South Holland is a large rural district in the East Midlands.

The district has a population of approximately 80,000, with 25,000 living in the
market town of Spalding. Other population centres within the district are Crowland,
Donington, Long Sutton, Holbeach, and Sutton Bridge. The population is widely
dispersed across a series of small villages which are surrounded by large amounts of
agricultural fenland. As such, the district has a population density of 1 person per
hectare against a national average of 3.4.

Spalding is the main town in the district, and is the focus of the social and economic
life of the district’s community. South Holland has developed into a sub-regional hub
for the food processing, agricultural, and horticultural sectors. The town offers a wide
range of retail opportunities, and has the capacity to accept growth without unduly
detracting from the rural character of the district.

In addition to Spalding, the district also benefits from five area centres -Crowland,
Donington, Holbeach, Long Sutton, and Sutton Bridge- which also provide services,
retail shops, and employment to the local community.

South Holland is on the periphery of the East Midlands, and is bordered by East
Anglia on its south and east. The district therefore has a strong relationship with
Peterborough and with NW Norfolk. Centres of population such as Peterborough
(which is forecast to grow by an additional 40,000 people by 2020) and King’s Lynn
are closer to South Holland than cities in the East Midlands such as Lincoln and
Nottingham. South Holland has similar characteristics –particularly in terms of
industrial structure- to Boston Borough.

The A16 and A17 are the major road routes through the district, providing access to
the East Anglian and Midlands road networks. The A1073 links Spalding with
Peterborough and is currently being considered for further development. Port Sutton
Bridge, in the extreme east of the district provides a sea port as part of the district’s
communications infrastructure.

Population
The population of South Holland is 80,000. The district’s population is growing rapidly—in the period from 1991 to 2001 the population increased by 13.4% and it is predicted to grow by a further 9.1% in the period to 2010.

The area is characterised by out-migration of young people and in-migration by older people. Compared to other districts in Lincolnshire, South Holland has low numbers of people aged 0-15 years and high numbers of people aged 60/65.

Because demand for workers exceeds the ability of the area to provide labour, and as a result of the expansion of the European Union, much of the district’s labour needs are met by foreign workers resident in South Holland. A limited survey of 135 businesses undertaken by South Holland District Council in 2005 concluded that 103 regularly used migrant workers.

Wage levels in South Holland are lower than the county, regional, and national average. In 2002/3, the average salary in South Holland was £18,600 against a county average of £18,900, regional average of £19,800 and national average of £21,600.

**Qualifications**

School level attainment in South Holland is high: 66% of pupils achieved 5 or more GCSEs grade A to C against a county average of 57% and a national average of 53%.

However, high levels of school achievement in the district do not translate into high levels of vocational qualifications. For example, in South Holland 39% of the population of working age have no qualifications (against a national average of 29%) and only 11% are qualified to the equivalent of NVQ 4 and 5 (against a national average of 20%). These figures broadly reflect the type of employment available in the district, with large numbers of jobs at lower skill levels and comparatively few managerial/technical jobs. The table below outlines the number of jobs in South Holland at different levels and makes comparisons between the split of jobs at local and regional level:

### Employment by occupation

<table>
<thead>
<tr>
<th>Employment by occupation</th>
<th>2002</th>
<th>Percentage split of employment in South Holland</th>
<th>Percentage split of employment in East Midlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers and senior officials</td>
<td>6,000</td>
<td>16.7%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Professional</td>
<td>2,400</td>
<td>6.6%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Associate professional and technical</td>
<td>3,100</td>
<td>8.7%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Administrative and secretarial</td>
<td>4,000</td>
<td>11.3%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Skilled trades</td>
<td>5,100</td>
<td>14.3%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Personal service</td>
<td>1,600</td>
<td>4.5%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Sales and customer service</td>
<td>2,800</td>
<td>7.9%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Process, plant, and machine operatives</td>
<td>5,500</td>
<td>15.6%</td>
<td>11.0%</td>
</tr>
</tbody>
</table>
The nature of employment in South Holland, with a high reliance on gang labour and low skilled work, plus the seasonality within the district’s major employment sectors, probably acts as a barrier to training.

Despite a general trend of low skilled and low paid jobs in South Holland, unemployment rates have remained very low in the district for some years.

Unemployment rates in South Holland, compared to Lincolnshire, East Midlands, and Great Britain

Commuting has a strong impact on South Holland. Almost 20% of the district’s residents who are qualified to NVQ levels 4 and 5 work outside the district. An above average proportion of out-commuters from South Holland are employed in financial services in Peterborough.

This would indicate that South Holland is considered a good place to live, but not necessarily to work. Conversely, though, many young people cite a lack of leisure facilities as one of the main reasons that they leave the district. Many businesses also cite a lack of leisure facilities as one of the reasons that they struggle to recruit to managerial and technical skills level posts.

Out-migration of young people may also be caused by a limited availability of affordable housing. Nationally, 25% of housing is affordable but only 5% of South Holland’s housing stock is classified as affordable.

