

North East Derbyshire District Council

Cabinet

11 June 2014

Growth Strategy

**Report No: GBXR/11/14/JF of Councillor G Baxter MBE, Portfolio Holder with
Responsibility for Building a Better Council**

This report is public

Purpose of the Report

- To present the Growth Strategy to Cabinet for approval.

1 Report Details

- 1.1 Following the LGA Peer Review last year Bolsover and North East Derbyshire jointly applied for funding from the LGA to support the development of a growth strategy for each council. The bid was successful and in December a specialist consultant -David Howells was appointed to support the development of the growth strategy. The bid provided 14 days support for both councils.
- 1.2 Since the Strategic Alliance both Council's have achieved a great deal, however the Council recognises that further cuts in government grant will make maintaining and building on these achievements more challenging in the future. This strategy is about unlocking the potential to deliver growth through central government programmes such as New Homes Bonus and the Business Rate Retention Scheme. The strategy is about maximising opportunities to ensure our long term viability.
- 1.3 Once the growth strategy has been approved by members it will be corporately designed for publication. Work will then begin on reviewing and refreshing the Corporate Plan. Both documents will need to complement each other and will provide direction to the Council over the coming years against the back drop of continuing financial pressures as a result of government spending cuts.

2 Conclusions and Reasons for Recommendation

- 2.1 The strategy sets out our growth ambition, priorities and the approach that we will take to enable the growth of the local economy to create stability and prosperity.
- 2.2 The strategy has been developed in line with the LEP Economic Plans for Sheffield City Region and D2N2 (Derby/Derbyshire/Nottingham/Nottinghamshire) to ensure that we support the delivery of the wider regional growth, achieve maximum leverage and improve collaboration.

3 Consultation and Equality Impact

- 3.1 To assist the development of the growth strategy a number of workshops have been held with officers and elected members. These have helped shape the strategy.
- 3.2 Consultation events have also been held with the local business community and with representatives from the LEPs.
- 3.3 An Equality Impact Assessment has not been completed at this point as the strategy is high level and largely aimed at our relationship with private sector clients as opposed to citizens. Some of the transformational intervention projects which form the action plan may require Equality Impact Assessments to be completed as part of the business case and may require further consultation.

4 Alternative Options and Reasons for Rejection

- 4.1 A number of projects have been identified during the development of the strategy. These have been refined as part of the consultation with officers, members and the business community.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 The transformational intervention projects which form the action plan will require detailed businesses cases which will include the financial implications and identify and risks.

5.2 Legal Implications including Data Protection

- 5.2.1 Legal implications will be considered as the business cases for the transformational intervention projects are developed.

5.3 Human Resources Implications

- 5.3.1 Human Resource implications will be considered as the business cases for the transformational intervention projects are developed.

6 Recommendations

- 6.1 That Cabinet approves the Growth Strategy.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	This is not a Key Decision at this stage of the process. The transformational intervention projects detailed within the action plan may have financial implications and may impact on two or more wards. These implications will be covered in separate business case proposals.
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District Wards Affected	
Links to Corporate Plan priorities or Policy Framework	Organisation – High Performing Council People – Create jobs, build skills and attract investment Place – Increase housing choice

8 Document Information

Appendix No	Title
1	Growth Strategy
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
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AGIN 5(b) (CAB 0611) Growth Strategy/AJD

Appendix 1

North East Derbyshire Growth Strategy and Action Plan

Unlocking our Growth Potential

NEDDC Final

June 2014

Foreword

We are pleased to present our Growth Strategy for Bolsover and North East Derbyshire, which sets out our growth ambition, priorities and approach that we will take to enable the growth of the local economy to create stability and prosperity. This is a joint agenda across the two councils, taking into account the different opportunities and challenges across our two areas.

Through the Strategic Alliance, both councils have achieved a great deal. However, we recognise that further cuts in government grant will make maintaining and building on these achievements more challenging in the future. We need to implement a game-changing strategy with a focus on unlocking the potential to deliver growth. Because of this, we have set out an ambitious programme of action, the cornerstones of which are:

- a vibrant economy and increasing employment*
- homes that meet our needs and*
- provision of the supporting infrastructure necessary to deliver it.*

Creating a sustainable high performing economy is at the heart of our strategy. We have established priorities around increasing jobs and business start-ups, unlocking and enabling housing development as well as ensuring our companies grow and develop.

We will use the Growth Strategy to articulate to partners our ambitions and plans with a view of improving collaboration and maximising leverage. The strategy will also help shape our conversations with Sheffield City Region and Derby, Derbyshire, Nottingham, Nottinghamshire LEP in supporting delivery of the wider regional growth programmes.

The government has set out a range of mechanisms through which local government can incentivise growth through programmes such as the New Homes Bonus and Business Rates Retention Scheme. We will maximise these opportunities; the implementation of our Growth Strategies will be a key contributor to our financial plan to ensure our long term viability.

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1. Scope of the Growth Strategy

What we want to achieve

Bolsover and North East Derbyshire are facing a changing and challenging future. There needs to be significant residential development over the next 10 year to meet future population and each district's own housing targets. The area needs to respond and direct the growth agenda to achieve a better balance between future housing and workforce growth and available employment.

The Growth Strategy is based on sound evidence to show the economic context for why we need to change and do things differently, what we will do and who will deliver actions to support growth.

It sets out an approach and priority actions that both local districts will take to enable the growth of the local economies. As we move forward it will align with economic development and work and skills plans for both authorities. In particular, the Growth Strategy addresses the opportunities identified by the Local Government Association (LGA) Peer Team in 2013, including assessing the potential to secure revenue streams from the various new funding mechanisms introduced by the Coalition Government.

A number of issues need to be addressed in Bolsover and North East Derbyshire:

- The need to meet challenging housing delivery targets to meet population and housing projection growth levels;
- The need to unlock development and bring forward strategic and major sites for development to transform economic prospects;
- The need to support local regeneration of towns and villages to fulfil their role as service centres.
- The need to ensure that a package of suitable support is provided to new and existing businesses to enable them to grow.

