NORTHERN DEVON
Economic Strategy

2014 – 2020

Vision

The overall aim of northern Devon's economic strategy is to enable economic growth and job creation, based on the area's strengths and unique assets. Understanding the strengths, the assets, and the challenges the locality faces, the vision for the northern Devon economy is:

> A diverse and resilient economy that can adapt to challenges and maximise opportunities, underpinned by an appropriately skilled workforce and effective infrastructure.

The area has several economic sectors that are important to the local economy, either in their employment size or in the value they add. Some are historic sectors, others are emerging in importance. Those sectors most important to northern Devon include:

- Advanced manufacturing
- Renewables - energy
- Marine industries
- Business services including creative/digital areas
- Tourism - leisure - hospitality
- Health and social care
- Agriculture
- Food and drink

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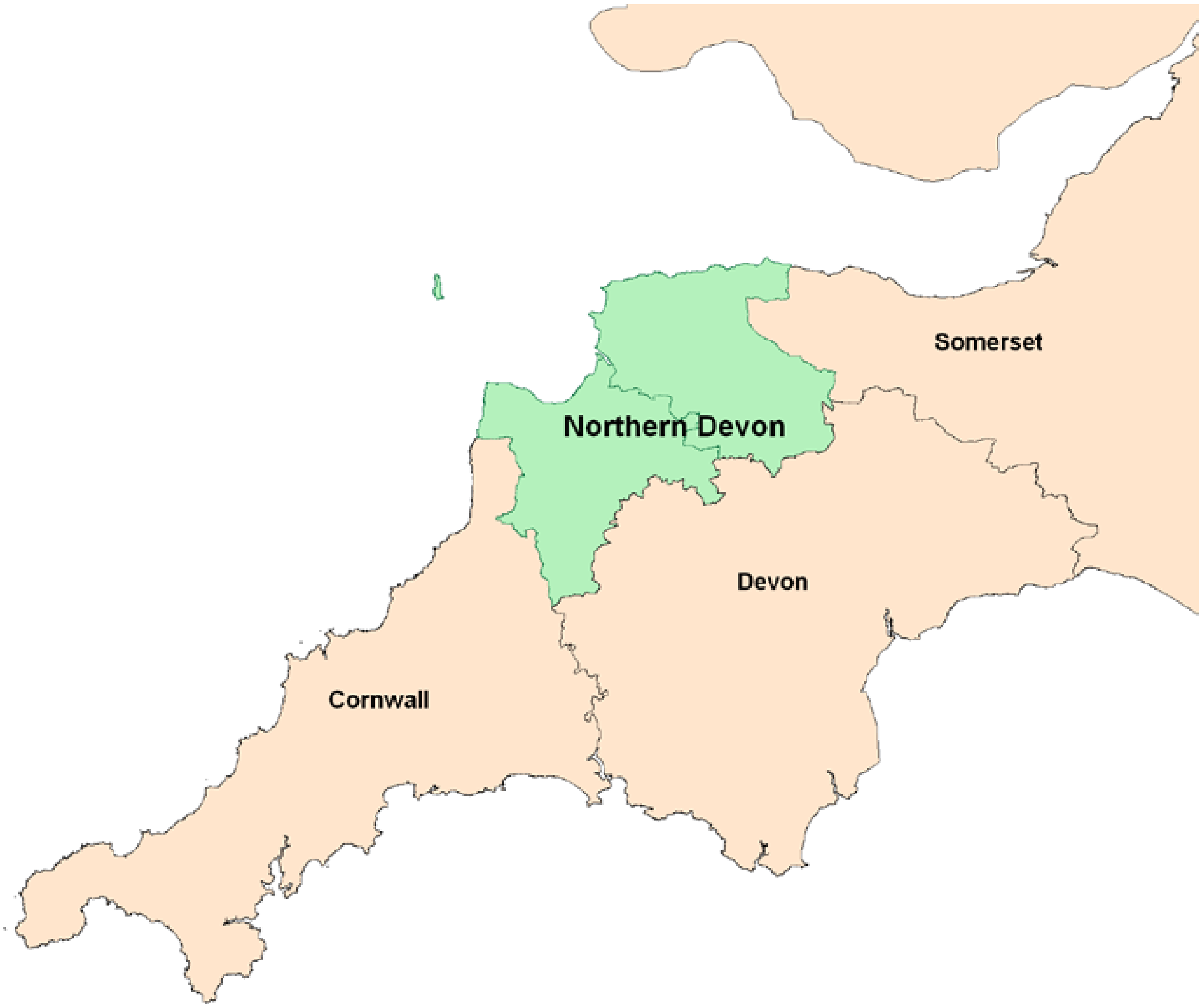
Map

* Northern Devon is a term used throughout this document to encompass the areas of North Devon Council and Torridge District Council, including the area of North Devon within Exmoor National Park.



Chapter 1 - Introduction

'Northern Devon' is the primarily rural area comprising the northern part of the county of Devon, bounded by Exmoor to the north-east, Dartmoor to the south, and Cornwall to the west. With a beautiful coastline and rural hinterland, northern Devon has a particularly high quality environment, which attracts tourists, second-home owners and inward migrating retirees. House prices are therefore high in comparison to wage levels, with wage levels being amongst the lowest of all districts in the UK.

The extensive rural areas and popular coastline support an economy characterised by the very visible agriculture and tourism sectors, and support a population characterised by its resilience and self-sufficiency. The area is peppered with a few larger manufacturing businesses on which many rely for employment, but in the main northern Devon is notable for the large numbers of micro and small businesses.

North Devon Council and Torridge District Council have worked in partnership for some years in order to improve the economic performance of the area. Both local authorities are actively seeking to improve economic and housing outcomes, and therefore both include economic development as a primary corporate objective.

North Devon Council and Torridge District Council are publishing a joint Local Plan, which sets out a clear framework for future growth across the two districts for the period to 2031. There is willingness in many of the area's communities to secure a certain level of growth to ensure the development of a sustainable economy alongside planned housing and infrastructure growth. This economic strategy is vital in informing the Local Plan, and ensuring delivery of the economic objectives and policies within it, and has been developed to set out the strategic economic priorities for the area in order to inform the activity of the public sector, and to influence the investment decisions of the private sector.

The other critical partners who share the same objective of improving economic conditions in the locality include Devon County Council, the larger town councils, the Heart of the South West LEP, and the HCA. The other significant group of actors, the district's local businesses, work collectively through groups including the FSB, local chambers, and sector groups such as the North Devon Manufacturers'Association, the NFU, as well as individually.

The period 2008 to 2012 saw a significant downturn in the economic fortunes of the UK, if not the globe. Without rehearsing this string of events, the implications of this have been a focus on reducing the national debt, alongside a risk averse approach to lending from finance providers. 2014 therefore sees a time of great challenge to delivering economic growth in northern Devon. As well as a reducing amount of public sector support and funding, there are also significant issues with credit availability, rising energy costs, the outward migration of the most able young people to university and jobs elsewhere, plus the impacts from a national (indeed global) economy in recession.

However, there are also opportunities from funding being made available to Local Enterprise Partnerships (LEP's) from the EU and the Local Enterprise Single Growth Pot. This makes it all the more important to ensure collaboration towards clear and achievable objectives in order to access investment to realise economic growth in northern Devon, and so improve skills and wage levels.

This economic strategy is centred on enabling investment in infrastructure to support business growth (employment space, high speed broadband, coastal infrastructure, improved road and rail transport links), ensuring the local population is appropriately skilled and retained for a changing commercial environment, and support for increased enterprise and innovation in local businesses. Working with key business sectors to understand their needs, support their development and encourage investment will ensure activity is targeted where it can make the most difference.

In addition this strategy emphasises a unique opportunity for northern Devon, which centres on deriving jobs and value from the renewable energy resources in the locality – wind, tidal, solar, biomass, biogas.

Recognising the inherent rurality of the area and the desire for a step-change in economic performance, what is also introduced through this strategy is the concept of a more significant level of growth. Whilst this would be delivered over the longer term, this strategy sets the direction for this 'growth point' concept so a co-ordinated approach to the required development can commence.

This economic strategy is based on a robust understanding of local economic conditions, including on-the-ground insight into the area's strengths and weaknesses, and draws upon a range of evidence and research, which is cited throughout and listed in the bibliography.

Chapter 2
Northern Devon – A Socio-Economic Profile

Northern Devon, the area comprising North Devon District and Torridge District, is largely rural with a coastline facing north towards the Atlantic and the Bristol Channel; to the west it borders Cornwall and to the east Somerset. Much of the area has landscape designations – Exmoor National Park, the North Devon Coast Area of Outstanding Natural Beauty, the Heritage Coast, and in addition the UNESCO Biosphere Reserve centred on Braunton Burrows. From a UK wide perspective northern Devon is associated with surfing beaches, rocky coastlines, moorland, sleepy market towns and rolling green fields.

There is a resident population of approximately 156,800, of whom around 94,000 are of working age and 54,200 are in employment. The area has approximately 6,500 businesses providing 56,200 employee jobs. There are almost 17,000 in self employment across the two districts.

North Devon District appears to provide a certain amount of jobs above the number of its residents in employment. Torridge District Council shows the opposite trend, with 20% more residents in employment than jobs provided. Based on an understanding of local settlements and disaggregating these statistics, however, it is clear that the main location for economic activity is Barnstaple, indicating the pull that Barnstaple has, particularly in relation to net commuting from the northern part of Torridge.

Table 2.1 on page 5 illustrates this.

Table 2.1 - Population and Job Numbers

	North Devon District	Torridge District	Total
Resident population	91,500	65,300	156,800
Working age population (16-65 years)	55,000	39,000	94,000
Residents in employment	34,200	20,000	54,200
Self employment	8,500	8,400	16,900
Businesses	4,000	2,500	6,500
Jobs provided	39,500	16,700	56,200

Source: *SQW District Profiles – Torridge, North Devon, 2011*

Age Profile

The age profile of northern Devon is weighted towards an ageing population, as shown at Table 2.2 below. This shows the forecast increase by 2031 in the population aged from 55 years onwards in contrast to a significant decrease in those aged 45-54.

Table 2.2 - Population Projections for northern Devon

Age Cohort (years)	2011	2021	2031	2011-2031	
	Population	Population	Population	No	% change
0-14	25,000	27,400	26,800	1.6	6.35
15-24	16,000	14,500	16,400	-0.1	-0.61
25-34	14,000	15,700	14,200	0.2	1.43
35-44	19,500	16,800	18,900	-0.6	-3.08
45-54	22,700	21,200	18,900	-3.8	-16.74
55-64	23,700	25,100	24,100	0.4	1.69
65-74	19,800	23,700	25,800	6.0	30.30
75-84	11,800	16,100	19,700	7.9	66.95
85+	5,000	6,800	10,700	5.7	114.00
All ages	158,300	167,300	175,600	17.3	10..93

Source: *Devon County Council 2012*

Chapter 3
The northern Devon Economy - Profile, Strengths and Challenges

Local Economy

Barnstaple is the most well connected town, accessed from the M5 by the North Devon Link, although this is primarily a single carriageway link road. The journey time to Exeter by road is over an hour from most parts of the area, increasing to 1 ½ - 1 ¾ from the northern coast. The journey time to Junction 27 of the M5, the nearest main transport artery, is 45 minutes from Barnstaple and 30 minutes from South Molton although is over an hour from many parts of the locality. Barnstaple is the railhead for the branch line to Exeter, a journey of approximately 1 hour. Northern Devon has no public airport or car ferry terminal, the nearest being Exeter and Plymouth respectively. Only the southeast corner of Torridge has easy access to the A30. Road links and access to South Devon are poor. Connectivity to Bristol and Exeter Airports, and Plymouth, is poor if using public transport. Broadband connectivity is poor, with significant areas of no or slow coverage. Mobile connectivity is intermittent and unavailable across larger tracts of the rural areas.

Barnstaple is the largest settlement and functions as the sub regional centre, serving as the administrative, distribution and retail centre for the locality, and providing an important economic focus for northern Devon. Bideford, some 9 miles west, is the second largest town. Transport links and local economic markets between these two towns are strong and growing. Both towns have a complementary economic heritage based on their estuary locations but compete in some economic areas, including retailing.

