should seek to generate additional income from commercial investments while 49% think this should come from planning and building control.
- Of the discretionary services provided by MDDC there was a fairly even balance about which services should be protected. 67% favoured parks and open spaces, 63% public toilets, 52% town centre regeneration.
- Of our statutory services 93% felt waste and recycling service was most important service followed by food and water sampling with 68%, and homelessness at 60%.

4.3 The current proposed budget reflects much of this, through:

- Protecting services – no service reductions are currently included, although there clearly remains a significant deficit to offset;
- Significant investment in decarbonisation of our estate and additional housing;
- New Partnership arrangements have been established for service delivery.

4.4 Income generation is however difficult in the current climate as highlighted in paragraph 3.8 above. This is further constrained by the restrictions Government have placed upon Councils investing in Commercial Income. In most circumstances inflationary increases are applied to service fees and charges.

4.5 Income from Planning Development is largely controlled by Government as planning fees are set nationally. However, it has long been the view that all development service activity, including enforcement, should be funded by the fees paid by those who benefit from development proposals. In light of the residents' survey, we will write again to our MPs to seek support for allowing local authorities the ability to charge a variable rate for planning matters in order that local Council Tax payers don't have to subsidise development activity.

5.0 Next Steps

5.1 A significant GF budget deficit still remains and therefore further action is required. The Cabinet and PDG committees will therefore be challenged to find further budget reductions to the value of £500k. Budget reductions can consist of reductions to expenditure or increases in income. This value is apportioned over the various committees in line with the value of the baseline budget of the services reporting to them, as follows:

	2021/22 Budget	**% Share**	**Share of £500k Requirement**
Cabinet	5,070,767	37%	185,600
Community	4,330,771	32%	158,400
Environment	4,163,771	30%	152,300
Economy[1]	(314,682)	-2%	(11,500)
Homes	416,787	3%	15,200
	13,667,414		**500,000**

1 The Economy PDG has a credit baseline budget, therefore any saving or additional income identified will increase the credit, hence the credit target.

5.2 This further budget review process can be assisted by reviewing the service unit draft budget proposals shown in **Appendix 2**.

5.3 In addition to the above challenge for budget reductions the following options are being considered:

Current (Round 1) budget gap		**£1,427k**
Less:	Cabinet / PDG Budget Challenge	£500k
	Release of Earmarked Reserves	c.£250k
	Increased income recovery from Covid-19	c.£300k
	Reintroduce a Vacancy Factor	c.£100k
	Use 2022/23 NHB Allocation to support budget	£???
	Further savings yet to be identified	£???

5.4 It is critical that the challenge to find £500k of additional budget reductions is embraced. Without these new options, the Council may be forced to consider taking more from reserves and risks leaving the Council in an imprudent position. **Appendix 3** provides the current assumptions of monies being put into and monies being taken from Earmarked Reserves.

6.0 Capital Programme

6.1 A revised version of the Capital Programme is included in **Appendix 4**. This includes the latest forecast from services, the updated business plan for 3 Rivers Development Limited, and refinement of the Housing Development programme within the HRA. Specifically:

- Items related to ICT infrastructure and systems have been refined. The proposed move to hosting systems and software on cloud based solutions as opposed to on premise servers has resulted in a shift from Capital to Revenue;
- The refreshed Business Plan from 3 Rivers has been reflected – this has delayed investment and the associated returns due to delays in the Council committing to further developments while it reviewed the governance and financial arrangements of the company.
- The delivery of housing development has been refined following further work and the latest survey assessments. This has reduce the borrowing requirement and the associated impact on the HRA.

7.0 Conclusion

7.1 Along with many Local Authorities, the financial challenges facing this Council are immense. A difficult position with significant uncertainties surrounding future funding, has been compounded by the need to maintain essential services whilst losing critical income streams.

7.2 Councils, however, need clarity and certainty about how all local services will be funded over the next few years and beyond. The opportunity for a multi-year settlement has been lost for another year at least. Furthermore, the Council is now left to deal with the lasting impact the COVID-19 pandemic has had on both service demands and revenue raising.

7.3 The significant budget deficit remaining is a challenge and the identification of a further £500k of budget reduction is critical to balancing the budget for 2022/23.

7.4 Moving forward Members and officers need to look to the pressures over the next few years reflected in our MTFP and our need to address ongoing pressures which cannot be satisfactorily addressed by the one-off use of reserves.

7.5 In order to conclude the statutory budget setting process, the PDG's are asked to review and identify further budget options to help balance the budget. These will be proposed to the final meeting of the Cabinet before being agreed at Full Council on the 23 February 2022. During this period officers will continue to identify and examine further savings possibilities that can reduce the longer term budget gap.

Contact for more information:	Andrew Jarrett – Deputy Chief Executive (S151) ajarrett@middevon.gov.uk / 01884 234242 Paul Deal – Corporate Manager for Financial Services Pdeal@middevon.gov.uk
Background Papers:	2022/23 LGA Provisional Local Government Finance Settlement[1]
Circulation of the Report:	Leadership Team, Cabinet Member for Finance, and Group Managers

[1] https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2022-to-2023-consultation

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General Fund Budget Summary

Appendix 1

Notes	MDDC - MTFP Summary	Agreed Base Budget 2021/22 £	Indicative Base Budget 2022/23 £	Movement £
1	Cabinet	5,561,182	6,205,486	644,304
	Community	4,083,712	3,937,033	(146,679)
	Economy	(296,730)	(69,788)	226,942
	Environment	3,926,239	4,495,664	569,425
	Homes	393,010	468,285	75,275
	Net Direct Cost of Services	**13,667,413**	**15,036,680**	**1,369,267**
2	Net recharge to HRA	(1,501,410)	(1,557,713)	(56,303)
3	Provision for the financing of capital spending	731,720	753,460	21,740
	Net Service Costs	**12,897,723**	**14,232,427**	**1,334,704**
4	Net Interest Costs / (Receipts)	(539,050)	(581,848)	(42,798)
	Finance Lease Interest Payable	159,410	152,600	(6,810)
5	Transfers To Earmarked Reserves	2,361,372	1,766,264	(595,108)
	Transfers (From) Earmarked Reserves	(3,124,501)	(2,590,868)	533,633
	Net Budget Requirement	**11,754,954**	**12,978,576**	**1,223,622**
	Funded By:			0
6	Retained Business Rates	(3,150,000)	(3,190,000)	(40,000)
7	Lower Tier Services Support Grant	(179,252)	(99,272)	79,980
8	Covid-19 Related Grant	(407,699)	0	407,699
	Covid-19 Related Income	(570,000)	0	570,000
9	Rural Services Delivery Grant	(489,742)	(489,742)	0
10	2022/23 Services Grant	0	(152,564)	(152,564)
11	New Homes Bonus	(958,750)	(719,072)	239,678
12	Council Tax–MDDC	(6,114,620)	(6,523,930)	(409,310)
	Council Tax prior year (surplus)/deficit	115,109	(376,874)	(491,983)
	Total Funding	**(11,754,954)**	**(11,551,454)**	**203,500**
	Annual Shortfall	**0**	**1,427,122**	**1,427,122**

Notes:

1 Further detail of the movement with the PDG Service areas can be found in Appendix 2

2 The recharge to the HRA is yet to be finalised. This assumes an increase in line with the increase in salary costs

3 The Provision for the financing of capital spending incorporates the financial implications of the proposed Capital Programme shown in Appendix 3. Prudent assumptions for increases in interest rates are included.

4 The reduction in Net Interest Costs/(Receipts) reflects a prudent assumption of the interest earnt from 3 Rivers Developments Ltd. Once each new loan becomes live, the true interest due will be incorporated into the assumptions, until such point only 60% is included to offset the cost of the loan.

5 Net Transfers to/(from) Earmarked Reserves reflects planned contributions to, or drawdowns from, reserves.

6 The Retained Business Rates income shows a forecast for modest growth. The final position will be calculated in January.

7 Lower Tier Services Grant is as revised by the 2022/23 Local Government Finance Settlement

8 All funding for Covid-19 support has ceased.

9 Rural Services Delivery Grant is as revised by the 2022/23 Local Government Finance Settlement

10 2022/23 Services Grant is new as per the 2022/23 Local Government Finance Settlement

11 New Homes Funding is as revised by the 2022/23 Local Government Finance Settlement

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PDG SERVICE UNIT MOVEMENTS **Appendix 2**

Service Unit	Direct Costs Detail	2021/2022 Annual Budget £	Reversal of One-off Adjustments £	Inflation £	New Pressures / Savings £	2022/2023 Forecast Budget £	Movement £	+/- %
	Cabinet							
SCM01	Leadership Team	406,590	-	14,765	113,718	**535,073**	128,483	32%
SCM02	Corporate Functions	95,740	-	3,491	1,020	**100,251**	4,511	5%
SCM03	Corporate Fees	152,450	-	609	114,293	**267,352**	114,902	75%
SCM06	Pension Backfunding	779,690	-	-	21,790	**801,480**	21,790	3%
SES01	Emergency Planning	8,150	-	-	(650)	**7,500**	(650)	-8%
SFP01	Accountancy Services	533,720	-	15,243	(48,601)	**500,362**	(33,358)	-6%
SFP02	Internal Audit	94,410	-	-	3,070	**97,480**	3,070	3%
SFP03	Procurement	113,470	-	3,871	(16,508)	**100,833**	(12,637)	-11%
SFP04	Purchase Ledger	45,840	-	1,634	1,003	**48,477**	2,637	6%
SFP05	Sales Ledger	44,770	-	1,634	943	**47,347**	2,577	6%
SHR01	Human Resources	387,360	-	12,959	96,749	**497,068**	109,708	28%
SHR02	MDDC Staff Training	29,870	-	-	(4,870)	**25,000**	(4,870)	-16%
SHR03	Payroll	36,370	-	1,356	3,270	**40,996**	4,626	13%
SHR04	Learning And Development	47,500	-	1,391	4,577	**53,468**	5,968	13%
SIT01	IT Gazetteer Management	70,500	-	2,504	3,422	**76,425**	5,925	8%
SIT03	IT Information Technology	968,430	-	20,476	272,694	**1,261,600**	293,170	30%
SLD01	Electoral Registration	230,820	(45,000)	4,016	28,756	**218,592**	(12,228)	-5%
SLD02	Democratic Rep And Management	504,460	-	20,344	20,030	**544,834**	40,374	8%
SLD04	Legal Services	368,503	-	12,697	44,175	**425,375**	56,872	15%
SPR01	Building Regulations	59,430	-	8,168	(74,283)	**(6,685)**	(66,115)	-111%
SPR04	Local Land Charges	(16,970)	-	2,647	(10,160)	**(24,483)**	(7,513)	44%
SRB01	Collection Of Council Tax	442,380	-	14,069	(95,541)	**360,908**	(81,472)	-18%
SRB02	Collection Of Business Rates	(105,380)	-	14	6,496	**(98,870)**	6,510	-6%
SRB03	Housing Benefit Admin & Fraud	126,270	(9,960)	9,278	55,413	**181,001**	54,731	43%
SRB04	Housing Benefit Subsidy	65,000	-	-	-	**65,000**	-	0%
SRB06	Debt Recovery	71,810	-	2,625	4,669	**79,104**	7,294	10%
TOTAL CABINET PDG		**5,561,183**	**(54,960)**	**153,788**	**545,475**	**6,205,486**	**644,303**	**12%**
	Community PDG							
SCD01	Community Development	138,500	-	-	-	**138,500**	-	0%
SCS20	Customer Services Admin	23,350	-	-	370	**23,720**	370	2%
SCS22	Customer First	751,010	-	26,151	(51,655)	**725,506**	(25,504)	-3%
SES03	Community Safety - C.C.T.V.	45,200	-	67	(25,360)	**19,907**	(25,293)	-56%
SES04	Public Health	3,990	-	-	-	**3,990**	-	0%
SES11	Pool Cars	280	-	689	915	**1,884**	1,604	573%
SES16	ES Staff Units/Recharges	750,610	-	26,515	15,350	**792,475**	41,865	6%
SES17	Community Safety	6,220	-	-	(150)	**6,070**	(150)	-2%
SES18	Food Safety	(24,200)	-	311	(1,451)	**(25,340)**	(1,140)	5%
SES21	Licensing	48,480	-	5,064	(29,487)	**24,057**	(24,423)	-50%
SES22	Pest Control	5,000	-	-	(2,500)	**2,500**	(2,500)	-50%
SES23	Pollution Reduction	(580)	-	311	7,519	**7,250**	7,830	-1350%
SPR02	Enforcement	91,780	-	3,011	(2,010)	**92,781**	1,001	1%
SPR03	Development Control	825,420	(281,290)	40,240	78,909	**663,279**	(162,141)	-20%
SPR09	Forward Planning	263,550	-	8,812	34,634	**306,996**	43,446	16%
SPR11	Regional Planning	248,103	(74,463)	-	60,705	**234,345**	(13,758)	-6%
SRS01	Recreation And Sport	906,999	-	83,503	(71,387)	**919,115**	12,116	1%
TOTAL COMMUNITY PDG		**4,083,712**	**(355,753)**	**194,673**	**14,402**	**3,937,034**	**(146,678)**	**-4%**
	Economy PDG							
SCD02	Economic Development	79,420	-	4,319	(13,394)	**70,345**	(9,075)	-11%
SCP01	Parking Services	(529,250)	-	2,626	41,944	**(484,680)**	44,570	-8%
SPR06	Economic Development	554,160	(34,000)	10,794	109,433	**640,387**	86,227	16%
SPS12	Gf Properties Shops/Flats	(401,060)	-	786	104,434	**(295,840)**	105,220	-26%
TOTAL ECONOMY PDG		**(296,730)**	**(34,000)**	**18,525**	**242,417**	**(69,788)**	**226,942**	**-76%**
	Environment PDG							
SES02	Cemeteries	(62,630)	-	1,116	(5,705)	**(67,219)**	(4,589)	7%
SES05	Open Spaces	200,854	-	566	61,288	**262,708**	61,854	31%
SGM01	Grounds Maintenance	555,436	-	24,874	(21,004)	**559,306**	3,870	1%
SPS01	Asset Management	40,000	-	-	75,000	**115,000**	75,000	188%
SPS03	Flood Defence And Land Drain	26,430	-	-	(410)	**26,020**	(410)	-2%
SPS04	Street Naming & Numbering	7,810	-	235	21	**8,066**	256	3%
SPS05	Administration Buildings	262,420	-	3,939	158,661	**425,020**	162,600	62%
SPS06	MDDC Depots	74,990	-	950	65,250	**141,190**	66,200	88%
SPS07	Public Transport	(15,280)	-	126	9,044	**(6,110)**	9,170	-60%
SPS09	Property Services Staff Unit	738,890	-	27,998	(32,795)	**734,093**	(4,797)	-1%
SPS11	Public Conveniences	63,980	-	1,267	(23,987)	**41,260**	(22,720)	-36%
SWS01	Street Cleansing	420,440	-	18,662	34,175	**473,277**	52,837	13%
SWS02	Waste Collection	229,459	75,000	68,887	52,330	**425,676**	196,217	86%
SWS03	Recycling	1,017,000	-	56,252	(93,259)	**979,993**	(37,007)	-4%
SWS04	Waste Management	366,440	-	11,450	(506)	**377,384**	10,944	3%
TOTAL ENVIRONMENT PDG		**3,926,239**	**75,000**	**216,322**	**278,104**	**4,495,664**	**569,425**	**15%**
	Homes PDG							
SES15	Private Sector Housing Grants	(3,630)	-	-	2,140	**(1,490)**	2,140	-59%
SHG03	Homelessness Accommodation	396,640	(66,850)	13,647	126,338	**469,775**	73,135	18%
TOTAL HOMES PDG		**393,010**	**(66,850)**	**13,647**	**128,478**	**468,285**	**75,275**	**19%**
	GRAND TOTAL	**13,667,414**	**(436,563)**	**596,954**	**1,208,875**	**15,036,681**	**1,369,267**	**10%**

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2022/23 Draft Transfers To / (From) Earmarked Reserves — Appendix 3

2022/23 BUDGETS
Transfers To Earmarked Reserves

SERVICE	EMR		Total
IE435	EQ653	New Homes Bonus Grant	460,264
PS990	EQ685	Fore Street Maintenance Sinking Fund	5,000
PS992	EQ685	Market Walk Maintenance Sinking Fund	20,000
CP540	EQ686	Paying Car Parks (Machine Replacement Sinking Fund)	3,000
LD201	EQ720	Election Costs - District	25,000
LD300	EQ721	Democratic Rep & Management	5,000
PR810	EQ728	Statutory Development Plan	100,000
EQ754	EQ754	Phoenix Printers Equipment Sinking Fund	2,200
EQ755	EQ755	ICT Equipment Sinking Fund	189,500
EQ756	EQ756	Fleet Contract Fund	624,600
GM960	EQ760	Grounds Maintenance	16,500
EQ761	EQ761	Recycling Plant Sinking Fund	30,000
EQ763	EQ763	Recycling Maintenance Sinking Fund	2,700
PS880	EQ765	Bus Station	5,000
ES100	EQ766	Cemeteries	25,000
ES450	EQ767	Parks & Open Spaces	25,000
RS140	EQ837	Leisure Sinking Fund	75,000
WS700	EQ839	Waste Pressure Washer	2,500
PS980	EQ837	Property Maintenance	100,000
IT500	New	Business Systems Migration	50,000
TOTAL			**1,766,264**

2022/23 BUDGETS
Transfers (From) Earmarked Reserves

SERVICE	EMR	Description	TOTAL
CD200	EQ653	Community Development	(45,000)
EQ638	EQ638	Dev Cont Linear Park	(4,170)
EQ640	EQ640	W52 Popham Close Comm Fund	(1,950)
EQ641	EQ641	W67 Moorhayes Com Dev Fund	(1,630)
EQ642	EQ642	W69 Fayrecroft Willand Ex West	(4,620)
EQ643	EQ643	W70 Developers Contribution	(6,650)
EQ644	EQ644	Dev Cont Winswood Credition	(3,080)
EQ755	EQ653	ICT Equipment Sinking Fund	(189,500)
EQ756	EQ756	Fleet Contract Fund	(493,230)
HG320	EQ742	Homelessness EMR	(163,180)
IE420	EQ777	C/Tax Smoothing EMR	(62,401)
IE440	EQ659	NNDR Reserve	(152,020)
PR225	EQ824	Garden Village Project	(310,130)
PR400	EQ653	Business Development	(80,000)
PR400	EQ728	Crediton Masterplan	(60,000)
PR400	EQ722	Staffing For Economic Recovery Work	(23,750)
PR402	EQ653	Cullompton HAZ	(168,420)
PR402	EQ652	Cullompton HAZ	(110,000)
PR600	EQ821	Neighbourhood Plans	(15,560)
PR810	EQ728	Statutory Development Plan	(173,500)
PR810	EQ726	Brownfield Project	(36,260)
PR810	EQ729	Custom Build Project	(25,000)
RB100	EQ787	Council Tax Staffing	(32,622)
RB100	EQ776	Customer Welfare Officer	(2,308)
IT900	EQ655	IT Project Managers X 2 - IT600 And IT900	(87,887)
PS992/PS991	EQ838	GF Shops EMR	(87,000)
RS100/PS810	EQ837	General Property Maintenance Sinking Fund	(251,000)
TOTAL			**(2,590,868)**

Net Transfer To / (From) Earmarked Reserves **(824,604)**

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2022/23 Draft Capital Programme

	Estimated Capital Programme 2022/23 £k	Notes
General Fund Estates Management		
Culm Valley sports centre		
Ceiling - asset review	260	
Total Leisure	**260**	
Other MDDC Buildings		
Cemetery Lodge - Structural solution for damp	62	
MDDC Depot sites		
Depot Design & Build - Waste & Recycling	250	Subject to identification of appropriate site
MDDC Shops/industrial Units		
36 & 38 Fore Street including Flat above structure & cosmetic works	150	This is in addition to the £47k identified in 2021/22.
Other Projects		
Hydromills Electricity generation Project - Tiverton Weir	420	Funding options to be explored - subject to acceptable Business Case/Financial appraisal. This is in addition to £800k identified in 2021/22 that is forecast to slip into 2022/23.
Total Other	**882**	
HIF Schemes		
Cullompton Town Centre Relief Road (HIF bid)	8,414	Revised Project costs/funding have been incorporated per Cabinet Report 03/08/21 and latest forecast from DCC (July 2021). Revised total project costs £24.9m. 'Levelling Up' funding bid has been submitted for £13.6m, if successful this funding will be used to partially fund costs in this forward looking MTFP but also budgeted costs in 2021/22 (which depending on the speed in which this project progresses may slip into 2022/23). Total project costs in this plan take into account monies already spent in 2019/20 & 2020/21 and the budgeted spend in 2021/22 Capital Programme. **Levelling up bid unsuccessful - alternative funding source being explored.**
Tiverton EUE A361 Junction Phase 2 (HIF bid)	4,640	Additional £1.9m projected costs assumed in 2023/24 per Cabinet Report 03/08/21 (Total revised project forecast £10.1m). At this stage for illustrative purposes to be funded by borrowing until tendering process complete and revised report brought back to Cabinet regarding delivery contract and associated funding and revised estimated profile of spend.
Total HIF Schemes	**13,054**	
ICT Projects		
Laptop/desktop refresh - Workstation	150	
Secure WIFI Replacement	60	
Network Switch/Firewall Refresh (all sites except P/House)	50	
Total ICT	**260**	
Private Sector Housing Grants		
Disabled Facilities Grants–P/Sector	577	
Total PSH Grants	**577**	
TOTAL GF PROJECTS	**15,033**	
Other General Fund Development Projects		
3 Rivers Scheme - Bampton	1,206	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	99	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet
* 3 Rivers Schemes - Future Projects	2,229	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet * These schemes require signed loan agreements before they can be progressed further
Park Road	1,265	Delivery of this project is yet to be determined until conclusion of marketing exercise & therefore maybe a Capital Receipt
Regeneration Project 2	500	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
TOTAL GF OTHER DEVELOPMENT PROJECTS	**5,299**	
GRAND TOTAL GF PROJECTS	**20,332**	

	Estimated Capital Programme 2022/23 £k	Notes
HRA Projects		
Existing Housing Stock		
Major repairs to Housing Stock	2,255	
*Renewable Energy Fund	250	* 2023/24 & 2024/25 are dependent on SHDF Funding bid in 2021/22 - if successful this spend will be b/fwd to 2022/23
Home Adaptations - Disabled Facilities	300	
**** Housing Schemes (1:4:1 Receipt) Projects**		
Housing Scheme - Project 1	35	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
Housing Scheme - Project 2	130	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
Affordable Housing/ Purchase of ex RTB	400	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
**** Housing Development Schemes**		**** Proposed Council House 1:4:1 & Housing Development schemes subject to full appraisal**
Housing Scheme - Project 11	1,500	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 14	800	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 16	900	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 18	900	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 19	1,400	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Westexe - Structural Communal area work (stairwells, steps)	100	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Garages Block - Redevelopment	92	This is in addition to the £408k identified in 2021/22, the majority of which is projected to slip into 2022/23
Post Hill, Tiverton	2,200	Original timescales/costs have been assumed - subject to scheduling of delivery provider. Planning application to be submitted Jan/Feb 2022
Old Road Depot remodelling options - forecast expenditure to maintain	50	Assumed Costs to keep building operational
GRAND TOTAL HRA PROJECTS	**11,312**	
GRAND TOTAL GF + HRA Projects	**31,644**	

	Estimated Capital Programme 2022/23 £k	Notes
FUNDING		
MDDC Funding Summary		
General Fund		
EXISTING FUNDS	**2022/23 £k**	
Capital Grants Unapplied Reserve	577	
Capital Receipts Reserve	5	
NHB Funding	81	
Other Earmarked Reserves	308	
HIF Funding (Tiverton & Cullompton schemes)	6,465	
Levelling Up funding bid (Cullompton Relief Road Project)	6,436	Levelling up bid unsuccessful - alternative funding source being explored
DCC Funding (Cullompton Relief Road Project)	153	
Subtotal	**14,025**	
NEW FUNDS		
PWLB Borrowing (50 years)	750	
PWLB Borrowing (25 years)	758	
PWLB Borrowing (3 years)	4,799	
Tiverton HIF Scheme - Assumed funded through borrowing from Public Works Loan Board		Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Subtotal	**6,307**	
Total General Fund Funding	**20,332**	
Housing Revenue Account		
EXISTING FUNDS	**2022/23 £k**	
Homes England Funding	2,160	
Capital Grants Unapplied Reserve	170	
Capital Receipts Reserve	1,080	
NHB Funding	21	
HRA Housing Maintenance Fund	0	
Other Housing Earmarked Reserves	2,804	
Subtotal	**6,235**	
NEW FUNDS	**2022/23 £k**	
PWLB Borrowing (50 years)	5,077	
Subtotal	**5,077**	
Total Housing Revenue Account Funding	**11,312**	
TOTAL FUNDING	**31,644**	

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ECONOMY PDG
13TH JANUARY 2022

REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION

COVID 19 ECONOMIC RECOVERY UPDATE

Cabinet Member(s): Cllr Richard Chesterton
Responsible Officer: Richard Marsh, Director of Place

Reason for Report: To update members on recovery activities undertaken at county and district level and progress on the preparation of a districtwide COVID 19 Economic Recovery Plan.

RECOMMENDATION: That members note the contents of the report.

Financial Implications: The report does not identify any new spend, although actions against a Local Economic Recovery Plan will need to be budgeted within existing funding or external funding sought.

Budget and Policy Framework: The outlined recovery plan will assist in the delivery of the Council's corporate plan objectives and will serve to update the objectives and actions in the Economic Strategy to reflect the impacts of the pandemic.

Legal Implications: There are no legal implications arising from this information report.

Risk Assessment: The impact of the pandemic on the economy has been significant. The ongoing work identified in this report focuses on mitigating the effects of the pandemic on the business community while aiding recovery. Projects emerging from the recovery plan will need to be taken forward with accompanying risks assessments.

Equality Impact Assessment: The pandemic has impacted most those who were already financially and medically vulnerable. The Council's emergency response is targeted to support those in financial hardship and to protect those who are medically vulnerable. The local economic recovery plan will need to consider the equality impact of proposed interventions and will be subject to an Equality Impact Assessment.

Relationship to Corporate Plan: The work of the Growth, Economy and Delivery team supports the corporate objectives for the economy:

- Bringing new businesses into the District
- Business development and growth
- Improving and regenerating our town centres
- Growing the tourism sector

These objectives have even greater significance following the effects of the COVID19 pandemic.