- The need to bring forward sites in Council ownership.
- The need to support the local economy by increasing the range of higher skilled jobs available locally.

The challenge for both Bolsover and North East Derbyshire is to accommodate growth and development pressures in a sustainable way that protects environmental quality and the character of areas, whilst aligning resources and priorities to maximise returns.

Principles

It is intended that the Growth Strategy for Bolsover and North East Derbyshire addresses the ambitious growth agenda outlined in the Bolsover District Local Plan Strategy (May 2013) and the developing North East Derbyshire District Local Plan (2011-2031). A number of core principles will shape the process of developing the Growth Strategies, including:

- Aligning the Growth Strategy with the growth plans of the LEPs, specifically Sheffield City Region (SCR) and Derbyshire and Nottingham (D2N2) LEP;
- Ensuring the strategies take advantage of current / future funding opportunities, specifically EU funds for 2014-2020;
- Play to the strengths and opportunities of both districts and focus on key assets;
- Maximising financial incentives, and
- Involving all stakeholders and partners in developing and implementing the Growth Strategy.

2. The Evidence – the scale of the challenge

The main proposals set out in the Growth Plan are based on global and national economic drivers, our best intelligence and knowledge about the area and reflects the issues, challenges and opportunities facing Bolsover and North East Derbyshire. .

UK national economic context

The national economic context remains challenging. However, there is consensus amongst economic commentators of continued improvement for UK economic growth. According to the National Institute of Economic and Social Research (NIESR) the recovery is now “entrenched” and it expects the economy to grow by 2.5% in 2014 and at the slightly reduced rate of 2.1% in 2015. It is anticipated that faster growth will come from three main areas: first, through stronger consumer spending, as lower inflation boosts household purchasing power; second, through a reduction in downside risk supporting confidence and encouraging firms to begin to invest their accumulated cash surpluses; and third, via a recovery in world trade, which supports an improved export performance. Concerns remain about the continuing low level of business investment and stagnant wage growth which means prices are continuing to rise faster than salaries.

The issue for Bolsover and North East Derbyshire is to ensure that it has a business environment in place to benefit from this up-turn.

Bolsover and North East Derbyshire: Overview

People and Place

- Bolsover District covers an area of 417 square kilometres, and has four towns and five main villages. The rest of the District is predominantly rural and made up of small villages and hamlets. North East Derbyshire covers an area of 259 square kilometres and sits on the edge of the

Peak District National Park. It has good links to the neighbouring towns and cities of Chesterfield, Sheffield and Derby.

- The population of Bolsover District is around 75,900, with approximately half living in the four towns of Bolsover, Clowne, Shirebrook and South Normanton. North East Derbyshire has a population of almost 100,000. The settlements with the highest population are Clay Cross, Dronfield, Eckington and Killamarsh.
- Both areas are set for growth. The latest long term population projections (up to 2030) suggest that the populations of Bolsover and North East Derbyshire will increase by 8,000 to 84,000 for Bolsover and 7,000 to 106,000 for North East Derbyshire. These same projections suggest that by 2030 the number of jobs will increase by 4,100 additional jobs in Bolsover and by 1,300 additional jobs in North East Derbyshire.
- Unemployment rates for the working age population for both districts are below the national average, although the rate for North East Derbyshire has been growing rapidly. Recent forecasts suggest that both districts will see reductions in the unemployment rate to 2030, to a level below pre-recession figures.
- Each of the districts has a proportion of population of working age that is below the regional and national average, with a greater proportion of people aged 65 or over. In North East Derbyshire, the size of the working age population has been falling rapidly lately and at the same time the number of elderly people has been growing.
- In terms of qualification levels, although Bolsover is currently at a lower rate than either Derbyshire or GB between the periods 2004-2012, the gap has shrunk significantly. This is especially true at lower levels of qualification (NVQ 2 and below). However, at higher levels (NVQ 3+), the gap is slightly larger. Another significant change is in the

percentage of people who have no qualifications. In Bolsover this has fallen drastically from 31.1% in 2004 to just 5.7% in 2012. This puts it at a lower rate than either Derbyshire or GB.

- North East Derbyshire qualification levels are also lagging behind both those for Derbyshire and those for GB. The most significant areas are the lower percentage of people with higher level qualifications (NVQ 3+). Also, since 2004, both Derbyshire and GB have increased their numbers of people with NVQ1 +, while North East Derbyshire has actually seen a decrease in this period. Finally, since 2004, in most categories, the gap between North East Derbyshire and both Derbyshire and GB has widened.
- A high number of people commute out of the districts to work. 2008 figures show a 70% commute out of Bolsover and a 65% commute out of North East Derbyshire. 20% of North East Derbyshire's employed residents work in Chesterfield; Chesterfield is also the largest single source of employment for Bolsover residents working outside their own district. Bolsover also has important links to North Nottinghamshire, with a combined commuting flow of 28% into Ashfield, Bassetlaw and Mansfield. A significant proportion of North East Derbyshire's residents (24%) work in Sheffield mainly from the three northern towns.
- The economic activity rates for both districts have changed significantly in the last ten years. In 2001 North East Derbyshire had a rate higher than the national average, while Bolsover's was lower. Recent evidence suggests that the position has reversed. Both districts have a higher proportion of people who are economically inactive who do not want a job.
- The Index of Multiple Deprivation (IMD) 2010 shows that Bolsover falls into the 'most deprived 50 districts' in one or more of the 6 district level summary measures (Rank of Average Rank and Rank of Employment). The statistics show that there is a concentration of deprivation in the east of Bolsover; the deprivation hotspots in North East Derbyshire are

focused in the south of the district. Each of the hotspot areas indicates clear links in health, education and employment.

