

Report for Resolution

Report to Executive
8 April 2009

Report of Assistant Director City Development

Subject Greater Norwich Development Partnership Economic Strategy

8

Purpose

To present the final version of the Greater Norwich Development Partnership Economic Strategy for Executive approval.

Recommendations

That the Greater Norwich Development Partnership Economic Strategy be approved.

Financial Consequences

There are no direct financial consequences of this report

Risk Assessment

Risk: Greater Norwich Development Partnership ceases to exist in the medium term.

Mitigation: Modification of Economic strategy to simply focus on the Norwich urban area.

Strategic Priority and Outcome/Service Priorities

The report helps to meet the strategic priority “Strong and prosperous city – working to improve quality of life for residents, visitors and those who work in the city now and in the future” and the service plan priority A1. Development of a Greater Norwich Economic Strategy

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Background Documents

None

Report

Background

1. The Greater Norwich Development Partnership Economic Strategy 2009-14 is now at its final stage and following ratification through the Greater Norwich Development Partnership Policy Group by all of the local authority partners, it is now being presented to each local authority for final approval.
2. A public consultation was held from September to December and the draft strategy went through a final round of external consultation in January and February. An extensive consultation at officer and Member level has also been undertaken throughout the process.
3. The resulting strategy is a high level document that has been informed by a suite of studies on the local economy. Once approved a more detailed action plan will be developed outlining the key, individual and collective actions for Norwich City, Broadland, South Norfolk, Norfolk County Council and Shaping Norfolk's Future.
4. The Leaders of the four Councils will all sign the foreword to the strategy. The Executive are asked to note that that whilst a number of changes from the City have been incorporated, the resulting strategy is one that is owned by all partners and therefore there has been a degree of compromise in its development to ensure that all partners are satisfied with the outcome

Greater Norwich Development Partnership

Economic Strategy

2009-2014

Jobs Homes Prosperity

23 March 2009

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Foreword

The next five years will be a time of great challenge and opportunity for Greater Norwich. Major population and employment growth are planned for the area. However, after a period of strong growth, the world economy is moving sharply into a recession which seems set to dominate at least the first year of this five year strategy. House building rates have plummeted, businesses are under pressure from the credit crunch and falling demand and unemployment is increasing rapidly. The strategy must therefore provide a framework for action which will:

- minimise the effects of the recession for Greater Norwich;
- ensure that the area is ready to take advantage of the subsequent bounce and
- drive a step change in sustainable job growth of a type which will avoid greater extremes in future economic cycles which will continue through to 2021.

Greater Norwich is an emerging city region with an economy whose strength and diversity is not widely recognised beyond the eastern region. It has the largest economy in the region, and is one of the most attractive places to live in the United Kingdom, combining the qualities of city life with easy access to coast and countryside. The city centre is one of the strongest shopping centres in the country.

There are also strengths in sectors of the economy which offer great potential for growth and the creation of high quality jobs which can drive the local economy forward. Growth prospects in the financial sector may be limited in the short term but Norwich is set to remain the UK's largest general insurance centre. The concentration of life and environmental science expertise at the UEA and Norwich Research Park has great potential for generating and attracting new businesses.

Creating awareness of what the Norwich Area has to offer is a key priority of this strategy.

At the same time Norwich City has the second greatest concentration of deprivation in the eastern region and ensuring that the benefits of growth are shared by all members of the community is a theme which runs right through the strategy.

We are committed to ensuring that the economic growth we are striving to secure is sustainable and have sought to embed the principles of sustainability into the strategy. The economic case for addressing climate change is beyond argument and the strategy must contribute to the significant and urgent reductions needed in carbon emissions. Greater Norwich, with its concentration of expertise on climate change and carbon reduction is well placed to capitalise on the economic opportunities presented by climate change.

The strategy aims to establish a clear vision for the development of the Greater Norwich economy. This will need to be accompanied by strong leadership from the Greater Norwich Development Partnership and effective partnership between the local authorities, other public sector agencies and the business community to realise the vision.

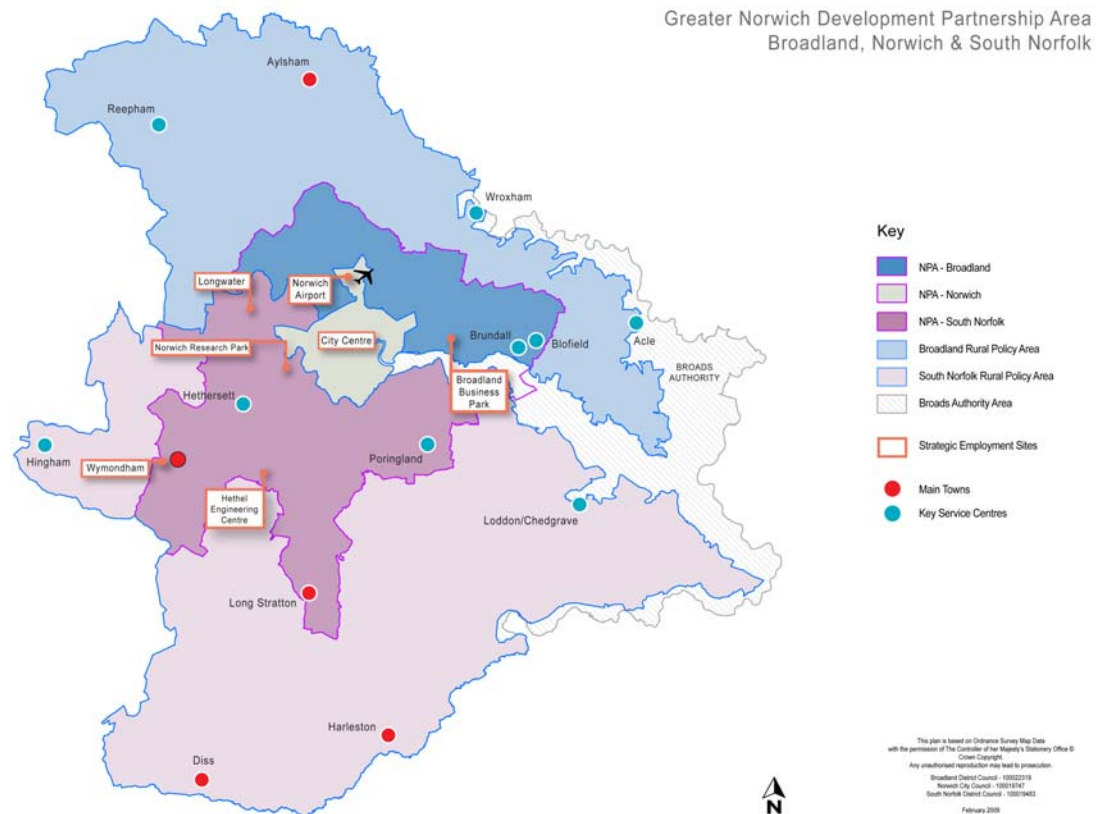
Simon Woodbridge Leader, Broadland District Council
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John Fuller, Leader, South Norfolk District Council
Daniel Cox, Leader Norfolk County Council

Introduction

Greater Norwich

- 1.1. Greater Norwich consists of the administrative areas of Norwich City Council and Broadland and South Norfolk District Councils. It corresponds closely to the urban area of Norwich and the area around it which is highly dependent on the city for employment and services. However it includes several market towns, which to varying degrees are centres for employment and services in their own right, and an extensive and attractive rural area including part of the Norfolk Broads. The Greater Norwich Development Partnership (GNDP) is a partnership of the 4 local authorities covering Greater Norwich and the Broads Authority and has been established to co-ordinate the response of the local authorities to the regional plans for population and employment growth
- 1.2. The UK's economy is driven by the Greater South East comprising London, the Eastern and South East Regions. The Norwich urban area is the largest centre of employment in the eastern region and one of its 7 'engines of growth'. It has key strengths in several of the sectors which in national terms have generated the strongest growth: financial services, business services, creative industries, health and life sciences and engineering. Norwich Airport connecting to Schipol, Amsterdam is a major asset for business and tourism. Greater Norwich has the regional or national headquarters of over 50 major companies. The city centre is in the top 10 retail centres in England and is a major media and cultural centre with BBC and Anglia TV, 6 theatres and 1,500 historic buildings. The Norwich Research Park (NRP) includes: the University of East Anglia, one of the UKs leading universities, the John Innes Institute, the Institute of Food Research Institute, the Sainsbury Laboratory and the Norfolk and Norwich University Hospital and boasts world leading research expertise in climate change environmental and life science. Greater Norwich has a strong and varied tourism offer with the heritage and culture of the city balanced by the attractions of the market towns, the Broads and the countryside. Greater Norwich is the engine of the Norfolk Economy, providing 54% of jobs in Norfolk. It has strong economic inter-relationships with the surrounding area (for example in tourism, motorsport, high tech engineering, food processing, business services) and has connectivity with other urban centres of employment such as Great Yarmouth, Thetford and Kings Lynn and market towns. Norwich is a major regional service centre providing a wide range of cultural, leisure and retail opportunities for the county and beyond.
- 1.3. Diss and Harleston lie outside the main sphere of influence of Norwich. Diss in particular is a focal point for employment and services for a large area of South Norfolk and North Suffolk. Wymondham is also a significant town in its own right but its proximity and transport links with Norwich have made it a focus for population and employment growth. Aylsham is an

¹ status as has Diss. Acle, Reepham, Long Stratton and Loddon are smaller but significant local centres.



