

# Public Document Pack

Mid Devon District Council

## Economy Policy Development Group

Thursday, 14 March 2019 at 5.30 pm  
Exe Room, Phoenix House, Tiverton

Next ordinary meeting  
Thursday, 13 June 2019 at 5.30pm

Those attending are advised that this meeting will be recorded

## Membership

Cllr Mrs A R Berry  
Cllr A Bush  
Cllr Mrs C Collis  
Cllr J M Downes  
Cllr S G Flaws  
Cllr Mrs S Griggs  
Cllr Mrs B M Hull (Chairman)  
Cllr F J Rosamond  
Cllr Mrs N Woollatt

## 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      **Declaration of Interests under the Code of Conduct**  
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
- 3      **Public Question Time**  
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
- 4      **Minutes (Pages 5 - 10)**  
Members to consider whether to approve the minutes as a correct record of the special meeting held on 29 January 2019.
- 5      **Chairman's Announcements**  
To receive any announcements that the Chairman may wish to make.

- 6 **Performance and Risk for 2018/19** (*Pages 11 - 18*)  
To receive a report from the Director of Growth and Chief Executive providing Members with an update on performance against the Corporate Plan and local service targets for 2018/19 as well as providing an update on the key business risks.
- 7 **Financial Monitoring**  
To receive a verbal update from the Group Manager for Financial Services presenting a financial update in respect of the income and expenditure so far in the year.
- 8 **Grand Western Canal and Devon and Exeter Rail Project** (*Pages 19 - 22*)  
To receive a report from the Head of Planning, Economy and Regeneration reporting to Members on the funding provided to two grant aided bodies under the Economy PDG.
- 9 **Cost-recovery and Commercialisation in the Growth, Economy and Delivery** (*Pages 23 - 32*)  
To receive a report from the Head of Planning, Economy and Regeneration presenting to Members steps to introduce cost recovery into the Growth, Economy and Delivery service and to look at issues relating to further commercialisation within the service.
- 10 **Chairman's annual report for 2018/19** (*Pages 33 - 34*)  
To receive the report of the Chairman of the Policy Development Group for the year 2018/19.
- 11 **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:
- Election of Chairman for 2019/20
  - Election of Vice Chairman for 2019/20
  - Performance & Risk outturn report for 2018/2019
  - Financial Monitoring
  - Revenue and Capital outturn for 2018/19
  - Mobile phone / website interface
  - Economic Project Update
  - Start time of future meetings

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

**Stephen Walford**  
Chief Executive  
Wednesday, 6 March 2019

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Member Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use other forms of social media to report on proceedings at this meeting.

Members of the public are welcome to attend the meeting and listen to discussion. Lift access the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is time set aside at the beginning of the meeting to allow the public to ask questions.

An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, or if you would like a copy of the Agenda in another format (for example in large print) please contact Sarah Lees on:

Tel: 01884 234310

E-Mail: [slees@middevon.gov.uk](mailto: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 29 January 2019 at 5.30 pm

### **Present**

#### **Councillors**

Mrs B M Hull (Chairman)  
A Bush, S G Flaws, Mrs S Griggs,  
F J Rosamond and Mrs N Woollatt

### **Apologies**

#### **Councillor(s)**

Mrs A R Berry, Mrs C Collis and J M Downes

### **Also Present**

#### **Councillor(s)**

R J Chesterton

### **Also Present**

#### **Officer(s):**

Stephen Walford (Chief Executive), Jenny Clifford (Head of Planning, Economy and Regeneration), John Bodley-Scott (Economic Development Team Leader), Chris Shears (Economic Development Officer) and Sarah Lees (Member Services Officer)

## 60 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from Cllrs Mrs A R Berry, Mrs C A Collis and J M Downes.

## 61 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

Cllr Mrs N Woollatt declared a personal interest in that she is an owner of a mill.

## 62 **PUBLIC QUESTION TIME**

There were no questions from the member of the public in attendance.

## 63 **MINUTES**

The minutes of the meeting held on 10 January 2019 were confirmed as a true and accurate record and **SIGNED** by the Chairman subject to the following amendment:

Minute number 50 to be amended to say that Cllr Mrs Woollatt 'is' an owner of a water mill and not 'was' an owner of a water mill.

## 64 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made the following announcement:

- She congratulated the officers who had travelled to London recently as shortlisted candidates for the LGC 'Driving Economic Growth' Awards. They

had given a presentation and the results would be announced on 13<sup>th</sup> March 2019.

## 65 **ECONOMIC STRATEGY**

The Group had before it a report \* from the Head of Planning, Economy and Regeneration presenting the Council's draft Economic Strategy.

The report was introduced by the Economic Development Team Leader who reminded the Policy Development Group that a series of informal workshops had been held with them, giving the PDG Members the opportunity to shape the 'end product'. A presentation followed under the following headings and at each stage the PDG Members were encouraged to ask questions and to comment:

### Economic Profile

What we know about Mid Devon, including:

- A growing and increasingly aging population
- High rates of employment
- High levels of commuting out of the district for work
- Low average wages
- A preponderance of low productivity sectors

### National challenges

- Brexit
- Low productivity
- Changing Business Environment
- National Grand Challenges

### Global Context

- Post-Brexit
- Economic Fragility
- Automation
- Climate change

### Overarching Objectives

- Increasing Wages
- Increasing skill levels
- Delivering a Growth Agenda
- Increasing Productivity

A brief discussion followed regarding possible competition with other local authorities sharing the same economic objectives. It was explained that different local authorities had different strengths. Mid Devon benefited from its natural environment, there were many opportunities for investment and it already had a number of strong core businesses. The question was asked as to how to ensure skills could be delivered and what and where were the high paid jobs referred to in the report? It was stated

that the Council was not a skills provider but could act as a facilitator building strong relationships with organisations that could provide skills training, for example, there were possibilities with the Garden Village to create a skills innovation hub along with other partners. There was a need to recognise and acknowledge the Council's strategic position. It would focus on its 'broker' role going forwards. Certain sectors were recognised as having high valued jobs and the team would focus on liaising with those businesses. The key message to promote would be that Mid Devon was a great place to live, work and run a business.

