

ECONOMIC DEVELOPMENT STRATEGY 2012 - 2016

Introduction

The economic climate in 2012 follows a period that is acknowledged as one of the most challenging economic episodes since the 1930's. However, this strategy is seeking to look forward beyond the immediate financial crisis to put in place measures that create an environment which supports growth and investment for the future.

Vision

Our vision for 2021 is to create vibrant communities where people want to live, work and invest.

Figure 1 illustrates the priorities of the Council for 2021

Our Priorities
Creating the environment to

Grow the economy

- Support & facilitate the growth of business
- Enable delivery of attractive retail & leisure offer
- Easy to do business with - look to say yes
- Promote infrastructure to support growth
- Skills - high value employment
- Attract as a destination for investment

Keep SK clean, green and healthy

- Enable development of our parks and open spaces
- Clean and attractive street scene
- Sustain high levels of recycling
- Reduce the carbon footprint of our organisation
- Encourage active & healthy lifestyles

Promote leisure, arts and culture

- Support and enable development of a diverse economy - daytime & evening
- Enable wide ranging leisure opportunities
- Enable access to a balanced culture & arts programme
- Promote our heritage & tourism

Support good housing for all

- Ensure the right mixture of housing meets local needs
- Enlarge the development of lifetime homes
- Support the creation of neighbourhoods and communities
- Reduce fuel poverty

South Kesteven District Council
STAMFORD • GRANTHAM • BOURNE • THE DEEPINGS

Through our key priorities we intend to deliver by 2021:

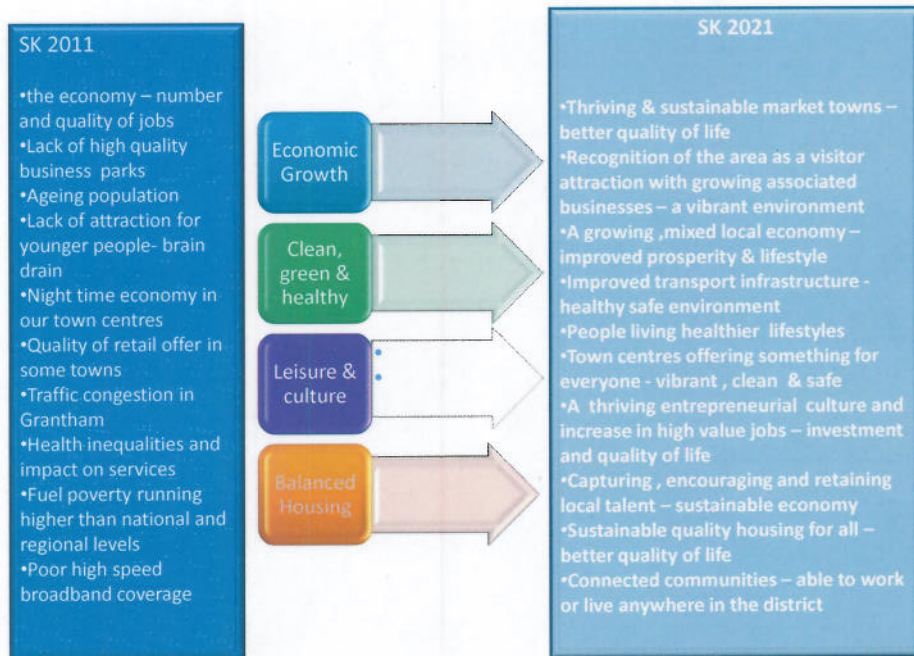
- Thriving and sustainable market towns offering a better quality of life
- Recognition as a growing vibrant environment
- Which attracts visitors and businesses
- A growing mixed economy offering improved prosperity and lifestyle
- A healthy and safe environment with improved transport links
- People living healthier lifestyles
- Towns centres offering something for everyone
- A thriving entrepreneurial culture with increased high value jobs
- Good quality housing for all
- To capture, encourage and retain local talent
- Connected communities who are able to work or live anywhere in the district

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Growing the Economy

The Council vision is based on extensive consultation with members of the public, business, community groups and a wide range of organizations. It supports the work developed as part of strategic policies including South Kesteven Core Strategy 2010, Grantham Growth Point Programme of Development and Grantham Area Plan. It reflects the key concern of local people about growing the economy by improving the quality and range of employment opportunities, regenerating the market towns and providing an attractive place for people to visit.

