

REPORT TO: Cabinet 8 January 2020

LEAD CABINET MEMBER: Councillor Bridget Smith

LEAD OFFICER: Stephen Kelly Joint Director of Planning and Economic Development

An Economic Action Plan and new Business Support Service for South Cambridgeshire

Executive Summary

1. The Greater Cambridge Economic Action Plan has been drawn up by South Cambridgeshire District Council, the Greater Cambridge Partnership and Cambridge City Council. Building upon the Greater Cambridgeshire and Peterborough Local Industrial Strategy (LIS) approved by Government in Summer 2019, it brings together into one document the plans and priorities of the three partners around economic development and provides a link between South Cambridgeshire's plans for supporting local businesses.
2. In order to deliver the actions within the draft Economic Action Plan, and in line with the commitment in the business plan the report also proposes to create additional capacity within South Cambridgeshire District Council through the creation a Business Support team within the Council alongside a dedicated budget to deliver business support and engagement. Three new roles have been identified which will supplement existing strategic economic development capacity within the shared planning service, thus creating a Business Support team of four posts and retaining the more strategic capacity within the Planning service. Given the ongoing consultation on the future organisational structure, the management of the new Business Support service is not yet finalised. At this stage therefore, the Committee is being asked to comment upon the broad roles and budget for the service, rather than its detailed structure.
3. This is a key decision. It was first published in the September 2019 Forward Plan.

Recommendations

4. It is recommended that Cabinet:
 - a) Approve the Greater Cambridge Economic Action Plan; and
 - b) Delegate authority to the Joint Director of Planning and Economic Development to make minor typographical/factual changes or changes to improve legibility/understanding prior to the publication of the Economic Action Plan
 - c) Agree the proposal for a new Business Support Service for South Cambridgeshire;

Reasons for Recommendations

5. The proposals will underpin delivery of the Council's Corporate objective to support economic development in the District as set out in the 2019-2024 Business Plan.

Greater Cambridge Economic Action Plan

6. The "Greater Cambridge Economic Action Plan" can be found at Appendix 1. It has been created jointly with the Greater Cambridge Partnership (GCP) and Cambridge City Council – reflecting the close relationship between the area's economy and the administrative boundaries.
7. The purpose of the plan is:
 - To set out targeted objectives and actions that will support the Greater Cambridge economy and local businesses; and
 - Through those objectives and actions to support the delivery of the Local Industrial Strategy (LIS) in Greater Cambridge.
8. The Plan is based around a series of objectives that align with the LIS strategic ambitions (and the Government's five Foundations of Productivity), but also responds to local evidence and priorities. It seeks to address the Council's ambition to support businesses of all sizes, including rural enterprise and farming, to help create new jobs and opportunities near to where people live.
9. The locally targeted actions have been drawn from existing plans and priorities. For South Cambridgeshire, they include:
 - a. Key economic development driven actions identified in the SCDC Business Plan
 - b. The Council's Brexit Advisory Group priorities for action
 - c. A range of corporate activities including housing, transport and planning
10. Whilst the plan responds to the Local Industrial Strategy for the area it has been prepared and drafted with the benefit of officer engagement with members and local stakeholders in the early autumn. In addition to the assimilation of feedback from the workshops and feedback at events such as the initial Local Plan consultations the action plan (and Business Plan) also build upon learning secured through the Brexit Advisory Group Hearings early in 2019.
11. The plan has also been considered by SCDC Scrutiny Committee (at their meeting on 17th December). The Scrutiny Committee comments covered points of detail and accuracy and emphasised the importance of strategic level interventions to improve utilities and digital infrastructure. The Committee also sought clarification on the means by which the "performance" of the plan would be monitored and measured. Whilst the Action Plan appended has not been able to be updated in time for publication to introduce a dedicated performance framework, the development of the Business Support Service covered in this report will be accompanied by associated performance indicators. Some of the Action Plan objectives, surrounding housing and planning outcomes for example, are also already addressed in the corporate performance reporting process and will be reviewed further as part of the Business Planning cycle.

12. The Economic Action Plan is also expected to complement South Cambridgeshire District Council's Investment Strategy and help to determine "Stream 2" Investment decisions – those which can generate regeneration or economic development benefits as well as positive financial returns for the Council.

