



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Finance and Economic Overview and Scrutiny Committee

Tuesday, 21 July 2026

Report of Councillor Ashley Baxter
Leader of the Council, Cabinet Member
for HR and Economic Development

Economic Development Strategy 2026-29

Report Author

Simon Jackson, Economic Development and Inward Investment Manager

✉ Simon.Jackson@southkesteven.gov.uk

Purpose of Report

To present and seek feedback on the Economic Development Strategy 2026-29 which replaces the previous Economic Development Strategy 2024-28

Recommendations

The Committee is asked to:

1. Consider and provide feedback on the Economic Development Strategy 2026-29
2. Recommend to Cabinet that the Economic Development Strategy 2026-29 is adopted

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities
Sustainable South Kesteven
Enabling economic opportunities
Housing
Effective council

Which wards are impacted?

All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The Economic Development Strategy 2026-29 is an important part of the work programme of the Committee because it has significant implications for the economic vibrancy of the district. Further development of the supporting Action Plan may have financial implications, and these will be considered at that time. Where implications cannot be maintained within existing resources the appropriate budget approvals will be sought.

Completed by: David Scott – Assistant Director of Finance and Deputy S151 Officer.

Legal and Governance

- 1.2 There are no governance issues anticipated. A new Strategy will require Cabinet approval.

Completed by: James Welbourn, Democratic Services Manager

2. Background to the Report

- 2.1 Enabling Economic Opportunity is a priority within the Council's Corporate Plan 2024-2027.
- 2.2 The Council's previous Economic Development Strategy 2024-28 was adopted by Cabinet in October 2024. Since the previous Economic Development Strategy there have been several key changes in circumstance and context following its adoption. These include significant changes in the structure of local government, the publication of "The UK's Modern Industrial Strategy" by the Department of Business and Trade (June 2025) and the establishment of the Greater Lincolnshire Combined County Authority (GLCCA) with a Mayor being elected in May 2025.
- 2.3 The three economic development focus areas for the GLCCA are:
 1. Transport
 2. Employment and Skills
 3. Business and Infrastructure

- 2.4 To deliver against these focus areas, the GLCCA has established an Economic Advisory Panel; Employment and Skills Board; Business and Infrastructure Board and a Transport Board. The GLCCA is currently preparing strategies covering housing growth, transport, growth and infrastructure as well as a Local Skills Improvement Plan; all are expected to be published in 2026.
- 2.5 It will be important to ensure the South Kesteven Economic Development Strategy aligns with the GLCCA growth strategies to maximise impact and to attract funding and other resources into the District.

3. Key Considerations

- 3.1 Given these changes in circumstance, it is appropriate to replace the previous strategy with a new Economic Development Strategy 2026-29 (the Strategy) to ensure that the Council remains aligned with national, Mayoral and local ambitions.
- 3.2 The previous strategy was focused around five themes:
 - 1. Business, job creation and employment safeguarding
 - 2. Skills development
 - 3. Inclusive growth and regeneration
 - 4. Inward investment
 - 5. Enhancing South Kesteven's tourism and visitor economy.
- 3.3 The Strategy maintains this focus through delivery in six areas where it is believed the Council, and its partners are most likely to have greatest influence to overcome key challenges to economic prosperity and harness key opportunities.
- 3.4 Informal consultation on what the challenges and opportunities are for businesses has been undertaken with businesses both on a one-to-one basis and at networking events. Informal engagement has also taken place with business representative organisations such as the Federation of Small Businesses.
- 3.5 One of the key changes in circumstance that is reflected in the new Strategy is the business-critical importance of Artificial Intelligence (AI). AI is transforming how businesses of all sizes operate, market, and grow. It is vital for businesses to learn how they can make the most of the opportunities AI presents. This new area of focus aims to demystify AI and help businesses adopt it in a way that's right for them. This will include signposting businesses to tools, training, and support to get them started.
- 3.6 The six areas of focus of the Strategy not only align with the Council's own priorities but also with those of the GLCCA. Officers are liaising with the GLCCA on the preparation of its strategies covering housing growth, transport, growth and

infrastructure as well as a Local Skills Improvement Plan. This will help ensure that the Strategy continues to be aligned with the GLCCA strategies.

3.7 The six areas of focus of the new Strategy are:

1. Helping to ensure employers can access the talent they need for growth
2. Enabling increased supply of commercial premises & serviced land
3. Enabling access to the opportunities of Artificial Intelligence
4. Supporting growth of the tourism and heritage tourism sector
5. Helping improve the vitality and viability of town centres
6. Supporting high growth businesses

3.8 The Strategy sets out action plans for each of the six areas of focus and business as usual (BAU). These plans include the actions being undertaken, who is leading on each, and the anticipated outputs and outcomes.

3.9 To ensure the delivery of high impact actions, the new Strategy has rationalised the number of actions from the previous strategy, updated them where appropriate and added in new actions to reflect the change in circumstances such as Artificial Intelligence (AI).

4. Other Options Considered

4.1 A potential alternative option would be not to retain the existing Economic Development Strategy. This would mean that the Council's Strategy would not be aligned with national, Lincolnshire and local ambitions. It would also mean the Strategy aim to deliver a focused number of high impact and measurable actions would not be achieved. Consequently, this option has been discounted.

5. Reasons for the Recommendations

5.1 There have been significant changes in circumstance and context since the Council adopted the previous Economic Development Strategy 2024-26 and this report explains the need for a updated Economic Development Strategy 2026-29.

6. Appendices

Economic Development Strategy 2026-29