Figure 2 illustrates the journey that the Council is embarking upon to address some of the issues identified within the district.



State of the Economy

There is general agreement amongst most economists that the main way forward for post industrialized economies is to invest in the knowledge economy. This is represented by design, innovation and technology led, export driven, 'high-tech' manufacturing and service sectors with less emphasis placed on the financial services sector. The world economy has shifted dramatically with a substantial percentage of the Footsie 100 having been listed for less than five years where traditional household names have been replaced by the new kids on the block like Google.

The growth in technology has enabled individuals and companies to access the global economy including finance, markets and jobs. Only industries and localities that can adapt to this rapidly changing environment will be successful. Location remains important but increasingly business is being freed from these constraints with access to new generation broadband.

In the UK the economy is dominated by small businesses with 99.4% of companies employing less than 50 people, representing 46.2%% of the workforce. This puts particular emphasis on the ability of the economy to generate new business, retain existing businesses and improve levels of productivity.

The global shifts in the economy are mirrored at a local level with the changes in peoples spending habits. The power of the supermarket and the growth of on-line shopping reaching 10% of all retail sales in the UK, together with trends in free downloads for music, films and books, is having a major affect on the appearance of the high street. People have access to an ever widening choice and are choosing to differentiate not purely on the basis of cost but on the experience they receive. High quality customer service and the ability to respond quickly to customer expectations are the by-words for future survival.

The role urban centers perform is also changing as a result of shifts in spending. People's expectations have risen due to increased access to information, improved mobility and their experiences from travel. Town centers need to increasingly offer a broad range experiences, it is no longer just about shopping but satisfying an individual's leisure interests. The environment created in our town centers in terms of places to shop, eat, visit are linked to the physical appearance, cleanliness and feeling of safety.

State of the District

Over 78.4% of the total population is economically active but average earnings have recently fallen below the East Midlands and national average. The figures for unemployment of 2.8% are well below the East Midlands and national averages. However, this masks that Grantham in particular is underperforming with figures of 3.4% which is close to the Lincolnshire average.

A concerning trend is the growth in youth unemployment (18 to 24 years of age) with a figure of 31.2% which is much higher than the East Midlands and national averages.

For the period 1998 to 2010 the growth in business stock increased by 56.2% exceeding the national trends. However, the challenge faced by the District is the percentage of employment in the 'knowledge' driven sectors which is low at 14.3% compared to the East Midlands and national averages.

In the UK the economy's experience with small businesses is mirrored by figures for the district with small business representing 97.4% of all businesses. The challenge they face is increasing their productivity and profitability in line with our competitors.

Growth in the national percentage of public service employment is mirrored in the District with the figure standing at 29.4% of all employment. The number of people employed in low skilled jobs is 32.2%. The challenge we face is to increase the level of higher value roles in relation to East Midlands and national averages.

The range, quality and availability of industrial, commercial and office land and floor-space is important to our ability to attract new and secure existing investment. The levels of industrial and retail floor-space available locally are higher than the East Midlands and national averages; however, the availability of modern high quality business parks, offices and retail units is low.

The estimated size of the retail catchment area for our major urban centre of Grantham is approximately £793 million of which only 26.2% is captured by the town. This provides for enormous potential to grow the town centre economy and attract additional retail and leisure users.

The proportion of visitors to the district is growing but the challenge facing the area is the ability to increase the number of visitors staying overnight and attract a broader customer base including business and conference visitors.

The Future for Grantham

Grantham is a historic market town and is a sub regional centre for south west Lincolnshire. The growth ambitions for the town are built on strong north south links in relation to London providing a gateway to the East Midlands and town seeks to develop into a vibrant and key economic centre providing an increased choice of high quality retail, leisure, residential and employment opportunities. The town has a reputation for excellent schools and has easy access to areas of beautiful countryside.

Central to the growth ambitions are two new sustainable urban extensions providing 7,000 new homes and new employment sites creating 2,500 new jobs. To facilitate growth and improve traffic circulation, a new Southern relief road alongside other highway improvements and investment in public transport, cycling and pedestrian routes give a real alternative to using private cars.

In the town centre Station Approach will serve as a gateway into the historic core of the town creating a sense of arrival with high quality built and landscaped environment, providing good pedestrian access to the centre. New development will celebrate the town's natural, built heritage and cultural characteristics conserving and improving the character of the area. Redevelopment will have increased the quantity and range of office and retail space, together with additional homes and leisure facilities to promote employment and support an early evening economy.

