

Harborough District Council

Report to Communities Overview and Scrutiny Meeting of 13 June 2024



Title:	Economic Development Strategy 2024 – 31
Status:	Public
Key Decision:	N/A
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Portfolio Holder:	Cllr Asher - Portfolio Holder for Culture, Leisure, Economy and Tourism
Appendices:	<ul style="list-style-type: none"> • Appendix A - Economic Development Strategy 2024 – 31 • Appendix B – Evidence Review and Issues Paper

Summary

- i. The Economic Development Strategy 2024/31 will replace the previous Strategy which expired at the end of 2023.
- ii. The Economic Development Strategy 2024/31 is currently out for a six-week consultation with businesses and other key stakeholders consisting of workshops, displays, online, social media etc.
- iii. The new strategy which covers the period until 2031 aims to address the district's challenges and opportunities in the mid-late 2020s. The Strategy is based on an Evidence Review and Issues Paper produced in early 2024.

Recommendations

1. To receive, consider and comment on the Economic Development Strategy 2024/31.
2. To note the four goals; Economic, People, Place and Environment which broadly mirror the four Council Priorities which will enable the delivery of the strategy.
3. To note the economic climate is volatile and unpredictable so much so unforeseen challenges may need to be considered during the period of this strategy.

Reasons for Recommendations

- i. To provide members of the Communities Overview and Scrutiny Panel with the details on the Economic Development Strategy 2024/31 which will be considered by Cabinet in July 2024.

1. Purpose of Report

- 1.1. To enable members of the Communities Overview and Scrutiny Panel to have an opportunity to review the Economic Development Strategy 2024/31 and for officers to consider any amendments or recommendations before the Strategy is taken to Cabinet in July 2024.

2. Background

- 2.1 The Economic Development Strategy 2024/31 aims to address the district’s challenges and opportunities in the mid-late 2020s. The Strategy is based on an Evidence Review and Issues Paper produced in early 2024.
- 2.2 The Economic Development Strategy 2024/31 outlines how the Council will measure and review economic progress across the 2024/31 period. It emphasises a partnership approach, with Harborough District Council (HDC) playing key roles in community leadership, coordination, influence, and implementation.
- 2.3 The Economic Development Strategy 2024/31 identifies the significant challenges and opportunities with strong economic dimensions that Harborough District faces and how the Council and its partners will address these. It will run alongside the remaining period of the Harborough Local Plan (2011/31) to better align spatial and economic strategies.

3. Details

- 3.1 A detailed Evidence Review and Issues Paper, found at Appendix B, was produced in early 2024. It thoroughly analyses the local economy and current trends, and the findings are summarised in the high-level strengths-weaknesses-opportunities-threats matrix below.

Strengths	Weaknesses
Affluent, high-performing district with high quality of life and environment and considerable vitality in many important core economic metrics - skills, occupational employment, jobs and enterprise density, resident wages, and household income	Typical non-metropolitan demographic challenges, major housing market pressures and tensions, lack of major business clusters anchored by global players and a well-defined innovation eco-system, and no HE or even FE footprint
Well-located for Leicester, other East and West Midlands centres, with good connectivity to London and some regional airports	Not particularly well-placed to command policy attention and prioritisation from Government and LLEP compared to other L&L flagship places and developments
Seemingly not as vulnerable to pandemic, impacts and other potential shocks as many places – with very low levels of multiple deprivation and strong health and wellbeing	Economic strengths over-reliant on out-commuting and perhaps Magna Park. Local GVA, productivity and workplace wages are low and not growing particularly fast
Opportunities	Threats
Very well-positioned to take advantage of post-COVID premiums for space and quality of life leveraging how well-connected it is to local cities and metropolitan centres	National/regional context pays little attention to Harborough District and low levels of resourcing limit local freedoms, flexibilities, and delivery capacity
Magna Park and its existing consents could offer an opportunity for step-change and transformation in economic profile and performance of the campus and district	Local complacency and resistance to change may inhibit ambition and necessary decisive, radical decision-making and delivery effectiveness
Market Harborough could create a new exemplary post-pandemic market town – together with reconfiguring attractive rural settlements and their hinterlands	Continued increasing demographic pressures and housing market challenges cause loss of dynamism and young talented exodus – leading to stagnation and decline