It was felt important not to forget the importance of apprenticeships and the positive effect businesses could have by making visits to schools.

The document as it currently stood was felt to be slightly town centred, however, it was vital not to forget the parishes and to include them in future considerations.

Sixth form provision was also an important factor in considering skills training for the future as was the importance of public transport in non-urban areas.

Five Key themes had been identified:

- Employment & Skills
- Place
- Infrastructure
- Hi-tech, Innovation & Green Energy
- Agriculture, Food & Drink

#### Employment and Skills

- To increase the number of higher skilled, higher waged jobs in the district
- To work with Exeter and Heart of Devon partners to identify initiatives to increase skill levels within the district
- To work closely with Education and Training providers
- To engage with employers about their employment needs
- To attract centres of training excellence to the District

#### Place

- To increase the viability and vitality of town centres
- To nurture a sense of pride in our local towns
- To reduce the number of vacant town centre properties
- To increase the number of people living in our town centres
- To increase the number of visitors to Mid Devon

Consideration was given to the difficulties in 'nurturing a sense of pride' within some town centres as a lot of problems stemmed from absentee shop owners. Care needed to be taken in selecting the types of accommodation for development and adequate facilities needed to be provided. If the accommodation offered was of a low quality it would be difficult to foster a feeling of pride. It was confirmed that the master planning process would consider these factors and there would be a need to comply with relevant rules and regulations. Towns would need to be considered on an individual basis and it would be necessary to talk to Historic England in the case of

Cullompton for example so that older properties could be brought back into use as accommodation.

It was hoped that the Shop Front Enhancement Scheme would do much to improve the appearance of some shops in each of the three towns. In addition to this, within Tiverton, there was a Town Centre Partnership and the possibility of offering more pop-up shops and temporary exhibitions.

The master planning process was a key starting point in terms of identifying a realistic aspiration for the future, everything else would follow from this.

### Infrastructure

- Improved digital infrastructure
- Improved transport
- Increase built-out commercial space for businesses
- Increase in the availability of incubator space
- Increase in the availability of 'next step' space, for those outgrowing incubator spaces

Section 106 monies had been provided by Lidl as part of their recent planning approval which would facilitate the provision of WiFi within Tiverton Town Centre.

Concern was raised regarding the provision of adequate public transport in the future and the need to consider supplying electric charging points, shared transport and electric bicycles. The Head of Planning, Economy and Regeneration explained that the County Council as the Highway Authority produced a local transport plan and this would address those issues. The plan talked about working with public transport providers and where necessary financial contributions would be sought.

### Hi-Tech, Innovation & Green Energy

- Increase proportion of new jobs in high paid and high skilled roles
- Achieve a higher proportion of hi-tech businesses registered in the district
- Increase number of Mid Devon residents on Hi-Tech, Innovation based or Green Energy related courses
- Increase implementation of Hi-Tech businesses through partnership development
- Promote Mid Devon as a hub for Hi-Tech businesses

Consideration was given to the self-employed and people working from home. There could be opportunities to deliver some incubator space where collaborative activities could be encouraged.

Heathcoat's Factory was a good example of a local company trying to use green energy where it could by having solar panels and by using hydro generation. Further Government initiatives in terms of funding to support such schemes were anticipated in the future although none were available at the moment.



## Agriculture, Food & Drink

- Raise the profile of the Mid Devon food and drink offer to enable local business growth
- Increase engagement and support for food, drink and agri-businesses
- Develop new channels through which local food and drink businesses could be promoted
- Retain specialist skills within the Mid Devon area

It was suggested that a food and drink festival would be a good idea in the locality and that it might be possible to co-ordinate this with the already planned local event for food producers.

Key interventions were listed as follows:

- Develop core business offer and sector-specific investment packages to support business growth and inward investment by April 2020
- Develop a detailed business plan for an incubation / flexible work space project by September 2019
- Set up a Business Champions group by December 2019
- Ensure a functioning commercial property register by December 2019
- Work with partners to launch a Mid Devon Business Awards by December 2019
- Deliver early milestone of Tiverton Town Centre Masterplan by April 2020
- Complete a masterplanning process in Cullompton, with the adoption of the masterplan in June 2020
- Define scope and staging of Crediton Masterplan project by June 2019
- Set up shopfront enhancement schemes in Crediton and Cullompton by December 2019
- Develop a detailed business plan to deliver a free public Wi-Fi network in Tiverton by September 2019
- Develop a partnership scheme for Cullompton with Heritage England to commence April 2020
- Work with partners to create two food and drink campaigns to drive through the website / guide and social media feeds e.g. food trail / field to fork by June 2020

The Group considered that launching the Business Awards was an excellent idea.

As part of the final discussion Members considered the overall ambition of the strategy. Greater productivity was seen as key, as was raising the level of pride and realistic aspiration. There was so much the Council could do from large scale strategic allocations to individual business support. There needed to be a cultural shift change across the whole of the Council with all officers working to support these goals not just the Economic Development team.

Members of the Policy Development Group commented that they had appreciated the opportunity to contribute to the whole process through a number of workshops and it was evident in the draft document that their ideas had been listened to and had shaped the future vision.

Once approved, a summarised version of the strategy would be available for businesses to access in the future.

It would be the responsibility of this Policy Development Group to monitor whether or not the action plan was being delivered in the immediate years to come.

**RECOMMENDED** to the Cabinet that:

- a) The Economic Strategy and year 1 action plan be approved.
- b) Delegated authority be granted to the Head of Planning, Economy and Regeneration in consultation with the Chairman of the Economy Policy Development Group and Cabinet Member for Planning and Economic Regeneration to finalise the document for publication (document appearance such as formatting, illustrative material and minor changes).
- c) Delegated authority be granted to Head of Planning, Economy and Regeneration in consultation with the Chairman of the Economy Policy Development Group and Cabinet Member for Planning and Regeneration to add an appendix to include key employment sites.

(Proposed by the Chairman)

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

## 66 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING

No additional items were identified for the next meeting other than those already listed in the work programme.