Grantham's high quality open spaces will be enhanced through networks of multi-functional green spaces linking new developments to the town centre. The waterways within Grantham will be given new and exciting uses and opportunities for the town. Investment in the public realm will provide a historic backdrop to an exciting programme of cultural and sporting events and festivals celebrating the heritage of the town.

The Future for Stamford

Stamford is recognised as having the most complete Georgian market town in the country characterised by its limestone architecture. A thriving local centre the town hosts large numbers of visitors attracted by its historical connections and its proximity to Burghley House. Stamford has a healthy specialist retail offer with a range of cosmopolitan hotels, cafes and restaurants. Creative businesses including publishing are attracted to the town and it is divisional headquarters to major US company Cummins.

Plans to sensitively expand the employment opportunities are being explored with the private sector to provide a high quality business park environment attractive to those growing know based businesses located to the south of the district. Specific development to further enhance the visitor experience and the creation of a wider cultural experience through events and festivals will seek to expand the audience that enjoys the town

The Future for Bourne, Deeping St. James and Market Deeping

Bourne provides a key local centre to the surrounding populace offering a range of traditional shops. As a gateway to the Fens, Bourne's economy is closely linked to the agriculture and food processing sectors with major companies represented including publishing and engineering. The Council is working closely with the community to enhance the retail offer through investing in the new Wherry's Lane development.

Deeping St. James and Market Deeping are a series of small Georgian market towns offering a high quality of life. Their economy's are closely linked to Peterborough to the south and provide employment in food, agriculture and specialized engineering. Recent investment in the shape of the Eventus Business Innovation Centre offering high quality offices together with expansion of the Northfield Industrial Park capitalise on its location along the recently up-graded A16.

The remainder of the district is characterised by small village communities in an agricultural setting. Access to services in particular new generation broadband are being explored in partnership by the public and private sectors.

The Strategy

The Economic Development Strategy seeks to respond to the challenges faced by the district economy and identifies a series of interventions and roles for the Council for the period 2012 to 2016.

The Council and its partners cannot itself deliver economic growth but can play a significant part through adopting the roles of commissioning, facilitating and directly delivering programmes to sponsor growth.

Investment in physical infrastructure and commercial development

The Council is committed to supporting partners to building the Southern Relief Road for Grantham commencing in 2014 to relieve congestion creating a vibrant town centre environment. It has plans to directly invest in the creation of a new high quality business park in Grantham with access to the A1, new modern offices including a business innovation centre adjacent to the East Coast mainline railway station and deliver a range of industrial and commercial units across the District by 2015. The Council will also promote improved high speed broadband across the district by 2016.

Improving training and skills and support for business and innovation

The Council will seek to support establishing a Local Employment Partnership, lead by employment organizations and working with local colleges and training providers to address the issues of skills in the workplace. Consideration will be given to explore a Recruitment and Training Agreement with employers to promote the development and diversification of skills in the workplace and an apprenticeship programme. The Council will explore commissioning business support providers to plan an annual programme of advice and support across the District by 2013, to help people seeking to establish a new business or help existing businesses grow.

Making town centres more attractive

The Council is working in partnership is delivering a comprehensive programme of high quality environmental improvements in Grantham town centre including submitting a five year programme for Townscape Heritage Initiative to improve the condition of buildings in Grantham conservation area. The Council is working with private landlords and tenants to deliver a shop front improvement scheme across the district over three years starting in 2012. The plans to guide investment in the town centre are advancing and we work with local landowners and developers to improve the retail and leisure offer in Grantham by 2016.

Maximising the arts, sports and cultural offer

The Council will work with partners to prepare an Arts and Cultural Strategy by 2012 to coordinate a programme to include widening the offer to enhance the role of the arts centres, creating a series of events and festivals to promote the market towns of Grantham, Stamford and Bourne.

Support good housing for all

The Council is facilitating the preparation of the Southern Quadrant master-plan for the sustainable urban extension providing 4,000 new homes to the south of Grantham by 2014 and facilitate the delivery of 1,800 new homes at the Poplar Farm development as part of the Northern Quadrant sustainable urban extension.

Marketing the district

The Council is preparing a communications and marketing campaign to promote the district to business investors, visitors, conference organizers and tour operators commencing in 2012. The campaign will aim to highlight the quality of the environment, ease of access by road and rail to London and the south-east, high quality educational offer and its great historical connections.