Devon County Council's district profiles identify travel-to-work patterns in North Devon and Torridge. In North Devon, 85% of working residents work in North Devon district, and 6% work in Torridge. In Torridge, 66% of working residents work in Torridge, with 23% out-commuting to North Devon. Across both districts this equates to 90% of residents working in Northern Devon, showing how self contained the northern Devon economy is. Barnstaple is the core destination for many of these workers. The leakage of workers from Torridge District is primarily from the southern areas bordering Cornwall that have relationships to the centres of Bude, Launceston and Okehampton. There is some commuting to Exeter.

A Strategic Context is detailed at **Appendix B**. This outlines national, regional and local influence on the northern Devon economy.

The role of key centres

Barnstaple

Barnstaple has around 31,000 residents, including the communities of Bickington, Roundswell, Pilton and Whiddon Valley. 1 in 20 households are categorised as low-income families living in estate based social housing, which is above the Devon County average of 1 in 50 households. Barnstaple Central ward is within the 10% most deprived neighbourhoods nationally. Barnstaple is the main shopping destination for northern Devon, and competes for market share against Exeter, Taunton, Plymouth, and online shopping channels.

Jobs provided in and around Barnstaple cluster into certain employment sectors. Those most important in terms of job numbers are the public sector, advanced manufacturing, retail, and business services. In terms of the public sector, Barnstaple is the location for medium and large public sector employers, such as Petroc and North Devon Hospital, as well as education and local authority staff. There are some significant larger private sector employers particularly in the advanced manufacturing sector, where employers include Actavis UK Ltd (the 2nd largest UK manufacturer of generic pharmaceutical products, employing upwards of 650), SFL (chimney flues), and Parker Hannifin (filtration products). Employment in the retail sector is significant in terms of job numbers, with Tesco, Sainsbury, and the collective town centre retail outlets being notable in terms of their role in the local economy. Business services are clustered in Barnstaple as the area centre, as would be expected, and include a wide range of professional and creative services.

As the significant retail centre in the locality, with 418 units in the town centre, Barnstaple is also important in terms of the leisure and tourism sector. The town is home to the Queens Theatre, the North Devon Leisure Centre, and Tarka Tennis indoor tennis facility.

Aside form the town centre, the significant employment areas are found at Roundswell, the area's most premium employment location, Whiddon Valley, with some larger manufacturers, and at Pottington, an older and more traditional industrial site recently made more accessible through the opening of the Taw Bridge in 2007.

Bideford

The historic town of Bideford has around 17,500 residents and has grown in recent years, but contains some very deprived neighbourhoods. Nearly 11% of Bideford's resident population is claiming either Income Support or Job Seekers Allowance. It interacts closely with the large neighbouring centres of Appledore, Northam and Westward Ho! giving a total population of 29,900.

Bideford has a large edge of town retail centre, Atlantic Village (37 units), which has planning consent to double in size. To date Atlantic Village has had an impact on the historic town centre, reflected in the current retail profile and vacancy rates. The combination of Atlantic Village and the town centre however does offer a strong retail offer to shoppers. The town centre retail offer is due to be enhanced in the next couple of years with proposals to regenerate some key town centre sites including East the Water Wharves. There are two large very successful supermarkets in Bideford: Morrisons and Asda; who currently do not have a presence anywhere else in northern Devon. Bideford also has the regionally respected Burton Art Gallery, and its historic waterfront area, a working port, ensures that it is a visitor attraction in its own right.

In terms of key employment sectors, Bideford has a strong manufacturing sector, and also a focus on engineering including shipbuilding at Appledore. Important manufacturing employers include Anglo Krempel, Swallowfield Cosmetics, Devonshire Pine and Whiteland Engineering.

Babcock Marine operates very successfully out of Appledore shipyard and has 350 employees. They are keen to expand their operations to ensure they obtain the maximum benefit from the Atlantic Array offshore wind farm development zone; this includes the provision of the specialised training required. Despite the decision made by RWE to cease development of the Atlantic Array, it is believed that the potential for exploiting this site still remains, and with constantly changing technology development of the Array is easily possible within the timeframes set out in this document.

In terms of employment sites, these are located in two main clusters at the Caddsdown and Clovelly Road industrial estates west of the town and at East-the-Water. Caddsdown also hosts a core of manufacturing testing facilities which include PARC, ETC and EMC.

Ilfracombe

With a population of around 12,000 Ilfracombe is a traditional Victorian coastal resort which from the 1970's suffered from the effects of declining seaside tourism. The town centre is the most deprived ward in Devon, and within the lowest 5% in England. There are problems typical of UK coastal resorts including poor housing stock in multiple occupation, and derelict sites blighting key locations. Large Victorian hotels no longer meet the needs of the majority of today's visitors and cater primarily for coach tours.

The installation of Verity, a Damien Hirst artwork, on the Harbour has increased visitor numbers to the town. Damien Hirst is also working with other landowners driving the delivery of an innovative mixed use development to the south of the town, which will deliver up to 1000 houses plus employment space.

The most important sectors in terms of employment for Ilfracombe are tourism (accommodation, food & drink and leisure), fishing and marine leisure businesses, and manufacturing. In terms of tourism, the town is fast growing its appeal and seeing higher value visitors through the 'Verity' effect. In reality the town has a number of good quality tourism and leisure assets including a contemporary theatre, a strong food economy, and some successful local privately run leisure businesses, including the Tunnels Beaches and Ilfracombe Aquarium.

There are two large advanced manufacturing companies within the town; Pall and TDK Lambda, both foreign owned manufacturers of high specification components and employing around 550 between them.

Key employment areas for the town include the harbour, seafront and town centre areas where the tourism focus is. Both large manufacturers are located on the south-western edge of the town, and the majority of businesses are to be found at Mullacott industrial estate 2 miles south of the town.

Ilfracombe has a very specific opportunity as the nearest port to the proposed Atlantic Array offshore windfarm and the Crown Estates tidal demonstration zone off the coat of Lynmouth. Economic opportunities relate to the potential for some element of the serving and maintenance of the array to be run out of the town. As a leading port on the northern coastline of the South West peninsula, Ilfracombe also provides opportunities to support other marine renewables, such as tidal, as well as marine leisure and marine transport. There is considerable renewables potential in the area, and the opportunities offered by the development of the Atlantic Array still remain within the timeframes set out in this document.

Other Key Centres

These include Appledore & Westward Ho!, Braunton, Croyde & Woolacombe, and Lynton & Lynmouth, all located with proximity to the coast, and where the tourism sector is the main player in each of their local economies. Braunton includes an element of advanced manufacturing employment in addition.

South Molton, well located on the A361, has an agricultural heritage but has attracted other business sectors through the provision and promotion of employment space in recent years, notably at Pathfields. Key sectors include business services, manufacturing, retail and rural and agricultural products and services, with Mole Valley Farmers head office located here.

Great Torrington is a historic town with a small employment base but which contains some important employers for the area, notably Beran Instruments/Helitune. Employment is focused in the tourism and manufacturing sectors.

Holsworthy, located in the rural hinterland, continues to have a strong relationship with agriculture, with employment linked to the land-based sector. A new livestock market is planned for 2014 as well as employment space expansion.

Current Economic Performance

In 2014 unemployment is low to medium, although there are big differences between North Devon and Torridge. The Great Britain rate for unemployment is 7.9% of the adult population. This compares to 6% in the South West, 5.1% in North Devon but 6.8% in Torridge district*. However, looking below these headlines there are pockets of higher unemployment levels concentrated in deprived wards, particularly central parts of Ilfracombe, Bideford and Barnstaple. In addition, there is a big difference between summer and winter levels of unemployment, due to the seasonal nature of employment within the tourism industry, and to a lesser degree within agriculture. Many jobs within these two sectors are also part time in nature.

Self employment levels are high compared to national averages. For Great Britain the self-employment rate is 9.6% of the adult population. In the South West it is 11.1%, in Torridge it is 16.8% and in North Devon 17.1%. Understanding the local business structure the high self-employment levels reflect the prevalence of micro businesses, as well as the agriculture and tourism sectors. Self employment also masks low income levels.*

However, taken together these factors may be perceived as a strength, as demonstrating both capacity within the workforce and an entrepreneurial, can-do attitude, which will be important factors for inward investors.

The northern Devon area as a whole suffers from low earnings, whether measured as workplace-based or residence-based, and the house-price: earnings ratio is particularly unfavourable. The England average is for mean house prices at 6.74 times the value of mean annual income. In North Devon district this multiplier rises to 9.04 times income, and in Torridge district is 9.65 times mean annual income. * The Local Plan seeks to increase the housing supply which may help address the house-price:earnings ratio. Again there is an opportunity to promote this feature of the local economy as an asset to inward investors - as well as capacity and a can-do approach, the local workforce is also very competitive, loyal, and cost-effective.

Employment opportunities across the locality are predominantly low skilled in nature. Analysis of the skill levels of northern Devon's working age population show low levels of attainment of Level 2, 3 and 4 qualifications compared to the Devon and national average, with the disparity being particularly significant in Torridge District. There is increasing engagement with key partners, particularly Petroc, to seek to improve this, and a northern Devon Employment and Skills Board has been established.

Thinking about the realistic opportunities to increase economic prosperity, work has been undertaken looking at the different sectors and sub sectors of the local economy - their size, their value and their future growth potential.

Such analysis of northern Devon's businesses highlights the sectoral split of employment, and in terms of employee numbers the largest sectors are listed below. It is important to note that self-employment is unlikely to be accurately noted in official datasets. The highest employing sectors in northern Devon are:

- Local health/care/education services
- Food service and accommodation
- Retail/wholesale

Included across a range of sectors, activities linked to agriculture and food processing are a strong feature of the local economy, and of particular importance within Torridge District.

Turning to value as opposed to job numbers, although not the biggest employment sectors, there are distinct manufacturing businesses producing high-value low-volume products and components in the engineering and electronics sectors, as well as a notable presence in North Devon District from pharmaceutical manufacturers, and in Torridge District in the manufacture of computer, electronic and optical products.

Business Services, in particular the more footloose elements such as creative and digital services, have a reasonable presence within the economy as it currently stands, both in value and volume terms, but more importantly have growth opportunities which are explored further in the next section.

There is a high incidence of self-employment across northern Devon, consistent with a sectoral structure featuring agriculture and tourism, and many of which are not VAT Registered. However the formation of new businesses is lower than the Devon County average, suggesting self-employment is not being realised into enterprise growth.

** Source – ONS September 2012*

Economic Growth and Key Sectors

Economic sectors each perform differently, contributing different amounts of productivity and employment. Over time some sectors provide declining amounts of productivity and/or employment in relation to others. Understanding how economic sectors are forecast to grow or decline aids understanding of how a local economy may be expected to perform, and therefore what the key challenges and opportunities are, and how these may be addressed.

Devon County Council commissioned economic forecasting across Devon in 2011 and more recently in 2012. The headline forecasts[1] for North Devon District are that productivity growth is expected to [1]EKOS, DCC 2012 be around the Devon average, whilst employment growth is expected to lag slightly behind the Devon average. Between 2000 and 2010 productivity in North Devon District did exceed the Devon average, reflecting the role and therefore importance of Barnstaple as the sub regional centre.

The Devon County Council study 'Sectors Research' published in February 2013 looked at future sector performance in terms of job numbers and value. There is an expectation that some sectors will contract whilst others will expand, although the analysis, much like the northern Devon Employment and Housing Study, uses a formulaic model based on historic growth trends, and takes little account of tacit knowledge. There is much local tacit knowledge that has been used to inform the identification of the key sectors and the economic initiatives in this strategy - this includes the performance of some very specific sub sectors (for example pharmaceuticals) and even the performance and growth plans of individual larger employers; up-coming schemes and initiatives, such as the potential development of the Atlantic Array; policy shift, such as the UK's energy policy; and also the expected future communications capability improvements such as broadband infrastructure investments.

