

Briefing Notes

Committee name: Cabinet

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Responsible officer: Mike Redman
01242 264160

mike.redman@cheltenham.gov.uk

This note contains information to keep Members informed of matters relating to the work of the Cabinet but where no decisions from Members are needed. If Members have questions relating to matters shown, they are asked to contact the Officer indicated.

Update regarding Economic development

Joint Core Strategy (JCS) – the JCS examination in public resumes in October, with additional sessions meaning that adoption is unlikely to take place until summer 2016 at the earliest. The JCS is arguably the most significant strand of work the council is pursuing in relation to long term impact on the economy of the town and its wider environs. In accordance with planning policy, the strategy seeks to balance economic, environmental and social impacts to deliver a plan for sustainable development.

The Inspector is considering some significant representations in relation to the quantum of employment land proposed for the JCS area and also, the intended status of safeguarded land identified for development around Cheltenham post-2031.

Areas of proposed safeguarded land at west Cheltenham and north-west Cheltenham adjacent to Junction 10 of the M5, have not yet been subject to the level of analysis afforded to allocations within the plan. If the Inspector indicates that the plan needs to have more flexibility during the plan period, further work may be required to assess the potential for safeguarded land being allocated at this stage.

Officers have been looking in particular at the proposed cross-boundary safeguarded site at west Cheltenham, which subject to changes to the sewage treatment plant at that location, may have potential for cyber security-related development.

Whilst this might offer additional employment land flexibility for Cheltenham, the Inspector and other JCS partners will be looking for evidence that any move in this respect would not unbalance delivery across the JCS area.

To this end, the Inspector has requested a document setting out the economic strategy as established by the JCS, updated in the context of the issues debated through the JCS examination and the analysis of additional evidence requested by the Inspector. It is appropriate that the economic strategy is an adaptable tool that responds to the wide range of influences which are working collectively to drive the economy of Gloucestershire, in respect of which the JCS area plays a significant role with influences beyond the county boundary. This document will therefore seek to clearly set out the direction of travel and identify, supported by evidence, modifications proposed to the JCS for consideration by the JCS examination in December.

Cheltenham Plan consultation

The Cheltenham Plan is a new planning policy document to guide development in the local area. It will be used in combination with the JCS for Gloucester, Cheltenham and Tewkesbury. The Cheltenham Plan has been split into two parts and the latest six week consultation which closed on 3rd August 2015, focused on part one.

The consultation builds on the previous scoping consultation that provided key information about the future plan. It focusses on issues (current and future) affecting Cheltenham and identifies planning approaches and options that can help solve and alleviate these issues.

This part one stage focuses on three policy areas:

- economic strategy;
- potential local green space designations; and
- potential development allocations (sites for development)

The main purpose of the consultation was to hear views on the early stages of Cheltenham Plan production, which will help the council to prepare the 'pre-submission draft' of the Cheltenham Plan.

Consultation responses will be reported to Council and published on the Cheltenham Plan webpage. Positive responses have been provided in relation to suggestions for local green space designations and there has been significant level of support for the provision of a cyber-security employment hub.

Athey report – developing Cheltenham as a business location

In late 2014, Athey Consulting was commissioned to support the development of an economic strategy for Cheltenham, focusing on the authority's role as a business location. The subsequent report published in January 2015 provides an economic assessment of Cheltenham, including an employment site review and key findings from consultation meetings and interviews with businesses and other stakeholders. Chapter 3 of the report outlines a number of key priorities and objectives for Cheltenham's economic strategy and goes on to discuss potential delivery ideas and options to help achieve these.

The report concludes that the rationale for the scale of the economic ambition for the town and the potential impacts and benefits from the strategic allocations within the JCS could be strengthened. Further work is needed to develop economic forecasts to identify what actions are likely to make the biggest impact on revenues, jobs, business retention etc. – this would provide the rationale for targeting certain priorities e.g. cyber-security. A strategic assessment of strengths or gaps in respect of what industries or businesses need from a location in terms of their commercial imperatives would help inform allocations and the management of strategic assets.

Athey also identifies the need to identify how innovation initiatives can be progressed to impact on productivity and how strategic sites might impact on existing district and town centres. More consideration also needs to be made of how sites work individually or in combination to address economic or social ambitions for a locality.

Highlighting what has been delivered well would be useful – e.g. the work of the Cheltenham Development Task Force, as this may stimulate further activity and investment. This needs to be clearly linked to outcomes and impacts such as jobs, business start-ups and turnover.

In terms of future investment, we need to be clearer about what industries and businesses are expected to underpin the demand for land and premises, or which will be responsible for shaping the local economy in future years.