See Appendix 1 for emerging summary Action Plan which demonstrates for each intervention how the “what is planned” will deliver improved outcomes.

Delivering our Economic Priorities

Providing Certainty

We have invested considerable time in approving policies to give landowners, developers and the public the certainty they need for confidence in the delivery economic regeneration across the district. The South Kesteven Core Strategy was formally adopted in October 2010, the Grantham Area Action Plan will be adopted in the summer of 2012 and the Local Development Framework for the rest of the district will be adopted in 2012.

Development Management Approach

We are fully committed to working together with land owners, developers, investors and the community to achieve our economic ambitions for the district. Adopting a 'one stop shop approach' we will work with business and bring together a comprehensive team to provide positive advice and guidance to achieve the best outcomes for the residents of South Kesteven.

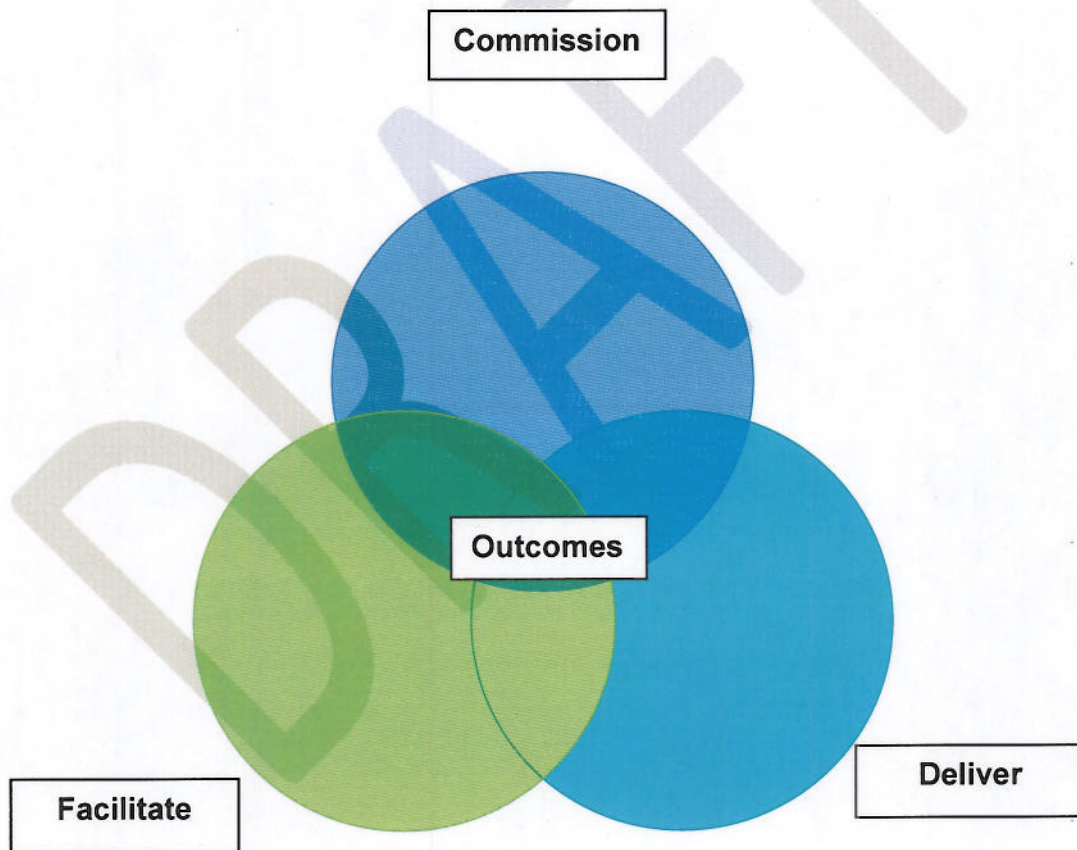
Working in Partnership

We clearly recognise that we cannot achieve our goals alone and understand the importance of working collectively with our partners from the public, private and community sectors. The Grantham Growth Partnership between the County Council and the District Council demonstrates a close working relationship to deliver the ambitions for the town. Close liaison through the Stakeholder Group and Community Panel allows us to share progress and listen to thoughts from our partners about future investment opportunities.

