



# MALVERN HILLS DISTRICT 2013/18

## ECONOMIC DEVELOPMENT STRATEGY

OPEN TO INNOVATION



# **Malvern Hills District Economic Development Strategy 2013 - 2018**

## **Open to Innovation**

### **Our approach to translating ideas, both big and small, into commercial success**

Policies and support aimed at economic prosperity across the District will be driven by developing an understanding of the needs of our economy, community and what makes this area both special and different.

We will seek to maximise the linkages between business sectors and suppliers within the district and further afield.

Our aim will be ensure the economic success of the district by delivering a balanced economy providing a broad range of employment in both established and new types of employment. We will relate employment opportunities to the needs of the wider community.

For example our policies for sustainable economic growth will need to recognise that our existing workforce will be working longer but it is aging. Therefore we need to attract and retain a younger workforce whilst expanding opportunities for the changing employment needs of people approaching 70 to ensure access to a suitably skilled local workforce is not going to become a constraint to future growth and investment, and encourage greater commuting. We will also have to address the implications of an aging population in terms of the services required to support its needs associated.

We believe a successful district that understands its strengths and what makes it distinctive can realistically promote economic development across a wide range of sectors from cyber security to agriculture – rather than putting all of its eggs in one virtual basket.

To do this the District will be ‘open for business,’ both new and home grown. But our focus will always be on making connections between, and maximising the potential of, the area’s greatest assets, which are its people, the environment, its high quality of life and those entrepreneurial and knowledge based assets which set it apart from other areas locally, nationally and internationally.

## **Our Vision**

“Malvern Hills District is renowned for innovation across all business sectors.

The special qualities and characteristics of the District will be widely recognised and form an intrinsic element of our offer to business and as a means of stimulating economic growth

The positive economic impact of public and private investment and procurement decisions are maximised to the benefit of the district, its residents and businesses”

## **Our Aim**

By 2018 Malvern Hills District will benefit from improvements to business critical infrastructure, the provision of the right land and premises to meet business needs, alongside investment in housing, skills and the promotion of business growth and development.

## **Our Key Measures of Success**

- Create an additional 1000 jobs in the District by 2018
- Grow the Malvern Hills Economy by 10% by 2018 based on GVA of £965m in 2013
- By 2018 increase the number of registered (VAT or PAYE) businesses in the District by 200 (5%) based on a 4275 enterprises in MHD in 2011

## **Influences on our Economic Strategy**

There is little point in a Malvern Hills District Economic Strategy that does not have regard to the existence of other key strategies dealing with employment, skills, education, new development and infrastructure.

It is not our intention in this strategy to replicate the objectives and proposals of other plans and strategies which this Council already supports, such as the Worcestershire Local Transport Plan, South Worcestershire Development Plan, Worcestershire LEP's Business Plan and the Worcestershire Broadband Plan. These documents have been reviewed and will continue to be supported where relevant to Vision for this district. The objectives and actions identified by this strategy are considered to be consistent with those in other key strategies covering the district.

For example we intend to play our part in delivering the wider economic development **Vision and Strategy for South Worcestershire:**

*The economic vision for south Worcestershire is as an excellent place to do business, with a substantial low-carbon economy, which has diversified so that the overall prosperity of the area can withstand any down-turns in individual sectors. The south Worcestershire economy is increasing output as measured by Gross Value Added (GVA) and becoming more productive (GVA per head); there is sustained growth in jobs, inward investment and indigenous investment; infrastructure improvements, particularly improving access for business, are being delivered. Growth has been enhanced by the retention of younger residents, particularly University of Worcester graduates and youngsters who would previously have had difficulty in finding job opportunities. There are more high-value jobs in the area, leading to reduced out-commuting. Cultural and environmental assets have been enhanced increasing the attractiveness of the area to visitors, residents and businesses.*

*The Economic Strategy for South Worcestershire is:*

- a. To create the conditions for sustained economic and jobs growth.*
- b. To ensure south Worcestershire is open for business and able to match the requirements of potential inward investors.*

- c. *To ensure a flexible approach is maintained to all opportunities that deliver economic benefits with a target of return to GVA levels that existed before the downturn in 2008.*

*This will be achieved through:*

- i. *Reduced reliance on the public sector and increased output and employment in the private sector, particularly in higher value and skilled occupations.*
- ii. *Growing and adding value to existing south Worcestershire businesses, including agricultural and horticultural businesses.*
- iii. *Securing and growing high technology sectors that already have a presence in south Worcestershire.*
- iv. *Providing the right land and premises in the right location and at the right time to help businesses start, grow and flourish.*
- v. *An established and sustained low carbon economy.*
- vi. *Providing and maintaining an adequate supply of new homes that support economic growth.*
- vii. *Maintaining a competitive level of infrastructure throughout south Worcestershire – particularly in terms of excellent access, including electronic access.*
- viii. *Sustained and regenerated south Worcestershire's city and town centres as priority areas for regeneration.*
- ix. *Supporting flourishing rural economies, with strong land-based sectors and diversification into higher added values activity, enhanced by greater broadband connectivity.*
- x. *Retaining retail spending in south Worcestershire and increasing leisure and tourism related spending / income.*
- xi. *Ensuring local residents are able to take up increased job opportunities in higher skilled and higher value occupations.*

In addition we will work to support the **Worcestershire Local Enterprise Partnership's (LEP) Vision**: which is: *“To create the right economic environment to inspire businesses, encourage investment and to create lasting and sustainable employment in Worcestershire by 2017 and beyond.”*

We will also support the LEP's strategic objectives which focus on:

- National Profile and Promotion.
- Access to Finance.
- Employment and Skills.
- Planning, Development and Infrastructure

In particular our strategy aims to ensure that the Worcestershire LEP's aspirations for the delivery of high technology development at Malvern Hills Science Park / QinetiQ is taken forward as one the county's 'game changer' sites and that we maximise our contribution to the implementation of the Worcestershire Cyber Strategy.

We will also work closely with the Worcestershire LEP on the delivery of strategic infrastructure and developing mechanisms and lobbying to bring finance into the area to enable the timely implementation of business critical infrastructure.

The Economic Development Strategy will also support the ambitions of the emerging Worcestershire Next Generation document that has a strong focus on economic prosperity. The Next Generation commitments focus on three priorities that all should act on to improve the quality of life for our next generation:

1. Our prosperity – making our economy stronger with more skilled jobs (working well)
2. Our community – valuing our people, our health and wellbeing (living well)
3. Our environment – valuing our special place and our natural resources (looking good)

In particular the prosperity commitment recognises that we can't afford to lose large employers and jobs - we need to do more to bring in new businesses and jobs, and better support smaller locally grown businesses too. We can work better with other counties, cities and towns too, to make sure Worcestershire benefits.

We believe that our emerging Economic Development Vision and Strategy for Malvern Hills District can make a significant contribution to Worcestershire's strategic objectives to support economic growth.

However, our intention is to develop an economic development offer which is universally recognisable and locally distinctive as being Malvern Hills and nowhere else.

Success will be dependent upon a range of things from economic performance, to the health and well being of the environment and the quality of life experienced by residents, visitors and businesses. Moving towards our Vision will not involve adopting 'a one size fits all' approach' or accepting 'business at any price' as what makes Malvern Hills different is what also makes it special.

## **Creating the right conditions for innovation and commercial success**

It is clear from our discussions with local businesses and other organisations both large and small that promoting economic prosperity and importantly innovation can be the result of both very small ‘quick win’ actions, such as putting the right people in touch with each other, through to larger programmes of change which may take longer to bring about such providing new land for employment or changing the skills of some of our workforce.

Consequently, our strategy is based around identifying longer term priorities and short term actions. Our approach provides an appropriate mix of hard and soft measures, that is to say infrastructure supporting economic prosperity can revolve around hard infrastructure such as roads and broadband, but can equally relate to putting in the soft networks which support people and businesses with ideas.