The sectors expected to see reducing employee numbers include education and health, public administration and defence, plus agriculture. The Coalition Government strategy to reduce national debt is based on reducing public spending, meaning a direct reduction in public sector employment. The public sector is a key employment sector in northern Devon, employing at a proportion above county and national averages. A key foundation of this northern Devon Economic Strategy is therefore the requirement to compensate for public sector job losses by driving private sector growth.

Any sectors expected to grow in employment terms include manufacturing, hotels and catering, distribution and retailing, construction, and business services.

Based on this trend analysis and forecasting there are a number of business sectors which are, and will be, particularly important to the economy of northern Devon, in varying degrees of values and job number volumes. These fall into the following sub-sets:

a) Volume - those sectors that provide lower levels of productivity, but nonetheless valuable, albeit often seasonal, employment. Whilst currently providing lower value economic growth opportunities, these sectors are of particular economic importance to the rural and coastal areas of northern Devon in particular.
The performance of these sectors ensures a level of resilience in the local economy, and may provide opportunities for added value and innovation given the right support:

- Tourism/leisure/ hospitality
- Health and social care
- Agriculture
- Food and drink

b) Value - those sectors with identified growth potential and which are in a position to provide more highly paid, skilled employment. Some of these already have a strong presence within the local economy; whilst the opportunities from others are just beginning to emerge. There is an opportunity to grow these sectors and move them further up the value chain:

- Advanced manufacturing
- Energy – particularly renewables and their supply chain
- Marine
- Business services including creative/digital areas

c) Construction - understanding national expectations in terms of the performance of the housing market and the levels of house-building, and how this may play out locally against the context of the draft Local Plan, it is expected that there will be growth within the construction sector in the period to 2031. In addition, there are ambitions for development of employment and regeneration sites, which will support the growth of this sector in northern Devon. Typically this growth will have its own patterns and cycles, but it is assumed that there will be value to the local economy from this sector, and that it will be relevant to ensure the workforce and local supply chains are best placed to maximise such opportunities. In addition, strengthening this sector will provide a good platform to grow the sector more significantly ready to deliver more ambitious growth plans in the longer term.

To expand slightly further on the future performance of specific sectors and their importance to the local economy:

- Tourism/leisure/ hospitality – tourism numbers remain healthy and North Devon and indeed the UK is expected to remain a competitive destination for the domestic market. Tourism attractions and accommodation are seeking to invest in more premium offers to attract higher value visitors. The UK consumer in general has an appetite for leisure activities which reduced little during the recession.

- Health and social care – the ageing population presents an opportunity in relation to employment numbers in the health and social care sector. There are increasing care home developments across the area.

- Agriculture – agricultural land values are rising as UK food production intensifies. This provides an opportunity to northern Devon.

- Food and drink – the recent 2012 horse-meat scandal led to a wave of re-evaluation by consumers about the provenance and quality of their food. This provides an opportunity for both the artisan and mainstream food producers.

- Advanced manufacturing – North Devon in particular is host to some larger manufacturers, operating in the electronics, aero and pharmaceutical subsectors, all of which are higher value sectors. Whilst there have been manufacturing job losses in the more traditional manufacturing subsectors that were located in northern Devon (timber products, textiles) those employers described as 'advanced manufacturing' have, in general, fared well notwithstanding the recession. Many have growth ambitions.

- Energy – northern Devon is naturally rich in a number of renewable energy resources – wind (on and off-shore), tidal, solar, and biomass. There is an opportunity for northern Devon to capitalise on such resources and seek to ensure local job creation through both the harvesting of the energy and development of supply chains linking into these industries.

- Marine – northern Devon has a long coastline peppered with ports and harbours and with a history of economic uses – fishing, ship building, engineering and marine leisure. There are opportunities to link to other sectors, to ensure the unique marine resources can be developed into wider economic benefits – for example through links to renewable energy.

- Business services including creative/digital areas – there are already clusters of creative industries in the locality, such as Bray Leino, attracted by the unique environment. As communications capabilities improve this is a sub sector with particular opportunity to develop further. Linked to this is a broader opportunity to attract footloose business services such as call centres.

- Construction – as the UK appears to climb out of recession and the housing market picks up construction can be considered a key growth sector. In North Devon in particular a number of 150+ housing developments have recently been consented (as at the time of writing, autumn 2013) and so construction employment will increase as we move towards 2020.

Northern Devon's Challenges

Northern Devon's challenges - peripherality, a high quality environment, insufficient serviced employment space, a limited economic structure, poor skills levels, limited government aid and historic underinvestment - all link back to its physical location within the UK, and its essentially rural nature. This strategy to grow the local economy is centred on activity to address these challenges, where this is possible, as well as on maximising emerging opportunities.

The key challenges of the local economic environment are described in more detail below:

Peripherality

Whilst access to the main town of Barnstaple is reasonable, and to a lesser extent to Bideford, the majority of the area is rural and remote. Access is primarily from the A361 and A39 (North Devon Link and Atlantic Highway), supplemented by the Tarka branch rail line from Exeter. Only the south east corner of Torridge District has easy access to the A30. The coastal locations suffer considerable pressure from tourist traffic in the summer months.

Northern Devon's location presents a number of challenges, including:

- rising fuel costs present an increasing challenge to local businesses, impacting on their competitiveness and profitability, and so are therefore a barrier to growth
- travel can be a barrier for the local workforce – in terms of cost, access to work and access to training
- a barrier, or perceived barrier, to attracting inward investment

Peripherality is a challenge that cannot be easily overcome and in the main must be accepted. There is an opportunity to seek out investment in high speed broadband and mobile phone infrastructure to enable existing businesses to exploit new markets, and also to attract specific business sectors and sub-sectors.

Peripherality is likely to be a reducing issue going forwards, or as a minimum economic growth can be planned around this feature. Electronic communications connectivity will improve, there are global trends changing the way we all work, and seeking specific growth through sectors who are 'footloose' or who value a more high quality environment is a logical tactic. Peripherality is partly perception - in terms of the travel times, travel by road into and out of South Molton, Barnstaple and Bideford from London can compare favourably to travelling to the heavily congested areas of the South East and Midlands.

The key task to attract inward investing businesses to locate in northern Devon is the need to encourage employers to turn right at Junction 27 of the M5, and for northern Devon's employment sites to actively compete with more expensive locations in the M5 corridor, Exeter and in Plymouth. In the longer term there is an ambition therefore to significantly improve the A361/A39 link road from Tiverton to Barnstaple and Bideford, and improve road links to Ilfracombe.

The high quality environment

52% of North Devon District area and 22% of Torridge District area is designated for reasons of landscape or biodiversity. This is a huge asset to northern Devon, and has long supported a robust tourism sector. However it can also present significant challenges. Several tourism accommodation providers have invested in high quality accommodation and facilities, however generally the tourism sector struggles to invest in higher quality accommodation and facilities in the coastal areas in particular, as the AONB designation means development proposals to adapt chalet and caravan parks for the valuable 'glamping' market often meet resistance on planning grounds – the need to balance adverse impacts on a protected landscape against economic benefits. This limits the ability to attract higher value visitor segments.

More widely across the two districts the environmental designations (AONB, Biosphere Reserve, Exmoor National Park and a number of SSSI's) plus risks from tidal, fluvial and surface water flooding, limit opportunities for the development of housing and employment sites in some areas. This means the supply of suitable land for such development is limited, and so land prices are often inflated. This is exacerbated by net migration into northern Devon, especially pre and post retirement, due to the high quality of life on offer. There are a wide range of knock-on effects from the limited supply of development land including the slow supply of new housing, which in turn impacts on house prices, and ultimately contributes to the trend for higher skilled working age employees to relocate away from the area.

The key challenges presented include:

- relatively high house prices, particularly in desirable rural and coastal locations, compounded by the limited supply of new housing, second home ownership and a decreasing household size have the effect of keeping house prices higher than the national average and exacerbating the salary: house price ratio

- difficulty for the private sector in delivering employment sites particularly given the high cost of servicing the land ready for employment and low rental levels, as residential development is seen as more attractive by landowners who will often choose to undertake no development rather than employment development

- in some cases there are limitations to the tourism sector's ability to develop higher quality accommodation, partic ularly in coastal areas, as planning policies fail to support re-development from static caravans to log cabins and more premium 'glamping style' accommodation

- as a coastal area with main settlements set around the 2 largest rivers and their shared estuary, flood risk is a significant constraint to development of all forms, but has a particular restriction to the re-development and regeneration options in Bideford and Barnstaple town centres

In seeking to address this challenge it will be important to seek to maximise values from the tourism sector, footloose industries, digital industries and creative businesses.

Employment Space

Taking the issues detailed above alongside the national issue of limited credit availability, there is very little speculative provision of employment space, particularly serviced land. In addition take-up demand is uncertain and the returns are lower compared to more urban locations such as Exeter or Plymouth. Whilst there is provision of small start-up units in most of northern Devon's main towns, there is minimal speculative provision of medium sized or larger commercial premises. Where medium sized units do exist, they are most often older premises located in the less desirable areas and require investment to ensure they are energy efficient, resistant to flood risk, and fit for purpose[1].

A lack of modern, available, commercial units makes it particularly difficult to attract inward investment. Businesses within the area are generally reliant on securing finance to develop bespoke commercial premises, which can be a significant barrier to growth. Reliable access to high speed broadband and good mobile coverage is also a problem is some areas.

The challenges this presents include:

- limitations to promoting the area to inward investors when part of the 'product' (employment sites and premises) is not yet there

- difficulty/time lag experienced by existing businesses when seeking to expand and grow

- limited values of existing property restricts the ability to borrow for investment and/or expansion of premises generally, but in particular in flood zones

To respond to this challenge, North Devon and Torridge District Councils are seeking to work specifically with private developers to bring forwards mixed-use sites.
This strategy is reflected in the draft Local Plan. A key element to delivering the strategy is to seek support and assistance in unlocking employment sites - such as the Growing Places Fund for example. In addition there are a range of activities required in order to move towards the delivery of specialist sites - for example the marine sites, innovation space and managed workspace.

Economic Structure

Northern Devon's economic structure, i.e. its employment sectors and employer size, reflects its location, peripherality and history. The area's market towns provide employment related to local service provision, plus a range of generally smaller-scale manufacturing activity. The 1960's grant policies saw a number of relocations of much larger employers to northern Devon – primarily to Barnstaple, Bideford and Ilfracombe. A good number of these larger manufacturers remain, and indeed have grown, in particular those in the advanced manufacturing and pharmaceuticals sectors.
The public sector is important in terms of the proportion of employment numbers, although employment levels will decline as public sector funding is reduced.

The other notable characteristics of the local economy, is the predominance of micro and small businesses. The negative impacts of a high proportion of small businesses include the higher failure rates, and in overall terms a slower rate of growth and therefore fewer good quality employment opportunities.

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[1]Source – NDC internal research August 2013, snapshot of employment sites and premises supply rates, and in overall terms a slower rate of growth and therefore fewer good quality employment opportunities.

The challenges this economic profile presents include:

- a reliance on a small number of larger manufacturers, where one relocation could affect a significant proportion of a local workforce
- significant employment numbers in the low-wage and low skill care sector, and in addition the heavily seasonal agriculture and tourism sectors
- job losses through a decreasing public sector, in particular the loss of higher paid, managerial posts
- the investment to enable self-employed and micro businesses grow into larger enterprises, which can contribute to increasing employment

In terms of responding to this challenge, this economic strategy sets out a very sector specific approach, seeking to maximise growth in specific subsectors and even businesses. The starting point for this approach is the development of strong relationships with key employers, in particular those larger businesses in the advanced manufacturing sector. Complimenting this is activity to identify high growth small businesses and to provide the relevant support and facilities to enable growth.

In order to realise the opportunities from the renewable energy sector there are actions centred on developing sites and securing external investment. Targeted inward investment and support will also be carried out to encourage businesses outside the area, but in relevant sectors, to invest in northern Devon.

