

Economy and Assets Portfolio Holder Report

Scrutiny Committee - October 6th 2022

Introduction

I became the portfolio holder for Economy and Assets in May 2020. Events earlier that year included the UK leaving the EU and Axminster Carpets and Flybe both going into administration resulting in the loss of over 1,000 jobs. This is not to mention the first national Covid lockdown which began on the 26th March. These events form an important backdrop to this report. Their shadow is inevitably cast across the past 12 months upon which this report focuses.

A resilient economy is one of the three key priorities of the Council Plan. The first sentence of the relevant section of the Plan states that '*Covid-19 has had a significant and detrimental impacts on the economy of East Devon*'. This is perhaps an understatement. We are still building an appreciation of the structural impacts of the pandemic – from how we work to how we shop. But there can be little doubt that we will not just return to a pre-pandemic normality.

I am very proud of the work that has been undertaken across the Council to support the economy and businesses during these unprecedented times. Over £95m has been deployed across a wide range of different grant schemes. The role of the cross-party Councillor Panels in agreeing how to prioritise the discretionary elements of these funds has been vital. Alongside the support given by national government we have also dedicated £1m of our own funds to help support economic recovery. For the first time this included criteria around maximising carbon savings to support a green recovery and the transition to a net zero economy.

But this is not the time to be valedictory. With a cost of living crisis and a recession on the horizon there can be no let up. Access to a decent, well-paid job has never been more important to our residents. We continue to explore every avenue to support local businesses and the regeneration of our towns. Most recently this has included bids to the Levelling Up Fund. We have also submitted our Investment Plan for the UK Shared Prosperity Fund and are now working on the proposal for the Rural England Prosperity Fund.

This report considers the work of the two main Services that the Portfolio covers – Place, Assets & Commercialisation and Growth, Development & Prosperity. From the regeneration of our coastal towns to the growth of the Enterprise Zone area, this is a diverse mix. And of course our rural areas face their own unique challenges. Nor does the portfolio sit in isolation. The recent adoption of both the tourism and cultural development strategies highlights the need to work across portfolios for maximum impact.

The report is inevitably a canter through a wide range of activity but hopefully it will give members a good appreciation of the breadth of work that has been undertaken over the past 12 months. The report is structured to focus on the following areas;

- Economic context
- Covid-19 response and recovery
- Future funding landscape
- Economic geography

Finally I would like to thank the wide range of range of stakeholders and partners with whom we engage.

Cllr Paul Hayward

Deputy Leader and Portfolio Holder for Economy and Assets

Economic context

The Office for National Statistics recently made some of the initial results of the 2021 Census available. Perhaps most striking for East Devon is that we now have the greatest number of 90+ year olds of any District in the country. We are also growing at more than twice the national average, the fastest of any District in Devon. These headline indicators speak to some of the challenges we need to address in ensuring that we have a resilient economy.

East Devon has for a long period of time enjoyed a low unemployment rate. The claimant count is currently 1.8% and has returned to pre-pandemic level. Our challenge has not been that we don't have enough employment but the quality and value of the jobs that our residents can access. In 2021 the average wage for an East Devon worker was £22,445, 14% lower than the UK average of £25,971. Data for the lowest paid 20% of workers shows an even wider gap of 17% for the same period. In turn this impacts on the Council Plan priority for better homes and communities for all. The East Devon house price to earnings ratio stood at 10.88 in 2021, compared to 5.21 in 1997, and remains higher than neighbouring Exeter, Mid Devon and South Somerset.

Of all UK local authority areas, East Devon has the third highest proportion of retired people in the UK. The percentage of people of working age is comparatively small, standing at 53.6% in East Devon in 2020, compared to the South West and UK averages of 60% and 62.4% respectively. 2.6% of UK undergraduates study in Devon but only 1.6% of UK under-30s with a degree live in Devon. There is a challenge to redress this balance.