We anticipate that our strategy and actions will adapt over time as economic opportunities and pressures inevitably change. However, our approach will be to address the following five **Priorities** which businesses and other organisations have identified as being critical to improving our economic prospects and protecting what we already hold.

They are:

**Priority 1 – Infrastructure**

**Priority 2 – Housing**

**Priority 3 – Skills**

**Priority 4 – Land & Premises**

**Priority 5 – Selling our Strengths**

Each Priority is explained below and supported by individual actions in the five year action plan. However, the priorities are related and should not be pursued in isolation and without reference to the others if we are to deliver a genuinely integrated strategy for Economic Prosperity.

## **Action Plan (2013 – 2018)**

The detailed actions under the priorities are listed below and address the period 2013 to 2018. We recognise that it may take longer than five years to deliver strategic change in line with our priorities. However, our review of Economic Prosperity suggests that Malvern Hills District must begin to make changes within the next five years against each of the priorities otherwise opportunities for growth and development will be lost and threats to our economy may become a reality.

The District Council recognises that we will have a different role in relation to each of the actions supporting this strategy. In relation to some we may take the lead, for others we will be a partner and in some areas we will simply seek to encourage and influence others recognising that with limited resources we cannot work equally on all of objectives at the same time.

It is also important to recognise that the resources needed to progress many of the actions set out below do not currently exist. Nevertheless, Malvern Hills needs to be clear about what it wants to achieve in the future and be ready to respond quickly as and when resources become available.

Some of our actions are quite specific whilst others may require further investigation and development. It is our intention to keep this strategy under regular review and refine some actions over time. We will also continually test its effectiveness with local businesses, relevant organisations and the public. It is truism that things will change and not every action will be as successful as wished. We therefore believe that our strategy should be about setting the right direction and culture for promoting and delivering economic prosperity and establishing a willingness to respond to new pressures and opportunities quickly – in a word - to 'innovate'.

## **Economic Benefits and Impact**

At the heart of our Vision is seeing economic development and change as a positive and always looking to identify the potential and maximise local impact of investment. This attitude not only applies to this Council's work around economic development but will extend into every facet of our activity, recognising that stimulating economic development has been identified by the District Council as one of its three cross cutting corporate objectives.

Maximising local economic impact and potential will therefore be a central consideration in our future decisions and investment.

We recognise that not all decisions and investment is immediately seen as being commercial or business orientated. However, by always looking for the potential economic win, both **public and private investment and procurement**, including supporting local supply chains, can represent a major influence on stimulating local economic activity.

## **Cross Cutting themes**

Consultation about this Strategy has also identified **three cross cutting themes** which we believe all actions should be measured against to see whether they directly support, or can be developed to support, these themes.

- Education and Knowledge
- Creating the right Environment, and
- Supporting Business and Enterprise

In addition to preparing this strategy document the District Council has been reviewing the Malvern Hills District **Visitor Economy Action Plan** for the next three years. The Action Plan provides a detailed set of actions to support the tourism and visitor sector of our economy. We anticipate that further work around developing our tourism offer will continue over the lifetime of this strategy and we will seek to develop links with other themes such as the vitality and viability of town centres. **Areas for further work**

Under each of the priorities we have identified work and possible actions which we know to be important but recognise that within resource constraints we can not hope to progress them and other actions at the same time. These areas of work and the resources needed to bring them forward will be kept under regular review.

## **Resources**

The District Council currently has a team of three FTE and 1 PTE officers working within its Economic Development Team plus the TIC staff and in 2013/4 an overall budget of £365,000 for economic development and tourism work which is spent in the following broad areas.

<i>ED Salaries</i>	<i>£125K</i>
<i>ED Team Budgets</i>	<i>£15K</i>
<i>LEP and Partnership Support</i>	<i>£10K</i>
<i>Events Support</i>	<i>£20K</i>
<i>Promotions/PR</i>	<i>£10K</i>
<i>Business Grants</i>	<i>£35K</i>
<i>One off Project Budgets (ring fenced)</i>	<i>£20K</i>
<i>TIC's – Malvern £92k, Upton33k, TW £5k</i>	<i>£130K</i>
<b><i>Total</i></b>	<b><i>£365K</i></b>

At present the Council's Medium Term Financial Strategy includes provision for:

- £350,000 investment in Malvern Hills Science Park Phase IV (see action plan below)

- £500,000 from the priorities budget for investment in economic development (the use of which will have regard to the priorities and actions established by this strategy)
- £50,000 to support the roll out of broad band across Malvern Hills District in accordance with the County Broadband Plan (see action plan below)

The Economic Development Team is lead by the Economic Development Manager with two officers, one focussed on tourism, the visitor economy and town centres and the other on broadband, business support and development and research. The capacity of the team to deliver the Action Plan below will be reviewed in the light of the Council's Strategic Review.

## **Priority 1: Infrastructure** (both hard and soft)

Improve the hard and soft infrastructure to support the economy and deliver a more sustainable economy. Maximise the economic prosperity of the District by enhancing business support and engagement with business to improve business performance and growth.

1. To support the economic well-being of the District by working with partners to maintain, and wherever possible enhance, the key employment sectors underpinning the local economy - especially within the technology sectors.
  - a. Be open and positive with existing and new business.
  - b. Maintain and enhance business support programmes for all businesses. Start-ups and existing businesses to enable business growth and competitiveness
  - c. Stimulate business competitiveness through policies and projects with key partners focussing on start-ups, growth businesses, and opportunities for local procurement.
  - d. Initiate or enhance (as appropriate) programmes with the universities and other organisations to support the innovation needs of businesses in the District.
2. Support high value added /High Growth companies to meet needs, collaborate and network
3. Address the on-going transportation requirements for the District.
4. Improve utilities and infrastructure (e.g. broadband and ICT) in the District for residents and employers, including those located in the new communities and rural locations to ensure a vibrant economy through sustainable provision and practices

Within this priority we intend to focus on:

1. To ensure that Malvern Hills District is E-enabled – which initially will mean delivering Superfast Broadband (or better) to all the District’s businesses and the majority of dwellings to act as a positive incentive to business to locate in Malvern Hills and enable increased working from home in both urban and rural locations.

Reason: *Businesses and local communities have told us that superfast broadband access is a constraint and if Malvern Hills is to build upon its heritage of high tech business and skills it can only achieve this if we maximise broadband potential and look beyond this to determine what constitutes an e-connected district. Investment in this priority will also address issues of accessibility and physical infrastructure which are associated with being a predominately rural district.*

2. Improved access times to the Motorway and wider rail network through strategic transportation and highway improvements at Worcester and Malvern.

Reason: *For some time businesses have been telling us that the physical difficulties and times involved in getting to and from Malvern and the rural areas are acting as a barrier to investment and attracting staff. Local communities also tell us that current levels traffic and commuting into and out of the district are undesirable. Accessibility to Malvern and the rural areas needs to be improved.*

### Proposed Actions

Infrastructure – Hard and Soft						
Action	Output	Performance Measure	MHDC Role	Timescale Short/Med/Long	Business Priority High/Med/Low	Resources
Ensure <b>Superfast Broadband</b> is available to all the District’s businesses and the majority of dwellings to act as a positive incentive to business to locate in Malvern Hills and enable increased working from home in both urban and rural locations:	Improved access to and speed of broadband and improved availability of superfast	Implementation of Worcestershire Broadband Plan from Summer 2013 –	Partner  Key areas: Economic Development Team and	S	H	£50,000 proposed contribution to Worcestershire