Impact on Climate Change: A local recovery plan provides an opportunity to update the Council's Economic Strategy and strengthen the focus on the green economy with initiatives to support green tech businesses and encourage climate change mitigation.

1.0 Background

1.1 This report provides an update on the latest statistical information available and the effect of the pandemic on the Mid Devon economy. It then looks at the projects and initiatives that are currently being undertaken to support economic recovery at a local and Devon-wide level, before concluding with an update on progress with developing a Local Recovery Action Plan.

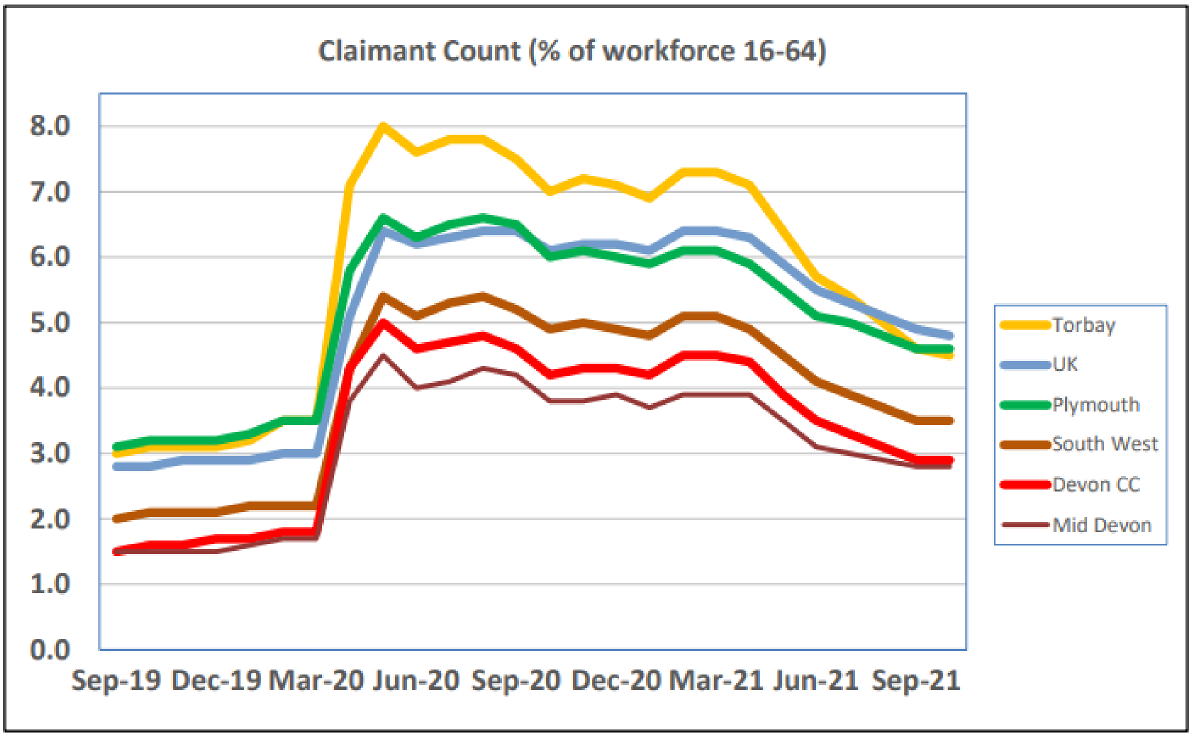
2.0 Latest Economic Position

2.1 As can be expected, the pandemic is continuing to have a significant impact on the local economy, and it is evident that recovery will not be a linear progression to a pre-pandemic position. The emergence of the new variant indicates that the economic consequences of the pandemic are still unfolding and are likely to have further adverse effects on Mid Devon businesses that will need to be mitigated.

2.2 Unemployment

2.2.1 Mid Devon saw a significant rise in unemployment, particularly among young people and the over 50s, during the initial phase of the Covid-19 pandemic. As the economy has re-opened in 2021, recruitment has picked up (particularly in the hospitality and retail sectors), which has led to a massive reduction in the claimant count. Currently the claimant count still remains above the pre-pandemic levels at 2.8%[1]. Although the number of claimants in all age groups has been falling, there is evidence that the over 50s are having greater difficulties in returning to work.

[1] Office for National Statistics, October 2021



Current Universal Credit claimant count			
	Mid Devon	**Devon County**	**England**
Rate October 2021	2.8%	2.9%	4.9%
Change since March 2020	62%	58%	61%
Change since October 2020	-26%	-30%	-22%

Source: Office for National Statistics November 2021

2.3 Labour Market Issues

2.3.1 While unemployment rates have remained relatively low, there has been a significant increase in demand for labour as businesses recover, leading to labour shortages in many sectors. Job vacancies in Mid Devon for Q3 2021 have risen by 55% compared to the equivalent period in 2019. In particular, care workers and distribution and storage workers are in high demand.

2.3.2 Economic inactivity rates have also shown a significant increase during and after the pandemic lockdowns, particularly for those aged 50-64. – A key reason for this is likely to be early retirements, but there has also been an increase in student applications this year, further tightening the labour market and the availability of potential workers.

2.4 Economic Vulnerability

2.4.1 As reported on previous occasions, the ‘Just About Managing’ (families in work, but on lower incomes and Tax Credits) have been the worst affected by the pandemic. Pre-Covid figures showed that 39% of children in Devon were in working families claiming tax credits, compared with 36% in Great Britain. Between 2019 and 2020 average pay for the lowest 20% of earners in Mid Devon fell by 8.7%. As to be expected, economic vulnerability is not evenly distributed, but is concentrated in certain locations. Recent analysis by Devon

County Council has shown that the most vulnerable areas in the district are as given in the table below.

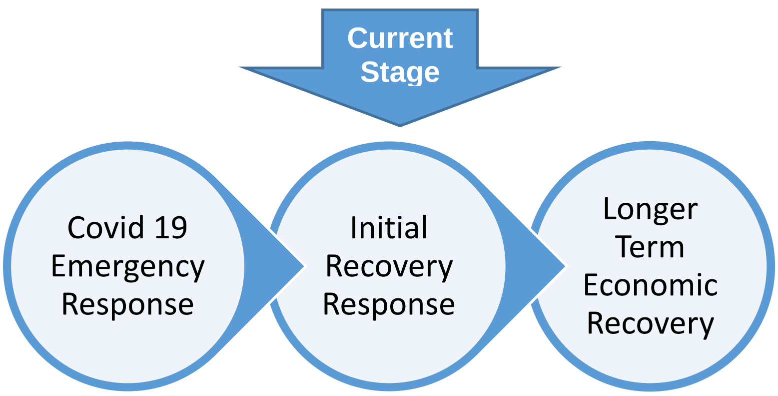
Mid Devon	Rank within Devon (where 1 is most vulnerable and 457 is least)
Tiverton: Castle, Hospital and surrounding area	33/457
Tiverton: Leat Street and Church Street area	37/457
Crediton: High Street and Deer Lane area	40/457
Tiverton: Queensway and surrounding areas	64/457
Tiverton: Upcott Meadow Road and Roundhill area	71/457
Tiverton: Cowleymoor and surrounding areas	72/457
Tiverton: Broomhill area, Withleigh	73/457
Tiverton: Mackenzie Way area	80/457
Lapford, Chawleigh, Eastington, Filleigh	86/457
Tiverton: The Avenue and St Andrew Street area	112/457

2.5 Business Impact - The Visitor Economy

2.5.1 It is too early to be certain about the lasting impact of the pandemic on Mid Devon businesses. However, the latest statistical analysis of the visitor economy shows that for the 2020 season, the pandemic saw a 60% decrease in staying visitors and 52% drop in day visitors, with an estimated £62.5 million loss to the local economy. Although there was a mini-boom in the 2021 season (figures not yet available), for many businesses this has not made up for losses from the previous year.

3.0 Economic Recovery - The Local Response

3.1 Even though in many ways the local economy has been recovering fast from the initial effects of the pandemic, there are still long-lasting impacts that may not as yet be evident nor fully understood. Although the worst of the pandemic may be over, the emergence of the Omicron variant, and the reintroduction of further restrictions, indicates that there are still bumps on the road to recovery.



3.2 It is important to remember that the Council is still involved in the emergency response phase of the pandemic, continuing to provide emergency support to

Mid Devon residents and businesses, and specifically in relation to the Economy Team the distribution of the remaining Additional Restrictions Grant (ARG) funds, managing the Local Household Support Fund, and overseeing Self-Isolation Support.

4.0 Covid 19 Emergency Response

4.1 Business Assistance

4.1.1 A small grant scheme was launched on the 21st November, utilizing an under-spend of £100,000 in the Additional Restrictions Grant (ARG). Small businesses have been invited to apply for grants of up to £10,000 for new initiatives that will help their business recover from the pandemic or make them more resilient. The first tranche of applications received will be assessed for funding in the week commencing 13/12/2021, with a further tranche to be decided in mid-January. The grants scheme will be open until the 28th February, or until the funding is exhausted. Councillors are encourage to share information about the scheme with businesses in their ward: Financial Support for Businesses during COVID-19 - MIDDEVON.GOV.UK

4.2 Household Support Fund

4.2.1 The District Council has been administering a hardship fund for those in financial hardship in one form or another throughout the pandemic, initially with funding from Devon County Council and then with Government funding. The latest iteration is the Mid Devon Household Support Fund. This is funded by a one-off grant of £86,836 from Devon County Council, being the District share of £5.1 million awarded to the county by the Department of Work and Pensions under the Household Support Fund Initiative. The fund can provide households in immediate need emergency support with food, energy and water costs and other household essentials. The Household Support Fund opened on the 6th October, and up to the end of November has distributed £23,700 to 142 households. Devon County Council has also launched a number of other initiatives to support households in financial hardship, These include providing food vouchers for those eligible for Free School Meals for the Christmas and half-term holidays; energy vouchers available through Citizens Advice and funding for young families through Early Help service and hard-to-reach groups.

4.3 Self-Isolation Support

4.3.1 The Council is also responsible for responding to requests for practical support from people having to self-isolate as part of the county-wide enhanced test and trace service, which is co-ordinated from within the GED team. Although Customer First team continues to receive a steady but increasing stream of requests, very few require practical support, and are adequately dealt with through further information and signposting.

4.4 Additional Relief Fund

4.4.1 On 25th March the Government announced a new ‘COVID-19 Additional Relief Fund (CARF)’ of £1.5 billion. The fund will be available to support those businesses affected by the pandemic that are ineligible for existing support linked to business rates.

4.4.2 The £1.5 billion will be allocated to local authorities based upon the estimated rateable value in each local authority rating list which falls within the scope of the fund, weighted for the Gross Value Added (GVA) impacts of COVID-19 per sector. The Mid Devon allocation is £1,164,024.

4.4.3 The Council will be required to create a policy to enable allocation of these funds, and we will be inviting businesses to apply so the relief is targeted to the right sectors. Once the policy has been written early in the new year, the website will be updated to recognise this relief and to advise on the criteria for eligibility.

5.0 Local Recovery Initiatives

5.1 The Growth, Economy and Delivery Team continues to support businesses as they manage the impact of Covid on their staff and customers and the market consequences of Covid restrictions. A lot of the focus in the initial stages has been on those sectors most affected by previous lockdowns, including the leisure, tourism and hospitality sectors and town centre retail. The following sections give a flavour of the work currently being carried out.

5.2 The Visitor Economy and Agri-Food and Drink

5.2.1 The Visit Mid Devon Partnership, between the Council and the Tourist Information Service, has been working hard to maintain and update the Visit Mid Devon website (www.visitmiddevon.co.uk), and to keep it attractive and current through relevant promotional campaigns. To date 136 businesses have signed up to the project, of which, 57 were in the last 5 months. As part of our assessment of Mid Devon’s economic recovery we have undertaken a ‘How’s Business?’ survey with our leisure, tourism and hospitality businesses (including local producers) which has allowed the team to build understanding and rapport with the sector and create new channels of communication.

5.2.2 Our latest campaign, Taste Mid Devon, has been well received and is constantly changing to reflect Mid Devon’s food and drink offer. In order to support our businesses through the economic recovery we are planning an event with guest speakers early next year to highlight the importance of ecommerce, creating a strong supply chain and the tourism trends in the UK following the pandemic, as well as providing business support and other information displays.

5.2.3 This sector is one of the hardest hit by the pandemic, therefore, we are investigating different ways to support businesses through the recovery phase. In order to grow Mid Devon’s local supply chain we are planning to organise ‘Meet the buyer’ events, giving suppliers access to buyers and decision makers from across the public and private sectors. These events are aimed at our micro, small and medium size businesses.

5.3 **Love your Town Centre Fund**

5.3.1 The second round of the Love your Town Centre Fund closed in September which supported a number of the events across Crediton, Cullompton and Tiverton town centres in the build up to Christmas.

5.4 **Public Realm Update**

5.4.1 Through use of Welcome Back funding, we are looking to install new visitor information boards in each of the four towns in Mid Devon. Each one will highlight what the town has to offer and will have an illustration of the town centre. We have received preliminary quotes and are consulting on the content of the boards with local town groups. Alongside this, we have received quotes for the build and installation of a series of new fingerposts to improve pedestrian signage and destination way-marking in Tiverton. Further consultation with the Town Centre Partnership will take place in January to look at other pedestrian signage in the town.

6.0 Devon Economic Recovery Plan

6.1 Throughout the pandemic the 'Team Devon' partnership of public sector bodies has co-ordinated a number of initiatives to support the Devon Economic Recovery Plan. The following sections highlight some of the current activity.

6.2 **Coastal & Market Town Initiative**

6.2.2 Following on from a report by Hardisty Jones, commissioned by Devon County Council into the needs of Devon's coastal and market towns, Tiverton has been identified as one of eight Devon towns that needs focused attention. The initiative will support the development of a regeneration plan for each of the eight towns and help to progress business plans for key projects so that they are well prepared in advance of any announcements of future Government funding. The report will be discussed at the informal PDG meeting in the new year.

6.3 **Community Renewal Fund**

6.3.1 Although the Mid Devon's submission to the Government's Community Renewal Fund was not successful, there were a number of bids across Devon that did receive funding that will see benefits to Mid Devon. The list of funded projects include:

6.4 **Retrofit Skills and Business Accelerator**

6.4.1 A retrofit training project, led by the Retrofit Foundation, that will provide individuals and SMEs in the construction sector and allied trades with the skills they need to retrofit the current housing stock with energy efficiency technologies, in line with the Government's target for all homes to reach EPC band C standard by 2035. We are already in discussion with the Retrofit Academy on how to roll this out across Mid Devon.

6.5 **Agri-Tech Accelerator**

6.5.1 Building on Devon's natural capital, this is an innovative project led by Devon County Council which will support farms to diversify and innovate, and the wider business community to work together to advance technology in the agricultural sector.

6.6 **Mid Devon Mobility - Stronger Together**

6.6.1 Mid Devon Mobility are leading a voluntary sector partnership to develop a social transport / employment hybrid project, which will help individuals from harder-to-reach backgrounds in rural areas to access employment opportunities though public transport and other means.

6.7 **Limited Engaging Enterprise**

6.7.1 A new self-employment support programme from Serco, which introduces additional innovative products and approaches to support those who may flourish in self-employment.

6.8 **Promoting Innovation and Enterprise**

6.8.1 Petroc will be leading on a project that seeks to utilise new digital technology (Augmented Reality, Virtual Reality, and Mixed Reality) and knowledge transfer to fast-track innovation and upskilling across businesses in West Devon, Torridge, North and Mid Devon.

6.9 **Innovation for Youth and Community**

6.9.1 Also led by Petroc College, this project will focus on filling gaps within existing youth and community provision to create a single programme which will support young people in rural / coastal Devon to return to work and learning.

6.10 **Digital Devon**

6.10.1 A digital skills and training project, led by the Devon and Cornwall Training Providers Network in partnership with the HotSW Digital Skills Partnership, aimed at aligning current digital skills and training provision, as well as promoting train the trainer and intermediate level digital skills roll out.

6.11 **School for Social Entrepreneurs Devon**

6.11.1 A targeted social entrepreneur's project led by the Dartington School for Social Enterprise, aimed at supporting individuals who are interested in setting up their own social enterprise from harder to reach / disadvantaged backgrounds.

6.12 **Devon Elevation Fund**

6.12.1 A delegated grant scheme led by Devon County Council which will provide support for business innovation and agility, creating new jobs, new products and allowing local business to play a more active role in building back better and improving local economic resilience.

6.13 **Ability not Disability**

6.13.1 A project focused on addressing and fast-tracking employment for those with a disability within Devon.

6.14 **Velocity – VCSE Devon**

6.14.1 A social enterprise support programme, led by Project Cosmic providing business support, training and peer-group development which builds resilience and innovation in the voluntary, community and social enterprise sectors.

6.15 **Start and Grow**

6.15.1 A business support / enterprise programme run by YTKO Devon that will support the development and fast tracking of micro business to take up post pandemic opportunities.

6.16 **Eden Grounds**

6.16.1 The Eden Project received £250k to undertake a feasibility study which will examine the potential for creating a high-quality visitor and food / green attraction at J27 of the M5. Jason Berry has been in contact with the promoters to see how the Council can be involved.

6.17 All of these projects will need to be delivered by March 2022 so they will be progressing at pace and officers will be in contact with the lead organisations and providers to understand how we can engage as a Council and how Mid Devon businesses can benefit from these schemes.

7.0 Longer Term Economic Recovery

7.1 It is likely to take a number of years for the local economy to recover fully. It is also recognised that the district has limited resources and influence it can apply to these major challenges. It is therefore important that the Council is realistic about what it can achieve and continue to work in partnership with other organisations and prioritise our activities and interventions accordingly. It has been proposed that a local economic recovery plan is developed that will update the Council’s Economic Strategy adopted before the pandemic. To that end, a series of informal meetings with PDG members have been organised to explore the major issues facing Mid Devon. It is intended that these sessions will be informed by sector representatives to allow members the opportunity to discuss recovery challenges with industry experts.

7.2 Informal meetings in October and November have already received evidence from Phill Adams from Devon County Council on the overall state of the local economy, and from Andrew Butler of the NFU on the Agricultural Sector, Further meetings have been arranged to look at the Skills and Training agenda with representatives of Petroc College and the position of our Town Centres with the authors of the Coastal and Market Town Report.

7.3 From these discussions, proposals will be formulated to provide an action plan for discussion with members. The proposed Local Economic Recovery Plan will then be brought to Cabinet in April.

Contact for more Information: John Bodley Scott, Economic Development Team Leader
jbodleyscott@middevon.gov.uk

Circulation of the Report: Cllr Richard Chesterton
Cllr John Downes
Leadership Team

List of Background Papers:

ECONOMY POLICY DEVELOPMENT GROUP
13 JANUARY 2022

URBAN RENEWAL IN DEVON COASTAL AND MARKET TOWNS

Cabinet Member(s): Cllr Richard Chesterton, Cabinet member for Planning & Regeneration
Responsible Officer: Richard Marsh, Director of Place

Reason for Report: To receive a report by Hardisty Jones Associates, commissioned by Devon County Council, reviewing the potential for urban renewal in Devon's Coastal and Market Towns.

The report is presented to provide an overview of some of the current challenges and opportunities for Devon's Coastal and Market towns but also as it relates specifically to, and proposes support for, Tiverton.

Recommendation: That the contents of the Hardisty Jones Associates report are noted and along with the proposed next steps to proceed with Tiverton's involvement with the Devon Coastal and Market Town Urban Renewal Initiative.

Financial Implications: The Devon Coastal and Market Town Urban Renewal Initiative is funded mostly through the Devon Post Covid Recovery Funding. However, the participating District Councils are being asked to contribute up to £15,000 in match funding. This contribution will be identified from within Government funding to support recovery or within existing MDDC budgets.

Budget and Policy Framework: The Urban Renewal Initiative is a response to Team Devon's Post Covid Economic and Business Recovery Prospectus Plan, and closely matches the Council's Policies in the Local Plan and Corporate Plan on Town Centre Regeneration

Legal Implications: Consultancy support for the Coastal and Market Town Urban Renewal Project will be procured and managed by Devon County Council through their procurement process. The proposed funding for quick win projects will be governed by terms and conditions yet to be agreed with Devon County Council.

Risk Assessment: The Hardisty Jones Report does not create any new risks of itself. However, there are risks associated with the delivery of a regeneration strategy and quick-win projects as part of the Coastal and Market Town Urban Renewal Initiative. These will be considered further, and appropriate mitigations identified, as the work progresses.

Equality Impact Assessment: The proposed regeneration strategy will need to ensure that the benefits of regeneration are equally available to all residents

Relationship to Corporate Plan: The Initiative will support the Council's corporate priorities for the Economy, and specifically it will meet the Council's intention to "Identify strategic and tactical interventions to create economic and community confidence and pride in the places we live. This includes a continued focus on Town Centre Regeneration."

Impact on Climate Change: The proposed regeneration strategy will need to address the impact on climate change in the projects it identifies.

1.0 Introduction

1.1 As part of the Team Devon's Post Covid Recovery Plan, Devon County Council commissioned Hardisty Jones Associates to review the potential for urban renewal in Devon's coastal and market towns and to identify and prioritise eight towns, which would receive targeted support under the scheme. The report identifies Tiverton as one of four towns in Group 1, which will receive more extensive support. The reasons for this are set out within the accompanying report.

1.2 The purpose of the Devon Coastal and Market Towns Urban Renewal Initiative is to ensure that Devon's market towns can play a full and active role in Devon's economy. It will do this by ensuring each of the eight towns has a robust regeneration strategy with broad consensus across all the key stakeholders, a Regeneration Board to support the delivery of that strategy, and a detailed Business Case for investment so they are in a good position to apply for Government Funding when it becomes available. It will also fund two or three quick-win projects as identified and agreed by the Regeneration Board.

1.3 Mid Devon is well placed to benefit from this initiative and can build on the existing work undertaken in developing the Tiverton Town Centre Masterplan, and the Community Renewal Fund bid earlier this year.

2.0 Next Steps

2.1 Subject to input from the Economy PDG, next steps are expected to include:

1. Preliminary discussions with Tiverton Town Council regarding the progression of the work, including the development of a Regeneration Board to oversee the Tiverton element of the Coastal and Market town work, as envisaged through the DCC/Hardisty Jones report; and

2. Development of a work plan which will see MDDC activity focused on completing the Tiverton Masterplan. This work will contribute to, and benefit from, the coastal and market town project work, but also work to guide future interventions aimed at supporting the continued development and regeneration of Tiverton.

Contact for more Information: John Bodley Scott (jbodleyscott@middevon.gov.uk)

Circulation of the Report: Cllr Richard Chesterton**,** Leadership Team

List of Background Papers: 'Urban Renewal in Devon's Coastal and Market Towns' – Final Report, Hardisty Jones Associates – Commissioned by Devon County Council.

HARDISTY JONES ASSOCIATES
Economic Development Advisers

Urban Renewal in Devon's Coastal and Market Towns

Final Report

Prepared for Devon County Council

October 2021

Table of Contents

Job Number:	21 01 06
Version Number:	3.1 Final Report
Approved by:	Gareth Jones
Date:	18 October 2021

Executive Summary

i. This study is about the future role and prosperity of market and coastal towns in Devon. The County is part of the Heart of the South West (HotSW), so original research undertaken for this study on Devon complements recent work on the future of towns in HotSW.

Objectives

ii. The objectives of this study are:

- To identify the common challenges and opportunities for market and coastal towns in Devon
- To consider their relationships with cities, and the opportunities and threats from this
- To identify key opportunities and actions for transformational change, and the barriers that need to be overcome to deliver this
- To consider good practice elsewhere and how this can be applied in Devon
- To identify actions to deliver the opportunities
- To identify pilot towns that should be prioritised for intervention and support in Devon
- To inform County, District and Town Council partners on future policy direction

The policy and strategy context for town development

iii. A review of national, regional, and local policy and strategy for economic development and the preceding HotSW study have identified several policy themes for the future of towns. Discussed in detail in Chapter 2, these include making towns attractive and vibrant places to live, work and play; ensuring towns have suitable retail and service provision to make them more self-contained; delivering the skills and infrastructure needed for better quality employment in towns; improving the physical and digital accessibility of towns; delivering affordable housing for local people; and promoting environmentally sustainable and inclusive growth.

iv. The future role of coastal and market towns in Devon will be:

- Places to live
- Places to work (and commute out of to work elsewhere)
- Places to visit (for leisure and tourism)
- Places to shop
- Places to access services (both public and private)

v. In fulfilling these roles, towns should be healthy, vibrant, prosperous, inclusive, sustainable, and connected.