(The meeting ended at 7.00 pm)

**CHAIRMAN**

## ECONOMY PDG 14 MARCH 2019

### PERFORMANCE AND RISK FOR 2018/19

**Cabinet Member** Cllr Richard Chesterton  
**Responsible Officer** Director of Growth & CEO, Stephen Walford

**Reason for Report:** To provide Members with an update on performance against the corporate plan and local service targets for 2018/19 as well as providing an update on the key business risks.

**RECOMMENDATION(S):** That the PDG reviews the Performance Indicators and Risks that are outlined in this report and feeds back any areas of concern to the Cabinet.

**Relationship to Corporate Plan:** Corporate Plan priorities and targets are effectively maintained through the use of appropriate performance indicators and regular monitoring.

**Financial Implications:** None identified

**Legal Implications:** None

**Risk Assessment:** If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks are not identified and monitored they cannot be mitigated effectively.

**Equality Impact Assessment:** No equality issues identified for this report.

#### 1.0 Introduction

- 1.1 Appendix 1 provides Members with details of performance against the Corporate Plan and local service targets for the 2018/19 financial year.
- 1.2 Appendix 2 shows the section of the Corporate Risk Register which relates to the Economy Portfolio. See 3.0 below.
- 1.3 Appendix 3 shows the profile of all risks for the Economy Portfolio for this quarter.
- 1.4 All appendices are produced from the corporate Service Performance And Risk management system (SPAR).

#### 2.0 Performance

- 2.1 An Economic Development Service Update which covers specific projects is a separate item on this agenda.
- 2.2 Regarding the Corporate Plan Aim: **Focus on business retention and growth of existing businesses:** we record **Businesses assisted** which is

above target; they have to be assisted for a minimum of an hour to be included in this figure. MDDC has also been instrumental in two successful bids for LEADER funding for Mid Devon businesses so far this year.

- 2.3 Regarding the Corporate Plan Aim: **Improve and regenerate our town centres with the aim of increasing footfall, dwell-time and spend in our town centres:** for Empty Shops, the vacancy rates in Tiverton and Crediton have improved for the last quarter but Cullompton's have deteriorated being the only PI on the appendix showing as "red".
- 2.4 Corporate projects to provide incubator space for businesses and the Tiverton Town Centre Improvements are progressing with MDDC's application being considered at Planning Committee on 6 March and tendering for the work by Cabinet on 7 March.
- 2.5 Other: The Local Plan Hearings concluded in February, the Planning Inspector's report is now awaited.

### **3.0 Risk**

- 3.1 The Corporate risk register has been reviewed by Group Managers' Team (GMT) and updated. Risk reports to committees include risks with a total score of 10 or more. (See Appendix 2)
- 3.2 Appendix 3 shows the risk matrix for MDDC for this quarter. If risks are not scored they are included in the matrix at their inherent score which will be higher than their current score would be.

### **4.0 Conclusion and Recommendation**

- 4.1 That the PDG reviews the performance indicators and risks for 2018/19 that are outlined in this report and feeds back any areas of concern to the Cabinet.

**Contact for more Information:** Catherine Yandle, Group Manager for Performance, Governance and Data Security ext 4975

**Circulation of the Report:** Management Team and Cabinet Member

## Corporate Plan PI Report Economy

Monthly report for 2018-2019  
 Arranged by Aims  
 Filtered by Aim: Priorities Economy  
 For MDDC - Services

Key to Performance Status:

Performance Indicators: No Data Well below target Below target On target Above target Well above target

\* indicates that an entity is linked to the Aim by its parent Service

## Corporate Plan PI Report Economy

## Priorities: Economy

## Aims: Attract new businesses to the District

## Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Manager Date	Group to Manager	Officer Notes
<u>Number of business rate accounts</u>	3,004 (10/12)		3,000	3,004	3,004	3,044	3,049	3,049	3,054	3,055	3,061	3,075	3,081				Andrew Jarrett, Fiona Wilkinson	

## Aims: Focus on business retention and growth of existing businesses

## Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Manager Date	Group to Manager	Officer Notes
<u>Businesses assisted</u>	227 (10/12)		250	25	49	72	93	113	129	162	190	197	214				None	(February) current:5 (MF)

## Aims: Improve and regenerate our town centres

## Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Manager Date	Group to Manager	Officer Notes
<u>Increase in Car Parking Vends</u>	51,051 (9/12)		49,410	51,507	51,931	53,629	53,627	51,547	52,273	51,821	50,589						Andrew Jarrett	
<u>The Number of Empty Shops (TIVERTON)</u>	21		18	n/a	n/a	22	n/a	n/a	21	n/a	n/a	20	n/a	n/a	18		Adrian Welsh	(Quarter 3) Vacancy Rate is 8.6% representing 20 vacant units (JB)
<u>The Number of Empty Shops (CREDITON)</u>	11		8	n/a	n/a	10	n/a	n/a	8	n/a	n/a	9	n/a	n/a	7		Adrian Welsh	(Quarter 3) A vacancy rate of 7.8 % representing 9 vacant units (JB)
<u>The Number of Empty Shops (CULLOMPTON)</u>	8		8	n/a	n/a	6	n/a	n/a	7	n/a	n/a	9	n/a	n/a	11		Adrian Welsh	(Quarter 3) 10.6 % vacancy rate representing 9 units (JB)

## Aims: Other

## Performance Indicators

Title	Prev Year (Period)	Prev Year End	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Actual to Manager Date	Group to Manager	Officer Notes
<u>Funding awarded to support economic projects</u>	£35,899 (3/4)			n/a	n/a	£0	n/a	n/a	£160,395	n/a	n/a	£160,395	n/a	n/a			Adrian Welsh	(Quarter 3) There was no new funding awarded in Q3 (JB)

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## Economy PDG Risk Management Report - Appendix 2

Report for 2018-2019

For Economy - Cllr Richard Chesterton Portfolio

Filtered by Flag:Include: \* CRR 5+ / 15+

For MDDC - Services

Filtered by Performance Status: Exclude Risk Status: Low

Not Including Risk Child Projects records or Mitigating Action records

Key to Performance Status:

Risks: No Data (0+) High (15+) Medium (6+) Low (1+)

### Economy PDG Risk Management Report - Appendix 2

**Risk: Commercial Land supply** Failure to identify commercial land supply will stunt economic growth

**Effects (Impact/Severity):**

**Causes (Likelihood):**

Service: Planning

**Current Status: Medium (10)**

**Current Risk Severity: 5 - Very High**

**Current Risk Likelihood: 2 - Low**

Service Manager: Jenny Clifford

**Review Note:** When local plan adopted this will assist supply. GED team working proactively with businesses and landowners to assist in signposting.