Including: 1) Support roll out of the WCC/ BDUK Plan 2) Identify and rectify 'not' spots which are business critical 3) Support development and access to funding for rural BB 4) Investigate business needs and requirements for enhanced provision / services.	broadband across MHD.	90% businesses and residents at 24mbps and remainder at 2 mbps by 2015.	Planning Services			Broadband Plan
Delivery of <b>Business Start Up support and Grant</b> scheme	Support the creation of new local businesses and employment opportunities	Award at least 30 start up grants per year	Partner	S	M	£35,000
Undertake a programme of 25 <b>Listening to Business Visits</b> and liaise with key local employers	Supporting and engaging with local employers	25 L2B Visits undertaken by end of the year	Direct Lead	S	L	(No MHDC budget provision)
Deliver MHDC <b>accommodation accreditation</b> grant scheme	Improve the quality of visitor accommodation in the District	Award 6 Accreditation grants	Direct Lead	S	L	£1,500
Delivery of <b>Tourist Information services for Malvern Hills District</b> including: 1) <b>TIC outlets</b> in Great Malvern and Upton upon Severn 2) <b>Improved web based presence</b> and information for MHD based tourism and material relevant to businesses 3) <b>Improved numbers</b> for face to face and	Increased visitor numbers and generation of income to support TIC services	Malvern - Achieve Income target of £35,000 Welcome over 70,000 customers' p.a. Upton upon Severn - Achieve	Direct Lead	S	H	TIC Budgets Malvern £92,000 Upton £33,000

<p>virtual contacts</p> <p>4) <b>Improved retail performance</b> for TIC outlets and web based.</p> <p>5) Investigate how tourism / visitor based contacts can be used to <b>promote awareness of MHD based business</b></p>		<p>Income target of £6500</p> <p>Welcome over 18,000 customers p.a.</p>				
<p>Investigate opportunities to establish a bespoke <b>business advice service to aid potential technology and innovation based businesses</b></p>	<p>Supporting and engaging with local businesses</p> <p>Developing the technology sector.</p>	<p>Business support for 25 technology businesses p.a.</p>	<p>Lead/Partner</p>	<p>S</p>	<p>M</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Support Tenbury Tourism Consortium to deliver a <b>Tourist Information services in Tenbury Wells</b></p>	<p>Increased visitor numbers and generation of income to support TIC services</p>	<p>Welcome over 10,000 customers p.a.</p>	<p>Partner</p>	<p>S</p>	<p>M</p>	<p>£5000 Grant</p>
<p>Promote a <b>Malvern Hills Innovation/Entrepreneurs network</b> which can update and connect research and businesses people with respect to events, opportunities, mutual support and technical discussions</p>	<p>Supporting and engaging with local businesses.</p>	<p>Develop Malvern Hills Innovation Network</p> <p>Facebook /LinkedIn/ Twitter pages</p>	<p>Direct Lead</p>	<p>S</p>	<p>M</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Investigate the feasibility of developing a <b>technical / research library</b> facility open for key technical workers and prospective and fledging businesses – possible online service</p>	<p>Supporting and engaging with local businesses.</p>	<p>Provision/Access to technical/research publications in Malvern</p>	<p>Partner</p>	<p>M</p>	<p>L</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Support the low carbon economy of the district through the Green Deal and ECO schemes and other opportunities to promote and showcase renewables and community energy schemes</p>	<p>Supporting and engaging with local businesses.</p>	<p>Ensure local businesses are engaged and opportunities for training and employment are maximised</p>	<p>Partner</p>	<p>M</p>	<p>L</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>

<p>Lobby for <b>improved rail services</b> particularly serving London, Birmingham and Bristol</p> <p>Including:</p> <ol style="list-style-type: none"> <li>1) Hourly services to Birmingham, London and Bristol</li> <li>2) Support implementation of proposed improvements to Malvern Links Station</li> <li>3) investigate options for increased rail based park and ride at Malvern Link and at Worcester to reduce in / out journeys on A449</li> </ol>	<p>Ensuring quick and frequent rail access for businesses and customers</p>	<p>Hourly services to Birmingham, London and Bristol</p> <p>Implementation of Malvern Link improvements.</p>	<p>Lobby / Partner</p> <p>Key areas: Economic Development Team and Planning Services</p>	<p>M</p>	<p>H</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Work to <b>attract funding via the WLEP Growth Plan and EU Investment Strategy and other streams</b> to support the MHD economy in particular R&amp;D, Proof of concept funding, rural diversification, small business growth, start ups and High Tech sector, low carbon economy, graduate placement and inward investment</p>	<p>Supporting and engaging with local businesses Developing the technology sector.</p>	<p>Attract funding for businesses to the District</p>	<p>Lead/Partner</p>	<p>M</p>	<p>M</p>	<p>Match funding</p> <p>(No MHDC budget provision)</p>
<p>Provide <b>improved information</b> to businesses regarding <b>infrastructure changes / disruptions</b> and planned enhancements that may affect their operations or those of their customer</p>	<p>Supporting and engaging with local businesses.</p>	<p>Business alert set up re web based resource setting out utilities works, road works, proposed parking and servicing changes, public transport changes etc.</p>	<p>Partner</p>	<p>M</p>	<p>L</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Work with local businesses to determine what services, capabilities and expertise exists locally and <b>promote local supply chains</b></p>	<p>Supporting and engaging with local businesses.</p>	<p>Establish a business database for the District and survey</p>	<p>Direct Lead</p>	<p>M</p>	<p>L</p>	<p>(No MHDC budget provision)</p>

<p>Support the <b>implementation of the Worcestershire Transportation Strategy</b> and South Worcestershire Infrastructure Development Plan where this supports the economy and in particular improvements to Motorway access.</p> <p>1) Work with key partners, utilities and business partners to develop and lobby for implementation of funding plan (including grant applications) for strategic / local infrastructure</p> <p>2) Ensure the business needs are understood and represented in the identification and delivery infrastructure.</p>	Create the conditions to allow businesses to thrive in MHD		<p>Partner</p> <p>Key areas: Economic Development Team and Planning Services</p>	L	H	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Continued <b>flood protection</b> for local communities and businesses across the District, including a focus on communication routes and essential infrastructure</p>	Create the conditions to allow businesses to thrive in MHD		<p>Partner /Lobby</p>	L		<p>TBC</p> <p>(No MHDC budget provision)</p>

**Areas for future consideration**

1. **Energy based brokerage** schemes for major business / employment parks
2. Investigate the establishment of a **Business Loan Fund** to invest in growth businesses
3. Development of specific support for agricultural and rural land based industries

**Priority 2: Housing** (to both retain the existing work force and younger people and allow essential skilled / younger workers to locate here)

To deliver appropriate housing offer to make a positive contribution to attracting and retaining a suitable skilled and qualified workforce, including professionals, technical specialists and entrepreneurs to underpin the economic role of Malvern Hills District

1. Achieve the right mix of housing to support the changing needs of residents, the workforce and the business community.
2. Secure, through partnerships and planning agreements, innovative mechanisms for the delivery of housing suitable to first time buyers, young people and young families, those in training and those in need affordable housing.
3. To support the delivery of a flexible and buoyant rented sector that can address a wide range of needs from affordable through to open market sector.
4. To identify and support the delivery of specialist accommodation to meet the needs of our changing population and the business / education sectors.
5. Provide a mix of facilities that supports the economy, including leisure, tourism, education, health and other appropriate facilities to make Malvern Hills District an even more attractive place to live and for a wider range of people.

Within this priority we intend to focus on:

**1. Providing a housing mix appropriate to local and economic needs. Including housing opportunities for:**

- **Key workers**
- **Younger households and graduate / trainee workforce**
- **Young families**

*Reason: Malvern Hills District is a highly desirable place to live. However, this leads to high average house prices, relatively poor levels of affordability in relation to local incomes and shortages in suitable affordable housing. Businesses*

have told us that housing pressures across South Worcestershire are leading to workers commuting longer distances or choosing not to work here at all. Businesses both in new and existing sectors need young trainees and specific skilled workers if the skill base is to be sustainable and grow. Innovative ways of providing housing both affordable and attractive to young workers and young families are urgently needed.

Key businesses are telling us that specialists and skilled workers are in high demand and that they are very mobile. Their choices regarding where to locate are influenced by a range of factors including lifestyle choices, education provision, accessibility and access to leisure and recreation. Within this sector Malvern Hills District and its business community are often competing for key workers nationally and internationally. It is therefore important that consideration is given to the whole offer which inevitably includes suitable and flexible housing choices.