**Industrial composition**

South Holland benefits from having strong and productive food, horticulture, and retail sectors. The most successful businesses in the district are those in traditional businesses who have been at the forefront of embracing technology and new
production technologies. Although there are a high number of successful businesses in these sectors, the sectors are vulnerable because they largely depend on supplying to a small number of supermarkets who are seeking lower prices.

In addition to major businesses themselves, these sectors have led to the development of smaller businesses which form part of the supply chain network. It should be noted, though, that South Holland has relatively few businesses that are starting up in the higher added value sectors.

The tourism sector is relatively strong in South Holland, with an increased number of attractions being formed through farm diversification and other initiatives. There are, however, a low number of hotels in the district which makes it difficult to develop the longer-stay market in the district.

The table below outlines the amount of people working in key sectors and makes comparisons to the regional spread of sectors. South Holland’s over-reliance on the agricultural and transport sectors is apparent, as is its under representation on financial/business and other services.

*Employment by sector in South Holland*

<table>
<thead>
<tr>
<th>Employment by industry</th>
<th>2002</th>
<th>Percentage spread of employment in South Holland</th>
<th>Percentage spread of employment in the East Midlands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, and fishing</td>
<td>3,600</td>
<td>10.1%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Mining and utilities</td>
<td>9</td>
<td>0.3%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Metals, minerals, and chemicals</td>
<td>600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering</td>
<td>400</td>
<td>21.9%</td>
<td>19.5%</td>
</tr>
<tr>
<td>Other manufacturing</td>
<td>6,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>2,800</td>
<td>7.9%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Distribution, hotels, and catering</td>
<td>9,500</td>
<td>26.7%</td>
<td>24.6%</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>2,500</td>
<td>7.1%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Financial and business services</td>
<td>3,800</td>
<td>10.4%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Other services</td>
<td>5,600</td>
<td>15.4%</td>
<td>28.9%</td>
</tr>
</tbody>
</table>

The commercial and industrial property market remains buoyant, with estate agents reporting few empty properties and a number of sites identified for future development. However, businesses have indicated that there is little land available for their mid to long term expansion and studies have demonstrated that few private sector property developers are prepared to invest speculatively in the district.

**The challenge for the future**

So, it is possible to summarise the district’s economy by stating that it has…

- Strong business sectors on which to build
- An enviable quality of life
- Low unemployment rates

…but that it also has…

- An over reliance on traditional sectors
- Large numbers of young people leaving the district
- Low skill and low wage jobs

As such, the district has been categorised as a “lagging rural district” by Department for the Environment, Food, and Rural Affairs (DEFRA).

The East Midlands Development Agency (EMDA) have been charged with growing the region’s economy. They have set themselves the task of becoming one of Europe’s top 20 regions by 2010. This challenge is being addressed by the Regional Economic Strategy, backed up by a major programme of public investment, which seeks to develop businesses in higher added value sectors across the East Midlands.

South Holland currently has a much lower number of businesses in higher added value sectors (eg financial intermediation, real estate, and public services) than other districts in Lincolnshire, which itself has lower numbers than other parts of the region.

Distribution of higher value added sectors in Lincolnshire

<table>
<thead>
<tr>
<th>Sector</th>
<th>No of jobs in 2002</th>
<th>Forecast no of jobs in 2010 in “do nothing scenario”</th>
<th>No of jobs required in 2010 to support regional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Growing the local economy in support of regional targets
<table>
<thead>
<tr>
<th>Employment by occupation</th>
<th>No of jobs in 2002</th>
<th>Forecast no of jobs in 2010 in “do nothing scenario”</th>
<th>No of jobs required in 2010 to support regional targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers and senior officials</td>
<td>3,600</td>
<td>2,300</td>
<td>2,500</td>
</tr>
<tr>
<td>Mining and utilities</td>
<td>9</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Metals, minerals, and chemicals</td>
<td>600</td>
<td>700</td>
<td>800</td>
</tr>
<tr>
<td>Engineering</td>
<td>400</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Other manufacturing</td>
<td>6,800</td>
<td>8,200</td>
<td>9,300</td>
</tr>
<tr>
<td>Construction</td>
<td>2,800</td>
<td>2,700</td>
<td>3,000</td>
</tr>
<tr>
<td>Distribution, hotels, and catering</td>
<td>9,500</td>
<td>10,000</td>
<td>10,600</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>2,500</td>
<td>2,800</td>
<td>3,100</td>
</tr>
<tr>
<td>Financial and business services</td>
<td>3,800</td>
<td>4,600</td>
<td>4,900</td>
</tr>
<tr>
<td>Other services</td>
<td>5,500</td>
<td>6,500</td>
<td>6,700</td>
</tr>
</tbody>
</table>

These forecasts show that

- the district’s major employment sectors need to be nurtured and supported
- there is a need to support the growth of businesses in sectors which are currently under-represented in South Holland

As well as identifying the types of business sector, the forecasts also show the level of job that should be developed. Higher level jobs will be generated through the development of higher added value sectors in the district.