Roles and Responsibilities

The Council has three primary roles in this agenda to deliver its priorities;

- to commission new projects or programmes working with partner organizations e.g. the Southern Relief Road around Grantham
- to facilitate the delivery of projects or programmes supporting partner organisations and the private sector e.g. investment in new environmental improvements to Grantham Market Place
- To take responsibility for directly delivering projects e.g. Shop Front Improvement Scheme across the district



Performance

Impacts

The Economic Development Strategy is supported by an annual Action Plan which identifies individual programmes and projects. This is rigorously managed through our Programme Board made up of senior representatives from the management team and councillors. The board oversees all major projects on a bi-monthly basis.

Each project will be monitored annually against a series of performance measures including the area of new industrial and commercial floor space built, industrial land brought forward, new and safeguarded jobs and levels of investment.

Outcomes

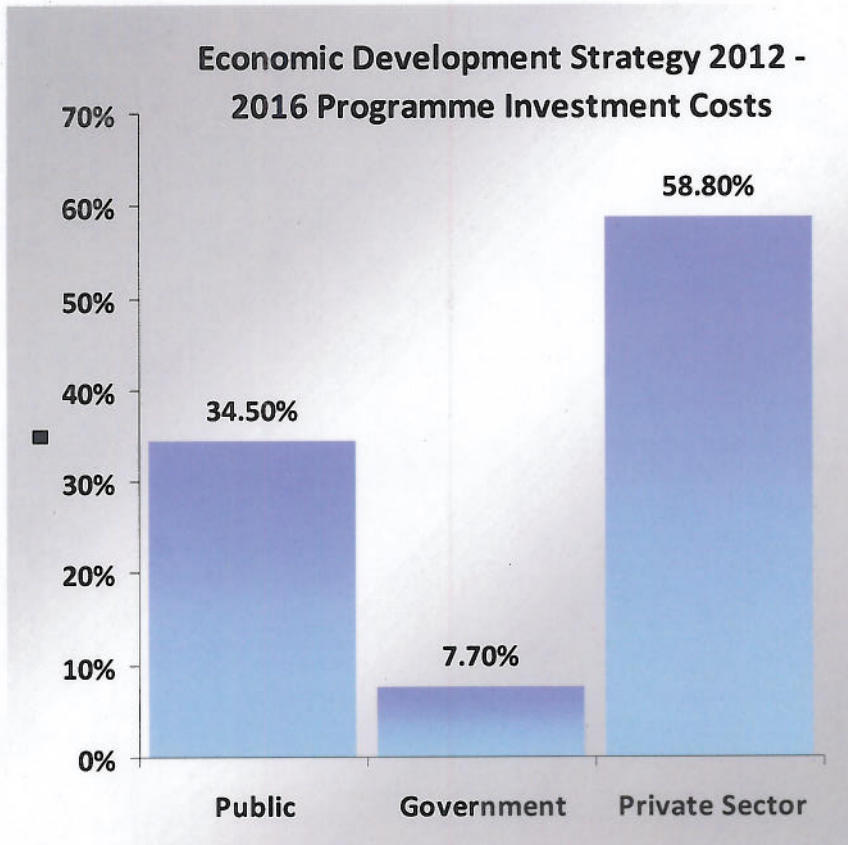
So what does this all really mean for the local resident of the district or a business choosing to open a new facility? How will we know whether we have begun to achieve our ambitions in 2016?

The true test will be measured by:

- Thriving market town centres offering a wide variety of independent retail and leisure activities
- A new junction on the A1 opening up the Southern Relief Road which is under construction
- A new distribution hub employing 800 people
- New homes being built on the sustainable urban extensions to the north and south of Grantham
- Grantham alongside Stamford will be recognised as an emerging destination for visitors
- A vibrant new shopping space in the centre of Bourne
- A new business park with new and expanding businesses offering a greater range of job opportunities for local people
- A new landmark office building adjacent to Grantham station providing a home to innovative companies
- A newly completed pedestrian route linking Grantham station, through the completely renovated Market Place to St. Wulfram's church
- A new science and arts festival celebrating Sir Isaac Newton and attracting visitors from across Europe.

Capital Investment Programme

The scale of the capital investment programme for delivering the priorities outlined in the Economic Development Strategy totals in the region of £220 million. This is comprised of public, government and private sector funding. The figures provided are estimates due to the dynamic nature of some of the projects and the uncertainty around availability of funding beyond 2013/14.