The purpose and context of the strategy

- 1.4. The purpose of this strategy is to define priorities for economic development in Greater Norwich. The strategy draws on an extensive evidence base of local research and consultation. A Greater Norwich Economic Assessment has been produced to sit alongside this strategy to provide labour market data and the performance management framework for the strategy. A more detailed action plan will be developed within 6 months of the launch of the strategy.
- 1.5. The strategy has been developed in the context of the regional strategy for the area which has changed dramatically since the preparation of the last economic strategy for the Norwich Area

¹ Cittaslow is an international network of towns which are "real" towns which are quite distinct from anywhere else and where the "living is good." The organisation was founded in 1999 to encourage certain principles to help towns become much better places for residents and visitors. These principles are measured using a set of 55 criteria relating to environment, infrastructure, quality of urban fabric, promotion of local products, hospitality and community.

in 2003. Greater Norwich has been identified as a growth point with the provision in the East of England Plan for 37,500 new homes and 35,000 new jobs between 2001 and 2021 and significant further growth to 2026. While this rate of growth has been achieved in the early part of the period, sustaining it will require stronger growth over a longer period than at any time in the twentieth century. It is essential to ensure that this growth is delivered in a way which is consistent with sustainable development principles and helps to improve quality of life for all within the area's environmental limits. This strategy is designed to guide actions over the next five years but its vision, objectives and priorities are designed to contribute to the realisation of these longer term plans. The strategy will be reviewed and updated at the end of 2013.

- 1.6. The Regional Economic Strategy emphasises the position of the eastern region as part of the Greater South-East focussed on London. It identifies Greater Norwich as one of 7 "Engines of Growth" in the region where the bulk of new job growth will be accommodated. Within each of these it proposes: "A bold and visionary strategy for the economic development of the area led by local authorities, identifying and supporting a limited number of sectors and clusters of international and national significance, alongside outlining improvements in the general environment for businesses that serve local and regional markets."
- 1.7. For the Greater Norwich Area the Regional Economic Strategy sets out the following ambitions:
 - "Strengthen Norwich as a leading medium-sized science city in the UK.
 - Further transition to a knowledge-based economy through major improvements to the skills and employment base.
 - Improve the position of the University of East Anglia in global university rankings and significantly increase spin-out technology transfer and R&D collaboration, with close ties to the local economy.
 - Enable the development of clusters at Norwich Research Park and Hethel around globally renowned anchor companies and research institutes in areas of automotive engineering, environment and life sciences.
 - Develop Norwich as a nationally important centre in financial and business services and creative industries, and maintain Norwich as a top ten retail centre with matching city centre office accommodation.
 - Develop Norwich as an international exemplar of a low-carbon city, with the promotion of renewable energy, combined heat and power, wind, solar and biomass.
 - Improve the connectivity of Norwich to key national, regional and local markets through infrastructure improvements to key roads and enhanced rail services to London and other regional cities.
 - Greater coordination and intervention to bring forward large brownfield sites for redevelopment.
 - Increase linkages between Norwich International Airport, Amsterdam Schipol as a European hub and other key international markets.
 - Diversify and strengthen the economy of market towns within the sub-region.

- A nationally recognised heritage and arts offer and regionally important retail and leisure functions as part of a stronger inward investment strategy that demonstrates the distinctiveness of the sub-region.”
- 1.8 2008 has seen a marked downturn in the global economy following the worldwide crisis in the banking sector and the UK economy is now officially in recession. The length and depth of the resulting recession and the speed of recovery from it cannot be predicted at this time but it seems certain to dominate the first one or two years of the period of this 5 year strategy. The rate of employment growth seems likely to go into reverse during this period and the planned population growth will be sharply curtailed by the downturn in housebuilding.
- 1.9 It will be important during this period of recession or slower growth to put in place the conditions which will help Greater Norwich to bounce back immediately and capitalise on its potential and realise the opportunities presented by the growth that is planned for the area when economic conditions improve. At the same time it will be important to ensure that harm to the local economy is minimised during this difficult time. The economic conditions may present opportunities such as the increased potential for domestic tourism as a result of exchange rates and recession as well as opportunities for the development of local supply chains and strengthened links between the city and rural areas.
- 1.10 Awareness of environmental issues, the seriousness of climate change and the need to act now to move towards a more sustainable future is also much greater now. These issues provide both challenges and opportunities for Greater Norwich, which need to be reflected throughout the strategy and its action plan. A focus on sustainable construction techniques, energy and resource efficiency will help to reduce energy costs, improve the competitiveness of businesses and encourage innovation as well as reducing the area’s carbon footprint. The concentration of world leading research expertise in environmental science and climate change in Greater Norwich has the potential to ensure the area capitalises on business opportunities associated with these challenges. At the same time concern for the economic wellbeing of all sections of the community and for the quality of the physical environment will help to ensure that growth benefits all people over the short and long term.
- 1.11 This strategy identifies clear strategic priorities and seeks to secure a shared commitment among all those actively engaged in the development of the local economy and a plan of action to drive the economy of the area forward. The different elements of the strategy will complement each other in realising the overall vision of sustainable prosperity and will therefore require the engagement and co-operation of a wide range of partners. The strategy is for a five year period, but will aim to establish the conditions for sustainable growth beyond that period.
- 1.12 A clear strategy and action plan will help to secure resources from local partners and external sources to support the development of the local economy and will provide a basis for the allocation of those resources that are available.

The preparation of the strategy

- 1.13 The preparation of the strategy has been co-ordinated by the Economy Group of the Greater Norwich Development Partnership (GNDP) comprising:
- Broadland District Council
 - Norwich City Council

- South Norfolk District Council
- Norfolk County Council
- Shaping Norfolk's Future
- East of England Development Agency

- 1.14 As well as reflecting the regional context the strategy takes forward the Sustainable Community Strategies for the of the 3 districts' Local Strategic Partnerships, Norfolk Ambition - the Community Strategy for Norfolk and the Local Area Agreement between the County Strategic Partnership and the government which sets out key performance indicators for the area.
- 1.15 The strategy also seeks to embrace the principles of sustainable development. To help achieve this, consultancy support has been provided through Sustainability East and EEDA and has been directly engaged in the preparation of the strategy. The strategy will in this respect be a pilot in the eastern region.
- 1.16 This is one of a suite of policy documents prepared by the GNDDP and it has been informed by several technical studies, some of which have provided the evidence base for the Joint Core Strategy of the Local Development Framework (LDF), which will become the Statutory Development Plan for Greater Norwich. This strategy is closely linked to the development policies of the Joint Core Strategy and the Employment Growth and Land and Premises Study prepared by Arup has been a particularly important input to both documents. Other key research includes: The Knowledge Economy Strategy prepared by SQW Consulting, and the Norwich Needs Study of Local Deprivation prepared by Oxford Consultants for Social Inclusion (OCSI) in 2008 and the study of Deprivation in Rural Norfolk (OCSI 2007) are further key data sources.
- 1.17 The strategy also relates closely to the Local Area Agreement between the County Strategic Partnership and Government which defines targets in relation to key performance indicators for the county and serves to bring partners together in developing action to achieve the targets. The relationship between the strategy and the Local Area Agreement is set out in sections 4 and 5.
- 1.18 The strategy has been prepared with the benefit of consultation with the business community, other public sector bodies, further and higher education institutions and stakeholders with a particular concern for sustainable development. A leaflet identifying the main issues to be addressed has been widely circulated and a number of consultative events have been held at which valuable feedback has been obtained. The views expressed in the course of consultation have been taken into account in the preparation of the strategy. An analysis of the results of public consultation and details of the events held is attached at Appendix 1.
- 1.19 The draft strategy has been the subject of further consultation with local stakeholders during February 2009 and, with any necessary amendments, will be adopted by the GNDDP, its constituent authorities and Shaping Norfolk's Future. When the strategy has been adopted a leaflet presenting the main thrust of the strategy will be produced.

Economic Conditions in Greater Norwich

- 1.20 It is essential that the Economic Strategy is based on a strong evidence base. The companion document entitled "Greater Norwich Economic Assessment" provides a statistical portrait of

the economic, social and environmental conditions and trends in Greater Norwich. This section provides a brief overview of some of the main issues to emerge from this.

- 1.21 Economic and social data show marked contrasts between the three districts which make up Greater Norwich and their position in relation to national and regional averages. The focus here is on the character of the urban and rural areas as a whole rather than the distinctions between districts.