*Changing occupation levels in support of regional growth targets*

The forecasts show that there is a need to support the growth of middle and senior management positions. It also shows that there will be an increasing reliance on the use and importance of technology at all occupation levels. It has already been identified that the district’s businesses find recruitment of middle and senior managers difficult because of the district’s lack of community facilities, therefore in order to meet this requirement it is important to:

- continually improve the district’s community facilities
Finally, it should be noted that achieving growth that is in excess of the “do nothing” scenario will require significant investment from the public sector. Work undertaken in support of the Lincolnshire Economic Strategy has demonstrated that the Cornwall Objective 1 programme (2000-2006) was worth £700m and that it achieved the levels of growth that are required in South Holland. Whilst clearly there are some significant differences between Cornwall and South Holland, there is nonetheless a requirement to

- secure resources from regional and national bodies in support of the needs of South Holland’s economy

The four bullet points set out above form the backcloth for the objectives of the South Holland economic development strategy.

**STRATEGIC PRIORITIES FOR DEVELOPING THE SOUTH HOLLAND ECONOMY**

The previous section identified that South Holland has been designated by DEFRA as a lagging rural district. It also explained that the district has low wage levels, low skills levels, low levels of productivity, and a very strong reliance on traditional industries.

At the same time, though, the district has strong businesses, low unemployment rates, a buoyant property market, and it is relatively close to the national road distribution network.

In order for South Holland to contribute to the economic growth of Lincolnshire and the East Midlands, it is estimated that the district needs to see significant jobs growth in other manufacturing, tourism, transport/distribution, finance, and other services.

South Holland District Council is at the forefront of leading this change in the economy. The district council has the corporate priorities of:

- Providing high quality affordable housing
- Improving the security and diversity of employment opportunities in South Holland
- Improving access to and delivery of customer services

This economic development strategy seeks to tackle the weaknesses set out above and to build on the opportunities available to the district in order to achieve its aim of increasing job security and diversifying the job opportunities available to people living in South Holland. Therefore…

```
the aim of the economic development strategy is to:

increase job security and diversify the job opportunities available to people living in South Holland
```
In order to prepare this economic development strategy, South Holland District Council established an Economic Development Task Group during 2005. The Economic Development Task Group recommended that an economic development strategy should encompass the following:

- An overarching long-term vision for retail and industry
- Support for post 16 education and training providers in order to boost skills levels
- A lobbying programme to see improvements to the transport infrastructure
- A programme of activities that encourage regional and national bodies to invest in the district
- The development of closer working relationships with partners both within and outside the county of Lincolnshire
- A long term vision that recognises the importance of leisure provision

In addition to the recommendations of its Economic Development Task Group, South Holland District Council has taken into account the priorities of the South Holland Local Strategic Partnership in preparing this strategy. The Local Strategic Partnership has undertaken significant consultation with people living and working in South Holland who have stated that they want to:

- See continued support for our shops and businesses in order to make our town centres vibrant and good places to live, work, and socialise
- Attract and actively stimulate the development of new businesses to the area that will add variety, sustain economic growth, and improve long term job opportunities

**Objectives of the strategy:**

There are four objectives to the economic development strategy:

1. to create a favourable environment in which indigenous businesses can thrive
2. to offer the best conditions for investment to businesses wishing to locate in South Holland
3. to maintain vibrant communities within the district so that employees of the district’s companies -present and future- want to live and work here
4. to secure recognition of issues affecting South Holland’s economy amongst key decision makers at regional and national level

**Themes to deliver:**

This section sets out the themes that the economic development strategy will deliver. There will subsequently be a workplan which will set out the specific actions that members of staff within South Holland District Council will undertake in order to achieve the objectives of the strategy.
1. to create a favourable environment in which indigenous businesses can thrive

HM Treasury has identified five issues that the public sector should address in order to overcome market failure. These factors are

1.1 Business property market

The Treasury suggests that the public sector should provide land and premises at prices that are similar to those elsewhere in the sub-region. The district council intends to publish its Local Plan in mid 2006, and will subsequently prepare a Local Development Framework. In addition to designating an appropriate level of land for economic use through the planning system, there is also a need to service land and provide premises where there is a market failure. The Lincolnshire County Council report into “Land and property availability in Lincolnshire” (2005) provides a prioritised list of projects that should be brought forward. The intentions of the “business property market” element of the economic development strategy are:

- to designate an appropriate level of land for economic use
- to provide serviced land and business premises where there is a market failure

1.2 Access to finance

Borrowing rates are currently very low and it is unlikely that significant public sector intervention is required in terms of access to finance. However, there would appear to be two gaps in business finance, one concerning mid range financing (eg loans of £50,000 to £200,000) and one concerning financing for businesses that are being started by people at a disadvantage. The intention of the “access to finance” element of the economic development strategy is

- to seek innovative ways of financing local businesses where there is a gap in private sector provision

1.3 Helping businesses to innovate

Innovation concerns product development, improved marketing, and new business processes. Business leaders are unlikely to require direct support to help them to innovative –there is a spirit of entrepreneurship within South Holland which shows that businesses are able to be innovative. There is a clear role, however, for the economic development strategy to provide conditions in which businesses can innovate. This role should be concerned with focusing on the major employment sectors within the district: food production, horticulture, and tourism.

