

# Economic Development Strategy 2024 - 2029

Report of the Leader and Strategic Regeneration and Partnerships (North) Portfolio Holder

## Recommended:

1. That the Economic Development Strategy 2024 – 2029, shown at the Annex to the report, be approved.
2. That the Head of Planning Policy and Economic Development, in consultation with the Leader, be authorised to make minor amendments to the Annex to the report.

### SUMMARY

- This report summarises the Economic Development Strategy 2024 – 2029 which has been developed with a socio economic evidence base plus local engagement.
- It sets out a clear framework to deliver the economic development function over the next five years.

## 1 Introduction

1.1 The purpose of this report is to present the new Economic Development Strategy 2024 – 2029 and seek its approval.

1.2 The Strategy sets out the evidence base and the process by which the following six priority areas have been developed:

- Supporting key sectors including advanced manufacturing, green technologies and tourism to grow
- Building a climate in which entrepreneurs, and small and medium sized businesses can thrive
- Supporting businesses in their Transition to a Low Carbon Economy
- Regenerating Andover and Romsey town centres
- Promoting upskilling and raising qualification levels to meet future economic needs
- Reflecting the changing workforce and new life stages

1.3 Each chapter explains the priority rationale and explains what the Council needs to focus on. In line with the Corporate Plan, it clearly explains how the actions link to the five corporate priorities. In addition, it is a place based Strategy which means that whilst the six priorities are overarching, the actions reflect the different places within the Borough.

1.4 The Action Plan provides measurable actions to deliver the key priorities. This will be reviewed annually and further targets set later in Strategy's lifetime.

## **2 Background**

2.1 The current Economic Development Strategy runs from 2019 to 2023. It was reviewed and published as an Interim Strategy in 2021 due to the COVID pandemic and approved by Cabinet in January 2021. The level of economic uncertainty at that time meant that it was inappropriate to make detailed forecasts, consider their implications for the local economy and put forward any potential policy responses with any certainty as to the outcome.

2.2 The Corporate Plan published in August 2023 provides the overarching strategic direction for all the Council's work and referenced a new Economic Development Strategy.

2.3 During 2023 Oxford Economics were commissioned to prepare a Socioeconomic analysis of Test Valley to provide the evidence base for the Strategy and the Local Plan.

2.4 The Oxford Economics report is wide-ranging, covering growth, economic productivity, employment, key industrial sectors, demographics, characteristics of the labour market and quality of life. They compare the characteristics of Test Valley with those of Hampshire, the South East and the UK as a whole, and strengths, weaknesses, opportunities and threats are identified and explored.

2.5 This report has informed the six priorities and the Strategy has been drafted to ensure it is informed by local knowledge and experience together with the views and lived experiences of local businesses and partner organisations.

2.6 In addition, it was a priority to ensure that the Strategy was not a stand-alone document but was reflective of other work the Council undertakes, to identify where other workstreams cuts across economic development activity so that the Council can work in an even more effective way.

2.7 The data, our wide-ranging consultations, and the everyday intelligence that we collect from our local business community and stakeholders led us to identify six priorities for the Strategy:

- Supporting key sectors including advanced manufacturing, green technologies and tourism to grow
- Building a climate in which entrepreneurs, and small and medium sized businesses can thrive
- Supporting businesses in their Transition to a Low Carbon Economy
- Regenerating Andover and Romsey town centres
- Promoting upskilling and raising qualification levels to meet future economic needs
- Reflecting the changing workforce and new life stages.

- 2.8 The document is structured such that our priority areas dictate chapter headings, but each chapter then highlights any specific place-based priorities in Romsey, Andover, Rural Communities and North Baddelsey, Chilworth and Rownhams and Valley Park.
- 2.9 The document follows the Corporate Plan, reflecting the Corporate Priorities of Sustainability, Connection, Prosperity, Inclusion and Environment throughout.
- 2.10 This Strategy covers the period 2024 – 2029 and outlines the strategic priorities for that timeframe. However, the actions to deliver those priorities will change or evolve over that time. Therefore, the Action Plan identifies clear actions for the period 2024 – 2026. These actions will be reviewed annually.