Challenges, opportunities, and good practice in town development

vi. Widely shared **challenges** faced by Devon's towns are considered in Chapter 3. These include:

- Lack of a governance structure, vision, strategy and action plan for future growth
- Impacts of the Covid-19 pandemic on sectors and activities that are more prevalent in towns such as retail and tourism
- Low levels and quality of employment and a lack of employment sites and premises
- An ageing population and outflow of younger people
- Poor access to education and training

- Poor physical and digital connectivity
- Often limited electricity grid capacity to accommodate further growth and the move towards electric vehicles
- Faded public realm and vacant retail units
- Poor housing affordability and poorly connected housing developments.

vii. However, there are many **opportunities** for the growth of towns, with common ones being:

- A surfeit of good ideas and enthusiasm for the future, often within a core group of people in the town
- Strong social capital
- Plans for major residential and mixed-use developments in most towns, which will lead to population growth
- Plans for public realm and town centre improvements, as the aesthetic appeal of towns is important in attracting population and economic growth
- Opportunities to attract remote workers into the town centre
- Opportunities for workspace, co-working space, and live-work space
- Opportunities to increase the night-time vitality and vibrancy of towns
- Opportunities to increase the volume and quality of tourism activity
- Places for net zero carbon activity, energy generation, and the infrastructure for electric vehicles and active travel
- Opportunities for greater local procurement and local supply chain development

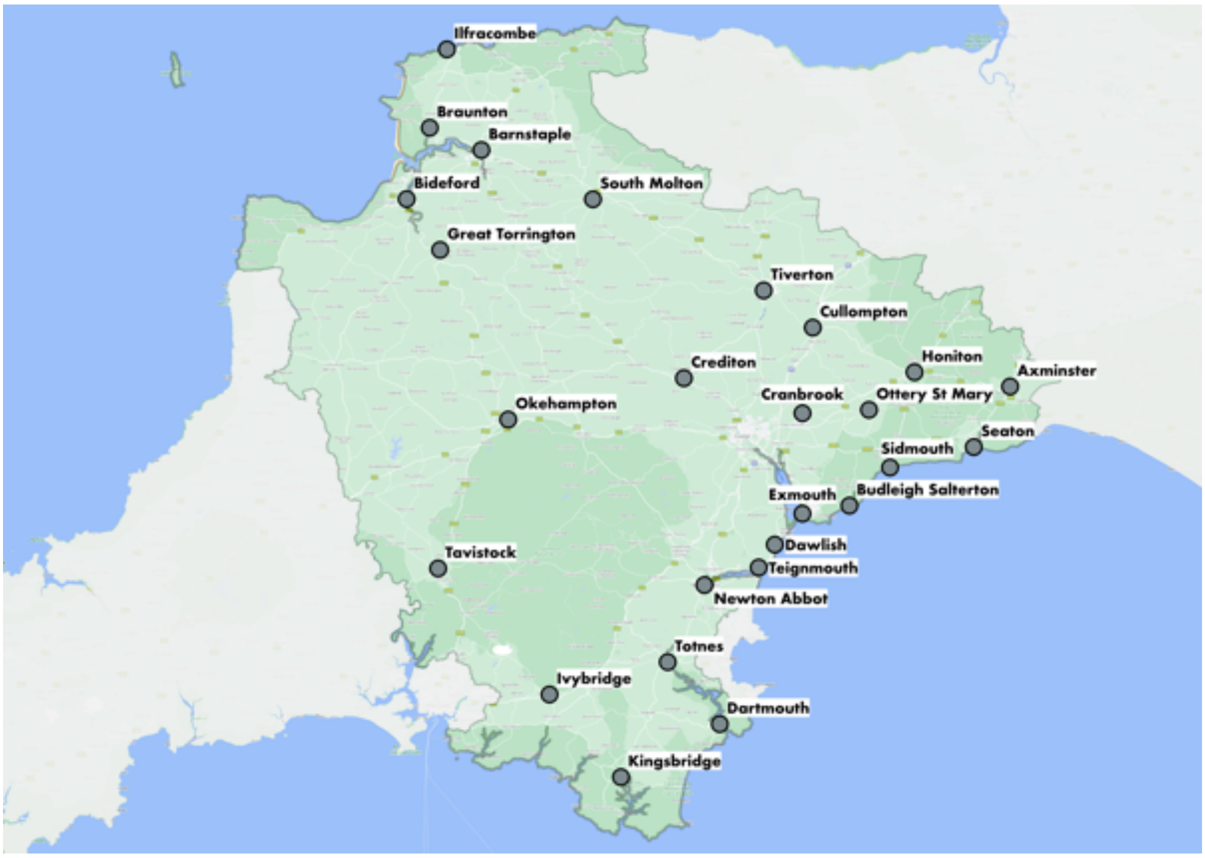
viii. However, time, expertise and financial resources are needed to exploit these opportunities, and the availability of all of these is limited.

ix. **Good practice** in town development is driven by a strong local governance structure that represents both the local community and also stakeholders such as local authorities who are able to deliver change; a locally formulated and widely owned vision for the future of the town; and an action plan to deliver this. Places that have seen successful regeneration have seen capital investment in infrastructure, support to businesses, and labour force improvement. Regeneration and change are not quick processes and can take years to deliver, so a realistic approach is important.

The coastal and market towns of Devon

x. There are 26 market and coastal towns in Devon with a population of more than 5,000 people. These range from Budleigh Salterton and Dartmouth with populations of just over 5,000 to Barnstaple, Bideford, Exmouth and Newton Abbot, each with a (Built Up Area) population of between 30,000 and 40,000. The towns play a range of roles (i.e. coastal towns, hub/market towns, employment centres, locations for learning, and commuter towns), with most playing several of these.

Figure 1: Location of Towns in Devon



xi. In Chapter 4 the recent socio-economic performance of the 26 Devon towns has been benchmarked against the economies of the South West and England (excluding London) to identify any structural challenges and opportunities. Although the towns' population is older than the benchmarks, growth has been variable in recent years, with the population of ten towns growing faster than the benchmarks and 16 slower, with three of these experiencing population decline. The towns have relatively less employment than the benchmarks and it is lower quality. Employment growth has varied, with ten towns performing better than the benchmarks and 16 worse, with 12 of these experiencing employment decline between 2015 and 2019. The claimant count is lower in most Devon towns than in the benchmark areas. Income-related deprivation is worse in some places and better in others than the benchmarks; and employment deprivation is similar. Overall, the population of towns remains older than the benchmarks; employment remains and less and lower quality.

xii. The towns' vulnerability to future decline has been considered in terms of short-term vulnerability to decline caused by the Covid-19 pandemic, longer-term structural vulnerability, and an aggregate measure of both. This helps to identify the towns with the greatest need for support. Ilfracombe, Barnstaple, and Bideford rank highest of the 26 towns in terms of structural vulnerability; Newton Abbot, Exmouth, and Bideford are most vulnerable to Covid-19 related decline; and Bideford, Barnstaple, and Ilfracombe are ranked highest for their combined vulnerability.

The future growth of towns in Devon

xiii. The future growth of market and coastal towns will involve planning, support and direction at four geographical levels (i.e. the Heart of the South West, County, District and town levels). Although there is uncertainty about the future role of organisations involved in economic development at the sub-national level, activity must be coordinated and integrated if the challenges that towns face are to be tackled and the opportunities successfully delivered.

Heart of the South West level

xiv. Detailed research has been carried out on the future role of towns in the Heart of the South West, culminating in a set of recommendations on town development. These are considered in Chapter 6 and include recommendations on the lobbying of the UK Government; strategic planning for town development; the prioritisation of towns for support; governance; visioning and planning; support for project development; and monitoring and evaluation. This work informs the approach set out here for the future of Devon's towns.

Devon level

xv. A set of objectives are proposed for the future of market and coastal towns of Devon. These are:

- Making Devon's towns attractive and safe places to live, work and play
- Setting a clear and locally owned vision and action plan for each town in Devon with commitment to delivery by all local stakeholders
- Providing locally and sectorally-specific learning, training, and employment opportunities for the towns' residents, and improving access to training and apprenticeships, physically and digitally, enabling them to then access local jobs
- Making towns digitally and physically accessible
- Ensuring that towns have good quality high streets and town centres, potentially with town centre managers to oversee this
- Recognising that some residents of towns will continue to be employed elsewhere, including in Exeter and Plymouth, but with the advent of more flexible working, making towns places to work remotely for those at least part of the time
- Ensuring that towns have employment space for businesses at all stages of their life-cycle, overcoming constraints preventing the delivery of workspace, including flexible workspace for new-start businesses, plus live-work space for those seeking homes that they can work from
- Encouraging a holistic approach to increasing skills and supporting businesses, to ensure that these drivers reinforce each other
- Encouraging provision of enough affordable housing in towns, so that people can live and work there
- Delivering growth that is environmentally sustainable and socially inclusive, including the development of local procurement, local supply chains, power infrastructure and electric vehicle charging capacity
- Giving investors and funders (both private and public) the confidence to invest in Devon's towns
- The County and District Councils will continue to work together to support the growth of towns and prioritise their resources to do this
- Stakeholders will monitor external challenges and opportunities, and towns will remain adaptable to positive and negative changes which affect them

xvi. Limited resources will be available to support Devon's support for market and coastal towns. Focusing resources on a few towns will make more of a difference than offering a small amount of support to a large number of towns. Lessons learned from delivering change in these towns can be used to build a repository and best-practice and disseminate this to other towns in Devon. As the first group of towns achieves a sustainable path to regeneration, other towns can be supported to go through the same process as and when funds are available.

xvii. Towns will be prioritised for support on the basis of the following:

- Their vulnerability to future decline (both short-term and long-term structural decline)
- The challenges that they face and clear opportunities to address the these
- Readiness for change e.g. in terms of having an effective governance structure, vision, plan and projects

xviii. The five case study towns are well placed to become pilot towns under this approach. The highest priority towns for support (based on the criteria above) are Ilfracombe, Bideford and Tiverton; and Axminster and Dawlish need support for, in particular, readiness for change.

xix. A Devon approach to market and coastal town development will comprise the following activities, which will be tested and refined in the pilot towns:

- The creation of a formal partnership or regeneration board in each town, made up of town, local and regional stakeholders to lead its future regeneration and growth. Where suitable vehicles already exist, these should be used
- Drafting of a vision and action plan for the future of each town, that is locally owned. This will include a programme of projects to deliver the long-term vision. Initial ideas for the case study towns are discussed below
- Preparing a physical masterplan for each town, setting out proposals for the built environment. New buildings and infrastructure should help to deliver environmental and social sustainability
- Establishing a community engagement plan to ensure that growth meets local needs and is inclusive
- Investing in project development, so that projects are investment-ready and 'shovel-ready'
- Ongoing monitoring and evaluation and dissemination of lessons learned to other Devon towns

District level

xx. Local Plans and economic development strategies prepared at the District level already include policies for market and coastal towns. These are considered briefly in Chapter 2 and for the case study towns in Chapter 5. There needs to be ongoing alignment between District's activities and town-level activities. District Councils will engage in town regeneration partnerships and will use their access to public funding opportunities to support towns' regeneration and growth.

Town level

xxi. Local stakeholders including Town Councils, businesses, residents, and community groups must participate in the leadership and governance o town growth through regeneration boards and play a leading role in the drafting of visions and action plans. Detailed proposals for the case study towns are set out in Chapter 5.

Case studies of five Devon towns

xxii. Five towns have been chosen as case studies. They represent a range of types, sizes, and geographical location of towns across Devon. All have been chosen because they face challenges, but also because they have potential opportunities to address these and see future growth. These towns should become pilots for a programme of future investment and support for town growth in Devon.

xxiii. **Axminster** is an inland market town, with a Built Up Area (BUA) population of more than 8,000. It is the eastern-most town in Devon, and far from East Devon District's focus of growth, adjacent to Exeter. There are plans for an urban extension to Axminster, but there are barriers to its delivery, including the difficulty of delivering a relief road. The main challenges faced by Axminster include high volumes of through-traffic and congestion affecting the town centre environment; the difficulty of delivering the urban extension; low levels of town centre footfall outside of market times; insufficient employment opportunities for residents; no sixth-form or FE provision for young people; and the lack of a clear vision for the growth of the town despite committed community leaders. Opportunities include the potential to make the town more self-contained as a place to live, work and play through more provision of workspace, including dedicated live-work spaces, and leisure facilities; scope for interim traffic management such as a one-way system through the town, with an eventual relief road taking through-traffic out of the town centre; delivery of new homes and workspace in the urban extension; potential to build on the independent retail sector and market (including local food retailers) and use online marketing to increase footfall and vibrancy; and potential for improvement to the public realm, making the town more attractive to visitors.

xxiv. Potential actions are suggested in detail in Chapter 5 and summarised in the table below.

Immediate actions
Establish a regeneration board, vision, and action plan for Axminster
Provide support to local businesses, particularly to improve their online presence
Deliver a programme of activities to draw visitors into the town
Support the placement of shelters to encourage outdoor activity and the greater patronage of hospitality businesses
Short to medium-term actions
Implement a one-way system through the town
Remove traffic from Trinity Square and use it as public realm for markets, leisure etc.
Deliver co-working space for businesses and remote workers, increasing workers in the town
Work with the developers of the Webster's Garage site to plan and deliver growth that contributes to the town vision
Improve access to post-16 education, and consider whether it can be delivered in Axminster again
Longer-term actions
Support the delivery of a relief road and the urban extension, to deliver affordable homes and more workspace

xxv. **Bideford** is one of the largest towns in Devon, with a BUA population of more than 30,000. However, it has significant levels of out-commuting, largely to nearby Barnstaple. It has the second highest Index of Multiple Deprivation score of all Devon towns and is ranked as the most vulnerable to future decline. Challenges faced by Bideford include a lack of town centre vitality and a poor-quality physical environment; lack of leisure and tourism facilities to attract visitors; insufficient employment for the population and low-quality jobs; and lack of a common vision for the town's growth. Opportunities include the delivery of a proposed major mixed-use development at Isaac's Yard in the heart of the town centre; scope to consolidate and improve the independent retail offer; re-use of vacant buildings for co-working space and a creative industries hub; scope for public realm improvements to make the town more attractive to visitors; support for the maritime sector; and delivery of new residential and employment space in planned urban extensions.

xxvi. Potential actions are suggested in detail in Chapter 5 and summarised in the table below.

Immediate actions
Support the delivery of the Isaac's Yard mixed-use development
Establish a regeneration board, vision, and action plan for Bideford
Short to medium-term actions
Prepare a physical masterplan for the town centre, including consolidation of retail provision
Prepare a tourism and visitor strategy for Bideford
Encourage employment in the town centre through the delivery of workspace in vacant buildings
Invest in the Pannier Market to increase its usage and role in the town, including better connectivity with the town centre
Consider how to support the maritime sector and the Appledore shipyard, including alignment of local training
Longer-term actions
Support the delivery of affordable new homes and ensure their connectivity to the town centre
Ensure that more employment space is delivered alongside new homes

xxvii. **Dawlish** is a coastal town, with a BUA population of 13,400. It has seen recent population and employment growth, with new development taking place on the edge of the town. However, the accessibility of the new development means there is significant out-commuting to Exeter and Newton Abbot. The town scores highly in the Index of Multiple Deprivation and is the seventh most vulnerable of the 26 Devon towns to future decline. Challenges to Dawlish include the lack of employment opportunities and employment premises which exacerbate out-commuting; a town centre that is spread out and lacks focus; a tourism offer that does not create high quality employment; and the lack of a widely supported vision for the future of the town. In terms of opportunities, Dawlish has seen recent population and employment growth which can be continued; good accessibility of the town centre by train, for visitors and workers; potential for a programme of events to attract more visitors; and plans for further residential and employment space growth, which must be linked into the town centre.

xxviii. Potential actions are suggested in detail in Chapter 5 and summarised in the table below.

Immediate actions
Establish a regeneration board, with a common purpose to support growth in Dawlish
Build on recent work to create a vision and action plan for the development of the town
Deliver a programme of events to attract visitors back to the town
Short to medium-term actions
Support the integration of new homes and residents into the town
Prepare a physical masterplan for the future of the town centre
Support the delivery of new employment premises for small businesses and remote workers
Longer-term actions
Support the delivery of housing and employment space in the urban extension, and ensure its integration into the town

xxix. **Ilfracombe** is a coastal town with a strong history of tourism. It has a BUA population of just over 11,000, which has fallen in recent years. Despite growing employment there is significant out-commuting from the town. Ilfracombe scores highest of all 26 Devon towns on the Index of Multiple

Deprivation, has two of the ten most deprived wards (LSOAs) in Devon, and is the second most vulnerable to future decline. As well as high levels of deprivation, other challenges include areas of low-quality housing in the town; a loss of young people; poor connectivity within the town; a dominant tourism sector which offers low quality employment; and few other high -quality employment opportunities within the town. Opportunities for Ilfracombe include the potential for residential and employment growth in the urban extension, which needs to be integrated with the rest of the town; the potential for a housing renewal project to improve areas of concentrated deprivation; and plans for investment in the seafront.

xxx. Ilfracombe already has a Regeneration Board and a strategic plan for the development of the town. It needs support to deliver the actions in this plan. Potential actions to complement that already planned for Ilfracombe are discussed in detail in Chapter 5 and summarised in the table below.

Immediate actions
Support the Ilfracombe Regeneration Board, and refresh the strategic plan
Provide activity to support the recovery from Covid-19, particularly in the visitor economy
Short to medium-term actions
Ensure the connectivity of the Southern Urban Extension to the existing town, reducing further out-commuting
Improve connectivity within the town
Support the creation of new and better-quality employment in the town
Support new-start businesses and business growth in Ilfracombe, including the provision of workspace (and live-work space)
Improve access to training and skills development – online and in-person
Longer-term actions
Support the delivery of new homes and employment space in the urban extension
Undertake feasibility studies into harbour-related and maritime proposals

xxxi. **Tiverton** is a market town with a BUA population of 22,400. Much of its recent population growth has been in those aged 65 and over. Employment has fallen in recent years. It is a reasonably strong employment location, but also experiences a high level of out-commuting to Exeter and Taunton. Tiverton ranks seventh of 26 Devon Towns in the Index of Multiple Deprivation, and is the eighth most vulnerable to future decline. Although Mid Devon District's growth focus is Cullompton, an urban extension to Tiverton is being delivered, which will provide more homes and workspace. Challenges include a tired town centre environment, lacking vibrancy, with poor cultural and leisure facilities; low levels of qualifications and low productivity jobs; poor housing affordability; and car-dominated travel within the local area. Opportunities for the future include the potential for investment and regeneration of the town centre environment if funding can be secured; and the potential for more residential and employment provision in the urban extension.

xxxii. Potential actions are suggested in detail in Chapter 5 and summarised in the table below.

Immediate actions
Establish a regeneration board to lead the future growth of the town
Create a vision and action plan, building on work that has already been undertaken
Deliver a programme of activity to attract more visitors to Tiverton
Complete the masterplan for the town centre, aligned with the vision and action plan described above

Short to medium-term actions
Provide support to new-start and growing businesses and remote workers, including delivery of employment space
Encourage skills development and matching the supply of and demand for skills in the local economy, working with Petroc College
Invest in the physical environment of the town centre
Longer-term actions
Ensure the delivery of the urban extension, providing affordable new homes and workspace (and live-work space)

Recommendations

xxxiii. Support for the future growth of towns in Devon needs to be coordinated at several geographical levels, in particular the County, District, and town levels. Whilst there are common objectives to make all of Devon's towns more attractive places to live, work, and play, there are only limited public resources available to support this process. Therefore, towns will need to be prioritised for support, based on their needs, opportunities, and readiness for change. The five case study towns discussed above are high priorities for support, and within this group Ilfracombe, Bideford, and Tiverton exhibit the greatest readiness for change.

xxxiv. Immediate actions that could be taken to support the future growth of town in Devon include:

- Agreeing a Devon-wide approach to supporting market and coastal town development, within a wider HotSW-wide approach
- Prioritising a small number of towns as pilots for immediate support
- Helping these pilot towns to establish/refresh governance structures; establish visions and action plans; start to deliver immediate actions; and develop more strategic projects

1 Introduction

1.0.1 This chapter sets out the introduction to this work on coastal and market towns in Devon, including the objectives of the study and the approach to undertaking this work.

1.1 Context

1.1.1 This work has been commissioned to identify solutions to the challenges faced by the under-performing towns in Devon, to tackle long-term and immediate decline, building on opportunities for urban renewal. This means a focus on what can be done to address the challenges and opportunities for Devon's towns, and the most deprived places within these towns. This work will look at places that have been hardest hit, but specifically those with the greatest opportunities for change – covering both the types of opportunity and the process by which change is delivered.

1.1.2 This work builds on recent research into the *Future of Towns in the Heart of the South West* (HotSW)[1], focusing on the specific opportunities in Devon.

1.2 Objectives of the study

1.2.1 The objectives of the study are to identify:

- The common challenges and potential interventions to address these in the highest priority towns and other market and coastal towns in Devon
- Any particular opportunities and threats for towns that have a relationship with the cities of Exeter and Plymouth (e.g. commuting, higher-level service provision)
- Key opportunities and actions for transformational change
- Barriers and risks to transformational change
- Examples of what good looks like within both Devon and further afield
- Actions to deliver the opportunities
- Pilot towns that should be prioritised for intervention and support

1.3 Approach to the study

1.3.1 The methodology for undertaking this study is summarised below.

Policy and publications review

1.3.2 The policy and strategy context for the future of towns in Devon has been reviewed. National, regional, and local social and economic policies which will impact on the future of coastal and market towns have been appraised. A full list of these policies is set out in Chapter 2. This assessment is complemented with analysis of the potential future roles of towns from the HotSW *Future of Towns* study.

1.3.3 Analysis on the challenges, barriers, opportunities, and aspirations has been collated from the *Future of Towns* study and other publications. Examples of good practice in town development have also been derived from these.

[1] Hardisty Jones Associates (July 2021) The Future of Towns in the Heart of the South West for the Heart of the South West LEP

Data analysis

1.3.4 We have collected and analysed socio-economic data from a range of sources to inform an assessment of the typology and vulnerability of towns in Devon. Data has been collected on issues such as population and change; age structure; employment and change; employment by sector; claimant count; commuting into and out of towns; the Index of Multiple Deprivation and its domains.

1.3.5 This data has been analysed and modelled to assess the vulnerability of towns. Two approaches to assessing vulnerability have been undertaken – considering vulnerability to the impacts of the Covid-19 pandemic, and considering longer-term vulnerability to structural decline.

Consultations

1.3.6 To complement the documentary and data reviews, consultations have been carried out with a range of stakeholders including a workshop with the Devon Association of Local Councils. This included a facilitated group discussion with 28 town council representatives and two subsequent written submissions.

1.3.7 Input has been provided at key points in the study from an advisory group comprising representatives of Devon County Council, District Council, Devon community councils, town centre management, and the Federation of Small Businesses.

Case studies

1.3.8 Five case studies have been carried out. The method for these has included documentary and data review, consultations with a number of local stakeholders, and visits to some but not all of the towns. External development experts participated in visits to two of the towns (Axminster and Bideford) to participate in the analysis of local challenges and to help identify potential solutions.

1.4 Contents of this report

1.4.1 The rest of this report comprises the following chapters.

1.4.2 **Chapter 2** sets out the national, regional and local policy context for the future of towns, and considers the strategic role of towns.

1.4.3 **Chapter 3** summarises a broad range of evidence on the challenges, barriers, opportunities, and aspirations for the future of towns It also considers evidence on good practice in town development.

1.4.4 **Chapter 4** introduces the 26 coastal and market towns in Devon that are considered in this study. It looks at the typology of these towns, and their vulnerability to future decline. It also sets out Devon towns' performance compared to regional and national benchmarks as well as comparing their performance to each other.

1.4.5 **Chapter 5** presents case studies of five towns – Axminster, Bideford, Dawlish, Ilfracombe and Tiverton. For each town, there is a review of its socio-economic performance, vulnerability, Local Plan aspirations, challenges, and opportunities. All of this information is then drawn together to set out some recommendations on next steps for the further development and growth of each town.

1.4.6 **Chapter 6** presents the conclusions of the study, including a recommended approach to supporting the future growth of towns in Devon. This concludes with an action plan in **Chapter 7**.

1.4.7 The appendices to this study are set out in separate documents. They are:

- **Appendix 1** presents a review of inclusive growth
- **Appendix 2** sets out the benchmarking of Devon towns against South West and England benchmarks
- **Appendix 3** presents baseline socio-economic data on each of the 26 towns in Devon
- **Appendix 4** is a case study of Axminster
- **Appendix 5** is a case study of Bideford
- **Appendix 6** is a case study of Dawlish
- **Appendix 7** is a case study of Ilfracombe
- **Appendix 8** is a case study of Tiverton

2 The Policy and Strategy Context for Town Development

2.0.1 This chapter sets out the context for the development of towns in terms of national, regional, and local polices. It then considers the strategic role of towns that was explored in detail in the Heart of the South West study into the *Future of Towns*[1].

2.1 The policy and strategy context for town development

2.1.1 This section considers the role of public sector organisations – notably the UK Government, the HotSW LEP, Devon County Council, the District Councils and Town Councils - in town development. These institutions can put the conditions in place to encourage and enable town development (e.g. through planning, support and providing funds), but the creation of growth through housebuilding, retail and job creation will primarily be delivered by the private sector.

2.1.2 By understanding the role that towns can play in achieving public policy ambitions, it will be easier to make the case for the investment of (limited) public funds in delivering the conditions for growth in Devon's coastal and market towns.

National policies

2.1.3 The UK Plan for Growth[2] suggests that each region will have a globally competitive city that will drive growth in the area. In the case of Devon, the two main cities are Exeter and the adjacent unitary authority of Plymouth. Towns will be high-quality places to live and provide access to jobs and services. For towns in need of regeneration, the plan sets out a three-step approach to levelling up:

- Improve residents' education, health, skills, and workforce participation through improved public services (e.g. through the UK Shared Prosperity Fund)
- Provide money to local government to invest in local priorities (e.g. through Levelling Up Fund)
- Support private sector investment

2.1.4 The National Infrastructure Strategy[3] sets out how the Government will improve physical and digital connectivity to towns to support the levelling up agenda. In line with the Energy White Paper[4] there will also be more active and public transport options which will give towns cleaner air and better-quality high streets.

2.1.5 'Levelling up' is a widely discussed but poorly defined concept. Broadly, it is about levelling up the contribution of places to the national economy and levelling up of opportunity for local people. No national targets have been set, with the suspicion that this has been kept deliberately vague. The current approach provides direct investment into a small number of targeted places (for example through investment of the Future High Streets Fund and Town Deals). However, the direct award of funds to towns by the UK Government risks failing to meet the highest priority local issues. There is also a focus on capital investment (e.g. more visible projects) rather than revenue projects. However, delivering visible projects does help to improve local confidence, which can engender further investment and improvement in towns.

2.1.6 There are two broad approaches within the levelling up agenda: placemaking (i.e. making towns nicer places to live, work and visit), and structural economic change (i.e. making towns more

[2] Build Back Better: Our Plan for Growth (2021) HM Treasury
[3] National Infrastructure Strategy (2020) HM Treasury
[4] Energy White Paper: Powering Our Net Zero Future (2020) HM Government

productive places that make a greater contribution to the UK economy). There is some overlap between the two approaches, but they are not necessarily the same thing. Placemaking is about making towns pleasant and attractive places to live, which may have economic consequences, but is unlikely to lead to structural economic change. A distinct focus on economic growth and driving up productivity, however, could lead to structural change for towns' economies. This approach, if it focuses solely on high productivity sectors, risks failing to deliver inclusive growth that benefits those in the most deprived communities.

2.1.7 Ideally, efforts to support town development would encompass both placemaking and structural economic change. However, in an environment with limited public resources to invest in town development, Devon County Council and other stakeholders need to make difficult decisions about their focus – making towns attractive places to live and therefore do business (e.g. through investment in the quality of the town centre environment and vitality of the town centre), which will lead to some economic growth; or a hard focus on maximising the economic and productivity growth in towns (e.g. through investment in training, communications infrastructure and workspace). It may be that different approaches are taken in different places.