Context

- 1.22 Greater Norwich is a classic city region. Norwich has developed around a medieval core resulting in a heritage amongst the best in England. The surrounding Broadland and South Norfolk districts include a range of tourist attractions, attractive countryside, market towns and villages. The population of the whole area is now over 360,000 and rising steadily. The number of jobs stands at over 200,000. Although covering less than 3% of the area, Norwich district has one-third of the area's population and half of the employment. Beyond the urban area, Broadland and South Norfolk are largely rural in character but also house large numbers of commuters into Norwich.
- 1.23 As with most of the UK, recent years have seen a rapid growth in population. In Greater Norwich the population has grown by 4.5% since 2001, compared with an increase of 3.2% over the five previous years (1996-2001). The majority of this growth has taken place in the urban area.

Economic scale

- 1.24 In terms of economic scale², the Norwich urban area is the largest economy in the East of England. The Table below summarises the UK Competitiveness Index 2008³ which brings together a number of indicators to assess the relative economic competitiveness of 407 local authority areas. Norwich is one of the districts where competitiveness is improving most rapidly - the respective positions of South Norfolk and Broadland are little changed.

Table 1 UK Competitiveness index 2008			
	Rank 2006	Rank 2008	Change in Rank
Norwich	188	137	+51
Broadland	304	294	+10
South Norfolk	171	180	-9

- 1.25 Performance in the Competitiveness Index is a product of the resources available to the local economy such as skills and innovation, and their interaction with demand. The prosperity of places is therefore dependent on the size of local markets and crucially, connectivity to wider national and international markets.

² Economic Scale indicates the size of an areas economy. It is created by weighting the areas GVA (Gross Value Added) by the areas employment. These two indicators are then indexed to the Great Britain average Source: Local Futures

³ UK Competitiveness Survey: University of Wales Institute

Business vitality

- 1.26 Across Greater Norwich, business VAT registrations are lower than at regional and national levels, but have increased relative to 2006 levels. The rate of business creation was lower in Broadland and South Norfolk than the national and regional averages but the Norwich rate was higher than regional and national averages. The rate of business creation is crucial to achieving economic transition, as new enterprises have the flexibility to move quickly into new markets and products. Without them the economy will be slower to adapt to changing conditions, economic growth will fall and there will be fewer employment opportunities
- 1.27 Norwich has a much lower proportion of small companies than at regional and national levels; Greater Norwich as a whole is in line with the national average. Conversely, Norwich has higher than average levels of companies in the 50-199 and 200+ employee size bands. South Norfolk and Broadland have lower levels of companies in these size bands. Taking the area as a whole, all size bands are roughly in line with national levels.
- 1.28 Business closure rates across Greater Norwich are lower than the regional and national rates and survival rates are higher than average.

Employment growth

- 1.29 Employment levels in Greater Norwich grew strongly over the period 2000 – 2008. The majority of this employment growth took place on the urban fringe. Employment rates⁴ have climbed across each of the districts despite the rise in population. However, the improvement is more pronounced in Broadland and South Norfolk than in Norwich where reductions in the early part of this decade have taken time to redress. Norwich's employment rate remains one of the lowest in the East of England.

Knowledge Economy

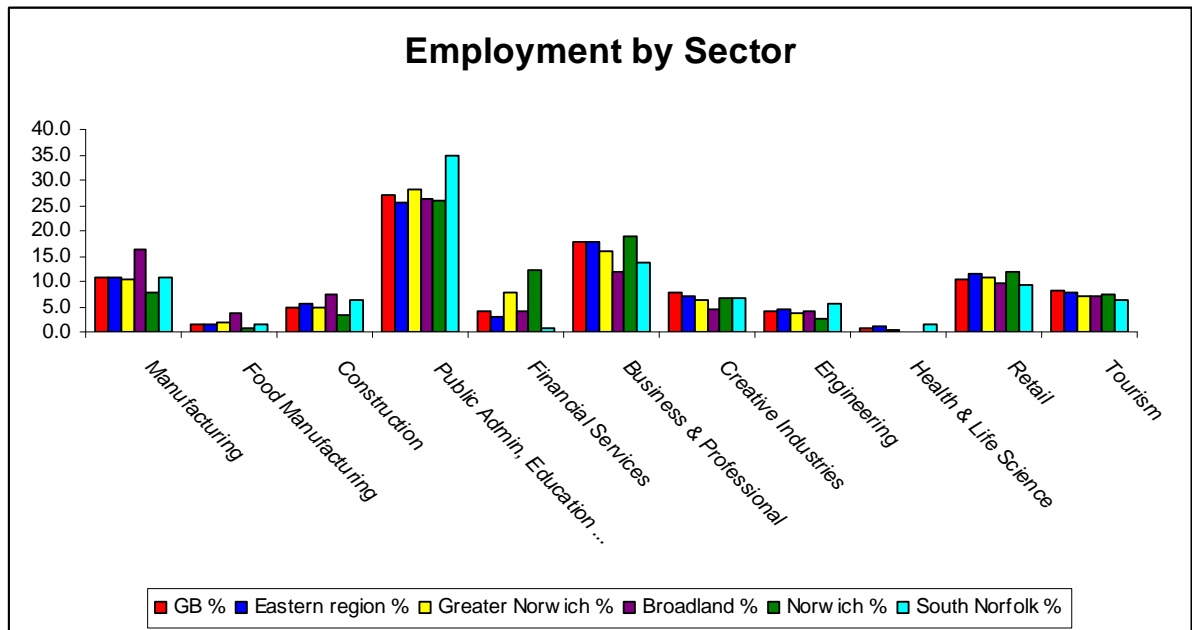
- 1.30 The economic characteristics of the Greater Norwich area are more closely aligned to national and regional averages than that of the individual districts, but note that the inclusion of the rural areas in Broadland and South Norfolk masks some of the urban area's employment strengths. As a whole, Greater Norwich has a diverse economy and it could be argued that this will be a significant strength as the UK recession deepens.
- 1.31 However, to recover from the recession and achieve long term sustainable growth Greater Norwich needs to attract and grow innovative firms that can develop new strengths and benefit from the challenges of shifting to a low carbon economy. The urban area already has a major strength in its growing Knowledge Economy⁵. The Cities Outlook 2009 report ranks the Norwich urban area as having the UK's fourth highest percentage of employment in knowledge intensive businesses in the country, after Oxford, Cambridge and Reading.

⁴ Employment rate: The number of people in employment expressed as a percentage of the working age population.

⁵ Knowledge economy = Knowledge-based production: aerospace; electrical machinery and optical equipment; printing, publishing and recorded media; chemicals and energy; Knowledge-based services: telecommunications; computer and related services; R&D; finance and business services; air transport services; recreational and cultural services

- 1.32 Greater Norwich is building its Knowledge Economy from a position of significant strength. It has an extensive range of academic, educational and research assets, together with a diverse business base with concentrations of knowledge sectors with growth potential such as, business and professional services, health, the environment, finance, creative industries and engineering. These strong knowledge assets can attract highly qualified people and stimulate innovation and new businesses that have the potential to drive the local economy forward.

Employment by sector: trends and growth potential



- 1.33 The Greater Norwich economy has a higher than average concentration of employment in **Finance, Banking and Insurance**. This is particularly marked in Norwich, where there is a diverse and robust base of major companies offering high value jobs. The recent establishment of the financial skills academy will be a major asset in providing appropriately qualified workers for the sector. **Business and Professional Services** is also strongly represented in keeping with Norwich's role as a regional centre. There is further scope to increase employment in the City through the growth of existing companies and through inward-investment attraction, notwithstanding current issues affecting financial services industries at national and international level. In city terms Norwich's Business and Financial Services sector is well developed and larger than anywhere else in the region. Despite the challenges faced from off-shoring, the recent credit crunch and mortgage lending problems the Arup study suggests that this is a strength for the Norwich economy as the long term outlook in these sectors remains positive.

- 1.34 **Creative Industries** are industries that are based on individual creativity, skill and talent, including publishing, art, all types of design, creative writing, film, broadcasting, fine art, advertising, public relations and marketing. The composition of the Creative Industries sector has evolved with an increased emphasis on digital and computer based industries. Although employment in creative industries is lower than average across Greater Norwich and at its

lowest in Broadland, Greater Norwich has established strengths in the creative industries which make it a key sector and forecasts suggest it will be a local growth sector. The Norwich University of College of the Arts (NUCA) and, EPIC which combines HD TV studios, incubation space for creative businesses and facilities for NUCA are key assets with the capacity to stimulate further development of the sector.

