

Report to Improvement & Review Commission

ECONOMIC DEVELOPMENT STRATEGY

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What is the Commission being asked to do?

The Commission is requested to review this document and provide any comments.

Proposed Resolution:

Cabinet, at its meeting on 5 February 2018, is being requested to agree:

That Cabinet recommends to Full Council the approval of the draft Economic Development Strategy “Wycombe – A Welcome Home for Business ” (appendix 1) as a framework for the Council’s work with its partners to support the growth of the District’s economy over the next decade and instructs the Corporate Director to commence consultation on the Strategy with local businesses, key stakeholders and the Improvement & Review Commission, with a view to a final version of the Strategy being prepared for Cabinet in early 2018, to it to determine its recommendations to Council.

The reason for this decision is because the future economic prosperity of the District is of vital importance to the Council. The health of the local economy is critical to the continuing success of the District as an attractive location for businesses and a source of employment opportunities for local people. To ensure that the District’s economic progress is sustained, the Council has a key role to play in creating the environment and conditions in which businesses can grow and prosper and new investment can be attracted to Wycombe.

Corporate Implications

At a point in the New Year, the Corporate Director will come forward with a report seeking authority to appoint an Economic Development officer to a full time post to manage the implementation of the strategy and related action plan.

Executive Summary

“Wycombe – A Welcome home for Business” sets out an evidence based approach to local economic development. The strategy complements the Bucks Growth Strategy published recently by the Buckinghamshire and Thames Valley Local Enterprise Partnership, and the some of the key areas set out by the Government in its recently published Industrial Strategy.

The annual economic output of the District’s economy at present is just under £5.5bn as measured by gross value added (GVA). The proposed Strategy sets an ambitious target of growing the local economy to £7bn GVA by 2027. This will require an average annual growth rate of just under 3%. This will be achieved in part by an expected increase in the District’s population and also through higher levels of

economic activity and business productivity, achieved through investment in innovation, skills and technology.

The strategy is framed around 10 strategic objectives dealing with issues including Growth and Internationalisation; business accommodation; the business birth rate; tourism and the visitor economy; skills and talent; new housing; research and innovation; urban design and place making; support services for business; and transport and ICT connections.

The strategy will need to be delivered by working with partner organisations such as BCC, BTVLEP, BBF, local BID companies, Bucks New University, and local Chambers of Commerce. It is proposed that the Council should appoint a full time Economic Development officer to co-ordinate project activities involving local businesses and partner agencies and that the Corporate Director (Growth and Regeneration), should bring forward an annual programme setting out priority projects and initiatives for approval by Council.

Sustainable Community Strategy/Council Priorities - Implications

The continued success of the local economy is critical to the achievement of the Council's wider strategy and corporate priorities.

Background and Issues

The District's economy starts from a position of relative strength with low levels of unemployment among the working age population (1.3% claimant count) and high levels of economic activity (81%). Economic output measured by gross value added at over £31,000 is significantly above the GB average. The average weekly earnings of residents at £606.70 in 2016 are also higher than both the GB and South East figures.

Whilst the local economy starts from a relatively strong position, there are issues that will drive change over the next decade which, if not dealt with effectively, could impact detrimentally on local economic performance and the District's future prosperity. These include housing market pressures, public spending constraints, an uncertain investment climate, major new disruptive technologies, environmental pressures, skill shortages, an aging population and emerging concerns around social cohesion and inequality.

The District stands to benefit from planned infrastructure investment including the Cambridge-Oxford Expressway, the expansion of Heathrow, East-West Rail and opportunities for links to HS2 and Crossrail. However, there are also constraints to future development, notably the need to protect the green belt and the Chilterns' Area of Outstanding Natural Beauty as well as challenges in relation to available development land as a result of the District's topography and shortage of suitable development sites.

The Economic Development Strategy complements the land use framework set out in the Local Plan and will contribute to several of the objectives articulated in the Council's Corporate Plan 2015-19.

Table 6 of the Strategy summarises key strengths, weaknesses, opportunities and threats faced by the local economy. It will be important to build on existing strengths

including the District's excellent strategic location and help local businesses take advantage of future opportunities for growth.

One of the key challenges facing the District in future will be the need to ensure that growth is managed in an environmentally sustainable way, employing low carbon technology and taking appropriate action to mitigate the effects of climate change and pressures on air quality and productivity, arising from traffic congestion.

"Wycombe – A Place to Grow and Prosper" aims to ensure a rounded approach is taken to future development by framing action around the strategic objectives summarised above.

Consultation

Subject to Council approval of the strategy, it is proposed that there should be a period of formal communication with the Improvement & Review Commission, the local business community and partner organisations, so that their views can be taken into account prior to finalisation of the document and the preparation of an Economic Development work programme for delivery in 2018/19.

Business engagement meetings will be undertaken in early 2018 with a view to the strategy and work programme being agreed prior to the start of the 2018/19 financial year.

Options

The option to endorse the proposed strategy is a binary decision: the alternative is not to endorse it, or to instruct the development of a revised approach.

However, because the intention of the strategy is to set the future direction of the Council's approach to economic development there will be the flexibility to respond to changes in the local economy through the mechanism of work programmes agreed each year.

Conclusions

The District's economy starts from a position of relative strength but future prosperity cannot be taken for granted. This Economic Development Strategy will provide a framework for action by the Council and its partners to sustain economic prosperity over the coming decade.

Next Steps

Subject to the approval of the draft strategy, work will commence on consultation with local businesses, key stakeholders and the Improvement & Review Commission, with a view to their views being taken into account in the final draft. Once this has been completed Cabinet will be able to determine its recommendations to Council and work can progress on the economic development programme for 2018/19 and the recruitment of a full time economic development officer.

Background Papers

UK Government Industrial Strategy

UK Government Clean Growth Strategy
Bucks Growth Strategy
BTVLEP Strategic Economic Plan
WDC Corporate Plan 2015-19
WDC Local Plan, publication version October 2017