- Bolsover and North East Derbyshire are strategically located adjacent to the M1 'growth corridor', which provides excellent north –south road links between Junctions 28-30. The M1 corridor has supported significant economic activity, particularly at Pinxton, South Normanton and Barlborough, and more recently Junction 29a, which was built to serve the Markham Vale Business and Industrial Park. However, congestion is a major concern specifically around junction 28 and local connectivity can sometimes act as a constraint or deterrent to development. The A61 is identified as a growth corridor from Sheffield to the M1.
- The economies of Bolsover and North East Derbyshire are closely linked to the sub-regional economies of Nottingham, Derby and Sheffield and also to the Ashfield/Mansfield A38 corridor.
- Within Bolsover, the nearest main line stations on the rail network are located in Chesterfield and Alfreton. The Robin Hood Line provides a link to Worksop, Mansfield and Nottingham. For North East Derbyshire, there is a main line station at Dronfield, which has links to Chesterfield and Sheffield. For the south of the district, the nearest stations are Chesterfield and Alfreton.
- Recent research indicates that Bolsover has achieved an average of 9ha/year development on its employment sites over the last three years 2011 – 2014. Longer term trends (2000 and 2014) show an average development rate of 8 ha/year. However problems have been identified in achieving residential development on allocated sites. In North East Derbyshire problems have been experienced in achieving development on both employment and residential site allocations. The failure to unlock the job generating capacity of major employment sites will hamper local and national economic growth. The main reasons for

this lack of development include market viability, a lack of appropriate infrastructure on the sites and a lack of available finance to be able to implement the necessary improvements, and greater competition within the LEPs for the finances that are available.

- Bolsover and North East Derbyshire are still recovering from the effects of heavy industry. Whilst many former colliery sites have been reclaimed, the physical impact of the industrial past is still visible in some contamination issues, although many sites have since been reclaimed.
- Both Bolsover and North East Derbyshire District Council hold significant land and property assets throughout their districts. A good number of the assets have development prospects, and if dealt with, have the potential to unlock capital and realise longer term revenue income streams.
- A key feature of both districts is the green space that both separate and links its towns and villages. Despite their industrial past, both areas have a rich environment and cultural heritage.
- Tourism is a growth industry and an important part of the local economy in both Bolsover and North East Derbyshire, which have a number of key tourist sites including Bolsover Castle, Hardwick Hall, Creswell Crags and the Peak District National Park.

Business and Enterprise

- Gross Value Added (GVA) is the mostly commonly recognised method for measuring the economic output of an area, i.e. the value of goods and services produced by the business base. The districts have relatively small economies and suffer from low representation in high GVA sectors and limited formation of new businesses. There has however been a significant level of growth over the 10 year period

2002-2012 within Bolsover. At 68% this surpasses East Midlands at 13% and UK levels of 16% increasing GVA. Over the same period North East Derbyshire has grown by 4%. Productivity is also predicted to continue to increase up to 2030.

- The East Derbyshire area (Bolsover/Chesterfield and North East Derbyshire) has a workplace GVA per head of £13,828, which is significantly lower than the GVA per head for England at £21,937, reflecting the disproportionate impact that industrial restructuring has had on the districts. However, during the period 2004-12, East Derbyshire GVA per head grew by 31.7%, a much faster rate of growth than regionally or nationally. GVA per industry figures show that for East Derbyshire, between the periods 2004-11, the fastest growing sectors were the Public Admin, Real Estate, Construction and Information & Communication sectors.
- Manufacturing continues to be a key, employment sector. Indeed, in North East Derbyshire, the manufacturing sector has grown to 17.8% of total employment, which bucks the county and national trend. Bolsover and North East Derbyshire have seen employment growth in Public Administration, Education and Health, areas which are under pressure with continuing public sector cuts.
- Total employment in Bolsover has increased by 9% from 2009-2012 whilst in North East Derbyshire total employment has reduced by 1% during the same period. This is compared with a reduction of -1% for the East Midlands and 1% increase across England for the same period.
- North East Derbyshire has a number of exporters within its business base. As at February 2014, NEDDC has 66 exporting businesses. The mean value of these exports per business was £6,931,883, whilst the largest single exporter had a value of £37,014,360. The majority of these exporters are large, established companies.

- Forecasts suggest that in terms of growth in employment figures, the key growth sectors up to 2030 will be the Wholesale & Retail Trade and Human Health & Social Work sectors for North East Derbyshire and the Construction, Professional, Scientific & Technical and Wholesale & Retail Trade sectors for Bolsover. For both districts, it is suggested by the same forecasts that the weakest performing sector (i.e. that with the greatest reduction in employment) will be the Manufacturing sector, although in terms of job losses this will be a relatively small number (700 between 2013-2030 for NEDDC and 600 for Bolsover).
- Both Districts have seen a decline in business 'births' between 2004-2012. North East Derbyshire has experienced more business 'deaths' than 'births', which equates to a gradual net loss of businesses in the district. However, both districts have seen a net decrease in business 'deaths' during the period 2004-12, which is contrary to the national picture. Bolsover has seen a small net business growth of 35 enterprises.
- For both districts the vast majority (89% NEDDC and 87% BDC) of businesses are Micro-Enterprises (0-9 employees).

Housing

- Bolsover and North East Derbyshire face significant challenges in accommodating housing growth. New housing provision needs to be increased substantially over completion rates in the last few years, whilst achieving an appropriate mix and tenure of housing that will create more balanced communities, meet housing needs, and support economic growth.
- Whilst a number of government funding sources are available to the Councils and their delivery partners to support housing delivery,

accessing these is often challenging within the districts. Key issues relate to scale of development sites, and low rental and property prices.