Housing						
Action	Output	Performance Measure	MHDC Role	Timescale Short/Med/Long	Business Priority High/Med/Low	Resources
Develop the <b>leisure and recreational facilities and opportunities</b> that will attract and encourage younger workforce to live and work in the District	Provide a mix of facilities that supports the economy, including leisure, tourism, education, health and other appropriate facilities	Establish and adopt a Leisure facilities strategy for the District by Spring 2014	Lead	S	H	TBC  (No MHDC budget provision)

<b>Support home working</b> with positive planning policy	Achieve the right mix of housing to support the needs of business community	Revised home working policy adopted within the SWDP	Lead	S	M	Unlikely to represent budget implications
Recognise and facilitate house building to stimulate the local economy and generate training and jobs for young people	Achieve the right mix of housing to support the changing needs of residents, the workforce and the business community	Delivery of phased residential allocations through the SWDP	Lead/Partner	M	H	TBC (No MHDC budget provision)
Work with Private sector and Housing Association to <b>provide innovative key worker housing</b> schemes including: <ul style="list-style-type: none"> <li>• First time buyer deposit scheme</li> <li>• Enhancing and increasing private rented sector offer</li> <li>• Increased levels of affordable housing</li> <li>• Specialist housing to meet local needs</li> <li>• Work – live schemes</li> </ul>	Achieve the right mix of housing to support the needs of business community and key technology sector.		Partner	M	H	Cost – awaiting contact with Wyre Forest and Worcester  (No MHDC budget provision)
Use Planning policy to ensure all new housing is ducted for <b>fibre broadband</b>	Secure, through partnerships and planning agreements, the improvement of housing local facilities in existing and new	Related planning policy adopted within the SWDP	Direct Lead	M	M	Unlikely to represent budget implications

	communities.					
Investigate and encourage opportunities for <b>self build schemes</b> and associated building trades training and apprenticeships	Provide a mix of facilities that supports the economy, including leisure, tourism, education, health and other appropriate facilities.	Establish one self build scheme in the district by 2015	Partner	M	L	TBC (No MHDC budget provision)

**Areas for future consideration**

1. Accommodation requirements and opportunities associated with the education sector in Malvern Hills
2. Provision of specialist accommodation (including trainee / graduate / apprentice accommodation associated with key employers / sectors).

**Priority 3: Skills** (aligning the skills of our workforce with the changing needs of existing and new industries, such as advanced engineering)

Address skills required by businesses to create and maintain jobs for residents and support business growth in the District

1. Address skills required by businesses to create and maintain jobs for residents and support business growth in the District.
2. Support effective liaison between local businesses and Universities, Colleges and Schools to ensure appropriate and targeted skills are available to business
3. Promote the availability of local job opportunities widely, especially those relating to the technology sector to encourage residents to work locally.
4. Ensure that the training and qualifications needed by business can be readily accessed by Malvern Hills companies and their staff.

Within this priority we will focus on:

- 1. Encouraging effective relationships between local employers and Universities, colleges and schools to ensure appropriate and targeted skills/training provision.**

**Reason:** Malvern Hills has a strong, varied and internationally significant educational offer in relation to schools, further education and technical training. There are also strong existing national and international links between businesses and business sectors in this district and universities and research establishments elsewhere. However, businesses tell us that there is a need to develop a comprehensive picture of their needs with respect to qualifications and skills and these needs should have a greater influence on the content of courses, training and awareness of local career opportunities. It is clear that a successful education sector is an important element of the district's economic performance and the council and its partners could play a key role in establishing effective relationships between businesses and education providers.

2. Investigate and further develop the District’s potential for a Cyber Zone/Valley working with the Worcestershire LEP (the actions associated with this priority are presented under ‘Selling our Strengths’.

**Proposed Actions**

Skills						
Action	Output	Performance Measure	MHDC Role	Timescale Short/Med/ Long	Business Priority High/Med/ Low	Resources
<p>Encourage effective <b>relationships between local employers and Universities, colleges and schools</b> to ensure appropriate and targeted skills / training provision</p> <ol style="list-style-type: none"> <li>1. Business to education conference to identify skills and training agenda</li> <li>2. Identify education provider and business for pilot scheme re improved linkages between education and work.</li> <li>3. Seek education representation at Annual Innovation Festival</li> </ol>	<p>Support effective liaison between local businesses and Universities, Colleges and Schools to ensure appropriate and targeted skills are available to business</p>	<p>Regular meetings with local universities, colleges and schools plus those establishments providing key sector skills/training</p>	<p>Lobby</p>	<p>S</p>	<p>H</p>	<p>TBC  (No MHDC budget provision)</p>
<p>Continued officer support for delivery of Big Pickersleigh Project contracts for <b>Connect 2 Work</b> and <b>Overdrive</b> schemes</p>	<p>Provide support, training and employment prospects for unemployed in Pickersleigh</p>	<p>Big Pickersleigh targets for NEETS</p>	<p>Partner</p>	<p>S</p>	<p>M</p>	<p>Pickersleigh AOHN Funding</p>

Provide and encourage <b>apprenticeship and work placement programmes</b> in partnership with local colleges with MHDC leading by example	Promote the availability of local opportunities widely, to encourage residents to work locally.	Generate 50 apprenticeship or work placement opportunities in MHD p.a.	Partner	S	M	£5,000
Develop a <b>training facility</b> in Malvern based on Cyber and Defence related technologies and skills	Support effective liaison between local businesses and Universities, Colleges and Schools to ensure appropriate and targeted skills are available to business	'Outreach' Training Facility established by Autumn 2013	Partner	M	H	(No MHDC budget provision)
Investigate options for a <b>Graduate internship</b> scheme to support local graduate placements in MHD businesses	Support effective liaison between local businesses and Universities, to ensure appropriate and targeted skills are available to business	Support 10 local graduates p.a.	Direct Lead	M	M	(No MHDC budget provision)

<p>Investigate measures to <b>promote opportunities with local employers to commuters</b> to reduce out commuting and increase the retention of specific skills and knowledge to support local businesses</p>	<p>Promote the availability of local job opportunities widely, especially those relating to the technology sector to encourage residents to work locally.</p>	<p>Monthly promotion of Local job opportunities on MHDC website and via social media, networks</p>	<p>Partner</p>	<p>L</p>		<p>(No MHDC budget provision)</p>
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**Areas for future consideration**

**Priority 4: Land and Premises** (to provide a readily available supply of buildings and sites for new and expanding companies most of which will already be here)

*To ensure that Malvern Hills District can provide workspace to underpin its economic role in the sub-region as a key employment area and a location for world class businesses, whilst maintaining its high quality natural features and attractiveness*

1. Provide a balanced portfolio of sites is available and deliverable across the District to accommodate a range of business uses.
2. Provide the sites required to support the growth and development of the high technology sector.
3. Ensure that SWDP and planning practice reflect the broad economic needs and the role of the District in the sub-region.
4. Through proactive implementation of planning policy to allow for appropriate business premises and their location within the District to address business needs for existing and new business (e.g. by size, appropriate locations, tenure and proximity to suppliers).

Take advantage of growth opportunities through SWDP in the District

Within this Priority we will focus on:

- 1. The provision of a balanced portfolio of sites across the District to accommodate different employment types and key employment commitments, such as Malvern Technology Park, growth in the Cyber sector and the retention of existing businesses in need of grow on space.**

**Reason:** *Most of our existing urban and rural business parks and industrial sites are fully occupied and there is a limited supply of suitable 'shovel ready' sites or speculative premises to support future growth. Existing successful businesses have told us that they need readily available sites, preferably freehold, to enable them to build bespoke premises and therefore stay in Malvern Hills. Without suitable and accessible land and premises it will not be possible to deliver key*

employment initiatives such as further growth of Malvern Hills Science Park and Worcestershire LEP objectives for growth in the Cyber sector, or compete with neighbouring areas within Worcestershire and beyond.