Increasing globalisation and the power of major multiples means that there is a need to ensure that food production companies are able to innovate through having access to the latest communication and production technologies. Similarly, the shifts in the tourism industry, both in terms of easier access to foreign holidays for British holidaymakers and the development of short break holidays within the UK, mean that the economic development strategy has a role to play in encouraging tourists to visit
South Holland. The district’s attractiveness is closely linked to the natural and cultural history of the Fens.

Therefore the intentions of the “innovation” element of the economic development strategy are

- to continue to support technological advances which support the growth of the food sector
- to seek ways in which to help the horticultural sector to maintain its strength in the market
- to make high quality technologies such as broadband IT links available to the district’s businesses
- to promote South Holland as a destination for tourists
- to improve the range of accommodation and attractions available to day and staying visitors to the district

1.4 Business advice

Surveys have demonstrated that there is a relatively low take up of public sector delivered business support in South Holland, although it is true to say that this is the case in most rural districts of the country. The primary sources of advice to most businesses are private sector advisers, and in order to support their businesses they will require information on the latest progress of the economic development strategy. Equally, there will be occasions when micro-businesses in particular require more intense advice and support.

At the same time, there is also a need to support farm diversification as traditional farming incomes continue to drop, possibly through the development of alternative crops, technological advances, strengthening supply chains etc as well as supporting diversification away from farming itself.

Therefore the intentions of the business advice element of the economic development strategy are

- to work with companies in the finance and business services sector in order to increase business awareness of the services available to them from the public sector
- to target support to those expressing interest in establishing heir own business
- to support farm diversification
- to provide advice that helps small businesses in the district to develop
- to offer a targeted support programme to residents of South Holland who wish to start up their own business

1.5 Training and skills

South Holland has low levels of people qualified at NVQ levels 4 and 5, and also has high levels of people with no qualifications. Local businesses have identified that they are constrained by the lack of available skills. With the exception of the Holbeach Food Technology Park, there is no established Further Education provision
available in South Holland and many trainees need to travel outside of the district to undertake training: this is a significant disincentive.

The intentions of the “training and skills” element of the economic development strategy are:

- to make more training facilities available in South Holland
- to encourage residents of South Holland, both employed and unemployed, to undertake vocational training

2. to offer the best conditions for investment to businesses wishing to locate in South Holland

South Holland is relatively well placed to attract investors from outside the region. Investors tend to use simple screens to check many locations. A typical list might include the ready supply of available property, labour, and infrastructure; clusters/supply chains; the helpfulness of economic regeneration agency; and the attractiveness of the local environment for local managers.

2.1 Ready supply of available labour, property, and infrastructure

The actions proposed in the previous section should increase the amount of skilled labour and accelerate the availability of property for business. Businesses may, however, be deterred from investing in the district because of some of its poorer road infrastructure. It has been identified that the size of the finance/business services and other service sectors should be grown in order to diversify the economy and make jobs more secure. It is likely that the growth of Peterborough and the outsourcing of business services by large food companies will provide the opportunity to grow these sectors. However, improvements to routes from the district to Peterborough and reductions in travelling time within the district will both be required in order to (i) maintain the growth of the food sector, and (ii) help communities in the district to benefit from the expansion of Peterborough.

Therefore the intention of the “available labour, property, and infrastructure” element of the economic development strategy is:

- to make robust cases for the improvement of the district’s transport infrastructure

2.2 Clusters/supply chains

As stated above, some of the best opportunities for attracting inward investment to the district are concerned with the growth of the food sector and outsourcing by food companies of business services. The economic development strategy proposes that there should be a focus on developing the food production, horticulture, and tourism sectors. This focus will support business growth. As well as general promotional material, campaigns to encourage inward investment will be targeted on businesses that supply services to the food sector in order to build on the strong foundations of business clustering in that sector.
The intention of the “clusters/supply chains” element of the economic development strategy will be:

-to promote South Holland as the ideal district in which to locate business services companies

2.3 Helpfulness of the economic regeneration agency

As well as assessing conditions in which their business could thrive, inward investment decisions are influenced by the helpfulness of the economic regeneration agency. An investor needs good quality information about the area that they are considering for investment. This information should be focused on the client’s needs, provided in a timely fashion, and followed up. An investor will also make a judgement on whether the economic development agency can help to make contacts with other businesses and economic support agencies in the area, and overcome any barriers which might cause difficulties to their proposed investment.

The intention of the “helpfulness of the economic regeneration agency” element of the economic development strategy will be:

-to offer a high quality service to potential investors which is tailored to their specific requirements

[Issues relating to the “attractiveness of the local environment” will be covered in the following section.]

