

## **FUTURE ROLE OF THE ECONOMIC DEVELOPMENT TEAM**

### **1. INTRODUCTION**

- 1.1 Following the completion of the tourism review it is now timely to consider the future role of the economic development team remaining at New Forest District Council. This follows on from the deletion of the Employment and Tourism Managers post and the transfer of many tourism functions to a new Company being set up by the New Forest Tourism Association.
- 1.2 “Helping local business to grow” is a top Council Priority and the work of the new economic development team needs to be guided by our priorities so that the Council uses its resources to support business in the most effective way.
- 1.3 The budget of the team is £160,000 and it will be led by the existing Business Development Officer, Matt Callaghan. The team is now under the management of the Strategic Planning Service Manager, Louise Evans, to help emphasise the economic significance of the future growth planned for the area. Other members of the team will be confirmed when the staffing implications of the tourism review are fully resolved and to reflect the priorities of the new strategy.

### **2. ECONOMIC BACKGROUND**

- 2.1 As background to the consideration of our priorities our unemployment rate is a very low and our environment and “quality of life” are ranked very highly. The leading business sector of the New Forest is the tourist/recreation/leisure economy which contributes £500 million to the local economy each year and creates about 15% of all jobs. It is predicted to be one of the UK's fastest growing economic sectors and there is the opportunity to ensure that the tourism offer continues to best showcase the unique identity and heritage of the New Forest.
- 2.2 Within the district there are approximately 8,000 businesses many of which are micro or small with less than 10 employees. SME's will generally benefit more than larger enterprises from local support as they do not have the resources to research and develop opportunities to gain access to things like funding sources which might be available to them. A significant part of the district supports a rural economy which faces a unique set of challenges. These include a shortage of affordable housing, limited access to high speed broadband and the mobile internet.
- 2.3 The consultation draft of the local plan identifies the need for up to 12,000 new homes over the next 20 years and this could be a catalyst for business growth. Such a level of growth would benefit from specific investment in the transport network which would help people access jobs and enable businesses to connect with each other and their customers more easily. In deciding how to provide any new major infrastructure a careful balance will have to be achieved which balances the need for it with the protection and enhancement of our very high quality natural environment.

### **3. CURRENT ACTIVITIES**

- 3.1 A large part of the current work of the economic development team has been in support of the New Forest Business Partnership. This is a membership organisation which is very substantially organised by the Council. This involves:
- administering its membership
  - organising and recording its meetings
  - organising and running themed breakfasts, training workshops and conferences (24 per year)
  - organising networking social events
  - organising the “Brilliance in Business” awards
  - maintenance of website
  - PR, communications and social media
  - running an annual Expo for New Forest businesses
- 3.2 The NFBP are very keen that this support work is maintained as it is about providing services to many of the smaller businesses which exist in the New Forest. Other work of the existing team includes a range of business engagement activities including:-
- supporting the provision of improved broadband
  - Film New Forest
  - Rural Development Leader Grant funding
  - A range of business support functions including helping business start-ups, giving growth advice and seeking funding opportunities, all working with existing partners.
- 3.3 As set out above, the current work of the economic development team is understood to be appreciated by many small businesses in the NFDC area. This is important as there are many of them and they need this type of help, support and networking opportunities to develop further. However we also have a number of larger, very successful businesses within our area and we would like to do more to engage with them and see what we can do to support their further growth and development.

### **4. OTHER FUTURE DIRECTIONS**

- 4.1 Within the New Forest there are a number of public and “quasi” public sector bodies working in support of business. In addition to the District Council there is Hampshire County Council and the National Park Authority. We are in the area of two Local Enterprise Partnerships, Enterprise M3 and Solent. As business tends not to recognise public sector boundaries, engagement with neighbouring local authorities in Dorset, Wiltshire and Southampton, together with their respective LEP’s, is also important. In addition organisations’ like the Forestry Commission have an important part to play in the rural economy. It is often difficult for local business to know how to engage with the number of public sector business support services which are in existence. A more joined up approach between the public agencies would assist local businesses and support a more efficient and effective public sector response. It is proposed that a role of the new team should look to establish a New Forest Business First public sector partnership to help achieve this objective.

- 4.2 Helping local business grow will at times require financial investment. A further objective of the new team should be to help local business to maximise funding opportunities to achieve greater impact within our District, both in terms of assisting individual businesses and in providing for broader infrastructure needs. In particular this might involve liaising more closely with the two LEP's which cover our area and supporting bids for the funding they obtain from central government. In particular we would like to encourage new infrastructure investment to assist with transportation improvements especially where larger scale new development is being considered and for greater broadband coverage.
- 4.3 A long established part of our overall economic aims is to encourage the growth of higher paid jobs in our area to help create a better balance with many of the existing low paid and often seasonal types of work. We have some very innovative, high value types of business particularly in the marine sector and we would like to encourage more of these types of businesses to develop and expand. To help achieve many of the aims above we need to do more to showcase the special features and strengths of the New Forest to attract the type of new investment we want.
- 4.4 We might also have a role to play in encouraging the improvements in the skills of our local workforce if we are looking to attract new higher value employment. This would involve partnerships between businesses, education and training providers. The development of entrepreneurial skills, particularly in young people, should also be part of this new agenda.
- 4.5 As part of many of the ambitions set out above we should look to support major projects which tick the boxes we want to support. Current examples include the proposed large mixed use development of the old Fawley Power station site which could bring high tech employment to the southern Waterside. Another is the proposal for A31 improvements in Ringwood which could remove a major traffic bottleneck adversely affecting businesses in the east of the District and in many areas beyond.

## **5. FINANCIAL AND OTHER IMPLICATIONS**

- 5.1 There are no financial implications because this report is suggesting a revised role for the economic development team within existing budgets.
- 5.2 There will be environmental implications arising from new growth and infrastructure but these will be dealt with through the emerging local plan processes. The role of the economic development team will be looking to achieve adequate funding for new infrastructure to ensure that the implications of new development can be appropriately mitigated.
- 5.3 There are no crime and disorder or equalities implications arising from this report.

## **6. CONCLUSION**

- 6.1 It is hoped that there is general support for most of the ambitions set out above. However we will only be able to support a small economic development team and its resources will need to be carefully targeted at what is most important to the District Council. If we can do more to encourage a joined up public sector approach dealing with many of these issues we will be able to punch above our weight in terms of what can be achieved with a small team here at NFDC.

6.2 If members are satisfied with the direction of travel outlined the following actions will be further developed:

6.2.1 The Council's objectives for the new ED team will be set out in a Draft Strategic Economic Plan for the District. The objectives will include:

- a. Support for the New Forest Business Partnership and expanded business sector engagement
- b. The development of a New Forest Business First public sector partnership that maximises the benefits for local business, including external investment.
- c. Support to key projects including:
  - i. Development of Fawley Power Station
  - ii. A31 Ringwood improvements
  - iii. Broadband
  - iv. Helping and encouraging local young entrepreneurs

6.2.2 The Draft Strategic Economic Plan will be shared with all partners

6.2.3 The new Economic Development team will develop a work programme in support of this plan.

## **7. RECOMMENDATION**

7.1 That the Panel consider the proposals made in this report for the future work and priorities of NFDC's economic development team and advise the Cabinet accordingly.

### **For further information**

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### **Background Papers**

None