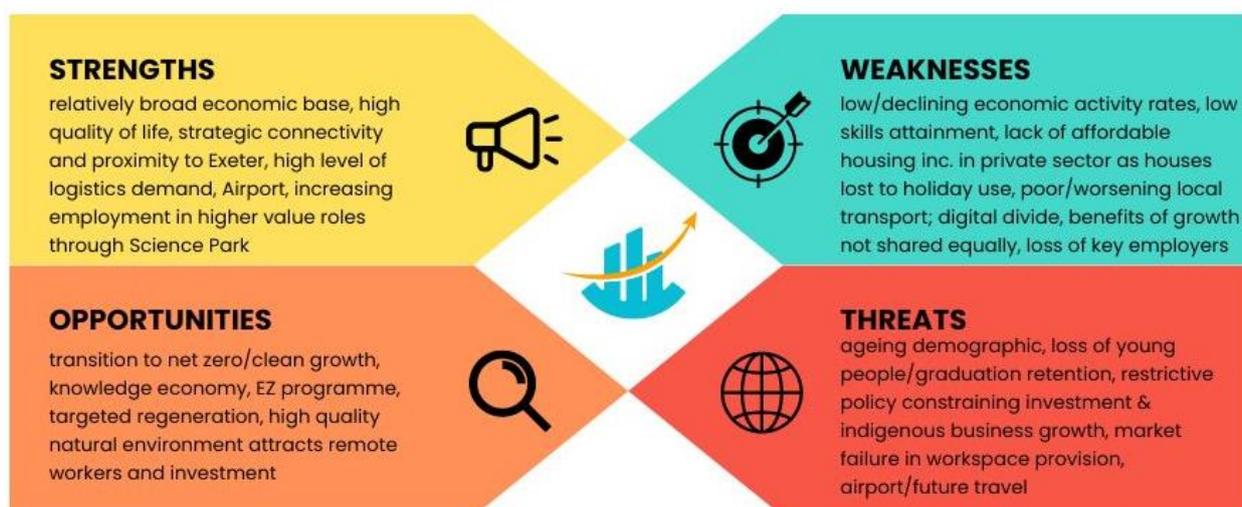
GVA (B) per hour worked in East Devon in 2019 was 13.2% lower than the UK average in that same year, higher than 2004 when this gap was only 3.8%. Data for GVA (B) per filled job shows a larger differential, with the East Devon productivity gap widening from 9.5% in 2002 to 21.8% in 2019. Some of our bedrock sectors, such as tourism, have traditionally been associated with relatively low pay. East Devon has a higher proportion of employees in the accommodation, food service and retail sectors, with lower proportions in manufacturing, technical and scientific roles. Part-time working is also more prominent in East Devon, standing at 38.3% of all employee jobs in 2020, compared to 35.1% for the South West and 32.1% in Great Britain.

Economic inactivity in East Devon is much higher than national or regional averages, standing at 26% of working age people in East Devon, compared to 20% in the South West and 21.6% in Great Britain. Our [old age dependency ratio](#) (the proportion of those who are retired/children vs those in the labour force) is significant and worsening. East Devon's was 56.8 in 2020, the 3rd highest nationally and comparing poorly to our neighbours Exeter 23.3; Mid Devon 41; Teignbridge 47.2 and South Hams at 51.3. It is perhaps not surprising then that sectors such as social care are struggling to recruit staff.

Taking stock of the above the primary labour market issues for East Devon looking forward can be summarised as follows;

- The number of **working-aged economically inactive residents** – this is now at its highest level since 2011. We've seen a recent sharp increase in residents dropping out of the labour market in East Devon compared to national or regional averages suggesting this is for localised reasons. Our shortage of available employment land/premises will be relevant.
- The **shortage of human capital** in East Devon. Skilled young people have to leave to find better paid and higher skilled work. Compounded by businesses seeking skilled workers deterred by our labour pool.
- **Lower GVA** corresponds with lower wages and lower levels of disposable income and discretionary spending in our local economy. Areas with lower GVA can't attract inward investment as easily when the labour pool can't serve higher skilled positions. Local supply chains are also established in serving lower productivity sectors.

