17th October 2011

Cllr. Neil Hughes, Chair of the Scrutiny Committee, Eden District Council, Town Hall, Penrith, Cumbria. CA11 7QF.

Dear Cllr. Hughes,

# Eden District Council Scrutiny Committee - Appleby visit

Thank you again for inviting me to your meeting in Appleby on 27<sup>th</sup> September 2011. I found it a very interesting meeting, following which I thought that it might be useful if I were to write to you to share some of my thoughts.

I write in my capacity as Managing Director of 'AWICS' – a management consultancy and training company based in Appleby – but I am also a resident of Murton and am Chair of Impact Housing Association.

### Introduction

While the meeting was productive I am sure that we were all disappointed that so few local business people attended. In fact, I think that I was the only person there who represented a local business. Do we know why this was the case? I would suggest that something further should be done to establish the views of the local business community. Perhaps the Scrutiny Committee should make a direct approach to local businesses individually to establish their views on the current state of the local economy, the current economic development service provided by the Council and what they think the Council should do differently in future? It would surely be useful and interesting to have the views of people who represent the main fields of business in the Appleby area: Farmers, Hoteliers, Publicans, Retailers and Builders to name a few. I am sure that they would have a different perspective on the economic challenges of the area to mine.

In 2003, following the completion of Best Value Reviews of the Economic Development services at East Dunbartonshire Council and Lewisham Borough Council, I was asked to address a national conference organised by the Institute of Public Sector Management on: 'The Role of Local Authorities in Regenerating the Community Economy'. At the same time I prepared a short paper to accompany my presentation. I attach a copy for your reference. It was obviously written some eight years ago but I still think it addresses some important issues that local authorities should consider — especially in areas such as the Heart of Eden where the economy is fragile.

Discussions about economic development in and with local authorities often tends to focus on the Council's budget for economic development and what services and grants the Council can afford to give. However, in my view the economic development function should be more about facilitating and enabling both internally and externally.

Internally this involves asking what contribution each of the Council's functions can make to economic development – being an in-house champion of economic development. Externally, this means networking with public, private and voluntary organisations to benefit the local economy.

As was said in the meeting there is a perception that Eden District Council and Appleby Town Council both consider that Appleby should become an entirely residential town with no commercial, economic or business functions. This perception has been strengthened by the inaction and silence of both authorities when Appleby lost its major tourist attraction (Appleby Castle) and its major employer (WA Developments). If Eden District Council really wants Appleby to have a vibrant economy they need to be clearer and bolder in seeking to achieve this.

The economic issues facing the Eden Valley are well documented. While the area is perceived to be generally prosperous and has a relatively low level of unemployment; incomes are relatively low, economic growth is slow, and there is an overdependence on agriculture and tourism that leads to a large proportion of jobs being part-time, casual, low-paid and even insecure. This leads, amongst other things, to housing being less affordable to most people than in most parts of Britain.

I believe that there is a need to encourage more high-value-added businesses to Eden that could offer high paid, full-time and secure employment. Such businesses are very poorly represented at present.

I also think that we need to get away from the parochial arguments about whether investment goes to Penrith, Appleby, Kirkby Stephen or Alston. If investment comes to Eden it is good and everyone benefits. Indeed if investment comes to Cumbria it is good and everyone benefits!

### **Internal Actions**

In the meeting I raised the question of how Eden District Council's own procurement policy addresses the use of local businesses (those who are based in the Eden District Council area) to provide goods and services in the context of the national procurement strategy for local government; how many local businesses are given the opportunity to bid for work with the Council; and what proportion of its budget is actually spent with local businesses.

It appears to me that very little of Eden District Council's work is either advertised locally or placed with local businesses. In my view the Council could do more to support the local economy by awarding a greater proportion of its own work to local businesses where this would be appropriate. This approach is actually encouraged by the national procurement policy for local government that has been agreed between the government and the Local Government Association. If I was responsible for economic development in Eden I would certainly wish to monitor the proportion of the Council's work that local businesses were given an opportunity to bid for and the proportion that was given to local businesses.

There is an argument that the Council would provide more effective support for local businesses by giving them custom rather than by giving grants!

Then there is the question of how all the Council's services can support the local economy. Examples could include:

- Can the benefits service increase the take-up of housing and council tax benefits (or for that matter benefits that are not administered by the Council) thus putting more money into the local economy especially in the more deprived areas?
- Can the environmental services create an environment that will attract tourists to the area?
- Can the cultural and leisure services help to attract tourists to the area?
- Can the planning service facilitate economic development?

I know that highway maintenance is a county service. However, the failure of the County Council to keep main access roads between villages and Appleby and the A66 open during bad weather has a damaging effect on local businesses that exceeds what the cost of the winter maintenance would be. Perhaps Eden District Council should use its influence here.

Appleby Tourist Information Centre was discussed at length in the meeting. This is clearly an important resource in the town that provides benefits to the local economy and community. It appears that a combination of good commercial management and local political support is required.

# **External Actions**

The Council is better placed than any other organisation to act as a facilitator and enabler bringing together public, private and voluntary bodies to achieve things for communities.

Areas where the Council could act were discussed in the meeting.

For example, Appleby's tourist potential is inhibited by a lack of things for tourists to do in the town – especially since the closure of the Castle to the public. I am aware of the 'Appleby Shire Hall Options Appraisal' that was carried out in 2003 (a copy of which is on my desk) and am unconvinced that this correctly identified the costs and potential of a museum or heritage centre in the town. There is probably a role for the Council in bringing together its own museum and tourism services with private businesses that are involved in culture and tourism and voluntary bodies such as the Appleby in Westmorland Society to see how progress could be made.

Eden District Council has often stated that developing more affordable housing is an important priority and its role is clearly to act as the facilitator and enabler rather than the deliverer. This is also an important objective from the point of view of economic development as construction work makes an important contribution to the local economy. However, actual construction, especially of affordable housing, has consistently fallen short of the Council's targets. I am aware that the Scrutiny Committee is looking at housing as a separate issue.

As I said above, I believe that there is a need to encourage more high-value-added businesses to Eden that could offer high paid, full-time and secure employment. The quality of the environment should encourage such businesses but there is a need to improve the infrastructure (including broadband and office premises) and to do some 'marketing' aimed at encouraging such businesses to be formed or relocated in Eden. Finding appropriate office accommodation is difficult in the Heart of Eden and Upper Eden areas. Perhaps the Council should address this in its planning policies and in reviving the service of providing a database of available office and other commercial premises. Improved public transport, including an evening service on the Leeds-Carlisle railway should also be helpful.

#### Conclusions

I hope that you find these comments useful. This letter is sent as a hard copy and by email.

Yours sincerely,

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