3. Maintaining vibrant communities

South Holland is an attractive and thriving place to work.

It has been identified that part of an investor’s decision to locate in an area is concerned with the attractiveness of its environment. Therefore, as well as creating conditions in which investors’ businesses can thrive, the economic development strategy is concerned with maintaining the vibrancy of the district’s communities.

3.1 The key priorities of the Community Plan for South Holland are concerned with developing and promoting South Holland as a “thriving, living, and working rural community”.

In addition to the priority of diversifying the economy and skills, which this economic development strategy is addressing, the Community Plan has the priorities of

Access to services and transport
A safe and crime free place to live
Sustaining the green environment
Entertainment and leisure
A healthy lifestyle
Education, training, and lifelong learning
Partners in the economic development strategy will work through the Community Plan’s delivery structures in order to achieve this vision.

3.2 In addition to supporting the achievement of the Community Plan’s priorities, the economic development strategy will place particular emphasis on maintaining the vibrancy of the district’s town centres. The Town Centre Management Partnerships have performed a valuable role in maintaining the vibrancy of the district’s town centres, and Springfield’s shopping centre has also had a strong impact on the district. It is important that the retail sector is supported both in Spalding and, because of the spread out nature of the district, in the smaller market towns. There have been some excellent new developments in Spalding town centre, but because of the traditional geography of the town there is the risk that the town’s retail sector may become dislocated.

The retail sector will benefit from business support, but -in the same way as the proposals for tourism above- it is important that the economic development strategy provides conditions in which retail businesses can thrive.

The intentions of the “town centre management” element of the economic development strategy are therefore:

-to build the capacity of Town Centre Partnerships in the district so that they can organise promotional events for their town
-to undertake projects which make the centres of the district’s towns attractive to investors and shoppers alike
-to continually improve buildings and public space in Spalding in order to maintain its role as the primary market town of the district

3.3 It is also well documented that South Holland is home to a large migrant workers community, and it is essential that programmes are put in place to help migrant workers make the transition to life in South Holland so that local employers can use their skills to full effect. It is also important that the cultural identities of migrant workers are fully embraced so that they can contribute to an increasingly cosmopolitan society within the district.

The intention of the “integrating migrant workers into South Holland” element of the economic development strategy is therefore:

-to embrace the diversity of resident migrant workers so that they make an increasingly positive contribution to the economic and social development of South Holland

4. Securing recognition of South Holland issues

It is clear that the large majority of economic growth in South Holland will be driven by private sector investment. The economic development strategy has set out that there is an important role for the public sector to facilitate this private sector investment.
4.1 There are, however, a series of proposals in the economic development strategy which will require public sector intervention. In order to find the resources, both policy and financial, for public sector intervention it is essential that government departments, East Midlands regional organisations, and countywide bodies recognise the issues that are most relevant to South Holland and make available appropriate resources. In order to gain recognition of South Holland issues, it is essential that district representatives –from the public and private sectors- attend appropriate meetings and raise issues relating to South Holland.

South Holland is at the edge of the East Midlands region and has a strong economic relationship with Peterborough and with the north west of Norfolk. At the same time as it is important to raise the profile of South Holland issues within the East Midlands, there will be benefits to maintaining a positive relationship with partners who are adjacent to the district irrespective of whether they are in the East Midlands.

There are also opportunities to develop an international dimension to the economic development strategy, both through joint project working with international partners (including the attraction of European grants) and through encouraging international trade and collaboration as a way of growing indigenous business.

Therefore the intentions of the “securing recognition of South Holland issues” element of the economic development strategy are:

- to make the case for public sector decision makers to invest in South Holland, both from a policy and financing perspective, so that the district assists the region in achieving its 2010 target
- to develop partnerships with areas outside South Holland which lead to mutually positive joint economic development activities
- to realise the benefits of globalisation and maximise grant aid from the EU for South Holland

**STRATEGIC ALIGNMENT**

This economic development strategy has been prepared as a response to the need to support change in the local economy.

The primary focus of the evidence used to prepare the strategy has been knowledge of local businesses and communities –and how those businesses and communities will respond to the challenges of the future.

However, it is important to understand that the strategy is complementary to regional and sub-regional strategic priorities. By offering this complementarity, the strategy will enable local actions to meet regional and sub-regional targets.

*Complementarity with the East Midlands Regional Economic Strategy*
The East Midlands Development Agency has the role of preparing a Regional Economic Strategy. The current strategy, “Destination 2010”, is currently being updated to cover a period until 2020.

The draft Regional Economic Strategy identifies a series of structural themes and priorities against which the South Holland economic development strategy is aligned.