**Risk: Funding** Insufficient resources to deliver growth aspirations of Corporate Plan.

**Effects (Impact/Severity):** Reputational

Local impact on service provision to Mid Devon businesses resulting in reduced opportunities for those businesses, which other Districts may be able to offer = business migration

**Causes (Likelihood):** Loss of EU funding

Loss of Central Government funding

Changes to funding priorities

Service: Growth, Economy and Development

**Current Status: Medium (12)**

**Current Risk Severity: 4 - High**

**Current Risk Likelihood: 3 - Medium**

Service Manager: Adrian Welsh

**Review Note:** Multiple work streams requiring staff resource and wide skill set, lack of success to lever in funding to deliver growth and associated infrastructure.

Consequence: Failure to realise growth aspirations, hampers economic growth, insufficient housing to meet needs, lack of progress on strategic sites, failure to secure business rate growth, Garden Village project does not happen or does not meet GV quality aspirations.

Mitigation: Prioritisation of staff resource, bids and expression of interest submissions to suitable Government funding streams to deliver infrastructure, unlock sites and cover costs of staff resource, effective utilisation of s106 monies, develop collaborative and partnership working

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# Risk Matrix Economy Appendix 3

**Report**  
**For Economy - Cllr Richard Chesterton Portfolio**  
**For MDDC - Services**  
**Current settings**

<b>Risk Likelihood</b>	<b>5 - Very High</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>
	<b>4 - High</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>
	<b>3 - Medium</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>1 Risk</b>	<b>No Risks</b>
	<b>2 - Low</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>1 Risk</b>
	<b>1 - Very Low</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>	<b>No Risks</b>
	<b>1 - Very Low</b>	<b>2 - Low</b>	<b>3 - Medium</b>	<b>4 - High</b>	<b>5 - Very High</b>	
	<b>Risk Severity</b>					

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## ECONOMY PDG

14<sup>TH</sup> MARCH 2019

### REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION

#### GRAND WESTERN CANAL AND DEVON AND EXETER RAIL PROJECT

**Cabinet Member(s):** Cllr Richard Chesterton

**Responsible Officer:** Jenny Clifford, Head of Planning, Economy and Regeneration

**Reason for Report:** To report to members on funding provided to two grant aided bodies under the Economy PDG.

#### RECOMMENDATION:

- a) That the contribution to the Devon and Exeter Rail Project be reviewed following formation of a new Rail Forum.
- b) That the Council continues to offer an annual grant of £45,000 for 2019/20 to the Grand Western Canal to support its maintenance.
- c) That an assessment be undertaken, in liaison with Devon County Council, prior to the financial year 2020/21 to inform decision making with regard to the level of future grant support for the Canal.

**Financial Implications:** The Council contributes £45,000 annually to the Grand Western Canal and £3,500 to the Exe Rail Project. Neither of these grants is subject to a formal funding agreement.

**Legal Implications:** Closer monitoring will give the Council better understanding of the Canal's financial situation and allow for periodic reviews of the level of grant funding.

**Risk Assessment:** By introducing more stringent monitoring the Council will be better aware of the budgetary pressures on the canal, allow it understand how the previous year's grant has been used, and help future budget setting.

**Equality Impact Assessment:** None anticipated.

**Relationship to Corporate Plan:** The activities of the Grand Western Canal and Devon and Exeter Rail Project support the Council's corporate objectives for the Economy, in particular 'Growing the tourism sector' and for the Environment, in particular 'Protecting the natural environment'.

#### 1.0 Introduction/Background

1.1 This report summaries the position in relation to grant contributions to two external bodies, the Grand Western Canal and the Devon and Exeter Rail Partnership Working Group. These are aligned to the Economic priorities of the Council's Corporate Plan.

## 2.0 **Grand Western Canal**

- 2.1 The Grand Western Canal is owned and managed as a Country Park and County Wildlife Site by Devon County Council, in partnership with Mid Devon District Council. Since its acquisition in 1971, management costs for the canal have been covered jointly by Devon County Council and Mid Devon District Council (and its antecedents). Although this is a long established relationship, there does not seem to be any formal written agreement that governs this arrangement. The County Council employs a Canal Manager and two Rangers who manage and maintain the Canal and Country Park. They are supported by a band of willing volunteers who support the rangers from time to time with a variety of maintenance projects.
- 2.2 Mid Devon District Council currently provides £45k as an annual grant towards the running of the canal, representing 25% of the annual revenue budget, which currently stands at £180k. The District Council contribution has reduced from £54,700 to £45,000 since 2011. The County Council contribution is currently £76,000. The remainder is raised through income from parking, letting premises and sale of fishing and boating permits. The earned income has increased markedly over the last decade.
- 2.3 In addition to the revenue funding for core staff, routine maintenance and small scale improvements, the canal requires considerable capital investment to maintain its proper functioning, to maintain historic structures, and to add to the visitor experience. These capital costs are covered 'ad hoc' by a mixture of external grants, Devon County Council and contributions from various other partners. Between 2002 and 2008, most of the Canal was dredged at a cost of £624K (with £354k from DCC, £150k from MDDC and £103k from the EU's Interreg III programme and £17k from other sources). Between 2009 and 2013 all of the Canal's culverts were inspected, cleaned and repaired at a cost of £330k. The 2012 breach in the canal at the Swing Embankment, Halberton required over £3 million to restore the embankment and repair the breach which was funded through Devon County Council sources. In 2012 a new Canal Visitor Centre was completed at a cost of £246k from the Investing in Devon Fund. In 2013 a new silt trap and reed bed system was constructed near Burlescombe, at a cost of £341k. During 2017-18 a new play area has been constructed (£50,000) with major works on the retaining wall (£244k).
- 2.4 The Canal has a Joint Advisory Committee (JAC) with representatives from a wide range of user groups, canal-related businesses, and county, district, town and parish councils. The group meets 3 times per year and is chaired alternately by DCC and MDDC members. The current chairman is Cllr Colin Slade. The committee functions as a highly effective forum for discussing canal and countryside issues and advising DCC on its management of the canal. The JAC receives regular six-monthly reports on progress with the canal.
- 2.5 The Grand Western Canal Management Plan 2009-2014 (which is available at <https://new.devon.gov.uk/grandwesterncanal/management>) is currently being revised, and the JAC will be receiving a draft for their comment prior to their meeting in October.

