

An Economic Development Strategy for Wellingborough

Refreshed

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CONTENTS

Foreword

1. Purpose and Scope of the Strategy
2. Context
3. Vision
4. SWOT Analyses
 - 4.1 Labour Market
 - 4.2 Business & Enterprise
 - 4.3 Land, Buildings and Infrastructure
 - 4.4 People & Communities
 - 4.5 Environment
5. Emerging Issues & Trends
 - 5.1 Spatial Perspective
 - 5.2 Economic Perspective
 - 5.3 Alignment with NEP priorities
6. Key Economic Objectives and Priorities

Foreword by the Leader of the Borough Council of Wellingborough

Economic prosperity and improved skills and employment opportunities are at the heart of a strong community where people feel valued, contribute to and benefit from the Borough's improved economy.

In its role as a community leader, the council is well-placed to work with its partners in the public, private and voluntary sector to recognise the key role that we all have in shaping the future economic prosperity of the area.

This document sets out the proposed areas of activity and seeks feedback and comments on whether all of the key challenges and opportunities have been identified and therefore whether the proposed priorities are the right ones.

Your feedback and comments will inform the final strategy, which will act as a catalyst for partnership working. It is the combination of effort and forces from all sectors that will ensure we make a real difference to the opportunities available to our local residents.

1. Purpose and Scope of the Strategy

- 1.1 In January 2011, DTZ Consulting was commissioned by the Borough Council of Wellingborough to support the Council in the preparation of an Economic Development Strategy (EDS) by undertaking appropriate research, identifying priorities and outlining key actions the Council and partners would need to focus their resources upon in order to deliver economic growth.
- 1.2 A review of the most current documents and demographic information has been undertaken and the focus of economic development objectives for the Borough remains linked to the 2020 Vision. However, in the light of recent developments, such as the advent of Local Enterprise Partnerships (LEPs) and the review of the Plan for the Borough of Wellingborough (PBW), it is now opportune to review our priorities in a more holistic way to ensure that the council maximises its own resources, those of its partners and the opportunities that are available.
- 1.3 It is intended that the EDS will align with the emerging PBW, integrating the spatial policy perspective and the borough's economic ambitions for the future. In addition, the EDS will propose priority areas of activity, which will be reviewed every 5 years and for which Wellingborough's economic partnership will continue to oversee its delivery.

2. Context

- 2.1 Situated at the heart of the beautiful Nene Valley, Wellingborough is the most southerly part of North Northamptonshire and less than 50 minutes by train from London St Pancras and the Eurostar Hub for onward journeys to Paris and Brussels.
- 2.2 Road access is also good with access to the M1, A1, A45, A14 and M6 meaning that businesses located in Wellingborough can travel to and from Dover and the Channel Tunnel, London, Birmingham, Southampton, Felixstowe and Newcastle upon Tyne within one day, contributing to Wellingborough's status as an established logistics "hub". Proximity to a number of international airports further enhances Wellingborough's accessibility.
- 2.3 Wellingborough's economy has undergone a transformation from one based on manufacturing, particularly footwear and engineering, to a more diverse economy with a growing service sector. Key major employers in the area include Cummins, Lotus Lightweight Structures, Monsoon/Accessorize, Weatherbys, Whitworths, Kuehne & Nagel and Scott Bader Co Ltd.
- 2.4 The global recession and associated credit crisis continue to present challenges for individuals and businesses alike.
- 2.5 Less public money to support businesses and start-ups is available following the abolition of Business Link and the Regional Development Agencies such as the East Midlands Development Agency (EMDA) However, the advent of Local Enterprise Partnerships has given a new opportunity for business communities and the public sector to effectively work together in this more difficult climate.

