

Economic Development Service Update

Cabinet Member(s): Cllr Richard Chesterton
Responsible Officer: Stephen Walford, Director for Growth

Reason for Report: To update members on progress with key Economic Development Service Priorities

RECOMMENDATION: That the report be noted

Relationship to Corporate Plan: It supports the corporate objectives for the economy.

Financial Implications: There are no additional financial implications arising from the report

Legal Implications: None

Risk Assessment: None

1.0 Introduction

This report provides an update on the progress of key projects and initiatives developed or supported by the Economic Development team.

1.1 Devon Hydro and Smart Grid Project ('Mills Project')

The 'Devon Hydro & Smart Grid Project' outline application has now been submitted to the Department of Community and Local Government (DCLG) under the Low Carbon programme of the European Regional Development Fund. The outline application will go to their review meeting either on the 30th July or the 31st October 2017 and therefore we expect an outcome by the autumn. The amount of detailed work that has gone into the outline bid should ensure a relatively quick turnaround between the outcome of the outline application and a full application, so if we were successful, a full application could be submitted by the end of the calendar year, although this would be dependent on their being no substantial issues raised by the appraisers. The total value of the project in the outline bid is £4.2m.

1.2 Commercialisation of Regulatory Services

The commercialisation project is gaining significant interest from across the UK. The Heart of the South West Better Business for All group is focusing on developing a business case that can be taken to all local authorities to gain interest in a pilot rollout of a commercial service linked to regulatory services. An advocates group has been created to oversee this process, which includes a number of public and private sector partners. In the first week of July, a report is due to be distributed to senior management teams and council leaders in each of the HotSW local authorities, giving members and senior staff a better awareness and understanding of the project and keeping them informed of how it is developing.

2.0 Enquiries & Investments

The Economic Development Team has been working closely with the Planning Team over issues arising at Lowman Works, the industrial site adjacent to TESCO in Tiverton. Businesses on the site have been served notice and are now trying to relocate to sites as close as possible to their existing operations. The Economic Development Officer has been offering support to Stenner Ltd, one of our high tech engineering companies, to try and ensure we retain their business and their highly skilled jobs in the district. The team will be meeting with the other businesses on the Lowman site during July to ensure they have the assistance they need.

We will continue to monitor the situation closely, as the local plan submission from the land representatives indicates a desire to develop the site for retail purposes. This follows a recognised national trend in the 'retail-isation' of commercial property, which is not particularly welcomed from an economic development point of view.

During the month we were asked to provide an article for the Western Morning News' Annual Business Guide. The Business Guide has not been published yet as far as I am aware but the article gives a good and up-beat summary of the current economic situation in Mid Devon and is reproduced in full in the attached appendix.

3.1 Electric Nights

The Market held the third of the series of six Electric Nights street events on Saturday 1st July 2017. This was a successful event which attracted a larger number of young families than on previous occasions.

A new layout was trialled with bar/refreshments and an acoustic performance area provided in the South Hall. The North Hall was used for bands and seating. This created better movement around the event. This set up worked well and will be replicated next time. Footfall was up on the previous event and the event has now expanded to incorporate more of the regular artisans. The good weather helped to make the evening a success.

The next Electric Nights event is a Pirate Party on 5 August 2017 with Captain Jack Sparrow entertainment, Sea Shanty Pirate Band and Steam Punk cocktail bar. This should be a good event which is already generating a great deal of interest on social media.

3.2 LEADER update

After a flurry of enquiries at the beginning of May, no new projects have come forward over the last two months. Although spend within the programme has been slow, the overall spending profile is about average for similar Local Action Groups. There has been one approval, for an application from G A Mortimer & Sons who will be receiving a grant of £51,010 for high specification farming equipment.

3.3 Blackdown Hills AONB

Linda Bennett, who has been the AONB Manager for the last nine years, will be retiring at the end of July. Interviews were held for her replacement on the 29th June and her successor is in the process of being appointed. The announcement of the

successful candidate will be made shortly, and there should be further news by the time of the committee meeting.

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Circulation of the Report: Cllr Richard Chesterton
Stephen Walford, CE & Director for Growth

List of Background Papers: None

Appendix A

Western Morning News – Annual Business Guide 2017

Mid Devon is proving to be the place to invest in the South West, with sites being bought up and developed all across the district. This last 12 months have seen a high volume of enquiries being landed into the area, and the Council is now working with land owners and developers trying to unlock employment land so that this trend can continue. The M5 corridor in particular is proving popular now that some of the larger employment land allocations have been unlocked. Businesses have grown into Mid Devon from surrounding local authority areas, parts of Wales, Somerset, and Peterborough.

In the past 12 months, every plot on Mid Devon Business Park, Willand has been sold and development has either commenced or is about to commence. Hitchcocks Business Park, near Willand, has grown from a small scale farm conversion into a successful location for some of the district's largest businesses in the manufacturing and distribution sectors. It is also home to the local council's waste services centre.

In Crediton, there have been some notable additions to the high street, including Snobs clothing shop and a Costa Coffee, while businesses on the local industrial estates have expanded, including Graphic Plc which has extended its existing premises to enable it to continue to grow. Mole Avon have started the development of their new site adjacent to the Crediton branch of Tesco, and a large soft play centre, Planet Play, has opened on the edge of town.

In Tiverton, Heathcoat Fabrics continues to thrive and remains the district's largest employer. The company has recently invested in the creation of additional factory space to further expand its activities. At Howdens Industrial Estate, Clarence and Bean, a local fudge making company has grown into new premises, while at Tiverton Business Park, Hepco Motion has built a new advanced storage structure on their site to improve their efficiency and enable growth within their existing facilities.

Cullompton has seen a significant increase in business investment interest, with sites throughout the town being brought forward for development and redevelopment. The Nook, an incubator space for tech and digital businesses based at Kingsmill Industrial Estate, has recently received Devon Work Hub status, and is host to a number of young businesses. In the town centre, the Bakehouse continues to deliver a touch of class, with a quality food and drink selection delivered in a rustic chic setting.

As part of the announcement of the successful Culm Garden Village initiative bid and the North West Cullompton development, the area is set to almost double in size over the next 20 to 30 years. These developments will unlock key transport infrastructure improvements and employment land allocations that will enable future economic development to take place across the town.

Challenges over the next 12 months will include striking the right balance between housing and employment developments, as the district has limited business space available, both in terms of built out premises and business land allocations, until further sites are unlocked.

Councillor Richard Chesterton, the Cabinet Member for Planning and Economic Regeneration said "Exceptionally high employment rates mean that the district needs to focus on attracting businesses that will bring higher skilled jobs to enable career progression, and opportunities that will help to retain young people in the area".