



<u>Committee and Date</u>
Council 27 February 2020

<u>Item</u>
Public

## **PORTFOLIO HOLDER ANNUAL REPORT FOR ASSETS, ECONOMIC GROWTH AND REGENERATION**

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### **Summary Overview**

Shropshire Council has set an ambitious programme for economic growth and regeneration in the county and established a clear framework and objectives for asset management, commercial activity and investment that will enable the council to be more innovative and maintain a sustainable budget.

The council's Commercial Strategy for 2020 to 2023 has been updated to reflect the council's new corporate vision and plan. The strategy is closely aligned with the council's capital strategy, the asset management strategy, the economic growth strategy and the digital workforce strategy

The current Economic Growth Strategy for Shropshire (2017-21) is in its third year of delivery and the Council and its partners have been on a journey to deliver a number of projects and realise opportunities to increase the level of economic activity in the county. Our collective strategy is focused on the following objectives in order to achieve increased economic productivity;

- supporting and growing existing businesses
- attracting new investment
- retaining and developing skills and talent

Summary of key headlines;

- £53 million investment by foreign owned companies
- £67 million investment by UK owned companies
- 1,600 new and safeguarded jobs to date
- Shropshire Business Board joint working across sectors and with educational partners
- Continued success and growth of the Shropshire Growth Hub outreach model
- Secured external funding from the Marches LEP and £9.3 million from Homes England towards key growth projects
- £2.2 million in grants to support businesses in Shropshire this year, leading to a further £5.5 million of private sector investment

Key for the Economic Growth Strategy was that it was 'of and for' Shropshire and therefore has sought to be based strongly on the economic characteristics of the

county including the market towns. The first of the Local Economic Growth Strategies for Ludlow, Market Drayton, Whitchurch, Oswestry, and Bridgnorth have been developed and will be going out for public consultation. We are also working with Shifnal on taking forward their Local Economic Growth Strategy in 2020. These documents sit beneath the framework of the overarching Shropshire Economic Growth Strategy with the purpose of them being to set out economic delivery plans within these key localities, as well as being a proposition document which will encourage growth and attract new businesses and investment into the area. The Shrewsbury Big Town Plan was completed and endorsed in November 2018 and an update on delivery of the next stages of this is included in the 'Economic Opportunities' section.

Below is a summary of activities in the last 12 months under each of the priority actions in the Economic Growth Strategy. It should also be noted that the Economic Growth service is involved in the current emerging Communities and Rural Strategy and have played a leading role in the development of the refreshed Place Plans.

### **Economic Opportunities**

Summary of key headlines;

- Driving forward development and unlocking infrastructure in our key growth corridors including securing Housing Infrastructure Fund for Oswestry (£9.3 million) and levering in LEP development funding to help develop plans and feasibility of sites.
- Moving forward with the next phase of the Shrewsbury Big Town Plan and Movement Strategy in partnership and engaged with many stakeholders in its development.
- Progressed the business plan for Shrewsbury shopping centres with the objective to support the economic growth and future vitality of the town centre including investment in Darwin refurbishment which will commence Spring 2020.
- Taking forward a Strategic Development Framework for the Riverside shopping centre and adjacent car park in Shrewsbury to rethink the future of the area and opportunities to develop this.
- Future Oswestry group – driving forward the growth and aspirations of the town including taking forward Heritage Action Zone Funding from Historic England to support the town.
- River Severn Partnership formed to take strategic view of flood and water resource management along the River Severn
- Former Ironbridge Power Station – demolition progressed with the cooling towers in December. Strategic development site as part of Local Plan Review. Work with Harworth Group and Network Rail to bring forward use of railway.
- Developing the business park opportunities in some of our market towns, commencing with plans for Bishops Castle, Ellesmere and Ludlow.