- 2.6 The Canal provides an important economic, leisure and environmental asset for the District. In 2012 it was estimated that there were 6 businesses directly linked to the canal and a further 25 benefiting from their proximity to the canal creating between 60 and 120 full time equivalent jobs. It is an important visitor attraction with over 250,000 visitors annually, as well as providing an important leisure facility for local residents, who use the canal for walking, running, cycling, fishing and boating. It is also an important nature reserve and wildlife corridor.

	16-17	17-18	18-19 (provisional)
Total number of visitors	208,452	214,088	215,000
Total number of canal based businesses supported	6	6	6
Total number of school children visiting as part of arranged school visits.	273	80	300
Total number of volunteering hours provided (excluding the Friends of the Grand Western Canal).	4,016	3,176	3,400

- 2.7 Although there is a long-standing arrangement to support the running of the canal through an annual grant, the relationship is not formalised into a funding agreement. Reporting and monitoring is largely achieved through the Joint Advisory Committee, but this does not provide sufficient information to inform the Council's decision making with regard to the level of future grant support funding. Going forward, and in liaison with Devon County Council, the Council will ask for an annual report prior to budget setting process detailing progress on the previous year's objectives, current financial position and projected budget for the coming year. This will allow the Council to monitor the Canal's financial situation and allow for a periodic review of the level of grant.

### **3.0 Devon & Exeter Rail Project Working Group (Exe Rail Project)**

- 3.1 The Devon & Exeter Rail Project Working Party (formerly the Exe Rail Project), has met twice a year to discuss issues relating to railway provision in Devon, and in particular the rail services that run in and out of Exeter. Up until recently the working group has been part of the County Council's formal committee structure, to which District Councillors from the relevant authorities have been invited. Cllrs Bob Deed, and Terry Snow currently represent Mid Devon District Council at these meetings.
- 3.2 Following changes to personnel, Devon County Council has decided it can no longer administer the group and at their last meeting in July 2018<sup>1</sup> it was decided to change the working group into a forum aligned to the Devon and Cornwall Rail Partnership with wider community involvement. The last formal meeting of the working group was on 18<sup>th</sup> January 2019.

<sup>1</sup> <https://democracy.devon.gov.uk/ieListDocuments.aspx?CId=181&MId=3105&Ver=4>

3.3 The Devon and Cornwall Rail Partnership<sup>2</sup> is one of a number of Community Rail Partnerships across the country, working for the interest of the rail network throughout Devon and Cornwall. Its stated aims are to

- Promoting the area's branch lines
- Engaging the community
- Supporting economic growth
- Helping deliver improvements
- Working in partnership.

The Devon and Cornwall Rail Partnership has been very successful in promoting the use of branch lines and the number passenger journeys on the Tarka Line have more than doubled since 2001.

3.4 The District Council has been contributing £3,500 annually to the Devon and Exeter Rail Project for a number of years. With the change of structure in the New Year, it seems appropriate to review the current arrangements and contributions for 2019-20 following the setting up of the new forum. A report will be brought to a further meeting of the Economy PDG for consideration, once the new forum is established.

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

**List of Background Papers:**

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<sup>2</sup> <http://www.dcrp.org.uk/our-work/working-in-partnership/>.

**ECONOMY PDG  
14<sup>TH</sup> MARCH 2019**

## **REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION**

### **COST-RECOVERY AND COMMERCIALISATION IN GROWTH, ECONOMY AND DELIVERY**

**Cabinet Member(s):** Cllr Richard Chesterton

**Responsible Officer:** Mrs Jenny Clifford, Head of Planning, Economy and Regeneration

**Reason for Report:** To present to members steps to introduce cost recovery into the Growth, Economy and Delivery service, and to look at issues relating to further commercialisation within the service.

#### **RECOMMENDATION:**

- 1. That Members recommend to Cabinet to approve the bill of charges for business support services as laid out in Section 5.0**
- 2. That Members authorise officers to investigate opportunities across the Council to develop a commercial arm for the delivery of some discretionary services.**

**Financial Implications:** In recognition that it is increasingly difficult to find public sector funding for discretionary services, the Economic Development Team is increasingly working towards a more commercialised approach. This report sets out potential measures to introduce cost recovery fees for certain discretionary services provided by the Economic Development team from April 2019. It also outlines opportunities for exploring further income generation through the creation of a commercial arm either from within the service, or across the organisation, in the future.

**Legal Implications:** Charging fees for discretionary services on a cost-recovery basis is within the legal remit of the Council as set out in Part 8, Section 93 of the Local Government Act 2003. However, if the Council wishes to explore developing income generating schemes that go further than cost recovery it will need to explore setting up a commercial arm which is able to trade at profit on its behalf.

**Risk Assessment:** Charging for services within Economic Development Services is not well established amongst local authorities. The market for such services has not been tested and there is a risk that returns may be lower than expected if businesses choose not to take up services. Charging for services may also put off fledgling businesses from taking up advice and support to the detriment of their business and the local economy. However as levels of local authority funding diminish for discretionary services there is also a risk, by not becoming more commercial in approach, some of these services may have to be discontinued.

As local authorities are limited to raising money on a cost recovery basis should the Council wish to set up a new company to raise income this would have its own risks. The risks associated with this would need to be subject to a detailed risk assessment as part of that process.