SWOT ANALYSIS



Covid-19 response and recovery

The Covid-19 pandemic impacted every sector of the local economy. A wide variety of 'survival' grants were made available, from those targeted at small businesses to supporting wet-led pubs. Overall over £95m of support has been provided through the Council. This was an incredible effort across the Council which offered a lifeline to many businesses. I particularly focus below on the discretionary grant programmes where a cross party panel of Cllrs played a key role in deploying the funds.

The discretionary funds were initially made available through two tranches of Local Authority Discretionary Grant Funding in 2020 (£2.41m total) and later via Additional Restrictions Grants (ARG) as follows;

ARG - A total of 1,175 ARG applications were approved.

- ARG1: 9 December 2020 – 23 December 2020. 137 applications approved.
- ARG2: 18 February 2021 – 23 April 2021. 435 applications approved.
- ARG3: 20 May 2021 – 11 June 2021. 411 applications approved.
- ARG4: 7 February 2022 – 28 February 2022. 192 applications approved

Allocations:

ARG Initial Allocation	ARG Top-up Payment 1 (Jan 21)	ARG Top-up Payment 2 (May-July 21)	ARG Top-up Payment 3 (Jan 22)	Total
£2,925,680	£1,299,448	£1,144,070	£277,681	£5,646,879

Innovation and Resilience Fund (IRF)

The Council took the decision to dedicate £1m of its own funds from Business Rate pilot reserve to support recovery. In conjunction with just over £1m of ARG funds this led to the launch of the [Innovation and Resilience Fund](#) in September 2021. There was a conscious decision to transition to supporting recovering – to enable businesses to thrive in a post-pandemic environment. I am particularly proud that this was our first grant scheme to have specific criteria around carbon savings. Supporting a green recovery and the transition to a net zero economy remains vital even in times of adversity. The headline statistics for the IRF are set out below;

Dates: Launch/EOLs: 14 Sept 2021-18 Feb 2022. Full Bids: 14 Sept 2021-1 April 2022.

Figures:

- 51 successful applicants. 47 (92%) were micro or small, including 9 sole traders
- £2,082,918 of grants paid (£1m from EDDC and remainder from ARG)
- £2.1m in volunteered match-funding, bringing total investment up to £4.2m
- 103 new jobs and 11 new apprenticeships to be created
- 36 businesses committing to launching a new product or service
- 25% of funds to be spent on goods/svs from other East Devon businesses

The success of this IRF scheme in providing a major boost to the East Devon economy has helped to set the standard in how to future-proof the economy at a local level.

IRF Case Studies: Examples of businesses which have benefitted from the financial support include [Remit Zero](#), [Blue Marble](#), [Binit](#) and a partnership between [Sigma Technical](#) & [Two Drifters Distillery](#).

1. **Sigma Technical & Two Drifters Distillery partnership**

This exciting collaboration between two diverse organisations, Exeter Science Park's Sigma Technical Ltd and Two Drifters Distillery Ltd will create a carbon capture machine for sale to other businesses to reduce their carbon footprint. The machine will be installed into a number of suitable 'trial' East Devon businesses (including Two Drifters) for the initial roll out. The selected businesses will be able to benefit directly from reducing atmospheric CO2 as well as being able to feed-back real-world data to the project team and benefit from associated advertising and promotion activities around being part of the scheme.



The £150k funding will be used to develop the product which will remove CO2 from the air using a direct air capture machine. The captured CO2 could then be compressed into a cylinder for a variety of uses.