Recognising the importance of Shropshire's economic partnerships and geographic relationships, the Council continues to proactively engage as part of the West Midlands Combined Authority at Board level and Midlands Engine for example in Midlands Connect and the Housing and Land Delivery Board. Shropshire hosted a visit from the chair of Midlands Engine, Sir John Peace and the Chief Executive of

Midlands Connect, Maria Machancoses in September 2019 focused on two key aspects, the development of University Centre Shrewsbury and the Shrewsbury Big Town Plan. The visit was viewed as a real success providing both Midlands Engine and Midlands Connect the opportunity to offer their support for this vision moving forward.

The LEP's Strategic Economic Plan (SEP) for the Marches sets out key priorities, sectors and opportunities for Shropshire together with the required support and infrastructure to bring these forward. This includes the emerging work on a number of our growth corridors including Shrewsbury Big Town Plan area, the M54 including the former Ironbridge power station, A49 and A5/A483. The approach of the Local Plan Review supports the identification of strategic growth corridors and the urban focus for development set out in the Economic Growth Strategy.

#### Big Town Plan for Shrewsbury:

Following from Cabinet endorsement of the Big Town Plan in November 2018, a lot of work has taken place to drive forward key aims within the plan. The Big Town Plan Partnership has appointed Glenn Howells and their team to deliver a investable masterplan and a movement strategy for the town. This work is well underway, engaging with key stakeholders in the town and wider area. This work is due to be completed in April this year and will start to bring forward the key elements within the town, supporting Shrewsbury and the wider Shropshire Economy.

#### Strategic Development Framework for Riverside:

The Council is moving forward with re-thinking Riverside and have now embarked on the Strategic Development Framework (SDF) for the area. This will help set out the vision and aspiration for the area, creating a new sense of place in the town, rethinking movement and bring forward new commercial, leisure, cultural and residential opportunities and the approach in which we will want to deliver this. The output of the SDF will become clearer in June of this year when a final report will be prepared. In addition, and in line with what the Council has stated, officers have started to look in detail at the demolition programme for the area.

#### Partnerships:

The Council has worked closely with partners and stakeholders progressing a number of strategic development schemes in the county. This includes Historic England who on track with the full restoration of the historic Flaxmill main mill and kiln building to create commercial opportunities that will be available from 2021.

The Council continues to convene the Tern Hill Task Force for Clive Barracks with the local MP and Defence Infrastructure Organisation, a significant development site on the A41 corridor available from 2025 when the current battalion are due to vacate.

Ironbridge Power Station is the single largest development site in Shropshire offering 350 acres. After purchasing the site in June 2018 Harworth has worked with the community hosting two public stakeholder events and a meeting for local parish councils and local councillors from Shropshire and Telford & Wrekin prior to the validation of two planning applications in January 2020. The first planning application is for the extraction of sand and gravel, the other an outline planning application with a masterplan for the redevelopment of the wider site which seeks to provide. The applications are under consideration and will be determined later this year following an extended period of public consultation.

### River Severn Partnership:

The River Severn Partnership (“RSP”) is a newly formed strategic coalition initially comprising Shropshire Council, the Environment Agency, Natural Resources Wales, Telford and Wrekin Council, Worcestershire and Gloucestershire County and District Councils and the new regional water planning group Water Resources West but with a view to expanding further. The RSP aims to take a strategic view of flood and water resource management along the River Severn, with a shared set of expectations and aspirations as well as establishing an up to date and comprehensive baseline hydraulic model for the whole river and main tributaries, including climate change allowances. Shropshire Council working with the Environment Agency have led the exploratory work with potential partners to date.

The Future Oswestry Group is a newly formed partnership between Shropshire Council, Oswestry Town Council and the Oswestry Business Improvement District. The group meets monthly with the key objectives to:

- Support joint working of the partner organisations around a shared purpose to develop the long-term vision
- Co-ordinate identified improvements and projects
- Support the development and delivery of funding applications

Current work that the Future Oswestry Group is involved in includes:

- Investigating the re-purposing of empty buildings including opportunities for housing
- Commissioning the refresh of a masterplan for the Town – draft prepared and will be finalised with stakeholders
- Traffic regulations review to include short term actions and long-term actions that would need to be reviewed as part of the wider masterplan
- Sustainable Transport study commissioned to undertake a pre-feasibility exercise to look at options for improving connectivity in Oswestry including links between Gobowen Station with the town centre, and employment centres.
- Heritage Action Zone Programme

### Oswestry High Streets Heritage Action Zone:

In September, Oswestry was selected as one of the 69 towns to progress to the next stage of the Heritage Action Zone award.