**Proposed Actions**

Land & Premises						
Action	Output	Performance Measure	MHDC Role	Timescale Short/Med/ Long	Business Priority High/Med/ Low	Resources
Work with MHSP Ltd to ensure successful development of <b>MHSP Phase 4</b> including investment in additional shareholding	Ensure there is sufficient supply of land and premises to meet needs of new and existing business	Additional share capital acquisition agreed by September 2012 Phase 4 developed by September 2013	Partner	S	H	£350K share holding investment
Provide support to enable the early release of site <b>SWDP 172 (Malvern Technology Centre (QinetiQ))</b> for mixed use development (LEP Game Changer site). Including: <ol style="list-style-type: none"> <li>1. The production of an appropriate access and movement statement and associated modelling to support the development of a highways / transportation strategy for the development of the site</li> <li>2. Explore options for MHDC use its resources to facilitate release and development of Employment Land</li> <li>3. Support long term further development by</li> </ol>	Ensure there is sufficient supply of land and premises to meet needs of new and existing business	4.5 Ha employment land available for development by 2014	Partner  Key partners : WCC / LEP / QinetiQ	S	H	TBC / WCC contribution in kind for technical input and modelling work  (No MHDC budget provision)

QinetiQ of their retained Malvern Technology Centre site						
Put in place internal District Council and interagency arrangements and processes to ensure businesses and investors get fast, clear and <b>firm advice, guidance and support regarding proposals for employment</b> generating developments and uses. Including: <ol style="list-style-type: none"> <li>1. Adoption of LEP MOU / Charter / Action Plan</li> <li>2. Annual reporting against 1) above</li> <li>3. Provide officer support and advice to the LEP Planning, Development and Infrastructure working group and Pace Shaping Group</li> <li>4. Planning and Infrastructure Advice to be developed for businesses and placed on MHDC website</li> </ol>	Securing business investment and location in the District	Planning Charter adopted by Summer 2013	Partner  Key partners : LEP Sub-Group / Statutory Consultees and Agencies.	S	H	TBC
Provide <b>ED input and representations into applications</b> that have an impact on the economy of the District	Ensure there is sufficient supply of land and premises to meet needs of new and existing business	Provide input into all employment land planning applications	Direct Lead	S	H	Within existing resources
Liaise with the planning department, businesses and developers on development issues bringing forward <b>Employment Sites and Premises</b> within the District: Including: <p>Identification of key land and premises on which MHDC will focus</p> <ol style="list-style-type: none"> <li>1. Newland employment land</li> <li>2. Blackmore Park</li> </ol>	Ensure there is sufficient supply of land and premises to meet needs of new and existing business	Provide input into all employment land planning applications	Direct Lead	S	H	TBC  (No MHDC budget provision)

<p>3. Edith Walk redevelopment and car parking</p> <p>4. Worcester urban extensions</p> <p>5. Tenbury Wells Business Park</p>						
<p>Undertake an <b>annual business survey</b> to determine business infrastructure and support needs and any limitations to growth and investment</p>	<p>Ensure there is sufficient supply of land and premises to meet needs of new and existing business</p>	<p>1 Business Survey p.a.</p>	<p>Direct Lead</p>	<p>S</p>	<p>M</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Support the <b>growth of indigenous businesses</b> through proactive partnership working to deliver land and premises to meet their requirements. Including</p> <ul style="list-style-type: none"> <li>· <b>Morgan Motor Company</b></li> <li>· <b>Three Counties Agricultural Society</b></li> <li>· <b>Malvern Instruments</b></li> <li>· <b>UTC Goodrich</b></li> <li>· <b>HP Mouldings</b></li> </ul>	<p>Securing business investment and location in the District</p>	<p>Agree and facilitate with plans for growth within required commercial timescales</p>	<p>Lead</p>	<p>M</p>	<p>H</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p><b>Support MHSP Ltd in achieving its Vision</b> as the leading Cyber and Defence Science Park in the country</p>	<p>Create the conditions for growth of new and existing technology businesses and related employment opportunities</p>		<p>Partner</p>	<p>M</p>	<p>M</p>	<p>TBC</p> <p>(No MHDC budget provision)</p>
<p>Implementation of <b>Town Centre Enhancement schemes for Malvern, Tenbury and Upton.</b></p> <p>(This action refers to implementation of LTP3 funded Public realm schemes)</p>	<p>Create the conditions to support town centres, traders and encourage footfall and</p>	<p>Support implementation of existing schemes in Upton and Tenbury Wells</p> <p>Develop a plan for</p>	<p>Partner</p>	<p>M</p>	<p>H</p>	<p>WCC funding</p> <p>S 106 contributions</p>

	activity	Malvern Town Centre with key partners HLF bid for Route to the Hills Project by June 2014				
Investigate and further develop the District's potential for a <b>Cyber Zone/Valley</b> working with Tewksbury/ Gloucester/Cheltenham. Including:  1. Support the development and implementation of the emerging Worcestershire LEP Cyber Security Strategy 2. Support the development of a national Cyber Security Training facility at Malvern	Securing business investment and location in the District		Partner  Key Partners : Worcestershire LEP / WCC / MHSP	L	H	TBC  (No MHDC budget provision)

**Areas for future consideration:**

1. Increase the number of premises and sites available to businesses on a **freehold** basis
2. Support the **development of additional hotel capacity** and quality in the District.
3. Investigate the potential of developing a **MHD food production / manufacturing zone in the Teme Valley** and possible linkages with tourism / hospitality / leisure
4. Consider **Local Development Orders** for key employment sites to facilitate simple business planning processes.
5. Investigate opportunities for the District Council and other key partners to intervene in the property market to **deliver land and premises**

**Priority 5: Selling our strengths** (developing business / employment sectors and overcoming Malvern Hills being one of the best kept secrets on the map)

*To develop the distinctiveness of the Malvern Hills image and offer, and to develop the District's brand based on innovation associated with its world renowned facilities, businesses and expertise within key sectors*

1. Develop the distinctiveness of the Malvern Hills image and brand to stimulate and retain inward investment in the District.
2. Strengthen the unique tourism offer and benefit of the wider tourism and leisure offer of the sub region, and target relevant opportunities and/ or events
3. Promote inward investment to develop existing key economic clusters especially within the high technology and clean technology sectors, balanced with opportunity growth sectors to underpin the economic well being of the District

### **1. Develop and promote the Malvern Hills Innovation Reputation**

**Reason:** Businesses have told us that Malvern Hills is one of the best kept secrets in the region. They tell us that investors, key employees and other business people recognise the benefits of locating in the district, such as a strong local economy, a great environment, good education providers and housing, a highly skilled and qualified workforce and other established businesses with which to network. However, these strengths are only apparent when they visit. Consequently, there is a need to raise the profile of the district by promoting, through a variety of channels, what makes its distinctive and open to Innovation.

### **2. Investigate and further develop the District's potential for a Cyber Zone/Valley working with the Worcestershire LEP**

**Reason:** The District has a rich heritage of high tech research and development linked to defence and related technologies, but things have moved on. As recognised nationally Malvern is the home of many companies capable of

anchoring the development and promotion of Malvern as Worcestershire’s hub with respect to cyber defence. The Worcestershire LEP has identified Malvern as being critical to meeting Worcestershire’s ambitions for developing the Cyber employment sector. This will require a wide range of actions but is dependent upon implementation of related priorities for housing, skills, infrastructure and land / premises, in particular conditions which can attract and retain young people and investment.

**3. Implement the Malvern Hills District Visitor Economy Action Plan as a means of promoting the District’s environmental, heritage, cultural, educational and outdoor recreational assets to support business investment and to target and retain younger people**

**Reason:** Malvern Hills needs to grow its workforce to address the longer term implications of the District’s aging population, prevent the potential outflow of businesses in need of workers, reduce in commuting and meet the needs of a wide range of businesses for both trainees and skilled workers. Businesses have told us that Malvern Hills, at face value is not attractive to younger people but it has much to offer young people and young families if the areas assets were better exploited, promoted and made accessible.