If businesses cannot find suitable premises we need better intelligence to understand what the blockages are and what may be stifling or preventing investment. The role of the LEP in helping to gather this information and to link with FE/HE institutions to promote this commercial potential, alongside R&D activity, enterprise support and entrepreneurship would also be helpful.

Main conclusions from stakeholder consultation:-

- If established businesses and start-ups have growth ambitions, there is nowhere for them to move to and grow within the town;
- CBC needs to be more growth orientated with a stronger vision for change over the next 20 years;
- Allocating land for growth is a top priority, which would help local companies looking to expand and improve the offer for start-up businesses. There is a general feeling that the care sector is a major growth opportunity;
- Confirmed that any vision of Cheltenham as a location for new business HQ's would be highly unrealistic;
- There is a need for more provision of larger modern, high grade offices and business space to compete with the likes of Gloucester;
- Improvements to transport and parking – many consultees emphasised the need for transport improvements in and around the town, including measures to ease congestion e.g. ring road/northern relief road, better parking provision, easier customer access to retail businesses and measures to encourage modal shift away from cars;
- GCHQ is looking at opportunities for themselves and locations for subcontractors/associated businesses. CBC needs to support GCHQ with identifying suitable space for expansion within Cheltenham and to actively influence and support this;
- Need to develop rapport with key industries and remaining large employers such as GCHQ, with more active brokering of relationships to 'make things happen'.

Joining-up Gloucestershire economic development support

CBC is participating in a county-wide project being led by Gloucestershire County Council to look at how the districts are currently providing economic development support and what opportunities there are to do this more collaboratively in the future. At this stage, there is no suggestion that this will involve setting up a shared service, but we are looking at how authorities can work virtually to support business needs across municipal boundaries, in line with relevant recommendations within the Athey report as detailed above.

Findings from this project are being reported back through the Gloucestershire Economic Growth Joint Committee (GEGJC)

Cheltenham Business Partnership (CBP) manager role

Following a temporary appointment earlier in the year, Kevan Blackadder, formerly editor of the Gloucestershire Echo has now been appointed to this role on a consultancy basis. The role is currently part-funded by CBC, but this may be reviewed in light of the outcome of the Business Improvement District proposal outlined below. Kevan has been very active in liaising with the business community on a range of issues and is providing regular update reports through the CBP.

Business Improvement District

Following an initial feasibility study the Cheltenham Business Partnership has agreed to progress the project to establish a Business Improvement District (BID) for Cheltenham town centre. A ballot of businesses in the proposed area will be held to decide if the BID should be formed. This will entail a degree of resources and to support towns in developing a BID the DCLG has created a loan fund (£10,000 to £50,000) for which partnerships can apply.

This project is being overseen by Martin Quantock, formerly Cheltenham's town centre manager.

If loan funding is secured, the BID ballot could take place in mid-2016.

Criteria for the loan fund requires the support of the local authority and for the local authority to act as the Accountable Body should the partnership be successful in its application.

The Cabinet Member for Finance has agreed to approve Cheltenham Borough Council to:

- Act as the Accountable Body for a loan from The BID Loan Fund to be used to progress the development of a Cheltenham BID.
- Act as treasurer for the financial administration of the BID scheme, on behalf of Cheltenham Business Partnership.

If the ballot of businesses in the proposed area is unsuccessful the loan does not have to be repaid.

If the ballot is successful, the loan will be repaid from the income generated by the BID levy. As the council will collect the BID levy the loan repayments can be deducted before any levy income is paid to the BID Company. Interest at 1% above inflation will be charged each year which will also be deducted from BID levy income (late payment fees can also be charged). We are currently waiting to hear from DCLG as to when funds would be available to support the Cheltenham BID.

Based on current proposals, it is estimated that in excess of £400,000 per annum could be generated from BID levy. The risk of there being insufficient funds to repay the loan and any interest payable is considered to be minimal.

Car Parking Strategy

Members will be aware of the longstanding commitment within the corporate plan to review the Council's car parking strategy.

This work is now being progressed through the establishment of a cross-party Cabinet Member Working group which will have its inaugural meeting on 15th October, 2015.

Terms of reference for the group will be established at the initial meeting and its remit is likely to include:-

- Car parking quantum;
- Relationship between on and off street parking provision;
- Impact of car parking on the local economy;
- Strategy for parking charges;
- Review of service costs and current staffing arrangements;
- Legal constraints on the service;
- Relationship to objectives within the Gloucestershire Local Transport Plan;
- Opportunities for off street parking site consolidation, or further investment in provision.