

## SCRUTINY ECONOMY COMMITTEE 12 NOVEMBER 2009

### Key Elements of the Programme for the Economy Portfolio for 2009/10

#### Economic Development Strategy

##### June Statement

We have now revised the Economic Development Strategy, setting out a range of priorities and an associated programme of projects for the next five years. Making the most of the local economy depends on cross working with a wide range of key stakeholders in the City and working with our partners outside the City through Exeter and the Heart of Devon Partnership and through the New Growth Point. Given the state of the economy at large, we will closely watch performance in the local economy to review our Strategy in late 2009, in the light of that performance.

##### Current Position

*Officers continue to present updates on the Economy to each meeting of Scrutiny. A comprehensive update was provided to the September meeting with a comparatively positive picture emerging.*

#### Responding to the Recession

##### June Statement

Whilst the Economic Development Strategy deals with longer term aspirations, there is an immediate need to address the impact of the recession. I have asked officers to bring forward a number of proposals to design a package of measures to lessen the impact of the recession on individuals and on businesses, as well as improving the competitive position of Exeter by expanding our marketing activity. That paper is on tonight's agenda for discussion. In addition to these specific proposals, we will continue to work closely with organisations in the City with regular meetings which have been chaired by the Chief Executive since the early Spring.

##### Current Position

*As Members are now aware Executive agreed a wide ranging package of measures to help address the problems created by the Recession and I am pleased to say that those initiatives are now underway. The initiative of particular importance is that which provides funding for the Citizens' Advice Bureau to provide debt counselling and home repossession advice through the City Council's Customer Service Centre. That has now been running for two months and the use of the CAB service has been particularly high. In terms of the Recession itself, it would appear that at present the impact on Exeter is less than had been feared, with unemployment having dropped between August and September and currently standing at 2.6%. The retail vacancy rate stands at around 8% and re-lettings of both the City Council's own stock and units in Princesshay have been going well. Evidence from other partners suggests that whilst there a worrying increase in youth unemployment one particular side effect has been a rise in 16-18 year olds going on to Exeter College rather than going on directly to employment. The Council has been working particularly with the Federation of Small Businesses to set up a website to assist small businesses in offering their services to the public sector as a way of encouraging public sector buyers to place more business with local companies. The new website will be launched at the end of November.*

***Participating public sector organisations include the Met Office, the University, the Royal Devon and Exeter Foundation Trust, Devon County Council, Devon and Cornwall Police, Exeter College and the Devon and Somerset Fire Service.***

### **City Centre Promotion**

#### June Statement

A major programme of enhancements has now been completed and will focus on promoting the City centre through additional marketing, whilst seeking to reduce vacancies through active marketing of our own premises, reducing the impact of vacant units on the appearance of the City centre (by installing displays in vacant shop fronts) and by continuing with the programme of special markets as outlined in the attached sheet.

#### Current Position

***A series of displays were commissioned and have been in place in vacant units owned by the City Council. With the letting of units in South Street, only one display is in place at present in the former card shop at the top of Fore Street. We continue to press private sector partners to use this free service but with limited results. The Christmas launch event will be on 17 November fronted by Toby Anstis. Some 80,000 brochures have been printed for distribution in Devon.***

### **Canal Basin**

#### June Statement

Regeneration continues to make sound progress with Bridger Marine now in new premises at Haven Road Car Park. Work on the 14 Affordable Housing Units at the head of the Basin is progressing well. It is expected to go out to tender very shortly for the construction of Michael Browning Way which will provide access to Bridger Marine's premises, the winter boat laying up area and a re-designed Haven Road Car Park.

#### Current Position

***Work on the 14 Affordable Housing Units will be completed in November and it is expected that tenants will be occupying the properties shortly afterwards. The tender for the construction of Michael Browning Way has been returned and is within budget and a start on site is expected in November.***

### **Science Park**

#### June Statement

This partnership project continues to progress well with a new Science Park Company about to be formed with the appointment of a Chair recently agreed, a planning application due this month with the associated infrastructure provision making excellent progress in terms of approvals and funding. The £750,000 contribution to the Science Park Company will be one of the biggest commitments on the Economy budget.

