

Report to: Cabinet



Date of Meeting 6 May 2026

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Review date for release N/A

Economic Development Strategy - Year 3 Priorities

Report summary:

Good progress has been made against the Economic Development Strategy's (EDS) five policy areas since the last update to Cabinet in April 2025. The Strategy made a clear commitment to keeping track of progress and reviewing the policy priorities on an annual basis. Officers have undertaken this review and proposed changes to the EDS priorities for the third year of the Strategy. This includes an indicative work programme which factors in the loss of local growth funding, refocusing the team's efforts towards town centres and a renewed focus on commercial development. The report also provides an update on the current composition of the Economic Development team as we adjust to the new funding landscape.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. That Cabinet notes the progress made in the latest six-month of the 2024-29 Economic Development Strategy.
2. That Cabinet endorse the proposed amendments to the EDS priorities for the third year of the Strategy (see Appendix 2) and note the indicative workplan for Jul25-Jul26 (see Appendix 3).

Reason for recommendation:

The Economic Development Strategy committed officers to producing an 'annual report' to measure the progress made against each of the policy priorities. The purpose of this is to keep members aware and engaged. Tracking and, where necessary, updating policy priorities ensures that the EDS remains relevant and avoids becoming outdated.

Officer: Tom Winters, Economic Development Manager, tom.winters@eastdevon.gov.uk 01395 571528

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning

Sustainable Homes and Communities

Equalities impact Medium Impact

No additional equalities implications have been observed following the [equality impact assessment](#) published for the Economic Development Strategy in June 2024.

Climate change Low Impact

Risk: Low Risk; There are no significant risks associated with the report recommendations.

Links to background information: [Economic Development Strategy \(2024-2029\)](#)

Link to [Council Plan](#)

Priorities (check which apply)

- A supported and engaged community
 - Carbon neutrality and ecological recovery
 - Resilient economy that supports local business
 - Financially secure and improving quality of services
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Background

- 1.1 Cabinet endorsed the council's [Economic Development Strategy](#) (EDS) on 10 July 2024. The EDS commits officers to providing an annual report with a RAG (red, amber or green) rating for each priority area along with a brief update on how each priority is being actioned. The EDS also allows for priorities to be "amended, removed or replaced with an alternative option" to ensure the strategy remains relevant and up to date.
- 1.2 A [report](#) on the first six months of progress on the EDS was presented to Cabinet on 30 April 2025. This report serves as an update on the previous twelve-month period.
- 1.3 The EDS Progress Tracker (see [here](#)) has been updated to track progress against the priorities every six months. The current tracker version applies to the period from July 2025 to January 2026 (see [Progress Tracker 3](#)). The next 6-month update will be published for July 2026.
- 1.4 The tracker shows the majority of priorities are proceeding well, with no 'red' indicators, 6 identified as 'amber' and 23 marked as 'green'. Good progress is expected for all 6 amber priorities, with commercial development and town centres being two primary focuses for Year 3 of the Strategy, as outlined in the next section of this report.
- 1.5 Members should note that since the previous update to Cabinet, government has confirmed that East Devon will no longer be in receipt of local growth funding post March 2026. This had previously been allocated through the UK Shared Prosperity Fund (UKSPF) since late 2022. The council's Economic Development Manager gave an all-member briefing on 31 July 2025, outlining the implications of this funding loss on the EDS and other corporate strategies. [\(Councillor briefing slides\)](#)

Priorities

- 1.6 The EDS priorities provide a strategic justification for both specific pre-identified projects and to help guide and shape new project opportunities which emerge within the five year period. Appendix 1 shows the priorities for the previous year, mapping out each of the five EDS policy areas, along with proposed amendments, additions and postponements for 2026/27. Appendix

2 shows specific projects and activities to deliver against those updated priorities for the year ahead.