Workforce Skill Levels

Across North Devon and Torridge skills and qualifications levels – which provide a reasonable indicator of the quality of the local labour supply – are significantly poorer than both the Devon and national average. Comparing the profile of residents' qualifications by two dimensions of well qualified (degree level and above) and poorly qualified (NVQ Level 1 and no qualifications):

Relatively 'well' and 'poorly' qualified residents of working age (16-64) 2009/11

	NVQ4+	**NVQ1 only / no qualifications**
North Devon	22.7%	23.7%
Torridge	19.9%	32.8%
Devon	31.6%	21.1%
England	31.1%	24.7%

Source: *ONS Annual Population Survey*

With the nearest universities located in Exeter and Plymouth, northern Devon is an area of England where individuals have a significant distance and cost to travel to a university to access higher education or in some rural areas to access further education. Further education choices are limited, being provided primarily via Petroc. It is likely these are key factors in the poor qualification profile of the population. In addition, there is a tendency for those who do achieve higher level skills to leave and not return, and this trend has worsened between the 2001 and 2011 census data. inability to attract larger inward investment businesses.

Many larger local businesses either import their more highly skilled staff or are required to put time and effort into 'growing their own'. The sectoral mix of the economy and limited number of key employers, and consequential limited opportunities for graduates, are also key influences in the low skill levels of the population. Overall, the impacts of poor skill levels include a lack of entrepreneurial talent, poorer leadership and business growth, and an inability to attract larger inward investment businesses.

Key challenges derived from low skill levels include:

- the lack of a skilled workforce available to faster growing employers is a barrier to their speed of growth
- a lack of digital IT skills will impact on the ability of businesses to take advantage of superfast broadband the growth potential from this
- the lack of skills readily available to inward investing companies is a potential barrier to investment and is one of the reasons why northern Devon is less attractive than the likes of Exeter, Plymouth, Newton Abbott and the M5 corridor
- limited growth of the self-employed into fully fledged enterprises, and limited growth of micro businesses

A northern Devon Employment and Skills Board has been established in recent years and developing the role of this forum and supporting the delivery of its priority actions will move towards addressing issues around workforce skill levels. Links to industry and to Petroc, the main local tertiary college, are strong through the mechanism of this Employment and Skills Board, as are the growing links to schools.

State Aid Intervention Levels

Despite the structural challenges to the locality and economy as detailed in Chapter 2 and expanded on above, northern Devon receives proportionately little in terms of grant aid support from the UK government and Europe. Cornwall, adjacent to the Torridge District element of northern Devon, has been the beneficiary of significant amounts of EU funding since the late 1980's. This has had a significant negative impact on the most rural areas of Torridge, with businesses relocating over the Devon/Cornwall border to benefit from grant aid and other elevated business support.

The next tranche of EU structural funding covering the period 2014 to 2020 does, however, acknowledge this issue to some extent. Devon has been given Transitional Area status, which means the level of match funding to EU intervention is lower.

In addition the more urban areas of the south west, in particular Plymouth and Torbay, have benefited from Assisted Area Status, which again has had a negative impact on northern Devon's Recent government funding has been aligned to the provision of large employment sites on the basis of delivering a high number of jobs, both of which are biased against a rural area such as northern Devon.

In conclusion, northern Devon loses opportunities to support key sectors and businesses through grant interventions. The same interventions are available to adjacent and nearby areas meaning northern Devon has to work much harder to incentivise industry to invest compared to areas of England with comparable economic issues.

Key challenges:

- an inability for existing employers to secure grants for investment above a certain level
- a risk of existing employers seeking to relocate and the impacts this would have on the local economy
- a need to have a particularly strong offer in order to attract inward investment

There are limitations to the actions that may be taken to address this issue. There is an ambition to see Assisted Area Status for some parts of northern Devon, to try and remain competitive with Cornwall and the larger urban locations in Devon. In addition, it has been confirmed that Devon will be a 'transition zone' within the 2014-2020 round of EU funding, meaning higher levels of grant intervention will be available. Northern Devon does have a strong history of securing the rural development strands of EU funding for use to improve economic conditions in the locality.

Historic Under-investment

Historically northern Devon has been cautious in terms of its development ambitions, and so northern Devon has a legacy of under-investment in key infrastructure from both the public and private sectors.

Recognising this there is now a will to develop a stronger local economy, and to accept some levels of development in order to drive change. Northern Devon is seeking to be bold and ambitious in its intent to maximise the values from the renewable energy sector, and looking longer term, is intending to develop an even more ambitious growth strategy to drive up economic prosperity for the area.

Wider Issues

In addition to the challenges detailed above, economic growth in northern Devon is also constrained by issues which impact on the UK as a whole and reflect the current state of the national and global economy, as well as changing consumer trends. As a very brief snapshot these include:

The lack of credit availability

The banking crisis has led to uncertainty around the valuation of risk by lenders and investors, and combined with a low interest rate has made it very difficult for enterprise to secure credit for investment purposes.

Rising energy costs

Decreasing natural resource supplies coupled with fast-growing economies in other parts of the world have led to huge increases in energy and utility costs – fuel, electricity and water price increases combine to reduce the profitability of businesses.

Youth unemployment

Whilst unemployment per se is not felt to be a significant national issue, with unemployment even falling slightly despite recessionary conditions, the growing spike in unemployment in the under 24's is of concern. Poor skill levels, aspirations, and attitudes to work are impacting on young people's ability to compete with a more motivated older workforce – who are no longer forced to retire and are seeking to supplement meagre pensions.

Retail shift

The growth in internet usage - with sales of internet devices consistently growing 30% year on year for the last 3 years - has been a key factor in the decline of the traditional high street. Whilst some re-adjustment in any market is healthy, the impact of vacant premises and a more limited retail offer is of concern in northern Devon's rural market towns.

Our approach to addressing these issues needs to centre on a good understanding of what the impacts from these issues are on our local economy, and therefore how they may be addressed in a manner specific and relevant to northern Devon. Work with strategic partners such as Devon County Council and the Heart of the South West LEP can look at innovative finance solutions for example in order to address issues with credit. In terms of youth unemployment, the northern Devon Employment and Skills Board has already started work with schools on this issue. Similarly, there is work in train looking at town centres - creating of destinations, developing social spaces, and the promotion of cultural assets to drive footfall and so compete against online channels.

Northern Devon's economic strategy therefore seeks to overcome the challenges, the barriers to growth, but equally seeks to make most use of the areas natural assets in order to maximise the growth opportunities from the identified key sectors. The Strategic Economic Priorities for the area are outlined in the following chapter, and link directly to the key issues and opportunities outlined. A more detailed delivery plan can be found at Chapter 5.

Chapter 4
Strategic Economic Priorities

It is important to understand both the challenges and the context, which influences the local economy. The key challenges for the northern Devon economy were outlined at Chapter 3. Understanding northern Devon's economic structure, and the relative ability of different economic sectors to contribute to economic growth, has informed the vision for the area and has provided a framework for the strategic economic priorities.

The overall aim of northern Devon's economic strategy is to enable economic growth and job creation. Understanding both the assets and the challenges in the locality, the vision for the economy is:

A diverse and resilient economy that can adapt to challenges and maximise opportunities, underpinned by an appropriately skilled workforce and effective infrastructure

The following pages identify the strategic economic priorities and objectives, to address gaps and failures, and to maximise growth opportunities for the northern Devon economy to 2020.

As well as through understanding the area's challenges and context, these priorities have been arrived at through consideration of a range of evidence and analysis, including a SWOT analysis, attached at Appendix C. In addition, topic-specific evidence including employment land reviews, skills research, and other similar studies.

There is a specific priority economic opportunity for northern Devon in the short to medium term through the development of the energy sector - building on the availability and accessibility of a wide range of natural energy resources locally - marine, solar, wind and waste. This has been highlighted specifically at Priority 4.

Whilst priorities 1 - 4 below will support and enhance current levels of economic performance, northern Devon has a much bigger ambition - to achieve a significant improvement in economic prosperity, which can only be realised through development of a northern Devon growth point with investment in significant housing numbers and employment sites plus related transport infrastructure. Such a strategy will provide a fresh dynamic to the workforce and attract significant new employers. Strategic links to the urban centres of Plymouth and Exeter will be greatly enhanced. Economic benefits from investment in improved transport, and inward investors, will ripple out to the more peripheral of northern Devon's communities.

This is highlighted within Priority 5, which sets out the priority areas for investment to move towards this longer-term goal.

Priority 1 – Investment in Place

Priority 2 - Investment in People

Priority 3 – Investment in Business and Enterprise

Priority 4 – Investment in the Emerging Energy Sector opportunity

Priority 5 - Investment in the Existing Key Sectors

Priority 6 – Investment in the development of future Growth Areas

Each strategic economic priority has specific headline areas:

Priority 1 - PLACE

P1A – Provision of effective infrastructure to stimulate economic investment and growth in productivity and employment

P1A1
The provision of deliverable serviced employment sites and premises

- Strategic employment sites - funding support for early infrastructure
- Marine sites - development of the marine sites offer across northern Devon - ports, harbours and associated employment land
- Enabling strategic employer expansions - availability of capital support to facilitate investment in premises expansion, perhaps through a third party body

P1A2
The provision of innovation and incubation infrastructure

- Linked innovation and incubation facilities driven by the requirements of the area's key sectors

P1A3
The provision of skills infrastructure

- Appropriate FE and HE physical infrastructure

P1A4
Well connected transport infrastructure

- Road improvements to strategic links
- Rail line improvements
- Investment in infrastructure improvements to provide flood resilience

P1A5
Superfast broadband connectivity and mobile coverage available in all areas of the Districts

P1A6
Development of energy-related infrastructure

- Investment in grid capacity
- Development of infrastructure for a tidal demonstration site
- Investment in biomass and related infrastructure
- Investment in infrastructure for the Atlantic Array zone, anticipating future development

P1B - Investment in retail, leisure and tourism infrastructure to grow town centre economies –focused on Barnstaple, the area's sub-region centre, Bideford, plus coastal and market towns

P1B1
Investment in town centres

- Stimulate private sector investment in key sites (public and private) - retail, leisure, tourism, employment and mixed uses

P1B2
Development of coastal and harbour side infrastructure for tourism and leisure uses

- Stimulate private sector investment in key sites (public and private) - retail, leisure, tourism, employment and mixed uses

P1B3
Improvements to public realm and connectivity

- Public realm investment in town centres and coastal towns to support economic leverage from enhancing a 'destination'
- Investment in cycle, walking and riding trails to improve the tourism product and increase value from the visitor and leisure economies

P1B4
Growing town centre retail and leisure economies

- Promotion and marketing to increase footfall and spend

Priority 2 - PEOPLE

P2 – Investment in activity to ensure an appropriately skilled workforce - for the needs of businesses today and tomorrow

P2A
Future workforce

- Motivating young people – improving aspirations and work readiness
- Appropriate skills for key sectors - promoting STEM subjects
- Promoting a spirit of enterprise

P2B
Higher level skills

- Provision of accessible FE and HE facilities and resources
- Ensuring investment in intellectual resources alongside physical infrastructure investment, appropriate for our key sectors
- Talent retention - improving links between employers and students within FE/HE to ensure talent is retained

P2C
Apprenticeships

- Growing the number and quality of apprenticeship opportunities
- Emphasis on apprenticeship provision and delivery within key sectors

P2D
Appropriate skills within the existing workforce

- Investment in initiatives to improve technical skills - to fit with the needs of key economic sectors, e.g. engineering skills to support the advanced manufacturing sector
- Initiatives to re-skill segments of the workforce to maximise opportunities from key sectors, e.g. skills development with ex-military personnel from Chivenor RMB to meet specific skills requirements from the Atlantic Array potential development

P2E
Skills for entrepreneurs

- Support for those seeking to move into self-employment
- Improving enterprise and leadership skills in new and growing businesses

P2F
Addressing barriers to employment

- Improving aspirations and basic skills to ensure work-readiness
- Support for the unemployed to move into self-employment - focus on the pockets of deprivation in northern Devon (Bideford, Barnstaple, Ilfracombe)
- Support for specific target groups - ex-offenders, those with learning difficulties, single parents

Priority 3 – BUSINESS AND ENTERPRISE

P3 –Stimulating business growth through support for enterprise, innovation and investment