<table>
<thead>
<tr>
<th>Draft regional economic strategy</th>
<th>Actions within the South Holland economic development strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structural themes</strong></td>
<td></td>
</tr>
<tr>
<td>Raising productivity</td>
<td>The economic development strategy has identified that wage</td>
</tr>
<tr>
<td></td>
<td>levels are lower than county, regional, and national averages</td>
</tr>
<tr>
<td></td>
<td>and has developed a range of actions that are concerned with</td>
</tr>
<tr>
<td></td>
<td>addressing this issue.</td>
</tr>
<tr>
<td>Ensuring sustainability</td>
<td>The economic development strategy has a clear focus on</td>
</tr>
<tr>
<td></td>
<td>community development and on working through the Community</td>
</tr>
<tr>
<td></td>
<td>Plan to achieve a sustainable future for the district.</td>
</tr>
<tr>
<td>Achieving equality</td>
<td>The economic development strategy has been checked</td>
</tr>
<tr>
<td></td>
<td>against South Holland District Council’s equality policy</td>
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<td></td>
<td>and has identified key actions, including exemplar projects</td>
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<td>and broader process actions, which meet the council’s</td>
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<td></td>
<td>commitment to equality.</td>
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<tr>
<td><strong>Strategic priorities</strong></td>
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<tr>
<td>Employment, learning and skills</td>
<td>• To make more training facilities available in South</td>
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<tr>
<td></td>
<td>• To encourage residents of South Holland, both employed</td>
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<td></td>
<td>• To undertake vocational training</td>
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<tr>
<td>Enterprise and business services</td>
<td>• To provide advice that helps small businesses in the</td>
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<td></td>
<td>• To offer a high quality service to potential investors</td>
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<td></td>
<td>• To realise the benefits of globalisation and EU</td>
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<tr>
<td></td>
<td>membership</td>
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<tr>
<td>Innovation</td>
<td>• To continue to support technological advances which</td>
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<td></td>
<td>• To seek ways in which to help the horticultural sector</td>
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<tr>
<td></td>
<td>• To improve the range of products available for tourists</td>
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<tr>
<td>Transport and logistics</td>
<td>• To make high quality technologies such as broadband IT</td>
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<td></td>
<td>• To make robust cases for the improvement of the district’s</td>
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<tr>
<td>Energy and resources</td>
<td>• To support farm diversification</td>
</tr>
<tr>
<td>Environmental protection</td>
<td>• To undertake projects which make the centres of the</td>
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<td></td>
<td>• To continually improve buildings and public space</td>
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<tr>
<td></td>
<td>• In order to maintain its role as the primary market town</td>
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<tr>
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<td>of the district.</td>
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</table>
Land and development

- To designate an appropriate level of land for economic use
- To provide serviced land and business premises where there is a market failure

Economic renewal

- To work through the Community Plan’s delivery structures in order to achieve the vision of South Holland being a “thriving, living, and working rural community”

Social capital

- To build the capacity of the Town Centre Partnerships so that they can organise promotional events for their town

Economic inclusion

- To embrace the diversity of resident migrant workers so that they make an increasingly positive contribution to the economic and social development of South Holland

Complementarity with the ambitions of the Lincolnshire Assembly

The Lincolnshire Assembly has been established to promote joint work to address the common issues facing Lincolnshire. It is a strategic body with representatives form the private, public, and voluntary sectors.

Its purpose is “to provide a means of securing a common voice for and action in support of the collective communities of Lincolnshire embracing all sectors of our community”. One of the Lincolnshire Assembly’s terms of reference is to develop a Sub regional Economic Strategy for Lincolnshire, that considers and aligns the priorities of the Community Strategy and the Regional Economic Strategy, and keep it under review.

The Lincolnshire Assembly has agreed that there are a range of important issues that need to be tackled by the partnership. Four of those issues are particularly important to the South Holland economic strategy.

<table>
<thead>
<tr>
<th>Issues raised by the Lincolnshire Assembly</th>
<th>Actions within the South Holland economic development strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for high productivity jobs</td>
<td>The economic development strategy has identified the need to increase the number of jobs in the higher value added sectors</td>
</tr>
<tr>
<td>Motivating, keeping, and attracting young people</td>
<td>The third priority of the economic development strategy is “to maintain vibrant communities within the district so that employees of the district’s companies –present and future- want to live and work here</td>
</tr>
<tr>
<td>Skills/vocational training</td>
<td>The Economic Development Strategy has two directly relevant intentions</td>
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<tr>
<td></td>
<td>- To make more training facilities available in South Holland</td>
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<td></td>
<td>- To encourage residents of South Holland, both employed and unemployed, to undertake vocational training</td>
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<tr>
<td>Leisure (fun)</td>
<td>The Economic Development Strategy has two directly relevant intentions</td>
</tr>
</tbody>
</table>
To work through the Community Plan’s delivery structures in order to achieve a “thriving, living, and working rural community”

To undertake projects which make the centres of the district’s towns attractive to investors and shoppers alike

Complementarity with the Lincolnshire Economic Strategy

Lincolnshire Enterprise is the county’s strategic sub regional partnership. It is a private sector led partnership which prepares the Lincolnshire Economic Strategy in partnership with other organisations and as part of the Lincolnshire Assembly’s overall work programme.