- 1.35 Greater Norwich has a higher than average proportion of **Public Sector** employment, with the highest concentration in South Norfolk where the Norfolk and Norwich University Hospital is based. The concentration of public sector employment is strongest in the urban area because of its role as a regional service centre. Public sector service employment is expected to increase to support forecast population growth. Greater Norwich is also a major centre for further and higher education with the UEA, NUCA, Norwich City College, one of the largest Further Education/Higher Education Colleges in the country and Easton College.
- 1.36 As would be expected from a UK top ten shopping centre, Norwich has a relatively high concentration of **Retail** employment. Retailing employment levels depend crucially upon population levels, spending power and tourism levels. Greater Norwich has a thriving retail sector which offers scope for further job growth. The city centre accounts for a significant proportion of regional comparison goods shopping, supported by the outstanding built environment which helps to attract visitors from a broad catchment area. Retail is also thriving in several of the market towns. The prospects of the sector as a whole are linked to the area's wider cultural and heritage offer both inside and outside the city and need to be seen in the context of this wider perspective.
- 1.37 **Health and Life Science** employment is higher than average in South Norfolk because of Norwich Research Park. According to growth projections, Greater Norwich has the potential to increase higher value-added employment in particular by building on the strength of research institutions in the fields of health, life sciences and environmental technologies. It is suggested that Norwich could create 2,000 jobs in this sector in the next 10 years and double that amount going forward to 2026. The institutions and much of the 'soft' infrastructure needed to promote this jobs growth are already in place,
- 1.38 Employment decline in **Manufacturing** has been more pronounced in Norwich than in the other 2 districts. Broadland's performance is particularly noteworthy given the difficulties experienced in the sector from international competition. Forecasts suggest that all three areas will suffer some job losses though the rate of decline in Broadland will be much slower than in the other two districts. Continued shifting of production to industrial parks outside of the urban core and pressure to release urban land for residential and commercial/retail development will contribute to the continued decline in Norwich's industrial base.
- 1.39 **Engineering** employment is lower than average across the 3 districts but is likely to see the creation of new high skilled, high quality jobs within the next five years. Building on the success of Hethel Engineering Centre and a number of strong individual companies in the area the sector is set to realise its potential for greater employment. Locally this sector is particularly strong in motorsports, the oil and gas sector and aircraft maintenance however

there is a diverse collection of other specialist companies. There is a lack of skilled workers for the sector. However this is a national issue as much as it is at a local level.

- 1.40 **Food processing** remains important to the Greater Norwich economy with a number of national brands having manufacturing activities in the area. However, employment forecasts show an ongoing decline in this sector. As would be expected, rural Broadland and South Norfolk have higher than average shares of **Agricultural** employment. Projections suggest that employment in the agriculture and food manufacturing sector will decline within the next 15 years whilst maintaining the significantly high level of contribution to the area's Gross Value Added. However, there is further potential to encourage employment growth in higher value-added areas in which businesses in the Greater Norwich area have a real and sustainable comparative advantage.
- 1.41 Surprisingly, **Tourism** employment is lower than average across Greater Norwich, with the deficit greatest in South Norfolk. Tourism is expected to see large growth in the next years, and there is the potential to particularly expand domestic tourism during a period of recession'. Long-term forecasts suggest a positive growth for the sector with growth reaching record levels over the next 20 years. Tourism contributed over £700m to the local economy in 2007. The current climate points to an increase in the number of UK residents holidaying locally coupled with an expected rise in the number of tourists from abroad encouraged by better exchange rates. Whilst the City and rural areas have a number of assets and activities, from Norwich as a Historic City to the Broads, Greater Norwich has a number of opportunities to strengthen its performance and therefore increasing visitor numbers and secondary spend.
- 1.42 Tourism jobs are important contributors to the local economy often offering flexible and seasonable working conditions. These opportunities are particularly important in rural areas. A great number of those employed in the rural sector are in very small businesses, such as accommodation providers
- 1.43 Employment in **Construction** is in line with the national average across the area as a whole but is more concentrated in Broadland and South Norfolk than Norwich. There are a number of issues affecting employment growth trends in the sector in addition to the current slowdown in housebuilding. These include the issue of skills and the recruitment of younger people to the sector. Arup forecasts suggest that Construction will be a major growth sector over the coming years because of the projected housebuilding and infrastructure projects needed to support growth. During the recession, the role of Government and the Homes and Communities Agency will be key in determining investment in homes infrastructure and the health of the construction sector. The adoption of sustainable construction techniques will also become increasingly important in coming years and is an area where local firms can develop their own competitiveness while contributing to the promotion of Greater Norwich as a location for environmentally sustainable growth.

Unemployment

- 1.44 Unemployment in Greater Norwich has been close to or a little above the regional level and below the national level, but since 1998 the position relative to the region has steadily

improved. Within Greater Norwich unemployment is significantly higher in Norwich than in the other two districts. Similarly long term unemployment as a proportion of total unemployment is significantly higher in Norwich.

Earnings

- 1.45 Earnings levels in all three districts are significantly below regional and national levels, over 10% in the case of Norwich and Broadland but rather less in South Norfolk. The low level of earnings is not explained by the occupational structure which roughly mirrors that of the region.

Skills and Qualifications

- 1.46 The proportion of the working age population qualified to NVQ level 3 and level 4 (degree level) is above the national and regional average in Norwich and South Norfolk. The proportion with qualifications at NVQ levels 1 and 2 is similar to the regional and national picture.
- 1.47 Around one-tenth of the Greater Norwich working age population has no qualifications, which is roughly the same as the regional and national picture. In today's economy there is a growing requirement for skills and qualifications. A relatively high proportion of our young people, particularly in Norwich, leave school with no or very few, qualifications and low achievement at age 16 is strongly associated with disadvantage. Without higher level skills local young people and those already in the labour force will fail to benefit from new opportunities and inequality will increase
- 1.48 In future years there will be fewer employment opportunities for those with low skills and the demand for higher-level skills will increase. Therefore, it is particularly important that skills are upgraded to increase the employability of the low skilled.

Deprivation

- 1.49 Polarisation between the 3 districts is most marked in relation to deprivation. Norwich has the most extensive deprivation in the eastern region and is one of the 20% most deprived local authority areas in England. The OCSI study suggests that the gap between the most deprived wards and other areas is widening. By contrast Broadland and South Norfolk are in the 20% least deprived local authorities. The Index of Multiple Deprivation includes several elements of deprivation and Norwich is characterised by low incomes, low levels of education and skills and a high crime level (although crime levels are low for an urban area). It is relatively less deprived in terms of access to services and housing. While the rural areas suffer from small pockets of multiple deprivation, much of the rural area is in the worst 20% nationally in relation to access to services and housing.
- 1.50 Norwich is in the top 10% of local authorities in an index of local amenities including measures of heritage, culture and restaurants/cafes with Broadland and South Norfolk in the bottom 10% but the position is reversed in terms of the natural environment with Norwich in the bottom 20% while South Norfolk is in the top 20% and Broadland in the top third. These figures emphasise the interdependence of the city and its hinterland

Key challenges

1.51 The key challenges for Greater Norwich arising from this assessment and the studies referred to in Para 1.14 are to:

- facilitate the provision of sufficient jobs for the projected increase in population;
- capitalise on the potential of a diverse economic base with strong knowledge based sectors to create new employment;
- realise the potential for the development of tourism and leisure in Greater Norwich with the complementary attractions of the city centre, The Broads and the rural areas;
- respond positively to the challenges to business and likely increase in unemployment rate during recession;
- Stimulate entrepreneurship, increasing the rate of business start ups and the growth existing SMEs and reducing the dependence on major employers;
- Realise the business opportunities presented by the challenge of climate change;
- increase average earnings;
- increase the skills of the labour force and match them to the needs of employers;
- promote economic opportunities for all;
- tackle deprivation by:
 - improving outcomes for children in low income and out of work households;
 - tackling worklessness by providing pathways into employment;
 - addressing the barriers to employment for those with mental health problems;
 - addressing the interaction between people based and place based deprivation;
- improve international, national and regional connectivity through air rail and roads and promote sustainable transport;
- raise the business profile of Greater Norwich to attract private and public sector investment;
- ensure the development of an appropriate range of employment sites and premises;
- reduce carbon emissions, promote energy efficiency and increase renewable energy generation;
- protect and enhance the area's environment assets and green infrastructure, which contributes to quality of life and helps to attract people and investment to Greater Norwich;
- promote sustainable construction in new housing and commercial developments;
- increase resource use efficiency, including areas such as materials, waste, water and energy.

These challenges will inform the objectives and priorities of the strategy and the development of the detailed action plan.

2. Core Values

2.1. The preparation of the strategy has been guided by a set of key principles to which all partners are committed.

2.2. **Invest in success**

In a global economy there are some areas in which Greater Norwich has established a favourable competitive position or is clearly well placed to do so. In other areas, some of which have traditionally underpinned the Norwich economy that is not the case. The strategy aims to build on the strengths of the economy as this offers the best opportunity to create new jobs and increase the prosperity of Greater Norwich.

2.3. **Prosperity for all**

Parts of Greater Norwich are relatively affluent, but a significant proportion of the population particularly in the urban area of Norwich experiences deprivation which limits their capacity to be economically active and to share the benefits of economic growth. Efforts to strengthen the economy of the area will be complemented by measures to reduce worklessness and financial exclusion and achieve wider economic participation.