### **3 Corporate Objectives and Priorities**

- 3.1 This Strategy has been developed in the context of the Corporate Plan 2023 – 2027: A place for Everyone – Supporting Our Communities to Thrive.
- 3.2 The Strategy clearly articulates how the actions will meet all five strategic priorities of Prosperity, Sustainability, Connection, Inclusion and Environment.

### **4 Consultations/Communications**

- 4.1 It has been developed based on the consultations undertaken by the Council in 2022 to develop the Corporate Plan.
- 4.2 Following the public consultations for the Corporate Plan, the Council facilitated Thriving Communities Workshops across the Borough, involving residents, organisations and businesses, in recognition of the fact that we must work in an ever more place-based way because one size does not fit all.
- 4.3 We have consulted with representatives from across the Council's services have met together internally to discuss their roles and contributions to the Strategy and its Action Plan.
- 4.4 In addition, members of the Council's Economic Development Team listen to businesses and engage with business organisations on a daily basis including the Hampshire Chamber of Commerce, the Federation of Small Business and the National Farmers Union. The team also collaborates with Government partners such as Hampshire County Council and previously the Local Enterprise Partnerships.

### **5 Options**

- 5.1 The options for consideration are:
- 5.2 Option One – To adopt the proposed Economic Development Strategy 2024 – 2029.
- 5.3 Option Two – To not adopt the Proposed Economic Development Strategy 2024 - 2025

## **6 Option Appraisal**

- 6.1 Option One will give the Economic Development a clear framework to deliver the service between 2024 – 2029.
- 6.2 It identifies clear and measurable actions which will be reviewed annually to ensure that they are delivered and still fit for purpose.
- 6.3 The current Economic Development Strategy ran from 2019 – 2023 with an interim review in 2021 and is out of date. It was also written within a period of massive uncertainty due to the Covid-19 pandemic.
- 6.4 This Strategy is based on refreshed socio-economic data post pandemic and therefore provides the evidence to develop the right strategy at the right time.
- 6.5 Adopting Option Two would mean that the economic development function would not be working to a current Strategy and therefore not best placed to deliver the Corporate priorities. It was also based on an evidence base which is out of date.
- 6.6 Therefore, Option One is recommended.

## **7 Risk Management**

- 7.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time.

## **8 Resource Implications**

- 8.1 The Strategy has been developed within the expected budget envelope and current staff resource. Any action that requires additional resources will be subject to a future decision.

## **9 Legal Implications**

- 9.1 Economic Development is a discretionary rather than statutory duty. Therefore, approval of the Strategy involves no legal implications.

## **10 Equality Issues**

- 10.1 The EQIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.

## **11 Other Issues**

- 11.1 Community Safety – Not applicable
- 11.2 Environmental Health Issues - Not applicable
- 11.3 Sustainability and Addressing a Changing Climate – This Strategy supports the Climate Emergency Action Plan and has a Priority of Supporting businesses in their Transition to a Low Carbon Economy.

11.4 Property Issues – None identified

11.5 Wards/Communities Affected - All

## 12 Conclusion

12.1 The Economic Development Strategy 2024 – 2029 sets out the key priorities and measurable actions to deliver Test Valley Borough Council’s economic development activity over the next five years.

12.2 It has been developed with a robust socio-economic evidence base and local engagement

12.3 It contributes to each of the priorities within the Corporate Plan 2023 – 2027: A place for Everyone – Supporting Our Communities to Thrive.

<u>Background Papers (Local Government Act 1972 Section 100D)</u> <a href="#">Oxford Economics Socio Economic Study 2023</a>			
<u>Confidentiality</u> It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Leader and Strategic Regeneration and Partnerships (North) Portfolio Holder) Councillor P North			
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Report to:	Cabinet	Date:	3 April 2024