3. Vision

- 3.1 Wellingborough has a vision of a well-connected, thriving, urban centre which seeks sustainable growth and, at the same time, preserves the traditional village way of life both in its four "large villages" and many rural locations.
- 3.2 Key to this vision is adequate infrastructure, home grown locally based education and skills and a supply of jobs in a wide variety of sectors of the employment market. All of this is already underway and much more is planned to enhance the town's potential for more employment site development. Further improvements to the rail offer are also underway, with electrification works planned and the necessary bridge and road improvements to facilitate this already in progress.
- 3.3 Wellingborough has a strong potential to contribute to the growth of Northamptonshire through the realisation of its plans for housing and employment. Key opportunities are:
- Stanton Cross - 3,200 dwellings & 10 ha of employment space
 - Wellingborough North - 3,000 dwellings & 6.69ha employment land
 - Employment sites - 10,700 jobs (One such employment site is Appleby Lodge, which will provide over 200,000 sqm of employment space focused on B8).
 - The re-development of Tresham College campus on its current town centre site will provide opportunities for up to 1,000 students at its STEM centre. A digital skills academy will also be established. Other residential planning consents - 1,500 dwellings
- 3.4 Development of these over the next 20 years will result in almost £1 billion of investment in the borough.

4. SWOT Analyses of Wellingborough and its economy

The following SWOTs summarise the findings set out in the Economic Evidence Base and set the scene for the strategy

4.1. Labour Market

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ High economic activity and resident- based employment rate¹. ■ High concentration of employment and skills in the distribution/logistics sector – partly due to Northamptonshire’s geographic location ■ Competitive labour costs in comparison with the East Midlands and England – and key competitor areas ² ■ Heavily private sector oriented economy – means the county is relatively well placed to absorb the impact of public sector cuts ■ GVA growth has been higher than the UK average since the recession. Wellingborough is ranked 135 out of 325 Local Authority areas based on productivity, placing it in the middle 20% in England.³ ■ Close proximity to world class universities including Cambridge and Oxford ■ The University of Northampton has recently been short-listed for Times Higher Education award for the University of the Year 2013 	<ul style="list-style-type: none"> ■ Below average population growth, particularly amongst the working age population. ■ Varying migration levels; In 2012⁴, 3607 people moved out of Wellingborough whilst 3481 moved into the town – a net loss of 126 people. ■ High percentage of employees in lower level occupations.⁵ ■ Poor skills profile ⁶ ■ Low graduate retention ■ Numerous pockets of deprivation - Wellingborough contains 6 of the most deprived wards in Northamptonshire ■ Proportion of JSA claimants that are 18-24 is above the regional and national average ■ Reliance on manufacturing for employment – but the sector is forecast to decline further over the next decade ■ Dependency ratio forecast to increase
Opportunities	Threats
<ul style="list-style-type: none"> ■ There is an opportunity to improve the sectoral balance of the economy and attract business from high value added sectors ■ Well placed to take advantage of employment growth opportunities with a relatively high working age population and lower 65+ population. ■ Leakage threat could potentially be turned into an opportunity – by making Northamptonshire’s economy more ‘resident based’ 	<ul style="list-style-type: none"> ■ There is a risk of skill leakage to London and other areas ■ High economic activity/ employment rate means potentially little extra capacity for employment to grow – need to focus on improving the quality of employment. ■ Changes in the macroeconomic environment in the Eurozone and the US.

1 <http://www.nomisweb.co.uk/reports/lmp/la/1946157161/report.aspx?c1=1941962810&c2=2092957698>

2 <http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/2012-provisional-results/stb-ashe-statistical-bulletin-2012.html>

3 An Inward Investment Guide to Wellingborough – Local Futures August 2013

4 ONS Internal Migration statistics (June 2012)

5 <http://www.nomisweb.co.uk/reports/lmp/la/1946157161/report.aspx?c1=1941962810&c2=2092957698>

6 <http://www.nomisweb.co.uk/reports/lmp/la/1946157161/report.aspx?c1=1941962810&c2=2092957698#tabeinact>