A workshop was held in December to engage local stakeholders and provide initial information on the programme, which has three key strands:

- Physical interventions – a grant based programme to repair/ reinstate historic features, repurpose buildings and potentially improve public realm in the town
- Cultural programme – through the development of a consortium of heritage and arts focused groups and organisations delivering cultural events and projects to enhance vibrancy of town

- Community engagement – embedding ‘ownership’ of HSHAZ within local community through widespread engagement to ensure long term sustainability beyond 4 year programme

The programme submitted to Historic England has now been through a rigorous assessment by Historic England’s regional teams. We should be notified of the outcome in late March following agreement with DCMS. However, work will continue on developing the programme and setting up the Cultural Consortium and engagement with stakeholders.

## **Growth Sectors**

Targeting the identified key growth sectors is an ongoing activity. Production of marketing collateral including eight sector proposition documents covering agri-tech, food and drink, advanced manufacturing, creative and digital, environmental technology, health and social care, construction and business, professional and financial services and a strategic development sites document. A more general sales brochure including a focus on lifestyle, housing, education and leisure and the redevelopment of the Invest in Shropshire website are currently being developed for delivery in the new financial year.

## **Enable business to start, grow and succeed**

During 2019, Shropshire Council has continued to grow its key account activity and has developed a revised list of accounts with engagement now with more than 250 businesses within Shropshire and growing. This developed approach operates on a platinum, gold, silver and bronze model, dependent on the needs and wants of a business and measures the intensity of engagement. Visits with these businesses allows the team to develop relationships and offer a range of support including exploring property and site requirements, recruitment, training and apprenticeship needs, access to finance and actively engaging the business networks, schools and colleges. This work has very much been used to identify concerns with occupiers and react both where positive and negative issues are identified to retain and support growth of these indigenous occupiers. Some funding was secured from the Department of International Trade (DIT) to increase the number of foreign owned companies engaged. This has led to the development of a number of new key accounts in addition to current engagement.

Officers continue to use the local business and professional services network, including commercial property agents, developers, legal professionals and intermediaries to strengthen the offer available to existing businesses and attract companies to Shropshire. Further engagement continues to be undertaken on a regional and national basis through engagement with commercial property agents such as JLL, CBRE, Knight Frank, Harris Lamb and Bulleys and developer. Since the inception of the Economic Growth strategy, Shropshire has seen £53 million of investments by foreign owned companies expanding with whom we are directly working, with work continuing alongside colleagues in DIT to secure foreign owned inward investment into the county. Officers are currently working on an active pipeline of 24 prospects and enquiries.

There has also been a further £67 million of investment by UK owned occupiers into the county, with 93% of the investment made across the Marches landing in Shropshire so far this financial year, equating to £34.75 million of the £37.4m total. This is 84% of the new jobs created by FDI businesses this year so far. Additional work with DIT, has also included showcasing the sector strengths the county has. In particular this year we have contributed to the following national propositions: Agri-tech, Healthy Ageing and Audio visual / Virtual Reality / Immersive Technology.

Overall, the team have been involved in the creation and retention of approx. 1,600 jobs within the County. Examples of successes this year have included the £7.7m investment made by Aico in Oswestry to relocate to their new HQ premises allowing the company to increase staff numbers from 55 to 70. The inward investment of Hickorys Smokehouse was also secured in Shrewsbury with the company creating 70 new jobs as part of the c£1m investment into their new site adjacent to the Armoury, that can cater for up to 170 guests. This was a huge success for the team, with the company outlining that they were not considering Shropshire until a deal in a neighbouring authority fell through. The company felt that the proactive and resourceful approach to problem solving and active engagement moved us ahead of competing locations and prompted their investment into Shropshire.