Dr Russ Wakeham, Founder & CEO of Two Drifters Distillery Ltd, said: *“Carbon capture and storage is vital to reverse the damage caused to the climate. The technology is in its infancy and the planet is running out of time. More research is needed to move the technology forward and I believe I can play my part. I’ve wanted to build this for a long time. Working with Mike and using our carbon negative rum distillery as a location to demonstrate it, is very exciting indeed”.*

2. **Remit Zero**

Remit Zero, established in February 2021, is using the principals of natural science to develop a portfolio of zero emission high performance products. The Company's first zero emission product, Cylo®, is a direct replacement for any fossil fuel boiler. Cylo is an entirely new product that harnesses electricity when it is in abundance, either from the grid or renewables and stores this as heat until needed to heat your home or business. A simple, innovative, and affordable zero emission heating solution, which offers the same heating comfort and convenience of any fossil fuel boiler.

The £120k funding will be used to: (a) Design and develop a control system that responds to customer needs and helps with grid balancing services; (b) Increase access to the system by making Cylo® more affordable, which means more homes and businesses will benefit from a new simplified design.

3. **Blue Marble**

Blue Marble is a carbon accountancy practice offering Net Zero support, Product Life Cycle Assessments and Carbon Footprints for businesses and organisations.

The £50k grant will help the business develop the technology behind the platform to help automate the data collection and calculation process. The Blue Marble software platform will also be extended to include the UK's only directory and marketplace for Net Zero committed businesses.

Henry Waite Founder & MD, said: *"We are delighted that with the support of East Devon DC, we can keep developing our platform to help more businesses and organisations access our Net Zero service. Increasing accessibility to our technical advice and support is a key feature of our longer term plan."*

4. **Binit**

Binit provides rubbish and recycling services for businesses. They use an 'uber' model, which means they don't own vehicles, but use hired vehicles to collect Binit bins.

The £29k IRF funding will be used to develop a digital solution to capture better waste data. This funding will allow Binit to grow from one lab-based piece of hardware to a fully tested hardware product that they can then rollout to Devon customers as part of an extensive 6-month trial. It will allow them to rebuild their software platform and open up opportunities for subscription-based products to customers.

Philippa Roberts, Co-founder and CEO, said: *"Binit is really excited to be supported by East Devon in the development of our new hardware and upgrade on the Binit app. Our app allows our lovely customers to tell us about their bins and book services 24/7, so when it's convenient for them. This grant-funded upgrade means we can add stacks of new features to support our customers on their net zero journeys"*

Welcome Back Fund

The Welcome Back Fund built on the Reopening High Streets Safely Fund originally announced in May 2020. Again this is an example of where many different services across the Council, from Street Scene to Finance, pulled together to ensure that the funding was deployed to best effect including working closely with Parish and Town Councils. The monies had come from the European Regional Development Fund which meant that the procedural requirements were particularly demanding.

In total £342,766.00 was distributed out across a range of projects including the following;

- Temporary public realm adaptations
- Footfall data
- [#EastDevonly](#) public facing communication campaigns (see below)

EastDevonly

Approach: Struggling East Devon small businesses were helped by East Devon District Council to recover from Covid-19 with publicity campaigns to ensure local economies were reopened successfully and safely from mid 2021 onwards.

Despite 'all hands on deck' as teams delivered numerous grant schemes to desperate local businesses to help them survive, we were compelled to do more to support our small business base suffering reduced trade. EDDC Councillors and Officers worked swiftly with these businesses spanning retail, hospitality, leisure and tourism to identify the most impactful interventions. Phase 1 was prioritised to benefit local retailers, encouraging residents to 'Stay Local and Shop Safe' after lockdown. While this campaign was running, planning commenced with local business involvement for Phase 2 Christmas retail campaign and Phase 3 destination campaign for day/overnight visits – both using the EastDevonly brand.

EastDevonly highlighted all East Devon can offer, increasing the desire to visit in a national audience by showcasing the extremes of experiences. EastDevonly launched with a newly-created hub (eastdevonly.co.uk) supported by digital and social media.

Small business engagement: EastDevonly helped retail, hospitality and leisure businesses recover. The district-wide marketing was developed by involving an array of local stakeholders throughout to deliver engaging campaigns that reflected changing government guidance.