- 1.7 The majority of activity planned for the 2026/27 period relates to previous commitments and activities already underway and endorsed by Cabinet. Economic development activity for the remaining three years of the Strategy needs to address the following three key requirements, including:
- To adapt to the loss of local growth funding (UKSPF & REPF) from 2026/27 onwards whilst being prepared to respond effectively to any new central funding opportunities and devolved powers.
 - To ensure better alignment with the government's growth mission and drive to improve pride in place.
 - To respond to the council's financial challenges by maximising income generation, protecting existing income and making reasonable savings.
- 1.8 To adapt to this new reality, many of the EDS priorities have had to be amended. For example, without local growth funding, we are unable to run future rounds of major grant schemes, such as the [Carbon Action Fund](#) or [Innovation and Resilience Fund](#). Priorities have therefore been amended to reflect our role as 'enabler' rather than 'funder'.
- 1.9 It is being proposed that officer time and resource previously focussed on activity linked to UKSPF now be allocated to what can be called 'traditional' or 'conventional' economic development work. This includes being more active in the commercial property market and engaging more actively with our town centres. This refocusing, and the new work stemming from it, will be in addition to those EDS priorities not impacted by the loss of central funding, which will continue as normal.

Commercial Development

- 1.10 The Workspace Policy in the EDS commits the council to taking a more active approach in helping to address the market failure in the provision of workspace across the district.
- 1.11 One of the original EDS priorities was to relaunch a Commercial Property Register to better link businesses to available workspace. However, after further research, officers have concluded that an alternative approach might better help address these issues.
- 1.12 One of the main issues identified is that the lack of available leasehold and freehold commercial property is leading to fewer enquiries to commercial agents, as there is less to enquire about. This is problematic when land-owners are debating whether to develop land allocated for employment uses, who require evidence of demand which agents may not be able to provide. This leads to a situation where demand is high, but with no clear channel for this demand to be communicated to landowners and developers.
- 1.13 There is a role for council in this space, by seeking to capture evidence of demand which commercial agents might not otherwise be privy to. By providing this match-making service, we can help give landowners the confidence to develop, enabling further commercial development. In addition to the economic benefit, further development will result in additional business rates income to the council, helping to close the financial gap set by the Fair Funding Review.

Town Centres

- 1.14 The council's Economic Development team has traditionally not engaged in town centre activity to a significant degree. This is not typical, with economic development teams at other

councils usually playing a larger role in bringing together key town centre partners and supporting regeneration and placemaking efforts.

- 1.15 The EDS Social Policy sets out a case for supporting our high streets and regenerating our town centres, focusing on sustainable retail and an attractive social offer. It is being proposed that a new Town Centre Officer Group (TCOG) be formed. This will bring together officers from across the council to gather data on the health of town centres and to identify achievable projects which do not require large sums of local growth funding.
- 1.16 In addition to data gathering and project management, the TCOG will also act as a sounding-board for how new devolved powers could be utilised. Examples include the government's announcement on High Street Rental Auctions, and on new powers to limit the number of certain uses on high streets.
- 1.17 With the Economic Development team playing a more active role in this area, we can start to work more closely with town councils, helping to share best practice at a local level. This will also help prepare us for Local Government Reorganisation, ensuring East Devon towns remain supported after being integrated into a larger unitary authority geography.

Staff Resource

- 1.18 Since the end of the Covid pandemic, the Economic Development team has consisted of four officers:
- Economic Development Manager
 - Senior Economic Development Officer
 - Senior Economic Development Officer – Prosperity and Investment (currently unfilled)
 - Economy Projects Assistant (fixed term contract ending 31 March 2026)
- 1.19 The EPA role was recruited to assist with the deployment of the UKSPF, with a fixed term contract running concurrently with the fund. The (currently unfilled) SEDO role was responsible for the programme management of the UKSPF, which took up around 50% of their time alongside other core responsibilities.
- 1.20 To ensure that the team is properly resourced to deliver the remainder of the EDS, the team composition will be reduced from four to three officers. This will include retaining the existing Economic Development Manager and Senior Economic Development Officer posts, but cutting the unfilled Senior Economic Development Officer role and replacing it with a more junior position.
- 1.21 A leaner team will ensure that we are able to balance delivery against the EDS whilst maintaining a level of agility to respond to new challenges and opportunities. This approach will also result in a reasonable financial saving, helping to address wider budgetary challenges.

Indicative Annual Budget

- 1.22 There is no request for additional internal funding. The majority of projects, programmes and activities planned for 2026/27 either have no budgetary requirement or can be covered by internal economic development budgets. Projects utilising external funds have already been agreed by Cabinet.
- 1.23 The table below shows an indicative budget plan for the two internal economic development budgets, the Business Support budget and Local Authority Business Growth Incentive (LABGI)

budget. A new Sustainable Tourism budget was approved by Council on 25 February 2026 to continue activity previously funded through the UKSPF, which is also shown below.