Economic Growth continues to play an active role in securing funding to support businesses with more than £2.2m in grants sourced, leading to a further £5.5m of investment recorded so far this financial year from businesses within the county. These have been drawn from a range of initiatives: including BEEP (Business Energy Efficiency Programme), BGP ( Business Growth Programme), RDPE (Rural Development Programme for England) and MBIG (Marches Building Investment Grant). The Market Drayton grant scheme, a pot of Shropshire Council funding has also highlighted considerable interest and supports the start-up of new businesses and the growth of existing Small/Medium Enterprises (SMEs) within Market Drayton and those also looking to relocate or expand their business into the town. To date more than £332,000 of the £443,000 of grant funding has been allocated across 4 awards, supporting the creation of 25 new jobs, safeguarding a further 81 jobs and led to the inward investment of Valley Motorsport from across the Welsh border. The company, which builds, restores and prepares historic racing cars were supported by the Marches Growth Hub Shropshire to secure a 50% grant towards the £137,000 transformation of a unit at Tern Valley Business Park enabling the company to move 11 staff and one apprentice from Wrexham, with a further apprentice joining the business this year. The support from the growth hub has also been followed by a 20 per cent growth in the last 4 months.

The Marches Growth Hub Shropshire provides businesses with a seamless, simple customer journey, helping to navigate the business support maze, signposting to relevant advice, information, access to finance and funded programmes. To engage with local entrepreneurs across the county, the Growth Hub has designed an outreach programme, 'Let's do Business in.....' hosting a number of events and workshops and developing stronger partnerships and links with local business networks across the market towns. This has been done in partnership, with the team linking up with the likes of CREST (Centre for Research into Environmental Science and Technology) at UCS, Shropshire Libraries and the Digital Solutions project at UCS to stage the event at various Libraries across the county.

The events attracted a range of businesses looking for help and advice and has supported to reach out to new businesses across the County. To date, the Growth Hub has visited, Market Drayton, Wem, Whitchurch, Shrewsbury, Ludlow and Ellesmere with further market towns scheduled throughout 2020. As well as working with the Libraries, the team also proactively visit local business parks and industrial estates.

During the last financial year, the team have supported 3,065 businesses, which is a 400% increase on the previous year and communicated with in excess of 4,600 businesses through e-newsletters and e-alerts. The Marches Growth Hub Shropshire also offers a drop-in service and face to face consultations, alongside hot desking facilities and access to meetings with public and private sector partner organisations. Engagement continues to grow each month with a good cross section of pre- start, early stage and growth businesses. The number of pre-start and Start-Up businesses has risen, with 34.3% of all businesses supported last financial year being start-ups.

The Growth Hub have also run and been involved in the delivery of a number of projects including the 'Pop in Shop' initiative, a collaboration between the Growth Hub, Shropshire Council, Shrewsbury Shopping Centres and Buy-From Shropshire. This offered local independent crafters, artists, designers and retail start-ups an opportunity to showcase their products in a co-operative shop in the Darwin Shopping Centre for a week from October 23 to 27 October 2018.

Further examples include working with Shropshire HR to deliver a series of complimentary HR Breakfast Briefings to businesses across the county, which has been delivered on a 'roadshow' basis in Shrewsbury, Oswestry, and Church Stretton (so far). Over 170 businesses have engaged in these sessions. The Summer Funding Summit, which highlighted ways in which businesses can access vital funding, was a key success. 127 businesses and 36 exhibitors attended the event at Shrewsbury Town's ground. The event brought together representatives from banks, peer-to-peer lenders, alternative finance and European and Government supported programmes to showcase the range of funding schemes available to businesses. The event also included the launch of the Marches Growth Hub's £10million Growth Challenge – designed to simplify access to finance – and a Brexit and national business update from the Department for Business, Energy and Industrial Strategy (BEIS). Finally, Google Garage, a free programme of workshops to give businesses everything they need to know about digital marketing was launched in Shropshire – led by one of Google's top digital trainers. The ten-module Shropshire Digital Skills Academy provides a comprehensive guide to making the most of all forms of digital marketing.