A multi-channel approach communicated with all stakeholders at multiple touchpoints. Using local video and imagery, a range of businesses became case studies representing key high street locations. Humanising the campaign encouraged residents and business owners to empathise and engage with EastDevonly.

Embraced by stakeholders as an online and offline hashtag campaign, EastDevonly gave power to businesses who could easily share, tag and post messages, using campaign toolkits with a guide for businesses on capturing content.

Three key ambassadors, Steph Bridge, Clare Mackenny and Michael Caines represented adventure, family and food/drink, respectively. They featured in themed films to create a digital advertising campaign which influenced core audiences in a data-driven manner across digital display and mobile within a 3-hour reach of East Devon.

Outcomes: By the end of the campaign, evaluation showed:

- 50+ key local stakeholders involved
- combined social media reach of 1.6m people
- market value of 3,000 hashtag usages equated to £25k economic benefit
- 36,000 website views – incredible for a new website in such a short period of time
- strong engagement and positive feedback from residents and local businesses
- Local MPs, councillors and businesses cited the benefits of collective promotion
- EastDevonly has been hugely important to our local economy at a crucial time. We continue to support EastDevonly. It proved businesses joining together could achieve a greater impact, setting a precedent for the future business collaboration which went on to underpin our [East Devon Tourism Strategy](#)

Impacts & Imagery:

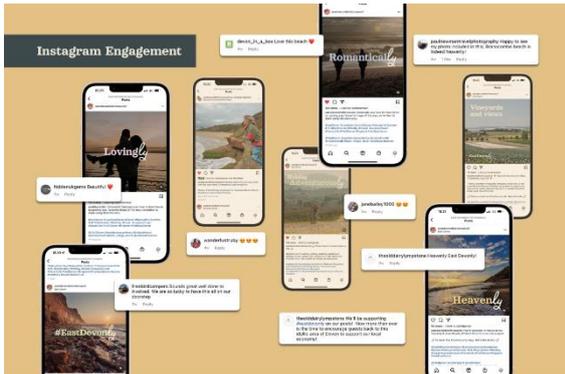


Christmas campaign
social media highlights

- Facebook: 66k page reach
- Twitter: 90.7k page impressions
- Instagram: 14.4k impressions
- Hashtag: #EastDevonly
- Reach: 879.51k

Destination campaign
social media highlights

- Facebook: 106.1k page reach
- Twitter: 181.5k page impressions
- Instagram: 172k impressions
- YouTube: 12.6k film views



Hashtag Market Value
3k usage of hashtag = £251k economic value

36,000 Website views

+670 Combined New Social Followers

1.6m Combined Digi Reach

50+ Key Stakeholders Involved

+12.6k Combined Video Views

100 Members Facebook Tourism Members Group

Future Funding Landscape

Community Renewal Fund

The exit from the EU also signalled a major change in the funding landscape for economic development and regeneration. The Community Renewal Fund (CRF) was the forerunner in terms of the shift to domestically controlled funds. This was applied for and managed by Devon County Council. The bid was approved in November 2021 with an initial delivery deadline of March 2022 which was subsequently extended to December 2022 for most projects. The funding is given below with the £699,383 of the total to be spent in East Devon.

Projects and East Devon's share:

Application Name	East Devon		Total
	%	£	
Devon Agri Tech Accelerator	9.2%	£46,506.64	£503,318.59
Biosphere	0%	£0.00	£1,350,140.00
Stronger Together	3.0%	£150,134.90	£500,449.68
Retrofit Skills and Business Accelerator	7.8%	£77,731.70	£995,284.28
Promoting Innovation and Enterprise	0%	£0.00	£500,939.00
Innovation for Youth and Community	5%	£25,153.70	£503,074.00
Digital Devon	8.1%	£47,752.32	£585,200.00
Devon Enterprise Support for Social Enterprise	0%	£0.00	£649,369.76
Devon Elevation Fund	8%	£93,994.24	£1,174,928.00
Ability not Disability	24%	£144,272.16	£601,134.00
Velocity - VCSE Devon	6.7%	£33,302.33	£500,034.92
Devon Start and Grow	7.7%	£80,535.00	£1,050,000.00
Eden Grounds	0%	£0.00	£250,000.00
		£699,382.99	£9,163,872.23