2.1.8 The main areas of influence for public sector organisations (especially Devon towns and local authorities) are:

- Making towns more attractive places to live work and play (i.e. placemaking)
- Improve training and skills to enable people to access jobs that are created, and start their own businesses
- Ensure that the necessary infrastructure is in place to enable new business starts, business growth, and remote working (e.g. workspace, live-work space, transport infrastructure etc.)
- Enable the private and public sectors to create jobs and wealth (in an inclusive way) i.e. support new start businesses, support high-growth potential businesses, and attract inward investment

LEP-level policies

2.1.9 The Heart of the South West (HotSW) Build Back Better plan[5] is underpinned by four 'enabling programmes'. Of these, one focuses on left-behind areas across the LEP area including in coastal communities and market towns. This programme seeks to support strategic connectivity (especially digital connectivity, but also road, rail, and cycle routes), delivery of employment land, and high street resilience in left behind places.

2.1.10 The HotSW Local Industrial Strategy[6] seeks to address a number of challenges including in-work poverty, poor social mobility, low productivity and peripherality. The strategy commits to raising economic performance in all areas of the HotSW including underperforming towns, peripheral areas and coastal communities, supporting inclusive growth. Working with coastal towns at risk of being left behind is identified as an action to support inclusive growth and innovation hubs are proposed for every town.

2.1.11 The Draft Coastal Productivity Plan[7] is closely aligned to the Local Industrial Strategy and sets out recommendations to improve coastal areas. This include improving infrastructure, delivering business support, improving skills, and providing funds to support the delivery of employment land and affordable housing.

[5] Heart of the South West LEP (undated) Build Back Better: Transformational Opportunities in the Heart of the South West
[6] Heart of the South West LEP (2020) Heart of the South West Local Industrial Strategy
[7] Heart of the South West LEP (2021) Draft Coastal Productivity Plan: Response to Covid-19

2.1.12 The Heart of the South West Local Skills Report[8] sets out a vision that:

"every individual in the Heart of the South West should be able to access the skills they need to thrive in a productive job they value, supporting businesses, inclusion and growth"

2.1.13 This report sets out a region-wide plan for skills development. This includes actions to give individuals the skills to achieve their potential and increase their prosperity; and provide businesses with the skills they need to increase their productivity. High demand for skills is identified in sectors which are important in coastal and market towns, including Health & Social Work; Tourism, Arts & Entertainment; Construction; and Manufacturing. A mis-match between the supply of and demand for skills across the region is noted. Agritech and Food & Drink Production are also identified as important sectors for skills improvements. Improving access to skills for all residents is a key action. Improving STEM skills is important to driving up regional productivity.

2.1.14 The Skills Report sets out proposals to improve access to skills in coastal and market towns:

Recognising the diversity of the economy and employment within Northern and Western Devon, we will focus on extending opportunities to every rural, coastal and market town location.

...we will seek to enhance the capacity of PETROC and wider DCTPN members to support local upskilling and attainment; engage and accelerate local efforts around educational aspiration and economic inclusion; improve local employability and earning potential; and seek to work with the area's majority small business community to harness local growth opportunities.

Improved transport and wider infrastructure linkages may also play an important role in driving upskilling, supporting community prosperity and improving business productivity.

2.1.15 Actions of particular relevance to coastal and market towns include:

- Support for further curriculum development in high opportunity areas
- Marketing and promoting higher level apprenticeships, particularly in opportunity sectors
- Developing a social mobility and inclusion programme, extending learning opportunities to those furthest from the market
- Supporting the digital literacy offer, including the remote delivery of skills
- Piloting a skills escalator programme to the opportunity sectors

County-level policies

2.1.16 Devon County Council's Economy and Business Growth Prospectus[9] in response to the Covid-19 pandemic seeks to provide support across the whole of Devon, including to market towns and coastal communities. There will be support for the re-opening high streets and beaches, and delivery of digital and physical infrastructure to towns. The recovery should be both green and inclusive which will allow for the development of resilient economies and communities. The Council is seeking to deliver an electric vehicle sharing network to all communities with a population above 1,100.

[8] Heart of the South West Skills Launchpad (2021) Local Skills Report 2021 - 2024
[9] Devon County Council (2020) Team Devon COVID-19 Economy and Business Recovery Prospectus

2.1.17 The Devon Carbon Strategy[10] sets out an aspiration for a more circular economy and re-localisation of services so people are required to travel less. Local food producers can supply to local markets to reduce food miles and carbon emissions.

Local policies[11]

East Devon

2.1.18 The Local Plan[12] states that the West End of East Devon will be the focus of development. This includes the new town of Cranbrook. Across the other towns in East Devon, development will be tailored to meet local needs, to ensure that these places do not become dominated by retirees and wealthy commuters. Employment provision will be made close to existing homes to ensure short commutes, and affordable homes will be delivered in towns to encourage younger people and families to move to the area.

Mid Devon

2.1.19 Mid Devon's Local Plan[13] sets out its strategy to create a prosperous economy that attracts greater inward investment to the area, provides a wider range of good jobs, regenerates town centres, and increases the use of active travel and public transport.

2.1.20 There are only three towns in Mid Devon. Cullompton takes a central role in achieving the overarching strategy, where urban extensions include residential, business and retail developments. The market towns of Tiverton and Crediton are a secondary focus of new development due to various economic and geographical constraints, so priorities lie in revitalising the town centres and protecting environmental assets.

North Devon and Torridge

2.1.21 The Local Plan[14] for these areas (known as Northern Devon) seeks to deliver sustainable development across all towns in the area. In particular, the focus is to make towns more self-contained areas that provide affordable housing, jobs, and community facilities. This will ensure they can meet their own needs, and those of the surrounding area.

Teignbridge

2.1.22 The Teignbridge Local Plan[15] sets out its main areas of focus for the period 2013 to 2033. Key aims include strong local business growth which provide a wide range of employment opportunities, town centre vitality and attractiveness, year-round tourism to ensure better job security, and improved sustainable transport provision. Most of the new housing and employment development will take place in Newton Abbot and surrounding settlements. The District Council aims to increase self-containment by significantly increasing the number of jobs available locally, and aims to provide a job for every resident of working age. This will allow economic benefits to be retained within the local community and promote sustainable development.

[10] Devon County Council (2020) The Interim Devon Carbon Plan Summary
[11] Exeter City Council is not included in this section as it does not have any market or coastal towns
[12] East Devon District Council (Adopted 2016) East Devon Local Plan 2016 - 2036
[13] Mid Devon District Council (Adopted 2020) Mid Devon Local Plan 2013-2033
[14] North Devon Council and Torridge District Council (Adopted 2018) North Devon and Torridge Local Plan 2011 - 2031
[15] Teignbridge District Council (Adopted 2014) Teignbridge Local Plan 2013-2033

West Devon and South Hams

2.1.23 The Plymouth & South West Devon Joint Local Plan[16] specifies a Thriving Towns and Villages Policy, which incorporates six of Devon's towns. The policy aims to reinforce the role of the towns as service centres to neighbouring villages and hinterlands, and to provide facilities to local residents. A key aim within the policy is to identify housing needs and deliver more affordable homes for residents. Whilst Plymouth provides strong economic opportunities, the Plan aims to promote self-sufficiency in rural areas. This will be delivered through improved digital connectivity and sustainable transport infrastructure.

Conclusion

2.1.24 There are several themes that run through the national, regional, and local levels of policy discussed above. These are:

- Towns as attractive places to live and work, complementing the main engines of economic growth in cities
- Improving skills and employment opportunities for residents, leading to improvements in their quality of life
- Improving physical and digital accessibility, enabling people to travel into and out of towns for work, leisure, retail and services
- Improving high streets and town centres, to draw footfall into towns
- Delivering employment space, including co-working and enterprise space to support new-start and small businesses, and enable remote working
- Supporting the delivery of affordable housing so that people can live and work in towns
- Promoting environmental sustainability and social inclusion through all support for growth
- There is a focus on investing public funds into capital projects (possibly with the exception of skills and training), making a visible change in towns, and engendering confidence in their future growth

2.2 The strategic role of towns

2.2.1 The work undertaken on the future of towns in the Heart of the South West reviewed LEP, County and climate emergency strategies and identified a set of roles that towns can play to support policy and strategy ambitions (discussed in detail in the HotSW *Future of Towns* study, Chapter 3). In summary these are:

- Locations for businesses, employment, and economic activity
- Places for local supply chains in both high-productivity sectors and foundational economy sectors
- Places where clean growth can happen (e.g. through low carbon energy, district heating, retrofitting etc.)
- Places with skilled residents, or those in training, enabling inclusive growth
- Places with the physical and digital infrastructure to enable clean growth, employment and learning
- Being attractive and vibrant places to live and visit, including affordable housing
- Being inclusive and resilient places with opportunities for all sections of the community

[16] West Devon Borough Council, South Hams District Council and Plymouth City Council (2019) Plymouth & South West Devon Joint Local Plan 2014-2034

- Being Covid-safe place to live, work and visit

2.2.2 To help meet the objectives described above, towns must be:

- Places to live
- Places to work (and commute out of to work elsewhere)
- Places to visit (for leisure and tourism)
- Places to shop
- Places to access services (both public and private)

2.2.3 In fulfilling these roles, towns should be healthy, vibrant, prosperous, inclusive, sustainable, and connected.

3 Challenges, Opportunities, and Good Practice in Town Development

3.0.1 This chapter sets out an assessment of the challenges and opportunities faced by towns, drawing largely on the previous work undertaken for the Heart of the South West, and then examples of good practice in town development.

3.1 Challenges and barriers to town growth

3.1.1 Challenges and barriers to the growth of towns in the Heart of the South West identified in the HotSW *Future of Towns* study (Chapters 4 and 6) are:

- Many towns lack a vision for their future, and an accompanying strategy and action plan which can be used to steer growth activity. There is little revenue funding available to support the development of a vision, strategy and action plan
- Many towns do not have Neighbourhood Plans
- Many towns lack coherent governance and leadership, with poor communications either between different groups in the community, or between the local community, District and County Councils
- Towns have low rates of economic growth, particularly compared to cities
- There are negative impacts of Covid-19, particularly for places dependent on retail, tourism and hospitality (although tourist destinations may see some compensatory benefits from increased UK visitors)
- Towns have an ageing population, with fewer residents of working-age, and a loss of younger people after completing formal education
- Often high levels of out-commuting to nearby cities
- Towns have a greater concentration of economic activity in lower value sectors, leading to lower wages
- Towns have a shortfall of employment sites and premises, and a viability gap in delivering new premises, meaning that little or no speculative development taking place
- Towns often have poor access to education and training, including a lack of further education facilities and poor access to higher education, and residents with lower levels of qualifications, and particular problems in coastal towns
- Many towns have central public realm that is low quality and requires investment
- Town centre safety and high levels and perceptions of antisocial behaviour are an issue in many towns. Improved safety measures including the installation of CCTV are potential responses
- Towns often face constrained geography and higher risks of flooding and erosion
- There is often limited digital connectivity, and poor physical connectivity both within the town and between towns and other larger places
- Declining and vulnerable town centres, frequently provide a poor retail offer, and there are retail closures
- Housing is largely unaffordable for people who work locally, and is becoming a critical issue across Devon
- Major residential developments on the edge of towns are often poorly connected to the town centre, meaning that they do not benefit the town centre
- Towns often have older homes with poor energy efficiency

- Fragmented land and premises ownership can make larger-scale strategic regeneration difficult to achieve
- There is often a lack of joint working between public sector agencies

Reform of the planning system

3.1.2 The implications of the proposed reform of the planning system in England are discussed in Section 4.5 of the HotSW *Future of Towns* study. Although proposals for reform are set out in a 2020 White Paper, the scale and scope of changes that will happen is not yet known. The potential implications for the future development of towns in Devon include:

- A strong focus on housing delivery which may put retail and employment sites and premises at risk of conversion to residential
- Changes to Permitted Development Rights, which may exacerbate this trend
- A focus on the engagement of local residents in the early stages of plan preparation, but less engagement in planning decision-making once the plan is adopted
- Proposals for a design quality framework which may make it easier to conserve and enhance historic buildings
- Reform of the Section 106 and Community Infrastructure Levy mechanisms, which could make it more difficult to secure funding for infrastructure

Training and skills

3.1.3 Recent research has shown that adult skills and training are critical to tackling spatial inequality and in delivering levelling-up[17], and their lack is constraining economic growth. The research has also identified SMEs' poor access to funding, falling physical and mental health, declining social capital, and a reduction in the safety and security of local communities as critical factors that need to be addressed in levelling-up. Better communication and connections between local businesses, schools, FE and HE institutions will help to ensure that there is a good understanding of the need for skills, and that appropriate skills and training are being provided to meet businesses' needs.

Accessibility

3.1.4 Towns often have limited accessibility in terms of both digital communications and physical access (by car and active travel i.e. walking and cycling). Both are important to the future of towns. Universal broadband access is a largely realistic target, but improving physical communications (road and rail) is less likely to happen in the short to medium term. However, there has been significant interest in and investment in active travel infrastructure to enable more walking and cycling within and between towns. There is a need to focus on maximising broadband roll-out and capacity, and ensuring that people have the technology, understanding, skills and abilities to make the most of this – with the aim of improving the uptake of training and skills, and increased remote working (part- or full-time).

Agglomeration

3.1.5 Towns do not have the benefits of agglomeration that cities do, and never will have. Whilst improved broadband and remote training and working will help to capture some of the benefits of agglomeration, it is important to focus on what towns are good at, e.g. being attractive places to live and work (for at least some of the time). With the advent of more remote working, there is scope for high-skilled, well paid out-commuters to spend more working time in towns, either in their

[17] Legatum Institute (August 2021) The United Kingdom Prosperity Index

own homes or in co-working spaces. Placemaking interventions are therefore important in helping towns to become good places to live and work.

Housing affordability

3.1.6 Housing affordability is a significant issue in towns, particularly for younger people who want to live and work there. Housing availability is often limited, particularly for (both social and market) affordable housing. There are plans for large scale developments and urban extensions in many coastal and market towns, and it will be important to ensure that as much affordable housing is delivered as part of these developments. The delivery of employment space alongside new homes will also help to increase the opportunities for people to live and work in the same place.

Innovation

3.1.7 The recently published UK Innovation Strategy[18] doesn't offer much to Devon towns. There are some innovative businesses in Devon towns that can benefit through working with universities and R&D institutes, but this strategy is mostly focused on activities in cities. It would be helpful to understand the support required by innovative companies in Devon's towns and work with FE, HE, and other research institutes to deliver this.

3.2 Opportunities and aspirations for town growth

3.2.1 The opportunities for towns identified in the HotSW *Future of Towns* study (Chapters 4 and 6), are in summary:

- Although often lacking a formal vision, strategy and action plan, there are good ideas for development projects in most towns (although they are not often well worked-up or 'shovel ready')
- There are plans for major residential development in many towns, which can help to increase the population, supporting vitality and providing a critical mass of users for public and private services. Efforts need to be made to connect and integrate these into the existing towns
- There are plans for public realm and mixed-use developments in many towns
- Many towns have strong and vibrant communities with many groups and organisations i.e. social capital
- Greater remote working will enable people to live and work largely in towns
- Many towns have, or are close to, further education colleges. Improving access to these, through better public transport links, and through online access will help to increase the uptake of education and training, leading to higher and more suitable skill levels
- There are ideas about the development of SMART towns, exploiting opportunities for digitally focused economic activity
- There is scope for bringing new occupiers and activities into town centres in response to retail vacancies (e.g. education/training, work hubs, community space etc.)
- There is often potential to encourage the night-time economy to bring vitality to the town centre outside the traditional shop opening hours
- Improving the quality of employment in the tourism and hospitality sectors through investment in skills and initiatives could improve the sector's productivity and extend the tourism season
- Exploiting the attractiveness of town centres and their natural environment, will make them attractive places to live and visit

[18] Department for Business. Energy & Industrial Strategy (July 2021) UK Innovation Strategy

- Supporting independent retailers by attracting people into the town centre through events and festivals
- Encouraging local procurement by the public and private sectors, retaining supply-chain spend in the local area
- Encouraging community ownership of key assets including locally important retail and leisure assets
- Encouraging the construction of low carbon housing and the retrofitting of low carbon technologies to older houses
- Identifying important local opportunities and investing in the preparation of plans which can be used to support bids for funding

Work, work-hubs, live-work, and co-working space

3.2.2 The way in which many people work has changed during the Covid-19 pandemic, with greater flexible working and working from home. Research carried out for the LGA in 2021 suggests that there will be more flexible working in the future, which will mean more people working in towns[19]. Some of these people can work from home, but others will want or need to work outside their homes.

3.2.3 Research into the potential to deliver work hubs in Devon's towns has been carried out, reflecting national and global trends towards the greater use of co-working space. A recent report for Devon County Council[20] was completed before the Covid-19 pandemic and showed strong demand for work hubs and coworking space. It is likely that demand for work hubs in towns has increased since then, as the scope for remote working has increased due to technological changes and changes in attitudes and working practices during the pandemic. This 2020 report focused on demand from the creative, digital, social media, ICT, arts, and professional services sectors. The demand may now be broader, with people in many more sectors now enabled to work remotely, but unwilling or unable to work in their own homes. The 2020 study noted demand in Bideford, Seaton, Newton Abbot, Teignmouth, Kingsbridge and South Molton.

Inclusive growth

3.2.4 Inclusive growth is a widely used term, but one which lacks a common definition. The concept is discussed in more detail in Appendix 1. The RSA Inclusive Growth Commission defines an inclusive economy as one that enables as many people as possible to contribute to and benefit from growth that is taking place. The implementation of this will vary from town to town depending on locally specific challenges and opportunities. Research undertaken by the LGA emphasises the need for a clearly articulated strategy to achieve inclusive growth. Key aspects of this will include:

- A town-specific evidence base
- Identification of the priority groups in the town, to ensure that the strategy helps them
- A consensus view of what inclusive growth means for the town
- Focus on the areas in which the local authority and other stakeholders can make a real difference

Partnership with anchor institutions

3.2.5 An effective way of delivering inclusive growth is for the local authority to work with local anchor institutions, including the NHS, colleges, housing associations and large employers. Encouraging

[19] Pragmatix Advisory (April 2021) Rural Recognition, Recovery, Resilience, and Revitalisation: A Report for the Local Government Association
[20] Most recently: Transform Research (March 2020) Devon Work Hubs and Coworking Spaces

these to recruit from target communities, pay the living wage, and support career progression will help to deliver inclusive growth in towns. Encouraging them to procure locally, and procure jointly to increase the scale of contracts, will also help retain wealth in the local area, supporting inclusive growth. Encouraging these institutions to use their land assets for community benefit will support inclusive growth.

3.2.6 Getting adjacent Town and District Councils with common challenges and opportunities to work together on inclusive growth will help to create strategies at a larger scale, which will have more impact, and create economies of scale in terms of procurement and wage levels.

Other opportunities to support inclusive growth

3.2.7 In rural areas accessibility is often restricted, with poor public transport and limited access to cars meaning that residents cannot access training, work and services. There are examples of schemes to improve personal mobility, e.g. through the hire of mopeds, electric bicycles and bicycles, which helps to improve target communities' access to growth that is taking place nearby.

3.2.8 Improving access to training and providing support and guidance on training and career development in growing local sectors, also helps to deliver inclusive growth.

Environmentally sustainable development

3.2.9 There are plans for significant residential and workspace development in Devon's towns, including proposals for urban extensions in many towns. Making new development as sustainable as possible will ensure that growth helps to contribute to environmental and sustainability goals, including those of the Devon Carbon Strategy[10]. Research carried out for the LGA[19] highlighted the greater desire for 'green values' in areas such as local food supply chains and natural assets. Improving opportunities for active travel, alongside the infrastructure for electric vehicle charging will help to improve the environmental quality of towns.

3.2.10 Six principles for promoting health and wellbeing in new developments and the urban environment have been suggested by the World Green Buildings Council are[21]:

- Protecting and enhancing the health of people across a building's lifecycle, through its design, delivery, use, re-use and deconstruction, in terms of air, water, social and mental health
- Prioritising comfort for building users in terms of thermal comfort, light, acoustics, and inclusion
- Maximising harmony between the natural and built environments
- Design to facilitate positive behaviour and health
- Creating positive social value with buildings and communities, during construction, and in surrounding communities
- Taking positive climate action, committing to net zero whole-life carbon emissions, resilience to climate change, efficient use of water, and the circular use of materials. This will include a greater focus on energy saving and local low carbon energy generation

3.2.11 Suggestions for urban nature-based solutions to meeting sustainability goals in the construction of new environments and buildings made by the UK Green Buildings Council include[22]:

[21] World Green Building Council (November 2020) Health & Wellbeing Framework: Six Principles for a Healthy, Sustainable Built Environment
[22] UK Green Building Council (April 2021) Principles for Delivering Urban Nature-Based Solutions

- Making all new buildings and infrastructure climate resilient and maximising the environmental net gains throughout their lifetime
- Delivering sustainable draining and street trees
- Creating green roofs and green walls
- Creating urban parks and green spaces within new developments, including interconnected and varied habitats
- Creating long-term management plans for the urban environment

3.3 Good practice in town development

3.3.1 Examples of good practice are set out in the HotSW Future of Towns study (Chapter 4.4). Research by the United Nations into towns in America found several of successful smaller towns, including:

- Incubation and support for entrepreneurs and small businesses
- Place-based development strategies that capitalise on local competitive advantages
- Labour force development, including working with local colleges
- The creation of robust industrial strategies, particularly ones that encourage green development

3.3.2 Cutting across these themes are some common elements:

- Having a clear vision for local development, with buy-in from the local community
- An action plan, including projects, to help to achieve the vision
- Strong governance, including public-private partnerships

3.3.3 Other examples of good practice looked at in the HotSW Future of Towns study (Chapter 4.4) include:

- Whitehaven, a coastal town in Cumbria that has established a vibrant visitor economy following strong leadership from the public and private sector, investment in harbour infrastructure, conversion of historic assets to contemporary uses, and establishment of local events to attract visitors
- Hayle, a coastal town in Cornwall, which created a plan with community buy-in, and managed to attract significant private investment. Development in the town has included refurbishment of old buildings and a focus on industrial heritage

Lessons in town development in the Heart of the South West

3.3.4 Investment is currently being made into towns in the Heart of the South West through the Future High Streets Fund (FHSF) and Town Deals. These are discussed in the HotSW Future of Towns study (Chapter 5). The high-level messages from the review of five FHSF programmes and three Town Deals are:

- Given short bidding timescales, project preparation needs to be undertaken in advance even of funds being announced. This requires speculative investment
- To attract funding, projects must contribute towards meeting national, regional and local strategies and plans
- Towns needs a clear and communicable vision that is built from a high-quality evidence base
- The vision, plan and projects must be based on robust local consultation and support from the local community and stakeholders

- It is easier to deliver regeneration projects when sites and premises are in public ownership
- Projects need to meet a fund's criteria in order to successfully attract investment

3.3.5 Examples of projects being delivered through existing funding streams are set out in the figure below. Any projects seeking public funding will ne

Figure 3.1: Projects Currently Being Delivered in HotSW Towns

Future High Streets Fund
Site acquisition
Site development
Redevelopment of premises over shops to deliver new residential units
Developing residential units in town centres
Levelling Up Fund
Premises for businesses and community organisations
Regeneration of derelict buildings
Infrastructure/overcoming barriers to growth
Major civil engineering
Town Deal
Work readiness and sector specific skills
Festivals and events
Public realm
Major mixed-use redevelopment – residential and public services
Major transport infrastructure

3.3.6 A comprehensive list of potential projects to support the role of towns in their recovery from Covid-19 and as places to live, work, visit, shop, and access services, and as healthy, vibrant, inclusive, sustainable and connected places are set out in Chapter 7 (Figure 7.1) of HotSW *Future of Towns* study.

Devon

3.3.7 Ashburton in Devon has been recognised as a vibrant place that has seen growth and revitalisation in recent years. The town centre hosts a cluster of antique shops, an antique sale room, and arts centre which all draw tourists into the town. The town has very few multiple/national retailers, with most being independent. This has led to a low retail vacancy rate, as vacant units are occupied by antique shops and associated retailers such as delicatessens and hospitality venues. Whilst the cluster of antique shops has become a draw to further businesses, the attractiveness of the town centre has been enhanced by the activities of a Town Team, working with the town's chamber of trade and town council which have:

- Helped to develop an antique trail, which has increased awareness of the town and drawn visitors in
- Created a local guide listing all businesses, and raising awareness of these
- Supported a food festival and late-night shopping in the town

3.3.8 Beyond the town centre, Ashburton has several large employers including a major software company of the headquarters of a quarrying company. The town attracts net in-commuting and workers will support the level of activity in the town centre, for example during their lunch break. The town is easily accessible from the A38 and between Exeter and Plymouth, which has helped to attract businesses which can then draw in workers from further afield. The large businesses in the town are supportive of local growth and have provided funding for small community projects. The River Dart Country Park is also close to Ashburton, which draws visitors into the area who then visit the town.

3.3.9 The process of growth in Ashburton has been built on its competitive advantages and has not relied on significant support from the public sector. However, it offers some lessons for other places, including:

- The importance of a Town Team of engaged local stakeholders, working with a pro-active town council and chamber of trade
- The value of drawing footfall into the town through events and late-night shopping
- A high quality built environment, which is well maintained
- The benefit of a having a relatively large number of people working in the town, which increases footfall throughout the day

Other places

3.3.10 Frome in Somerset is often cited as an exemplar of town growth and regeneration. This has been driven by a very active town council, which has raised funding through the Council Tax precept and employs a significant number of staff. It has also benefitted from significant private investment, including in workspace for small businesses. The market has been very successful and there has been a lot of support and encouragement for independent retailers and other small businesses.

3.3.11 Scarborough in North Yorkshire has seen a renaissance in visits by British holidaymakers, particularly in response to the Covid 19 pandemic. In addition, the town has seen recent growth driven by investment in an offshore windfarm, a new university campus, and a new business park. Established local business are investing in their operations in the town, and the town has attracted inward investment. Economic growth is being accompanied by population growth. However, there remain challenges, particularly with the quality of the town centre environment, so there is still scope for improvement.

3.3.12 Other coastal towns which have experienced recent growth include: Margate, where investment in the Turner Contemporary gallery has had a significant impact on tourism, and has been accompanied by several major investments in the Dreamland vintage seaside pleasure park which has enhanced the attraction of the town; and Hastings, where the Victorian pier has seen recent further investment following its re-opening in 2016.