The Lincolnshire Economic Strategy is being prepared as a contribution to the updating of the Regional Economic Strategy (mentioned above). The preparatory work for the Lincolnshire Economic Strategy identified a “hidden crisis” in Lincolnshire which is having a serious and detrimental impact on the East Midlands’ economic growth.

The Lincolnshire Economic Strategy has identified the following key strategic priorities:

- To increase skills levels in Lincolnshire
- To develop an infrastructure that overcomes the issues relating to Lincolnshire’s rurality
- To diversify the industrial composition of Lincolnshire
- To provide equality of opportunity for those most at risk of exclusion from the labour market

This economic development strategy is complementary to the Lincolnshire Economic Strategy because

(i) it has been developed as a response to the same set of issues as those raised in the preparation of the Lincolnshire Economic Strategy
(ii) it can provide a local flavour to the delivery of the Lincolnshire Economic Strategy
(iii) it has identified key actions which are concerned with increasing the uptake of training in South Holland
(iv) it has a key intention of “making robust cases for the improvement of the district’s transport infrastructure” and also identifies that it will “work through the Community Plan’s delivery structure in order to achieve the vision of South Holland being a “thriving, living, and working rural community”. Both of these will be in support of the Lincolnshire Economic Strategy’s objective of overcoming the issues relating to Lincolnshire’s rurality
(v) a large element of its focus is on diversifying the district’s economy through business support, attraction of investment, and fostering innovation all of which are key priorities for the Lincolnshire Economic Strategy’s aim of diversifying the county’s industrial structure
Complementarity with Lincolnshire County Council’s strategic priorities

Lincolnshire County Council is the strategic authority in Lincolnshire. It works in partnership with district councils and other partners to deliver a range of initiatives which will improve the quality of life for the residents of Lincolnshire.

The County Council’s Economic Development Unit has prepared a strategic plan which demonstrates how their economic development actions meet the County Council’s overall priorities of

- Enriching lifestyle
- Achieving excellence
- Improving access
- Promoting diversity
- Increasing security

The strategic plan includes the following actions which are directly compatible with South Holland District Council’s economic development strategy.

<table>
<thead>
<tr>
<th>Lincolnshire County Council</th>
<th>South Holland District Council</th>
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</thead>
<tbody>
<tr>
<td>Work with district councils in identifying suitable employment sites</td>
<td>Designate an appropriate level of land for economic use</td>
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<td></td>
<td>And</td>
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<tr>
<td></td>
<td>Promote South Holland as the ideal district in which to locate business services companies</td>
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<tr>
<td>Deliver a programme of environmental schemes in the county</td>
<td>Undertake projects which make the centres of the district’s towns attractive to investors and shoppers alike</td>
</tr>
<tr>
<td>Continue to work with the Regional Assembly, supporting the Regional Plan review</td>
<td>Make the case for public sector decision makes to invest in South Holland</td>
</tr>
<tr>
<td>Continue to promote the Rural Action Zone approach regionally and nationally to ensure that</td>
<td>Work through the Community Plans delivery structures in order to achieve the vision of South Holland being a “thriving, living, and working rural community”</td>
</tr>
<tr>
<td>rural issues are taken into account in policy and implementation</td>
<td>Promote access to information and learning for local industry</td>
</tr>
<tr>
<td>Promote access to information and learning for local industry</td>
<td>Encourage residents of South Holland, both employed and unemployed, to undertake vocational training</td>
</tr>
<tr>
<td>Support the development of Lincolnshire Tourism and Fens Tourism as key agencies for the</td>
<td>Support the development of Lincolnshire Tourism and Fens Tourism as key agencies for the delivery of marketing activities around the tourism product</td>
</tr>
<tr>
<td>delivery of marketing activities around the tourism product</td>
<td>Promote South Holland as a destination for tourists</td>
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<tr>
<td>Stimulate and fund innovative collective business projects through the Leader+ programme</td>
<td>And</td>
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<td></td>
<td>Improve the range of products available to tourists visiting South Holland</td>
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<tr>
<td></td>
<td>Seek ways in which to help the horticultural sector to maintain its strength in the market</td>
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</table>

OUR VALUES IN IMPLEMENTING THIS STRATEGY
South Holland District Council will also ensure that the strategy is delivered within the guiding principles of sustainable development and of equality of opportunity.

Sustainable development:

This strategy has been developed with a clear focus on the principles of sustainable development. In particular, activity that is undertaken under the aegis of this strategy will address sustainable development by:

Site development - Site for development should be surveyed, as way of good practice, for interest features before development occurs and suitable mitigation measures should be taken if necessary. In particular, new developments need to be considered in terms of landscape, designations, waste management, flood risk management, air quality, water resources and quality, and impacts on neighbouring areas.

Existing industrial diversification – a change in an industry such as horticulture could impact upon the whole environment, negatively or positively. Examples of issues that need to be considered include character of the landscape (present and historic), wildlife and designated sites, natural resources use, waste management and connections to required supporting infrastructure.