- Although viability is a key challenge for both districts it is particularly acute in Bolsover. A viability study carried out by 'Levels' in 2012 on behalf of Bolsover District Council concluded that 'the viability of residential development over much of the district is marginal even with no requirement for a percentage of affordable housing provision.' North East Derbyshire continues to experience viability issues in its settlements with lower house and land values.
- Although both areas have some of the lowest cost housing in the East Midlands there is a notable variation in house prices across Bolsover and North East Derbyshire, with 78% of Bolsover's housing stock falling within Council Tax bands A and B, and North East Derbyshire having significantly higher house prices in the north of the district and the more affluent and sought after rural areas to the west, where there is a higher proportion of larger and detached homes. Despite the low property values in Bolsover and parts of North East Derbyshire, affordability is still an issue due to low average incomes.
- The North Derbyshire and Bassetlaw 2013 Strategic Housing Market Assessment (SHMA), which includes Bolsover and North East Derbyshire, recommends that between 235 and 240 additional homes are required in Bolsover each year, and between 270 and 310 in North East Derbyshire each year, over the next 5 years. This will require a substantial increase from recent delivery levels, and recovery to pre-recession levels.
- The 2013 Strategic Housing Market Assessment found that in Bolsover there is a need for between 300 and 430 affordable homes per annum and 560 in North East Derbyshire; however the SHMA found that the private rented sector supports around 315 lettings per year to people

claiming Local Housing Allowance in Bolsover with 180 in North East Derbyshire.

- Over a four year period Bolsover has received £772,335 from the government for New Homes Bonus allocations whilst North East Derbyshire has received £584,725.
- Although it is important to create this supply through facilitating new build, existing stock is also an important contributing factor, including improvements to Local Authority stock, bringing empty properties back into use and improvements and facilitation of the private rented sector. Delivering improvements to existing stock also contributes to improved quality of place, and bringing empty homes back into use contributes to the Councils' New Homes Bonus.
- Bolsover is a stock holding authority, owning and managing around 5200 homes. The Authority has a proven track record of investment within the Housing Stock and reached the decent homes standard for all properties by 2010 without the need to transfer the stock to another landlord. More recently, a detailed stock condition survey was completed in early 2014, providing an accurate assessment of investment needs over the next 30 years. A detailed business plan is to be developed and updated on a regular basis with completed works and random surveys. Bolsover has strong ambitions to both maintain and improve standards of existing housing stock, but also to build or acquire additional stock when needed. Two new build schemes have been successfully completed on the sites of former Tarran bungalows and the third is nearing completion. In total this is 55 new properties. The developing business plan will also include additional new build in the area to address the increasing housing need for one and two bedroom properties.
- Rykneld Homes Limited (RHL) currently manages 8084 properties on behalf of North East Derbyshire. Approximately a third of these are

properties are of non traditional construction requiring significant levels of investment to secure their future. All the stock is required to be maintained at Decent Homes levels by the sector regulator the Homes and Communities Agency (HCA). NEDDC's chosen regeneration partner Rykneld Homes has secured Decent Homes funding and delivered a £23 million Capital programme in 2013/14 to begin addressing this. The capital programme will increase to £30 million over the next two years. The structural condition of the stock will require additional funding above the Council borrowing provision allowed through the 30 Year Housing Revenue Account Business Plan. To help tackle this Rykneld Homes has successfully established itself as a Registered Provider of Social Housing with the HCA. This will enable greater flexibility to access additional funding to deliver the Councils long term regeneration plans. This work has already commenced with the successful Tarran Bungalow project in Killamarsh and Eckington. The £11 million project has enabled the replacement of 99 homes which no longer met modern housing needs with 129 new energy efficient properties. The additional units developed by increasing build density are owned and managed by Rykneld Homes.

- Although levels of Private Rented Sector (PRS) stock are relatively low in the districts, 13% of housing in Bolsover is privately rented and 7.4% in North East Derbyshire. However, the sector is expanding and has increased by 3.5% in North East Derbyshire and 5.3% in Bolsover between 2001 and 2011,
- Housing growth is a significant element of both the SCR and D2N2's current Strategic Economic Plans. Housing Strategy have been working actively to maximise funding streams through the LEPs, such as the Homes and Communities Agency (HCA) grants to facilitate additional housing through initiatives such as a Joint Investment Fund and Housing Growth Zones for the SCR.

Challenges and Issues

The evidence shows that Bolsover and North East Derbyshire are facing a number of significant barriers and challenges in relation to its future growth where action needs to be taken.

- The economy is behind the national average in terms of GVA per head, although it is growing at a much faster rate than nationally.
- There is under-performance on business churn and growth, recording comparatively low business birth and death rates. However, business survival rates, particularly in NED are generally higher than average.
- There is a limited range of quality of employment land portfolio, especially in North East Derbyshire and generally poorly connected employment sites. There is also a lack of fit for purpose commercial stock as well as low levels of opportunities for design and build and move-on accommodation.
- Since the demise of Business Link, there is a lack of in-depth support and advice services to help businesses to grow as well as a limited range of suitable funding to finance business growth.
- Viability is challenging across many parts of Bolsover district, with low house, rental and land values affecting the delivery of both market and affordable housing. Evidence suggests that housing delivery is restricted by low effective demand for housing, rather than a shortage of housing land.
- Viability for housing growth is a challenge for North East Derbyshire due to lower value areas in terms of house, rental and land values in parts of the districts.

Our Competitive advantage

Although there are challenges, there are genuine economic growth opportunities, competitive strengths and assets that Bolsover and North East Derbyshire can build upon, including:

- Excellent north-south road links and the significant private sector growth supported by significant public investment in infrastructure along the M1: junction 28 Castlewood in the south to junction 30 Barlborough Links in the north of Bolsover.
- Bolsover district had a significant increase in employment from 1998 to 2008.
- Commencement of infrastructure work in North East Derbyshire at The Avenue site which is the single largest regeneration scheme with the HCA.
- The provision of public sector start-up facilities and business support provided, for example The Tangent in Shirebrook and Coney Green in Clay Cross.
- £30m investment levered in for the redevelopment of Clay Cross and Bolsover Town centres.
- Resiliency of start-ups particularly in North East Derbyshire is higher than the national trend.
- Fast growing level of productivity i.e. GVA per head.
- Large number of micro-enterprises in Bolsover and North East Derbyshire create a more diverse and adaptable economy.