2.4. **Sustainable Development**

The harmful social, environmental and economic impacts of global climate change and the credit crunch which has followed a period of excessive borrowing both demonstrate the consequences of unsustainable development. The strategy is committed to achieving development which is sustainable in every sense seeking to enhance the environmental, economic and social well-being of everyone in Greater Norwich, both now and for future generations. Development needs to be within environmental limits, both locally and globally, and provide long term economic opportunities for all.

2.5. **Embracing Diversity**

The strategy seeks to achieve equality of opportunity so that people of all ethnic backgrounds, gender, disability religion/belief, sexual orientation and age are equipped with the confidence, skills, opportunities and choices for employment and entrepreneurship.

2.6 **Investing in the quality of places**

There is increasing evidence that the quality of a place in terms of its attractiveness as a place to live and visit is a key determinant of successful local economies⁶. Greater Norwich is well placed in this regard with the vibrant city centre and its cultural and heritage attractions backed up by the distinctive character of the surrounding market towns and countryside. This strategy attaches priority to strengthening and maintaining this quality of place and strengthening awareness of it.

⁶ The Work Foundation: Ideopolis

3. Vision and Objectives

3.1. The vision for the strategy is that by 2014:

Greater Norwich will be recognised as one of England's major city regions with a rapidly growing diverse and sustainable economy providing all its residents with opportunities and a great quality of life.

3.2. Norwich is a substantial City with a diverse economy and an important role as a regional centre. In many ways it has the characteristics of a major city, most notably through its strength as a retail and cultural centre. However in national and international terms it is perceived as a relatively small city acting as a centre for a substantial rural area. The growth that is planned for the city region coupled with its potential to develop a dynamic and sustainable knowledge based economy offer the potential for the city to become one of England's city regions with a quality of life that is equal to that of the most successful European cities.

3.3. The objectives, priorities and suggested actions which follow will be developed into a detailed and integrated action plan identifying outputs and lead partners and which will require successful delivery across all parts of the strategy because of the strong links between different priorities.

Objectives and Priorities

Objective 1 : Enterprise - To strengthen the area's economy, maximise diverse employment opportunities and ensure that businesses can flourish.

- **Priority 1:** Create more sustainable jobs by increasing the number of new business start ups and supporting the growth of small and medium sized enterprises.
- **Priority 2:** Support the growth of the knowledge economy by encouraging key sectors and facilitating the attraction and development of businesses which can exploit the commercial potential of the research expertise in the UEA and Norwich Research Park.

Objective 2: People and Skills - To improve the skills of the labour force to ensure that it matches the needs of existing and potential employers and local people benefit from job growth.

- **Priority 1:** Raise the aspirations of local people, particularly young people, and provide appropriate learning opportunities.
- **Priority 2:** Address mismatches between skills availability and skills requirements
- **Priority 3:** Ensure there is a strong economic component to regeneration and neighbourhood renewal strategies

Objective 3: Infrastructure for Business - Ensure that the area has the necessary infrastructure and quality of environment to attract and retain investment and support business growth.

- **Priority 1:** Contribute to the development of an improved and sustainable transport and communications infrastructure to support planned growth and development
- **Priority 2:** Maintain an appropriate supply of suitably located employment land and premises
- **Priority 3:** Ensure that the investment required in public utilities infrastructure and other essential infrastructure takes place so that the development of key sites is not constrained.

Objective 4: Profile and Investment - To raise the profile of Greater Norwich as a high quality place to live work and visit.

- **Priority 1:** Promote a strong and coherent image of Greater Norwich capitalising on its particular strengths as a business location.
- **Priority 2:** Attract and retain private and public investment to drive growth and regeneration
- **Priority 3:** Support the continued development of a vibrant City Centre that is unique in its retail, cultural and heritage offers
- **Priority 4:** Revitalise market towns and rural economies and encourage the development of distinctive retail, cultural and heritage offers.

Objective 1 : Enterprise

3.4. To strengthen the area's economy, maximise diverse employment opportunities and ensure that businesses can flourish.

The strength of the local economy depends on the retention and expansion of existing firms and the establishment of new ones. The strategy aims to take action which will create the conditions for this to happen.

Priority 1: Create more sustainable jobs by increasing the number of new business start ups and supporting the growth of small and medium sized enterprises.

- 3.5. Within Greater Norwich as a whole, the rate of small business start- ups is rather higher than in the rest of Norfolk but still lower than at the regional and national levels. In Norwich itself small businesses make up a lower share of total employment than in the region as a whole. Dynamic economies tend to be characterised by high rates of new business formation. The strategy will aim to establish a more entrepreneurial culture and to provide the right support for businesses that are established. All advice and support to businesses will be consistent with the aim of the government's Business Support Simplification Programme (BSSP), to reduce the confusion which results from a very wide range of business support services with an uneven pattern of delivery.
- 3.6. Within Greater Norwich there is an inconsistent pattern of business advice and support with services being delivered by different agencies and through different funding programmes

resulting in a lack of clarity for businesses and uncertainty over future levels of provision. Broadland District runs its own service and funding for the Local Enterprise Growth Initiative (LEGI) programme in Norwich, is due to run out in 2011. Other agencies provide valuable services targeted at particular groups such as the Princes Trust in relation to young people and WEETU for women. Funding through the Rural Development Programme for England is also available in certain parts of Broadland and South Norfolk until the end of 2013 to support rural diversification projects, new enterprises and the growth of existing businesses. The challenge is for the local authorities to work with Business Link and business support agencies to provide a consistent high quality service that meets the needs of all types of business.

- 3.7. Recession is resulting in harsh conditions for all businesses with falling demand for many and for those wishing to invest or facing cashflow problems finance is difficult to secure. All three District Councils provide some financial support for businesses but, while resources are limited, may wish to consider the case for additional support to help businesses cope with difficult economic conditions. Conditions for businesses can change rapidly as a result of the circumstances of suppliers or customers. In this environment effective business planning and the capability to respond flexibly and effectively to changes in circumstances is vital to business survival. Worsening economic conditions may also deter developers from investment in incubator and grow-on premises for small businesses which have been identified as a key need.
- 3.8. Consultation has highlighted the value attached to business mentoring and networking which can be of value to a wide range of businesses facing different challenges, particularly those businesses with the potential to grow rapidly and there is a case for providing mentoring more widely, particularly to help businesses respond to recession.
- 3.9. Many opportunities exist for the development of stronger local supply chains including, for example, local marketing of specialised food produce and sourcing goods and services locally amongst public and private sector organisations. Both these initiatives would be consistent with sustainable development.
- 3.10. The urgency of moving towards a lower carbon economy also provides significant opportunities for businesses to develop new products and services, access new markets, reduce costs and enhance competitiveness. In Greater Norwich, the concentration of expertise in carbon reduction and life sciences offers particular potential in this area. When housebuilding rates pick up higher standards will create potential for new products and services in the field of low carbon construction and recycled materials. Businesses are likely to need assistance in recognising these opportunities and ensuring that they have the right skills to meet them.
- 3.11. Social enterprises can provide a valuable step from worklessness into economic activity while providing a local response to the needs of communities, and making them more sustainable.

Actions are likely to include:

- a review of business support to ensure that a consistent and high quality service is available to all businesses and that specific guidance to help combat recession is available;
- stimulating the establishment of new businesses and maintaining and enhancing the advice and support available to them;

- support for local employment through both new and existing rural based businesses to sustain and maintain the vibrancy of rural communities;
- a flexible business mentoring service reflecting the needs of different types of business;
- ensuring an adequate and affordable supply of business premises including incubator and grow-on premises in the right locations;
- securing finance for business start ups, venture capital and, where possible and appropriate, financial support for small businesses to help combat recession;
- encouraging local procurement and the development of local supply chains across all sectors and urban/rural areas;
- encouraging all businesses to adopt modern technologies to increase competitiveness, sustainability and the emerging renewables sector;
- supporting networking and co-operation between businesses through supply chain partnerships and “cross fertilisation” between knowledge workers in various sectors;
- encourage and support entrepreneurship throughout the population including all levels of the education system;
- developing information and advice services to all businesses to enable them to make efficient use of resources, reduce costs, increase competitiveness and reduce their carbon footprint;
- supporting the development of businesses associated with the low carbon economy;
- supporting a variety of business models including social enterprises.

Priority 2: Support the growth of the knowledge economy by encouraging key sectors and facilitating the attraction and development of businesses which can exploit the commercial potential of the research expertise in the UEA and Norwich Research Park.