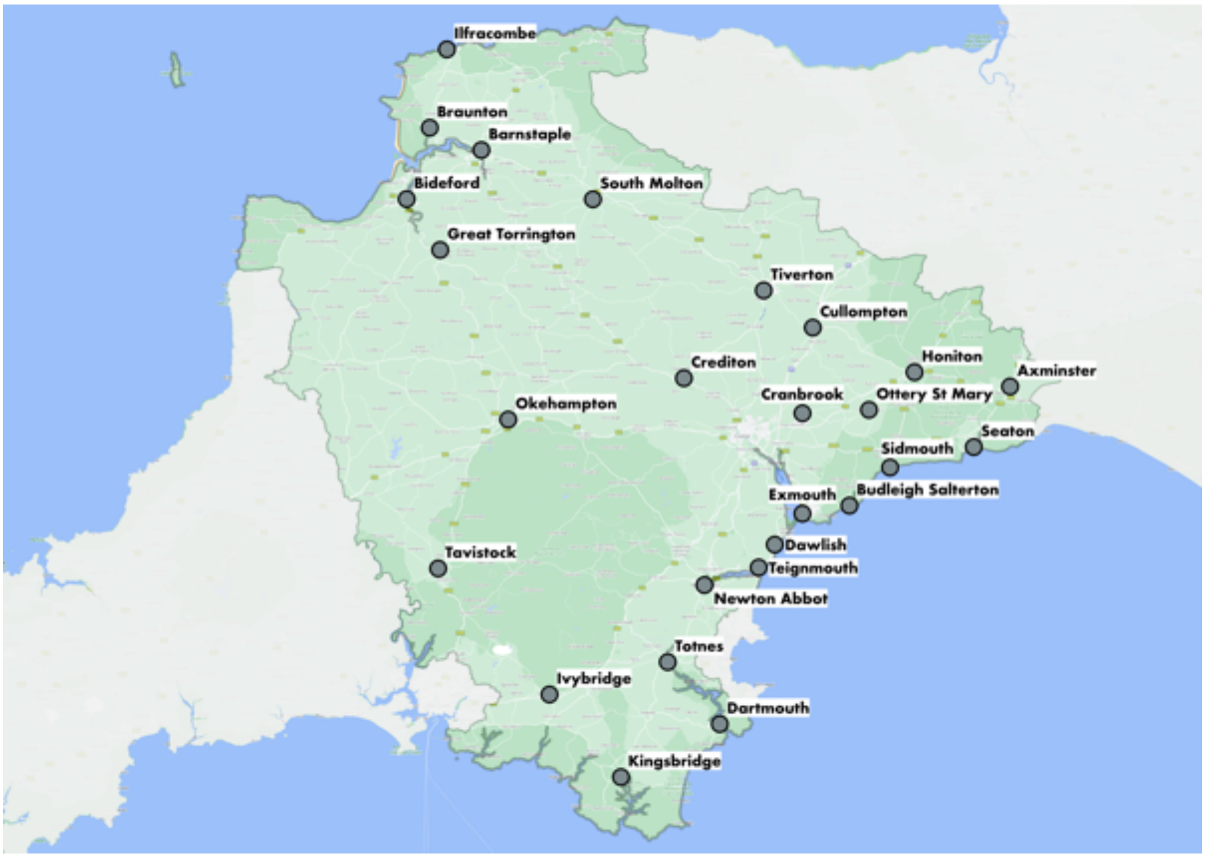
4 The Coastal and Market Towns in Devon

4.0.1 This chapter sets out an overview of the coastal and market towns in Devon, including an assessment of their vulnerability to future decline, a comparison against South West and England (excluding London) benchmarks, and an overview of how the case study towns were selected.

4.1 Introduction

4.1.1 There are 26 towns[23] in Devon with a population of more than 5,000 people. As a city, Exeter is not included in this analysis.

Figure 4.1: Location of Towns in Devon



[23] This research uses the Built Up Area or BUA definition of each of Devon's towns, as defined by the ONS

4.2 Types of towns in Devon

Size

4.2.1 The 26 towns have been categorised by their size based on Centre for Towns' definitions[24].

Figure 4.2: Population of Towns (Built-Up Areas) in Devon, 2019

	Town	Population	Town	Population
Medium-Sized Towns	Newton Abbot	39,400	Barnstaple	32,800
	Exmouth	35,700	Bideford	30,800
Small Towns	Tiverton	20,600	Tavistock	12,500
	Teignmouth	18,000	Ivybridge	11,800
	Dawlish	13,400	Honiton	11,500
	Sidmouth	13,300	Ilfracombe	10,900
Communities	Braunton	9,900	Axminster	6,800
	Cranbrook	9,700	Kingsbridge	6,200
	Cullompton	8,900	Great Torrington	6,000
	Totnes	8,800	South Molton	5,700
	Seaton	8,800	Ottery St Mary	5,600
	Okehampton	8,800	Budleigh Salterton	5,400
	Crediton	8,200	Dartmouth	5,400

N.b. These figures show the population of the ONS defined Built Up Area or BUA, which may include adjacent villages and urban extensions if they are contiguous with the town
Source: ONS Population Estimates, 2021

Role of towns

4.2.2 We have identified four classifications in our typology of towns that are useful to consider in the context of this study:

- **Coastal** – defined by their location on the coastline. These towns are often less accessible and more dependent on sectors such as Tourism
- **Hub/market** - Defra/ONS defines these as towns with a population of between 10,000 and 30,000 that play very important roles as 'hubs' to the rural areas around them (i.e. their rural hinterland) in terms of providing services, employment and businesses. For this classification we have looked at towns outside this size-band
- **Employment centre** – those towns with an employment ratio (employment as a proportion of the residential population) above the average for the Devon towns i.e. places with more employment than the average for a town in Devon
- **Commuter** – those towns that have an out-commuting ratio (out-commuting as a proportion of the residential population) above the average for the Devon town i.e. more out-commuting than for the average town in Devon

4.2.3 Local stakeholder views have also been used to inform this classification.

[24] Centre for Towns https://www.centrefortowns.org/our-towns

Figure 4.3: Typology of Towns (Built-Up Areas) in Devon

	Population (BUA)	Coastal	Hub/market	Employment Centre	Commuter
Axminster	6,800		X	X	
Barnstaple	32,800		X	X	
Bideford	30,800		X		X
Braunton	9,900	X			X
Budleigh Salterton	5,400	X			X
Cranbrook*	9,700				X
Crediton	8,200			X	
Cullompton	8,900				X
Dartmouth	5,400	X		X	
Dawlish	13,400	X	X		X
Exmouth	35,700	X			X
Great Torrington	6,000				X
Honiton	11,500		X	X	X
Ilfracombe	10,900	X	X		X
Ivybridge	11,800				X
Kingsbridge	6,200			X	
Newton Abbot	39,400		X	X	X
Okehampton	8,800		X		X
Ottery St Mary	5,600				X
Seaton	8,800	X			X
Sidmouth	13,300	X	X		
South Molton	5,700			X	
Tavistock	12,500		X		X
Teignmouth	18,000	X	X		X
Tiverton	20,600		X	X	X
Totnes	8,800			X	

*Note that since Cranbrook is a new town there is less data available for the town and it is assumed that given the large number of houses relative to employment development that at this stage it is a commuter town

4.2.4 Most of the towns have multiple functions. There are reasonably large flows of people across Devon, with people choosing to live in one location and travel to another for work, retail, leisure and services. This could be a function of the largely rural nature of the county (where people are used to/expect to travel for work and services), and the uneven distribution of employment land across the towns in Devon.

4.3 Benchmarking the performance of Devon's towns

4.3.1 In this section we look at the performance of Devon's towns compared to the benchmarks of the South West region and England (excluding London because this is not a helpful comparison for Devon's towns). This analysis helps identify broader common opportunities and challenges across all towns in Devon. More detailed benchmarking analysis is set out in Appendix 2. More socio-economic data on the current baseline for each of the 26 towns is set in Appendix 3.

4.3.2 Pandemic and post-pandemic impacts upon population, incomes and employment location and distribution are likely to have occurred. Data representing these changes has yet to be published and will be reviewed in the context of each town by Devon County Council as soon as it is available.

Population

4.3.3 More than half (16) of the towns in Devon have seen population growth below the South West and England (excluding London) benchmarks, with three of these towns seeing population decline over this period. Population decline in towns will largely be driven by the falling size of households over recent years. Population is measured for the ONS defined Built-Up Area (BUA). The data is an estimate of population which may be revised when the 2021 Census of Population is published.

Figure 4.4: Population change of Devon Towns (Built-Up Areas), South West and England (excluding London)

Town	Percentage Change in Population 2011 – 2019 (BUA)	Town	Percentage Change in Population 2011 – 2019 (BUA)
Cranbrook	185%	Great Torrington	4%
Dawlish	18%	Crediton	4%
Axminster	15%	Barnstaple	4%
Cullompton	15%	Exmouth	3%
Ottery St Mary	14%	Teignmouth	3%
South Molton	11%	Braunton	2%
Newton Abbot	10%	Tavistock	2%
Totnes	9%	Budleigh Salterton	2%
Devon Towns Average	**7%**	Okehampton	1%
Bideford	7%	Kingsbridge	1%
Sidmouth	6%	Honiton	0%
South West	**6%**	Ivybridge	-1%
England (exc. London)	**5%**	Ilfracombe	-2%
Seaton	5%	Dartmouth	-6%
Tiverton	5%		

Source: ONS Population Estimates, 2021

4.3.4 In examining the Old Age Dependency Ratio[25], we find that the vast majority of towns in Devon have larger populations of older residents relative to their working age populations than the England (excluding London) and South West benchmarks.

Employment

4.3.5 Ten of the 26 towns in Devon have seen employment growth above the South West and England (excluding London) benchmarks. Of those that are below the benchmarks, 12 have seen a decline in employment.

[25] The Old Age Dependency Ratio (OADR) is the number of people aged 65+ as a proportion of those aged 16-64 living in an area

Figure 4.5: Employment Change compared to Devon Towns, South West and England (excluding London)

Town	Percentage Change in Employment 2015 - 2019	Town	Percentage Change in Employment 2015 - 2019
Seaton	20%	Kingsbridge	1%
Ilfracombe	18%	Great Torrington	0%
Dawlish	17%	Bideford	-2%
Cranbrook	16%	Okehampton	-2%
Honiton	14%	Newton Abbot	-2%
Budleigh Salterton	14%	Braunton	-2%
Axminster	12%	Tiverton	-5%
Cullompton	11%	South Molton	-6%
Crediton	10%	Ivybridge	-6%
Exmouth	7%	Sidmouth	-9%
South West	**5%**	Tavistock	-9%
England (exc. London)	**4%**	Totnes	-10%
Barnstaple	4%	Dartmouth	-10%
Ottery St Mary	1%	Teignmouth	-10%
Devon Towns Average	**1%**		

Source: ONS Business Register and Employment Survey, 2020

Self-containment and employment ratio

4.3.6 The figure below shows the ratio of jobs in towns to the resident population of each town. This gives a measure of the self-containment of that town.

Figure 4.4: Employment ratio compared to Devon Towns, South West and England (excluding London)

	Employment ratio		Employment ratio
Barnstaple	0.68	Ilfracombe	0.37
Cranbrook	0.67	Cullompton	0.36
South Molton	0.64	Tavistock	0.35
Totnes	0.57	Sidmouth	0.34
Dartmouth	0.47	Seaton	0.32
South West	**0.47**	Dawlish	0.31
Newton Abbot	0.47	Bideford	0.31
Kingsbridge	0.46	Braunton	0.30
England (exc. London)	**0.46**	Great Torrington	0.29
Honiton	0.46	Exmouth	0.27
Crediton	0.44	Ottery St Mary	0.26
Tiverton	0.40	Teignmouth	0.23
Towns Average	**0.40**	Ivybridge	0.22
Axminster	0.39	Budleigh Salterton	0.22
Okehampton	0.38		

Source: ONS Business Register and Employment Survey, 2020, and ONS Population Estimates, 2021

4.3.7 Most towns in Devon have an employment to population ratio below the benchmark areas, suggesting that they have fewer jobs than they could, and that towns could play a stronger employment role.

Claimant Count

4.3.8 The Devon towns do not have high claimant counts relative to the size of their working age populations.

Figure 4.6: Claimant Count as a proportion of the resident population 2019 compared with the Devon Towns, South West and England (excluding London)

	Claimant Count		Claimant Count
Budleigh Salterton	0.4	Crediton	1.1
Ottery St Mary	0.6	Great Torrington	1.1
Braunton	0.6	Honiton	1.2
Sidmouth	0.7	**Devon Towns Average**	**1.2**
Ivybridge	0.7	Tiverton	1.3
Cranbrook	0.7	Axminster	1.3
Kingsbridge	0.7	Totnes	1.3
Seaton	0.8	Exmouth	1.4
Cullompton	0.8	Ilfracombe	1.7
Tavistock	0.8	Newton Abbot	1.8
Dartmouth	0.9	**South West**	**2.0**
South Molton	0.9	Barnstaple	2.4
Dawlish	1.0	Bideford	2.6
Teignmouth	1.0	**England (exc. London)**	**2.7**
Okehampton	1.0		

Source: ONS Claimant Count by Sex and Age, 2021

4.3.9 The majority of towns in Devon have seen increases in the Claimant Count above the average seen in England (excluding London) during the Covid-19 pandemic. This reflects the industrial structure of South West which has a large Tourism sector, most of which was closed for some of 2020.

Income Domain of the Index of Multiple Deprivation

4.3.10 This shows the proportion of the population that has low incomes. The majority of towns in Devon are in-line with or below the South West benchmark, meaning that most towns in Devon have a lower proportion of their populations on low incomes than the national average. Only five towns see a higher proportion of residents on low incomes than the England (excluding London) benchmark.

Figure 4.7: Income Domain of IMD 2019 compared with South West Benchmark and England (excluding London) Benchmarks

	Income Domain of the Index of Multiple Deprivation as a Proportion of the Resident Population		Income Domain of the Index of Multiple Deprivation as a Proportion of the Resident Population
Braunton	6%	**Devon Towns Average**	**11%**
Ivybridge	7%	Axminster	11%
Budleigh Salterton	7%	Teignmouth	11%
Sidmouth	8%	Great Torrington	12%
Ottery St Mary	8%	Newton Abbot	12%
Cullompton	9%	Tiverton	12%
Seaton	9%	South Molton	12%
Cranbrook	10%	Dawlish	12%
Tavistock	10%	**England (excl. London)**	**13%**
Exmouth	10%	Okehampton	13%
Dartmouth	10%	Barnstaple	14%
Honiton	10%	Bideford	14%
South West	**11%**	Totnes	16%
Crediton	11%	Ilfracombe	17%
Kingsbridge	11%		

Source: English Indices of Multiple Deprivation, 2019

Employment Domain of the Index of Multiple Deprivation

4.3.11 This is a measure of the proportion of people in an area that are involuntarily excluded from the labour market. The majority of towns have an equal or greater proportion of their population who are involuntarily excluded from the labour market than the South West and England (excluding London).

Figure 4.8: Employment Score of IMD 2019 compared with South West Benchmark and England (excluding London) Benchmarks

	Employment Domain of the Index of Multiple Deprivation as a Proportion of Working Age Population 18-64		Employment Domain of the Index of Multiple Deprivation as a Proportion of Working Age Population 18-64
Braunton	5%	Newton Abbot	9%
Cranbrook	6%	Axminster	10%
Ivybridge	6%	South Molton	10%
Ottery St Mary	7%	Tavistock	10%
Dartmouth	7%	**Devon Towns Average**	10%
Budleigh Salterton	7%	Kingsbridge	10%

	Employment Domain of the Index of Multiple Deprivation as a Proportion of Working Age Population 18-64		Employment Domain of the Index of Multiple Deprivation as a Proportion of Working Age Population 18-64
Cullompton	8%	Okehampton	10%
Sidmouth	8%	Teignmouth	10%
Seaton	8%	Tiverton	10%
Crediton	9%	Barnstaple	12%
South West	**9%**	Dawlish	12%
Honiton	9%	Bideford	13%
Exmouth	9%	Totnes	13%
England (excl. London)	**9%**	Ilfracombe	15%
Great Torrington	9%		

Source: English Indices of Multiple Deprivation, 2019

Retail vacancies

4.3.12 Data on retail and leisure vacancies has been provided by Devon County Council. These have been combined into an overall vacancy rate. This assessment includes some dedicated retail areas as well as data for the town centres. This data has been collected between October 2020 and September 2021. This shows variation of retail vacancy from more than 20% in Cullompton to less than 5% in Braunton and Dartmouth.

Figure 4.5: Retail and Leisure Vacancy Rates

	Overall vacancy rate (retail and leisure)		Overall vacancy rate (retail and leisure)
Cullompton	21.6%	Budleigh Salterton	8.8%
Barnstaple	18.8%	Ivybridge	8.5%
Axminster	18.3%	Totnes	8.1%
Ilfracombe	17.0%	Great Torrington (pannier market only)	7.7%
Bideford	13.2%	Dawlish	6.7%
Kingsbridge	12.8%	Kingsteignton (part of Newton Abbot)	6.7%
Seaton	12.1%	Sidmouth	6.7%
Newton Abbot	12.0%	Ottery St Mary	6.2%
Tavistock	11.7%	Teignmouth	5.2%
Crediton	10.6%	Dartmouth	4.9%
Okehampton	10.6%	Braunton	4.5%
Honiton	10.4%	Kingsteignton out of town retail	0.0%
Exmouth	9.4%	Cranbrook	n/a
Barnstaple retail park	9.1%	South Molton	n/a
Tiverton	9.1%		

Key messages

4.3.13 The key messages from this benchmarking analysis are that both recent population and employment change have been variable in Devon's towns, with some towns above the levels seen in benchmark areas and others below. It is notable that some towns have seen declines in population, employment, and in some cases both. The Claimant Count in most towns is below the benchmark figures for the South West. Income-domain deprivation is variable, but only five of the 26 towns have worse income deprivation than the England average. Employment deprivation also varies across the towns.

4.4 The vulnerability of towns to future decline

4.4.1 Building on existing work by Devon County Council (DCC) we have developed vulnerability indices for the 26 towns in Devon, to consider the whole of the towns rather than individual Lower Super Output Areas (LSOAs) considered by DCC. In total there are three vulnerability indices generated by this work: a Covid-19 Vulnerability Index, a Structural Vulnerability Index, and a Combined Vulnerability Index which brings together the previous two.

Structural vulnerability

4.4.2 This index identifies those towns that were vulnerable to decline before the Covid-19 pandemic. These will often be longstanding issues that have been developed over a long period of time. This index calculated using data on:

- Old age dependency ratio (i.e. the ratio of those aged 65+ to those aged 16-64)
- Index of Multiple Deprivation (IMD)
- The income domain of the IMD (putting more weight on low incomes)
- Claimant Count as a proportion of the resident working age population, and recent change in this

Figure 4.9: Structural Vulnerability Index

Town	Rank	Town	Rank
Ilfracombe	1	Dartmouth	14
Barnstaple	2	Great Torrington	15
Bideford	3	Honiton	16
Totnes	4	Kingsbridge	17
Dawlish	5	Sidmouth	18
Newton Abbot	6	Budleigh Salterton	19
Axminster	7	Crediton	20
Tiverton	8	Tavistock	21
South Molton	9	Cullompton	22
Seaton	10	Cranbrook	23
Teignmouth	11	Braunton	24
Okehampton	12	Ottery St Mary	25
Exmouth	13	Ivybridge	26

Covid-19 vulnerability

4.4.3 This index identifies those towns which are particularly exposed to the economic impacts of the Covid-19 pandemic. These impacts are likely to be temporary as public health restrictions are removed. The index is calculated using data on:

- Employment in vulnerable sectors (e.g. Accommodation & Food Services, Non-food Retail, and the Arts & Leisure sectors) and recent change in this
- Claimant Count and the increase in this since the start of the pandemic

Figure 4.10: Covid-19 Vulnerability Index

Town	Rank	Town	Rank
Newton Abbot	1	Braunton	14
Exmouth	2	Ottery St Mary	15
Bideford	3	Okehampton	16
Barnstaple	4	Honiton	17
Dawlish	5	Axminster	18
Sidmouth	6	Seaton	19
Ilfracombe	7	Ivybridge	20
Tavistock	8	Kingsbridge	21
Totnes	9	Great Torrington	22
Teignmouth	10	Budleigh Salterton	23
Tiverton	11	Cranbrook	24
Dartmouth	12	Crediton	25
Cullompton	13	South Molton	26

Combined vulnerability index

4.4.4 This index combines the Covid-19 and the structural vulnerability indices set out above.

4.4.5 The figure below also shows the number of LSOAs in each town that are ranked in the top ten of DCC's Economic Vulnerability Index. This index ranks the vulnerability of individual LSOA's based on economic impacts of the pandemic.

Figure 4.11: Combined Vulnerability Index

Town	Rank	Top Ten Vulnerable LSOAs (DCC)	Town	Rank	Top Ten Vulnerable LSOAs (DCC)
Bideford	1	-	Dartmouth	14	1
Barnstaple	2	1	Honiton	15	1
Ilfracombe	3	2	South Molton	16	-
Newton Abbot	4	2	Tavistock	17	-
Totnes	5	-	Kingsbridge	18	-
Exmouth	6	1	Great Torrington	19	-
Dawlish	7		Budleigh Salterton	20	-
Tiverton	8	-	Crediton	21	-
Axminster	9	-	Cullompton	22	-
Teignmouth	10	1	Braunton	23	-
Seaton	11	-	Ottery St Mary	24	-
Okehampton	12	-	Cranbrook	25	-
Sidmouth	13	-	Ivybridge	26	-

4.4.6 Overall, the town of Bideford places highest on the Combined Vulnerability Index. Ilfracombe places first in the Structural Vulnerability Index and has two LSOAs in the top ten of Devon County Council's

Economic Vulnerability Index. Newton Abbot is top of the Covid-19 Vulnerability Index, and also has two LSOAs in the top ten of Devon County Council's Economic Vulnerability Index.

Key messages

4.4.7 Some towns are more vulnerable to the impacts of Covid-19 than others; and some face longer-term structural vulnerability. Some of the towns face vulnerability in both the short and longer-terms. It is the towns facing wide-raging vulnerability that should be the focus of efforts to support regeneration and growth.

4.5 Choosing case study towns

4.5.1 Five towns have been chosen as case studies to allow in-depth analysis of a range of towns in Devon. The towns have been chosen based on a combination of the following metrics:

- Variety of locations
- Range of types
- Vulnerable towns
- With opportunities for future regeneration and growth
- Readiness to change and grow

4.5.2 This approach combines quantitative data, which is discussed above and in Appendix 2, and qualitative data on the challenges, opportunities and readiness to change, which is collected from consultations with local stakeholders.

4.5.3 A number of variables have been considered when selecting these towns. We have sought to ensure there is a good geographical spread of towns across the whole of the County, to ensure that any common challenges based on location across Devon (such as transport connectivity or proximity to cites) are reflected in these case studies.

4.5.4 The towns selected are a variety of sizes and types. There are a mix of coastal and inland towns, and towns that serve a range of functions.

4.5.5 All the towns we have selected fall into the top ten most vulnerable in the Combined Vulnerability Index. Equally, it is important that the towns have aspirations and opportunities to overcome the challenges they face. Towns which already have significant intervention programmes (e.g. Future High Streets Funding in Barnstaple and Newton Abbot) have not been chosen as case studies. Exmouth has not been chosen because of the development of significant intervention through the One Public Estate programme. Totnes scores relatively highly in terms of vulnerability (although it is thought to be recovering well from Covid-induced vulnerability), but not in terms of apparent challenges and opportunities.

4.5.6 The towns that have been selected for the case studies are:

- Axminster in East Devon
- Bideford in Torridge
- Dawlish in Teignbridge
- Ilfracombe in North Devon
- Tiverton in Mid Devon

5 Case Studies of Five Devon Towns

5.0.1 In this chapter we investigate five case study towns in Devon, to identify their challenges, opportunities, and future growth prospects. This chapter draws on the individual case studies set out in Appendices 4, 5, 6, 7 and 8 for:

- Axminster
- Bideford
- Dawlish
- Ilfracombe
- Tiverton

5.0.2 The case studies are based on consultations with local stakeholders including the town councils, town chambers of commerce, District Councils, and Devon County Council. These have been supplemented with socio-economic data analysis and documentary review including local plans and funding bids. In two of the towns (Axminster and Bideford) a group of experts (including experts in regeneration, development, planning, and future working practices) visited the towns for a walking tour and meeting with local stakeholders to understand the challenges and opportunities, and identify actions for the development of the town.

5.0.3 Recommendations on next steps for promoting growth in these towns, which should be set within the context of a Devon-wide approach (proposed in detail in Chapter 6), are set out in this chapter. The recommendations have been developed from the local consultations, data analysis, and documentary review.

5.1 Axminster

Overview

5.1.1 The Built Up Area of Axminster has a population of 8,200 but is the service centre for a large rural hinterland. It saw a high rate of population growth between 2011 and 2019, probably due to new housing development. Whilst the population aged over 65 grew at a greater rate than the working-age population over this period, the growth in working-age population was much higher than that seen across Devon towns. However, Axminster has an older population and a greater proportion of residents aged over 65 than the average for Devon towns.

5.1.2 There were 3,200 people in employment in Axminster in 2019. This increased by 11% between 2015 and 2019, which is significantly higher than the Devon towns' average of 1%. This is probably linked to the growth in working-age population. The employment ratio (of workers to residents) is lower than the average for Devon towns. There is net in-commuting (latest data is from 2011), with 3,100 commuting into the town and 2,800 commuting out. Axminster has a higher proportion of workers in Production & Construction than the Devon towns average, reflecting its manufacturing activity, and lower employment in the Wholesale, Retail, Transport and Other Private sectors.

5.1.3 The claimant count in 2019 was slightly above the Devon towns average, but well below South West and national figures. This rose throughout the Covid-19 pandemic in 2020, but at a rate well below other towns, the South West and national rates of increase.

5.1.4 Axminster is the fourteenth most deprived of 26 towns in Devon according to the Index of Multiple Deprivation (IMD). With regard to sectors that are vulnerable to the impacts of Covid-19, Axminster has lower employment than the Devon towns average in Accommodation & Food, but higher employment in Non-Food Retail and Arts & Entertainment.