The role of the Shropshire Business Board continues to play a critical role in ensuring the private and public sector are working closely together to deliver the Economic Growth Strategy. During the course of the last twelve months, there has been a change in Chair, with Paul Bennett, the previous Vice-Chair taking over from Mandy Thorn. The team have actively supported this transition and have regular engagement with the chair to support both the content and delivery of the Business Board and supported in the recruitment of a number of new members from across a broad range of sectors. The board have continued to engage on a number of key pieces of work including the Marches Strategic Economic Plan and Local Industrial Strategy consultations, Midlands Engine and Midlands Connect visit and the Big Town Plan.

## **Deliver infrastructure to support growth**

An application for HIF funding of £9.3m was submitted by Shropshire Council to undertake improvements to the strategic road network at Mile End roundabout to accommodate the predicted growth based on the planned developments within Oswestry (HIF). Work undertaken to date includes Public Consultation on the proposed scheme, the funding agreement has been approved, Planning Application has been submitted in January 2020. A report is being presented at the same Council as this report which sets out more detail on the scheme and to enable the award of the construction contract to move forward.

The Council have played a key role in the completion of the Marches Freight Strategy, led by the LEP, and continues to input to the Midlands Connect partnership and periodic Rail industry consultations to ensure that Shropshire's schemes are captured. Senior meetings have taken place between the Council and Midlands Connect and we are also highlighting our strategic priorities within the Combined Authority Land and Housing work, which recognises that strategic corridors and infrastructure priorities will be key to unlocking growth on the West Midlands footprint.

The strategic infrastructure forum has been active in bring strategic infrastructure providers together and has played a key role in place shaping and looking at projects in a more holistic way.

### Digital Infrastructure:

This now sits in the portfolio for Transformation and Digital Infrastructure with Councillor Lee Chapman. As a key part of the Economic Growth Strategy, a summary of headlines and business implications are noted here.

- Since the start of programme in 2013, 68.5k premises have been given access to superfast broadband as a result of the partnership programme with Building Digital UK (BDUK);
- Availability of superfast broadband has risen in the Council area from 28% in 2013 to 93.7% (January 2020);
- Over 65% of premises have now upgraded to superfast broadband as a result of BT contracts;
- Funding has been secured from DCMS to connect up to 22 schools as part of a national BDUK Local Full Fibre Networks initiative to upgrade 150 schools nationally;
- The Government has now turned its attention to full fibre with an aspiration to give all premises in the UK access to gigabit-capable broadband by 2033;
- Connecting Shropshire are continuing to look for solutions to the final premises that cannot get superfast broadband. This remains a priority;
- Shropshire has recently seen a number of new commercial entrants to the full fibre market in Shropshire, with Virgin Media, Full Fibre Limited and Airband all deploying. This is positive news. Connecting Shropshire will continue to engage with the market to encourage local infrastructure investment in Shropshire.

## **Meet skills needs and aspirations**

Summary of key headlines;

- Ongoing work to implement the skills action plan
- Careers and Enterprise co-ordination engaged with all education providers

- Continued support of Centre for Research in Environmental Science and Technology (CREST) by University Centre Shrewsbury
- Continued growth of private sector led Marches Centre for Manufacturing and Technology, Bridgnorth

Shropshire Council is continuing its commitment to make the best use of the apprenticeship levy by encouraging staff to undertake apprenticeship training. The first apprenticeship awards were issued in 2019 to nominated staff who have completed an apprenticeship as a recognition of their hard work and commitment.