A new Business Support Service for South Cambridgeshire

13. 'Growing local businesses and economies' is one of four priority areas in the South Cambridgeshire District Council Business Plan 2019-24. The Business Plan outlines twenty-two actions to be implemented by the Council over the plan period to help achieve this objective. The Economic Action Plan (above) plays an important part in delivering that objective, but delivery of a number of the actions will require the Council to lead on and/or directly deliver a number of the plan's actions. At the present time however, the Council lacks the capacity to deliver all of these measures effectively.
14. The current Economic Development resource within South Cambridgeshire, i.e. those officers that are dedicated exclusively to the promotion of economic development of the district, is as follows:
- 1 Economic Development Officer currently in post; and
 - 1.5 additional posts, Business Liaison Officer (1fte) and Assistant Economic Development Officer (0.5fte). These posts are currently vacant with role profiles being taken through the job evaluation process with the expectation that recruitment will take place at the beginning of 2020.
15. In order for the Council to deliver the objectives of the Action Plan, two broad capabilities are required. Firstly, capacity to help interrogate data and shape the strategies and policy of the Council and its partners – so that future planning and investment recognises and is supportive of the economic priorities for the District and can engage with the barriers to successful economic growth (such as infrastructure etc). Secondly, the Business Plan commits to a series of business support activities offering practical advice and targeted support to existing and growing businesses in the District and to engage with those seeking a foothold in the area.
16. Whilst the Council has identified roles to support strategic economic development work, the current staffing resources (and focus) is not currently considered sufficient to successfully deliver the range of actions outlined in the Council's Business Plan.
17. Accordingly, with reference to other councils' business support services (such as in West Suffolk, Bedford and Huntingdonshire), officers have considered the resources required to successfully achieve the Council's ambitions. This is considered to comprise a need for a team of four officers and revenue funding to support the delivery threads below. The new business support resources may not rest within the Shared Planning Service (and decisions on this will need to await the outcome of the senior management re-structure currently underway), but from the new financial year starting in April, capacity and capability to deliver the Business and Action Plan outcomes will need to be created. This would be in addition to the strategic economic development capability, which will remain within the Strategy and Economy team of the Shared Planning Service.
18. The development of and recruitment to the new roles, together with the prioritisation and implementation of a fully costed delivery plan will take place in the new year. Initial activity and focus within the team, based upon the LIS, Business Plan and Economic Action Plan will nevertheless target the following areas:

Support to Small and Medium Size Enterprises (SME)

19. In order to support businesses, the Council needs to better understand their needs by listening to them and to the bodies that represent them. Building a business engagement plan the service will be looking to go out to SMEs and to connect with entrepreneurs and networks across the area, to share information on the support available to them and to provide a responsive and useful support capability. This might include a package of support activities for start-up and small enterprises working in concert with programmes provided by the Combined Authority and other partners.

Inward Investment and promotion of the Enterprise Zones

20. The District has three designated Enterprise Zones – part of the “Cambridge Compass”. Development on the Enterprise Zones to date has been very limited – and there is accordingly a need to work with partners on each of the sites to resolve existing barriers, identify investment opportunities and to develop marketing materials and campaigns to encourage businesses to locate to these sites. There is also currently a lack of a reliable and up to date information on the district’s economy and available land and premises – including the land that will become available in new settlements. Information and marketing material to enable potential investors to understand, not only what is on offer from South Cambridgeshire, but also the opportunities available in its individual communities is also very limited.

21. The new service, working with partners such as Cambridge &, the Greater Cambridge Partnership (GCP) the Combined Authority’s Growth Company and Department for International Trade (DIT), will promote South Cambridgeshire and its EZs and development sites to businesses. This is expected to include an enquiry handling system and work to build relationships with potential investors and agents in order to guide them through their relocation to or within the district.

Supporting Sustainable Village economies

22. Working with parish councils, members and local SMEs to develop and to start to implement a programme of activities to support local village economies. Based upon initial feedback, areas that will be explored include:

- building knowledge of village economies;
- connecting workers and businesses;
- developing local supply chains;
- supporting the sustainability of village retail centres;
- developing local workspaces including the reuse of agricultural premises;
- the provision of digital infrastructure;
- creative workspace opportunities.

