

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
1 November 2016

Subject: INWARD INVESTMENT

All Wards
Portfolio Holder for Economic Development & Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 This report provides background to the proposed activity which seeks to support the Hambleton Economic Strategy (2014) themes of Inward Investment and Drive Growth.
- 1.2 The growth needs of indigenous businesses, together with capacity to provide for inward investment has been translated into the emerging Local Plan. The Preferred Options document currently out for consultation proposes:
- 320 net new homes per annum
 - Baseline of growth of 178 new jobs per annum.
 - 71 hectares of employment land (30 hectares currently allocated; 41 hectares new allocation). The main allocations are at Dalton Industrial Estate, Leeming Bar, Stokesley Business Park and Sowerby Gateway
- 1.3 Research via the Hambleton Industrial Estates Review provides an understanding of the key issues which are important to our indigenous businesses and what they require to facilitate their growth. The key requirements for growth are:
- Information and support services
 - Business Rates support
 - Workforce – recruitment, skills and training, and transport for employees
 - Competition – productivity and innovation
 - Infrastructure – broadband, roads, parking and utilities
 - Premises – ensuring land and premises required are available
- 1.4 Attached at Annex 1 is the draft Industrial Estates Action Plan which articulates some of the measures that could be employed to tackle these issues.
- 1.5 In considering what is required to bring forward the development of the major allocations in the emerging Local Plan, estates such as Leeming Bar and Dalton have known infrastructure constraints which may present a barrier to development if steps are not put in place to resolve them. The costs and lead times required for works of this nature to engage utility companies etc. would suggest this should be a priority action.
- 1.6 The Council's Economic Strategy lists Inward Investment as a key theme. To date the approach to inward investment has been reactive and little resource has been allocated to this objective. The focus has been in the main to support the growth of the existing business base.
- 1.7 There are several approaches to Inward Investment, however, to have a higher chance of success in supporting the Council's ambitions and objectives it is suggested that a targeted approach to strengthening key sectors is appropriate. This enables the district to play to its strengths, to be in accord with national and regional strategy and to reduce competition with other areas.

- 1.8 To assist with delivering the ambition to develop local business productivity and innovation to centres of excellence related to key industry clusters, such as advanced manufacturing at Stokesley or food manufacturing at Leeming Bar could be established, or the Council could seek to attract and develop clusters of businesses from high growth sectors. This may give the estates more prominence in terms of attracting funding, inter-business supply chain opportunities, alliances with Universities and their ability to attract and recruit skilled staff.
- 1.9 Requirements to be able to move to a proactive approach to inward investment include:
- Reviewing the opportunities for growth and identify key growth sectors.
 - Understand the recruitment, skills and training and transport issues for employees to support growth at key sites.
 - Ensure we have thoroughly thought through and made the right connections related to research and development, again to support inward investment growth.
 - Be clear of the sites and premises that are available, about the advantages of the sites, the land or premise costs, utilities, planning position and connectivity.
 - Undertake activity to ensure a constant supply of appropriate land and premises are available for immediate occupation.
 - Ensure we have a well-developed business support offer, either internally or with/through partners.
 - Articulate and promote the districts proposition to potential investors i.e. selling Hambleton the place, principally through the Place to Grow website.
- 1.10 Consideration should be given to the national and regional approach to inward investment. The Department for International Trade (DIT) which has the responsibility for inward investment at the UK level has a UK first approach. Unless there is a very compelling proposition, specific locations are not promoted. This follows through in to the Local Enterprise Partnerships work which focuses around the Bio-Economy (Agriculture, Food Manufacturing and utilising Biowastes efficiently) as its key sector of strength and promotes this within DIT's sector teams to help win more investment prospects from enquiries to DIT.

2.0 LINK TO COUNCIL PRIORITIES:

- 2.1 Enabling inward investment and delivering action to drive growth supports the Council's priority for Driving Economic Vitality

3.0 RISK ASSESSMENT:

- 3.1 There is no significant risk associated with the recommendation.

4.0 FINANCIAL IMPLICATIONS:

- 4.1 At this stage all costs are contained within the existing Economic Development Strategy.

5.0 LEGAL IMPLICATIONS:

- 5.1 There are likely to be legal issues in the future associated with the possible purchase of land if this approach is subsequently agreed, but at this stage none.

6.0 EQUALITY/DIVERSITY ISSUES

- 6.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

7.0 RECOMMENDATIONS:

7.1 It is recommended that Cabinet approves:-

- (a) the Draft Hambleton Industrial Estates Action Plan with a direction to prioritise:
 - a. the investigation of removing infrastructure constraints
 - b. the development of 'A Place to Grow' web resource to promote the district and provide information to assist local business growth;
- (b) the approach to establish centres of excellence relating to key industry clusters, including: advanced manufacturing at Stokesley and food manufacturing at Leeming Bar; and
- (c) that an Inward Investment Action Plan be developed and reported to Cabinet.

EXECUTIVE DIRECTOR

Background papers: Industrial Estates & Inward Investment 6 September 2016
Hambleton Industrial Estates Review March 2016

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