4.2. Business and Enterprise

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ World recognised brand names in the area, including Weatherbys, Scott Bader, RML Group ■ High percentage of SME dominating the business make up (not so reliant on major employers) ■ Key location for the logistics and distribution sector ■ Scott Bader Innovation Centre ■ Strong business-support focused LEP, with public and private sector support and leadership ■ Higher productivity (GVA per job) in comparison to the East Midlands ■ Lower reliance on public sector employment (just 19.3% of total employment compared to UK average of 28%) ■ The county's large private sector means that elements of the workforce are potentially less exposed to cuts to the public sector ■ High level of business births per 1,000 population compared to East Midlands and England – this indicates high levels of entrepreneurial activity ■ Higher rates of self-employment than East Midlands or England ■ Very high business survival rates for first 3 years in operation ■ Wellingborough has a good central location to make use of road and rail links to the rest of the UK. It is therefore very well placed as a distribution and logistics hub 	<ul style="list-style-type: none"> ■ Relatively low concentration of employment in high value-added sectors such as professional and ICT ■ Higher level of business deaths per 1,000 population than regional and national averages ■ Survival rates – relatively low over the 5 year period compared to East Midlands and England ■ High levels of out-commuting to better quality jobs ■ Lower productivity (GVA per job) than in England overall ■ Lack of retail diversity
Opportunities	Threats
<ul style="list-style-type: none"> ■ Existing specialism in manufacturing, logistics and service sectors; motorsport and high performance engineering. ■ Rising levels of business and consumer confidence across the UK ■ Growth in services such as retail, accommodation, arts & leisure in the next decade could support and therefore attract a higher level of start-ups to Northamptonshire ■ The high number of SMEs (less than 250 employees) locally means that increased business confidence and a subsequent increase in hiring by SMEs would have a more widespread, positive effect than a larger company recruiting multiple new staff ■ Road and rail distribution will continue to be vital to the UK – Northamptonshire is well placed to service the demand. ■ Forthcoming developments e.g. Stanton Cross with potential for high profile office development around the station ■ Attract external investment in industrial premises and infrastructure etc. to attract continued growth. ■ Recent growth of the financial services sector combined with opportunities in foods and drink industry and R&D in automotive engineering, IT and chemicals. ■ Opportunity to work with Rushden Lakes to complement, improve and promote Wellingborough's town centre offer. 	<ul style="list-style-type: none"> ■ Further public expenditure cuts (may be cushioned by the low reliance on public sector employment) ■ Manufacturing employment is has been declining steadily across the country over the last decade and will continue to do so ■ Road and rail transport are set to remain an important part of the local economy, but will come under increasing competitiveness and cost pressures if the price of oil rises over the next decade.

4.3. Land, Buildings and Infrastructure

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ Good geographic location with connections to the rest of the UK via the M1, M6 and M40 ■ Access to rail links with London and rest of the UK ■ Housing is more affordable than England overall – based on the ratio of lower quartile earnings to lower quartile house prices ■ Varied spatial pattern with Northampton, the major urban centre, surrounded by medium and small towns, in a single spatial planning concept the ‘Northamptonshire Arc’ ■ Despite the decline in manufacturing, there is still a forecast growth in industrial space as High Performance Technologies activities are hoped to offset decline ■ Massive planned investments in infrastructure to support housing and commercial development, including broadband, Silverstone ■ Strong pipeline of housing permissions, town centre regeneration schemes and sustainable urban extensions ■ Proactive public sector - ‘Business friendly council’ ■ An attractive, historical market town 	<ul style="list-style-type: none"> ■ The ratio of lower quartile house prices to lower quartile earnings is higher than in the East Midlands (i.e. less affordable in Northamptonshire) ■ Insufficient supply of high quality office floor space ■ Town centre provision is limited ■ Increasing congestion has potential to create hotspots ■ Lack of suitable available land/premises for businesses to expand – aging & vacant stock needs investment ■ Public transport within the town is limited ■ Poor broadband connectivity in some rural areas