Across the county small and medium enterprises have been able to benefit from ESF funding. Funding has been committed to various projects across the Marches LEP area. These range from skills support for businesses to helping the unemployed back into work and young people reengaging in education or training. The majority of ESF funding has been committed and projects have been running from 2019.

Current projects that are operating in Shropshire:

- Life Ready Work Ready – supporting education /business links
- Building skills and growth – supporting the growth of SMEs with skill development
- MCMT building growth for SMEs, supporting skills development and future skills needs
- Skills support for the workforce – free training for staff employed in SMEs
- In2 – support for young people 15-24 that are not engaged in education or training (NEET)
- Building better opportunities – supporting aged 19+ who are furthest from the labour market get back into work
- Work routes - job support and in work support for unemployed people
- Community grants scheme - to support small and voluntary organisations with grants from £5,000-£20,000

As part of the skills agenda there has been a focus on careers education in schools and colleges. The Careers and Enterprise Company (CEC) support education-business links. All of Shropshire's secondary schools are signed up to the programme and are guided and supported by an Enterprise coordinator. Each school has an Enterprise adviser, a volunteer from a business, to support the school in developing its careers strategy. Two of the schools have re-instated work experience programmes, with Shrewsbury Colleges Group wanting to make regular work experience mandatory for vocational courses, this will require a significant increase in engagement with employers over the coming year.

Schools across Shropshire are continuing to develop programmes of engagement both with the business community and to develop their curriculum for the future workforce. Examples of this included Belvidere School running a pilot mock interview day, Bishop's Castle Community College developing a Creative Careers week where they were matched up with Attingham Park, who hosted a group of year 7s for the day planting trees and learning about the different jobs in the National Trust. Mary Webb School hosted its first Careers Fair, Meole Brace School held its first speed-networking event and Oldbury Wells and William Brookes School have a series of career assemblies running throughout the year using different employers – these are offered to multiple year groups. Sir John Talbot's School has also introduced 'Real

Life Careers’ – subject leaders are implementing ‘introducing careers’ into the curriculum.

In October 14 the first Life Ready Work Ready Conference was held in Shrewsbury, attended by 100 representatives from schools, colleges and businesses from across the county. This was a mixture of training, sharing good practice and celebrating the good work going on to improve careers guidance provision in Shropshire schools and colleges. Guest speakers included the Lead Inspector for Ofsted, the Principal from Severndale Specialist Academy, the Careers Leader for Church Stretton School, the Enterprise Adviser for Priory School, the Vice Principal at Shrewsbury Colleges Group and representatives from Lanyon Bowdler Solicitors. Awards were given to Enterprise Advisers and to schools achieving certain standards in the Gatsby Benchmarks.

Economic Growth supports the continued development of establishing UCS in Shropshire including the development of the curriculum and continued development of CREST. UCS are also an active member of the Shropshire Business Board. The team continues to support MCMT with their growth plans in Bridgnorth, with new apprentices continuing to come on board at the centre. Growth within the centre has been a little slower than anticipated, impacted by a number of macro issues such as Brexit and the slow-down of growth in the advanced manufacturing and particularly automotive sectors. The team has however continued to engage on a range of issues including signage and public transport access.

## **Promote Shropshire**

Summary of key headlines;

- Raised profile of Shropshire to investors and developers which has led to new interest e.g. hotel operators, property developers
- Continued work to develop the Invest in Shropshire website and brand collateral

The team continues to build relationships with local public sector partners such as Midlands Engine, WMCA, Constellation Partnership, Grow Mid Wales and Marketing Cheshire. Partnerships with the Midlands Engine continued to be strengthened with Shropshire’s contribution to the international commercial property event, MIPIM. Following an initial exercise to test the quality and outcomes of the event in 2018, the Shropshire team again exhibited alongside Midlands partners, showcasing projects including the Shrewsbury Big Town Plan, Oswestry Growth Corridor and Former Ironbridge Power Station. The team hosted two presentations within the Midlands Pavilion and hosted a lunch for 20 selected developers, investors and key intermediaries. The team also hosted 33 pre-arranged 1-2-1 meetings and engaged with a total of 116 delegates throughout the week. Discussions with a number of those met continue to be developed including a range of end occupiers, commercial agents, developers and multipliers all keen to further potential interest in Shropshire. Plans for MIPIM 2020 are well advanced, which allow these discussions to further and support engagement with new targets.

