

ECONOMIC REGENERATION AND LEISURE COMMITTEE

20 April 2021

Draft Economic Development Strategy

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| Final Decision-Maker | Economic Regeneration and Leisure Committee |
| Lead Head of Service | John Foster - Head of Regeneration and Economic Development |
| Lead Officer and Report Author | Chris Inwood – Regeneration and Economic Development Manager |
| Classification | Public |
| Wards affected | All |

Executive Summary

This report sets out the Councils draft Economic Development Strategy, Economic Vision, five Economic priorities and five- year action plan.

The draft Economic Development Strategy can be found in appendix one and the accompanying State of the Nation report in appendix two.

Purpose of Report

To present the draft Economic Development Strategy, Economic Vision, five Economic priorities and work programme and gain approval for the strategies' public consultation programme and full adoption later in the summer of 2021.

This report makes the following recommendations to this Committee:

1. ERL are invited to make comments on the draft Economic Development Strategy, Economic Vision, the five suggested priorities for the council and the draft action plan.
2. That approval is given to the public consultation programme for the revision of the draft Economic Development Strategy following the local elections in May 2021.
3. That a review of the draft Economic Development Strategy to reflect public consultation feedback is undertaken.
4. That the completed Economic Development Strategy and 5-year action plan will be presented to ERL late summer 2021 for full adoption.

| Timetable | |
|---|--------------------|
| <i>Meeting</i> | <i>Date</i> |
| Economic Regeneration and Leisure Committee | 20 April 2021 |

Draft Economic Development Strategy

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

| Issue | Implications | Sign-off |
|---------------------------------------|--|---|
| Impact on Corporate Priorities | <p>The relevant Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • A Thriving Place | Head of Regeneration and Economic Development |
| Cross Cutting Objectives | <p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation is reduced and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The review of the adopted EDS supports the following cross cutting objectives: 'Heritage is Respected' the brief includes a section on building on our current rich assets. Health Inequalities are addressed and reduced: The economy is one of if not the biggest determining factor in reducing health inequalities 'Deprivation and Social Mobility is Improved' the brief includes a section on Skills and progression in work and our consultants will liaise with the councils Inclusion Board as part of the consultation process. 'Biodiversity and Environmental Sustainability is respected' the brief includes encouraging businesses to reduce their carbon footprint, waste, and energy consumption.</p> | Head of Regeneration and Economic Development |
| Risk Management | Without a review of the adopted EDS the Council is at risk of not reaching its targets on Inclusive growth and post COVID 19 Economic Recovery. | Head of Regeneration and Economic Development |
| Financial | The proposals set out in the recommendation are all within already approved budgetary | Section 151 Officer & |

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| | headings and so need no new funding for implementation. | Finance Team |
| Staffing | We will deliver the recommendation with our current staffing. | Head of Regeneration and Economic Development |
| Legal | <ul style="list-style-type: none"> • The objectives and actions outlined in the State of the Nation report are matters which the Council is permitted to undertake under the Functions Regulations and section 111(1) of the Local Government Act 1972, which empowers the Council to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions. • Under Section 3 of the Local Government Act 1999 local authorities have a duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". • The review of the Economic Development Strategy demonstrates compliance with the statutory duty. It is a function of the Economic Regeneration and Leisure Committee to oversee the development, review and implementation of the Council's Economic Development Strategy and, therefore, it falls to this Committee to consider the recommendations in this report. | Team Leader, Contracts and Commissioning |
| Privacy and Data Protection | The data will be held and processed in accordance with the data protection principles contained in the Data Protection Act 2018. | Policy and Information Team |
| Equalities | An equalities impact assessment will be carried out as part of the public consultation programme. | Policy & Information Manager |

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| Public Health | We recognise that the recommendations will not negatively impact on population health or that of individuals. | Head of Regeneration and Economic Development |
| Crime and Disorder | Not applicable | Head of Service or Manager |
| Procurement | Not applicable | Head of Service & Section 151 Officer |

2. INTRODUCTION AND BACKGROUND

- 2.1 In January 2020 the Council went out to full procurement seeking consultants to undertake a review of the Council's current Economic Development Strategy.
- 2.2 Lichfields were chosen as the Council's preferred bidder as in addition to submitting a quality tender response, they are the Council's consultants for the Local Economic, Retail and Leisure Needs Assessment for the Local Plan review and were commissioned by the South East Local Enterprise Partnership to develop the LEP's Local Industrial Strategy.
- 2.3 Due to the Covid-19 pandemic the original brief was amended to include economic impacts of Covid-19 upon the Borough's economy and the implications this is likely to pose for development of the Economic Development Strategy.
- 2.4 The work programme was paused due to the Economic Development team focussing on delivering Covid-19 Business grants with a revised programme being agreed for 2021.
- 2.5 The draft Economic Development Strategy is designed to be high- level, acting as a positioning document to bid for future external funding support and shape the direction of the Economic Development teams focus over the next five years.