Vulnerability to future decline

5.1.5 Three measures of the vulnerability of towns to future decline have been constructed for this study:

- Axminister is ranked eighteenth of 26 Devon towns for vulnerability to the impacts of Covid-19 (based on employment in sectors vulnerable to Covid-19 impacts, and recent changes in the claimant count)
- It is ranked seventh of 26 for structural vulnerability (based on the population age structure, Index of Multiple Deprivation, income data in the IMD, and the Claimant Count)
- It ranks ninth of 26 for combined vulnerability (i.e. vulnerability to Covid-19 and structural vulnerability)

5.1.6 The highest ranked ward in Axminster in the separate Devon County Council vulnerability index is ranked at forty-sixth in Devon (out of a total of 457).

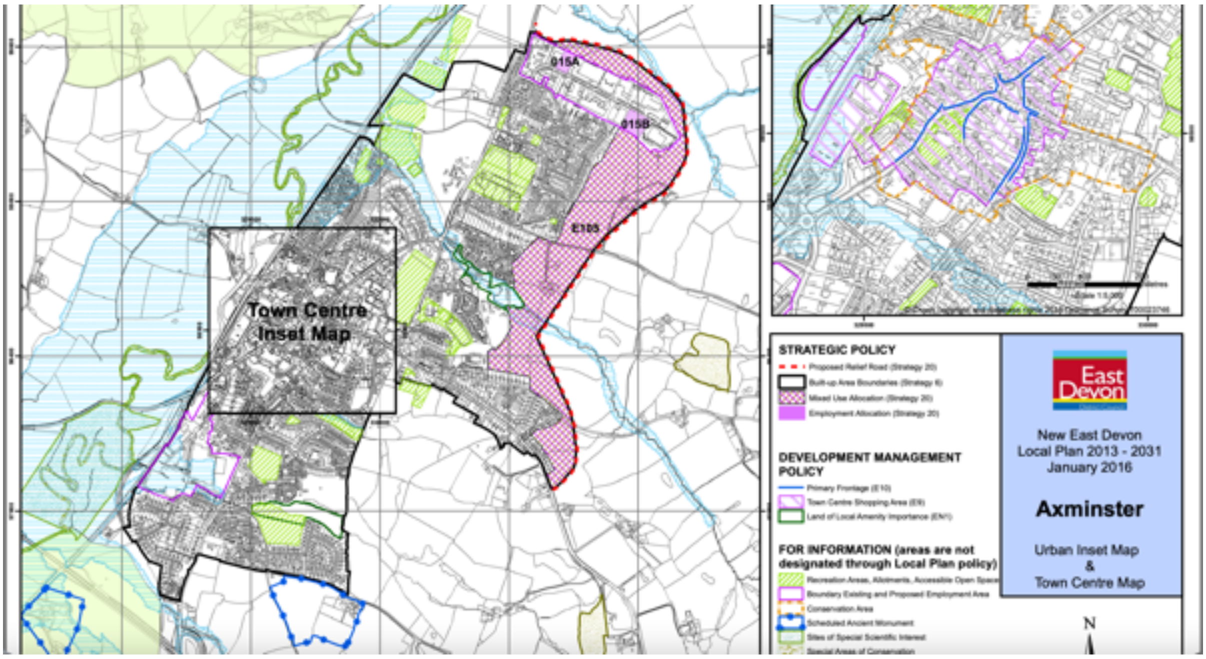
Local Plan

5.1.7 The East Devon Local Plan aspiration is to grow both the residential and employment roles of Axminster, improving its self-containment and vitality. There are plans for significant residential development over the period to 2031. This includes a North Eastern Urban Extension of 650 new homes and 8 Ha of commercial and employment land, but the delivery of this is dependent on a new relief road. There is no funding package in place for this new road.

5.1.8 Potential for town centre improvements including the regeneration of former Webster's Garage site and public realm improvements are set out in the plan.

5.1.9 A Neighbourhood Plan has been in preparation since 2013, but is not yet developed.

Figure 5.1: East Devon Local Plan Key Diagram for Axminster



Source: https://eastdevon.gov.uk/media/1462340/new-local-plan-axminster-jan-2016-final.pdf

Challenges and barriers

5.1.10 The most immediate and obvious challenge facing the town is the high volume of traffic, including HGVs, along the A358 through the town, and regular congestion. This adversely affects the perception, quality and environment of the town centre. A long-term solution is a relief road which would take through- traffic away from the town centre, but there are no plans in place to deliver this. A short-term solution to reduce congestion is a one-way system through the town, but this will not solve the adverse impacts of high volumes of traffic.

5.1.11 Whilst there are growth aspirations for the town, flood risk and landscape designations mean that the only major opportunity is the North Eastern Urban Extension. This is hamstrung by the difficulty of delivering a relief road.

5.1.12 Whilst a food retail centre for a larger hinterland, the town is weaker in terms of non-food retail. There are some vacant units in the town centre. Following the closure of the Trinity House department store, this landmark building has been redeveloped for retail and community uses, which is very positive. The internet and social media activity of Axminster businesses is relatively poor, with scope for significant improvement, which would benefit individual businesses and the town as a whole. The town has a lively weekly market, but footfall is not high throughout the week. Efforts are needed to draw people into the town – both residents of the hinterland and visitors from farther afield.

5.1.13 Despite relatively high levels of employment growth in recent years, Axminster has below average employment and little high-quality high-wage employment.

5.1.14 Axminster does not have any sixth-form or further education provision, which means that young people must travel outside the town for education and training. The town lacks facilities for young people. The potential for delivering training and education in the town should be explored.

5.1.15 Despite the above-average rates of population and employment growth in recent years, it is perceived that the town is falling behind nearby competitors such as Chard and Honiton in terms of growth and vitality. The population is relatively old and getting older. Poor housing affordability and few employment opportunities means that many younger people leave the town.

5.1.16 There is no strong community-led vision for the future of the town. Whilst there is a core group of community leaders, they are concerned that younger people are not stepping into positions of community leadership.

Opportunities and aspirations

5.1.17 Having seen strong growth in the working age population between 2011 and 2019, Axminster has potential to see further growth in this cohort if new homes are built in the town. Increasing the population will increase the customer base for local businesses and services, making the town more vibrant and potentially more self-contained. There is potential to make Axminster a sustainable place to live, work and play.

5.1.18 Axminster has some external recognition – largely for Axminster Carpets, River Cottage, and Axminster Tools. Greater awareness of the town can be built around these brands.

5.1.19 The town has few multiple retailers, and many independent retailers, and there have been few closures during the Covid-19 pandemic. The recent redevelopment of the Trinity House building has shown that there is scope for new town centre commercial and community activity. A weekly market draws people into the town, and although footfall during the rest of the week is less, there is potential to draw more visitors into the town. Improved internet and social media activity will help with this.

5.1.20 Improving the quality of the public realm will help to make the town more attractive to visit.

5.1.21 Delivering new employment units in established employment areas, and co-working space in the town centre will enable more people to work in Axminster, and potentially start new businesses. Even if people work flexibly – part-time in Axminster and part-time elsewhere – this will increase the vitality and sustainability of the town.

Current and planned actions

5.1.22 Whilst there are plans for an urban extension, the difficulty of delivering a relief road is constraining the delivery of new homes.

5.1.23 A feasibility study is being undertaken into the rationalisation of public sector property in Axminster under the One Public Estate (OPE) programme. This may lead to the release of some buildings and sites for future development in the town.

5.1.24 An expression of interest was submitted to the Future High Streets Fund (FHSF), but was not successful. This identified local challenges but did not set out a programme of 'shovel-ready' development projects.

5.1.25 A proposal is being prepared for the main regeneration opportunity site in the town – the former Webster's Garage site – which is in private ownership. There limited public sector involvement in the development of plans for the site, but it could help to deliver some of the aspirations discussed in more detail below.

5.2 Next steps for Axminster

Future objectives

5.2.1 Suggestions for overall objectives for Axminster are:

- Increasing footfall into the town and commercial activity (online as well as physical), to improve the vitality and economic and employment opportunities in the town
- Increasing the scale of the town, making it a more self-contained, sustainable and attractive place to live, work and play, particularly for working-age people. This could include the delivery of training and education in the town
- Developing the town as the service centre for a larger hinterland (the Axe Valley), which is allied to the previous objectives
- Improving the quality of the town centre by reducing the impact of through-traffic

5.2.2 A series of potential actions are set out below. These are set out as actions for now, actions to be undertaken soon, and actions to be delivered later, but which should be planned now.

Immediate actions

Action	Lead	Funding
An immediate action is to establish a regeneration board to lead the planning and delivery of the future growth of Axminister. The group should comprise representatives of the local community,	The lead partner will be Axminster Town Council supported by	Revenue funds will be provided by Devon County Council

Action	Lead	Funding
the business community, the local authorities (District and County), and other relevant stakeholders that will be involved in the future development of the town.	Devon County Council and East Devon District Council	
This board will work with the local community to develop a vision for Axminster and an accompanying action plan.	The newly established regeneration board	Revenue funds will be provided by Devon County Council
Support should be provided to local businesses to increase their online activity, within a coordinated town-wide digital marketing plan. This should be aligned with any current business support initiatives provided by the District Council, County Council or LEP. The HotSW Growth Hub should help signpost businesses to this support.	The lead partner should be East Devon District Council	Funds will need to be secured to support this activity
A programme of activity should be developed to draw visitors into the town, e.g. markets, festivals, events, working with local retailers	The lead partner will be Axminster Town Council	Funds will need to be secured to support this activity
Support should be given to businesses to erect shelters to enable hospitality businesses to attract customers, possibly with additional shelters in public realm areas for common use.	The lead partner should be East Devon District Council	Funds will need to be secured to support this activity

Short to medium-term actions

Action	Lead	Funding
A one-way system should be implemented to keep traffic moving through the town and minimise congestion	The lead partner should be Devon County Council	Funds will need to be secured to support this activity
Traffic could be removed from Trinity Square and investment made into the public realm, creating a town centre piazza. A business case is likely to be needed to secure public funding for this activity.	This activity will be led by East Devon District Council and Devon County Council	Funds will need to be secured to support this activity
An opportunity should be identified to deliver co-working space to enable people to live and work (for all or part of the time) in Axminster. This will involve identifying a building for conversion or a site for a new building. Capital funds will be required to deliver this. A business case is likely to be needed to secure public funding for this activity.	The lead partner should be Devon County Council	Funds will need to be secured to support this activity
Opportunities for the delivery of training and education in the town should be explored, and aligning this with business support, to provide holistic support to local businesses	East Devon District Council to lead on this	
Work should be undertaken with the owners of the former Webster's Garage site to develop a	The lead partner should be East	

Action	Lead	Funding
proposal that helps to deliver growth that fits with the overall vision for the town. This may be delivered wholly by the private sector. However, if the proposed development helps to meet some policy objectives (e.g. co-working space discussed above) then there may be a case for a public-private partnership or co-investment. A business case is likely to be needed to secure public funding for this activity.	Devon District Council	

Longer-term actions

Action	Lead	Funding
Partners should continue to seek to deliver the relief road, to divert through-traffic out of the town centre and enable new housing and employment land delivery This in-turn will help to attract younger, working-age residents to the town. Lobbying of Government should take place for funding of this road. New buildings and infrastructure should help to deliver environmental and social sustainability	The lead partner should be Devon County Council	Funds will need to be secured to support this activity

5.3 Bideford

Overview

5.3.1 Bideford is one of the largest towns in Devon, with a population in 2019 of 31,200. It experienced population growth of 7% between 2011 and 2019, likely due to new housing development. This is the same rate of growth as the average for Devon towns, but greater than the rate of growth in the South West and England. The population aged 65 and over grew by 23% over this period, at a rate higher than the average for towns in Devon. There was almost no change in the working-age population, compared to a growth of 2% across all towns in Devon. Bideford has a greater population of residents aged over 65 than the average for all towns in Devon and is getting older.

5.3.2 There were 9,800 people in employment in Bideford in 2019. The number in employment fell between 2015 and 2019, compared to a slight rise across all towns in Devon and growth in the South West and England. The employment ratio (of workers to residents) is lower than the average for Devon towns. There was significant outflow of workers from Bideford (in 2011), with 12,400 leaving the town to work elsewhere. 8,900 travelled into the town to work, so the net position is an outflow of workers. The sector profile of employment is similar to the average for all towns in Devon.

5.3.3 The claimant rate in 2019, before the Covid-19 pandemic, was more than double the average for Devon towns, but slightly lower than for England. During the pandemic the claimant count rose at a higher percentage than the average for Devon towns, the South West and England, although its increase in Q4 2020 was lower than for these benchmarks areas i.e. the rate of increase slowed down.

5.3.4 Bideford is the second most deprived of the 26 towns in Devon according to the Index of Multiple Deprivation (IMD). Bideford has a higher proportion of employment in Accommodation & Food than the Devon towns' average, but a lower proportion of employment in other sectors that are vulnerable to Covid-19 impacts.

Vulnerability to future decline

5.3.5 Three measures of the vulnerability of towns to future decline have been constructed for this study:

- Bideford is ranked third of 26 towns for vulnerability to the impacts of Covid-19 (based on employment in sectors vulnerable to Covid-19 impacts, and recent changes in the claimant count)
- It is also ranked third of 26 for structural vulnerability (based on the population age structure, Index of Multiple Deprivation, income data in the IMD, and the Claimant Count)
- It ranks first for combined vulnerability (i.e. vulnerability to Covid-19 and structural vulnerability)

5.3.6 The highest ranked ward in Bideford in the Devon County Council vulnerability index is ranked at 11th in Devon.

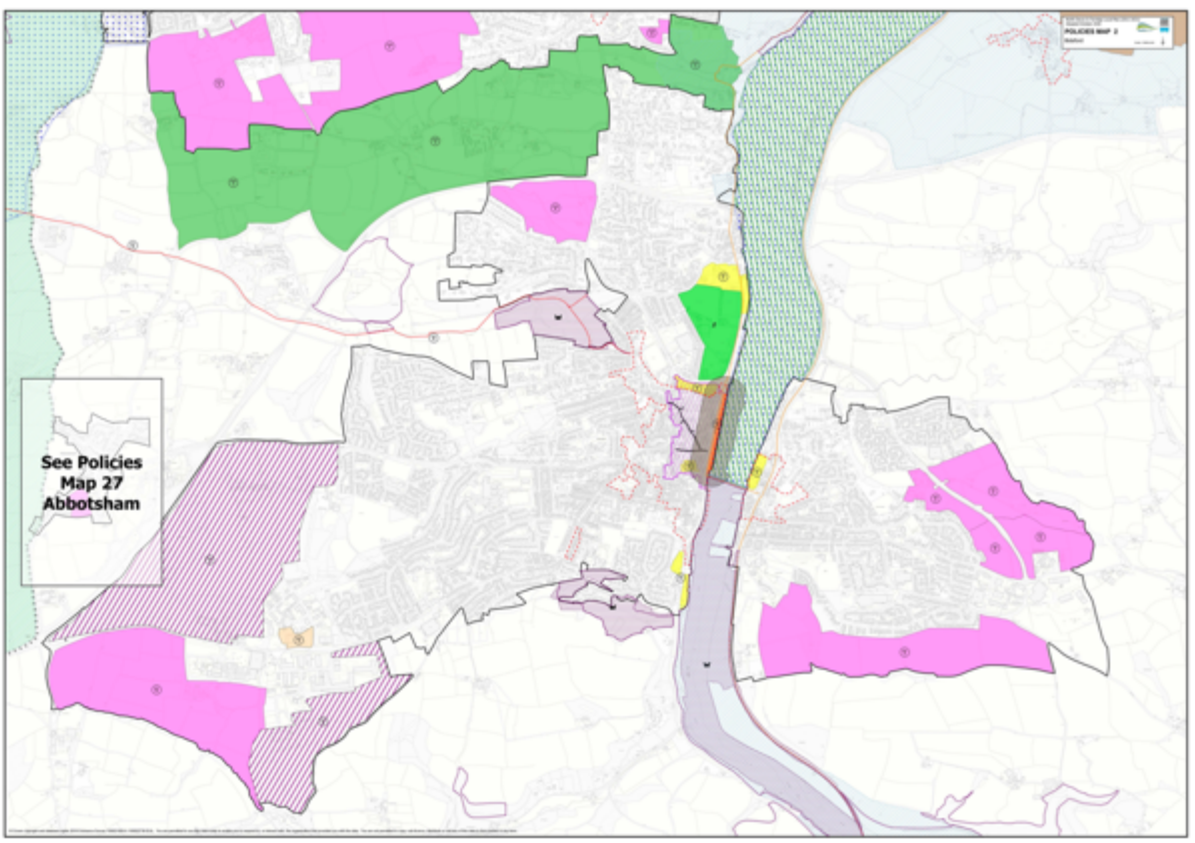
Local Plan

5.3.7 The North Devon and Torridge Local Plan identifies Bideford as an important local residential and employment centre, but with some challenges and significant levels of out-commuting. Its future is as a focal point for employment, retail, recreation, and culture for the residents of the town and its hinterland. Creation of more employment and services will make the town more self-contained. Investment in key town centre sites will help with the revitalisation of the town centre and wider town. Creating serviced employment sites will enable business growth in Bideford.

5.3.8 There are plans for more than 4,000 new homes and over 20 Ha of employment land in Bideford over the Local Plan period (to 2031), including three large urban extensions.

5.3.9 A neighbourhood Plan is in preparation and is currently exploring issues.

Figure 5.2: Local Plan Policy Map for Bideford



Source: https://consult.torridge.gov.uk/kse/folder/85661

Challenges and barriers

5.3.10 Although the town centre has a lively surface appearance and work is undertaken to keep the town clean and tidy, it lacks energy and vibrancy. Retail units are dispersed, with numerous vacancies. Premises above ground-floor retail are often under-used, and investment in the physical infrastructure is often lacking. There is an out-of-town shopping outlet centre (Affinity) on the edge of Bideford, and nearby Barnstaple is a larger retail destination with a wider comparison-shopping offer. Both factors have constrained the potential of Bideford town centre as a retail destination. Consolidation of the retail offer into a focused area, together with investment in buildings and the public realm would create a more attractive and vibrant town centre retail area.

5.3.11 There are a number of car parks, which are under-utilised, potentially providing opportunities for development in the town centre. The town lacks an indoor event space, although the Pannier Market could potential be developed for this.

5.3.12 Employment fell in Bideford in a time in which it grew in all benchmark places. Bideford has a relatively low number of jobs for a town of its size and significant out-commuting, mentioned above, particularly to Barnstaple where there are more and better-quality jobs. Apart from retail, there is little employment in the town centre. Much employment in the town is low-skilled and seasonal, leading to many young people leaving the town for employment opportunities elsewhere. Levels of skills and social mobility are low in Bideford. Overall, there is a need to create new and better-quality employment in Bideford. Given the cultural shift towards remote working, there is scope for more people to work in the town, either from home or from co-working space.

5.3.13 There will continue to be employment, education, training, service, and leisure opportunities in Barnstaple that will not be provided in Bideford. An improved bus service between the two towns will enable Bideford residents to access these, with detracting from the growth potential of the town.

5.3.14 There is no further education provision in Bideford, with the nearest provision at Petroc College in Barnstaple. Improving access to further and higher education, through both better access to Petroc College and better remote access to online provision will help to tackle the low level of skills in the town.

5.3.15 Whilst there is a high level of aspiration for the future of Bideford, there is a lack of coordinated planning for how the town might develop. There is no statement of an aspirational vision for Bideford with wide buy-in from all parts of the local community (including residents, businesses, community organisations, the Town Council, and other local authorities). A clear and widely shared vision statement would help to focus aspirations and development efforts.

5.3.16 Housing is largely unaffordable to local residents, and there is a limited provision or a range of tenures. Where edge-of-town developments have been built, they are often poorly serviced and poorly connected to the town centre. More homes are needed in the town, and they must be better connected to the town centre and the rest of the town.

5.3.17 The town has a limited leisure and tourism offer beyond its retail role. There is little marketing of the town. There are only a few restaurants and hospitality venues in the town centre. Bideford has the potential to attract more visitors as part of the tourism and leisure offer across northern Devon i.e. providing a town/retail/wet weather component alongside the beaches and rural environment of the wider area.

5.3.18 The business community is enthusiastic about the potential for the town, but is not working closely with the Town and District Councils to steer future growth, although it is keen to do so.

Opportunities and aspirations

5.3.19 Bideford has many independent retailers, with a focus in Mill Street, providing a wide range of shopping. Given the low level of multiple retailers in the town, the retail offer has not yet been badly hit by the fall-out of the Covid-19 pandemic. The town centre retail offer in Bideford needs to complement rather than compete with the Affinity outlet centre on the edge of Bideford and the retail offer in Barnstaple.

5.3.20 There are a number of vacant buildings in the town centre. The Town Hall is under-utilised and the adjacent library will soon be vacated. These buildings offer potential for development, possibly to include co-working/business space as well as community functions and residential. Greater provision of workspace in the town centre would enable more people to work in the town (for all or part of their working time), and contribute to the town centre vitality.

5.3.21 There is potential to develop the visitor and tourism offer in Bideford, including through investment in the waterfront, quay, maritime heritage and exploiting the arts offer. Pedestrianisation of some areas would make the environment more attractive. The Pannier Market is under-utilised and could be better used for events as well as markets and retail. Combining investment in the physical environment with a series of events, festivals and markets would help to draw more people into the town.

5.3.22 Opportunities for flexible and remote working mean that many people who currently work elsewhere or commute out of Bideford could work in the town or town centre. Some may work at home, but others would prefer to work in co-working spaces. Provision of such spaces, along with some business support, would help new-start businesses as well as existing businesses and remote-working employees.

5.3.23 The Appledore Shipyard is an important local asset and provides high value employment opportunities. Understanding the development plans for the shipyard and aligning training, skills and business support activity to this will be important to the growth potential of the local economy.

Current and planned actions

5.3.24 A bid has been submitted to the Levelling Up Fund for a major town centre regeneration project – Isaac's Yard. If successful, this will deliver significant change in the town centre, providing co-working space, business support, training opportunities, cultural opportunities, residential units and food and drink outlets. Torridge District Council is working with Igloo Regeneration to develop and deliver this scheme.

5.3.25 A residential and retail scheme is being delivered at Brunswick Wharf in East the Water, following public investment in remedial works to the harbour wall.

5.3.26 A local creative industries business is considering setting up an arts and creative sector workspace hub in the town centre. This may need some public sector support.

5.3.27 Bideford is being considered under the One Public Estate programme, and a has a number of publicly owned vacant buildings that could be put to productive use.

5.3.28 Work funded by the Community Renewal Fund is being undertaken to look at a financial and legal model to bring vacant units back into use, including use by community organisations.

5.4 Next steps for Bideford

Future objectives

5.4.1 Suggestions for overall objectives for Bideford are:

- Making the town more self-contained, i.e. across the town and its hinterland, including the delivery of more homes, employment, and services (both public and private)
- Improving the economic vitality of the town, supporting local people into employment opportunities that are created
- Encouraging the retention and growth of the younger and working-age population, facilitated by the provision of more homes and jobs
- Reducing out-commuting, and encouraging more working in the town
- Attracting more visitors to the town, including residents from the wider local area and tourists from elsewhere
- Supporting the growth of the maritime sector, including through skills and training provision

Immediate actions

Action	Lead	Funding
It is vital to support the development of the Isaac's Yard scheme and ensure its successful delivery. This then needs to be set within a broader vision for the future of the town. Support should also be	The lead partner will be Torridge District Council	Funding for the Isaac's Yard scheme is being sought from the Levelling Up Fund. Other match funds may be

Action	Lead	Funding
provided for the delivery of a potential arts and creative industries workspace hub in the town centre.		needed. Further funds will be needed for the arts and creative industries hub
A leadership and delivery structure (e.g. a Bideford Regeneration Board) needs to be established, bringing together the Town Council, District Council, County Council, local resident community, business community and other stakeholders. This group then needs to create a vision for the future of the town and accompanying action plan based on local consultation, with buy-in; a plan for the short and medium-term development of the town; projects, which then need to be developed so that support and funding can be sought.	Leadership will be needed from the Town Council, Torridge District Council, and Devon County Council, with close engagement of the local business community, to create a new governance structure	Revenue funds for plan development will be provided by Devon County Council, contingent on the creation of an effective governance structure

Short to medium-term actions

Action	Lead	Funding
A physical masterplan is needed for the town centre to guide the delivery of the vision and action plan discussed above. This must set out the potential for a more concentrated retail core, opportunities for development of key sites and buildings, and the improvement of the public realm. A key part of this will be bringing vacant retail units into productive use, and considering the re-use of public sector buildings (potentially supported through the One Public Estate programme).	The lead partner will be Torridge District Council, on behalf of the proposed Regeneration Board mentioned above	Funds will need to be secured to support this activity, although some funding may be provided by the County Council
Another complement to the overall a plan for Bideford will be a plan for the development of the tourism sector in the town, including better marketing and promotion as part of a wider northern Devon offer, alongside investment in the town to make it a destination. This will include investment in/support of the hospitality sector to increase the night-time vitality of the town, alongside day-time visits; and investment in areas such as the waterfront and quayside to make them more attractive destinations.	The lead partners will be Bideford Town Council and Torridge District Council, on behalf of the proposed Regeneration Board mentioned above	Some revenue funds to support the development of a plan may be provided by Devon County Council, although further funds will need to be secured for capital works
Employment should be encouraged in the town, including in the town centre. A key part of this will be the delivery of co-working space to	The lead partners will be Torridge District Council and	Funds will need to be secured to support this

Action	Lead	Funding
accommodate new and small businesses as well as remote workers who live in Bideford but do not want to commute out to work every day. The re-use of redundant publicly owned buildings could help to achieve this.	Devon County Council, on behalf of the proposed Regeneration Board mentioned above	activity. This could be considered as part of the OPE programme
Investment is needed in the Pannier Market, enabling it to be used as an event space as well as a market and retail destination.	The lead partner will be Torridge District Council	Funds will need to be secured to support this activity
Consideration is needed of how to support the maritime and shipbuilding industry in Appledore, including education, training and skills support	The lead partner will be Torridge District Council	Funds will need to be secured to support this activity

Longer-term actions

Action	Lead	Funding
The delivery of new homes is needed in the town. These homes must be well connected to the town centre both physically and in terms of residents' awareness of the town centre offer, to encourage a more self-contained community rather than a dormitory settlement from which people commute to work and shop elsewhere. New buildings and infrastructure should help to deliver environmental and social sustainability	The lead partner will be Torridge District Council	
Employment space must be delivered alongside new homes in the planned urban extensions to provide a better range and choice for businesses, enabling their growth in Bideford.	The lead partners will be Torridge District Council and Devon County Council	Funds may need to be secured to enable the private sector to delivery new employment space, overcoming market failures

5.5 Dawlish

Overview

5.5.1 Dawlish has a population of 13,400 which grew by 18% between 2011 and 2019, at a much higher rate than the average for the towns in Devon and the regional and national averages. This is largely due to the development of new homes in the urban extension area on the edge of the town. The increase in working age population was significantly above that for other towns. The population aged over 65 also increased at a greater rate than the average for Devon towns. Despite the growing working-age population the proportion of residents aged over 65 is higher in Dawlish than the average for Devon towns, the South West, and England.