**Equality Impact Assessment:** No equality impacts are foreseen.

**Relationship to Corporate Plan:** The Economic Development team helps to deliver the Council's objectives for the Economy:

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

## 1.0 Introduction

- 1.1 This report looks at opportunities for cost-recovery within the Growth, Economy and Delivery team (GED) and goes on to explore potential areas for commercialisation within the service. The report focuses on introducing charges to recover the cost of discretionary services provided by members of the Economic Development team.
- 1.2 The Growth, Economy and Delivery Group provide a range of services covering economic development, regeneration, and the delivery of major development sites. The Economic Development Team focuses on promoting and facilitating business growth – including activities such as responding to business enquiries, developing projects to facilitate economic growth, and promoting Mid Devon as a place to do business. Regeneration emphasises the role of place-making within economic growth. In Mid Devon this mainly involves masterplanning and facilitating town centre improvements.
- 1.3 In 2018 the Planning, Economy and Regeneration Service carried out a benchmarking exercise over a four week period to gauge the time spent and cost of individual services. During this exercise it was found that that the GED team spent 69% of its time on Economic Development and Regeneration activities, of which 10% involved direct enquiries from clients (business support and funding and grants). The direct estimated cost of Economic Development activities was annualised at **£149,940**. As the work within the team varies from month to month depending on the projects being undertaken, this benchmarking has been adjusted to reflect known annual commitments and will be used as the baseline for considerations of cost-recovery in this report.

<b>Economic Development Activities</b>	<b>Assumed Annual hours<sup>1</sup></b>	<b>% of time spent</b>	<b>Cost recovery<sup>2</sup></b>
ED Regeneration	1458	35%	52479
Business Support	208	5%	7497
Funding & Grants	208	5%	7497
Partnership Working	167	4%	5998
Exeter & Heart & Devon Partnership	167	4%	5998

<sup>1</sup> Adjusted to reflect known annualised time commitments not necessarily reflected during the sample period.

<sup>2</sup> An estimated hourly cost based on 18/19 gross costs for a scale 9 position has been assumed however this figure needs to be refined.



Local Enterprise Partnership	208	5%	7497
Town Centre Management	666	16%	23990
Events & Promotion	250	6%	8996
Tiverton Town Centre Partnership	167	4%	5998
Community Projects	208	5%	7497
Tourism	125	3%	4498
Project Development	167	4%	5998
ED resource management, overheads	167	4%	5998
	<b>4,165</b>	<b>100</b>	<b>£149,940</b>

## 2.0 Cost-recovery

- 2.1 In the face of increasing budgetary pressures, it is important that councils look to a more commercial approach generally but particularly with regard to non-statutory functions. This could include opportunities to recoup all, or part of, the costs incurred through charging for services. Economic Development is a non-statutory service, but one that contributes to the prosperity and economic wellbeing of the district and its residents. It is therefore important that we find every opportunity to generate income to ensure that the service is financially sustainable in the future.
- 2.2 This being said, there will always be a proportion of economic development and regeneration activities that will need to be subsidised. This is particularly the case for those activities where the Council is taking a proactive role in facilitating growth or promoting economic development. The financial gain from such activities is seen through increased business rates once economic growth has been successful. Another important factor is the hidden financial benefits in terms of general prosperity to the area resulting from the work of the team. This is notoriously difficult to quantify; however moving forward the team are attempting to gain a better understanding of its contribution towards helping the success of the local economy.
- 2.3 Within the range of activities that the service currently undertakes, those with most potential for cost recovery are planning and business support services, in which the team is responding directly to a request from an individual, business or developer for advice or support. These are explored in more detail in the following paragraphs.
- 2.4 Planning Performance Agreements

As work on the Tiverton Eastern Urban Extension and Culm Garden Village progresses and we move out of the masterplanning stage into detailed development planning, there will be opportunities to put in place Planning Performance Agreements (PPAs) as developers bring forward major planning applications for different phases of the developments. A PPA is an agreement between the local authority and the applicant that lays out agreed timescales, actions and the required resources for processing their application. They give greater certainty to both the applicant and the local authority that technical issues will be addressed in a timely manner and the application will be processed to an agreed timetable. PPAs give a much firmer basis for charging the appropriate fees for the work undertaken in processing and assessing major applications, and are therefore more likely to approach full cost-recovery for the services provided. The Development Management Service is already using a PPA approach for major applications on

major development sites. The Development Management Service currently has a target income of £20,000 per year from PPAs. Although it is difficult to know in advance how many major applications will require Economic Development input we envisage that additional income from this could be around £4,000 per annum.

## 2.5 Business Support Services

The Economic Development team currently receives about 250 business enquiries per year, only a proportion of which result in more detailed business support.

The main areas of enquiry are:

- Pre-app advice on commercial developments / change of use etc.
- Enquiries about vacant commercial units and employment space
- Business rates and concessions
- Enquiries related to grant applications and other funding opportunities
- Enquiries about grants administered by the Council – e.g. shopfront grants
- Other business needs, broadband, advertising

According to the recent benchmarking exercise, direct business support and funding advice only amounts to 10% of the time spent on economic development work, but this does not take into account that there inevitably will be an element of the 35% of time on economic development regeneration activities that applies to business advice and funding advice. It should also be noted that going forward there is going to be a change of emphasis with regard to providing business support as part of the economic strategy.

2.6 Within Mid Devon there are a number of commercial and subsidised business support services available, providing a range of generic and technical services. The main source of generic business support is the Heart of the South West Growth Hub and EU-funded Growth Support Programme<sup>3</sup>, which can offer an initial 3 hours of free support, plus an extra 9 hours of specialist support, all at no cost to the business. The Business Information Point is also another major provider of business support services in the area, many subsidised through contracts with the HOTSU Growth Hub. Even when EU-funding comes to an end, it is a reasonable assumption that the Government will want to continue to invest in subsidised business support.

2.7 A commercial market for the sort of generic business support that the Council could provide is therefore limited. However, there are specific areas of business support that the Council is well placed to deliver because of its relationship to key regulatory services or because of specific technical expertise.

2.8 Based on current activity, the areas of the Economic Development Service most likely to have potential to recover the costs of delivery of those services are:

- a) Pre-application advice – similar to those levied in the Development Management service for Listed Building / Heritage advice. This would include pre-application advice on employment, and commercial site applications, meetings and site visits with clients, and a production of a summative report.