Future **opportunities** include:

- Building on the excellent north-south road links, particularly further develop employment land accessible to the M1, including near junction 29 within North East Derbyshire.
- Working in partnership to develop out Markham Vale Enterprise Zone.
- Increasing the numbers of new starts particularly in high value sectors and improve business survival rates beyond 5 years.
- Developing further employment land at Callywhite Lane, Dronfield by addressing infrastructure and access.
- Highly skilled workers out-commuting creating opportunities to relocate their jobs within the area, bringing enhanced economic activity.
- Increasing the number of companies exporting.
- Working in partnership with the HCA to realise the development of additional housing in Brookvale in Shirebrook, Bolsover and The Avenue in North East Derbyshire.
- Bringing in additional New Homes Bonus monies by bringing empty properties back into use.
- Enhancing the relationship with D2N2 and SCR to capitalise on funding and other opportunities.
- Building new council housing at Bolsover and new social housing at North East Derbyshire through acquiring registered provider status for Rykneld Homes.
- Working in partnership to deliver appropriate mixed use schemes at the former Coalite site addressing restoration and overcoming viability, infrastructure and phasing issues.

- Maximising opportunities to improve the tourism offer especially links with the Peak District and through under-developed resources such as the Chesterfield Canal.

For Bolsover and North East Derbyshire's economies to continue to grow, there continues to be a pressing need to broaden the economic base. The evidence shows that action is needed to build on our competitive advantage, generate growth and prevent further decline across Bolsover and North East Derbyshire. Creating new businesses and expanding existing ones, seizing the growth opportunities of the M1 'corridor', the provision of higher skilled, higher paid employment and delivering housing and places that attract and retain workers are key priorities. The area has many assets that can be utilised, developed and enhanced to improve the local economy for the benefit of businesses, individuals and communities. As the government looks to rebalance the economy away from over-reliance on London and the South East by strengthening the country's production and manufacturing base, Bolsover and North East Derbyshire needs to position themselves to respond to this agenda.

3. Policy and Financial Drivers

Policy Context

We recognise that the area is, in itself, highly integrated with the economies of the sub region, east midlands and the UK in general. The Growth Strategy will need to be wholly inter-related and consistent with the regional strategic framework, particularly the Strategic Economic Plans of both LEPs.

The government's Plan for Growth set out a programme of structural reforms to remove barriers to growth for business and localities. To support local growth and rebalance growth so that it is more evenly shared across the country, initiatives include:

- establishing Enterprise Zones
- introducing programmes such as the Regional Growth Fund to leverage new private sector investment
- developing the role and remit of LEPs to drive local growth

Bolsover and North East Derbyshire are part of two LEP's; Sheffield City Region and Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2). Government has given a greatly increased role for Local Enterprise Partnerships; specifically to devolve growth related funding to a single funding pot by April 2015. The use of these resources will be informed by new strategic plans for local growth consistent with national priorities, which both LEPs have submitted to government for approval. Additionally in the Autumn Statement, government committed to:

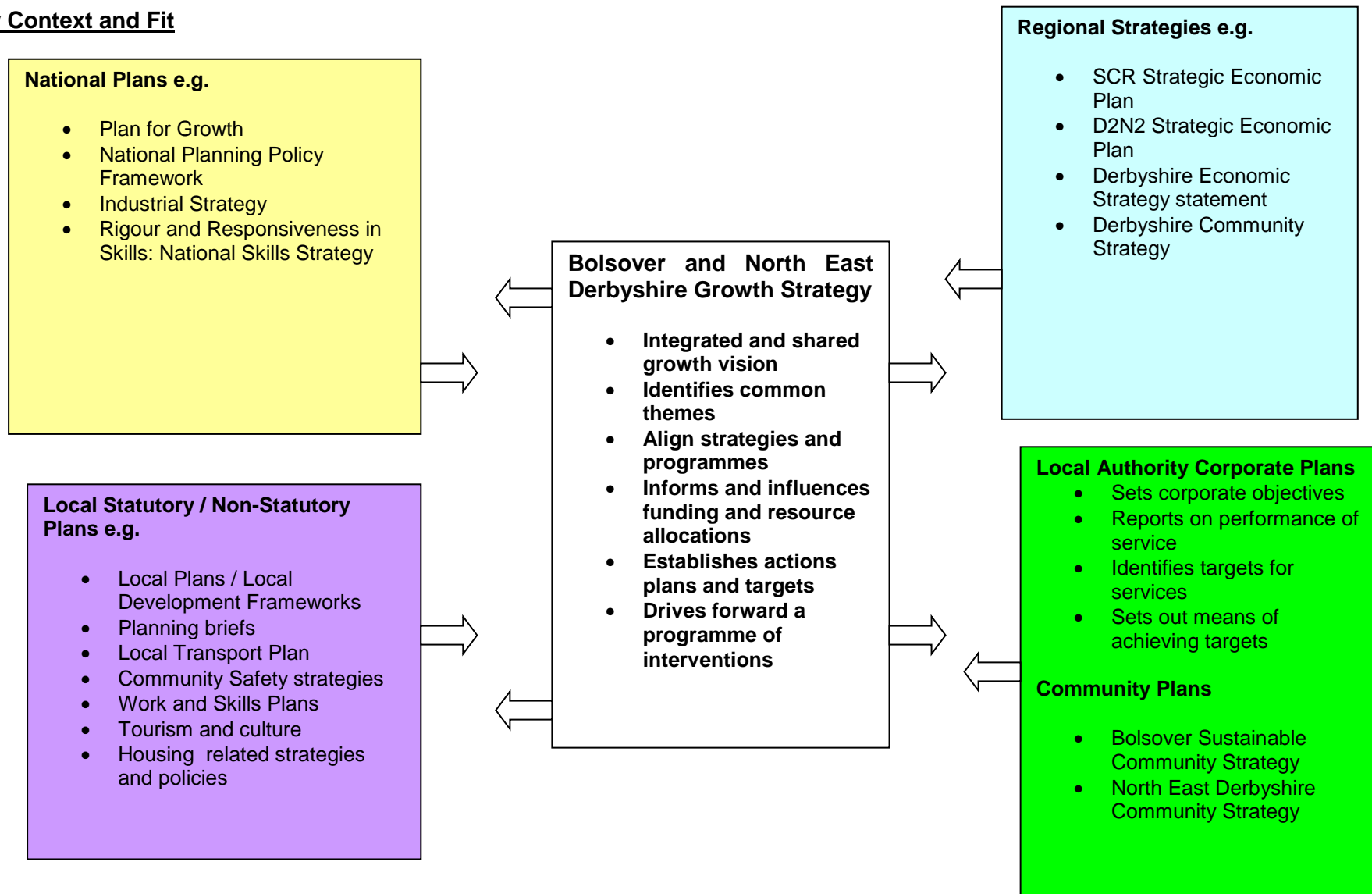
- aligning EU Common Strategic Framework Funds in England with LEPs' plans and
- notionally allocating funds to each LEP to support their identified investment priorities;
- affording LEPs a key role in relation to local skills strategies;
- providing a further £350m for the Regional Growth Fund; and

- making available a new concessionary public works loan rate to infrastructure projects nominated by LEPs.

