

**Cheltenham Borough Council**  
**Cabinet – 24<sup>th</sup> June 2014**  
**Cheltenham Economic Development Strategy**

<b>Accountable member</b>	<b>Leader of the Council</b>
<b>Accountable officer</b>	<b>Wilf Tomaney , Townscape Manager. Tracey Crews, Head of Planning</b>
<b>Ward(s) affected</b>	<b>All</b>
<b>Key Decision</b>	<b>No</b>
<b>Executive summary</b>	<p>The current Economic Development Strategy (EDS) is out of date and no longer fit for purpose. In order to inform the drafting of the Cheltenham Plan, assist with implementation of the policies of the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy and to engage effectively with emerging Local Enterprise Partnership (LEP) initiatives, the Council needs to replace its EDS, providing a strong analytical evidence base which clearly sets out the Council's aspirations for the local economy and identifies through an action plan how these can be delivered.</p> <p>The EDS will enable the Council to better understand and more accurately forecast sector growth, inform new employment land allocations, and target business advice.</p>
<b>Recommendations</b>	<ol style="list-style-type: none"> <li><b>1. To agree the draft brief for consultants' expressions of interest at Appendix 2 which will form the basis for the tender brief for the Economic Development Strategy for Cheltenham;</b></li> <li><b>2. To authorise the Director of Environmental and Regulatory Services to undertake the procurement process;</b></li> <li><b>3. To approve the transfer of £10,000 from the Economic Development reserve, to assist in funding the project.</b></li> </ol>

<b>Financial implications</b>	<p>This is a one-off project with funding allocated from the Economic Development reserve.</p> <p><b>Contact officer:</b> Nina Philippidis,  Accountantnina.philippidis@cheltenham.gov.uk, 01242 264121</p>
<b>Legal implications</b>	<p>The procurement process will need to comply with the Contract Rules. In developing the new EDS it will be important to have appropriate alignment with the Cheltenham Plan, JCS and SEP.</p> <p><b>Contact officer:</b> peter.lewis@tewkesbury.gov.uk, 01684 272012</p>

<b>HR implications (including learning and organisational development)</b>	There are no staffing or Trade Union implications. <b>Contact officer:</b> Julie McCarthy, julie.mccarthy@cheltenham.gov.uk, 01242 264355
<b>Key risks</b>	
<b>Corporate and community plan Implications</b>	The proposed procurement of an updated economic strategy will enable the council to deliver on the following outcomes: <ul style="list-style-type: none"> <li>• Cheltenham has a strong and sustainable economy;</li> <li>• Cheltenham’s natural and built environment is enhanced and protected.</li> </ul>
<b>Environmental and climate change implications</b>	The strategy will inform the Cheltenham Plan which is subject to a statutory Sustainability Appraisal Process that incorporates the requirements of Strategic Environmental Assessment.
<b>Property/Asset Implications</b>	There are no property and asset implications <b>Contact officer: David Roberts@cheltenham.gov.uk</b>

## 1. Background

- 1.1** Cheltenham is a thriving town with a population of 116,080 (2012) and productivity levels above the national average. Its economy continues to grow, innovate and diversify. There are a wide range of educational and employment opportunities, a year round programme of festivals and events, a strong cultural and sporting profile and a high quality retail offer.
- 1.2** The current Economic Development Strategy (EDS) 2007- 2017 is no longer fit for purpose. Its focus is descriptive more than analytical, and it does not concentrate on delivery of solutions to problems. It no longer ties in with the borough level strategy and vision and fails to support Cheltenham’s emerging economic priorities or provide the appropriate evidence base for the emerging Cheltenham Plan. The borough faces a number of economic challenges, in particular, there is a need to:
- provide evidence to underpin policies and proposals in the Cheltenham Plan, and so seek ensure that the borough’s “offer” of developable commercial sites is not compromised as pressure to bring forward sites for housing within the urban area continues to increase;
  - relatedly, maintain a proper spatial and strategic balance between housing and commercial development to ensure the economic performance of the town is maintained and continues to grow;
  - align with the Gloucestershire Local Enterprise Partnership’s Strategic Economic Plan (SEP) and with the policies and proposals of the emerging Joint Core Strategy;
  - raise the profile of Cheltenham as a key commercial location and support sector growth;
  - compete successfully with other local and regional business locations;
  - increase levels of entrepreneurship and support small business growth; and
  - ensure commercial stock is fit for purpose and is ‘future-proofed’ to accommodate changing working practices.
- 1.3** By setting out the Borough’s updated economic priorities, the EDS will shape the emerging Cheltenham Plan; the long term spatial plan for the Borough that will guide the scale, type and location of future development, help to deliver the policies of the Gloucester, Cheltenham

and Tewkesbury Joint Core Strategy, further inform economic development team priorities as well as further align with the SEP.