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<sup>3</sup> <https://www.heartofswgrowthhub.co.uk/business-support-programmes/growth-support-programme/>  
Commercialisation Report v4

Fees would be levied as part of pre-application fees administered by the planning service to reflect Economic Development officer time.

b) Individualised funding searches – This is where a business asks for a search of potential funding opportunities for a specific business idea. An individualised funding search can typically take between 2-3 hrs to complete.

c) Grant application & other advice – comparable to pre-app advice for planning applications, grant application advice would include ‘in principle’ advice on funding programmes and their suitability for a particular business idea, including advice on how an application could be shaped to meet the criteria of a specific funding programme. Dependant on the complexity of the funding programme this could take 3-4 hours. An initial half an hour’s free advice is considered to be reasonable.

d) Grant application support – Additional to generic funding advice, this would include detailed support for writing a grant application which could be charged at an hourly / daily rate.

A summary of how this will be implemented is given in section 5.0.

- 2.9 Advice from the Council’s legal department indicates that without setting up a trading arm / commercial vehicle, charging for services would have to be on a ‘cost-recovery basis only’. Fees would therefore be limited to the cost of actually delivering the service (including a proportion of corporate overheads), rather than being based on any commercial estimation of what the market could accept. The full income generating potential of services such as assistance with grant applications is therefore restricted by the provisions of Part 8, Section 93 of the Local Government Act 2003.

Whereas the services identified above focus on cost-recovery for activities currently provided, the following paragraphs explore areas for further commercialisation involving new areas of work and potential for setting up a trading arm.

### **3.0 Commercialisation - developing further income generating activities**

- 3.1 Commercialisation is a broader concept than cost-recovery or income generation. As the APSE report ‘Risk and Commercialisation’<sup>4</sup> says ‘It is about changing the mindset and approach of councils, to adopt a more commercial and entrepreneurial mindset to how services are designed and delivered overall.’<sup>5</sup> It also goes beyond merely ‘managing or running (a service) principally for financial gain.’ It is about re-imagining services that serve the public good, in a new financially sustainable way. ‘Commercial activity should complement councils’ core purpose as democratic bodies designing and delivering critical services for local people.’<sup>6</sup>

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<sup>4</sup> Association for Public Service Excellence (APSE) 2019 ‘Risk and Commercialisation: A guide for local scrutiny councillors <http://www.apse.org.uk/apse/index.cfm/research/current-research-programme/risk-and-commercialisation-a-guide-for-local-scrutiny-councillors/>

<sup>5</sup> APSE 2019 p7

<sup>6</sup> APSE 2019 p7

- 3.2 As the Economic Development team moves towards a more commercial approach to delivering discretionary services, the team will look at developing business opportunities that can both further economic development objectives while also generating income to assist with ensuring the financial sustainability of the economic development service and contribute to the future financial security of the Council. One suggestion being explored would be to create a regular (weekly / monthly) funding bulletin for businesses – this could be developed as a subscription service, dependant on proving there is a market for it. In theory this service could have a national market. A detailed business case has yet to be developed for this idea.
- 3.3 Another approach already being pursued by the team is to ensure that wherever possible external funding is sought to either subsidise or match fund economic development and regeneration initiatives. For instance seeking developer contributions towards town centre public wi-fi and shopfront schemes, and applying for external funding to deliver a destination website.
- 3.4 An extension of this approach is to charge management fees for running business support initiatives. This is a model often used by larger authorities, and development agencies, whereby they apply to government programmes for project funding, and factor in revenue costs for administration and management of the project as part of their bid. These management fees are then used to partly fund particular posts within the authority. This was the model used in the past within this authority to fund such programmes as the highly successful 5X30 project. However, such opportunities are dependant on funding programmes becoming available in the future. It also should be noted, that since the projects themselves create their own work, there may be little or no net income generated for the Council.
- 3.5 The team has already started looking at income generating capital projects. These would need to be projects that support wider economic gains but that also have income-generating potential. For instance building commercial units, or creating flexible workspace. These projects often require capital investment both from the Council and from external funding. This model has been used by the Council in the past to build commercial units on Kingsmill estate, Cullompton and the former Tiverton Tourist Information Centre building, for which the Council received sizable Rural Development Agency (RDA) grants. Careful consideration would need to be given to the investment potential of these projects, with a clear business case and robust analysis of return on investment. It is considered that there is significant potential for commercial land and property investments to benefit economic development within the district and provide a financial return for the Council. This is not entered into more detail in this report as this is unlikely to provide any returns in the immediate term; however the team are actively working on proposals for consideration.
- 3.6 There is potential to develop a wider commercial trading arm of the Council which could incorporate a number of different service areas throughout the authority. Further analysis would be needed across the Council to better understand the scope for such a corporate trading arm as opposed to the benefits of setting up individual trading companies for discrete services areas.

#### **4.0 Balancing income generation with wider strategic aims**

- 4.1 Much of the team’s work in supporting economic growth is strategic, facilitative or promotional and therefore difficult to fund directly from clients. Such work includes master-planning, developing economic initiatives and projects and promoting the district more widely as a place to do business. Much of the benefits of such activities are only realised long term. In order to fund these proactive activities it may be necessary to look at other models of funding, such as retaining a percentage of any business rates uplift for economic development activities. These will need to be explored in terms of future funding for economic development.
- 4.2 Some team activities do not have cashable benefits to the authority but nonetheless contribute significantly to the prosperity of the district. There may also be occasions when the Council will want to waive upfront fees for the sake of greater economic gains. For instance, if we are to realise the Council’s ambitions for economic growth and inward investment, it may be necessary to create packages of support which incentivise growth and investment. In a competitive world, many authorities already incentivise inward investment by offering grants and business rates reductions in order to ‘land’ particularly important investors. This will need to be taken into account as we move forward in promoting economic growth on our major development sites. The team will be looking at the potential of investment packages to incentivise inward investment as part of the Economic Strategy. These may not include financial incentives as in other district, but may include a comprehensive package of business support that gives a business a ‘soft-landing’. There would however be potential opportunities for charging for advertisement space in such packages.
- 4.3 It should also be noted that care needs to be taken not to price out start-up businesses that may need the most help. It is important that any pricing regime would need some allowance for initial enquiries/free preliminary consultation advice before charging commences.

