



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET 4th JULY 2022
Report Number	AGENDA ITEM 8
Subject	GREEN ECONOMIC GROWTH STRATEGY - SIX MONTHLY UPDATE
Wards affected	All
Accountable member	Cllr Tony Dale, Cabinet Member for Economy and Council Transformation Email: tony.dale@cotswold.gov.uk
Accountable officer	Paul James, Economic Development Lead Email: paul.james@cotswold.gov.uk
Summary/Purpose	To update Cabinet Members on the progress in delivering the Council's Green Economic Growth Strategy
Annexes	None.
Recommendation(s)	<i>That progress in delivering the Green Economic Growth Strategy is noted.</i>
Corporate priorities	<ul style="list-style-type: none">● Enable a vibrant economy● Responding to the climate crisis
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Cotswold Economic Advisory Group



1. BACKGROUND

- 1.1 The Council's Corporate Strategy identifies the need to "enable a vibrant economy" as a key priority. To this end, Cabinet approved a draft Green Economic Growth Strategy for consultation in October 2020 and, following amendments made as a result of the consultation, it was adopted by Cabinet in December 2020. The Strategy covers a four year period from adoption and the report by the Cabinet Member undertook to provide six monthly updates to Cabinet. This report is the third such update. It is also worth reminding Cabinet that they approved the establishment of the Cotswold Economic Advisory Group to oversee implementation of the actions contained within the strategy. The Group meets five times a year, bringing together key stakeholders, and provides a valuable source of guidance and challenge.

2. PROGRESS UPDATES

- 2.1 The Strategy set out a number of different themes and progress against each of them is set out below. Whereas during lockdown, efforts were largely focused on preparing town centres for reopening and assisting them to evolve in the face of changing shopping habits, in more recent times, without pandemic restrictions in place, it has been possible to widen the scope of activities, including undertaking a number of visits to key businesses. Nonetheless, work to assist town centres remains an important part of the economic development function and this is set out in further detail later in this report.

Growing key sectors

- 2.2 The strategy identified, in common with Gloucestershire's Draft Local Industrial Strategy (available at <https://www.gfirstlep.com/industrial-strategy/>), agritech, cyber/digital and green technologies as key growth sectors for the District. In terms of agritech, we have continued to work closely with the Royal Agricultural University (RAU). The strategy set out our belief that the RAU's Triangle/University Gate site should be used, consistent with its allocation in the Local Plan, for purposes which build on the status and reputation of the RAU. The RAU's new senior management team and Governing Council share the Council's ambitions and have set about working towards delivering them at pace. Their plans for an Innovation Village, including research and education facilities, incubator and grow-on space, live/work units, a hotel and conference centre are now gathering momentum. With the Council's help, the RAU has secured £100,000 from the Gloucestershire Economic Growth Joint Committee Strategic Economic Development Fund to enable project management support over the next two years to be put in place. An outline planning application for the site is anticipated around the end of the year. To give an idea of scale, the development is estimated to have a Gross Development Value (GDV) of £75 million.



- 2.3** Cyber and digital continues to be a focus, particularly with the completion of the Cirencester College Applied Digital Skills Centre, which had its official opening at the end of May 2022. Members will recall that the Centre was built using £4.48 million of Getting Building Fund money secured via GFirst LEP. There are a number of highly innovative businesses in this sector in the District, including LatchAid who have developed a breastfeeding app. Their founder and Chief Executive, Dr Chen Mao Davies, was presented with a Women In Innovation award by Innovate UK. The Deputy Chief Executive and Economic Development Lead both attended the presentation at Kemble School.
- 2.4** Members will be aware of ZeroAvia, who have moved to Cotswold Airport from Cranfield and are developing a hydrogen powertrain for aircraft. They have increased their headcount from 10 to 59 since moving to Cotswold Airport and are poised to expand further. The Council is keen to accommodate as much of their growth as possible within the District.