23. The development of a larger visitor economy is an important component in helping to ensure our village businesses are sustainable; bring greater activity and additional spend. Following the creation of a Destination Management Plan, the service would work with Visit Cambridge & Beyond to implement the recommended actions for the district

and with partners to develop sustainable tourism initiatives such as cycling and walking trails to encourage visitors into the district's communities.

24. Businesses will also play a key part in SCDC's response to the declared climate emergency. The service will also explore ways in which it can support local enterprises respond to the pressure towards low carbon futures and will provide information and advice to help businesses to understand the benefits of generating their own energy, improving their energy efficiency, increasing water and waste recycling. They will also engage experts to investigate the delivery of a brokerage service for renewable technology investment.

Developing and embedding "business friendly" practice across the Council

25. The service will seek to explore developing trends in economic development, particularly in rural areas, best practice in delivery and opportunities for bidding for additional funding. Through engagement with officers across the Council, particularly in Planning, Licensing, Environmental Health and Neighbourhood Planning, the service will help to shape SCDC's interaction with businesses. In particular, the service will have responsibility for developing the Council's single point of contact processes and structure will also work with the regulatory services teams to implement the Better Business for All initiative within the council and with the OneVu team on the implementation of a My South Cambs portal for businesses.

Implications

26. In the writing of this report, taking into account financial, legal, staffing, risk, equality and diversity, climate change, and any other key issues, the following implications have been considered:-

Financial and Staffing

27. A budget bid of £200k has been included in the 2020/21 budget as an annual revenue increase. This has been approved by Cabinet on 4 December for inclusion in the February budget setting meeting.

Legal

28. None.

Risks/Opportunities

29. The current economic climate is volatile and highly competitive; creating a better environment for business growth will not guarantee business growth. A thriving business environment, with clearly articulated commitments from the Council will nevertheless help South Cambridgeshire District Council compete as a location for business, whilst the support provided by officers to small and medium sized businesses will help to retain existing employers, improve survival rates of new enterprises and secure new investment in existing and new communities across the district.

Equality and Diversity

30. None

Climate Change

31. Supporting investment into the District's new and existing settlements and the continued success and expansion of the District's existing dispersed business community will help

the Council to meet its climate change and wellbeing objectives – ensuring that across the district, local communities are close to opportunities for work – and reducing the need to travel to the City or neighbouring towns for employment.

Consultation responses

32. A draft of the proposal for a new Business Support Service was taken to the Economic Development Policy Members Group on 24 October 2019. Councillor McDonald, as the council's Business Champion, has helped shape the service further. In additional consultations with Members (on the Economic Action Plan) and businesses on matters surrounding the joint local plan has also helped to inform the outcomes in the Economic Action plan and the need for additional business Support. The proposed Action Plan and Business Support Service has also been shaped by listening to a number of focused "Brexit" centred presentations from businesses and business groups, received as part of the Brexit Advisory Group engagement sessions in early 2019.

Effect on Council Priority Areas

Growing local businesses and economies

33. The investment in Business Support Capacity and the production of a Greater Cambridge Economic Action Plan contribute to the actions in the Business Plan to 'Create a business team with a single point of contact for business enquiries' and to 'Create a new plan to support the South Cambridgeshire economy and local businesses'. By its very nature, the plan will support the implementation of the other actions that come under this key priority in the Business Plan.

Housing that is truly affordable for everyone to live in

34. The Economic Action Plan acknowledges the importance of the provision of housing in creating a sustainable Greater Cambridge economy and reflects the aspiration in the Greater Cambridge Housing Strategy to provide housing for local workers.

Being green to our core

35. A number of actions to be delivered by the new service will support local businesses to become more sustainable and to protect and enhance the natural environment.

A modern and caring Council

36. A number of actions to be delivered by the new service will support our customers with high-quality services, in particular, the creation of a single point of contact for business enquiries.

Background Papers

- Business Plan 2019 - 2014 – Report to Council: 21 February 2019.
- Cambridgeshire and Peterborough Independent Economic Review Interim (9 May 2018) and Final (14 September 2018) reports.

- Cambridgeshire and Peterborough Local Industrial Strategy, July 2019.
- Greater Cambridge City Deal, June 2014.
- Report to Cabinet: Brexit Advisory Group: Priorities for Action, 6 March 2019.

Appendices

Appendix 1: Greater Cambridge Economic Action Plan

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