- 3.2 The outcome of the Evidence Review and Issues Paper broadly identified consistent messages around the following:
- 3.2.1 There is a lot of scope to support and grow the business, enterprise, and innovation eco-systems – from the nationally-important Magna Park campus and cluster to niche specialist businesses and brands (e.g. Joules, Royal Enfield) to SMEs and self-employment.
 - 3.2.2 The Economic Development Strategy 2024/31 needs to be people-focused with strands that enrich young person experience and progression opportunities, healthy ageing, and which builds on the high quality of life and well-being baselines the district already offers.
 - 3.2.3 Place and community should be addressed differentially and distinctively for Market Harborough, Lutterworth, the larger villages, and rural areas – increasing business and employment opportunity in all; realising major visitor economy, hospitality, and leisure opportunities; and tackling affordable homes and community capacity-building challenges.
 - 3.2.4 Harborough district has a rich rural environment and already dynamic ‘green’ credentials. The Economic Development Strategy 2024/31 should contribute strongly to natural capital, net gain, green growth and decarbonisation agendas, and proactively look to accelerate net-zero transitions.
 - 3.2.5 Improvements to transport, infrastructure and digital connectivity are critical to enabling Harborough district to fulfil its economic potential. Improvements should be supported directly and advocated strongly through HDCs and partners’ influencing and communications activities.
 - 3.2.6 The Economic Development Strategy 2024/31 needs to be outward-looking – from collaborating with neighbours and influencing county and regional agendas to recognising the opportunities for capturing local value from out-commuting, business networks, and economic and transport corridors.
- 3.3 The Economic Development Strategy 2024/31 has four goals – broadly mirroring the four HDC Corporate Plan themes, these are:
- **(GO1) Economic:** Enable the growth of a resilient, agile, diverse, and entrepreneurial economy, with dynamic business clusters and ecosystems in priority areas of economic activity.
 - **(GO2) People:** Ensure the economy increases health and well-being opportunities for all district residents – from having the education & skills they need to access good jobs and employment to support for activity that assures health and well-being as they grow older.
 - **(GO3) Environment:** Encourage sustainable development good practice in all areas of economic activity, promoting green growth opportunities and a thriving low carbon business base.
 - **(GO4) Place:** Strengthen the economic vitality of and opportunities in and across Harborough District’s towns, large villages, and rural areas.

4. Implications of Decisions

Corporate Priorities

- 4.1 The Economic Development Strategy aligns to three of the four corporate priorities, these are:
- Community leadership to create a sense of pride in our place.
 - Creating a sustainable environment to protect future generations.
 - Supporting businesses and residents to deliver a prosperous local economy.

Consultation

- 4.2 At the time of writing this report, a six-week public consultation is under way with key partners also being consulted including Canal & River Trust, Market Harborough Chamber of Commerce, Leicestershire County Council, Gazeley, Hothorpe Hall and Creative Harborough.
- 4.3 The Portfolio Holder has been consulted on the development of this report and the draft Strategy.
- 4.4 The consultation started on 6th May 2024 and will close on 10th June 2024 for public and stakeholders.

Financial

- 4.5 Once the Strategy has been finalised and the short and mid-term actions identified, these will require careful management as the Council has a small team with limited financial resources. Any financial impacts will be considered as part of the annual budget setting process.
- 4.6 Through ongoing monitoring of the strategy and demands on the service, it will go some way to ensure sufficient resources are available to support the implementation of the strategy.

Legal

- 4.7 There are no legal implications relating to this report.

Environmental Implications

- 4.8 One of the key goals of this strategy will be to encourage sustainable development good practice in all areas of economic activity, promoting green growth opportunities and a thriving low carbon business base.

Risk Management

- 4.9 External Factors: Over the last few years, it has been demonstrated that the economic climate is volatile and unpredictable. Consequently, it is possible that unforeseen challenges may arise during this strategy period, which have not yet been anticipated. For instance, if the cost-of-living crisis persists, our attention and resources may need to be redirected towards supporting businesses and employment.

Equalities Impact

- 4.10 An Equality Impact Analysis is currently being completed.

Data Protection

4.11 There are no data protection issues with this report.

5. Alternative Options Considered

5.1 Without the Economic Development Strategy 2024/31 the council will not have a strategic plan to support the current business community and to keep Harborough District as an attractive place for business.

6. Recommendation

6.1 To consider and comment on the Economic Development Strategy 2024/31.

7. Background papers

7.1 Not applicable for this report.