P3A
Provision of appropriate and accessible business support

- Targeted at the needs of key sectors and profiles - e.g. food and drink, businesses within the rural economy
- Ensuring businesses are ready to benefit from superfast broadband

P3B
Support for growth-potential businesses

- Mentoring and coaching
- Support for developing new markets and exporting
- Access to credit and finance initiatives

P3C
Support to develop supply chains in emerging or dispersed sectors e.g. renewables

P3D
Support for innovation within technology focused businesses

- Provision of specialist support, investment and networks linking to physical innovation infrastructure
- Better access to and increased take-up of innovation support, research and funding streams, e.g. Technology Strategy Board, links to specialist HE centres, KTP's

Priority 4 – GROWING THE EMERGING RENEWABLE ENERGY SECTOR

P4 – Maximising the opportunities from offshore wind and other renewable energy opportunities

P4A
A driven and co-ordinated approach to energy sector opportunities, positioning northern Devon as a location of excellence

- Focus on specific sub-sectors - offshore wind and tidal (marine), biogas, biomass and construction (onshore)
- Development of wider linkages and networks and investment in joint initiatives with other areas to maximise the value to the South West economy - the Plymouth City Deal, Plymouth University and Marine Institute, South West Marine Energy Park
- Development of bespoke employment sites and workspace
- Investment in specialist infrastructure - in particular grid and marine infrastructure
- Supply chain development work within sub-sectors and to support specific opportunities, e.g. the Atlantic Array and links to the Plymouth marine cluster
- Tailored skills initiatives to ensure workforce sufficiently skilled to meet emerging opportunities
- Provision of bespoke support and incentivisation measures for investors
- Initiatives to maximise economic benefits from commercial and residential renewables installations

Priority 5 – GROWING EXISTING KEY SECTORS

P5 – Maximising the opportunities from advanced manufacturing, marine and business services

P5A
A driven and co-ordinated approach to opportunities, positioning northern Devon as a location of excellence

- Focus on specific sectors - advanced manufacturing, marine, and business services
- Development of wider linkages and networks and investment in joint initiatives with other areas to maximise the value to the South West economy - the Plymouth City Deal, Plymouth University and Marine Institute, MAS
- Development and promotion of appropriate employment infrastructure to meet specific needs from these key sectors

P5B
Providing support and incentives to strategically significant businesses to encourage future investment in northern Devon

P5C
Incentivising inward investment - to attract investment within these identified key sectors

- Development of an inward investment strategy
- Development of an appropriate incentive package
- Promotional campaigns

Priority 6 – DELIVERING NEW AREAS FOR GROWTH

P6A
Developing the strategy

- Developing the vision and researching and testing alternative solutions
- Undertaking detailed feasibility studies and master planning

P6B
Delivering a future growth point

- Co-ordinating the plans and delivery mechanisms of infrastructure providers
- Unlocking barriers to growth
- Co-ordinating procurement of specialist advice/services from the private sector
- Identifying funding opportunities and the programmes of other agencies to bring in resources, and setting up an investment plan
- Co-ordinating and overseeing major physical development projects
- The action plan in the following chapter sets out the specific actions and initiatives that will be undertaken to achieve the objectives within each priority, and ultimately the vision
- In addition the action plan identifies key milestones and/or outcomes, the partners involved in delivering the actions, plus an indication of timescales and expected funding sources

Chapter 5
Strategic Economic Priorities Delivery Plan

The Action Plan on the following pages sets out the specific actions and initiatives that will be undertaken to achieve the strategic economic priorities detailed in Chapter 4.

Priority 1 - PLACE

P1A Provision of effective infrastructure to stimulate economic investment and growth in productivity and employment

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P1A1 **The provision of appropriate and deliverable serviced employment sites and premises**	Strategic employment sites - funding support for early infrastructure where necessary to bring site forwards	• Complete Employment Land Review • Assessment of demand including preferred tenure • Early and continued engagement with developers of mixed use sites and employment only sites • Support for businesses through the planning process • Develop specific action plans for areas requiring improvement – e.g. Pottington	• Appropriate allocations in new Local Development Plan • Employment land delivery • Investment in premises secured • Improvement in stock of existing premises and sites	NDC, TDC, DCC,	2014+	Existing Resource Private sector NDC, TDC, DCC Growing Places Funding (LEP)
	Marine sites - development of the marine sites offer across northern Devon - ports, harbours and associated employment land	• Identify existing coastal /marine infrastructure and future use options with any infrastructure investment requirements (Bideford Port, Appledore Quays, Yelland, Ilfracombe) • Engage with developers, landowners and others to seek and secure funding to upgrade infrastructure to support specific initiatives	• Torridge Estuary Master plan • Ilfracombe Harbour Development Plan • Appledore Quays development proposal • Yelland Master plan • Agreed action plan/s in relation to development of specific sites • Required consents • Infrastructure improvements undertaken, leading to viable development of sites	NDC, TDC, DCC, Babcock Marine, Regen SW	2014+	Existing Resource Private sector NDC, TDC, DCC LEP EU

	Enabling strategic employer expansions - availability of capital support to facilitate investment in premises expansion, perhaps through a third party body	• Early and continued engagement with key employers • Support for businesses through the planning process • Support for businesses in terms of grant funding applications, sources of finance	• Key opportunities and projects identified • Brokerage to other relevant players • Expansion proposals consented	NDC, TDC	2014+	Existing Resource Private sector LEP EU
P1A2 **The provision of innovation and incubation infrastructure**	FE and HE linked innovation and incubation facilities driven by the requirements of the area's key sectors	• Scope nature of facilities required and identify key sites • Project development activity to support development of innovation and incubation facilities • Project delivery activity to deliver appropriate facilities	• Appropriate allocations in Local Development Plan • Deliverable project/s scoped and agreement on project detail • Serviced sites delivered • Project plan • Funding secured • Delivery of facilities	Project Team approach: NDC TDC ND+ DCC Petroc LEP South West Universities	2014+ Medium - Long Term	Existing resource CIL LA assets Private sector Funding package to be identified LEP/EU
P1A3 **The provision of physical infrastructure to support skills and training**	Appropriate FE and HE linked physical infrastructure to support delivery of training and skills activity, related to key economic sectors	• Scope nature of facilities required and identify key sites • Project development activity to support development of innovation and incubation facilities • Project delivery activity to deliver appropriate facilities	• Appropriate allocations in Local Development Plan • Deliverable project/s scoped and agreement on project detail • Serviced sites delivered • Project plan • Funding secured • Delivery of facilities	Project Team approach: NDC TDC ND+ DCC Petroc LEP	2014+	Petroc SFA

P1A4 **Well connected transport infrastructure**	Road improvements to strategic links	• Engagement between all local authorities and other key stakeholders to ensure road transport infrastructure planning appropriate to LDP vision and allocations • Pursue capacity upgrades to A361 from Tiverton to Bideford, phased to South Molton, Barnstaple, Bideford • Pursue potential link with North Cornwall to alleviate access problems on the A38	• Schemes identified in Local Transport Plan (LTP) • Outline feasibility understood – costs, land constraints • Detailed scope of works costed • Delivery aligned to development(some of this will require public investment)	NDC, TDC DCC, LEP, HCA Private sector,	2014+	Existing resource CIL/S106 LEP (GPF, Pinch Point, other) DCC Funding to be identified
	Rail line improvements	• Engagement between all local authorities and other key stakeholders to ensure rail transport infrastructure meets LDP vision and allocations • Pursue capacity upgrades to Tarka Line	• Outline feasibility understood – costs, land constraints • Detailed scope of works costed • Delivery	NDC, DCC, Network Rail	2014+ Medium-long term	Existing resource CIL/S106 LEP (GPF, Pinch Point, other) DCC Funding to be identified
	Investment in infrastructure improvements to provide fluvial and coastal flood resilience ok key transport infrastructure	• Engagement between all local authorities and other key stakeholders to ensure flood defence infrastructure can align to LDP vision and allocations • Pursue defence upgrades	• Detailed scope of works costed • Delivery	Environment Agency NDC, TDC, DCC,	2014+ Medium-long term	Existing resource CIL/S106 DCC Environment Agency Funding to be identified
P1A5 **Superfast broadband connectivity**	Superfast broadband connectivity and mobile coverage available in all areas of both districts	• Stimulate demand in as many communities as possible to maximise BT provision • Develop and support solutions for areas where provision will not be met by Connecting Devon & Somerset BT contract	• Demand registered • Private sector solutions supported • Funding secured as appropriate and available (Defra, Leader 4)	DCC, NDC ,TDC ND+, ENPA BT NDC, TDC, private sector	2014+	BDUK, BT Defra, Leader 4, Private sector

Measures of success

- **Amount of Employment land**
  - o consented and in use
  - o consented but not in use
  - o serviced and available to meet short term demand
  - o allocated for medium/longer term demand
- **Business rates**
  - o revenue generated
  - o rateable floor space occupied
- **Extent of high speed broadband coverage**

P1B Investment in retail, leisure and tourism infrastructure to grow town centre economics – focused on Barnstaple, the area's sub-region centre, Bideford, plus coastal and market towns

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P1B1 **Investment in town centres**	Stimulate private sector investment in key sites (public and private) - retail, leisure, tourism, employment and mixed uses Identify USP for each of market towns and their individual contribution to Northern Devon	**BARNSTAPLE** • Development of a Barnstaple Town Centre Vision to outline future development and growth of town centre economy • Promote development of Queen Street/Bear St to enhance the town's retail and leisure offer • Promote development of Seven Brethren, to provide leisure/sports led development adjacent to river bank, and employment/retail development to southern/eastern side of site **BIDEFORD/NORTHAM/WESTWARD HO!** • Develop Bideford Working Group and Town Team Partnerships linked to agreed Town Centre Vision • Expansion of Atlantic Village and Atlantic Park linked to town centre improvements • Development briefs, de-risking and marketing key Sites including Westward Ho! • Specific projects to support tourism/culture/leisure industry	• Agreed Vision and action plan • Site specific project development plans • Appropriate master planning • De-risking activity • Securing investment • Regenerated sites • Sizeable private sector investment to support independent retailers linked to S106 for town centre enhancements • Increased footfall and car parking revenues • Improvement in appearance and function of town centres • Retention, growth and attraction of new retailers	NDC, TDC, DCC Private Sector interests, existing and external Town Councils	2014+	Site values Private sector NDC, TDC, DCC LEP – Growing Places Funding, other EU

		ILFRACOMBE • Engage with partners through the Ilfracombe Regeneration Board (IRB) and implement the regeneration programme to meet the specific needs within this community **SOUTH MOLTON** • Promote development of central car park to provide convenience retail and car parking and stimulate town centre regeneration **GREAT TORRINGTON** • Formation of Town Team Partnership • Facilitate the development of derelict former Creamery employment site **HOLSWORTHY** • Relocation of the Livestock Market to a new Agri Business Centre on edge of Town site, and development of existing Livestock Market site for supermarket and housing	• Regenerated site • Workspace created • Agri business Hub Employment land service and made available for purchase			
P1B2 **Development of coastal and harbour side infrastructure for tourism and leisure uses**	Stimulate private sector investment in key sites (public and private) - retail, leisure, tourism, employment and mixed uses	**BIDEFORD** • Promote development of East the Water Wharves for mixed use development **ILFRACOMBE** • Specific infrastructure to support fisheries sector - fish stores, Pier facilities • Specific projects to support	• Site specific project development plans • Appropriate master planning • De-risking activity • Securing investment • Regenerated sites • Increased footfall and car parking	NDC, TDC, DCC Private Sector interests, existing and external Town Councils	2014+	Site values Private sector NDC, TDC, DCC LEP – Growing Places
		tourism/culture/leisure industry – watersports centre, promote sites for premium hotel, maximise opportunities from 'Verity'	revenues • Improvement in appearance and function of town centres • Retention, growth and attraction of new retailers			Funding, other EU