UK Shared Prosperity Fund

The prospectus for the [UK Shared Prosperity Fund](#) (UKSPF) was published on the 13th April 2022. The UKSPF is intended to support the wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging

- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

East Devon is due to receive an allocation of £1,796,363 to be spent in the District. A key requirement to be able to access these funds was to develop and submit an Investment Plan. A local stakeholder group was formed to help formulate this Plan which was subsequently submitted to government on the 21st July. Confirmation of the funds being available is hoped for during October. These can then be deployed over the period to March 2025 again with the support of a Cllr Panel.

The projects and estimated funding are set out below:

Project	Total Cost
Action on Poverty Fund	£139,452
East Devon Council for Voluntary Service	£180,000
Active Travel Fund	£200,000
East Devon Culture Programme	£95,000
East Devon Leisure Programme	£114,000
Net Zero Innovation Fund	£209,554
Sustainable Tourism Fund	£209,553
East Devon Towns Feasibility Work	£105,000
Business Support Programme	£190,804
Disability Employment Support Programme	£81,250
Retrofit Programme	£140,500
NEET Employment Support Programme	£59,397

Rural England Prosperity Fund

The prospectus for the [Rural England Prosperity Fund](#) was published on the 3rd September 2022. This builds upon, and compliments, the UKSPF prospectus. It can be used to;

- support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. This includes farm businesses looking to diversify income streams
- support new and improved community infrastructure, providing essential community services and assets for local people and businesses to benefit the local economy

We will need to provide an addendum to the Investment Plan to government by 30th November to set out how we intend to deploy the £854,298 of additional capital funding for the benefit of rural areas over the next two years. The local stakeholder group is in the process of being reconvened to ensure that this is developed with the support of our partners.

Economic Geography

I'm aware that the Committee want to discuss whether a specific Rural Strategy for economic development is needed in the District. The Council Plan sets out the council's economic development priorities for the entire district. As East Devon is predominantly rural, it's not clear how a separate Rural Strategy for economic development would differ greatly to the economic ambitions outlined in the Council Plan. For example, the Council Plan acknowledges "the importance of improving access to and the speed of broadband, especially in rural areas" as one of those priorities. Relevant Service Plans can then be developed to clarify how best we can deliver against these priorities. In my opinion it would be better to focus our resources on developing the addendum for the Rural Prosperity Fund allocation in conjunction with our partners, such as the National Farmers Union. We don't need a strategy to inform this as we're provided with a list of interventions to align with.

This is not to say that our rural and coastal area are not facing their own challenges. The issue of the security of food supply is particularly pressing at present. The food and drink sector is very important to the local economy. We continue to promote the Gate to Plate events and sponsor the Taste East Devon festival. Our Innovation & Resilience Fund (IRF) has provided £48,000 to Taste of the West to directly fund the establishment of a new local food and drink supply network. We also partnered with the NFU in responding to the recent [DEFRA consultation](#) on the [proposed changes](#) to public sector food and catering policy. The LEP funded [report](#) on the public procurement of food in the SW was helpful in setting out sensible support requirements which we included in our response.

The review of the Local Plan will also play an important role in setting a supportive framework for economic development and regeneration in both a rural and an urban setting. The Economic Development team is working closely with the Local Plan team to ensure that the recently adopted [Tourism Strategy](#) is taken into account for example. Ensuring a range of choice of future employment sites will also be critical to supporting future economic prospects across the District. The work that is being undertaken to unlock the Hayne Lane site in Honiton is a prime example of the fact that we can't rely on policy alone. We need to be proactive in investing to support delivery and the recent bid for to the Levelling Up fund is another example of this.