**Proposed Actions**

<b>Selling our Strengths</b>						
<b>Action</b>	<b>Output</b>	<b>Performance Measure</b>	<b>MHDC Role</b>	<b>Timescale Short/Med/ Long</b>	<b>Business Priority High/Med/ Low</b>	<b>Resources</b>
Support for <b>Events/Markets that support footfall in our Town Centres.</b>	Increased activity in the Town and more shoppers and visitors supporting local	12 Farmers markets 6 Arts Markets 6 events held in	Partner	S	H	£25,000K events support budget

	shops and facilities - making the Town more vibrant,	Great Malvern through the year 4 supported events held in Upton through the year 4 events held in Tenbury through the year				
Develop the <b>visitthemalverns.org</b> website and explore options for use of digital technologies to promote the district	Increased visitor numbers and generation of income to support TIC services		Direct Lead	S	H	Need to assess against existing budget
In partnership with <b>Destination Worcestershire</b> deliver external tourism marketing opportunities for the District in line with agreed annual plan	Promote the District to a wider audience and attract visitors to the area particularly on overnight stays	Content in 2 Visit Worcestershire Magazines during year Access to at least 10 marketing campaigns per year Promotion opportunities via DW website	Partner	S	M	£2,500 Annual Contribution
Holding and developing the <b>annual Malvern Hills Innovation fair</b> – Malvern Festival of Innovation	Develop the distinctiveness of the Malvern Hills image and brand to stimulate and retain inward investment in the District	Annual Festival in November 2013	Partner	S	M	£2000 Annual Events Programme

Promote <b>the Leisure and Cultural offer</b> in the District's Town Centres	Develop the distinctiveness of the Malvern Hills image and brand to stimulate and retain inward investment in the District.	Develop with Town Teams Pulse Great Malvern	Partner	S	M	
Develop <b>tourism packages and itineraries in partnership with the industry</b> to turn days into stays	Strengthen the unique tourism offer and benefit of the wider tourism and leisure offer of the sub region, and target relevant opportunities and/ or events	Campaign in place by Summer 2013	Lead/Partner	S	M	Need to assess against existing budget
Implement <b>Visitor Economy Action Plan</b> for the District.  Including the following subsidiary actions:  To build stronger partnerships to effectively promote, manage and invest in tourism To raise the market profile of the Malverns To enhance the tourism product and visitor experiences in the Malverns To support successful businesses across the visitor economy which deliver quality service,	Support the development of tourism based businesses and employment opportunities	Action Plan Approved and adopted by partners by May 2013	Direct Lead	M	H	TBC  Need to assess against existing budget
<b>Promote the District's</b> environmental, heritage, cultural, educational and outdoor recreational assets to support business investment and to <b>target and retain younger people</b>	Develop the distinctiveness of the Malvern Hills image and brand to stimulate and retain inward investment in the District.	Campaign in place by Summer 2013	Direct Lead	M	L	TBC  (No MHDC budget provision)

Develop and implement an <b>improved signage strategy</b> for the District which better and comprehensively promotes retail opportunities, linked tourism assets and employment areas.	Develop the distinctiveness of the Malvern Hills image	Signage strategy in place for 2014	Partner	M	L	(No MHDC budget provision)
Develop, participate in and enhance local economic partnerships to <b>develop the distinctiveness and brand of the District</b> and reinforce an innovation reputation for the Malvern Hills	Develop the distinctiveness of the Malvern Hills image and brand to stimulate and retain inward investment in the District.	New Innovation Brand for MHD	Lead/Partner	M	H	TBC (No MHDC budget provision)

### Areas for further consideration:

1. Marketing Malvern Hills via overseas education links.
2. Development of rural centre of excellence and education based on existence of TCS
3. Investigate the potential of developing a food production / manufacturing zone in the Teme Valley and possible linkages with tourism / hospitality / leisure

Reason: There is a real need to ensure employment and business needs of the rural areas are addressed in order to deliver a balanced economy. In addition to detailed actions such as farm diversification, work-live and promoting our rural business parks businesses have suggested that the potential strength of the district's food production and manufacturing employment sector is poorly understood and under estimated. Further, it may be possible to link this sector with the tourism, hospitality and leisure sector across the district providing much needed rural employment across a range of industries.

## **Monitoring the success of this strategy**

We will use the following indicator sets to monitor the impact and effectiveness of the activity contained within this strategy.

### Potential indicators

- *Diversification of the local economy*
- *increasing output as measured by Gross Value Added (GVA)*
- *becoming more productive (GVA per head)*
- *sustained growth in jobs*
- *growth in number of new businesses*
- *inward investment and indigenous investment*
- *infrastructure improvements*
- *been enhanced by the retention of younger residents,*
- *more high-value jobs in the area*
- *Securing and growing high technology sectors*
- *Take up of land and premises for business purposes*
- *Delivery and take-up of new homes*
- *Retail spend and performance*

## Appendix 1: Malvern Hills - Economic Context and Emerging Needs

### Overview

The Malvern Hills District has substantial natural and built, historical and cultural assets. This offers a mix of services and facilities and promotes a high quality of life for residents, visitors and investors in the area. It is essential that these environmental features are safeguarded to ensure they remain assets for the District.

The District also has a diverse and flexible business base with high levels of entrepreneurial activity, good business survival rates and good basic skills levels to build upon. The District now has a strong base in the high value added and knowledge based economy with a number of businesses such as QinetiQ and those based at Malvern Hills Science Park (MHSP).

The knowledge and expertise at these establishments will be used to develop the knowledge base of not only the wider District but also the County and Region. It is critical that the knowledge and expertise within QinetiQ is protected and shared

However, one of the principal barriers to economic development relates to the ability of existing businesses to recruit and retain staff in the District. The low unemployment rate of the District is positive in demonstrating that economically active residents are able to access employment. Paradoxically, employers in the District have expressed concerns that they find it difficult to recruit and retain staff due to the small labour pool. We also have a higher than average older population and this naturally means the labour pool is smaller and businesses will have a wider recruitment catchment area.

The skilled young people in the District are also being lost as they seek a greater range of higher education opportunities, jobs and through the lack of affordable housing, which can be an acute issue in rural areas. The District does have marginally lower than average wage rates but the gap with neighbouring areas is narrowing and could assist in retaining and attracting a skilled workforce to the District.

Road, rail and public transport infrastructure to the District is weak, particularly in the rural parts of the District, in terms of accommodating major investment and development. The District must ensure that appropriate infrastructure investment is made to

ensure the long term competitiveness and retention of its employer base is sustained. It is also vital that we work to ensure the provision of affordable and appropriate housing in both rural and urban areas of the District caters for all sections of the communities workforce.

In line with the diverse nature of the District's businesses there is a need to ensure an appropriate and diverse supply of employment sites is available within the District. It is essential that the District can accommodate the demand for additional employment land arising from existing local businesses growth. This will need to be balanced against the increasing impact of Worcester's future growth as one of the West Midlands sub regional foci for housing and employment growth. The development strategy for the area must preserve the competitiveness of the District's existing businesses whilst allowing for future growth in the identified key sectors of knowledge based, high value added, creative and tourism businesses.

## **Statistics**

### **Prosperity**

- A high proportion of the population are 'Wealthy Achievers' (55.6%) (compared to 38.7% county average)
- Median gross weekly full-time earnings of Malvern Hills employees in 2011 were £426.80, compared with £439.30 in Worcestershire, £470.60 in the West Midlands and £507.20 in England.
- The disparity between the median earnings of men and women living in Malvern Hills is greater than Worcestershire, the West Midlands and Great Britain.

### **Employment and Sectors**

- The Working age population rate in Malvern Hills is 59% which is lower than national (64.8%), regional (63.5%) and county (62.6%) averages.
- The Employment rate (16-64) in Malvern Hills is 71.3% (31,600), compare to 71.9% in Worcestershire, 67.0% in the West Midlands and 70.2% in England.
- The highest employing sectors in Malvern Hills are Production (15.9%), Health (13.9%), Education (10.4%), Professional, Scientific & Technical (9.8%) and Retail (9.8%). Malvern Hills has the largest proportion employed in Professional, scientific and technical roles in Worcestershire at almost 10%, some 3.9 percentage points higher than the county average.