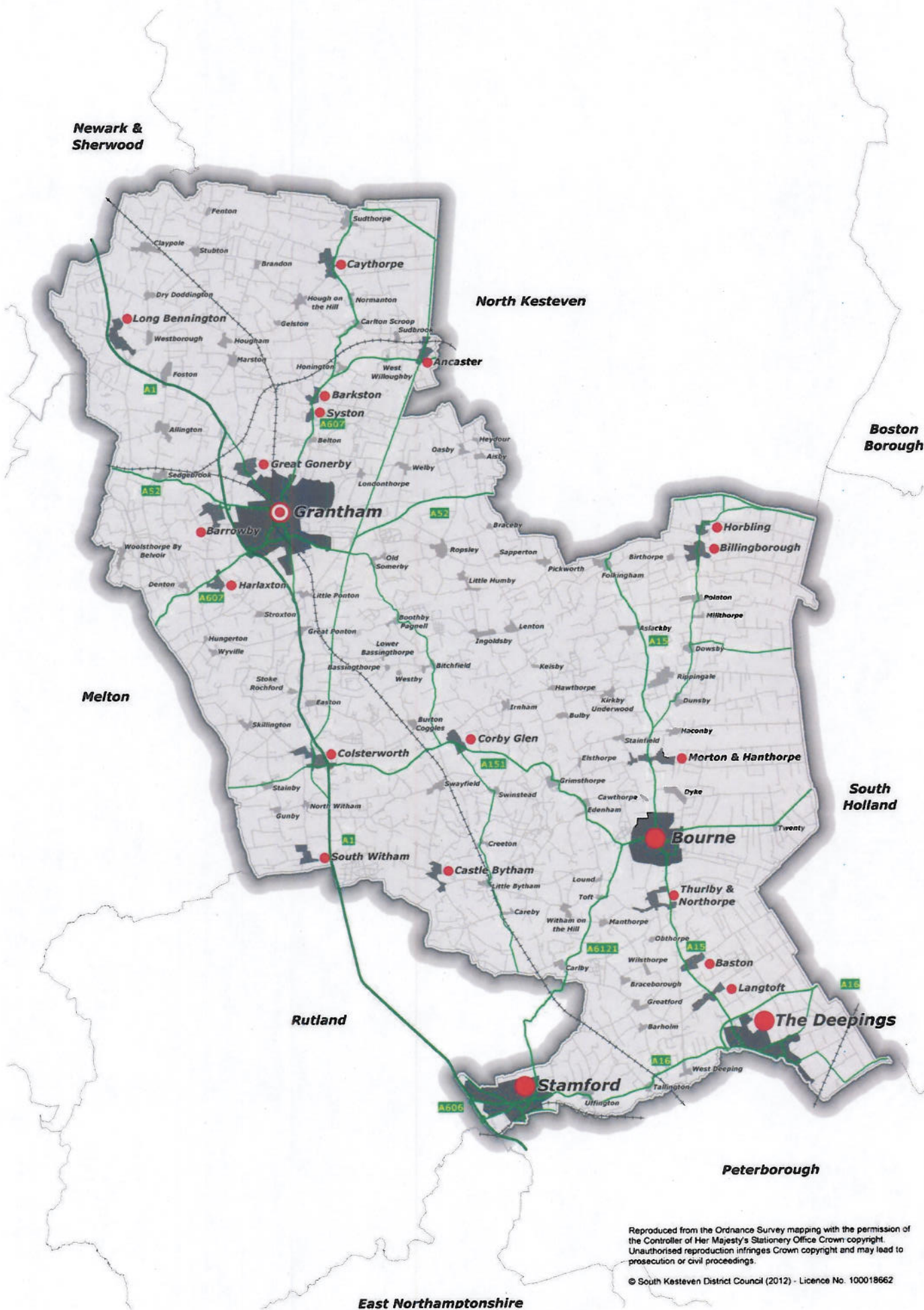


Timetable

The key milestones established for delivery are:

- A new junction on the A1 commencing 2013/14
- Construction of Distribution Hub for first occupation in 2014/15
- Southern Relief Road commencing 2014
- New homes on Poplar Farm starting 2012
- Bourne Core Area development completed 2013
- Planning application for new business park in Grantham submitted 2013/14
- Construction of Grantham Business Innovation Centre starting March 2013
- Planning application for new business park in Stamford submitted 2013/14
- Wide Westgate environmental improvements completed August 2012
- First Gravity Fields science and arts festival held September 2012

This timetable is subject to the economy and the ability of a range of partners to continue long term funding and engagement.



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