

**SCRUTINY ECONOMY COMMITTEE  
10 NOVEMBER 2011**

**Key Elements of the Programme for the Economy Portfolio for 2011/12**

**Economic Development**

The importance of Exeter's economy as an economic hub and focus for growth within Devon and the wider South West is clear. Between 2003 and 2008, EHOD generated 68% of the total private sector employment growth seen across the wider Devon County area (including Torbay and Plymouth). The area provides a base for leading regional, national and international employers, attracting people with higher level skills and investors.

There are continued uncertainties in the economy. Therefore an absolutely priority for the City Council must be to continue to support growth and recovery.

The key priorities for supporting growth and recovery in 2011/2012 are summarised in the report of the Head of Economic Development on the main agenda, they are as follows:

- Work with the business community to secure support for the establishment of the city centre Business Improvement District. The City centre remains the engine of the city's economy and I am sure the BID will have a positive impact on the city centre;

*Update: The vote in July resulted in a narrow vote against the establishment of a BID. The Chamber of Commerce is currently undertaking a survey of city centre businesses to determine whether there is a real desire to pursue the proposal for a BID and whether the original proposal should be amended. Our position is that the Council will support the holding of another ballot*

- The arrival of John Lewis to the City Centre will be a major boost to the economy; we have a lot to do in terms of supporting this investment with improvements to the public realm.
- We will continue to work with Land Securities and the Crown Estate to build on the City Centre Vision, and transport study already undertaken with a view to bringing forward a concept master plan for the Bus & Coach Station site. A key element of this will be to produce a detailed feasibility analysis based on established master planning principles. If a viable scheme can be identified we will be looking to press ahead with the planning processes and seeking to agree Heads of Terms for a development agreement.
- Individual developments, such as John Lewis, and Waitrose have an important role to play both in providing immediate jobs for construction workers and in creating new permanent jobs. Both developments will provide hundreds of jobs and will provide an important boost to the local economy.

*Update: We are continuing to work with Land Securities and the Crown Estate to bring forward a scheme of redevelopment for the Bus and Coach Station site. A two year Exclusivity Agreement has been agreed in principle with Land Securities/Crown Estate to provide comfort to all parties during this process. Under this it is intended that a feasibility and viability analysis of the site will be delivered which, if acceptable, will clarify the way forward. At the same time we continue to work on the development of a Master Plan for the site and we hope to*

*be able to confirm the master planning principles by early in the new year. This process has been somewhat delayed by the delivery of the new JLP store in the former Debenhams building, but I am pleased to report that this has now been secured and we can focus our attention on the next vital stage of the City Centre's development.*

- A priority for this year will be to capitalise on the investment that has been made in the growth point outside the city. Therefore we will work with the Exeter and Heart of Devon Growth Board to influence and secure support for priority actions and developments from the new Local Enterprise Partnership. Although we do not have a seat at the table of the LEP we will make our presence felt through the new Growth Board.

*Update: Dr. Stephen Bird of the LEP Board now attends Growth Board meetings and other more informal contacts are regularly being made to seek support for our priorities. Specific support is being sought for access to finance for developing projects*

- An immediate priority will be to assess with our partners in East Devon and the County Council the merits of pursuing proposals for an Enterprise Zone

*Update: Proposals were submitted but the LEP chose to support a proposal from Plymouth and a combined bid from Somerset and Devon for a "multi-site" Zone relating to renewable technologies. Neither were successful but in view of the emphasis of most of the successful bids having been approved in areas suffering from more significant economic disadvantage than Exeter's economy, avoiding the city becoming regarded as also a difficult place to do business by association is important in terms of its external perception by investors.*

- We will continue to progress the development of Exeter Science Park with a particular focus on its promotion

*Update: On-site Infrastructure and access via the revamped motorway junction is progressing well. The Science Park Company has developed a marketing plan and is getting on with implementing it. The priority remains of delivering the first building.*

- Increase business formation and survival through a programme of activities coordinated by Exeter Business Support

*Update: The partnership the University Innovation Centre to provide support for new and recently started small businesses has dealt with 147 individuals since April this year. So far 18 new businesses have started and a further 10 new businesses were receiving further advice. This service is all the more important now with the reduction in the Business link Service*

- Promote the formation and survival of social enterprises through the services of Fruit Tree for Business

*Update: A total of 57 enquiries regarding support for social enterprises have been received so far this year. 6 new enterprises have been started and at least a further 4 are in the pipeline. 8 of the 15 started last year are continuing to receive crucial support in their early months*