5.5.2 There were 4,200 people employed in Dawlish in 2019. Employment grew by more than 600 people or 14% between 2015 and 2019, which is a much higher rate of growth than the Devon towns' and national rates of growth. However, the proportion of workers to residents in the town is below the average for the Devon and considerably lower than the South West and national figures. Some 4.300 people commute out of Dawlish each day to places such as Newton Abbot and Exeter. However, there is also in-commuting of 3,300, meaning that the overall position is net out-commuting of just under 1,000 people.

5.5.3 The claimant count in 2019, prior to the Covid-19 pandemic, equated to 1% of the resident population. This is just below the Devon towns' average, and much lower than the South West and England figures. During the Covid-19 pandemic in 2020 the claimant count rose significantly in Dawlish, at a higher rate than in other places during Q2 and Q3, and whilst still rising in Q4 this was at a lower rate than in other Devon towns and the South West.

5.5.4 Dawlish is the fifth most deprived of 26 towns in Devon according to the Index of Multiple Deprivation (IMD). Dawlish has a very high concentration of employment in the Accommodation & Food sector compared to other Devon towns, but does not have a high level of employment in the other vulnerable sectors of Non-Food Retail and Arts & Entertainment.

Vulnerability to future decline

5.5.5 Three measures of the vulnerability of towns to future decline have been constructed for this study:

- Dawlish is ranked fifth of 26 Devon towns for vulnerability to the impacts of Covid-19 (based on employment in sectors vulnerable to Covid-19 impacts and recent changes in the claimant count)
- It is also ranked fifth of 26 for structural vulnerability (based on the population age structure, Index of Multiple Deprivation, income data in the IMD, and the Claimant Count)
- It ranks seventh of 26 for combined vulnerability (i.e. vulnerability to Covid-19 and structural vulnerability)

5.5.6 The highest ranked ward (LSOA) in Dawlish in the separate Devon County Council vulnerability index is ranked twelfth in Devon, out of 457.

Local Plan

5.5.7 The Teignbridge Local Plan defines Dawlish as a 'significant town centre' which means it will be maintained as a retail centre serving residents in the wider area. A 43-hectare site has been allocated in the north of Dawlish for an urban extension, and some development has been delivered. This extension will be connected to Dawlish Warren Road through a pedestrian/cycleway and significant open space. In total the site could deliver 860 new homes and 3 Ha of employment land during the plan period, to 2033.

5.5.8 There have been two attempts to prepare a Neighbourhood Plan for Dawlish but these have not produced a plan.

Figure 5.3: Local Plan Policy Map for Dawlish

Source: https://www.teignbridge.gov.uk/media/1674/local-plan-teignmouth-and-dawlish.pdf

Challenges and barriers

5.5.9 Employment in the town is often low quality, with many relatively low paid jobs in tourism, including jobs with zero hours contracts. Although there is in- and out-commuting, there is a net outflow of residents to work elsewhere. Support to create new jobs, including business support and delivery of new premises will help to address these challenges.

5.5.10 It has been suggested that Dawlish lacks a strong identity and draw for visitors, businesses and investors. It has a seasonal tourism offer, and is not seen as an employment location. As above, efforts to encourage new-starts and attract businesses to the town will help to address this.

5.5.11 Although Dawlish is known as a tourist location, much of the tourist accommodation is located in nearby Dawlish Warren. Tourism accommodation in the town has been lost through conversion to residential use. There are few transport links from Dawlish Warren to the town centre. Better connectivity could increase footfall in the town centre and increase the benefit of tourism to the local area.

5.5.12 The limited availability and cost of car parking in the town has been suggested as a constraint by local businesses. There is a conflict between encouraging visitors to the town and the car parks generating revenue for the District Council. Investment in public transport, walking and cycling infrastructure will help to improve access to the town centre.

5.5.13 Dawlish is not perceived as having a compact town centre, and lacks a critical mass of activity in close proximity. There has been a decline in comparison retail in recent years. Dawlish has little night-time economy. Fragmented property ownership is seen as constraint to the growth of the town. Some vacant premises are available for rent but not for sale, limiting the opportunities for investment in these. There is a shortage of employment premises in the town, but there is often opposition to new development within the town. Few assets are in District Council ownership, limiting the potential for public sector led regeneration. Consolidation of retail into a smaller area would help to increase the vitality of the town centre, and allow for the conversion of more peripheral retail units to other employment uses.

5.5.14 Deprivation is relatively high in Dawlish, and it is relatively vulnerable to future decline. Creating sustainable employment in the town and the provision of training and other measures to enable local people to access employment will help to address this.

5.5.15 The town is not seen as a cohesive place, with divisions between businesses located in different parts of the town and divisions between different parts of the community. Some residents are keen to see growth and change in the town and others are not, which has stifled attempts to invest and deliver new projects in the town. There is also a perceived physical division in the town with Dawlish Lawn and the river dividing the town centre. Developing a common vision for the future of Dawlish, founded on a robust evidence base and comprehensive local consultation will be key to the future of the town.

Opportunities and aspirations

5.5.16 Dawlish has experienced population and employment growth in recent years at a higher rate than other towns. There are plans for future residential and employment growth in the urban extension site. These are key to the future growth of the town, helping to create a larger population and better self-containment.

5.5.17 Despite the concerns about the vitality of the town centre a new cocktail bar is now attracting more visitors into the town centre at night, and there is a desire for new restaurants and new hotels in the town. Dawlish has an attractive coastal location and is easily accessible by mainline rail, with good links south-west to Plymouth and beyond, and north to Exeter and beyond. Developing the leisure and hospitality function of the town will make it more attractive to residents, visitors and businesses.

5.5.18 Pre-Covid there was large programme of events in Dawlish throughout the year, but this was curtailed in 2020. Dawlish Town Council's events committee works with other local groups to promote events and activity. The Town Council has prepared a draft tourism strategy and is starting to consult widely on this. There is a focus on increasing the number of trips and the visitor spend in the town, boosting the economic role of the tourism sector.

5.5.19 Work was undertaken to create a transformational vision for Dawlish in 2008 as part of the Amberline Coast, but little of this has been implemented. Despite two attempts, no Neighbourhood Plan has been prepared. Developing a locally owned vision and plan are key to the future prosperity of the town.

Current and planned actions

5.5.20 No significant town development actions are taking place.

5.6 Next steps for Dawlish

Future objectives

5.6.1 Suggestions for overall objectives for Dawlish are:

- Developing a widely owned vision for the future of Dawlish, bringing together disparate elements of the local community
- Increasing the quality of the visitor sector, attracting more and higher spending visitors to the town
- Increasing the employment role of the town, creating more and better jobs, reducing the level of out-commuting
- Consolidating the retail and service sectors in the town centre, creating a vibrant core to the town
- Ensuring the urban extension is fully integrated into the town, with good connectivity and local residents using facilities and participating in activities

Immediate actions

Action	Lead	Funding
A leadership and governance structure is needed to steer the growth of Dawlish. This must be representative of the whole residential and business community as well as stakeholders who can help to deliver change (including the District and County Councils). It may be challenging to establish this in Dawlish given the reported disparity of views within the community. Support may be needed from other parties such as Teignbridge District Council, Devon County Council, and possibly external facilitators to achieve a representative leadership group.	The lead partners will be Dawlish Town Council, other community groups, Teignbridge District Council, and Devon County Council	If revenue funds are needed for external facilitation then these will be provided by Devon County Council
The leadership group then needs to develop a vision for the future of the town and a plan to deliver this. A previous vision for the development of the town was developed, but little of this has been implemented. A review of four towns in Teignbridge carried out in 2019 and 2020 looked at Dawlish and could form the basis of this, but more work will be needed. Again, external support may be needed to achieve this.	This will be led by the governance group described above	Revenue funds to support this process will be provided by Devon County Council
Support will be needed to ensure that the impact of Covid-19 on the town is minimised. The potential for increased UK visitors in 2021 could help the recovery of the town. Events, festivals and marketing activity will help to attract visitors. Encouraging visitors to Dawlish Warren into the town centre will help to increase vibrancy. Prior to Covid-19 the Town Council supported events and festivals, and this needs to be enhanced.	The lead partner will be Dawlish Town Council, supported by Teignbridge District Council	Funds will need to be secured to support this activity

Short to medium-term actions

Action	Lead	Funding
Integration of the residents of new developments into the town, and encouraging them to use town centre retail and facilities will support its viability. Marketing activity should be targeted at new residents as well as visitors, encouraging them to use the town's facilities rather than travel elsewhere.	The lead partner will be Dawlish Town Council	Funds will need to be secured to support this activity
A masterplan and physical regeneration strategy for the town linked to a new vision could encourage private sector investment, and could build on the initial proposals set out in the recent review of the town and a new vision for the town.	The lead partner will be Teignbridge District Council	Funds will need to be secured to support this activity
Within the masterplan, new employment premises should be identified to accommodate new-start businesses, growing business, and enable remote working in the town by local residents. Support may be needed from the District Council to convert redundant premises into workspace and deliver co-working spaces for new businesses and remote workers.	The lead partner will be Teignbridge District Council, with support from Devon County Council	Funds will need to be secured to support this activity

Longer-term actions

Action	Lead	Funding
Delivery of the urban extension housing and employment land are key to the longer-term growth of Dawlish and to achieving greater self-containment. New buildings and infrastructure should help to deliver environmental and social sustainability	The lead partner will be Teignbridge District Council, with support from Devon County Council	Funds may be need to be secured to support this activity

5.7 Ilfracombe

Overview

5.7.1 Overall, the population of Ilfracombe has declined by 2% between 2011 and 2019, and now stands at 11,300 people. This decline has been driven by a reduction in the working age population as the older population has grown over this period. The towns' population is older than the South West and England benchmarks, but it has fewer people aged over 65 than the average of the Devon towns.

5.7.2 In 2019 there were 4,200 people in employment in Ilfracombe. This is an increase of 660 or 16% on 2015 levels, well above the England, South West and Devon towns averages. Despite the increase in employment the proportion of workers-to-residents is still below the average for Devon towns, which itself is low compared with the South West and England averages. There are large commuting flows in and out of Ilfracombe each day with 3,500 people coming into the town to work and 4,200 leaving the town to work elsewhere. Overall, Ilfracombe is a net exporter of workers to nearby Braunton and Barnstaple.

5.7.3 In 2019, before the Covid-19 pandemic Ilfracombe had a claimant count of 1.7% of the resident population, which was higher than the Devon towns average but lower than the South West and England benchmarks. The claimant count rose throughout 2020, at a higher rate in Ilfracombe than in any comparator area.

5.7.4 Ilfracombe is the most deprived town in Devon according to the Index of Multiple Deprivation. It has a very high level of employment in the Accommodation & Food sector, which is vulnerable to the impacts of Covid-19, but lower levels of employment in the other vulnerable sectors of Non-Food Retail and Arts & Entertainment.

Vulnerability to future decline

5.7.5 Three measures of the vulnerability of towns to future decline have been constructed for this study:

- Ilfracombe is ranked seventh of 26 Devon towns for vulnerability to the impacts of Covid-19 (based on employment in sectors vulnerable to Covid-19 impacts, and recent changes in the claimant count)
- It is ranked first of 26 for structural vulnerability (based on the population age structure, Index of Multiple Deprivation, income data in the IMD, and the Claimant Count)
- It ranks second of 26 for combined vulnerability (i.e. vulnerability to Covid-19 and structural vulnerability)

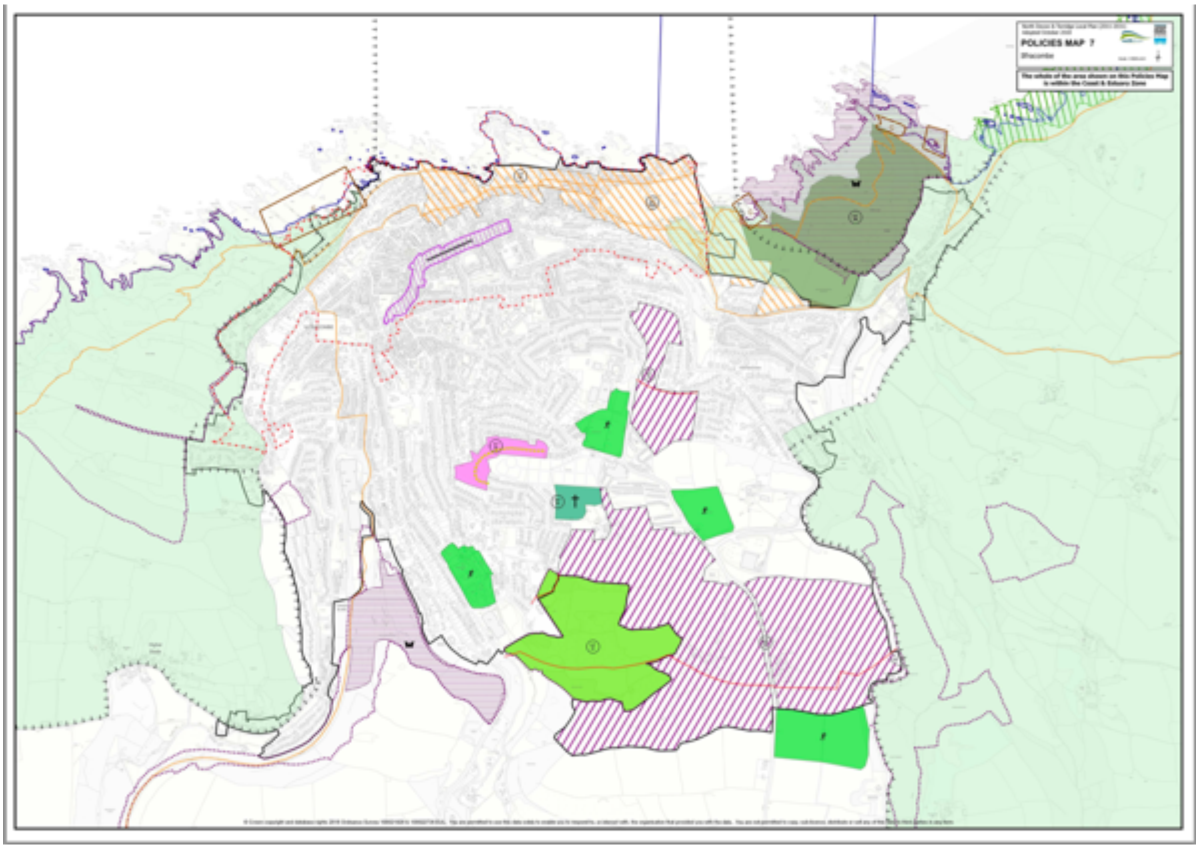
5.7.6 Devon County Council has compiled an index of vulnerability of wards (LSOAs) in Devon. In the latest index two wards in Ilfracombe are ranked in the top ten most vulnerable in the County (from a total of 457 wards).

Local Plan

5.7.7 Contrary to the recent decline in the population, the North Devon and Torridge Local Plan sets out an aspiration to grow the population of Ilfracombe to 15,000 by 2031. New housing and employment will be needed to deliver sustainable growth of this scale, and a southern extension to the town is proposed, along with expansion of the Mullacott Business Park. HCA funding has been awarded to support the delivery of the southern extension. Improvement in the quality of the town centre and harbour area and growth in the tourism and maritime sectors will support these plans.

5.7.8 The Town Council is currently developing a neighbourhood plan to complement the Local Plan. A community survey is underway to inform this plan, and the plan is expected in 2022.

Figure 5.4: Local Plan Policy Map for Ilfracombe



Source: https://consult.torridge.gov.uk/kse/folder/85661

Challenges and barriers

5.7.9 The overview of the town, above, shows that Ilfracombe is suffering from a falling population and a decline in the working-age population. Young people leave the town for further and higher education, and often do not come back. This is exacerbated by the limited number of good quality jobs and opportunities for career progression. Reversing this decline and encouraging more young people to remain in and move to the town are important for its future vitality.

5.7.10 Ilfracombe suffers from entrenched deprivation and poor quality private rented accommodation (i.e. in HMOs) which attracts residents from outside the town with social and health issues, exacerbating the deprivation. Improving the housing stock and tackling deprivation are important for the future of the town. However, many Victorian buildings are listed, making maintenance expensive and redevelopment less viable

5.7.11 The high street and harbour area are separate from each other. There needs to be better connectivity between them to increase the role and prosperity of the town centre. There has been limited investment in public realm in recent years, and some areas of the town are tired.

5.7.12 The tourism sector is significant in the town and has been badly hit during the Covid-19 pandemic. The quality of the tourism offer tends to be relatively low. Much of the employment in the sector is low skilled, low paid and seasonal. Improving the quality of the tourism sector in Ilfracombe is important to the future prosperity of the town.

5.7.13 Besides tourism, there are only a few large employers in the town, including the long-established manufacturing plants of Pall and TDK. Local stakeholders have expressed the need for a more robust local economic base. The large employers have highlighted difficulty in recruiting for some roles, particularly higher skilled ones. More training and education are needed to tackle these skills gaps.

5.7.14 Some stakeholders in Ilfracombe feel that the town is overlooked by North Devon District Council, that there is no strategic approach to regeneration, and despite many plans and strategies there is little investment in the town. There is a sense of frustration that a lot of consultation and planning has taken place, but there is limited investment in the town, and some stakeholders have become jaded and dismissive of attempts to regenerate the town.

Opportunities and aspirations

5.7.15 Despite a declining and ageing population, the years before the Covid-19 pandemic saw an increase in employment in Ilfracombe at a much greater rate than in any comparator area. Creating more employment, helping to address the net out-commuting, is important for the future of the town.

5.7.16 There are plans for a southern urban extension, which could provide up to 875 new homes and 1 Ha of employment land. There are concerns that this may not be integrated into the town, leaving a separate community. As well as delivering this new development, work is needed to ensure that it is integrated into the existing town.

5.7.17 North Devon District Council is looking at the potential for a housing renewal project to improve the private rented housing stock in partnership with private landlords. This will help to improve the environment in residential parts of the town.

5.7.18 The Town Council is working with tourism businesses to try and extend the length of the tourism season by ensuring that a critical mass of tourist facilities and businesses remain open for longer. Investment in public realm and better pedestrian accessibility is needed to support this.

5.7.19 Ideas for the growth of the fishing industry and the introduction of a ferry service to Wales and Ireland have been suggested. There is also a potential link to the freeport in Plymouth. These schemes are dependent on the construction of a new breakwater to protect the harbour.

Governance of growth

5.7.20 There are a number of organisations involved in driving regeneration and growth in Ilfracombe:

- The Town Council
- One Ilfracombe, a company set up by mostly public sector stakeholders involved in the development of Ilfracombe. It is the 'delivery arm' of the Town Council. It covers three themes: the town environment; health and wellbeing of residents; and education, training and employment
- Ilfracombe Regeneration Board, which is intended to bring together all tiers of local government
- North Devon District Council, Devon County Council and the Heart of the South West LEP

5.7.21 Despite formal structures such as the Ilfracombe Regeneration Board being in place to coordinate local regeneration and bring stakeholders together, there are local perceptions that the town is overlooked, in favour of Barnstaple, recently exacerbated by the award of FHSF to Barnstaple. Better communication is needed between District and town stakeholders to overcome this perception, and ensure that Ilfracombe is properly considered for appropriate future development opportunities.

Current and planned actions

5.7.22 Planning permission has been awarded for the delivery of 350 new homes as the first part of the southern urban extension.

5.7.23 A seafront masterplan has been drawn up. A new operator for the theatre is in place and a new Watersports centre in the harbour has attracted £1.8 million of Coastal Communities funding. This will provide opportunities for local young people as well as visitors to the town.

Ilfracombe Strategic Plan

5.7.24 Ilfracombe Town Council has prepared a strategic plan for Ilfracombe, covering the period to 2025. This includes the following opportunities:

- Diversifying and increasing the quality of the tourism and cultural economy, including the need for more and better marketing
- Improving public places and connectivity within the town
- Supporting major employers including Pall and TDK
- Supporting small businesses
- Supporting renewable energy projects
- Developing the harbour, including support for a ferry link to South Wales and Ireland to enhance the tourism potential of the town
- Improving health, wellbeing, inclusion, and social cohesion

5.8 Next steps for Ilfracombe

Future objectives

5.8.1 Suggestions for overall objectives for Ilfracombe are:

- To build on the work that has already been done setting a vision and plan for the future growth of Ilfracombe
- Grow the population of the town, particularly of younger people, increasing the scale of demand for retail and services, helping to make the town more self-contained
- Tackling poor quality residential areas which have concentrated deprivation
- Encouraging more and better-quality employment in the town, reducing the scale of out-commuting
- Improving the urban environment within the town and increasing connectivity, making it more attractive to both residents and visitors

Immediate actions

Action	Lead	Funding
In contrast to the other case study towns considered in this study, Ilfracombe has a regeneration and growth governance structure in place (the Ilfracombe Regeneration Board) and a plan (the Ilfracombe Strategic Plan). These should be used to guide future growth in the town. It may be appropriate to review and refresh these in the light of this study and the current environment,	The lead partner will be Ilfracombe Town Council supported by North Devon District Council and Devon County Council	Revenue funds, if needed, will be provided by Devon County Council

Action	Lead	Funding
which is supportive of town growth and levelling up.		
Significant activity is needed to support the recovery from Covid-19. This could include marketing, promotion, events, and festivals to draw visitors back into the town. Advice to businesses and support to help them work in a socially-distanced way will be important. Investment in public realm and tourism and leisure infrastructure will help to make the town more attractive to visitors	The lead partner will be Ilfracombe Town Council, with support from North Devon District Council	Funds will need to be secured to support this activity. The District and County Councils can help to identify and access funds for this purpose

Short to medium-term actions

Action	Lead	Funding
Efforts are needed to ensure that the new southern urban extension is connected into the rest of the town and is not perceived as a separate place. This could include physical connectivity, but also communications and marketing to ensure that new residents are aware of the opportunities and services in the town centre.	The lead partners will be Ilfracombe Town Council and North Devon District Council	Funds will need to be secured to support this activity
Greater connectivity is needed within the town, linking the harbour, high street and residential parts of the town. Signage and town centre public realm improvement will be one part of this, but also active travel routes into the town centre. Investment in the waterfront area has been proposed. Efforts will be needed to ensure that the new southern urban extension is connected into the rest of the town and is not perceived as a separate place.	The lead partner will be Ilfracombe Town Council	Funds will need to be secured to support this activity
There is scope to increase the amount and quality of employment in the town. Tourism is a key sector, and action is needed to increase the quality of employment through upskilling and extending the tourist season.	The lead partner will be Ilfracombe Town Council	Funds will need to be secured to support this activity
Support is needed to encourage residents to start new businesses, for smaller businesses to grow, to help larger businesses to find suitably skilled staff, and to attract new business to the town. The southern urban extension should include new employment sites which would be attractive to larger businesses.	The lead partner will be North Devon District Council	Funds will need to be secured to support this activity

Action	Lead	Funding
Access to training and skills development could be improved through more online provision, remote access within Ilfracombe, and improved transport to Petroc College. It will be important to ensure that training and skills are aligned with local employment opportunities. Enterprise support will help people who want to set up their own businesses.	The lead partner will be North Devon District Council	Funds will need to be secured to support this activity

Longer-term actions

Action	Lead	Funding
Supporting the delivery of the full Southern Urban Extension will help with the delivery of new homes and the creation of new workspace for businesses. New buildings and infrastructure should help to deliver environmental and social sustainability	The lead partner will be North Devon District Council	Funds will need to be secured to support this activity
A number of harbour-related propositions have been developed including a new breakwater, 5G infrastructure, a ferry link to Wales and Ireland, and short sea shipping. None of these are thought to be 'shovel ready', and further project development is needed before they could be put forward for competitive funding.	The lead partner will be Ilfracombe Regeneration Board, bringing together a range of partners to develop these proposals further	Funds will need to be secured to support this activity

5.9 Tiverton

Overview

5.9.1 Tiverton's population was 22,400 in 2019 and has increased by 5% since 2011, which is slightly below the average population growth rate for other Devon towns, but in-line with the national average. Although there was growth in the working age population (of 2%), there was more significant growth in the population aged over 65 (of 19%). Both rates of growth are consistent with the average for Devon towns. Despite the growth in the population aged over 65, it is a lower proportion of the total population than in other Devon towns, albeit a greater proportion than in the South West and England.

5.9.2 Tiverton's total employment decreased by 6% (520 people) between 2015 and 2019, to 9,000. This is not consistent with the growth in employment seen across comparator areas. However, the ratio of employees to residents in the town is in-line with the average for the towns in Devon. This suggests that Tiverton remains a strong location for employment.

5.9.3 Whilst 8,200 workers commuted into Tiverton for work in 2019, there was actually a net outflow of 350 people going elsewhere for work i.e. an outflow of 8,600. Whilst it is the largest town in Mid Devon and provides employment for surrounding areas, many out-commuters travel to Exeter and Taunton.

5.9.4 The claimant count in 2019, before the Covid pandemic, was 1.3% of the resident population, which is just above the average for Devon towns, but below the figures for the South West and England. Despite an increase in the claimant count during 2020, the rate of growth was below that for all comparator areas.

5.9.5 Tiverton is the seventh most deprived of 26 towns in Devon according to the Index of Multiple Deprivation (IMD). With regard to sectors that are vulnerable to the impacts of Covid-19, Tiverton does not have a significant concentration in vulnerable sectors when compared to other Devon towns.

Vulnerability to future decline

5.9.6 Three measures of the vulnerability of towns to future decline have been constructed for this study:

- Tiverton is ranked eleventh of 26 Devon towns for vulnerability to the impacts of Covid-19 (based on employment in sectors vulnerable to Covid-19 impacts, and recent changes in the claimant count)
- It is ranked eighth of 26 for structural vulnerability (based on the population age structure, Index of Multiple Deprivation, income data in the IMD, and the Claimant Count)
- It ranks eighth of 26 for combined vulnerability (i.e. vulnerability to Covid-19 and structural vulnerability)

5.9.7 The highest ranked ward (LSOA) in Tiverton in the separate Devon County Council vulnerability index is ranked at sixtieth in Devon.