- 3.12 Information and knowledge are increasingly the drivers for economic growth in developed countries. The knowledge base of an economy is determined by “ its capacity and capability to create and innovate new ideas, thought processes and products and to translate these into economic value and wealth.”⁷ Greater Norwich has a much better representation of knowledge based businesses than the rest of Norfolk and is slightly above the national average and comparable to the eastern region as a whole in this respect.
- 3.13 The area has particular strengths in the financial, creative, life sciences, environmental and engineering sectors. The characteristics and requirements of each of these sectors is different, but each has the potential to drive the local economy forward. However for each to realise its potential there is a need for a clear understanding of the opportunities for growth and the constraints which need to be overcome.
- 3.14 The enterprise hubs approach which facilitates the establishment of new businesses, networking the dissemination of best practice and skills development on a sector basis is being applied in different ways for each of these sectors. The Financial Skills Academy is meeting the challenge of providing a suitably skilled labour force for the sector. The Hethel

⁷ The Work Foundation: Ideopolis

Engineering Centre and EPIC are providing incubator space, state of the art facilities and education and training for the engineering and creative sectors and have the potential to do much more. The potential of a leading University with world class expertise in several areas of research coupled with Norwich Research Park, one of the largest concentrations of bioscience research activity in Europe has long been recognised. It is now beginning to generate initiatives and new businesses which can encourage the commercial application of this research excellence and create high level jobs.

- 3.15 Norwich also has a very strong professional services sector which is increasingly serving a wider regional and even international market.
- 3.16 The Regional Economic Strategy places great emphasis on the realisation of the region's potential for research and development and its ambitions for Norwich include:
- "Furthering the transition to a knowledge-based economy through major improvements to the skills and employment base
 - Improve the position of the University of East Anglia in global university rankings and significantly increase spin out of technology transfer and R&D collaboration with close ties to the local economy
 - Enable the development of clusters at Norwich Research Park and Hethel around globally renowned anchor companies and research institutes in areas of automotive engineering, environment and life sciences
 - Develop Norwich as a nationally important centre in financial and business services and creative industries."
- 3.17 **Actions are likely to include:**
- strengthen support to the financial, creative, engineering and professional services sector groups and associated enterprise hubs and develop strategies and action plans for each to realise their potential;
 - developing Norwich as a Science City by working through the emerging Norwich Research Park Vision Group to realise the potential of the Norwich Research Park as one of the key drivers of the local economy;
 - open up land and provide premises to accommodate new and existing businesses at NRP and the further expansion of UEA;
 - create the conditions which will facilitate the commercialisation of world leading knowledge at the University of East Anglia and the Research Institutes, particularly in the fields of climate change, environmental and life sciences for the benefit of the Greater Norwich economy.

Objective 2 People and Skills

3.18 *To improve the skills of the labour force to ensure that it matches the needs of existing and potential employers and local people benefit from job growth.*

Businesses cannot develop if the right skills are not available to them and people cannot benefit if they do not have the skills that employers require. Achieving a reasonable balance between the supply and demand for skills and aptitudes is therefore a pre-requisite of a sustainable strategy. In an increasingly complex labour market in which the demand is

increasingly for higher levels of skill and qualification it will be important to promote better awareness of the range of opportunities and constantly encourage upskilling.

- 3.19 One of the key indicators in the Local Area Agreement is to reduce the number of people claiming out of work benefits. For this to be achieved there will need to be a particular focus on increasing the skills and employability of those who have recently become unemployed and those excluded from the labour market and removing other barriers to participation working with a wide range of public and third sector agencies.

Priority 1: Raise the aspirations of local people, particularly young people and provide appropriate learning opportunities.

- 3.20 Relatively low levels of educational achievement have been a characteristic of Greater Norwich for many years, but in recent years there has been a significant improvement and in South Norfolk and Broadland standards are now above the national average. In Norwich young people's educational attainment levels are still poor and there is significant education and skills deprivation among the adult population. In an increasingly complex labour market it is important across all sectors to raise awareness of opportunities among young people and to enhance the skills and capabilities of employees of all ages to enable them to adapt to the changing needs of the labour market.

3.21 Actions are likely to include:

- support people who have been made redundant to maintain their employability;
- strengthen business/education links to create awareness of opportunities and skills requirements, building on successful sector based initiatives by the creative, engineering and construction sectors;
- promote a culture of and facilities for lifelong learning in the community.

Priority 2: Address mismatches between skills availability and skills requirements

- 3.22 There are some known mismatches between skills and employment structure in Greater Norwich. UEA has the second highest graduate retention rate in the UK and there are large numbers of graduates occupying jobs requiring a lower level of attainment, who represent an underused resource and restrict access to suitable jobs for those less qualified. More generally skills needs are constantly evolving both through technological change and through recession requiring employees to have the capability to adapt and change frequently during their career.

3.23 Actions are likely to include:

- encourage employers to capitalise on the availability of a pool of graduates thereby freeing up pathways into employment for those with lower level qualifications and skills;
- develop opportunities for employees to enhance their skills and flexibility in the workplace;
- develop action to respond to redundancy resulting in increased worklessness.

Priority 3: Ensure there is a strong economic component to regeneration and neighbourhood renewal strategies

- 3.24 The problems of multiple deprivation in many parts of Norwich are associated particularly with relatively low levels of educational attainment and skills and disengagement from the labour market often spanning generations. These are associated with a high incidence of mental illness among those claiming incapacity benefit and with a high proportion of young people not in education, employment or training (NEET). Breaking this cycle of deprivation is a long term process and requires sustained action to raise aspirations and develop skills among all sections of the community and work with families to ensure that the complex interaction of issues within family units is addressed effectively.
- 3.25 For those who have been economically inactive for a long period, getting engaged in the labour market is much more complicated than getting a skill and getting a job. Lack of confidence, mental and physical health issues and complex family circumstances can also be barriers. Stepping stones involving voluntary work or social enterprises are key elements in the pathway to work, especially where these are linked to community priorities such as environmental improvements or the delivery of community services.
- 3.26 For neighbourhood renewal programmes to be sustainable deprived areas need to be better places to live so that people will be less likely to leave them if their circumstances improve. Area based improvements, involving the local community, are key to successful, long term regeneration of deprived areas. These can range from ensuring proximity to employment opportunities to access to public transport, community based learning and enterprise and environmental improvements. Access to greenspace and play areas also has proven long term physical and mental health benefits.
- 3.27 **Actions are likely to include:**
- programmes to tackle barriers to employment such as the lack of basic and life skills, mental health, childcare and transport;
 - development of pathways to employment for those excluded from economic activity;
 - encouraging employers to engage in neighbourhood renewal programmes and provide work experience and employment opportunities;
 - enhance the environmental quality of deprived neighbourhoods through community led actions making them better places to live, at the same time as building pride in local areas, reducing anti social behaviour and strengthening communities.

Objective 3: Infrastructure for Business

- 3.28 ***Ensure that the area has the necessary infrastructure and quality of environment to attract and retain investment and support business growth.***

The developments outlined under this heading are linked closely to the proposals of the Joint Core Strategy being prepared by the Greater Norwich Development Partnership as part the statutory Development Plan.

- 3.29 Physical infrastructure is essential to unlock the potential for economic growth and it will be vital during a period of economic downturn to ensure that investment takes place where it is needed to ensure that business growth is not constrained when conditions improve. Public

sector investment will be particularly important in this area as difficulties in accessing finance associated with higher levels of risk are likely to limit private sector investment in the short term.

- 3.30 Decisions on infrastructure investment will also play a major part in ensuring that there is effective co-ordination between decisions on the location of employment areas and housing and the provision of a sustainable transport system.

Priority 1: Contribute to the development of an improved and sustainable transport and communications infrastructure to support planned growth and development

- 3.31 Improvements in inter-regional connectivity will be a high priority. These will need to be addressed through a combination of improvements to road and rail infrastructure – which have consistently emerged as a top priority for businesses – and other measures to reduce the need to travel (e.g. through location of businesses, housing development and leisure facilities), by offering real alternatives in the form of safe, efficient and affordable public transport, cycle and walking routes and by raising awareness of all businesses and individuals about the need to change behaviour and make their travel patterns more sustainable.
- 3.32 Transport investment will be determined by various tiers of government, but effective coordination between land use planning, transport investment and economic development is essential. The following priorities will remove constraints to the development of the local economy by improving local, regional, national and international connectivity, opening up potential development sites and facilitating a more sustainable transport system through the improvement of public transport.

3.33 Actions are likely to include:

- working with businesses to achieve a shift towards more sustainable transport;
- continued investment in the improvement of public transport and Park and Ride schemes to allow effective movement of those travelling into Norwich for work, shopping and leisure;
- possible development of a rapid transit link to serve the western quadrant;
- improvements to road infrastructure, in particular the completion of the dualling of the A11 and the construction of the Norwich Northern Distributor Road, the improvement of the Costessey Interchange to address existing capacity issues and facilitate further development at the Longwater employment area;
- continued development of Norwich Airport capitalising on global links through Schipol, Amsterdam and growing inbound leisure and business traffic;
- improvements to rail services, in particular the journey time, reliability and provision of a wi-fi facility on the Inter City link to London, the service to Cambridge and the development of improved east/west rail links;
- to investigate and exploit the significant potential business opportunities for Greater Norwich arising from the development of Eastport and to address related transport issues, including improvements to the A47 and potential rail and river links.