Table 2: Indicative Internal Budget Plan 2026/27

Activity/Project Name	Cost	Budget
Business Support Programme	£70,000	Business Support
Sustainable Tourism Programme	£30,000	Tourism
Ottery Gate to Plate	£5,000	LABGI
Total	£105,000	

1.24 The economic development budgets allow for flexibility within the financial year, enabling us to respond to emerging challenges and opportunities.

1.25 Excluding the £105,000 shown above, all other projects and activities in the 2026/27 EDS Workplan (see Appendix 2) have already been assigned budgets previously endorsed by Cabinet. For example, the £25,000 allocated by Cabinet last year for the StartSmart programme has not yet been fully spent, and so this has been rolled over into the 2026/27 financial year.

Appendices

- 1 EDS Priorities Jul26-Jul27
 - 2 EDS Indicative Workplan Jul26-Jul27
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Financial implications:

The programme and resources requirements outlined in this report are within existing funds and approved budgets.

Legal implications:

There are no substantive legal issues to be added to this report.

EDS Priorities Jul26-Jul27

Policy	2025/26 Priority	2026/27 Priority	Amendment	2026/27 Activity
Industrial	Invest and support projects linked to 'clean growth' including clean energy, green finance, sustainable transport and innovations in the circular economy.	Support projects and initiatives linked to 'clean growth' including clean energy, green finance, sustainable transport and innovations in the circular economy.	'Invest' removed to reflect loss of local growth funding.	To be provided through inward investment and planning response services.
	Invest and support projects linked to new digital and data innovations, such as artificial intelligence, robotics, and drone technology.	Support projects and initiatives linked to new digital and data innovations, such as artificial intelligence, robotics, and drone technology.	'Invest' removed to reflect loss of local growth funding.	To be provided through inward investment and planning response services.
	Support the development of the Future Flight Innovation Zone (FFIZ) centred on Exeter Airport.	Support the development of the Future Flight Innovation Zone (FFIZ) centred on Exeter Airport.	None	Continued support for FFIZ project.
	Invest and support projects to promote East Devon's renowned food and drink sector, including events and exploring specialist workplace provision.	Invest and support projects to promote East Devon's renowned food and drink sector, including events and exploring specialist workplace provision.	None	Explore Gate to Plate event for Ottery St Mary and support promotion of Cranbrook G2P. Continued support for Taste East Devon.
	Invest and support projects linked to East Devon's Tourism Strategy to promote improved quality, collaboration, sustainability and accessibility across the sector.	Invest and support projects linked to East Devon's Tourism Strategy to promote improved quality, collaboration, sustainability and accessibility across the sector.	None	Projects to be delivered using the council's new £30k annual tourism budget.
	Invest and support projects linked to local farm businesses, including support to diversify.	Support projects and initiatives linked to local farm businesses, including support to diversify	'Invest' removed to reflect loss of local growth funding.	To be provided through professional support, planning response services and continued participation on the Farming in Protected Landscapes panel.
Workspace	Lead the delivery of the Enterprise Zone (EZ) programme by investing in the delivery and effective marketing of new commercial space.	Lead the delivery of the Enterprise Zone (EZ) programme by investing in the delivery and effective marketing of new commercial space.	None	Continued delivery of the EZ programme.
	Explore the viability of developing small start-up units on vacant Council-owned land.	Explore the viability of developing small start-up units on vacant Council-owned land.	None	Progress to continue on site viability, with other sites to be disposed of to enable delivery.
	Support the viability of employment allocations by exploring the use of Local Development Orders and working with partners to ensure their development.	Support the viability of employment allocations by exploring the use of Local Development Orders and working with partners to ensure their development.	None	Skypark and Science Park LDOs to be completed.
	Ensure employment and skills plans (ESPs) are produced for larger residential and commercial developments.	Ensure employment and skills plans (ESPs) are produced for larger residential and commercial developments.	None	An ESP support service to be launched through Building Greater Exeter following preparatory work.
	Maintain an online platform to help inform growing businesses about available workspace and link them with relevant commercial agents.	Provide a support service linking up land owners, developers and commercial agents to businesses seeking to grow.	Focus on direct support rather than an online platform.	Support service to be established, backed up by data on supply and demand of commercial premises.
	Invest and support small scale projects to enable underused or undeveloped space to generate new employment opportunities.	N/A	Removed to reflect loss of local growth funding.	Proposals will continue to be monitored through the planning process.
Environmental	Provide training and specialist one to one support for organisations seeking to decarbonise, reduce waste and become more resource efficient.	Ensure that East Devon businesses and community organisations can access free and professional sustainability and decarbonisation support services.	Focus on ensuring a service is available rather than directly providing it.	Explore integrating this into wider business support provision or having a standalone 'on-demand' delivery model.
	Explore funding opportunities to provide decarbonisation grant funding to those organisations in most need.	Explore funding opportunities to provide decarbonisation grant funding to those organisations in most need.	None	Explore funding opportunities through Great British Energy.