Opportunities	Threats
<ul style="list-style-type: none"> ■ High demand in the logistics and HPT sectors for land space ■ Affordable commercial property compared to other areas. ■ Amount of land owned by the local authority provides flexibility. ■ Significant progress with Town Centre improvements and strategic developments in the pipeline. ■ 	<ul style="list-style-type: none"> ■ Ongoing lack of high quality office space ■ Timeliness – there must be a current supply. Firms wanting to invest or move into Wellingborough cannot wait for office space to be made available. It must be ready for them ■ Northamptonshire is in competition with Milton Keynes – which is a particularly strong ‘brand’ following many years of active promotion and success in attracting investment.

4.4. People and Communities

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ High Employment rate ■ Good quality of life with a good range of housing opportunities ■ The University of Northampton is well recognised in social enterprise – and is the first UK university to have been designated a ‘Changemaker Campus’ by Ashoka U 	<ul style="list-style-type: none"> ■ The percentage of working age population in Wellingborough with NVQ4 or higher (24.3%) is well below the average of English local authorities of 36% ■ Resident wages are lower than workplace earnings – indicating that residents working outside the area are, on average, earning higher salaries / wages than those working in the area ■ In 2014, resident and workplace earnings are significantly below national and regional averages. ■ Low proportion of knowledge workers ■ Ageing population – rising dependency ratio

Opportunities	Threats
<ul style="list-style-type: none"> ■ Forecast population growth will help support labour market buoyancy. ■ A good skill base is a key determinant for potential investment in an area, so a successful redevelopment of Tresham’s Wellingborough campus is important 	<ul style="list-style-type: none"> ■ Working age population may migrate out of the area if there is a lack of opportunity ■ Ageing population has implications for skills and employability. Employers may struggle to recruit sufficient numbers of working age people, and there could be an increase in ‘semi-retirements’ as older people stay in work longer. This could reduce productivity over time, restricting economic growth prospects ■ Strong population growth may impact on schools capacity over the next two decades

4.5. Environment

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ Commitment to reduce emissions across the county; ■ Presence of natural and built assets – Nene Valley, stately homes, significant habitats 	<ul style="list-style-type: none"> ■ The majority of fuel consumption in the county is in fossil fuels ■ The economic sectoral structure is quite reliant on manufacturing – sectors which can have large carbon footprints

Opportunities	Threats
<ul style="list-style-type: none"> ■ There is an opportunity for manufacturing and industry to find innovative ways of remaining competitive whilst also aiming to reduce emissions ■ The green energy, environmental technology and renewable energy sectors offer potential as there is a considerable overlap with the knowledge of automotive and aerospace industry. ■ For areas that are already made significant progress in reducing emissions and their carbon footprint, there may not be much capacity for further improvements. Thus, there is an opportunity for Northamptonshire to be innovative in reducing its impact on climate change ■ Pedestrian activity could be encouraged wherever possible ■ Local wildlife and green spaces are important visitor attractions, which could be promoted and protected to encourage/retain visitors ■ Heritage investments (business/education/visitor) – e.g. Chester Farm to provide archeological study facility; large investment by HLF in Wellingborough THI 	<ul style="list-style-type: none"> ■ The latest UK climate projections for the East Midlands, based on a ‘medium emissions’ scenario predict increased mean summer temperature of 3.5°C, increased mean winter precipitation of 18% and decreased mean summer precipitation of 19% by 2080 ■ Concern for air quality around the major transport routes, and in the more densely populated areas which suffer from traffic congestion ■ The Nene Valley is particularly vulnerable to flooding – which is a concern given the threat of increased flooding resulting from climate change.

5. Emerging Issues & Trends

5.1 Spatial Perspective

5.1.1 Introduced in 2012, the National Planning Policy Framework (NPPF) states that, “In drawing up local plans, local planning authorities should:

- set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
- set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area...”

