

Appendix 2 - Summary of the background to the South Hams economy

- SH has the **lowest level of economic inactivity** in Devon. Residents are economically engaged but this is not translating in to high productivity or competitiveness as most workers are commuters and overall local business is not classed as high value
- SH is **dependent** on the fortunes of neighbouring economies – a greater range of 'local' jobs – in higher value sectors and a broadening of the skills base would likely reduce this dependency.
- **High levels of employment** (second highest in Devon) and there is a **strong skills base** amongst those employed BUT majority of economically active residents are **commuters** to surrounding economies – where we and our partners have limited control – There is a need to influence to ensure maximum benefits for our economies trickle down and are captured
- **High levels of self-employment** and working from home but local **work place earnings are amongst the lowest in the UK** – higher paid local employment opportunities could reduce commuting and dependency and improve house buying/rental potential
- **Low level of business start-ups** compared to Devon and UK – Need to understand why – but lots of microbusiness and home-grown entrepreneurial support. *Yet....*
- **High percentage of business three year survivals** *BUT....*
- **More business deaths** than births (due to low level of births)
- **Low UK competitiveness Index** but improving
- Potential for **over-reliance on construction** in the future
- Note: WD has even higher start up survival rate and a very strong entrepreneurial culture – lots of microbusiness. Agri-tech is a key industry and is also a focus for the LEP.
- **Majority of businesses were predicting growth** over the last couple of years and through to next year. Indications from local business is that this is the case.

Sector Comments

Clear **overlap between some of the top employment growth and productivity growth sectors (see list below)**

Information and communications and finance are not priorities of DCC.

- Top employment sectors for SH and WD – retailing, public sector, tourism, construction and manufacturing. Note that tourism growth remains static BUT there are an increasing number of overseas visitors who tend to spend more.

- Top employment growth sectors for SH and WD– construction, information and communications, accommodation and food services, transport and storage, business and finance and other services
- Top productivity growth sectors for SH and WD – construction, information and communications, business and finance (all higher value), accommodation and food services, transport (all lower value)

Plymouth CC and Devon CC are both prioritising for tourism – one of our current key sectors – and advanced manufacturing which is a national priority.

Plymouth CC are focusing too on marine – for which there is potential spin off/support opportunities for our economy

Devon CC have included construction and agriculture in their list of priority sectors whilst the LEP are focused on Agri-tech and environmental science as well as construction.

Information and communications and finance which are predicted growth areas for SH and WD are not priorities of any authority.

Appendix 3: Extract from NPPF

To help achieve economic growth, local planning authorities should plan proactively to meet the development needs of business and support an economy fit for the 21st century.

Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including a poor environment or any lack of infrastructure, services or housing.

In drawing up Local Plans, local planning authorities should:

- set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
- set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances;
- plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries;
- identify priority areas for economic regeneration, infrastructure provision and environmental enhancement; and
- facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.

Appendix 4: Planning Peer Review Report

6.7 However, both Councils, and especially West Devon, recognise that there remain weaknesses in their own capacity and focus on the necessary business and economic regeneration required to improve job and wage creation in the local economy.

6.8 The peer team feel that in order to deliver the emerging corporate priority of economic growth, a clearer vision, strategy and distinctive local priorities are required, backed by adequate capacity and resources to supplement the existing asset management resource.

We do not want to promote the reintroduction of the traditional economic development officer approach, focusing on inward investment, but suggest additional capacity of officers with a strong commercial sense and acumen who could work with relevant growth sectors and emerging industries. Additional officer capacity could also support developing and stretching the existing asset base of the Councils, especially at South Hams which has an asset portfolio value of some £75 million.

6.9 We were encouraged by the recent progress on developing an Asset Plan and Income Generation proposals, to develop land and buildings through changes of use, new build and refurbishment. Additional capacity in this area could also support the time consuming work of building strong and flourishing partnerships with land owners, developers and investors and produce an income stream for the Councils.

This would also allow a stronger focus for securing Growth Fund money through the Heart of the South West Local Enterprise Partnership. The role for the Committees and supporting community of practice lead and specialists will be to influence the spatial direction of any emerging vision and strategy and to deliver quality and timely planning advice and determination when developments are presented.