## 5.0 Implementation

- 5.1 The first phase in introducing cost-recovery with regard to discretionary Economic Development services will be to introduce charging for the services identified above. It is proposed to introduce the following fee structure from the 1<sup>st</sup> April 2019. The pre-application fees are aligned with the fees for heritage / conservation advice already being levied by the Planning, Regeneration and Economy Service, while other services are based on an hourly rate of £44/hr as calculated by the CIPFA benchmarking exercise<sup>7</sup>

		<b>Proposed Fee Structure<sup>8</sup></b>	
Pre-app advice (planning)	Pre-app advice on planning applications concerning employment / commercial property	In principle advice no visit	£90
		Detailed advice and visit	£180

<sup>7</sup> Comparative Analysis of the Mid Devon District Council Planning Service, CIPFA 2018

<sup>8</sup> This charge will be in addition to the planning pre-application fee

	by the Economic Development team.	Additional advice / visit	£60
Individualised funding searches	Individualised search for grants and other financial opportunities for specific business ideas		£90
Grant Application advice	Advice on filling in a grant application (general)	General advice including meeting	£90
Grant Application advice	Detailed support for writing an application	Detailed support	£44/ hr £308 /day
Other advice given	Specialised economic development	Half an hour free advice	£44/ hr £308 /day

5.2 Systems and processes will be put in place to be able to charge fees, including introduction of detailed time sheets, standard procedures and templates, and billing processes. These will create extra administration which will need to be factored into the pricing of the fees. The extent to which businesses will want or be willing to pay for such services is unknown at this stage. However, based on the figures provided by the benchmarking exercise, it is reasonable to expect that these charges could bring in approximately £3,000 into the service in the first year. However this is difficult to estimate, would need to be tested and reviewed after the first year.

5.3 The second phase will be to look at further ways of generating income as detailed above. This may involve exploring the potential of creating a commercial vehicle to support these activities. As part of this exploration the Economic Development team will look at a wider commercialisation project within the organisation.

## 6.0 Benchmarking

There are currently very few examples of economic development services being commercialised. Whereas business support services are often carried out by stand-alone development agencies, or social enterprises, they are frequently highly subsidised through public funding. Within the Heart of the South West area there are no authorities currently charging fees for business support services. Property based investment as income generating schemes seems to be the most widely used way of generating income, however this income is rarely put aside for economic development activities. Further work needs to be done to understand the full picture including further discussions with Torbay Development Company and the Cornwall Development Company.

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**Circulation of the Report:** Cllr Richard Chesterton

**List of Background Papers:**  
Mid Devon District Council Planning Service, CIPFA 2018

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## Economy Policy Development Group – 2018 / 2019

### Chairman's annual report

#### Economy of Mid Devon

The PDG were encouraged to hear that more new businesses have started up in the last year. The continuing development of Hitchcocks Business Park in Willand is going from strength to strength creating more employment. We were encouraged to hear that Hitchcocks beat a number of the South West's best construction and property development businesses to win in the 'Best Commercial Development' category during 2018.

A proposal has been put forward to reinstate railway stations at Cullompton and Wellington but discussion is still in the early stages.

MDDC has been working with three other local authorities on specific projects, these include EHOD (Exeter & Heart of Devon) Strategy and the GESP (Greater Exeter Strategic Plan). Those authorities include East Devon, Exeter and Teignbridge. Further updates will be given by the Chief Executive and Cabinet Member for Planning and Economic Regeneration in due course.

MDDC has been shortlisted for a national award by the Local Government Chronicle as an example of a council pushing forward economic growth. Officers were invited to undertake a presentation in London; the final outcome is expected on 13<sup>th</sup> March 2019.

#### Mills & Hydro Power Project

This is a topic that has been discussed at most meetings. Although the original bid for funding to progress the Tiverton Weir site failed, alternative sources of funding have been sought. The project continues to be developed and refined and we now have more of a detailed understanding of what might be acceptable to the Environment Agency.

#### Broadband

Broadband is another ongoing topic with little progress made in the rural areas since last year. We need faster Broadband speeds to encourage more businesses to operate in Mid Devon. Businesses are able to apply to the Gigabit Broadband Voucher Scheme for vouchers up to the value of £2.5k to help with the cost of installation. The Growth, Economy and Delivery team is currently promoting the government's voucher scheme and have been distributing information to businesses within Mid Devon regarding this opportunity. The Scrutiny Committee will be meeting with Connecting Devon and Somerset in March to update themselves on the current situation with the continuing roll-out of superfast broadband.

## Tiverton Market and Town Centre

There have been a number of successful events held in the market throughout the year. Plans are in place to widen the entrance from Fore Street. This will improve access to and from the market, increasing the market's visibility and enabling more housing and small retail outlets to be delivered.

The Town Centre Masterplan for Tiverton is underway. These will be followed by masterplanning for Cullompton & Crediton. Cullompton's bid to the Heritage Lottery for a Townscape Heritage Scheme was once again unsuccessful. It is understood that the government will be launching a heritage element to the Future High Streets Fund in the near future and Cullompton will be well placed to pursue this funding as a result of the previous bid preparation. Other funding opportunities will be explored following the masterplan work for all three towns.

A small amount of money, £15k, has been allocated by MDDC to maintain / reinstate shop front enhancements for the 3 main towns. This could hopefully attract additional funding from elsewhere.

## AONB (Area of Outstanding Natural Beauty)

The PDG considered whether or not AONB status should be sought for Exe Valley. After much consideration the consensus was that no further action should be taken at this stage. The Government is reviewing national parks and AONB's and we should not move forward until the review has been concluded.

## Economic Strategy

Over several months the Group has attended a number of informal workshops in order to refine the Economic Strategy for Mid Devon. Officers and Councillors have spent a considerable amount of time on the subject. The outcome is that the Strategy contains five key themes:

- Employment & Skills
- Place
- Infrastructure
- Hi Tech, Innovation & Green Energy
- Agriculture, Food & Drink

Finally I would like to thank the Chief Executive, who has attended all of our meetings, the officers and the councillors for their commitment and hard work. I must also thank our Committee Clerk for her continued help & support through the year.

**Cllr Brenda Hull**  
**Chairman of the Economy Policy Development Group**