The team continue to develop the Invest in Shropshire collateral, including the redevelopment of the Invest in Shropshire website, which will see the introduction of a property search function to support businesses both locally and outside the area

explore potential properties and sites available across the county. The team has commissioned a number of pieces of research this year to further our understanding of a number of markets. The first of these focusing on the Innovative Health Sector, in conjunction with the University of Birmingham. This piece is due for completion imminently and will further our understanding of a sector of real opportunity for the county. These, in conjunction with supporting in the development of a visitor economy strategy and digital strategy in conjunction with Marches LEP partners. Economic Growth also commissioned its first business survey in a number of years, which is being used to understand the broad economic climate, ranging from their skills needs and experiences of business support, to macro issues such as Brexit and the state of the economy.

Over 100 delegates attended this years Business Leaders' Breakfast. In November, a packed audience at the Shrewsbury Town Football Club enjoyed presentations from Maria Machancoses, Director of Midlands Connect, Seb Slater, Executive Director of Shrewsbury BID and Matt Small, Director of Aico. Mark Barrow, Executive Director of Place also gave an overview on the exciting progress of a range of ambitious plans and projects across Shropshire from. 88% of delegates rated the event as 'good' or 'excellent' with particular emphasis on the quality of the information within the presentations and the opportunity to network.

#### **'A Council that is good to do business with'**

This is an underpinning priority for the delivery of the Strategy and the actions outlined above. Economic Growth works alongside many other teams and departments in the council to support increased economic productivity for the benefit of businesses and residents. Recent examples include the Shrewsbury Big Town Plan which has involved a number of different departments in the preparation of the Plan and in the current development of the masterplans, and the preparation of the Housing Infrastructure Fund bid for Oswestry to Homes England. The team are also engaging increasingly with health and social care colleagues and were involved in a recent workshop focused on the Sustainable Transformation Plan. Areas of mutual work include data and intelligence, the Communities and Rural Strategy and the responsibilities of corporate parenting.

One very practical example recently was the permission for Hickory's in Shrewsbury involving colleagues across Regulatory Services, Planning Services and Business Growth and Investment. This was highlighted in a recent email from the company stating; "Once again, huge thanks to you for everything you did to help make this project happen. As I keep saying, if only other Councils could follow Shropshire's example, business would be booming! We've been breaking some serious trading records in Shrewsbury."

During the summer, the team commissioned a business survey, the first such piece of work for a number of years and was undertaken to understand both constraints and opportunities for business growth. The study was used to gauge a broad picture of Shropshire and to ensure this, the sample size took into account a proportional split of engagement from companies across the place plan areas, of differing sizes and from a range of sectors. Initial results have proved positive and whilst some companies highlighted concerns related to Brexit and the state of the economy,

generally businesses were highlighting stability and growth, with solid local supply chains established.

## **Commercial Strategy**

In February 2020 Cabinet and Council have considered an updated Commercial strategy for 2020 to 2023. The primary objectives are to raise money for the council and reduce cost by doing things more innovatively and commercially.

The commercial strategy also helps to deliver other key strategies which enable economic growth, housing growth, digital workforce enablement, deliver new integrated models of health and care, infrastructure growth and more sustainable ways of working to reduce the council's carbon footprint.

The council has established an £80m investment fund for property investment and development in the council's administrative area over four years from 2019/20 to 2022/23. This will generate long term revenue returns whilst increasing the value of the council's estate.

The value of commercial projects approved to date for 2020/21 and which have been drawdown into the council's capital programme is £16.5m. Schemes which are not yet in the capital programme are valued at £17.9m. These projects shall generate long term income streams for the council and create an increase in land and property value which builds balance sheet strength.

