

Report of	Meeting	Date
Director of Change and Delivery (Introduced by Executive Member (Economic Development and Public Service Reform))	Council	27 th September 2022

Chorley Economic Strategy

Is this report confidential?	No
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Is this decision key?	Not applicable
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Purpose of the Report

- The report presents the Chorley Economic Strategy.

Recommendations

- Members are asked to consider and approve the Chorley Economic Strategy for implementation (Appendix 1).

Reasons for recommendations

- To define a clear vision, priorities and actions to ensure that Chorley has a strong local economy in line with the Corporate Strategy.

Other options considered and rejected

- The other option would be not to have an Economic Strategy. However, this would mean the council does not have a clear plan to achieve economic growth, risking the future prosperity of the borough.

Executive summary

- The pandemic has had a dramatic impact on the economic environment and demonstrated that economic circumstances are intrinsically connected to overall wellbeing and potential. The council has great ambitions for the economy of Chorley, our businesses and people. Our economy continues to grow, and we must now drive forward plans to respond proactively by getting the most from new opportunities.
- This Economic Strategy aims to set out a clear ambition and vision for Chorley, considering the local, regional and national context. It sets out a new vision, priorities, objectives and action plan to provide direction and guide the allocation of resources.

Corporate priorities

7. The report relates to the following corporate priorities:

Involving residents in improving their local area and equality of access for all	A strong local economy
Clean, safe and healthy communities	An ambitious council that does more to meet the needs of residents and the local area

Background to the report

8. Economically, the last few years have been about withstanding a recession and making progress in tough economic conditions. The council delivered critical support to businesses throughout the pandemic and Chorley has seen a strong recovery. However, the struggling global and national economy continues to present huge challenges including rising inflation, the cost of living crisis and increasing energy prices.
9. Chorley has a track record of taking direct action to address local inequalities through investment and initiatives to strengthen the local economy, including the reinvigoration of Chorley town centre and activity across the borough to encourage inward investment and local employment. However, significant pockets of deprivation remain with outcomes consistently below national averages and these inequalities will only be further exacerbated over the coming years. We now need to set clear priorities and mobilise action, together with businesses and partners, to realise the benefits of economic growth for all people in Chorley.

Developing the strategy

10. The strategy has been developed based on data relating to the local business demography, economic trends and national economic policy. A summary is included at Appendix 2, highlighting the following key points:
 - The majority of enterprises (overall businesses) and local units (individual work sites) in Chorley are micro businesses with 0-9 employees; there are 10 enterprises and 15 local units with a large employee base of over 250 employees.
 - Chorley has seen positive growth in enterprises from 4,360 in 2019 to 4,655 in 2022. This is a 6.77% increase compared to a 1.69% increase for the North West and a 1.55% increase nationally.
 - Chorley has a large number of new enterprises established each year with an average of 543 per year from 2015 – 2020. The borough also has a higher than average survival rate of new businesses. This suggests that whilst there may be slower growth in the number of active businesses in Chorley in comparison to national and regional levels, the enterprises which are established are more likely to survive with 90% of new businesses still active after 1 year and 60.6% after 3 years.
 - Figures indicate that growth in businesses, particularly for micro and small enterprises, has increased during the Covid-19 pandemic in Chorley, with an increase of 160 enterprises with an employee size band of 0-4 between March 2020 and March 2021.