- Malvern Hills has the greatest proportion of manufacturing employees employed in high-technology manufacturing in Worcestershire at 19.0%, significantly higher than county (8.0%), regional (7.3%) and national (11.9%) averages most likely due facilities such as Malvern Hills Science Park.
- JSA Claimant rates are at 2.2%, lower than Worcestershire 3.0%, West Midlands 4.8% and GB 3.8%
- Job density – jobs available per resident in 2010 were 0.73 in line with averages.
- Jobcentre vacancies – 298 in Malvern Hills at 67 per 10,000 working age population – lower than regional and national averages. Malvern Hills also has 3.2 JSA Claimants per unfilled vacancies lower than the 3.5 for West Mids. And 3.8 for GB.

### **Enterprise and Innovation**

- There are 4275 VAT or PAYE Enterprises in MHD – 89.5% 0-10 employees – higher than national, regional and county averages. Businesses employing 50+ represent around 1.8%.
- While in 2010 MHD had less enterprise start ups 340 than closures 380, this ratio is better than national, regional and county figures.
- Business births per 10,000 adults show MHD is very entrepreneurial at a rate of 54.6 compared to national, regional and county rates of 49.2, 41.5 and 44 respectively
- Business survival rates in the district are strong - the five year survival rate is 51.1% (the highest in the county), which is higher than national (44.1%), regional (44.2%) and county (46.7%) averages. The one year survival rate is also the highest in the county (96.1%), and is higher than national (90.9%), regional (91.6%) and county (92.8%) averages
- Agriculture, forestry and fishing still accounts for the largest proportion of business with 14.7% with professional scientific and technical next on 13.9% and construction third on 9.5% and retail fourth on 8.1%
- At March 2009 – 4310 local enterprise units employing 27,687 with a total turnover of £1.7 billion

### **Labour Supply and Skills**

- There has been a reduction in jobs in Malvern Hills of c.1,000 between 2008 and 2010 to some 32,000
- Between 2009 and 2010, the population of Malvern Hills grew at a higher rate than local comparator areas at 0.5% - this is higher than county (0.2%) and regional (0.4%) averages but not as high as the national average (0.8%).
- Malvern Hills' economic activity rate is high by regional standards and equal to the national average.

- The percentage of working age population in MHD qualified to at least NVQ Level 4 or higher is significantly higher than national, regional and county averages (41.5%, compared to 32.7%, 26.3%, and 30.6% respectively)
- Level 3 and above is also higher than national, regional and county averages, while Level 2 and above match the county average and is slightly higher than the regional average and slightly lower than the national average.
- 5,800 in MHD have no qualifications – 13.1% working age population - decreased by 3.2 percentage points since 2008.

### **Transport and Mobility**

- The rate of car/van ownership in Malvern Hills is higher than county, regional and national averages.
- On a net basis, Malvern Hills experiences more out-commuting than in-commuting, primarily because of the large flow to Worcester City.

### **Housing, Social Issues and Facilities**

- Outright home ownership stands at 42.5% in Malvern Hills, compared to 35.9% in Worcestershire, 32.3% in the West Midlands and 30.6% in England.
- The average house price in Malvern Hills is higher than the county and regional averages but lower than the national average.
- Using the affordability ratio (a ratio of median house prices to median earnings), housing in Malvern Hills is less affordable than housing in Worcestershire, the West Midlands and England.

## Appendix 2: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>· Positive image as a good place to live</li> <li>· Good quality of life</li> <li>· Strong role in the sub-region as both a residential and employment area: supplier of labour and employment opportunities</li> <li>· A key recreational role: countryside access and facilities</li> <li>· Relatively strong entrepreneurial culture</li> <li>· Sectoral strengths and key drivers: significant presence in R&amp;D, high tech, the emerging green technology sector, conventional manufacturing, rural industries and tourism</li> <li>· High tech cluster, entrepreneurial culture, skills, research facility, housing / facilities, lower costs</li> <li>· Malvern Festival of Innovation to develop as a national flagship event</li> </ul>	<ul style="list-style-type: none"> <li>· Need to promote the area more positively and improve the product by dealing with the short supply of a balanced portfolio of sites, congested roads and access issues, a shortage of executive housing, relatively</li> <li>· More could be done to promote area as a business location and brand to underpin and attract investment</li> <li>· Some concerns that major developments for housing, employment (and associated facilities and community infrastructure), and transport infrastructure / projects will not go ahead or be delayed resulting in continuing increased imbalances between jobs/housing overall</li> <li>· Concerns over the utilities, energy and telecoms/broadband infrastructure requirements and the need to keep pace with demand.</li> <li>· Under performing tourism sector</li> <li>· Vulnerable to the recession. Fewer public sector jobs. The high tech cluster and supply chain. The contraction in conventional</li> </ul>

<p><b>Employment</b></p> <ul style="list-style-type: none"> <li>· High economic activity rates and low unemployment rates</li> <li>· Low long term unemployment rates in comparison to</li> </ul>	<p>manufacturing, light industrial and construction jobs</p> <ul style="list-style-type: none"> <li>· The need to strengthen start-up support and enterprise</li> <li>· Shortage of debt and equity finance for businesses (especially for innovation and R&amp;D / exploitation)</li> <li>· Support and funding to exploit R&amp;D and grow successful businesses</li> <li>· Lack of specialist proactive business support services for high tech and in design / innovation.</li> <li>· Constraints: finance (reflecting different sector/stage of development needs), marketing skills / support (including local markets and exporting) support for innovation (including access to the universities), regulation / quality issues and managing to survive</li> <li>· Collaboration, business to business networks in some key sectors such as high tech limited</li> </ul> <p><b>Employment</b></p> <ul style="list-style-type: none"> <li>· Redundancies due to downturn/recession</li> <li>· High youth unemployment which is growing at faster than average rate</li> <li>· Economic exclusion of some groups</li> </ul>
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national and regional figures despite the recession

### **Skills**

- Higher than regional and national average qualification levels at NVQ Level 3 and 4
- High value knowledge base provided by Central Technology Belt, QinetiQ, Malvern Science Park, etc...
- Higher proportion of young people going into further education and work based learning than the national average
- Better success rates of learners achieving qualifications in our local colleges and work based learning providers than the national average
- Above average attainment levels for GCSE and A Level
- Higher than average basic skills levels

- Lower than average wage levels

### **Skills**

- Skills levels in certain areas and sectors are below average
- Labour mobility / accessibility constrained by transport, congestion and high housing costs especially for managerial / technical skilled and unskilled labour / mobility from elsewhere.
- Shortages of skills in some specialist skills: management, IT and innovation /product and service development / exploitation (with university access), exporting, and understanding regulations.
- Shortages in some key sectors including high tech, cyber security
- Some shortages for less skilled and elementary occupations.
- 5,800 in MHD have no qualifications – 13.1% working age population - decreased by 3.2 percentage points since 2008
- Pockets of deprivation across the District
- Lack of affordable housing
- Ageing population

**Sectors**

- Diverse economy across District with increasing employment in growth sectors – e.g. banking, tourism, technology
- Significant income and potential for further growth of tourism

**Businesses**

- Higher than average levels of self employment High proportion of SMEs against the regional average with a fair record of sustainability
- Higher number of businesses with a Business Plan than the regional average
- Increasing levels of gross value added per head
- Availability of labour was good in terms of quantity and quality that could be hired relatively easily.
- Range and mix of skills

**Sectors**

- High dependency on vulnerable sectors in certain areas (particularly low value-added manufacturing, and agriculture) with 20% employed in vulnerable industry sectors