The council is on track to complete the second block at the Tannery site in Shrewsbury which will relocate the Riverside medical practice and provide pharmacy services from the adjacent link block. Rental income from this investment along with commercial property acquisitions approved in Oswestry will achieve the revenue income target for 2020/21. Further pipeline projects and property acquisitions in Shropshire will help to achieve the revenue income targets for 2021/22 and 2022/23.

An extension programme of training and development has been delivered for managers to embed commercial thinking and practice into all aspects of their work. This includes reviewing methods and reducing costs, challenging performance and negotiating contracts with suppliers, being innovative and generating income.

The council has increased the level of commercial and trading activity it undertakes in providing a wide range of professional services to public sector and private sector clients. Growth sectors for trading include housing, health and other local government organisations.

The commercial investment team will continue to drive forward a pipeline of commercial projects and support all service areas within the council to embrace and embed innovative and commercial activity.

Commercial performance will be monitored and reported more consistently from 2020/21 to enable targets to be set, and performance measured, across all areas of the council. These will be reported via quarterly revenue and capital monitoring reports.

## **Asset management**

In February 2020 Cabinet and Council have considered a new asset management strategy for 2020-25 which provides the clear principles, ethos and goals of the Council in the management of its property including land and buildings.

Every council property and piece of land will be determined through a clear process of assessment will be categorised as being required for operational purposes, forms part of the heritage estate, required for development and regeneration or having investment/ commercial potential. The council will also acquire land and property in its administrative area that creates a commercial return and supports the wider council objectives.

Any council owned land and property that isn't required for these purposes and which performs badly in terms of carbon emissions will be sold. The capital receipts raised from sales will provide income to fund other projects in the council's capital programme.

Asset management performance will be reported via quarterly revenue and capital monitoring reports.

The council is also the lead organisation and accountable body for One Public Estate (OPE) programme in Shropshire, Telford & Wrekin. The Chief Executive is the senior responsible officer for estates in the NHS sustainable transformation programme. This work has enabled public sector organisations in Shropshire, Telford & Wrekin to work together and review how services can be delivered more innovatively and from shared locations in market towns. OPE funds have been used for feasibility work to enable investment in housing delivery and health and care services in Shropshire.

In summary the commercial programme and the asset management programme help to provide revenue and capital funds required to sustain the council's budget and support investment into public services in the county.

## **Commercial professional services**

Shire Services is the council's fully traded commercial service which provides catering, cleaning, facilities management and hospitality services to customers within Shropshire and further afield.

The service won 20 new catering contracts in 2019/20 including seven outside of the county in Wolverhampton, Cannock and Chasetown. They have submitted a tender for the Isle of Anglesey catering contracts which involves 41 schools.

Seven new cleaning contracts have been awarded in Shropshire. The student accommodation services provided at Mardol House and the Tannery have led to all available rooms being occupied and high levels of customer satisfaction. The service has won several awards within their respective professional sectors in 2019/20.

The council's Property Services Group (PSG) provides a wide range of property professional services for the council, public sector partners, schools & colleges and housing companies in Shropshire. PSG provides property maintenance services for 113 schools, academies and education centres. The service has completed 14 school projects in Shropshire including classroom extensions, nursery units, new school restaurants and renewable energy installations.

PSG has helped to deliver new children's homes for looked after children, assisted living accommodation for adults and supported the delivery of the Tannery development in Shrewsbury town centre. PSG will act as project lead for the new Haughmond federation primary school and provide surveying services for the council's new housing company, Cornovii developments limited.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Economic Growth Strategy for Shropshire 2017 – 21

Shrewsbury Big Town Plan

Updated Commercial Strategy 2020 to 2023

Asset Management Strategy 2020 to 2025

**Cabinet Member (Portfolio Holder)**

Councillor Steve Charmley, Portfolio Holder Assets, Economic Growth and Regeneration

**Local Member**

All Members