- Furthermore, business 'births' per year from 2019 – 2020 increased by 60 for Chorley (an increase of 11.76%.) whereas new businesses across England decreased by 33,560 (an overall decrease of 10.27%.)
 - There has been the largest percentage increase in transport and storage industries at 63.4% which could reflect increased demands as a result of the Covid-19 pandemic with a greater need for transportation and delivery services during lockdown periods. There have also been significant increases in the accommodation and food services sector at 23.91%.
 - The largest decreases in numbers of enterprises have been for the public administration and defence sector, which has decreased from 15 to 10 enterprises, agriculture, forestry and fishing, which is down by 14.89%, and retail down by 4%. Professional, scientific and technical enterprises have also decreased by 2.82% despite having the largest total number of enterprises in Chorley.
 - Data from the 2011 Census shows that 39.1% of people aged 16 plus both live and work in the borough. This could be due to the number of jobs available or the types of roles given that Chorley residents generally have a higher level of qualification with 44.8% of resident's educated to NVQ level 3 compared to 38.5% across the North West.
11. Feedback from businesses and stakeholders was also gathered at the Chorley and South Ribble Partnership Economic Summit in November 2021 and recent business roundtable events. Key themes included: access to future skills in key growth areas; availability of space and land; and the ongoing costs of 'doing business' including rents, wages and utilities.
12. A number of 'big issues' and opportunities have been identified for Chorley:
- **Local centres** – building on the recovery by supporting traders across the borough and developing a clear plan for the future of the town centre
 - **Productivity** – supporting innovation and new technology to encourage further growth in enterprises
 - **Communities** – developing an inclusive local economy where residents play a meaningful role, reducing health inequalities
 - **Jobs and skills** – connecting industry and skills to ensure that we can harness local potential to meet the future labour market demand
 - **Land and assets** – enabling businesses to remain and grow within Chorley by making the best, and most sustainable, use of our land and assets
 - **National economic conditions and Levelling Up** – strong partnership collaboration and a dynamic approach that responds to changing conditions
13. Assessment of the context, issues and opportunities has resulted in four key principles to guide the strategy:
- Economic prosperity is a key enabler of life opportunities and determinant of overall wellbeing – this means that it's everyone's business
 - We will take a more collaborative approach with businesses, partners and communities all contributing to local economic outcomes
 - Climate change and the commitment to net zero 2030 will be a cross-cutting theme, with all objectives and actions designed to advance the green agenda
 - The council will innovate, facilitate and drive action – using policy levers, influence, assets and resources where needed

- Our plans will align to regional and national priorities where necessary to achieve the best outcome for Chorley

Vision and priorities

14. The overall vision for the Economic Strategy is:

By 2030, Chorley will benefit from more and better paid jobs as a prime location for sustainable growth and investment, driven by innovation, new technologies and supporting the move towards net zero 2030.

15. The four strategic priorities are:

1. **Space for business** – making best use of land, assets and accommodation
2. **Jobs and skills** – for the future, co-managed by employers and skills providers
3. **Employability** – as a core public service, connecting all residents to opportunities
4. **Business support** – that is intelligence-led, proactive and versatile

16. Each priority is accompanied by a number of objectives and supporting actions set out in the strategy, along with a summary of delivery options such as business support, employability services and investment. Success measures have also been identified to monitor the effectiveness of the strategy; these are in addition to specific performance measures to track the impact of local delivery activity.

17. The strategy takes account of the wider Levelling Up agenda and recent allocation through the UK Shared Prosperity Fund to support delivery of the priorities, objectives and actions.

Climate change and air quality

18. The work noted in this report has an overall positive impact on the Councils Carbon emissions and the wider Climate Emergency and sustainability targets of the Council by encouraging a sustainable approach to business, efficient use of resources and future-proof development through the use of green technology.

Equality and diversity

19. An Integrated Impact Assessment has been completed for the Strategy (Appendix 3). It shows that the Strategy will achieve a positive impact across many criteria with no negative implications identified.

Risk

20. Appropriate risk registers will be developed to oversee the implementation of the Strategy and specific initiatives.

Comments of the Statutory Finance Officer

21. There are no direct financial implications of this report however it is clear there is a direct link between the local economy and Council finances. Monitoring is undertaken of business rates growth and changes and implications to other budgets in order to inform the Councils MTFS position.

Comments of the Monitoring Officer

22. No comments.

Background documents

There are no background papers to this report.

Appendices

Appendix 1 – Chorley Economic Strategy

Appendix 2 – Chorley Economic Summary

Appendix 3 – Integrated Impact Assessment

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