3. DEVELOPING THE DRAFT ECONOMIC DEVELOPMENT STRATEGY

- 3.1 The draft strategies, priorities, economic version, and action plan were shaped following several stakeholder events held during 2020 and 2021.

| Stakeholders: | Date: |
|---|----------------|
| All Members workshop | 12 August 2020 |
| Engagement with the Councils Inclusion Board to understand the Councils emerging work around inclusive growth, financial inclusion, | 20 July 2020 |

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| social mobility, and deprivation. | |
| Officers workshop, | 11 August 2020 |
| Maidstone Economic Business Partnership workshop on Covid 19 Economic recovery and implications. | 26 June 2020 |
| CLT | 16 February 2021 |

- 3.2 In addition to the virtual workshops, the consultants also undertook 121 telephone interviews with, Mid Kent College, Kent County Council, Locate In Kent, Thames Gateway Kent Partnership, and the South East Local Economic Partnership. Dialogue has also been held with the Department of Works and Pensions.
- 3.3 The draft's priorities and actions were also supported by key findings from the State of the Nation Report.
- 3.4 An interim report setting out the analysis and feedback from stakeholder consultations with, Councillors, Officers, external stakeholders, and the business community was presented by Lichfields to ERL on the 15th September 2020.
- 3.5 At ERL on the 12th November 2020 Lichfields presented a State of the Nation" analysis including business and labour market information and projections which compares Maidstone's position relative to other Local Authority areas, as well as historic trends in Employment, Business, Population, Labour Market using the most up to date information available.
- 3.6 All of the activity above has assisted in shaping the draft Economic Development Strategy, Economic Vision, five suggested Economic Priorities and five -year action plan.

4. ECONOMIC VISION

- 4.1 Lichfields' work presents the following vision for the Borough's Economy.

'By 2030 Maidstone will excel as the 'Business Capital of Kent', defined by a strong entrepreneurial spirit, an unrivalled urban-rural economic offer, and which offers opportunities for all of our communities'.

5. DRAFT FIVE ECONOMIC PRIORITIES

Lichfields have proposed five economic priorities to underpin the draft Economic Development Strategy and action plan.

Priority 1: Open for Business:

Maximising our economic role at the heart of Kent to create a positive and entrepreneurial environment in which businesses can grow and thrive.

Priority 2: A greener, more productive economy:

Diversifying our economic base and boosting productivity by growing high value activity, including existing strengths in life sciences and new opportunities for clean growth.

Priority 3: A thriving rural economy:

Realising the potential of our rural assets (such as sector strengths in viticulture and tourism) and overcoming barriers to growth through enhanced infrastructure and connectivity.

Priority 4: Inclusive growth:

Taking an inclusive approach to growth to ensure that all of our communities can benefit from economic success and prosperity.

Priority 5: Destination Maidstone town centre:

Re-imagining Maidstone's town centre as a vibrant, mixed-use destination with a thriving day and night-time economy befitting a modern county town.

6. DELIVERING THE DRAFT ECONOMIC DEVELOPMENT STRATEGY

For each of the five strategic priorities, Lichfields have identified a five-year action plan to shape activity as the Council starts to deliver our Economic vision for the Borough. The action plan follows a three-stage approach to reflect short-, medium- and longer-term actions and identifies what partners or additional resources may be required over that time period.

7. NEXT STEPS

That ERL feed backs comments and views on the draft Economic Development Strategy, Economic Vision, five Economic Priorities and action plan for inclusion in the document before it goes to public consultation.

That ERL approves an eight- week public consultation programme following the local elections in May 2021.

The Economic Development Team will work closely with the Councils Communications Team to promote the consultation programme. A press release will be created, and the consultation will be published on the Councils consultation webpage. The consultation webpage will be circulated to all Ward Councillors and Parish Councils, all businesses on the Councils business e-newsletter database, and to all key stakeholders involved in the original consultation workshops of last year. Due to current Covid 19 restrictions we are not planning any face-to-face activity.

That following the public consultation programme a final review is undertaken before presenting the Economic Development Strategy to ERL late summer 2021 for full adoption.

8. AVAILABLE OPTIONS

- 8.1 ERL Committee agrees to provide feedback and comments on the draft Economic Development Strategy, approves an eight- week public consultation programme following the local elections in May and that a review of the draft is undertaken following public consultation before a final strategy is presented to ERL in late Summer 2021 for full adoption.
- 8.2 Do nothing. Without a review of the adopted EDS the Council is at risk of not reaching its targets on Inclusive growth and post COVID 19 Economic Recovery.

9. RISK

- 9.1 Without a review of the adopted EDS the Council is at risk of not reaching its targets on Inclusive growth and delivering post COVID 19 Economic Recovery.

10. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 10.1 February 2019's Full Council resolved that the Economic Development Strategy Review should include the following: The arts, Parks and open spaces improvements, The destination management plan, The visitor and leisure economy, Promoting low or carbon neutral growth and building on our current rich assets. In accordance with Council Procedure Rule 17.5, the motion, was referred to the Policy and Resources Committee for consideration. Subsequently, at its meeting on 27 March 2019, the Policy and Resources Committee referred the motion to ERL Committee. ERL debated the motion on the 4th July 2019 and finally approved a wording on the 2nd July 2019: 15 This Council notes the considerable progress made in economic development over the last 5 years including:

- Maidstone East
- The Business Terrace
- Kent Medical Campus Innovation Centre
- Public Realm improvements
- Investment in infrastructure e.g., Bridge Gyrotory, Cycle Path etc...

In the review of the Council's Economic Development Strategy, planned for later this year, the Council resolves to ensure that, through encouraging and enabling direct investment, the positive role that the following can offer in supporting the local economy is recognised:

- Place making initiatives such as improvements to parks and open spaces, arts and cultural developments, public realm.
- The visitor and leisure economy, events and festivals.
- Protecting well located and attractive employment space and bringing forward new employment space.

- Encouraging businesses to reduce their carbon footprint, waste and energy consumption.

11 REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- *Appendix 1: Draft Economic Development Strategy*
- *Appendix 2: State of the Nation Report*