Bolsover and North East Derbyshire will need to work very closely with the LEPs to deliver the Growth Strategy. Over the months and years ahead, the priority will be to ensure that the priorities contained within the Growth Strategy are appropriately reflected in the LEP's activities.

The attached diagram sets out the policy framework and defines the core role and function of the Growth Strategy.

Policy Context and Fit



Planning for Growth

The Government has made it clear that authorities should pursue a pro growth agenda in a flexible manner. The Local Plan for Bolsover and emerging Local Plan for North East Derbyshire provide the basis for growth, ensuring growth is targeted in the most suitable locations. Unlocking employment sites to meet growth requirements are a key priority, specifically to address the imbalance between the number of residents and the relatively low number of jobs. There is a need to safeguard and improve both existing employment sites and the employment land supply with Bolsover and North East Derbyshire. Bolsover has made provision for an additional 185 hectares of land for employment use up to 2030. The net employment land target for North East Derbyshire is around 50 hectares over the 20 year plan period. The focus is on existing large sites, both within public and private sector including:

- The Avenue, Wingerworth
- Biwaters, Clay Cross
- Markham Vale Enterprise Zone
- Former Coalite site
- Brook Park, Shirebrook
- Castlewood, M1
- Barlborough Links.

Bolsover and North East Derbyshire have a significant challenge to provide a mix and choice of housing, including affordable housing, to meet future housing targets and support economic growth. Both authorities need to make provision for additional dwellings of 5,000-6,000 between 2011 and 2031, which equates to around 300 dwellings per annum. Given past housing completion rates, there needs to be an increased emphasis on housing delivery, specifically on those larger housing sites which have secured planning permission.

The need to bring forward substantial development across both Bolsover and North East Derbyshire will put extra pressure on existing infrastructure.

The Financial Imperative

Since 2010, funding for development and regeneration has significantly changed. While the quantum of funding has decreased, Government has set out a range of mechanisms through which local government might incentivise economic growth. There are a range of local growth incentives to support housing and economic growth, e.g. retention of business rates; developer contributions to infrastructure funding; New Homes Bonus etc. Payment depends largely on the level of growth. In general, these mechanisms involve little or no grant funding; and invariably, they rely on close and collaborative joint working between upper and lower tier authorities.

Bolsover and North East Derbyshire continue to face significant financial pressures during the next 3 years. An important component of the strategy will be to use these mechanisms creatively to generate additional revenue for the councils to address the financial challenges facing each authority.

4. Our Vision and Growth Ambition

The Growth Strategy will:

- Provide a shared narrative on the future direction of the Bolsover and North East Derbyshire economies, and
- Define clear priorities, objectives and actions for delivering and managing growth over the next 10 years.

We are committed to deliver faster sustainable growth and prosperity with opportunities for all to flourish and succeed.

Delivery of the vision will be achieved through a partnership approach to investment and will be underpinned by detailed action programmes leading to:

- Increasing the number of new starts and survival rates
- Additional inward investment in priority sectors
- Growing SMEs and increasing the number of large businesses
- Completing new homes, including the delivery of higher value properties to maximise New Homes Bonus
- Bringing empty properties back into use
- Increasing government funding from financial incentives for growth

Our Strategic Priorities

Our three strategic priorities are:

1. **Supporting Enterprise:** maintaining and growing the business base
2. **Enabling Housing Growth:** increasing the supply, quality and range of housing to meet the needs of a growing population and support economic growth
3. **Unlocking Development Potential:** unlocking the capacity of major employment sites

Our priorities are underpinned by 4 cross-cutting themes:

Partnership Working: More than ever, delivery of the Growth Strategy will be about working in partnership to get the most from scarce resources. This will include establishing a new relationship with the private sector to drive forward our growth agenda.

Equality: Social equality and ensuring that all residents benefit from growth will be at the heart of the Growth Strategy.

Leadership and Co-ordination: Bolsover and North East Derbyshire will need to actively address the structural weaknesses of the local economy in order to leverage new opportunities and deliver the core strategy's growth targets. The councils will provide effective leadership to rally support and commitment to the Growth Strategy, including the effective and efficient use of resources to kick-start action.

Changing Perceptions: A key theme will be to change the perceptions and raise the profile of Bolsover and North East Derbyshire as investment locations and a place for business.

5. Strategic Priorities: Unlocking our Growth Potential

1. Supporting Enterprise: maintaining and growing the business base

The Evidence

The analysis of the local economy shows structural weaknesses and an inability to keep pace with either the regional or national drivers. The following evidence demonstrates the challenges and opportunities faced:

- Dominance of lower-value added employment characterised by jobs with low earnings and low skills requirements and high levels of part-time employment.
- A manufacturing sector that has been increasing but is projected to decline.
- Over reliance on the public sector.
- Low levels of employment in higher value added sectors.
- Low levels of inward investment.
- Growth sectors include tourism, construction, advanced engineering and financial and business services.

Through this outcome we want to ensure we have a vibrant business community that is both ambitious and resilient. We are seeking to foster the next generation of entrepreneurs, ensuring existing businesses have the right support to grow, innovate and become more competitive. Our actions will focus on ensuring business support is available to those businesses who need it alongside business premises to meet a range of needs. This will be in the context of D2N2 and SCR resources and their Strategic Economic Plans.