P1B3 **Improvements to public realm and connectivity**	Public realm investment in town centres and coastal towns to allow economic leverage from enhancing a 'destination'	**BARNSTAPLE** • Updated Vehicle Parking Strategy • Specific actions to improve car parks including Cattle Market pay-on-exit scheme • Identify and facilitate delivery of sites to increase parking capacity in future, to include short stay, long stay and Park & Ride/Park & Change sites • Linkages to P1B1 to ensure highway improvements led by Devon County Council enable the wider development and regeneration of Barnstaple **BIDEFORD** • Improvement to public realm throughout the Town Centre including Cooper Street, Mill Street, High Street and the Pill area • Development and delivery of agreed Transport Master plan **ILFRACOMBE** • Development and delivery of agreed Transport Master plan • Development of Public Realm Palette and public realm remodelling schemes for key sites including the Quay, St James Place, and the High St, plus interconnections	• Town specific transport plans to link strategically to DCC's LTP • Improved visitor parking experience and increased parking numbers • Improved expenditure in retail outlets • Increased car parking revenue for reinvestment in regeneration and development activity • Attractive and accessible centre leading to increased footfall, expenditure and business occupancy	NDC, TDC, DCC Barnstaple TCM, BID Barnstaple	2014+	NDC, TDC, DCC, To be secured

	Investment in cycle, walking and riding trails to improve the tourism product and increase value from the visitor and leisure economies	**SOUTH MOLTON** Development and delivery of agreed Transport Master plan • Improved connections between central car park and town centre **HOLSWORTHY** • Improvement to public realm throughout the Town Centre **TORRINGTON** • Improvement to public realm throughout the Town Centre • Improved signage and interpretation, vehicular, pedestrian, tourism **BIDEFORD** • Improved signage and interpretation, vehicular, pedestrian, tourism **ILFRACOMBE** • Improved signage and interpretation – vehicular, pedestrian, tourism – Fish Trail **HOLSWORTHY** • Investment in extending Ruby Trail particularly from Bude to Holsworthy • Improved signage and interpretation, vehicular, pedestrian, tourism **WESTWARD HO!** • Further improvement to public realm and highway infrastructure	I • Improved connectivity leading to increased footfall and expenditure	NDC, TDC, DCC Private sector	2014+	NDC, TDC, DCC, Private sector To be secured

P1B4 **Growing the area's retail, leisure and tourism economies**	Promotion and marketing to increase footfall and spend	• Visitor Marketing Strategy and Action Plan to include: - Administer and develop official visitor website – www.visitdevon.co.uk/northdevon/ plus other digital tools - Marketing campaigns with emphasis on digital and PR initiatives to reach priority target audiences **BARNSTAPLE** • Support for Barnstaple BID, and support for a second term if pursued • Development and promotion of Cultural Quarter • Growing the successful events programme • Works to enabling Pannier Market to be utilised as events venue • Delivery of marketing campaigns to attract visitors and shopper **BIDEFORD** • Delivery of Marketing Strategy • Facilitation of events and promotion activity **ILFRACOMBE** • Promote the destination through the Ilfracombe Marketing Group, plus support/facilitation for specific initiatives and events	• Increased economic value from visitors • Increased customer usage of website and digital tools • Increased conversion from potential to actual visitor Growth of Advertising Value Equivalent in media • Increased footfall and spend • Increased parking revenues	ND+ NDC, TDC, DCC Barnstaple TCM, BID Barnstaple, Private sector	2014+	ND+ Private Sector NDC, TDC, DCC, Private sector To be secured
		• Specific actions to ensure increased footfall to 'Verity' can benefit all Ilfracombe retailers				

Measures of success

- Sites brought back into use
- Town centre units occupancy levels
- Town centre footfall levels
- Town centre car parking usage
- Retail rental levels
- Business rates
- revenue generated
- rateable floor space occupied

Priority 2 – PEOPLE

P2 Investment in activity to ensure an appropriately skilled workforce – for the needs of businesses today and tomorrow

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P2A **Future workforce**	Motivating young people	• Improving aspirations and work readiness - deliver PEEP projects in TDC and NDC secondary schools • Explore provision of Studio School at Caddsdown • Appropriate skills for key sectors - promoting STEM subjects • Promoting a spirit of enterprise	• Completion of PEEP first tranches (TDC 2015, NDC 2016) • Studio school delivered • STEM ambassadors programme delivered in northern Devon	ND+ - Northern Devon ESB TDC, NDC	2014+	TDC, NDC, DCC, schools
P2B **Higher level skills**	Increasing level of higher skills	• Provision of accessible FE and HE facilities and resources • Investment in intellectual resources alongside physical infrastructure investment, appropriate for northern Devon's key sectors • Talent retention – improving links between employers and students to ensure talent is retained • Continuation of Harvesting for the Future project based at the new Holsworthy AgriBusiness Park	• Greater access to courses and training • Improved learner outcomes • Schemes to link employers and talented students • Improved skills levels in land use industries	Petroc Bicton College Northern Devon ESB/ND+,	2014+	Existing resource Private Sector? To be identified
P2C **Apprenticeships**	Growing apprenticeships	• Growing the number and quality of apprenticeship opportunities	• Apprenticeships Campaign (employer engagement, marketing campaign targeting employers and	ND+ - Northern Devon ESB	2014+	Existing resource

		• Apprenticeship provision and delivery within key sectors	job seekers) • Increased numbers of manufacturing apprenticeships			To be identified
P2D **Appropriate skills within the existing workforce**	Improving technical skills	• Investment in initiatives to improve technical skills – fit to key sectors • Initiatives to re-skill segments of the workforce to maximise economic opportunities	• Identify particular needs with sector specific employers, understand existing provision and gaps • Develop employer-led action plan to address needs – - Advanced manufacturing - Renewables/marine - Marketing	Employers/ Northern Devon ESB, Petroc ND+, NDC, TDC, DCC GTD	2014+	Existing resource Employer-led Skills funding, other sources to be identified.
P2E **Skills for entrepreneurs**	Improving enterprise and leadership skills in new and growing businesses	• Support for those seeking to move into self-employment • Improving enterprise and leadership skills in new and growing businesses	• Communicate information on national/regional initiatives to locality • Delivery of subsidised targeted training courses and mentoring schemes to fill local gaps: • Training for Business Excellence • Business Mentoring Scheme	ND+ - N Devon ESB, NDC, TDC	2014+	Existing resource EU To be identified
P2F **Addressing barriers to employment**	Support to become work-ready	• Improving aspirations and basic skills to ensure work readiness • Support for the unemployed to move into self-employment (focus on pockets of deprivation) • Support for specific target groups – ex-offenders, those with learning difficulties, single parents	• Communicate information on national/regional initiatives to locality • Delivery of subsidised targeted courses and mentoring schemes to reach these groups and locations	ND+ - N Devon ESB, NDC, TDC	2014+	Existing resource EU To be identified

Measures of success

- **Percentage of population with no qualifications**
- **Percentage of population qualified to NVQ 1 and above**
- **Percentage of population qualified to NVQ 2 and above**
- **Percentage of population qualified to NVQ 3 and above**
- **Percentage of population qualified to NVQ 4 and above**
- **Unemployment levels**

PRIORITY 3 – BUSINESS AND ENTERPRISE

P3 Stimulating business growth through support for enterprise, innovation and investment

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P3A **Provision of appropriate and accessible business support**	Business support accessible to majority of businesses	• Business support to target the needs of key sectors and profiles - e.g. food and drink, businesses within the rural economy, fishing • Ensuring businesses are ready to benefit from superfast broadband	• ND+, TDC, NDC website/s up to date with relevant information • Appropriately accredited business advisors • Regular engagement with business network , industry groups • Roll out of training related to broadband opportunity	ND+, NDC, TDC	2014+	Existing resources ND+ EU Private sector
P3B **Business support for growth potential businesses**	Business support tailored and targeted at businesses with most growth potential	• Mentoring and coaching • Support for developing new markets and exporting • Access to credit and finance initiatives	• UKTi service addresses North Devon's needs • HOTSW LEP strategy accommodates Northern Devon needs and ambitions • Specific projects/initiatives	ND+ UKTi	2014+	Existing resources ND+ EU Private sector
P3C **Support to develop supply chains in emerging and/or dispersed sectors**	Business support focused on supply chain development, in particular renewables	• Identify key opportunities and firms • Develop and deliver programme of activity	• Supply chain businesses identified • Action plans for specific initiatives Engagement from businesses within the sectors	NDC, TDC, Regen SW ND+	2014+	Existing resources EU
P3D **Support for innovation within technology focused businesses**	Ensuring value derived from innovation opportunities	• Provision of specialist support, investment and networks linking to physical innovation infrastructure Better access to and take-up of innovation support, research and funding streams, e.g. Technology Strategy Board, KTP's	• Identify key recipients locally • Engagement with key businesses • Brokering opportunities • Specific project development	NDC, TDC, ND+	2014+	Existing resources National schemes (e.g. TSB) EU

Measures of success

- Number of VAT registered businesses
- Number of employees
- Median gross weekly earnings
- Number of new businesses into the area
- Self employed as a proportion of the working age population
- Unemployment levels
- Number of Inward Investments enquiries
- Jobs created by Inward Investment

Priority 4 – GROWING THE EMERGING RENEWABLE ENERGY SECTOR

P4 **Maximising the opportunities from offshore wind and other renewable energy opportunities**

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P4A **A driven and co-ordinated approach to energy sector opportunities, positioning northern Devon as a location of excellence - focus on specific sub-sectors - offshore wind and tidal (marine), biogas, biomass and construction**	Development of wider linkages and networks and investment in joint initiatives with other areas to maximise the value to the South West economy - the Plymouth City Deal, Plymouth University and Marine Institute, South West Marine Energy Park	• Develop key linkages and partnerships • Public sector – Plymouth City Deal, HOTSW LEP, • Private Sector – key investors and industry groups and networks	• Involvement in wider initiatives and opportunities • Joint project development	NDC, TDC, DCC, Regen SW	2014+	Existing resources

(onshore)	Development of marine infrastructure	• Deliver Ilfracombe harbour infrastructure to include delivery of marine infrastructure to support Ilfracombe harbour's role to support marine renewables; wind, tidal • Identify and progress tidal development site opportunity • Deliver quays enhancement at Appledore to allow facilities to support marine renewables heavy maintenance requirements, plus skills and innovation infrastructure • Work with landowner at Yelland to optimise site for contracts related to marine renewables	• Projects scoped and developed • Master planning/ planning undertaken • Infrastructure investment secured	NDC, TDC, Regen SW, CE	2014+	Existing resources EU LEP To be identified
	Development of bespoke employment sites and workspace	• Deliver employment sites and premises appropriate for and relevant to renewable energy sector	• ELR/audit of existing sites and potential sites • Specific action plans to bring sites forwards		2014+	
	Investment in specialist grid infrastructure	• Map/survey existing infrastructure as required to support specific initiatives (e.g. tidal hub at Lynton) • Seek and secure funding to upgrade infrastructure to support specific initiatives •	• Existing infrastructure capacity confirmed • Investment required identified • Funding secured • Upgrades undertaken	NDC, ENPA, Regen SW	2014+	

	60	• Identify key opportunities and firms • Develop and deliver programme of activity	• Supply chain businesses identified • Action plans for specific initiatives • Engagement from businesses within the sectors	NDC, TDC, Regen SW, LEP, UKTi	2014+	Existing resources
	Tailored skills initiatives to ensure workforce sufficiently skilled to meet emerging opportunities	• Identify skills needs of the renewable energy industry and its sub sectors • Ensure skills agencies able to deliver appropriate skills • Development of initiatives to fill any gaps in provision	• Skills needs and baseline identified • Action plans to address any gaps	NDC, TDC, Petroc, ND+	2014+	Existing resources
	Provision of bespoke support and incentivisation measures for investors	• Development of Northern Devon Energy Prospectus – tailored for sub sectors • Appropriate web based information resource – single web site • Inward Investment marketing activities including development of a Northern Devon Energy Prospectus – tailored for sub sectors	• Marketing strategy and materials produced • Clear message developed • Engagement with industry players	NDC, TDC, Regen SW	2014+	Existing resources
	Initiatives to maximise economic benefits from commercial and residential renewables installations	• Identify key opportunities and businesses • Develop and deliver programme of activity as required – business support, encouraging colorations, brokering, addressing skills issues et al	• Supply chain businesses identified • Action plans for specific initiatives Engagement from businesses within the sector	NDC, TDC, Regen SW,	2014+	Existing resources