Town Centres

- 2.5** Town centres have been the focus of much activity over the last two years, with support given to businesses through various lockdowns and restrictions and efforts put in to attract visitors back to town centres once restrictions were lifted.
- 2.6** Cabinet will be aware that the Council was awarded £162,288 from the Government's Reopening High Streets Safely Fund and Welcome Back Fund. This was used for a number of initiatives including promotional campaigns, business packs with safety messages, support for businesses to improve their digital presence and range of physical improvements to town centres across the District. Under the rules of the scheme it was necessary to spend the money first and claim back eligible expenditure from the Government. The Council used around £156,998 of its allocation, with the final claim submitted to the Government at the end of April. This is considered a satisfactory outcome given that there was always some uncertainty about which projects would be delivered ahead of the 31st March 2022 deadline as third parties, such as Town Councils, were involved.
- 2.7** A vacant unit count in town centres was undertaken in early April. Vacancy rates in most towns remain very low. Cirencester's vacancy rate had risen to 11% (against a national average of 14%), but it is pleasing to note that in the April 2022 count it had dropped back to between 5% and 6% with a number of new entrants to the town.

Visitor Economy

- 2.8** The last six months has seen a steady recovery in the visitor economy with continued strong demand in the domestic leisure market. Media enquiries and familiarisation visits for group travel organisers, journalists and influencers have returned to pre-pandemic levels. The national tourism body, Visit England, does not expect overseas visitor numbers to



return to pre-pandemic levels until 2024/5 but the largest markets for the Cotswolds (North America, Australasia and North West Europe) have seen the strongest growth.

- 2.9** The visitor economy still faces a number of major issues. Staffing shortages, particularly in catering staff but also front of house, have seen many hospitality businesses reducing their offer to visitors, closing the kitchen on some nights, limiting menus or restricting the food offer to resident guests only.
- 2.10** The need to recruit and to retain staff has, for many businesses, meant a sharp increase in wage costs. This rise, coupled with steep rises in energy and food prices, is having a serious impact on the financial profitability of businesses.
- 2.11** Building on the findings of their sustainability survey, the tourism team have created a sustainable tourism action plan. Most of the actions are long term and involve other organisations at a county, regional or even national level. The tourism team have worked with the Cotswolds National Landscape on a number of schemes including business workshops to encourage participation in the Caring for the Cotswolds scheme, the creation of two waymarked walks in Bourton to encourage visitors away from the centre of the village, and working with the Cotswold Wardens to improve the walking offer to visitors.

Infrastructure

- 2.12** By far the biggest infrastructure project within the District is the A417 Missing Link. The Development Consent Order was submitted on 31st May 2021 and the hearing took place, lasting several months, ending on 16th May 2022. Kier Highways have been appointed as the main contractor, pending the outcome of the hearing. Assuming a positive outcome, work is expected to start on site early in 2023. Officers are continuing to liaise with National Highways (formerly Highways England) to ensure the opportunities for local contractors, labour and suppliers are maximised.
- 2.13** Cabinet received a report on the progress of rollout of high quality broadband across the District in January 2022 and authorised Officers to work with Fastershire to devise a scheme to make effective use of the £500,000 allocated in the Capital Programme for investment in broadband across the District. Officers have been in discussion with the County Council and Fastershire and anticipate receiving a proposal from them in the next few weeks. Openreach and Gigaclear continue to roll out broadband improvements on a commercial basis in the District. The latest figure for Ultrafast broadband is 48.6% (against 45.8% in January 2022) and 97.3% for superfast (up from 97.2% in January 2022).

Skills and Training



2.14 In addition to the Applied Digital Skills Centre, the new T-Level building at Cirencester College is now well-advanced. T-Levels will be an increasingly important part of the training mix going forward and Officers have met with the T-Level Placements Team Leader to assist them in securing placements with local businesses.

Key sites and inward investment

2.15 In addition to the RAU University Gate site, Officers are working with the owners of a number of other key employment sites in the District to bring them forward. This includes the Fire Service College at Moreton-in-Marsh where there is an existing employment land allocation, and Cotswold Airport, where there is strong demand for new hangars for aviation-related uses. The Council remains in close contact with Bathurst Developments regarding the employment elements of The Steadings. A reserved matters application for the first phase of employment land is expected fairly shortly.