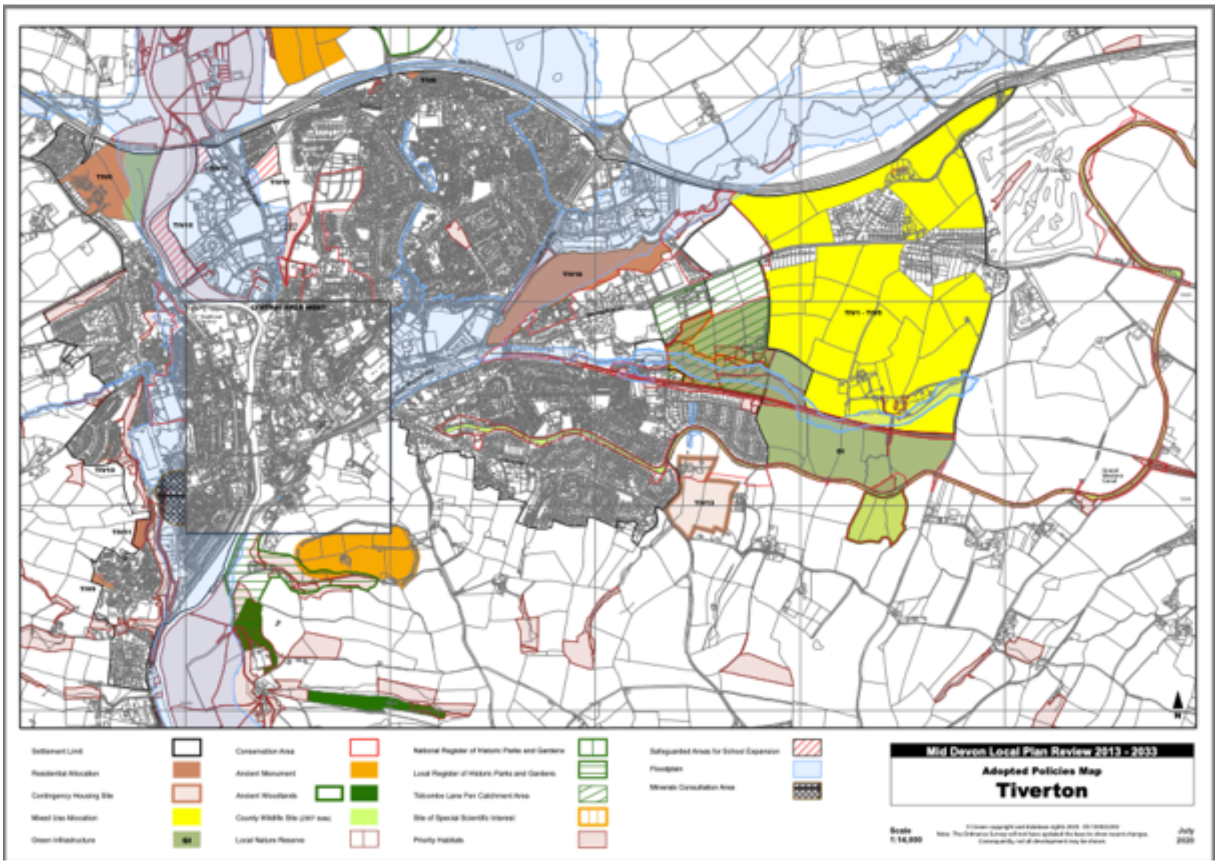
Local Plan

5.9.8 Although Tiverton is the largest town in Mid Devon, Cullompton is the major focus for growth in the District. Nonetheless, the Tiverton Eastern Urban Extension will accommodate up to 1,830 new homes over a 15-year period. The masterplan sets out a range of housing types, and includes 35% affordable housing, as well as 30,000 sq m of employment space and non-food retail provision. The viability of delivering all of the urban extension may be compromised by potentially high infrastructure costs.

5.9.9 The Local Plan advocates improving connectivity between Tiverton and the surrounding villages, which will help to maximise the population that can access retail, services and employment in the town.

5.9.10 A draft Neighbourhood Plan has been prepared, which is in public consultation. This emphasises the need for sustainable growth and walking and cycling connectivity within the town and with nearby communities.

Figure 5.5: Local Plan Policy Map for Tiverton



Source: https://www.middevon.gov.uk/media/350611/tiverton_adopted-2020.pdf

Challenges and barriers

5.9.11 The town centre has been affected by the Covid-19 pandemic with shop closures. The town centre has been described as lacking vibrancy and having poor cultural and leisure facilities. Many town centre buildings are in a poor state of repair, with low quality uses above the ground floor. The town centre has relatively low levels of footfall, exacerbated by the Covid-19 pandemic and changing shopping patterns. There have been problems with vandalism and anti-social behaviour in the town centre. Improving the quality of the town centre environment and attracting more footfall will be important to the longer-term prosperity of the town and town centre.

5.9.12 Tiverton has experienced falling employment in recent years, and has net out-commuting. The economic development strategy for Mid Devon states that there is a high percentage of residents of Tiverton with no qualifications, and the town has many low productivity jobs. Supporting business growth to create more and better-quality jobs will help to address this.

5.9.13 Housing affordability is an issue for people employed and living in the local area. The idea of a Community Land Trust to deliver affordable housing is being explored.

5.9.14 Travel in the local area is dominated by cars, with high volumes of traffic on lanes, making them unattractive for walking and cycling. Improving active travel infrastructure will help to improve accessibility in the town and its hinterland

5.9.15 The town is not a strong tourism destination, and there are limited night-time hospitality and entertainment opportunities. Whilst it is not proposed to significantly increase the tourism role of the town, greater cultural and leisure facilities will help to increase footfall and vitality.

5.9.16 Land is allocated in the Local Plan for a visitor attraction and retail outlet centre at Junction 27 of the M5. Whilst the offer is likely to be a narrower range of comparison retail then in Tiverton, it could divert some retail spend and visitor footfall from the town. It could, however, also be used to signpost visitors into Tiverton.

Opportunities and aspirations

5.9.17 An urban extension is planned for the town and some delivery is already taking place. This will increase the residential population of town, increasing the customer base for businesses and services in the town. Potential infrastructure constraints are mentioned above, but funding has been secured from the Housing Infrastructure Fund. Delivering this growth will be important for the self-containment and future prosperity of the town.

5.9.18 There is an historic pannier market in the town and many independent retailers. With investment in the town centre it will be an attractive place for local residents and visitors.

5.9.19 Mid Devon Council is developing a Masterplan and investment strategy to redevelop the town centre with an arts and crafts focus. This has been in development since 2017, but is being re-evaluated in light of the Covid-19 pandemic. The District Council owns a number of properties in the town centre, and is seeking Community Renewal Funding to invest in the town centre, so has some influence over future development. The masterplan will eventually inform a Supplementary Planning Document (SPD) to the Local Plan.

5.9.20 Tiverton is home to a campus of Petroc College, which serves North and Mid Devon. This provides an opportunity for delivering skills and training to meet the neds of local residents and local businesses, in line with the Local Skills Report for the Heart of the South West. The Skills Report specifically mentions the opportunity to enhance the capacity of Petroc College as part of a programme of activity to increase residents' skills and meet businesses needs in order to promote economic inclusion and economic growth in more rural parts of Devon.

Current and planned actions

5.9.21 The masterplan, mentioned above, is being developed.

5.9.22 A bid has been submitted to the Community Renewal Fund as part of a Devon-wide package of projects. If successful this would support the regeneration of some key town centre sites to deliver new retail, residential, hospitality and leisure facilities in the town centre, along with public realm improvements and signage.

5.10 Next steps for Tiverton

Future objectives

5.10.1 Suggestions for overall objectives for Tiverton are:

- Increasing the scale of housing, including affordable housing, and employment in Tiverton, helping to increase the population and potential for self-containment
- Improving connectivity, especially through active travel links to surrounding communities, helping to increase the scale of the easily accessible catchment area population
- Improving the quality of the town centre environment and its attractiveness, leading to higher footfall in the town

- Enhancing the role of Petroc College in increasing local skills, promoting economic inclusion, and supporting the growth of local businesses

Immediate actions

Action	Lead	Funding
An immediate action is to establish a regeneration board to lead the planning and delivery of the future growth of Tiverton. The group should comprise representatives of the local community, the business community, the local authorities (District and County), and other relevant stakeholders that will be involved in the future development of the town.	The lead partner will be Tiverton Town Council supported by Devon County Council and Mid Devon District Council	
The board should work with the local community to develop a vision for Axminster and an accompanying action plan. This should build on existing work that has been undertaken on the town centre and masterplanning for the town	This activity will be led by the regeneration board, above.	Revenue funds to support this activity will be provided by Devon County Council
A programme of activity should be developed to draw visitors into the town, e.g. markets, festivals, events, working with local retailers	The lead partner will be Tiverton Town Council	Funds will need to be secured to support this activity
A masterplan for the town centre is being developed, and this needs to be completed. This should be aligned with the vision and action plan for the town, discussed above	The lead partner will be Mid Devon District Council	

Short to medium-term actions

Action	Lead	Funding
Support for business growth, to help reduce out-commuting. Including support to deliver employment space for new-start businesses, growing businesses, and remote workers, thus reducing their need to commute to jobs elsewhere.	The lead partner will be Mid Devon District Council	Funds will need to be secured to support this activity
Work with Petroc College to identify actions to increase the skills of local residents, help them to access jobs thus increasing social inclusion, and help meet the needs of local businesses	Mid Devon District Council, Petroc College, and local businesses	Some revenue funds will be needed for initial analysis, which may lead to a need for further funds
Investment in the town centre to improve its quality, enabling the provision of a wider range of retail, hospitality, and leisure in the town	The lead partner will be Mid Devon District Council	Funds will need to be secured to support this activity

Longer-term actions

Action	Lead	Funding
Support for the continued delivery of the urban extension, including securing funds for infrastructure to enable the delivery of housing.	The lead partner will be Mid Devon District Council	Funds will need to be secured to support this activity

Action	Lead	Funding
New buildings and infrastructure should help to deliver environmental and social sustainability		

6 The Future Growth of Towns in Devon

6.0.1 This chapter sets out overarching recommendations on the future of town development in Devon, drawing together the town-level recommendations set out in the previous chapter. This includes proposals for pilot programmes in the five case study towns, and suggestions on how the lessons learned can be rolled out to other Devon towns.

6.0.2 There are four levels of government/governance at which the future growth of coastal and market towns in Devon is currently being considered, supported and directed:

- The Heart of the South West (Local Enterprise Partnership) level, at which research has already been conducted into the future of towns in Devon, Somerset and Torbay, and an approach to towns has been proposed
- The Devon County level, which is the focus of this report
- Within each of Devon's Districts, the role and growth of towns is considered within their Local Plans and economic development strategies
- At the individual town level, at which Town Councils are active in promoting development. A few towns have Neighbourhood Plans and/or development plans, but most lack a strategic and holistic plan for the growth of their town

6.0.3 A coordinated approach to coastal and market town development needs to be established, coordinating and ideally joining-up activity at these four levels. Activity at each of the levels, and the opportunities for better integration between them is discussed in more detail below.

6.1 An approach to town development across the Heart of the South West

6.1.1 A study undertaken earlier in 2021 has set out an approach to the future development of towns in the Heart of the South West, which includes Devon's coastal and market towns[1]. This defines the role of coastal and market towns as:

- Places to live
- Places to work (and commute out of to work elsewhere)
- Places to learn and improve skills
- Places to visit (for leisure and tourism)
- Places to shop
- Places to access services (both public and private)

6.1.2 Most coastal and market towns fulfil several, if not all, of these roles. In fulfilling these roles, towns should be healthy, vibrant, prosperous, inclusive, sustainable and connected.

6.1.3 The recommendations for the future support of towns in the Heart of the South West are summarised in the figure below.

Figure 6.1: Recommendation for Supporting Towns in the HotSW

1. Lobbying of the UK Government
Lobby Government for recognition of the role of towns in future White Paper and funding allocations
Lobby Government to allocate and protect employment land in new planning regime

Lobby Government to provide funding and support for the delivery of employment sites and premises
Lobby Government to ensure support for skills and training can be accessed in towns (e.g. through digital delivery) and delivered in towns
2. Plan town development strategically
Create a strategic LEP-wide framework to support the growth of towns, set out in a single overview document
LEP strategies to explicitly recognise the role of towns
County Council strategies to explicitly recognise the role of towns
Local and Neighbourhood Plans should explicitly set out the role of towns
Ensure engagement of town stakeholders in Local and Neighbourhood Plan preparation
Towns should be considered when allocating funding and resources for economic development
3. Prioritising towns for support
Prioritisation of towns according to needs and opportunities
4. Governance of town growth
Establish a governance structure for each town (where this does not exist) to bring together town, local authority, LEP and other stakeholders invoiced in delivering change
5. Develop town visions and plans
Develop a vision and growth plan for each town
6. Support project development
Developing projects to a 'shovel ready' state. This will require resources which may not be immediately available
7. Monitor and evaluate progress
Ongoing monitoring and evaluation of progress and lessons learned at town, District, County and LEP levels. Lessons disseminated throughout the LEP area

6.1.4 This recommended approach to town development in the Heart of the South West sets a framework within which town development in Devon can be delivered.

6.2 County-wide support for town development in Devon

6.2.1 Devon County Council is keen to promote sustainable and inclusive growth in its market towns. A proposed set of objectives that is relevant to Devon and consistent with national, regional, and local policy is set out in the figure below.

Figure 6.2: Objectives for Devon's coastal and market towns

Devon's towns will be attractive places to live and work, complementing the main engines of economic growth in cities
Each town will have a clear vision for its future, which is locally owned, and supported by District, County and other stakeholders who will help to deliver it
They will provide learning and employment opportunities for residents, leading to improvements in their quality of life, and helping to meet the skills needs of local businesses
Towns will be physically and digitally accessibility, enabling people to travel into and out of towns for work, leisure, retail and services, and access learning, training, work, retail, and services online

Devon's towns will have good quality high streets and town centres, to draw footfall into towns, and will be perceived as safe places to visit. They may have town centre managers to oversee this process
The towns will provide employment opportunities. They will be places to start new businesses, and places to work remotely for part or all of the time
They will have sufficient employment space, including co-working and enterprise space to support new-start and small businesses, and enable remote working
Towns will have a holistic approach to increasing skills and supporting businesses, to ensure that these drivers reinforce each other
The towns will have enough affordable housing so that people can live and work in them
Environmental sustainability and social inclusion will be integral to all growth in the towns. This will include net zero carbon growth, greater local procurement and supply chain development, renewable power generation, and the infrastructure for electric vehicles and active travel
Investors will have confidence to invest in Devon's towns
The County and District Councils will work together to support the growth of towns, and prioritise their resources to do this
Through monitoring of the development of towns, along with monitoring of the challenges and opportunities that they face, towns will remain adaptable to future changes, both positive and negative

Focusing on pilot towns

6.2.2 Resources and funds for town development are limited, and often awarded on a competitive basis. Rather than funding a small amount of activity in many towns, a better approach is to focus resources into delivering change in a small number of towns, learning from this, building a repository of best-practice, and disseminating this knowledge to other towns. As first-round towns pilot towns achieve a sustainable path to regeneration and growth, other towns can be supported to go through the same process. Therefore, tranches of towns should be identified for support.

6.2.3 This means focusing initial efforts (in 2021/22) on a few pilot towns. The towns used as case studies in this paper have been carefully chosen, through a process set out in Chapter 4. The same methodological approach can be used to identify pilot towns, with the inclusion of an assessment of readiness for change.

6.2.4 If a second round of towns is supported in future, then the same method for choosing towns can be used. This means identifying the towns with the greatest needs, opportunities, and readiness to change, which requires a combination of quantitative and qualitative assessment.

6.2.5 Using this methodological approach, potential pilot towns will include:

- Highest priority towns which are vulnerable, have challenges, opportunities, and readiness for change (in order): Ilfracombe, Bideford, Tiverton
- Towns which are vulnerable, have challenges, and opportunities, but with more work needed on readiness for change (in order): Axminster, Dawlish

An approach to pilot town development

6.2.6 A common approach to promoting town development in Devon should incorporate the following steps:

- Creating a partnership of local stakeholders and anchor institutions to lead the process of future development (a governance structure), or working with established structures or vehicles where they already exist
- Setting a vision for the development of the town over a long period (of e.g. 20 years, in-line with the Local Plans)
- Creating a physical masterplan for the town
- Creating an action plan, which includes a number of key projects
- Establishing a community engagement plan to ensure that the needs of the local community are being met, and that future growth is inclusive
- If funds are available, then starting to invest in project development (to reach shovel-ready state), so that funding applications can quickly be assembled when opportunities arise
- Ongoing monitoring and evaluation of progress and lessons learned

Initial support

6.2.7 Devon County Council will provide revenue funding for the creation and/or refresh of a multi-level governance structure, and the subsequent development of a vision and action plan for each town. It will then use future bidding opportunities to secure funds for future investment in towns.

6.3 District level approach to market and coastal town development in Devon

6.3.1 Each District in Devon has a Local Plan which sets out the role of its market and coastal towns These are discussed in Chapter 2. Most of these Local Plans are being updated. The Districts also have economic development strategies to complement the Local Plans. Typical Local Plan policies for market and coastal towns are summarised in the figure below.

Figure 6.3: Typical Local Plan Policies for Towns in Devon

Making towns more self-contained and inclusive
Providing employment opportunities, including through inward investment, to prevent towns becoming dormitories or retirement locations
Providing employment opportunities close to homes to minimise the need for car-borne commuting
Delivering affordable homes so that younger people can live in coastal and market towns
Ensuring that town centres provide a wide range of services – both private (e.g. retail and leisure) and public
Promoting the use of public transport and active travel – walking and cycling – as well as electric vehicle infrastructure
Ensuring good digital connectivity
Protecting the historic and natural environment within and around towns

6.3.2 Future Local Plans should consider the interaction and relationship between towns within each District, as this is the closest approximation to a functional economic market area.

6.3.3 The town level visions and plans for market and coastal must be aligned with the Districts' Local Plans and economic development strategies. There should be a symbiotic relationship between the town plans and Local Plans, with each informing the other.

6.4 Action plans for market and coastal towns

6.4.1 Chapter 5 has set out detailed reviews of five case study/pilot towns and recommendations on actions or each in the short, medium, and longer-term. The recommended actions have been formulated in response to specific local evidence. However, there are some common types of action that feature in most of the towns. These are:

- Establishing a governance structure to steer the planning and delivery of growth (where one does not exist). A regeneration board or similar should bring together local stakeholders (such as the Town Council, bossiness community, residents, and community groups) who have the best understanding of local needs, with the District Council, County Council and others who are able to provide professional and technical support and access funding
- This regeneration board needs to develop a vision and action plan for the future of the town. This must be evidence-based and specific to local challenges and opportunities. External professional and technical support may be needed to develop this plan
- Activities, events, and festivals to attract footfall into the town and support the recovery from the impacts of the Covid-19 pandemic. This can be combined with initiatives to make better use of the public realm, which could include (temporary or permanent) pedestrianisation of central spaces, encouraging hospitality businesses to use public realm to increase vibrancy, investment in the fabric of the public realm, provision of seating and shelters
- Delivery of workspace, including co-working space and live-work space, for new-start businesses, small businesses, and remote workers. This could include the re-use of vacant retail premises (now more deliverable as both are Class E Planning Use Classes) or the better use of space above shops. This can be complemented with the encouragement of greater local procurement and supply chain development
- Support to deliver proposed urban extensions to provide more affordable housing and workspace in the town. Ensuring that these are well connected to the existing town, both physically and perceptually, will be important. New buildings and infrastructure should help to deliver environmental and social sustainability

6.4.2 Physical development and regeneration projects will tend to be specific to local needs and will vary from town to town.

6.5 Funding and investment for growth

6.5.1 In Chapter 2, we have discussed the role of the public sector in market and coastal town development. Public sector organisations can put the conditions in place to encourage and enable town development (e.g. through planning, support and providing funds), but the creation of growth through housebuilding, retail and job creation will primarily be delivered by the private sector. In some cases, there may be opportunities for public-private partnerships.

6.5.2 A number of sources of public sector funds may be available to support market and coastal town development. These are summarised below.

Future High Streets Fund, Towns Fund, and Levelling Up Fund

6.5.3 These funds have or are in the process of providing support to projects and programmes of activity in towns. Some bids have been made to the Levelling Up Fund for projects in Devon towns, but at the time of writing the allocation of funds has not been decided. Future rounds of these funds have been suggested, but there are no firm plans yet in place.

Community Renewal Fund

6.5.4 The Community Renewal Fund is currently considering bids for funding, including a bid from Devon County Council. The Devon bid comprises 16 projects. Some of these are Devon-wide and others are town-specific, including one for Tiverton, which is discussed in Chapter 5.

One Public Estate

6.5.5 Devon and Torbay have a One Public Estate programme which is intended to make better use of redundant public sector buildings in Devon's towns. Opportunities are being considered in Axminster under this programme, discussed in Chapter 5.

Affordable Housing Funding

6.5.6 This is grant funding provided through Homes England to support the capital costs of delivering affordable homes for rent or sale. To draw down funding, organisations need to be an investment partner of Homes England, although it is possible for a single lead bidder to be registered and work alongside others who are not.

6.5.7 This funding can be used to develop:

- Supported Housing – where housing is provided alongside care facilities
- Rural housing – housing in areas with under 3,000 residents
- Traveller pitches – to extend existing sites, or develop new ones
- Empty homes – bring empty homes back into use through repair

Infrastructure Bank

6.5.8 Announced in the 2021 budget the main focus of the bank will be to lend to projects in the key sectors of the National Infrastructure Strategy, Clean Energy, Transport, Digital, Water and Waste. The bank will have £4 billion allocated to local authority lending for complex infrastructure projects and will also play an advisory role. The bank will begin lending to local authorities in the summer of 2021.

Section 106 and Community Infrastructure Levy

6.5.9 Section 106 obligations can be secured to mitigate the individual impacts of development projects. There are three tests for when these agreements cand be used:

- Necessary to make the development acceptable in planning terms
- Directly related to the development
- Fairly and reasonably related in scale and kind to the development

6.5.10 Section 106 obligations can often take the form of requirements to build affordable housing, or for infrastructure works to be undertaken.

6.5.11 The Community Infrastructure Levy (CIL) is a slightly broader tool which can deal with the cumulative impacts of developments. In most areas the spending is broken down as follows:

- 75-85% on infrastructure projects – priorities to be decided by the local authority that has leveraged the charge
- 15% to 25% in the neighbourhood or parish in which the development is located
- 5% on the administration of CIL

6.5.12 However, the proposed reform of the planning system, discussed in the main body of the report, could lead to the replacement of S106 and CIL with a national development tariff. The details of how this might work have not yet been set out.

Shared Prosperity Fund

6.5.13 The UK Government's Shared Prosperity Fund is intended to reduce inequalities between communities. Details have not yet been released, but the HM Treasury Spending Review of 2020[26] stated that the priorities for the first part of the funds will be:

- Investment in people and skills tailored to local needs, such as work-based training, supplementing and tailoring national programmes (e.g. the Adult Education Budget); and other local support (e.g. for early years)
- Investment in communities and place including cultural and sporting facilities, civic, green and rural infrastructure, community-owned assets, neighbourhood and housing improvements, town centre and transport improvements and digital connectivity
- Investment for local business including to support innovation, green and tech adoption, tailored to local needs

6.5.14 A second part of the fund will help people most in need through bespoke employment and skills programmes that are tailored to local need.

Community Ownership Fund

6.5.15 The objective of support under this fund is for communities to own and manage their most treasured local community assets. Community organisations, with either existing governance structures or plans to introduce them, are eligible to bid into this fund. The fund will provide £250,000 (up to £1 million in exceptional circumstances) of match funding will be available to provide important physical community assets.

6.5.16 The first bidding round opened in the summer of 2021, and to further rounds are proposed.

Devon County Council funds

6.5.17 Devon County Council has funds available to support recovery from Covid 19, including support for urban renewal in coastal and market towns. These funds could be used to support the work proposed in the pilot towns, including working-up projects to a shovel-ready state, which are needed to access future UK Government funds. This could help to leverage in funds from other sources discussed in this section.

Private investment

6.5.18 It will be important to ensure that any regeneration proposed for towns, including proposals for high streets and towns centres, is commercially viable and financially sustainable, to ensure the ongoing growth of towns rather than a single boom and then bust.

6.5.19 Devon County Council and the District Councils should engage with investors and developers to encourage them to invest in Devon's towns.

[26] https://www.gov.uk/government/publications/spending-review-2020-documents/spending-review-2020

7 Action Plan

7.0.1 This chapters sets out some recommendations for immediate actions for Devon County Council, District, and town stakeholders to progress their support for town growth and development.

Action	Timing	Owner
County, District and town stakeholders should agree the Devon-wide approach to market towns set out in this paper. This will support a HotSW-wide approach to town development	Immediate	Devon County Council District Councils Town Councils
The choice of pilot towns should be confirmed by Devon County Council following discussion with and commitment from District and Town Councils	Following agreement of the Devon-wide approach	Devon County Council District Councils Towns Councils
Governance structures (e.g. regeneration boards) will need to be established in those pilot towns which do not already have them. Some external support may be needed from Devon County Council or independent advisers. This may require some resources and/or funds	Following confirmation of the pilot towns	Devon County Council District Councils Towns Councils Other local stakeholders
Locally owned visions and action plans will be developed to guide the future development of the pilot towns. External support and funding may be needed for this	Following establishment of the governance structure	Town governance groups/regeneration boards
Deliver immediate interventions, which need to be identified for individual towns. Examples are publicity, events, and regular markets	Immediate	Town governance groups/regeneration boards
Explore potential funding for the delivery of projects in the pilot towns	Whilst the exploration of possible sources of funds can start immediately, the timetable for bidding will depend on the funds' timetables and development of comprehensive projects	Devon County Council District Councils Town governance groups/regeneration boards
Undertake regular monitoring and evaluation of towns' progress and the external drivers that affect them; and use this to shape towns' development plans in response to changing threats and opportunities	Ongoing	Town governance groups/regeneration boards, supported by the District Councils and Devon County Council

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