	Support the reskilling and upskilling of residents into retrofitting and other careers linked to clean growth.	N/A	Removed to reflect loss of local growth funding.	Exeter College and DCC will continue to deliver skills courses without UKSPF funding.
	Ensure that large scale employment development is coupled with sustainable travel options.	Ensure that large scale employment development is coupled with sustainable travel options.	None	Continue delivery of the Mosshayne to Cranbrook cyclepath and continue viability assessments for additional projects.
	Provide retrofitting grants to households in poverty who cannot access support from other schemes.	Provide retrofitting grants to households in poverty who cannot access support from other schemes.	None	Exeter Community Energy will deliver this through the Action on Poverty Fund.
	Support projects which seek to directly link climate action and nature recovery with our local culture and tourism offer.	Support projects which seek to directly link climate action and nature recovery with our local culture and tourism offer.	None	Projects to be delivered using the council's new £30k annual tourism budget and £37.5k annual culture budget.
	N/A	Explore projects to help decarbonise the East Devon Business Centre, to help lower running costs and increase tenancies.	New priority	Business cases to be developed and put to Green Team.
Social	Develop proposals to support high streets and regenerate town centres, focusing on sustainable retail and an attractive social offer.	Explore projects to support high streets and regenerate town centres, focusing on sustainable retail and an attractive social offer.	Focus on projects rather than proposals.	New Town Centre Officer Group (TCOG) to be formed to gather data and identify projects.
	Lead on the delivery of town centres for our new communities to improve pride in place.	Lead on the delivery of town centres for our new communities to improve pride in place.	None	Continued delivery of Cranbox initiative.
	Fund cultural and leisure projects targeted to improve the lifestyle offer for young adults and promote the existing offer more widely	Fund cultural projects targeted to improve the lifestyle offer for young adults and promote the existing offer more widely.	Leisure removed to reflect loss of local growth funding.	Projects to be delivered using the council's new £37.5k annual culture budget.
	Help coordinate employment support for economically inactive residents of all ages, including specialist support for those with disabilities.	N/A	Removed to reflect loss of local growth funding.	DCC will continue to fund the Honiton Employment Hub without UKSPF funding.
	Develop a new business support programme for young entrepreneurs, including voluntary and mentorship for those at or near retirement	Continue to deliver the StartSmart programme, linking entrepreneurs with mentors, professional start-up support, small grants and workspace.	Wording amended to reflect the scope of StartSmart.	Continued delivery of the StartSmart programme.
	Promote succession plan options for business owners nearing retirement which promote resilience and innovation.	Promote succession plan options for business owners nearing retirement which promote resilience and innovation.	None	Continued promotion of the Employee Ownership Transition Fund.
Resource	Produce a Customer Charter committing the Council to providing quality public services to local businesses which offer value for money	Produce a Customer Charter committing the Council to providing quality public services to local businesses which offer value for money.	None	Continued development of the Customer Charter, ensuring this is applicable to businesses.
	To ensure a responsive and efficient planning service for businesses and commercial developers.	To ensure a responsive and efficient planning service for businesses and commercial developers.	None	Continue to deliver.
	Continue to provide an agile and approachable inward investment service to land high-value, aspirational employers.	Continue to provide an agile and approachable inward investment service to land high-value, aspirational employers.	None	Continue to deliver.
	Establish regular briefing sessions to keep local businesses up to speed on changes and updates from the council.	Establish regular briefing sessions to keep local businesses up to speed on changes and updates from the council.	None	Briefing sessions to remain focussed on LGR.
	Ensure that East Devon businesses and start-ups can access free and professional business support services.	Ensure that East Devon businesses and start-ups can access free and professional business support services.	None	A new business support service will be established to succeed Prosper.