I am pleased that there is now considerable momentum in the West End of the District. This area now accounts for 17% of the employment and 23% of the GVA in the District. Strategic developments such as the new community of Cranbrook and the Science Park will play a vital role in helping to address the challenges identified in the economic context section of this report – particularly in terms of addressing the ageing population and supporting greater graduate retention. The start of construction of the supermarket at Cranbrook is a particularly hard won milestone. I expect all four sites within the Enterprise Zone designation to be delivering new employment opportunities during 2023/24.



Credit: Still Imaging

The Long Lane improvement scheme is being funded through the Enterprise Zone programme. It is a critical infrastructure improvement needed to unlock the Power Park employment site. The scheme will also improve wider pedestrian, cycling and public transport access and is due to complete early in 2023.

Within the Place, Assets & Commercialisation Service there are two particular themes I would like to focus on.

Asset Management

With a new Council Plan in place, a number of newly adopted strategies, namely the Leisure Strategy, Cultural Strategy and Tourism Strategy, a climate change declaration and resulting action plan, increasing financial pressures and significantly improved intelligence and performance data of the asset portfolio, a new Asset Management Plan is of paramount importance to help inform future decision making. Alongside will sit an Action Plan. This will drive forward new ways of managing assets by proactive asset management identifying opportunities to:

This will be achieved through these three themes:

Proactive Asset Management – Those activities that maximise the returns from assets and where possible, through increasing income and reducing costs, disposing of assets that have a poor return financially and / or non-financially, acquiring assets where supported by a sound business case and ensuring that assets are held in such a way to maximise the benefits to the community.

Investment and Capital Programme – Those activities to proactively maintain the stock to maintain or improve its condition where there is a sound business case to do so and

to invest more widely in wider investments where again a strong business case supports such a course of action. Over the past twelve months the Property & FM Team have been delivering capital projects of circa £4,000,000 which represents a significant increase on investment levels in previous years and within the suite of projects include some relating specifically to tackling climate change. In addition, the Team are now embarking on projects of circa £3,000,000 of investment to our public toilets that the Council is retaining.

Supporting wider objectives – Being clear where and how asset management is supporting wider objectives, such as benefitting the community, shaping the built landscape, supporting service delivery and proactively supporting our commitment to tackling climate change. The recently adopted Community Asset Transfer procedure is a good example of this. Another example is the work currently being undertaken in developing a Place & Prosperity Investment Fund. This will help support economic recovery, covering PWLB borrowing costs and where possible and remaining economically viable, a small risk premium. It is not designed to generate a commercial yield, but to invest perhaps in our own assets e.g. employment sites and in enabling third party schemes to proceed that otherwise wouldn't.

The role of Members in delivering the new Asset Management Plan will be crucial and to do so Members need to have greater access to an up-to-date asset register comprising key data to help understand the portfolio in any vicinity and using local knowledge assist Officers in identifying opportunities. Officers are working with STRATA and will be reporting back to Asset Management Forum.

Place & Prosperity

There's been an increasing amount of work in this area which is likely to increase further. It is worth mentioning the work that has been taking place in Exmouth. The new Project Manager – Place & Prosperity (Exmouth) took up post early this year. Working closely with Members of the Queen's Drive Delivery Group, now titled Placemaking in Exmouth Town & Seafront Group, but also with many stakeholders, with a much wider remit covering Placemaking in Exmouth generally, the Council has now concluded an extensive consultation about what themes and characteristics those residents and businesses in and around Exmouth, but also those visitors to the town, would like to see.

I am really pleased with the level and quality of engagement which I am certain will help drive forward positive interventions within the town. In Exmouth the Council has also supported Devon County Council in submitting its Round 2 Levelling Up bid which along with Dinan Way, includes a number of interventions relating to the areas around the train station and enhancements to public realm much of which is on land owned by the Council and if successful would be a key component in bringing forward placemaking interventions within the town.