Measures of success

- **Increase in occupied employment space in northern Devon**
- **Jobs created by renewables sector**
- **O&M investment, O&M job creation, supply chain benefits, local spend**

Priority 5 – GROWING EXISTING KEY SECTORS

P5 Maximising the opportunities from advanced manufacturing, marine and business services

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P5A **A driven and co-ordinated approach to opportunities, positioning northern Devon as a location of excellence with focus on specific sectors - advanced manufacturing, marine, and business services**	Development of wider linkages and networks and investment in joint initiatives with other areas to maximise the value to the South West economy - the Plymouth City Deal, Plymouth University and Marine Institute, MAS	• Develop key linkages and partnerships • Public sector – DCC, Plymouth CC, HOTSW LEP, • Private Sector – key investors and industry groups and networks	• Sector growth plans • Involvement in wider initiatives and opportunities • • Joint project development	NDC, TDC, DCC, Regen SW	2014+	Existing resources
	Development and promotion of appropriate employment infrastructure to meet specific needs from these key sectors	• Understand sector specific needs • Engagement with key industries and landowners • Project development and delivery • Site promotion (links to P5B and P5C)	• Projects scoped and developed • Masterplanning/planning undertaken • Infrastructure investment secured	NDC, TDC, Regen SW,	2014+	Existing resources EU LEP To be identified
P5B **Providing support and incentives to strategically significant businesses to encourage future investment in Northern Devon**	Maximising value from re-investment	• Involvement with LEP and UKTi to influence LEP-wide strategy and funding support • Identify and engage with key employers Respond to specific needs of key employers (planning, investment, development et al)	• UKTi service addresses Northern Devon's needs • HOTSW LEP strategy accommodates and addresses Northern Devon needs and ambitions • Retention of larger employers. • Investments in premises, production capacity, skills, R&D	NDC, TDC, DCC, UKTi, LEP	2014+	Existing resource Private sector LEP EU

P5C **Incentivising inward investment - to attract investment within our growth sectors**	Proactively attracting inward investment from employers within our target growth sectors	• Involvement in LEP/UKTi FDI working group to influence wider strategy and support • Develop North Devon Inward Investment Strategy and agreed Action Plan to include: ○ Appropriate web based information resource – single web site ○ Identification of target companies e.g. call centre/workforce fit ○ Inward Investment marketing activities – sector focus ○ Resource team identified on a specific basis to support inward investors. ○ Resource team identified on a specific basis to provide after-care	• HOTSW LEP and UKTi FDI strategies accommodate and address North Devon needs and ambitions • Increase in occupied employment space in Northern Devon • Jobs created by inward investors • Supply chain benefits, local spend	LEP, UKTi, NDC, TDC, DCC ND+	2014+	Existing resources ND+

Measures of success

- **Increase in occupied employment space in northern Devon from specific key sectors**
- **Private sector investment levels in employment space**
- **Jobs created by key sectors**

Priority 6 – DELIVERING NEW AREAS FOR GROWTH

P5 Increasing growth levels to move towards a step change in the performance of northern Devon's economy - using housing growth to unlock economic potential

Priority	Objective	Actions	Milestones/Outputs	Key players	Timescale	Potential Funding
P5A **Developing the strategy**	Developing the vision and researching and testing alternative solutions Undertaking detailed feasibility studies and masterplanning	• Evidence gathering and modelling • Understanding investment drivers for inward investors • Visioning activity and developing the USP • Public consultation • Undertaking detailed technical studies and masterplanning • Identifying and engaging enablers, investors and partners • Consenting processes	To be detailed	TDC, NDC, DCC, Communities, Private Sector, LEP	To 2018	TBA
P5B **Delivering a future growth point**	Co-ordinating the plans and delivery mechanisms of infrastructure providers Unlocking barriers to growth Co-ordinating procurement of specialist advice/services from the private sector Identifying funding opportunities and the programmes of other agencies to bring in resources, and setting up an investment plan. Co-ordinating and overseeing major physical development projects	• Prioritising funding and accessing funding • Forward funding key infrastructure • Build out of housing and employment infrastructure	To be detailed	TDC, NDC,DCC, LEP, Private Sector, others	From 2018	TBA

Measures of success

- **Increase in allocated housing and employment sites**
- **Increase in occupied employment space**
- **Jobs created by inward investors**

Chapter 6
Delivery

The action plan for this Economic Strategy, detailed in Chapter 5, identifies potential funding sources and key delivery partners. The complexities of the funding streams and the overlapping remits of partners require a collaborative approach to working. There is a need to ensure a common purpose, where the strategies of individual organisations are aligned together. This approach to delivery is important in ensuring economic growth can be realised.

Funding

There are a variety of sources of funding that will need to be harnessed to achieve the objectives within northern Devon's Economic Strategy. Historically a major source of funding to support and deliver such activity would be provided through local authorities and the regional development agencies. However, with the shift to respond to the UK's budget deficit through austerity measures, the quantum of public sector funding is much reduced, with different vehicles and instruments now emerging.

Key types of funding, the organisations through which they are administered, and the areas of focus, are shown below, although it should be noted this is not an exhaustive list.

Organisation	Funding Stream	Focus
Local Planning Authorities	New Homes Bonus	Not ring-fenced. Designed to incentivise growth
Upper and Lower Tier Local Authorities	Business rates - pooling concept	Designed to incentivise growth
Upper Tier Local Authorities	BDUK	Superfast Broadband
Local Planning Authorities and Developers	Community Infrastructure Levy	Delivery of key infrastructure
Local Transport Authority	Local Transport Plan Dept of Transport funding streams	Transport infrastructure maintenance and investment
Local Enterprise Partnerships	Growing Places Funding	Unlocking growth sites
	Pinch Point Funding	Transport improvement schemes
	Regional Growth Fund	Job creation/economic growth
	Coastal Communities Fund	Coastal projects – job creation/economic growth
	New Round of EU Structural Funds 2014-20	Economic development but priorities yet to be determined
Homes and Communities Agency	Enabling funding to unlock stalled housing sites linked to employment	Housing and regeneration infrastructure Affordable housing
Variable - National, LEP level, plus Local Action Groups	European Funding - ESF, ERDF, EFF, EAGRD	Sustainable economic growth , community development
Environment Agency	Specific	Flood defence investment
Private Sector	Match funding for the above through development contributions and joint ventures	Growth (business specific focus)
Central Government	Support for key sectors/priorities UKTi Technology Strategy Board	e.g. renewables incentives
Utilities	Private sector support for individual schemes	Water, sewage, energy, communications
Town Centre Management/ Business Improvement Districts (BID)	Private sector Chambers of Commerce Business rates levi	Town centre vitality
Parish/Town Councils	Precept raising, land ownerships, reserves Public Works Loans	Locality specific issues and opportunities

Key Partners

Delivering this vision will involve a wide collection of partners from the public, private and voluntary sectors. The key partners with a role, of some form, in delivering the northern Devon Economic Strategy are detailed below:

Public Sector

- North Devon Council and Torridge District Council – Local Planning Authorities, housing, economic development, planning, property and procurement and town centre management functions
- Town and Parish Councils – representing specific community interests on the ground, land owners in their own right
- Devon County Council – responsibility for waste, highways, public realm and strategic economic development
- Exmoor National Park Authority – conserving and enhancing the natural beauty, wildlife and cultural heritage, and promoting opportunities for the understanding and enjoyment of the special qualities of those areas by the public
- Petroc, schools – skills development and skills infrastructure
- Bicton College - rural skills and apprenticeship provision
- Homes and Communities Agency – housing and regeneration infrastructure development

Private Sector

- Businesses and developers on an individual basis
- The Federation of Small Businesses (FSB)
- Chambers of Commerce and local business organisations
- The North Devon Manufacturers Association
- The northern Devon Employment & Skills Board
- Utilities and energy companies

Public/Private Sector Bodies

- Heart of the South West Local Enterprise Partnership – an economic growth remit, strategy focused
- North Devon+ - a local authority funded economic development company covering northern Devon focused on marketing, business support and skills initiatives – delivery focused
- Barnstaple Town Centre Management – representing the town centre businesses – delivery focused
- Barnstaple BID Board – administering the Business Improvement District funding through an agreed action plan – delivery focused
- Town Teams - Torrington, Bideford, Ilfracombe, South Molton
- Regen South West – economic development support focused on the renewable energy sector – delivery focused

Delivery Methodology

To ensure effective delivery in a collaborative manner North Devon and Torridge District Councils will establish and support the appropriate formal and informal partnerships and working groups required to deliver particular projects and infrastructure. Such partnerships and groups will include regeneration boards, local action groups, as well as project boards for specific initiatives. Examples of such groups already being used include:

- Ilfracombe Regeneration Board – involving elected members from town, district and county councils, this Board drives the Ilfracombe regeneration projects as a collective programme of activity, whilst feeding in community views
- Leader 4 Local Action Group – a grant panel comprised of independent community and business representatives, plus elected members, to administer and monitor EAFRD funding
- Bideford Town Partnership - made up of elected representatives and officers of the town, district, county councils and Chamber of Commerce working together to regenerate the town through a number of key sites, improvements to public realm and the Town Vision

Chapter 7
Measuring Success

The northern Devon Economic Strategy will be subject to an annual review to check objectives are still applicable, and to note progress against actions. This will ensure actions are on track and enable change and adaption as required. Objectives and actions may be altered in order to be most appropriate to the circumstances at the review point. This is likely to be undertaken by the two local authorities.

There is an ambition to combine the monitoring of the northern Devon Economic Strategy with the local planning authorities' requirement to undertake an annual monitoring review (AMR) each year.

A more in-depth review will be scheduled every 2 years, with a more critical examination of up-to-date evidence and need, as well as greater scrutiny of the effectiveness of the delivery activity. This is likely to be undertaken with the involvement of key stakeholders.

In terms of measuring the effectiveness of specific actions, many projects have their own approach to monitoring and evaluation to ensure delivery milestones are reached and output targets are met.

Examples include:

- North Devon+ is subject to a brief outlining the services required and a parallel funding agreement with each of North Devon Council and Torridge District Council, and this includes detailed reporting of selected KPI's
- Capital projects operated by the local authorities are assessed for economic impacts and managed using a project management methodology and with individual risk registers
- Projects funded with EU and Treasury derived funding, for example Leader 4, are required to operate within a detailed project framework which includes reporting on expenditure and achievement of agreed output targets
- Local Plan – Annual Monitoring Report – monitoring local plan policies, the supply of land, and the planning service

In addition, the following will be measured on an annual basis and reported back to key stakeholders:

- Employment land
    - consented and in use
    - consented but not in use
    - allocated but not in development
- Business rates
    - revenue generated
    - rateable floorspace occupied
- High street rental levels
- High street vacancy rates
- Numbers of VAT-able businesses
- Number of employees
- Unemployment levels
- Average earnings
- Skill level achievements
- High speed broadband availability across northern Devon
- GVA levels

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- North Devon & Torridge Housing and Employment Review, 2013, G L Hearn
- Devon County Council - Sectors Research, February 2013, SERIO
- Strategic Housing Land Availability Assessment 2011
- North Devon & Torridge Retail and Leisure Study, 2012, Peter Brett Associates
- North Devon & Torridge Non-Residential CIL Viability Study, 2013, Adams Integra

Useful Information

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Key strategic partner websites:

www.northdevon.gov.uk

www.torridge.gov.uk

https://northdevonplus.co.uk/

www.exmoor-nationalpark.gov.uk

www.devon.gov.uk

www.devonomics.info/

www.heartofswlep.co.uk

www.gov.uk/government/organisations/homes-england

www.ons.gov.uk

Appendix A - Glossary of Terms

AMR	Annual monitoring report
BDUK	Broadband UK
CIL	Community infrastructure levy
DCC	Devon County Council
EU	European Union
FE	Further education
FSB	Federation of Small Businesses
GTD	Group Training Development
GVA	Gross value added
HE	Higher education
HCA	Homes and Communities Agency
HOTSWLEP	Heart of the South West Local Enterprise Partnership
KPI	Key performance indicator
Leader 4	A local EU funded grant programme
LEP	Local Enterprise Partnership
O&M	Operations and maintenance
NDC	North Devon Council
NFU	National Farmers Union
PEEP	Pupil Employer Engagement Project
R&D	Research and development
RDA	Regional Development Agency
SME	Small and Medium sized Enterprise
TDC	Torridge District Council

Appendix B - Strategic Context – national, regional and local

As well as considering the local characteristics of economic performance a strategic context is also considered. Many initiatives and actions that enable delivery of northern Devon's objectives are dependent on partners and wider organisations.