EDS Indicative Workplan Jul26-Jul27

Activity	Type	Policy Priorities	Cost	Budget	Resource	Officer
Continue to fund retrofitting grants to households in poverty.	Contract management	Environmental (P4)	£129,913	Action on Poverty (internal)	Low	Benefits and Financial Resilience Manager
Continue to fund a professional business support service, including for start-up and farm businesses.	Contract management	Resource (P5), Environmental (P1)	£70,000	Business Support (internal)	Medium	Economy Projects Officer
Explore a Gate to Plate event for Ottery in 2027 and continue promoting the Cranbrook Gate to Plate event for Sept26.	Contract management	Industrial (P5)	£5,000	LABGI	Medium	Senior Economic Development Officer
Continue to bring forward stalled employment sites through the Employment Delivery Project Team.	Programme	Workspace (P2, P3)	Unknown	PWLB	High	Corporate Lead - Major Projects & Programmes
Delivery of a new internally funded Culture Programme, including the Creative East Devon Fund grant scheme.	Programme	Social (P3), Environmental (P5)	£37,500	Culture (internal)	High	Cultural Producer
Continued delivery of the Enterprise Zone programme	Programme	Workspace (P1)	Unknown	EZ funding	High	Project Manager (PAC)
Continue to establish Local Development Orders for Sky Park and the Science Park.	Programme	Workspace (P3)	Unknown	None	High	Project Manager (PAC)
Continue feasibility work and projects stemming from the Exmouth Placemaking initiative.	Programme	Social (P1)	Unknown	Exmouth Placemaking (internal)	High	Project Manager Place & Prosperity
Delivery of a new internally funded Sustainable Tourism Programme, including continuation of the East Devon Tourism Network.	Programme	Industrial (P4, P5), Environmental (P5)	£30,000	Tourism (internal)	High	Senior Economic Development Officer
Continue delivery of the StartSmart Programme for entrepreneurs, including the mentoring scheme and small grant fund.	Programme	Social (P4), Resource (P5)	£25,000	Business Support (internal)	Medium	Economy Projects Officer
Continue promoting the Employee Ownership Transition Fund to increase take-up of employee ownership succession plans.	Project	Social (P5)	£5,000	Business Support (internal)	Low	Economic Development Manager
Establish a support service linking up land owners, developers and commercial agents to businesses seeking to grow.	Project	Workspace (P5)	N/A	None	High	Economic Development Manager
Finalise a Customer Charter which is applicable to businesses as well as residents.	Project	Resource (P1)	N/A	None	Low	Economy Projects Officer
Continue delivery of the Cranbox development.	Project	Social (P2)	£1,950,742	Devolution funding	High	Project Manager (PAC)
Continue briefing sessions for local businesses on local government reorganisation.	Project	Resource (P4)	N/A	None	Medium	Senior Economic Development Officer
Work with Exeter College to establish an Employment and Skills Plan support service through Building Greater Exeter.	Project (NEW)	Workspace (P5)	N/A	None	Low	Economic Development Manager
Deliver decarbonisation projects for the East Devon Business Centre.	Project (NEW)	Environmental (P6)	Unknown	Green Team (internal)	Medium	Economy Projects Officer
Establish a Town Centre Officer Group (TCOG) to gather data and identify small scale projects.	Project (NEW)	Social (P1)	N/A	None	Medium	Senior Economic Development Officer
Continue to provide planning application responses for proposals with economic development implications.	Service	Workspace (P4)	N/A	None	Low	Economic Development Manager
Continue to provide an agile and approachable inward investment service, with a focus on Industrial Strategy sectors.	Service	Resource (P3), Industrial (P1, P2)	N/A	None	Medium	Economic Development Manager and Senior Economic Development Officer