Objectives

- Identifying and supporting businesses capable of growth.
- Encouraging competitiveness, creativity and enterprise, particularly amongst small and medium sized enterprises.
- Accelerating new business start-ups and ensuring survival.
- Developing and promoting the districts as competitive business locations.
- Increasing the number of businesses that export.
- Support the growth and development of the tourism product.

2. Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of a growing population and support economic growth

The Evidence

Across both authorities, appropriate new housing provision needs to be increased substantially over completion rates in the last few years, which have been adversely affected by the economic downturn. The evidence shows:

- Bolsover and North East Derbyshire continue to experience difficulty in achieving delivery of residential sites with planning permission.
- Both authorities face significant challenges in accommodating growth and future housing delivery targets.
- New housing provision needs to increase substantially over completion rates in the last few years, whilst achieving an appropriate mix and tenure of housing that will create more balanced communities and meet local and changing needs.
- There are over 1,000 long term empty properties across the two districts, which if brought back into use would contribute towards meeting housing needs and improve neighbourhoods.
- There are opportunities to deliver high quality 'aspirational housing' especially in rural areas.

There is a need to accommodate growth and development in a sustainable way that protects the environmental quality and identities of the area.

Objectives

- Bringing forward housing development sites.
- Increasing the provision of quality private sector housing supply.
- Support the acceleration of the delivery of new housing in key locations.
- Taking action to ensure that more affordable homes are available to rent or buy.
- Continuing to work with HCA and other strategic partners to accelerate the delivery of major regeneration projects across the area.
- Taking practical actions to bring empty homes back into use.

3. Unlocking Development Potential: unlocking the capacity of major employment sites

The Evidence

The provision of a new sites and premises infrastructure is vital to support the rebuilding and diversification of the economic base. There is a reasonable availability of sites and premises to support business relocation, growth and expansion, ranging from incubation centres through to strategic employment sites, including the Markham Vale Business Park. The evidence shows:

- There is a need to ensure that sufficient employment land is available to meet future job growth requirements.
- There is a legacy of large scale Brownfield sites, which require significant remediation.
- The poor viability of commercial development will inevitably mean that only a limited supply of completed new build investment will be brought to market over the next few years.

Objectives

- Continuing to work in partnership with the public and private sector to develop, manage and enhance key strategic employment areas.
- Work towards maintaining an appropriate supply of suitably located employment land and premises.
- Ensuring the adequate provision of business start-up and incubation units to support the growth of start-ups, small and medium sized enterprises.
- Work with established firms and to promote the appropriate development of land in their ownership, particularly large single companies.

6. Action Plan

There are a limited number of priority interventions, which have the potential to trigger growth and economic change. They require a level of public sector intervention and have been developed in response to identified needs and opportunities. In some instances, the initiatives build on current / planned initiatives and collaboration between public and private agencies.

The interventions have three main focuses:

- Firstly, they major on actions (including preparatory work) which address the issues or opportunities for the area;
- Second, they have a clear growth and development focus, and
- Finally, the programme aligns with priorities and activities being promoted by the LEPs that make a difference and trigger significant economic change.

The strategic priorities and objectives will be delivered through a number of Transformational Intervention Projects as detailed in Appendix 1. Following adoption of the Growth Strategy and Action Plan, a designated 'lead' department will be responsible for preparing a detailed project plan for each authority to animate the project and determine resource requirements, risk and delivery mechanism.

An indicate timeframe is included within the priority interventions:

Short: (S) up to 12 months

Medium: (M) 1- 3 years

Long: (L) 3 years +

7. Implementation and Delivery

The Action Plan sets out a coherent programme of phased interventions, which builds momentum in the short, medium and long term and will lead to economic development and growth. Consultation has taken place with the business community and other stakeholders, particularly the LEPs on both the strategy and action plans.

Following adoption of the Growth Strategy and Action Plan, a designated 'lead' department / officer will be responsible for preparing a detailed project plan to animate the project and determine resource requirements, risk and delivery mechanism. The project plan will include:

- The rationale for the action;
- Measures of success and timeframe;
- Responsibilities for delivery and
- Estimated investment needed (revenue, capital and external funding).

Clearly, cuts in local authority funding are impacting on the pro-growth services councils provide. A key driver of the Growth Strategy and Action Plan in the short – medium term will be to maximise income from the various financial mechanisms introduced by central government, specifically the New Homes Bonus and business rates retention scheme, to generate additional revenue for the councils to address the financial challenges facing each authority.

Making the case for growth will be crucial if Bolsover and North East Derbyshire are to benefit from external funding support from both LEPs. Bolsover and North East Derbyshire will need to work very closely with the LEPs to deliver the Growth Strategy. Over the months ahead, the priority will be to align projects contained within the Growth Strategy to the LEPs activities and funding programmes, e.g. ESIF, Growth Deals etc.

In addition to the interventions set out in the previous section, to support delivery of the Growth Strategy, both authorities will investigate the potential of establishing a proactive Growth Fund, which could be used to:-

- extend access to finance schemes to growing businesses across both local authority areas;
- invest / unlock property for development where markets are failing to kick start development.

The focus will be on developing / bringing forward projects that will have an economic impact and benefit for the area. In addition, the fund could be used to lever in additional funding from private, public and European investment.

A Leadership Team of senior officers across both authorities, under the direction of the Chief Executive, will be established to ensure coordination, implementation and delivery of the strategy as well as monitoring performance.

The economic development team will have a critical role to play to drive forward the growth agenda across the Alliance area. The roles, responsibilities and resources within the team will need to be reviewed in light of the new priorities set out in the strategy.

8. Managing Performance

A performance framework will be developed to set out measurable targets. Progress in achieving the aims of the Growth Strategy and Action Plan will be measured against a small number of headline indicators and through the successful delivery of activities identified in the action plans for Bolsover and North East Derbyshire.