#### Current Position

***There have been significant changes in this project recently with the formation of the Science Park Company anticipated imminently, and the arrival of the new Chair – Professor Sir William Wakeham – who has now taken over the steering of the development and implementation of this key project. The planning application for the Science Park is due for consideration by East Devon District Council's Development Management Committee later this Autumn. The progress that is being made on the Junction 29 alterations is obviously critical to the implementation of the Science Park and, as Cllr Wadham has indicated, this progress looks most encouraging.***

## Science Base/City of Science

### June Statement

We will continue to work closely with the University and other partners to establish a much higher profile for the City in terms of science based companies and the leading research undertaken by the Met Office, the Peninsula College of Medicine and Dentistry, and the University. The aim is to develop a strong brand for the city through, for example, coordinating and providing a focus for promoting a range of activities relating to innovation, education and the development of knowledge based businesses in the area. Establishing a reputation for the city as a recognised "science base" will be essential for the successful development of the science park to support those organisations already successfully operating here.

### Current Position

**Senior representatives of the partner organisations involved, remain committed to this initiative and have asked their communication/PR colleagues to work with the City Council in taking it forward. Details of the many science based activities undertaken in the City are being collated and a new website and promotional plan is being developed. It is intended that the initiative will be publically launched early next year.**

## Inward Investment

### June Statement

At the present time inward investment levels are very low as companies review their operations and investment plans. Nevertheless, I would like to highlight the recent opening of the Reuters base in the City, a success in terms of our long term efforts to secure high profile knowledge-based companies. The Economic Development team worked closely with Reuters over several years to ensure that their accommodation needs could be met in a high profile, quality building. The attraction of the new Jury's Inn Hotel and other smaller relocations and investments are other examples of this important area of work.

### Current Position

**The number of enquiries for sites and premises had picked up in the last three months following an understandably quiet period in view of the Recession. There is some evidence of greater interest from investors to open new branches, relocate their existing business or to secure business partners. In addition, enquiries have also arisen via Pera network, which is funded by the UK Trade and Investment Service, from foreign owned companies looking to secure business partnerships with local firms. So far this year 53 business partnership enquiries have been received compared to none in 2008. The Economic Development Team worked closely with LGC (Laboratory of Government Chemists) over several years to identify suitable high quality lab space at the Innovation Centre Phase II; it was officially opened by Princess Anne in April 2009. Over the summer the team worked closely with the National Coastwatch Institution to find them offices for their National Headquarters, they officially opened at the Basepoint Business Centre, Matford in September this year**

## Tourism

### June Statement

The successful re-launch of the Underground Passages in late 2007 has already been reported. The attraction continues to experience growing visitor numbers. We have now reached an agreement with Exeter Canal and Quay Trust to support the Quay House Visitor Centre for the medium term. We will be investing in the Visitor Centre later this year to bring facilities up to modern standards. In order to take

advantage of adverse exchange rates, we will also be increasing our Tourism Marketing budget, targeting particularly the weekend break market for the coming Autumn and the family market for Spring 2010.

**Current Position**

***Marketing campaigns have been implemented to increase promotional activity for the Autumn and are being put in place ready to start promoting the area for next Spring and Summer. This includes targeting the UK Flybe routes. City Council officers play a leading role in driving the activities of the Exeter and Essential Devon Tourism Partnership. Additional businesses are being recruited as partners to participate in and support increased marketing and to encourage greater use of the improved website to attract as many visitors as possible. Development plans to improve Quay House are well advanced and work should be completed by March next year. There has been a record number of people taking part in Heritage Open Days.***

**Councillor Stella Brock  
Portfolio Holder Economy and Tourism**