Priority 2: Maintain an appropriate supply of suitably located employment land and premises

- 3.34 The Greater Norwich Employment Growth, Land and Premises Study concluded that while there is no shortage of land identified for employment purposes in Greater Norwich there is relatively little land readily available. The allocation of sites for development through the Joint Core Strategy policies will aim to minimise environmental impacts and new developments will seek to exemplify good practice in sustainable, low carbon construction, access and public transport provision.
- 3.35 The study also emphasised the importance of maintaining and enhancing the strength of the City Centre as an employment location because of its accessibility by public transport and the benefits which come from the vibrancy associated with an intense cluster of businesses. The northern part of the City Centre including Anglia Square and the southern fringe extending from Rose Lane through Rouen Road and Ber Street to St Stephen's have particular potential and will be the subject of detailed Action Area Plans. Other key sites will be at accessible locations around the edge of the city.
- 3.36 During a period of recession there may be reluctance from developers to invest in speculative office or industrial floorspace. Resources will be limited but there is likely to be a need for public sector action to bring forward key sites and a supply of premises as it will be important that the economy is not constrained by a shortage of land or premises when there is more confidence in economic conditions. The following developments will all contribute to the provision of a suitable choice of sites and premises and their relationship to existing employment, housing and transport infrastructure and the emerging Joint Core Strategy have been key factors in their selection.
- 3.37 **Actions are likely to include:**
- City Centre: new and refurbished office space meeting current standards and provision for reasonably price incubator and grow-on space;
 - Norwich: provision for reasonably priced small units, incubator and grow on space and revitalisation of employment areas and secondary shopping areas;.
 - Broadland Business Park Phase 2: dependent on provision of Postwick Interchange improvement and relates well to proposed new eco-town at Rackheath;
 - Costessey –Longwater; Industrial Area - potential for a wide range of industrial uses but constrained by capacity in electricity supply;
 - Norwich Airport: potential for airport related businesses and businesses for which access to airport services is a key locational factor;
 - Norwich Research Park: the knowledge economy strategy has identified the development of the NRP as a priority if the commercial potential of the concentration of research expertise there is to be realised. Within the NRP there are several potential elements of development each of which will fulfil a different need:
 - Bio-incubator phase 2
 - Innovation and Enterprise Centre
 - Land for major inward investment and the expansion of new businesses.
- The knowledge economy strategy sets out these projects in more detail;

- Hethel Technology Park: further development to build on the success of the Enterprise Hub by providing grow on space for existing businesses and inward investment;
- redevelopment /refurbishment of some older industrial areas - many of the industrial areas in Greater Norwich are old and rather rundown but with potential for selective modernisation and redevelopment to provide a better quality of workspace and environment;
- sites and premises in market towns: the development of new business park facilities and mixed use employment sites within key market towns such as Diss, Wymondham and others will be promoted. Market towns are important focuses of activity and integral to the vitality and sustainability of rural areas;
- premises for rural businesses: the ability to work in attractive rural areas close to the facilities and services of the City is a key asset of Greater Norwich and there are many substantial businesses in rural areas. Emerging Joint Core Strategy policies support appropriate economic development in rural areas including the re-use of agricultural buildings for business purposes.

Priority 3 Ensure that the investment required in public utilities infrastructure and other essential infrastructure takes place so that the development of key sites is not constrained.

- 3.38 There is very limited capacity available in key public utilities in much of Greater Norwich and this has already constrained the release of some key sites. There are particular issues relating to electricity supply which have constrained the release of the Longwater industrial area. It is essential that these issues are addressed if the growth plans in the Regional Spatial Strategy and Regional Economic Strategy are to be delivered. For growth to be sustainable it will be important that investment in health, education, other public services and greenspace takes place ahead of population growth. Improvements in broadband speeds available in rural areas and keeping pace with future developments in communications technology will also be important for all businesses and will increase opportunities for eBusiness and teleworking that can reduce the need to travel.
- 3.39 **Key actions are likely to include:**
- lobbying utilities companies;
 - ensuring that electronic communications infrastructure keeps pace with the highest national standards throughout the area.

Objective 4: Profile and Investment

- 3.40 ***To raise the profile of Greater Norwich as a high quality place to live work and visit.***
- There is a strong consensus among consultees that Greater Norwich is an exceptionally good place in which to live and work. Newcomers and visitors to the area appreciate both the strength and diversity of the economy and the quality of the urban and rural environment and the retail, cultural and leisure facilities on offer. This strength is a major asset, but the lack of wider awareness of it means that its potential is not fully realised. Incidental media coverage of the area sometimes projects a dated, provincial image of the area that fails to recognise the strength and diversity of the economy. The growth agenda, the opportunities provided by the

knowledge economy and the potential for positioning the area at the forefront of sustainable development provide a potential platform for a sustained campaign to raise the profile of the area both nationally and internationally. For this to be effective and achieve a step change in the profile of the area in the very competitive field of place marketing, a significant increase in the resources available and a strong and co-ordinated campaign will be essential.

- 3.41 The profile raising campaign needs to be complemented by continuing investment in the area to maintain its quality and competitiveness. All aspects of the business and residential environment need to live up to the image which is being projected.

Priority 1 Promote a strong and coherent image of Greater Norwich capitalising on its particular strengths as a business location.

- 3.42 The development of a strong profile raising campaign will be particularly important in maintaining confidence in the ability of Greater Norwich to bounce back strongly from a period of recession and be well placed to capture new investment. Shaping Norfolk's Future has agreed that the main business brand for Norfolk (and therefore Greater Norwich) should be Norwich, as business audiences tend to identify with cities.
- 3.43 Both Shaping Norfolk's Future and Norwich City Council have been working to develop messages and materials based on the undisputed strengths of the area to attract investors. These initiatives need to be reinforced by greater resources to build a campaign which will run over a period of years to sustain a vibrant image of the area. While the emphasis will be on the strength of Norwich as a business location, broader linked messages relating to the strength of Greater Norwich and Norfolk as a place to visit and live in will be complementary and form part of an integrated campaign. The ability to attract key staff is one of the main concerns of existing businesses and potential inward investors. For the growth agenda to gain sufficient momentum in the recovery from recession inward migration to the area will be important.
- 3.44 **Actions are likely to include**
- securing consensus commitment and resources for a profile raising and marketing campaign and the development of a delivery strategy;
 - engaging a wide range of partners including developers, shopping centres and businesses in key growth sectors in the delivery of this strategy;
 - the promotion of Greater Norwich and Norfolk as a destination for leisure and business tourism.

Priority 2 Attract and retain private and public investment to drive population and employment growth and regeneration

- 3.45 This priority is linked closely to priority 1 in that the intended outcome of a profile raising campaign would be the attraction of inward investment. However profile raising needs to be complemented by support for potential investors through the provision of information and advice to ensure that the obstacles to investment are minimised. It will also be particularly important during a period of recession to maximise the availability of external public funding to assist in the delivery of the strategy. The status of Greater Norwich as a Growth Point and one of the economic "Engines of Growth" in the eastern region will help to establish a priority

for investment in the infrastructure to support growth and this strategy will help to define the local priorities.

- 3.46 The planned population growth will require the development of large areas of new housing. The location of these is being determined through the Joint Core Strategy and they represent an opportunity to create exciting and attractive new sustainable communities offering homes, jobs and services and enhancing the quality of Greater Norwich as a place to live and work. While major housing development is to be focussed on existing and new settlements within or close to the Norwich urban area they need to be designed to ensure that they provide vital facilities and employment opportunities for residents of the wider rural area.

3.47 **Actions are likely to include:**

- develop and secure resources for a seamless inward investment service across the public sector, harnessing the expertise and advocacy of private sector partners;
- encourage developers to take forward priority developments working with them to address constraints;
- further develop the Integrated Development Programme (the GNDP's delivery programme) to ensure that investment priorities are clear and to assist in making the case for external funding;
- Master planning and subsequent development of new communities to accommodate planned population growth including the development of the Rackheath eco-town as an exemplar of sustainable development.

Priority 3 Support the continued development of a vibrant city centre that is unique in its retail, cultural and heritage offers

- 3.48 The strength of Norwich city centre as a retail and service centre for a very wide catchment area and as a tourism destination is fundamental to the quality of the Greater Norwich product. This quality can sustain and stimulate further development in key sectors, particularly the creative industries, business services and financial services for which a vibrant city centre provides a stimulating environment and the ability to attract and retain key staff is crucial. The heritage which defines the essential character of the centre has been reinforced by high quality new developments such as the Forum and Chapelfield and a vibrant leisure quarter at Riverside. Significant European funding has enhanced the streetscape in the city centre. The continuing strength of independent as well as multiple retailers is essential to the quality of the centre. There is however, potential for significant redevelopment and enhancement in some areas, notably the northern fringe around Anglia Square and a band around the south from Rose Lane to Surrey Street, which as well as providing key employment space can reinforce the environmental quality of the city centre.

