

## Agenda Item 4

### For information: An update on our work on economic development

Authors: Peter Wheelhouse, Economic Development & Regeneration Manager and Deputy Town Clerk and Vivienne Whitaker, Project Officer

#### Summary

This report explains what economic development is, why it is important, what FTC is currently doing in partnership with others and what's coming up. An in-depth presentation will be made at the Committee meeting providing an opportunity for debate and informing the development of the Council's strategy

#### What is economic development?

In general, economic development is about pursuing policy interventions that will have a positive impact on people's economic and social wellbeing. So, economic development leads to more training, more job opportunities, more space to set up businesses, greater support for innovation and developing skills and accessing resources and professional advice. It should not be confused with economic growth to which economic development may contribute but growth may not necessarily be the main goal.

The New Economics Foundation (NEF) has a perspective on this. They say that: 'A successful society is one where economic activity delivers high levels of sustainable wellbeing for all its citizens.' In other words, the impact on people and the planet matters and the goal of economic development is to create sustainable wellbeing. This is reflected in FTC's current Strategy which is to develop a 'thriving business community, connected with each other and with the town, providing employment and prosperity.' The Strategy also identifies that prosperity, wellbeing and environment are closely linked and so our emphasis on economic development is to build a community of thriving ethical, sustainable and socially engaged businesses.

#### Why is economic development important to Frome?

The perception is that the town's economy is doing well. Our benchmarking work suggests that the town centre performs better than towns of a comparable size when it comes to the proportion of vacant shops and footfall. The town is bustling with more events than we have experienced in many years. There is a buoyant market for business space.

But all of this hides some important issues that need to be addressed.

- **There are not enough jobs in Frome.** Only 38% of Frome residents who work, work in Frome – in terms of commuting, the largest net flow out of Frome is to Bath, followed by Trowbridge and Bristol reflecting higher concentrations of economic activity in these places. The Mendip District Local Plan sets a target of 2700 new jobs to be created in the town by 2029 to help meet the needs of a growing population but the challenge is to ensure that employment growth keeps pace with the development of housing in Frome so that it does not become a dormitory town.

- **Frome suffers from deprivation.** The town has a relatively higher proportion of lower level occupations than Somerset and England and Wales impacting on income levels. Compared with Somerset, Frome has a relatively higher proportion of children and people aged 60 or over in income poverty. Compared with Somerset, Frome has an above-average proportion of people living in one of the 40% most deprived areas nationally. 3 Lower Super Output Areas in the town appear in one of the 20% most deprived areas of England.
- **Frome has lost many of its traditional employers in manufacturing, printing and engineering.** Whilst some towns in Somerset still have strong concentrations of industry especially in aerospace and energy sectors, Frome's economic structure is changing, and we must be more creative in ensuring a viable economic future.
- **Frome has been good at attracting and nurturing micro-businesses (employing less than 10 people) but they need our continued support to grow.** 72% of our businesses fall in this category. They do need our support in many ways. Research by Enterprise Nation and the Institute of Chartered Accountants for England & Wales (ICAEW) in 2015 listed the following conditions towns need to support this small business sector:
  - Opportunities to network
  - Positive media coverage
  - Lively entertainment & arts
  - Access to business advice/strong business support networks
  - Access to finance
  - Entrepreneurial public servants

Some of these conditions have been satisfied in Frome but sustaining these conditions is important and there are gaps in provision including the availability of business advice, mentoring, the availability of vocational training opportunities and workspace to start-up and grow.

#### What are we currently doing?

A more in-depth presentation will be provided at the meeting, but our current activities include:

- **Land and premises** - Safeguarding existing employment sites and working with developers to encourage the development of new workspace – our recent work has focused on Saxonvale and influencing Acorn Property Group's plans, but we have also been working with other developers.
- **Improving the image of and pride in Frome:** public realm improvements (further improvements to the Market Place and new signage are planned); marketing the town as a place to live and as a place to locate businesses and other enterprises (through Discover Frome); supporting important community events such as Frome Festival, Frome Carnival and The Frome Independent that have a positive economic impact; developing and promoting new events to encourage town centre footfall and trade e.g.

'Fiver Fest' promoting the products that town centre traders can offer at £5 or less, Frome Busks in March, and exploring late night opening on the run up to Christmas.

- **Resilience programme** – Working with businesses and their employees to help make the town more resilient by reducing waste and energy consumption and encouraging renewable energy generation through the Good Business Framework - a possible 'kite mark' for businesses that demonstrate that they are 'Good' is being investigated.
- **Developing a community of businesses and other organisations:** working with Frome Chamber of Commerce, Edventure and Mendip District Council (MDC), we bring businesses, social enterprises and community organisations together, through 'Frome Business Breakfast', 'Discuss and Do', 'Soul Traders' and other specialised events e.g. the recent Local Entrepreneurship Forum - not only to help identify and meet their development needs, but also enable them to support each other and contribute to the wider community.
- **Building links between training providers and employers in order to improve the availability of training and employment opportunities:** encouraging work experience, apprenticeships and traineeships. An Apprenticeship Conference was held at the Town Hall bringing together Frome College, training providers and businesses. A leaflet was also produced and distributed to 300 local businesses explaining the benefits apprentices can bring to businesses, the steps involved in and how FTC can help throughout the process. We continue to work with Frome College towards their World of Work programme, and supported students from the College with work experience for a market research project in the town centre.
- **Providing advice and information:** we act as a point of contact for businesspeople and those running community enterprises and spend time with them to help them develop; we broker support by others where we cannot help people directly; our website provides an information resource for businesspeople to tap into; we have recently been reaching out to businesses on Marston Trading Estate and Commerce Park to improve awareness of our services.

What's coming up?

- **Closer working with MDC** – we recently met with the new Group Manager for Planning & Growth at MDC to explore how we can work more closely with the District Council on economic development – we had a constructive conversation and the next step will be to engage lead councillors.
- **Meeting with Farnham Town Council** – as part of sharing best practice with other town councils, a small group of staff/councillors will be visiting colleagues at Farnham in September.
- **Vocational education** – we are convening a meeting in September involving Frome College, Somerset Skills & Learning, Frome Community Education, Frome Chamber, Cheese & Grain and MDC to explore how vocational education can be improved in the town.
- **Mentoring** – we are investigating how a mentoring programme can be put in place to support small businesses and community enterprises building on the interest generated by the Local Entrepreneurship Forum.

- **Business Festival** – we are working with Frome Chamber of Commerce to help put on a major business festival next year.