## 2. Process

- 2.1 Preparation of an economic development strategy requires the application of technical and professional expertise that is not available in the current staff establishment. It will therefore be necessary to procure consultancy support in preparing the strategy. A draft brief for expressions of interest from consultants is attached as appendix 2
- 2.2 To help fund the project, it is recommended that £10,000 be transferred from the Economic Development earmarked reserve (balance as at 1<sup>st</sup> April 2014 £14,200). Officers are seeking information that will clarify, in broad terms, the budget requirements for a project of this nature. At time of writing this information is awaited and it is intended that a verbal update will be provided at the meeting. Expressions of interest will enable a clear estimate of costs to be obtained before proceeding to formal procurement.

## 3. Alternative options considered

- 3.1 In – house delivery of the Cheltenham EDS – The project could not be delivered within existing capacity.
- 3.2 A bid was submitted to the Local Government Authority for support to commission an EDS. The bid was unsuccessful.

<b>Report author</b>	<b>Contact officer: <a href="mailto:alice.welham@cheltenham.gov.uk">alice.welham@cheltenham.gov.uk</a>, <a href="mailto:david.halkyard@cheltenham.gov.uk">david.halkyard@cheltenham.gov.uk</a> 01242 775176 / 01242 774988</b>
<b>Appendices</b>	1. Risk Assessment  2. Draft brief for consultants' expressions of interest in preparing the Economic Development Strategy for Cheltenham.
<b>Background information</b>	

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the Built Environment division does not put proper controls in place for the management of commissioning an EDS we run the risk of funding not being used as efficiently as possible	Economic Development Officer	June 2014	3	3	9	Reduce	Monitor successful consultant in line with protocols.	ongoing	Economic Development Officer	Implementation of protocols has reduced the likelihood to 2.
	Without an EDS it may be difficult to resist proposals to develop employment sites for other uses, and to ensure, via linkage with the development plan, that future provision comes forward in a planned way.	Head of Planning	June 2014	3	4	7	Reduce	Ensure that Cheltenham EDS is part of evidence base of emerging development plan.	End 2014	Head of Planning	
<b>Explanatory notes</b>											
<p><b>Impact</b> – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p><b>Likelihood</b> – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p><b>Control</b> - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

**Guidance**

Types of risks could include the following:

- Potential reputation risks from the decision in terms of bad publicity, impact on the community or on partners;
- Financial risks associated with the decision;
- Political risks that the decision might not have cross-party support;
- Environmental risks associated with the decision;
- Potential adverse equality impacts from the decision;
- Capacity risks in terms of the ability of the organisation to ensure the effective delivery of the decision
- Legal risks arising from the decision

Remember to highlight risks which may impact on the strategy and actions which are being followed to deliver the objectives, so that members can identify the need to review objectives, options and decisions on a timely basis should these risks arise.

**Risk ref**

If the risk is already recorded, note either the corporate risk register or TEN reference

**Risk Description**

Please use "If xx happens then xx will be the consequence" (cause and effect). For example "If the council's business continuity planning does not deliver effective responses to the predicted flu pandemic then council services will be significantly impacted."

**Risk owner**

Please identify the lead officer who has identified the risk and will be responsible for it.

**Risk score**

Impact on a scale from 1 to 5 multiplied by likelihood on a scale from 1 to 6. Please see risk [scorecard](#) for more information on how to score a risk

**Control**

Either: Reduce / Accept / Transfer to 3rd party / Close

**Action**

There are usually things the council can do to reduce either the likelihood or impact of the risk. Controls may already be in place, such as budget monitoring or new controls or actions may also be needed.

**Responsible officer**

Please identify the lead officer who will be responsible for the action to control the risk.

For further guidance, please refer to the [risk management policy](#)

**Transferred to risk register**

Please ensure that the risk is transferred to a live risk register. This could be a team, divisional or corporate risk register depending on the nature of the risk and what level of objective it is impacting on