5.1.2 Wellingborough’s local plan covering the period up to 2031 is currently under review and the emerging local plan is proposing:

- **A more positive and flexible approach to economic development**, with minimum job targets to deliver at least one job for each additional worker, plus additional growth in the southern area to tackle high levels of out-commuting and a historic jobs/worker imbalance in the Four Towns area. New policies are proposed on rural diversification and logistics (policies 22-25).
- **An amended retail strategy** reflecting the role that Rushden Lakes will play in meeting the needs of residents in the southern area, and the need to adapt the offer in the town centres of Wellingborough and Rushden accordingly. The focus of investment in the northern area will be the town centres of Kettering and Corby (policy 12);
- **Identification of Strategic Sites to help deliver new homes, jobs and infrastructure.** The Plan confirms support for the strategic sites of:
 - Wellingborough East Sustainable Urban Extension (SUE)
 - Wellingborough North SUE
 - Park Farm Way, Wellingborough – Residential
 - Appleby Lodge, Wellingborough – Employment

and sets out development principles for these sites to guide their development.

5.1.3 Essentially, the emerging local plan aims to make the area more self-reliant by achieving a sustainable balance between local jobs and workers and a more prosperous and diverse economy. It seeks to do this by planning for enough jobs to match the forecast growth in labour force and reduce reliance on out-commuting. The JCS also supports the diversification of the rural economy.

5.1.4 The council and its partners will put in place measures to attract investment into the area and stem out-commuting.

5.1.5. The table below illustrates the assumptions that can be made in translating sector growth to land use categories.

Employment Sector	Use Class
Manufacturing	Expected to occupy predominantly B2 uses.
Electricity gas & water	Does not occupy business space apart from head office and administrative functions – Mainly B1 Office use.
Construction	High levels of self-employment. Some distribution and storage activity – B2/B8.
Logistics/Wholesale Distribution	Expected to occupy predominantly B8 uses.
Retail	Will be predominantly shops – A1,
Hotels and catering	Will be mainly hotels, restaurants, bars etc. A3 and C1 use class.
Transport and communications	Transport does not occupy business space apart from head office and administrative functions. B1? Communications includes postal depots, but also telecommunications companies, some of whom will occupy significant amounts of B1 space.
Banking, finance and insurance	A2 use if operated for visiting members of the public, usually in a high street. Banking, financial and insurance services which do not principally provide for visiting members of the public are B1 uses.

5.2 Economic Perspective

5.2.1 In August 2013, the council commissioned Local Futures to undertake a Place Profile to assess Wellingborough's attractiveness to inward investors and businesses considering a new location.

5.2.2 Various areas were assessed and organised into three main categories – economic performance, human resources and environment & infrastructure.

5.2.3 The full report is available to download at www.wellingborough.gov.uk/evidencebase, but in summary, Wellingborough performed as follows in terms of attractiveness to investors:

5.2.3.1 **Environment & Infrastructure** - Wellingborough is ranked **69 out of 325** Local Authority areas on our overall environment & infrastructure score, placing it in the **top 40%** of Local Authority areas nationally.

5.2.3.2 **Economic performance** - Wellingborough is ranked **172 out of 325** Local Authority areas on our overall economic performance score, placing it in the **middle 20%** of Local Authority areas nationally.

5.2.3.3 **Human Resources** - Wellingborough is ranked **286 out of 325** Local Authority areas on our overall human resources score, placing it in the **bottom 20%** of Local Authority areas nationally.

5.3 Alignment of Borough and LEP priorities

- 5.3.1 Whilst the council is well-placed to lead the borough's economic partnership, a number of our partners are better placed to lead on certain activities.
- 5.3.2 Local Enterprise Partnerships (LEPs) were established by the Department for Business, Innovation and Skills, to help determine local economic priorities and lead economic growth and job creation within the local area.
- 5.3.3 The Borough of Wellingborough is covered by the Northamptonshire Enterprise Partnership (NEP), whose clear objective is – “to increase the prosperity of Northamptonshire's businesses by supporting the creation of better quality private sector jobs.” NEP's strategic priorities are as follows:

Growing Our Businesses - Accelerating Growth of:

Business and innovation by:

- i. Promoting entrepreneurship & innovation
- ii. Enhanced supply chain performance (particularly in key sectors)
- iii. Supporting increased export performance
- iv. Supporting and attracting new business investment.