The success of the Action Plan will be measured using:

- Statistical analysis to assess on-going progress;
- Monitoring progress by regularly up-dating Project Delivery Plans, and
- Regular engagement with partners and stakeholders to gauge qualitative opinion progress.

Supporting Enterprise: maintaining and growing the business base

Our objectives

- Identifying and supporting businesses capable of growth.
- Encouraging competitiveness, creativity and enterprise, particularly amongst small and medium sized enterprises.
- Accelerating new business start-ups and ensuring survival.
- Developing and promoting North East Derbyshire as a competitive business location.
- Increasing the number of businesses that export.
- Support the growth and development of the tourism product.

North East Derbyshire Transformational Intervention Projects	Description	Lead (**)	Timescale
1. Business Growth 'Hub'	Launch local Business Growth Hub (connected to LEP Growth Hub) to establish an integrated, local business support service targeted towards high growth enterprises that have the potential, ambition and commitment to grow.	AD - EG	S/M
2. Key Account Management	Linked to the growth hub, sharpen the approach to Key Account Management through developing a programme to focus support on companies.	AD - EG	S/M
3. Business Support Package	Develop a menu of business support including market research, supply chain activity, business to business support, innovation, recruitment support, bespoke packages, support grants and/ or loans.	AD - EG	S/M
4. Internationalisation programme	Work with the LEPs to develop and implement a local internationalisation programme in order to expand trade and investment capacity.	AD - EG	M
5. Accelerate business start-ups	Develop an Enterprise and Entrepreneurship Action Plan to generate and support business start-up activity across the area and foster a culture of enterprise.	AD - EG	M/L
6. Refresh approach to inward investment	In collaboration with SCR / D2N2, refresh and develop an inward investment approach to improve the perception of North East Derbyshire as an investment location. The approach will focus on local actions to add value to sub-regional / regional activities including: <ul style="list-style-type: none"> • Targeted promotion and effective branding: raising the profile and visibility • Relationship building with agents / other intermediaries • Define the proposition and 'package' • Coordinate and share intelligence • Aftercare (link to Growth hub). 	AD - EG	S/M
7. Rural Development Action Plan	Prepare a Rural Development Action Plan (LEADER programme), working with the LEP, DCC, LAG and the private sector, in order to enhance the product and raise the profile of North East Derbyshire as a place to visit.	AD - EG	S/M

Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of a growing population and support economic growth

Our objectives

- Bringing forward housing development sites.
- Increasing the provision of quality private sector housing supply.
- Support the acceleration of the delivery of new housing in key locations.
- Taking action to ensure that more affordable homes are available to rent or buy.
- Continuing to work with HCA and other strategic partners to accelerate the delivery of major regeneration projects across the area.
- Taking practical actions to bring empty homes back into use.

North East Derbyshire Transformational Intervention Projects	Description	Lead (**)	Timescale
1. Realise major housing / mixed-use regeneration projects	In partnership with key stakeholders (e.g. LEPs, HCA) ensure delivery of major housing / mixed-use regeneration projects including: <ul style="list-style-type: none"> • The Avenue, Wingerworth • Former Coalite site • Former Biwaters site, Clay Cross 	AD – EG AD – P & EH	S/M S - L
2. Identify new strategic housing sites	Investigate the potential for new strategic housing sites in North East Derbyshire including within the M1 Strategic Growth Corridor and eastern sub area.	AD – EG AD – P & EH	S/M
4. Social housing building programme	Investigate and plan implementation (including delivery mechanism) to bring forward the construction of new social housing .	AD – EG	S
5. Facilitate a house building programme	Through the production of a Housing Strategy identify a range of interventions available to stimulate housing growth, including a strategy for reducing the number of empty homes, financial incentives to stimulate growth and bringing empty commercial properties into social housing.	AD – EG	S
6. Relationship Management with Landowners and Developers (*)	Improve knowledge, intelligence and aftercare support by supporting landowners and developers to take forward sites pre and post planning .	AD – EG AD – P & EH B & CM	S
7. Realise the growth potential of Council-owned assets (*)	Through a procurement exercise establish interest from the market to work in partnership with the Council and establish a delivery method for the development / refurbishment of key council-owned assets , including establishing development agreements.	B & CM	S

Unlocking Development Potential: unlocking the capacity of major employment sites

Our objectives

- Continuing to work in partnership with the public and private sector to develop, manage and enhance key strategic employment areas.
- Work towards maintaining an appropriate supply of suitably located employment land and premises.
- Ensuring the adequate provision of business start-up and incubation units to support the growth of start-ups, small and medium sized enterprises.
- Work with established firms and to promote the appropriate development of land in their ownership, particularly large single companies.

North East Derbyshire Transformational Intervention Projects	Description	Lead (**)	Timescale
1.M1 Growth Corridor	Develop the M1 Strategic Growth Corridor proposal as the principal economic growth location, including investigating strategic site development at Junction 29	AD – EG AD – P & EH	S - L
2. A61 Growth Corridor	Continue to work with LEP and DCC to bring forward investment and development along the A61 Growth Corridor	AD – EG AD – P & EH	S - L
3. Priority Site Interventions	Identify key actions and funding mechanisms to bring forward site development at principal employment growth locations including: <ul style="list-style-type: none"> • Callywhite Lane, Dronfield • Former Biwaters site, Clay Cross • The Avenue, Wingerworth • Markham Vale • Former Coalite site. 	AD – EG AD – P & EH B & CM	S - L
4. Relationship Management with Landowners and Developers (*)	Improve knowledge, intelligence and aftercare support to supporting landowners and developers to take forward sites pre and post planning , such as at Holmewood, Dronfield and Coney Green, Clay Cross.	AD – EG AD – P & EH	S
5.Realise the growth potential of Council-owned assets (*)	Through a procurement exercise establish interest from the market to work in partnership with the Council and establish a delivery method for the development / refurbishment of key council-owned assets , including establishing development agreements	B & CM	S

(*) included in housing theme

(**) AD – EG - Assistant Director of Economic Growth

AD - P & EH - Assistant Director of Planning and Environmental Health

B & CM – Building and Contracts Manager