3.49 **Actions are likely to include:**

- the preparation of Master Plans and Action Area Plans for the main areas of potential change in the city centre;
- developing the culture and heritage offer that is key to attracting knowledge workers and underpins Norwich's quality of place;

- developing the range, depth and quality of visitor infrastructure to strengthen Norwich as a destination for both leisure and business tourism;
- maintaining and enhancing the city centre focus on retail and leisure supported by sustainable transport infrastructure;
- extend usage of the City Centre ensuring that it is accessible and attractive to people of all ages both during the day and night time.

Priority 4: Revitalise market towns and rural economies and encourage the development of distinctive retail, cultural and heritage offers.

3.50 The market towns around Norwich contribute to the quality of place of Greater Norwich and serve an important role in relation to their rural catchment areas. While we recognise that many market towns have high numbers of residents commuting to work elsewhere, nevertheless there is considerable untapped potential for business and economic development in the towns which should be realised. Diss in particular is an important centre and is the gateway to the Waveney valley with potential to develop as both an employment and visitor centre. Wymondham is also expected to accommodate substantial development to provide both housing and employment. In both cases detailed masterplans are needed to guide future development. Other smaller market towns including Aylsham, Reepham, Acle, Long Stratton, Loddon, and Harleston each have a significant role to play in providing employment and services. The market towns have a strong community spirit, high quality local producers and shops and a strong desire to operate in a way that is sustainable and does not damage the things that people value. Business cultural and heritage partners need to ensure their individual competitive offer is promoted widely to assist in supporting the visitor economy. While major housing development is to be focussed on existing and new settlements in or close to the Norwich urban area the quality of the market towns needs to be protected and enhanced in the interests of a sustainable quality of life for residents of rural areas.

3.51 The rural fringe of Greater Norwich provides a wide range of locations to live and work with a broad cross section of businesses already operating out of this area. It has a high quality, internationally significant natural environment, with superb opportunities for enhanced promotion and interpretation. Funding is required to support rural diversification projects, new enterprises and the growth of existing businesses and the Waveney Valley Project (covering parts of South Norfolk, Waveney and Mid-Suffolk) aims to support businesses and communities and build the identity of the Waveney Valley as a sustainable visitor destination and a vibrant place to live and work.

3.52 Actions are likely to include:

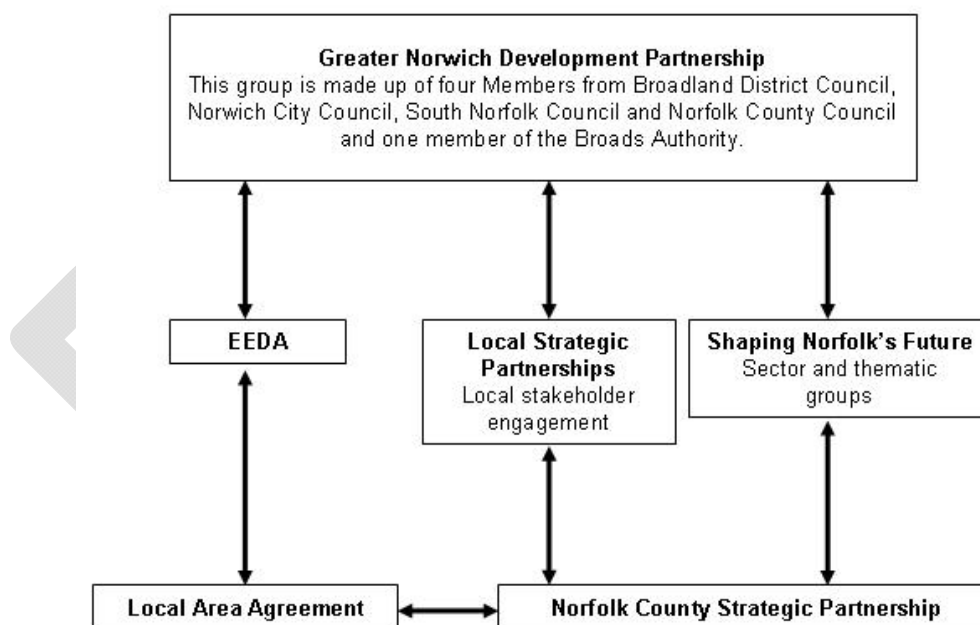
- the preparation of Master Plans for Diss, Wymondham, and other market towns;
- pro-active town centre strategies linked to town centre management in the market towns;
- maintaining and enhancing the cultural and heritage assets of market towns which are so vital to their character and quality of place;

- developing the range, depth and quality of visitor infrastructure to strengthen the market towns and rural area around Norwich as a destination for both leisure and business tourism;
- investment in projects which enhance and promote the facilities for countryside recreation around Norwich and market towns in rural areas including the Broads;
- the continued development of the Waveney Valley project;
- supporting the Rural Development Programme for England (RDPE) Local Action Groups in delivering projects that meet the objectives of their Local Development Strategies.

Draft

4 Governance

- 4.1 This strategy sits within a hierarchy of strategies covering economic development from the regional to district level. It is consistent with and will assist in delivering the Regional Economic Strategy, Norfolk Ambition and the Local Area Agreement for Norfolk, the Shaping Norfolk's Future Strategy and District Sustainable Communities Strategies. It sits alongside other GNDP policy documents including the Joint Core Strategy, which will set out spatial planning policies and form part of the Statutory Development Plan for the area, The Norwich Area Transportation Strategy and strategies for Housing and Green Infrastructure.
- 4.2 Subject to the outcome of the Local Government Review, governance of the delivery of the strategy will be managed by the GNDP working with other stakeholder groups, businesses and communities all of which are linked directly to one of the local authorities through their Local Strategic Partnerships or form part of Shaping Norfolk's Future the countywide economic development partnership which sits below the umbrella of the County Strategic Partnership. The relationships are shown diagrammatically below:



- The governance arrangements will ensure that the core values of the strategy will at all times influence decision making in the delivery of the strategy.
- 4.3 A key tool in the delivery of the strategy will be the Integrated Development Plan (IDP) which is being developed by the GNDP. The IDP will include detailed plans for the delivery of projects requiring investment identifying the level and sources of the resources required, timescales, the relationships between projects and the key delivery partners. It will be used to ensure that the allocation of resources by the partners reflects the strategic priorities of GNDP.

4.4 To ensure that sustainable development priorities are firmly embedded in the delivery of the Strategy, the GNDP is developing proposals for:

- awareness raising and training on implementing sustainable development through Greater Norwich Economic Strategy delivery actions, across the key elements of the Governance structure;
- reflecting sustainable development priorities in resource and funding decisions for the implementation of the Strategy;
- embedding sustainable development in project appraisal and development processes, including use of tools such as the Inspire East's *Excellence Framework* and the regional SD toolkit;
- integrating sustainable development into the performance monitoring framework, indicators and scrutiny arrangements for assessing progress in Strategy implementation.

In the development of these proposals, the GNDP will be working closely with sustainable development experts through Shaping Norfolk's Future's Sustainable Prosperity Group, and with a range of business and public sector organisations, including Sustainability East and Inspire East.

5. Performance Management

- 5.1. The strategy sets out the approach to the development of the area over the next 5 years. Reflecting the strategy's principles of promoting sustainable economic development, sustainability issues are reflected in the indicators and will also be embedded into performance monitoring processes. As well as using indicators drawn from the LAA, partners will also monitor performance in areas such as adoption of sustainable construction best practice in new developments and buildings.
- 5.2. It is the nature of an economic development strategy that in many areas the lead is expected to come from the private sector and action will depend on market conditions. However, while the influence of partners over these areas of action may be very limited, it is important that progress is still monitored and reviewed as the progress will affect other parts of the strategy. This is particularly important at a time of great economic uncertainty.
- 5.4. Performance will be monitored against the core values and several key performance indicators. The Norfolk Local Area Agreement identifies key indicators against which the performance of Local authorities will be monitored. As the partnership responsible for overseeing the performance of Norfolk's economy, Shaping Norfolk's Future will play a key role in this process, monitoring progress against a range of national indicators. This approach ensures co-ordinated and committed Action by all key partners towards the achievement of key targets. There are other LAA indicators led by other partnerships which have an economic dimension relevant to this strategy as well as indicators included in the County Council Plan with an economic dimension.
- 5.5. The indicators against which this strategy will be measured are set out in detail in the Economic Assessment which accompanies this document.
- 5.6. The detailed action plan will define, for each area of action how the action will be taken forward together with the key outcomes and milestones and will allocate responsibility for the action. Progress against the action plan will be monitored on a 6 monthly basis by the Economy Group of the Greater Norwich Development Partnership. Where progress is not in accordance with the action plan the reasons for this will be established together with the implications for other areas of the strategy. Where possible action will be taken to bring the strategy back on course. The action plan will be iterative to ensure that activity is responsive to changes in market conditions throughout the period of the strategy. It will form an integral part of the GNDP's Integrated Development Programme.
- 5.7. Performance against the strategy will be reported annually to the Greater Norwich Development Partnership, each of the local authorities and Shaping Norfolk's Future in the form of a monitoring report which sets out:
 - Performance against the action plan
 - Performance against the KPIs
 - Proposed revisions to the action plan in the light of performance