National

Government's Economic Strategy

The Coalition Government, elected in 2010, has stated its intention to:

- shift power to local communities and business, enabling places to tailor their approach to local circumstances
- promote efficient and dynamic markets, in particular the supply of land, and
- provide real and significant incentives for places that go for growth; and
- support investment in places and people to tackle barriers to growth*

* Local Growth – Realising Every Place's Potential October 2010

During 2012 Lord Heseltine's strategy for the stagnant economy entitled 'No Stone Unturned' was published. This set the scene for the government's ambition to revitalise the economies of areas of the UK outside of London, with an emphasis on industrial growth and job creation. LEPs have been given a key role in determining local priorities and delivering structural funding, and provided with direct access to both central and EU funding streams to deliver such locally determined strategies.

With the enhanced role for localities to drive their own economy, the development and implementation of local economic growth strategies focused on functional economic areas is vital.

Labour Market Strategy

The Coalition Government has identified 4 themes to get more people working:

- Ensuring that society rewards work – removing the barriers to job creation and improving incentives for individuals through welfare and employment law reform; reducing taxation for the lowest paid;
- A new Work Programme – giving greater flexibility and incentives to private and voluntary sector organisations to work with partners to help bring people back to work
- Connecting people to jobs – reforming social housing and maintaining investment in local transport; and
- Reform of the further education and skills system – through a new skills strategy setting out how vocational training will be delivered and driven by the choices of learners and employers

This economic strategy aims to operate within the context of these 4 themes.

Skills Strategy

Another notable policy shift, again part of the Coalition Government's strategy to reduce national debt, is the change of emphasis with regards to meeting skills needs. Greater responsibility is now being placed onto employers and individuals, with less regard given to the role of intermediaries. A refocused network of Sector Skills Councils and National Skills Academies is working with employers to ensure skills provision is tailored to employers needs and that learners have timely and relevant information to inform their career choices.

Reflecting this focus locally, the local authorities have tasked North Devon + with ensuring the delivery of many of the skills and training requirements of businesses in the northern Devon area through the Action Plan of the northern Devon Employment and Skills Board.

Regional

Local Enterprise Partnership (LEP)

LEPs are intended to represent economic geography and to be driven by local business leaders. Northern Devon is within the Heart of the South West (HOTSW) LEP, which comprises the local authority areas of Plymouth, Torbay, Devon County and Somerset County.

The HOTSW LEP has recently produced a business plan with 4 primary objectives:

- to drive productivity and enterprise
- to attract new business and investment
- to maximise employment opportunities
- to promote infrastructure to connect with markets

In addition, the HOTSW LEP has agreed to prioritise activity around 3 key sectors:

- Marine
- Energy
- Advanced Engineering

There is strong alignment between the HOTSW objectives, actions and key sectors, and those contained within this northern Devon Economic Strategy.

The roles and responsibilities of LEPs are growing, and with the recent publication of 'No Stone Unturned In Pursuit Of Growth' the remit of LEPs is expected to extend further. Currently these include:

- working with government to set out key investment priorities – including transport infrastructure – and involvement in funding allocations such as Growth Funding, EU Funding, Growing Places Funding and Pinch Point Funding
- co-ordinating proposals or bidding directly for Regional Growth Funding and Enterprise Zones
- involvement in delivery of other infrastructure such as digital and energy funding and projects

The LEP has also been involved in the discussions around the new round of EU Structural Funds, and have recently issued a 2014-2020 EU Funding Prospectus with five key priorities:

- stimulating innovation
- promoting infrastructure to connect with markets
- driving productivity and enterprise, including securing new business and investment
- maximising employment opportunities
- developing a high quality workforce to meet business needs

Homes and Communities Agency (HCA)

The HCA works with local partners to create new affordable homes and thriving places, investing in housing, regeneration and infrastructure projects to meet the needs of local communities.

Local Investment Plans, produced by sub regions of Devon in 2010, are currently being updated by partners to reflect altered local growth priorities, and to seek to align funding to unlock schemes that will deliver both housing and employment developments. Local authorities and communities are being incentivised to enable housing growth through the provision of New Homes Bonus payments to local authorities who deliver new housing. Funding sources such as New Homes Bonus could be an important resource in delivering economic development initiatives, however as funding from Central Government is continuing to be reduced to Local Authorities the New Homes Bonus is increasing being used to ensure that vital local services are maintained.

Devon County Council

Devon County Council has published a 'Strategy for Growth' in 2013, which sets out a framework for how Devon County Council will promote strong and sustainable growth in Devon. There are 6 strategic outcomes which Devon County Council is seeking to secure:

- A more productive economy
- A higher wage economy
- Employment opportunities for all and a workforce with the right skills for the future
- A well connected county
- A thriving business community
- Intelligence, leadership and influence

In addition, Devon County Council are the Local Highways Authority, and develop and deliver the Local Transport Plan.

Planning Policy

The planning policy framework has a crucial role in enabling economic development, both at national and local levels.

National Planning Policy Framework (NPPF)

Published in March 2012, the NPPF clearly sets out the positive role that the Coalition Government expects the spatial planning system to play in delivering economic growth. It sets out the Government's requirements for the planning system only to the extent it is relevant, proportionate and necessary to do so. It provides a framework within which local people and their councils can produce their own distinctive Local Plans, which reflect the needs and priorities of their communities.

Local Plan

North Devon District and Torridge District Councils are working towards a joint Local Plan for the first time. The draft Local Plan was consulted on publicly in early 2013, with adoption anticipated later in 2014.

The Local Plan is the framework for the area's spatial strategy and sets out the planning policies plus the quantum and direction of growth for northern Devon in order to meet the area's future needs up to 2031. The Economic Strategy is required to help deliver the Local Plan's objectives to ensure economic growth will be achieved in northern Devon. The Employment Land Review is being used as a key evidence base to inform both the Local Plan and this Economic Strategy.

The Local Plan spatial development strategy has considered the function of and relationships between settlements, growth requirements, locations for sustainable growth, and the adequacy of infrastructure to accommodate growth. In summary, development will be focused in:

- Barnstaple – as the sub regional centre the focus for employment and housing growth, including focus for retail growth, with significant levels of development
- Bideford – a strategic centre and focus for employment and housing growth, complimenting the role of Barnstaple
- Northam, Westward Ho! & Appledore, Ilfracombe, South Molton, Braunton & Wrafton, Great Torrington and Holsworthy – the focus will be on economic regeneration through expansion and/or employment led development to compliment the growth of Barnstaple or Bideford
- Local centres – small towns and larger villages providing local rural services to the surrounding rural parishes. Small scale development will be supported to meet their rural services role
- Rural areas – a level of housing and economic growth to improve levels of self-sufficiency and to make these rural settlements more sustainable

Local Strategic Context

There is a need for the Economic Strategy to integrate with other medium term strategies covering North Devon and Torridge, and for those other strategies to contain elements of local economic development at their core. Examples of such strategies in the ownership of North Devon and Torridge District Councils include:

- Affordable Housing Strategies
- Torridge Cultural Strategy
- Community Safety Strategy
- Procurement Strategies
- Local Investment Plan
- Local Infrastructure Plan and Community Infrastructure Levy (supporting the Local Plan)

Other key partners providing a local context include:

Exmoor National Park

Exmoor National Park sets out its focus on actions to promote rural economic growth in a sustainable manner through the Exmoor Partnership Plan 2012 – 2017. In addition, Exmoor has an emerging Exmoor Local Plan.

Biosphere Reserve

North Devon is a UNESCO Biosphere Reserve because of its blend of special landscapes and wildlife areas, rich cultural heritage and communities that care about it and want to sustain it into the future.

North Devon Areas of Outstanding Natural Beauty

The North Devon Areas of Outstanding Natural Beauty (AONB) is a stunning coastal area which is nationally protected for the beauty of its landscape. It covers 171 km sq of the coastal landscape from the Cornish border to Combe Martin on the boundary of Exmoor National Park.

Appendix C - SWOT Analysis

Strengths

- Natural resources with the potential to generate economic values (energy, soils, landscapes, beaches etc)
- Attractive area in which to live - climate, access to beaches, coast, moorland, National Parks, area is accessible in comparison to other rural/coastal areas of the UK being 3-4 hours to London
- Clusters of existing key businesses providing significant job numbers
- Key businesses are within advanced manufacturing sector and operating in global markets with scope for growth - strong sub-sectors - pharma, medical, electronics, aerospace, high value components
- Existence of renewable technologies wind, solar, tidal and biomass
- Current National Grid capacity
- A resilient, can-do attitude - relatively low overall unemployment compared to the England average, many self-employed
- Loyal and competitively priced workforce with low levels churn
- Economic resilience, to some degree, from the tourism and agricultural industries (although low wage)
- Joint Development Enabling Planning Service and joint draft Local Plan across the two District Council areas

Weaknesses

- Peripherality/perceived peripherality
- Limited transport connectivity options esp. lacking air/rail options
- Poor broadband connectivity
- Environmental designations - restrict development in some areas
- Lack of commercial values means employment sites and premises are not provided on a free market basis
- Age profile is older - tendency against development and industry in the area
- Distance to a university - parts of northern Devon are the furthest in England from a university
- Tendency for better educated and skilled to out-migrate - meaning the working age population has relatively low skill levels, and are less minded towards entrepreneurship in technology businesses
- Pockets of significant unemployment and NEET issues - coastal towns
- High levels of self employment - low growth businesses, driven by necessity rather than entrepreneurism
- Performance/productivity of some sectors is weather dependant (agriculture, tourism)
- House prices are high proportionate to wage levels - contributes to trend for out-migration

Opportunities

- Key employers - encouraging investment in local operations
- Potential to develop industries/sectors where there is market demand and fit to government policy - energy, advanced manufacturing, agri-food
- Energy - ambitions for increased self sufficiency in terms of UK energy generation - marine, solar, wind, biogas, biomass - and economic benefits from. northern Devon is well placed due to access to energy resources
- Manufacturing - key sub sectors where UK product is strong within global marketplace
- Agri-food - added value from greater innovation within the agricultural industry, and an opportunity from future food security needs and issues around food safety and provenance
- Business services, including creative and digital industries and call centres - opportunities as information technology revolution intensifies and more peripheral locations are able to compete for footloose employers
- Tourism - developing a more premium product and competing for domestic business with non-UK destinations
- Greater scope to reduce energy costs of the businesses located in the area through renewables installations

Threats

- Low workforce skill levels fail to be addressed and key employers leave the area
- Key employer/s cease activity in northern Devon due to a change of strategy or global issues
- Anti-development 'NIMBY' attitudes prevent development and realisation of opportunities
- Ever-changing national political views, lack of policy direction, confusing policy (e.g. energy) means investors fail to commit
- With cuts to public sector, a lack of public sector pump-priming funding to invest in infrastructure and realise opportunities
- Failure to co-ordinate remaining limited resources in meaningful way
- Lack of 'identity' of northern Devon - no city, no 5,000 employee company - meaning low on national decision-making radar
- Inability to compete with other locations, e.g. Cornwall, benefiting from significant funding and resources - a 'cliff-edge' effect
- Poor access to credit/unfavourable terms/risk averse attitude from lenders (national not location specific, although layered with our economic profile negative impacts may be more significant for northern Devon)

Published January 2014
North Devon Council
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