Outside of Exmouth there has been a significant focus on the Axe Valley. Firstly, the Axe Valley Study was commissioned to identify Place and Prosperity interventions in this locality through engagement with a range of public and private sector

stakeholders; and develop business cases and viability assessments to assist in bringing these forward. This would assist in any subsequent Levelling Up bid or indeed bids to other funding sources along with internal decision making. This work evolved seamlessly into a Round 2 Levelling Up bid. A bid has been made, to the Levelling Up Fund, for a package of regeneration projects for the Axe Valley (Axminster and Seaton). The Package comprises a public realm project on Seaton seafront, and an Employment Space Infrastructure project that will provide much needed workspace to support the vital SME economy of the Axe Valley.

Because of the connected economic challenges in the towns of Axminster and Seaton and their Axe Valley catchment area, the bid will provide a comprehensive solution to strengthen the economic base of the Valley, providing a wider range of employment opportunities locally alongside a more vibrant town centre and seafront at Seaton as well as enhancing the visitor experience.

The proposals have been strongly endorsed by key stakeholders who have helped to select and shape the projects; the total cost of the Regeneration package is £15.58 million and the LUF grant requested is £11.18m.

One such site included in the Levelling Up bid is the Harepath Road employment site located in Seaton and already in EDDC ownership and with a proposal for a number of small workshop units as shown in the plan below. Other sites in EDDC ownership (or soon to be) and included in the Levelling Up bid include land at Cloakham Lawns in Axminster and land on Colyford Road in Seaton.



There is also the Devon County Council led 'Team Devon Recovery Group' (Devon Place Board). Their Coastal and Market towns project is tackling the long-term and immediate decline in some of Devon's underperforming towns. A pilot of eight towns

Looking forward

The economic outlook is at best shaky. I know that many businesses are already feeling the impact of rising energy prices. In turn the wider cost of living crisis is likely to inhibit consumer spending. The prospect of entering a recession is very real. I am very aware that the Council has a key role to play to help mitigate these impacts for our residents, businesses and places alike. Deploying the funding anticipated by our Investment Plan for the UK Shared Prosperity Fund will be a key priority for the second half of this financial year and will help to address a number of key objectives including action on poverty in line with our Poverty Strategy.

Of course we cannot ignore our climate emergency declaration. Ensuring a transition to a net zero economy remains as pressing as ever. Again the proposed investment through the Shared Prosperity Fund will help to promote this transition, alongside ensuring that the additional funding for our rural areas is targeted to best effect.

The review of the Local Plan will reach an important juncture with the consultation on the draft Plan in the autumn. This provides an important opportunity to identify the next generation of employment sites and to ensure that we continue to address the key strategic challenges facing the District. We know that the growth in our business rate income has been a vital ingredient in maintaining our financial position over the past decade.

Through the recently adopted Leisure, Cultural and Tourism Strategies coupled with increasing financial pressures there's an opportunity through the new Asset Management Plan to utilise our assets in a way that best fulfils these and other wider corporate aspirations linked to the Resilient Economy priority and to directly tackle climate change. Through the UK SPF funded Feasibility Studies there's an opportunity to play a key role in supporting those other towns in East Devon through identifying opportunities or assisting in delivering already identified opportunities.

Finally Service Plans will also need to be refreshed to ensure that these are kept up to date and apposite. These will be reported to Overview & Scrutiny in due course.

Conclusion

I am proud of the work that has been undertaken across the Council in support of our objective for a resilient economy during what have been quite exceptional circumstances. Whilst this report inevitably cannot cover all of the detail, I hope that it gives Committee members a good insight in to the sheer range of depth of activity that has been undertaken over the past 12 months and the key issues looking forward. Finally I would look to thank all the members, officers, partners and wider stakeholders with whom we work.

28th September 2022