**Businesses**

- Older industrial estates: needed to be improved
- Shortage of premises in the 1,500-2,000 SqFt range for smaller and medium sized businesses in the right locations in the light industrial, more conventional building services, warehousing, and office sectors
- Shortage of very small units e.g. at lower cost, for basic lab/office space.
- Lower levels of self employment among certain areas and groups
- SMEs need further support, training
- Only 37% of businesses have a training plan linked to their business plan, with only 28% having a dedicated training budget
- Loss of talent especially graduates from County due to limited

### **Environment**

- Well located within UK with good access to Birmingham, Bristol and Cardiff by road and rail
- Good quality employment sites and flagship projects: science park
- Good business facilities for business networking
- Attractive natural environment and high quality of life
- Central geographical position on national road transport network
- Complementary rural-urban mix
- High and rising housing costs attracted professional / managerial staff
- Accessible leisure and recreational facilities
- Major visitor attractions and outdoor leisure facilities

higher education provision

- Young people unable to find good quality employment in County

### **Environment**

- Lack of strong image – strong voice
- Need for expansion of ICT infrastructure and training
- Congestion on Southern Link and access to Worcester City.
- Some public transport problems – infrequent rail services, rural isolation, low use of public transport
- Some concern that housing, employment (with associated facilities and community infrastructure) and transport infrastructure projects would not go ahead and be delayed resulting in continuing imbalances.
- High cost of housing which resulted in long housing waiting lists and restricted the supply of skilled and less skilled labour
- Shortage of executive housing – owners / managers

Opportunities	Threats
<ul style="list-style-type: none"> <li>· MHSP/QinetiQ</li> <li>· Cyber Security</li> <li>· Clusters funding including Food &amp; Drink, Creative Industries, Environment Technology, and Tourism Social enterprises</li> <li>· Worcester University expansion</li> <li>· Improved local market for local goods as consumers look to reduce the 'carbon footprint' of their consumables</li> <li>· Proactively utilising skills of older workforce as retirement ages increase</li> <li>· Worcestershire LEP – Growth plan and EUIS</li> <li>· Strong Entrepreneurial base to grow</li> <li>· Technology for Tourism cluster</li> <li>· Events offer via facilities such as the Theatres and Three Counties showground but also cultural events such as Malvern Rock and Autumn in Malvern and Business events such as the Malvern Festival of Innovation</li> <li>· Use of social and digital media to promote the area</li> </ul>	<ul style="list-style-type: none"> <li>· Recession and slow recovery</li> <li>· Need to build more effective delivery infrastructure</li> <li>· The need to maintain a balance and diversify the economy</li> <li>· Reorganisation and reduction of business support services e.g. Business Links, AWM, and central government programmes and private/public sector business/enterprise support</li> <li>· Complexity of two tier working</li> <li>· Lack of access to external funding in parts of the county, making it more difficult to carry out regeneration activities</li> <li>· Severe weather events disrupt business operations, District is particularly at risk of flooding</li> <li>· Ageing population eroding the available workforce</li> </ul>

## Appendix 3: Business Consultation Summary Feedback

- **Strategic issues**
  - **Infrastructure:**
  - **Housing**
  - **Skills**
  - **Land and Premises**
  - **Selling your strengths**
    - *(The need to produce and deliver an integrated strategy for MHD)*
  - **Specific suggestions:** Initiatives / projects / ideas / recommendations
- **Observations:** comments that tell you a lot about MHD and Economic Prosperity

### Strategic Issues raised by businesses

- **Infrastructure:**
  - **Roads** (particularly access to motorway network)
  - **Broadband:** speed not just access / can't reduce personal travel in the rural areas / can't run parent companies IT systems / local constraints e.g. cabinet 50 / BT corporate plans need to be flexible

- **Rail:** particularly access to South east / London (influence on cultural offer / tourism / access to markets – e.g. cyber security / education offer e.g. Malvern college / commuting in and out
- *A 'digitally connected' Vision for Malvern Hills*
- **Housing:**
  - Housing costs are a constraint
  - Inadequate affordable housing – rented accommodation
  - Restricts graduate, young family and key worker relocation
  - Increases in and out commuting
  - More housing is required – attraction and enabling people to stay
  - Housing can promote activity
- **Skills**
  - Many new firms draw significant numbers of staff from outside the area (issues around commuting and commuting costs)
  - Not all about graduates – some need non graduates for apprenticeships (but local standards not good enough)
  - Need to improve linkages between businesses and schools (particularly innovation / manufacturing companies)
  - Skills gaps – computer programming (local colleges / university not providing suitably skilled employees)
  - Manufacturing is still alive and growing (high end / technical skills)
- **Land and premises**

- Staying in Malvern / Malvern Hills is not the cheapest option for businesses
- Lower business rents in adjoining / nearby areas are a threat to retaining / attracting some businesses
- Finding land is an issue if you want to buy and build to grow the business and stay in the district
- Premises – trading up - preference to go into owner occupied (options are limited)
- More hotels / bed space capacity
- **Selling your strengths**
  - The environment is an asset -if you can get people here!
  - Use your assets to promote and attract / retain business and workers – using the environment and outdoor activities - cycling, festivals, schools, outdoor pursuits (*target younger people*)
  - Promote / use the area's heritage, educational quality
  - Use culture (e.g. theatres) to promote area – but trains are not an option re late night shows
  - Centre for innovation (across a number of sectors)
  - Need to develop the MHD brand / hook for attracting business (through joined up promotions)

### **Specific suggestions**

- Not enough support to turn ideas into businesses (*commercial advice to technical specialists*)
- High end manufacturing - some opportunities to bring back processes / sub-assembly from places such as China
- Need to enable innovation people to meet up - potential inventors club (with commercial focus)

- Business Fairs / Forums
- Develop a 'made in Malvern Hills' website
- Business based energy brokerage options co-ordinated by MHDC
- Town Centres
  - improved promotion and development with a shift to a leisure and cultural offer - pedestrian friendly
  - Great Malvern, Barnards Green and Malvern Link are fragmented – promote jointly (including parking and public transport links)
  - Better / modern / reduced signage – locations and facilities
  - Focus on innovation not simply science and technology (Innovation Zone or Park)
- Need to move on from the DERA and QinetiQ legacy
- Catch the commuters (many specialists would prefer not to commute)
- Importance of Tourism - in its own right and to promote the area (capture investors)
- TICs to carry business promotion material
- Potential for M5 corridor – Bristol / Gloucester / Tewkesbury / Malvern / Worcester / Malvern / Birmingham
- Potential for food / produce triangle or corridor (*Teme Valley*)
- Potential for cyber zone (links beyond MHD)
- School / college resource re local business (GCSE / A level / FE)

- Options for major company or sector to integrate with local schools (food / manufacturing)
- Use colleges as a means of both promoting the area and capturing potential business (leaders)
- Annual exhibition in Malvern (science / innovation / made in Malvern Hills)
- Co-ordination of LA activity / policy on cross boundary issues (e.g. supply circles)

### **Some observations from businesses**

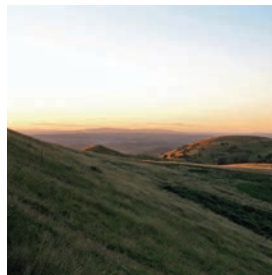
- Perception – ‘it’s the back of beyond (but when you are here its fantastic)’
- Catch key business people and they will invest and stay
- Tewkesbury / Hereford are a potential threat due to growing defence focus
- Potential threat to cultural offer if affluent businesses / employees lost from the area
- QinetiQ intend to stay (but never say never) 850 extremely qualified staff keep them here
- Manufacturing is still alive and growing (high end / technical skills)
- Businesses are willing to use local suppliers
- It’s a great place for people with ideas
- We need to encourage a younger population
- We need to undertake succession planning for the current aging workforce
- Some benefits of the ‘Malvern’ brand - but currently not strong or particularly distinct
- Malvern – Britain’s best kept secret

# MALVERN HILLS DISTRICT

2013/18

## ECONOMIC DEVELOPMENT STRATEGY

OPEN TO INNOVATION



Malvern  
Hills  
District  
Council

[www.malvern hills.gov.uk](http://www.malvern hills.gov.uk)

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