Employment and skills by:

- v. Delivering high quality education and training
- vi. Expanding the skill base of the resident workforce
- vii. Involving schools in the employability agenda
- viii. Providing and promoting Apprenticeships.

Growing Our Places– Creating the right conditions for growth by investing in:

Infrastructure and Connectivity, e.g.

- i. Transport
- ii. Office space
- iii. Environmental sustainability
- iv. Digital communications

Housing

- v. Infrastructure investment in Sustainable Urban Extensions (SUEs) to the main towns;
- vi. Meeting the housing needs of the current and future population,
- vii. Promoting the economic benefits of house building.

- 5.3.4 Much of the above reflects Wellingborough's own ambitions, so by ensuring that our activities are aligned; we can achieve maximum benefit for the borough.
- 5.3.5 As NEP's remit is county-wide, we need to ensure that Wellingborough's profile is as high as possible within the county, whilst recognising any priorities unique to Wellingborough that may need to be addressed.
- 5.3.6 In order to ensure that the borough achieves its potential, the Wellingborough Economic Partnership was re-launched in 2011. The partnership brings together organisations such as the Federation of Small Businesses, Wellingborough Chamber of Commerce, Jobcentre Plus / Department for Work & Pensions and the National Apprenticeship Service and importantly, NEP to ensure synergy with other LEP activities.
- 5.3.7 Whilst the council is well-placed to lead the borough's economic partnership, a number of our partners are better placed to lead on certain activities.
- 5.3.8 For example, a Business Improvement District (BID) for Wellingborough Town Centre was established in 2011 and became the logical lead partner for town centre related activities.

6. Key Economic Objectives and Priorities

6.1 The previous sections have set out the opportunities and challenges for Wellingborough's economy. In order to plan our future economic development activities, let us first review the overarching objectives and priorities identified in the previous strategy.

6.2 The 2011 Strategy identified the following four strategic priorities (accompanied by twelve key objectives) to help partners focus future activities and help secure public and private investment:

Priority A: To create a vibrant town centre

Priority B: To improve the visitor economy

Priority C: To invest in creating the right conditions for growth – by developing the value chain of key sectors, enhancing the skills base of the area and ensuring availability and quality of space for commercial, residential, educational and leisure developments

Priority D: To raise the local education, upskilling and Research & Development (R&D) provision

6.3 As the economic climate worsened and Council resources became scarcer, it became necessary to further prioritise within these areas. For example, it was clear that, whilst tourism activity has the opportunity to create economic benefits, these would be longer term and that other activities could deliver more tangible economic benefits in the short term. Also, the BID was established in 2011 and became the logical lead partner for town centre related activities.

6.4 In order to reflect the above, the council's Development Committee in December 2013 agreed to further refine the priority areas and the activities within them. These refinements can be seen in the implementation plan, which accompanies this strategy.

6.5 The Implementation Plan attached as Appendix 1 reflects the aforementioned priority areas and links in with NEP's Strategic Economic Plan (SEP). The plan also proposes areas of activity and the economic partners should lead or be involved with them.

6.6 The council will use every effort to promote and add value to partners' services. Examples include raising awareness locally and encouraging take-up of funding programmes etc. This will ensure that Wellingborough's businesses and residents are well-equipped to benefit from all available opportunities. The council will also continue to pursue activities in its own right, which contribute to the economic well-being of Wellingborough.

6.7 The next steps in the economic development and growth pattern for Wellingborough will be affected by:

- Economic and spatial drivers and policies affecting key sectors of the local and regional economy; and,
- Local stakeholders and business perceptions, needs and preferences.