- Adjust service delivery and customer relationship management in the handling of investment enquiries and the operation of the Commercial Property Register with reduced resources

*Update: A new web accessed service for enquirers is being established which will free up officer time to concentrate on the more important enquiries and to undertake other economic development activities including improving information available to enquirers*

- Continue to work with the Exeter and Heart of Devon Employment and Skills Board to promote investment in relevant training provision for employers and progress projects which support local people to take advantage of job opportunities arising from the Exeter and East Devon New Growth Point projects

*Update: The Skills Board have secured funding, working with partners across Devon, from the Jobcentre Plus Flexible Fund, which will bring £250k into Devon (from a Job Centre Plus contract) to support unemployed people overcome barriers to employment through:*

- *debt and finance advice*
- *physical and mental health advice and counselling*
- *support for learning disabilities*
- *self employment and business start up advice and support*
- *other timely support (redundancy, housing etc)*

*The project lead is North Devon+. The outputs expected are to support a minimum of 200 people by the end of March 2012.*

*The Skills Board have also secured funding for two other projects. Firstly to promote the development of the skills of key individuals who will be crucial to business growth. Recent evaluations of skills needs and priorities for the ESB identify enterprise, leadership and management skills as key to utilising the skills currently in the workforce and delivering growth. Research shows there to be no shortage in provision, but take-up of existing training by local businesses is quite low. Highly effective management and leadership will only happen if employers, facing day to day realities of running their organisations, see a value and purpose in making such improvements. The project will use a proven approach to target over 60 business owner managers to develop their skills.*

*A further project will aim to increase investment in skills by encouraging and supporting employers to take on apprentices. Increasing the supply of apprenticeships has been identified as a priority by the ESB but currently only 4.3% of employers in Devon take on apprentices against a national figure of 8.1%*

- Through the delivery of Exeter Positive Steps Fund projects assist people from the most deprived neighbourhoods and backgrounds in the city to take up training and/or employment

*Update: In the current round of projects 80 people from the most disadvantaged parts of the city have gone on to further training, 79 have taken up voluntary work, 49 have found employment and 25 have come off benefits.*

## **Estates**

We will continue to work to deliver the next phases of the Canal Basin regeneration. In particular work is now in hand on the conversion of the Old Electricity Building into a new indoor climbing centre and Devon County Council have confirmed their intention to bring forward their scheme for a new Outdoor Education Centre. Over the course of the summer we will be examining our approach to the listed buildings and the uncompleted site at the head of the Basin in conjunction with the Exeter Canal & Quay Trust.

*Update: At the same time we will continue to work to deliver the next phases of the Canal Basin Regeneration. The refurbishment works and conversion of the Old Electricity Building into a new Indoor Climbing Centre are now substantively complete and the venue is open for business. Devon County Council are continuing to work to bring forward their scheme for a new Outdoor Education Centre and it is their current intention to start on site early in the new year. With the expiry of the Sutton Harbour Exclusivity Agreement at the end of October 2011 we are considering how best to bring forward the refurbishment of the listed buildings and other sites around the Basin in conjunction with our partners, the Exeter Canal & Quay Trust.*

The process of selecting a new auctioneering firm to run the livestock markets at the Matford Centre is in hand and we hope to select a new partner over the course of the summer with a view to the new arrangements being in place for next Spring..

*Update: We have selected a preferred bidder to run the livestock market at the Matford Centre and are now working to get an agreement in place well in advance of the commencement of the new arrangements in April 2012.*

## **AFU**

As members will know Council has agreed to reluctantly close the Archaeological field units. Most of the staff will be made redundant at the end of June with a core team being retained until the end of March of 2012 to close down outstanding projects and to honour contractual obligations. This will be a difficult time for staff and we will wish to achieve this closure in a orderly, and responsible manner with minimal risk to the Council's reputation.

*Update: You will be considering tonight a report on the closure of the AFU. You will note the significant progress in completing the outstanding backlog of cases. We anticipate that most of the remaining projects will have been completed by the end of March 2012. For those projects that cannot be finished in time, arrangements will be made to complete the work outside of the AFU. The one area that will require a longer period of attention than previously assessed is the archiving of the material. This is addressed in the officer's report and I would support a proposal to retain the services of the archivist to ensure the archive is appropriately deposited. All in all the remaining staff have done a sterling job to clear the backlog.*

**Councillor Rosie Denham**  
**Portfolio Holder Economy and Tourism**