

## Economic Development Update

Over the last 12 months Economic Development has made great progress in establishing Mid Devon on a regional and national platform, as a local authority that is leading on the development of business support services. We are taking a highly proactive approach to supporting the business community, and this seems to be creating a positive buzz about Mid Devon.

Within the district we have pulled together departments from across the Council that have a business facing role, and started the process of ensuring that we work more closely together, undertake joint meetings with businesses and cross sell our services as appropriate. We have also coordinated meetings with our key stakeholders to coordinate our business support activities more effectively so that businesses access a more seamless service. We also meet regularly with the Mid Devon Gazette and are building a strong rapport with their team. This has had a positive impact on the way that business related stories are reported (See the case study at the bottom of this brief).

Regionally we have been playing a leading role in the development of a bid to fund a business signposting and diagnostic service. Through this piece of work we have established the foundations to take the lead on other funding opportunities that would support our business community. The work has seen us pull together every district and unitary authority in the Heart of the South West LEP (HotSW LEP) area, educational bodies including the University of Exeter and PETROC college, employment support services, regulatory services, and the business community. Successfully bringing the entire business support structure for the south west to rally behind a bid we are coordinating is a huge step change in the role that Mid Devon plays.

We have managed to bring together Economic Development teams from across Devon on a regular basis to discuss our activities and better coordinate the support we put into place for businesses. We have particularly started to work more closely with Exeter, East Devon and Teignbridge, known as "Exeter and the Heart of Devon" (EHOD) to look at options for the joint procurement of business support services using pooled resources to achieve economies of scale.

Nationally, through the work that we are doing on a Growth Hub bid and with an initiative called Better Business for All (BBfA), the Department for Business Innovation and Skills (BIS) has expressed an interest in our approach to developing business support. They have sent Director level staff to visit us here in Mid Devon to find out more about our activities and to express their enthusiasm for the work we are undertaking. We have also been on several visits to BIS to share our practices with other LEP areas and BIS staff. They have commented that here in the South West we are trailblazers who are leading on innovative ways to support businesses and that the work we are doing is likely to become national best practice.

Example of our local success at influencing the narrative about Mid Devon:

A recent article in the Mid Devon Gazette

[Optimistic outlook for Mid Devon businesses](#)

[Business owners in Mid Devon are a resilient bunch. There is no doubt that the economic downturn has hit rural communities, but figures show that the entrepreneurs in this part of the region have fared better than some. During the recession, the unemployment rate rose, but Mid Devon was more resilient to the economic downturn than other areas. This resilience is likely to be down to the mix of large employers and small businesses in the community.](#)

Chris Shears, Economic Development Officer at Mid Devon District Council, said: "Business is generally doing well. There is optimism, with businesses looking to expand, high commercial occupancy rates and the creation of employment opportunities."

There is a high rate of new business survival with 92.5% surviving over 12 months compared to 91.1% nationally.

The district has exceptionally low unemployment, with fewer than 450 job seekers, a rate of 0.9% (March 2015), well below the regional and national averages of 1.3% and 2.0%, respectively.

Employment opportunities have been given a boost by funding available in the district designed to help businesses prosper and bring new ones in.

Mr Shears explained: "Projects such as Unlocking Business Investment, and others which provide subsidised development support, such as the Growth Vouchers have helped businesses move to the next level.

"Significant planning applications have opened up new employment sites. These include Hitchcocks Business Park at Willand. It is already attracting new business investment and is home to several large Mid Devon businesses."

But the business community needs fast action to maintain momentum. The development of Mid Devon's Local Plan has been delayed by certain factors, including the general election. With some of the district's most significant sites being discussed, almost a thousand representations were received, delaying the sign off of the plan until later in the 2015 calendar year.

Mr Shears said: "This has an effect on how quickly some of the major employment land sites allocated within the plan can be brought forward for development, and with businesses already keen to expand onto and invest in the new sites.

"The election has also delayed the start-up of some of the grant programmes that will support Mid Devon businesses. The LEADER project, a multi-million pound package of support, which will assist in the development of the rural economy, has been delayed since January 2015.

It is now expected to go live in June 2015, and is much needed for encouraging growth in parts of the district and sectors that are not usually the focus of support."

Some of the biggest employers in the area include Two Sisters Food Group, Heathcoat Fabrics, Gregory's Distribution and Crediton Dairy. They provide significant employment, but it is also important to recognise Mid Devon's smaller businesses that help to make the economy more resilient. 89.4% of businesses in Mid Devon are deemed to be micro-businesses, employing between 0 and 9 people, and 99.9% of local businesses are small to medium enterprises.

The residents of Mid Devon tend to be well qualified, with 37.5% holding an NVQ level 4 and above qualification, compared to 36% nationally. The district also has a negligible proportion of residents with no qualifications, supporting the narrative that Mid Devon schools and FE colleges perform extremely well.

Over the next year Mid Devon is looking to continue to develop as a place that proactively supports businesses. Mr Shears said: "There is work being undertaken to influence regional strategy so that it better reflects the needs of Mid Devon businesses. This will make it easier to draw down funding from Europe and Central Government to support the local business community where Mid Devon has previously lost out to other areas."

Organisations that support employment, skills and enterprise are starting to work more closely together and to develop clear links between their activities.

This bodes well for the business community who should find that they are able to access a more streamlined, simplified service that makes it easier for them to take advantage of the support being offered to them.

The Mid Devon district has several networks that businesses can get involved in. The Business Forum Mid Devon is the largest forum operating in the district, meets on a bi-monthly basis, and has a regular attendance of between 50 and 80 business representatives. Tiverton has the Tiverton Traders Association, Cullompton has

a support group called Culm Valley in Business, and Crediton now has its own Chamber of Commerce. Details of these groups are available on the business pages of the Mid Devon District Council website.