2.16 Officers have also been liaising with the new owners of the former Mitsubishi site at Watermoor, Cirencester which has now been rebranded as Watermoor Point. The site is proving very successful, with 75% of the available office space now let and the warehouse being repurposed for business and personal storage use..

Business Engagement

2.17 The Cabinet Member for Economy and Transformation and the Economic Development Lead have visited a number of businesses in the District since the last update report, including:

- Hercules Site Services, South Cerney
- Batten & Allen (Precision engineering), Cirencester
- Watermoor Point, Cirencester

They also attended an open meeting of the Cirencester Chamber of Commerce to give a presentation and answer questions. In addition, they have been working with colleagues in the Communications Team to put together short videos, for use on social media, showcasing some of the excellent businesses in the District including Beam Connectivity and Farm491. Further such videos are planned, including with ZeroAvia.

Other

2.18 The Council successfully bid to the Government's 'Changing Places' fund and was awarded £162,500 to provide Changing Places toilet facilities for the severely disabled at four locations in the District - the Abbey Grounds in Cirencester, Cotswold Country Park and Beach near South Cerney, Birdland at Bourton-on-the-Water and Cotswold Farm Park at Guiting Power. It is anticipated that all four facilities will be delivered in the current financial



year and will help transform the perception of the Cotswolds as an accessible destination. Currently the only Changing Places facility in the District is believed to be at Westonbirt Arboretum.

- 2.19** The Council, through Publica, is working on the 'Together Gloucestershire' ethical procurement initiative, which seeks to maximise the amount of spend from large locally-based businesses and key organisations with local suppliers and to deliver social value.
- 2.20** The Council continues to build its relationships with key partners. A meeting was held recently with the Chief Executive and Chair of GFirst LEP, together with the Cabinet Member and Senior Officers. It is a reflection of that good relationship, and the growing reputation of the Cotswold District as a location for business, that GFirst chose to hold their recent Annual Review event in the District - onboard the retired BA 747 jet Negus which is now used as an events venue at Cotswold Airport.
- 2.21** Elsewhere on the agenda is a report on the UK Shared Prosperity Fund (SPF) which has awarded £1 million to the District Council over the next three years subject to the approval by the Government of a Local Investment Plan (LIP). Preparation of the LIP has been a key priority for the Economic Development Lead over the last couple of months.
- 2.22** Members will also recall that the Council has been considering when to bid into the Government's Levelling Up Fund. Bids for Round Two must be submitted by 6th July 2022. Having considered the matter carefully and taken advice, it was concluded that the Council was most likely to be successful by waiting for Round Three, which is expected next year. By this time a number of projects in the District which could form the basis of a bid will be sufficiently well-advanced to satisfy the requirement to be 'shovel ready'.

3. CONCLUSIONS

- 3.1** The last six months have shown solid progress, both in terms of securing Government funding for the District and seeing an encouraging level of private investment. The Cotswold District is certainly building a reputation as a good place to do business, with a supportive local authority. Priorities for the coming months include getting Government approval for our UK SPF Local Investment Plan, preparing for a Round Three Levelling Up Fund bid and continuing to work with the Royal Agricultural University on the University Gate site and other key site owners to progress their projects.



4. FINANCIAL IMPLICATIONS

- 4.1 All activities have been undertaken within existing budgets. There are no financial implications arising directly from this report.

5. LEGAL IMPLICATIONS

- 5.1 There are no legal implications arising directly from this report.

6. RISK ASSESSMENT

- 6.1 There are no direct risks associated with this report. The risks of non-delivery of the actions contained within the Strategy are mitigated by regular monitoring and reporting.

7. EQUALITIES IMPACT

- 7.1 The Green Economic Growth Strategy seeks to deliver inclusive economic growth.

8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 8.1 The Green Economic Growth Strategy seeks to grow the environmental technology sector in the District and encourage businesses to reduce their carbon emissions.

9. ALTERNATIVE OPTIONS

- 9.1 The Council could choose not to have a Green Economic Growth Strategy or could choose not to monitor progress against it. Neither option is recommended.

10. BACKGROUND PAPERS

- 10.1 None.

(END)