

## **5 Review Conclusions and Recommendations**

5.1 The Review Team concluded that the review has been extremely positive, with many opportunities identified for Fenland in which will have a beneficial impact on local residents.

The resulting recommendations arising from the Review of Economic Development are as follows;

- Whilst it is accepted that at the outset of the Review the emphasis was on Economic Development, however as the Review has progressed and the Review Group have received evidence from a number of sources it has become increasingly evident that the organisation should have a greater focus and emphasis on Economic Growth across the district as opposed to Economic Development. Evidence obtained as part of this review has clearly indicated that there is more added value to be gained within Fenland from focussing more on intrinsic economic growth from our current position. Such an approach can align to the delivery of housing and infrastructure along with jobs/skills creation therefore taking a more proactive approach to improving economic prosperity in the district. Intrinsic Economic Growth can be led from within Fenland District Council by utilising an appropriate Investment Strategy, which needs to align with the wider Economic Growth ambition for the area.
- The Investment strategy could benefit from two approaches namely a purely commercial element focussed on raising revenue for the Council, with the second element having a greater focus on regeneration therefore having a positive impact on the local community that a public sector organisation can leverage as opposed to a purely commercial focussed business.
- The Review Team acknowledge that the emergence of the CPCA has the capacity to bring with it significant opportunities for the area not least because of the scale, capability and significant funding streams available. It is vital therefore that Fenland proactively influence the development of

the Local Industrial Strategy (LIS), Skills Strategy, Mayoral Development Corporation and Growth Fund to maximise the potential benefits for the area.

- The Council needs to align any future Economic Growth Service with the CPCA to ensure the realisation of any mutual benefits in addition to the avoidance of any duplication of effort.
- The Review Team recommends that future structures for the delivery of an Economic Growth Service should be explored including consideration of a closer alignment with the planning team to ensure a greater focus on Economic Growth.
- The CPIER Report provides a shared common understanding of the position from which to work in promoting Economic Growth in Fenland.
- Whilst the CPIER Report highlights the difference between the economic drivers in Whittlesey and those in the rest of the District, it is important to recognise that all parts of the District are distinct and that a "one size fits all" approach to Economic Growth in Fenland would be sub-optimal and potentially counter-productive. The Council should engage with local partners to help inform the solutions to ensure a non-standard approach reflective of each area is achieved
- The Review Group recognises that the impending review of the Local Plan is of crucial importance in fostering medium and long term Economic Growth in Fenland as the extension of the current economic base will involve land that is not currently used for industry or homes.
- The Review Group is aware that there is advantage to the Council and district of having larger-scale commercial developments within the area as they have the scope to contribute significantly to Economic Growth across Fenland whilst also supporting the financial security of the Council.
- The Review Group understands that there are few if any medium sized office space within the district therefore providing less opportunity for small office-based businesses in Fenland to expand without moving away. There are opportunities to include this consideration within the Investment Strategy.

- A future Economic Growth Service could more actively target, encourage and support initiatives in agriculture-related industries, including processing, manufacture and transport being the leading sector in the district.
- Fenland can benefit from its geographical proximity to the growth area of Peterborough with its industrial base and the evolving University. Whilst the district is further away from the growth area around Cambridge, the much greater quantity of Economic Growth in Cambridge with the problems associated with 'over heating' which have arisen provides opportunities in Fenland, which should be exploited in terms of business relocation, skills and homes.
- In relation to the matter raised by the Chairman of the Corporate Governance Committee in relation to the Trading Accounts regarding Markets, The Port, Economic Estates as well as The Light Industrial Units and Business Centres, The Review Team recognises that because the Trading Account disclosures in the financial statements are prepared in accordance with accounting standards, the figures shown will differ from those included in the Council budget and internal in-year reporting. This is principally because the financial statements include charges for depreciation and some of the movements in the value of land and property used to deliver those services associated with each Trading Account. In Local Authority accounts legislation requires that such charges are reversed out at the year-end so that they do not impact on the Council's General Fund balance or the Council Taxpayer.
- The Review Team considers that the support costs attributed to the Markets, Light Industrial Units and Business Centres appears high and therefore a review of how support costs are attributed should be undertaken by Officers to inform decision making in 2020/2021 onwards.
- The Review Team accept that further options in relation to the Port will be presented to Cabinet later this calendar year.
- The provision of the Markets service represents an economic opportunity and as such should be considered by the Council and our partners and

included within the scope of the future Transformation and Efficiency Plan (TEP) regarding the future provision of the service

## **6 Next Steps**

The Chairman of the Review group is keen that the review findings are circulated to all members, to ensure members have the opportunity to comment on the review findings before being considered by the wider Overview and Scrutiny Panel and any subsequent Cabinet considerations and decision making.

Review findings circulated to all Members 15 March 2019

Review Considered by the wider Overview and Scrutiny Panel 18 March 2019

Final Review report to be considered by Cabinet April 2019

If endorsed by Cabinet the review recommendations will then be reflected the future Investment Strategy and Business Plan