Transport and associated infrastructure – the need for a strategic, integrated transport plan for the district should be undertaken and further to this local transport plans for key development sites should be part of the development process. The aims of such plans would be to tackle any congestion issues, to ensure air quality is not negatively impacted upon and to take into account alternative methods of transport other than just cars and haulage of produce by large vehicles.

Engaging community – to ensure sustainable development is truly achieved, the environment and economy are important elements, but so are social needs and aspirations. This strategy sets out various objectives to obtain a healthy economic profile for the district, but this will happen at a much faster rate and have a more long lasting impact if the local community are engaged and empowered through the process.

Equality of opportunity:

South Holland District Council has recently published a generic equality policy. The policy confirms that the council is committed to promoting and building community cohesion through its partners and within its communities.

The policy identifies that for each service the district council should

- Monitor its affect on different groups
- Check whether there are any difference in its impact on different groups and
- Assess whether these differences have an adverse impact on some groups.
It is clear that actions within the economic development strategy could have an impact on different groups, and it is also clear that elements of the strategy will have a clear focus on community cohesion.

Therefore, it is essential that the economic development strategy should be delivered in a way which meets the council’s commitment to equality. This will be achieved by ensuring that

- consultation on the strategy, and as appropriate on actions contained in the strategy, will be done with hard to reach groups
- projects contained within the strategy will be developed so that they offer equal access to all groups in the South Holland community
- exemplar projects which support those at risk of exclusion, such as projects focused on the integration of migrant workers or on helping women to establish their own businesses, will be developed

MEDIUM TERM ACTION PLAN

This economic development strategy starts in 2005. It is important to remember that the District Council and other partners have delivered a substantial programme of activity in previous years. Annex 1 identifies the projects that have been delivered in previous years, and it groups those projects according to the priorities of this economic development strategy.

The Economic Theme Group of the South Holland Local Strategic Partnership has considered this strategy and partners are preparing project activity that meets the actions set out in the strategy. South Holland District Council’s economic development team will support partners by:

- building a strong relationship with the local business community in order to support their growth, promote services, develop detailed intelligence about local business needs, and provide a route for the business community to represent South Holland regionally and nationally
- assembling funding packages, advising on which partnerships to develop for the benefit of projects, and promoting projects to partners and to the business community
- helping partner organisations to target their services effectively, identifying where there are gaps in provision of this strategy, and monitoring progress of the strategy

In addition to facilitating partner projects in the ways set out above, South Holland District Council will also take a lead role in delivering six key aspects of the economic development strategy. The district council will-

1. Develop a point of focus for the range of organisations delivering services that are concerned with enabling businesses to innovate by adapting to new technologies and improving skills. Whilst it is unlikely that this would take the form of a formal “innovation centre” it is likely that a network of providers
and potential businesses could be brought together with a financial support programme as appropriate.

2. Increase business-to-business networking in order to increase trade amongst local businesses. This might take the form of projects that are specific to certain sectors, meet-the-buyer events, promotion of opportunities to win contracts from SHDC and other public bodies, or “issues focused” business forums.

3. Actively encourage the growth of new business sectors through the provision of quality workspace, the development of training programmes which ensure a supply of trained labour, targeted marketing campaigns, and support to help businesses attract high calibre staff to the district.

4. Increase the range and quality of tourist attractions in the district. This will involve assessing the current range of attractions, preparing new projects which will increase the range of attractions, particularly regarding the proposed Fens Waterways Link, supporting hoteliers in improving the quality of their hotels and the breaks they offer, and choosing the most effective routes to market the district within the UK and beyond.

5. Maintaining and improving our network of vibrant market towns. The Spalding masterplan will be an important starting point for further development of the town. A strong relationship will also be maintained with the district’s other market towns so that local partnerships can be supported in the organisation of events and in enhancing their towns. High profile events programmes will continue to be organised and promoted.

6. Providing detailed information so that representatives of South Holland are able to lobby/influence effectively for investment in the district. This will include liaison with partners at regional level and outside the region (e.g. Peterborough). Regular economic summaries will be prepared and briefings on the district’s economic prospects will be given.

ASSESSING OUR PROGRESS

The aim of this economic development strategy is “to increase job security and diversify the job opportunities available to people living in Spalding” and the four objectives of the strategy are:

- to create a favourable environment in which indigenous businesses can thrive
- to offer the best conditions for investment to businesses wishing to locate in the area
- to maintain vibrant communities within the district so that employees of the district’s companies—present and future—want to live and work here
- to secure recognition of issues affecting South Holland’s economy amongst key decision makers at regional and national level

Because economic development is affected by global and domestic policies just as much as by local actions, it is difficult to assess how the direct actions undertaken by this economic development strategy have had an impact on the economic growth of the district. Nonetheless, it is important that the district’s economic growth is
measured as a way of informing on the effectiveness of this strategy and as a way of identifying new activity that should be developed.

Ultimately, the success of this economic development strategy should be measured through assessing

i. the Gross Value Added per head of the local population
ii. the growth in Gross Value Added per head of the local population

We will measure our progress against each of these objectives as follows. These indicators have been chosen because they will help to assess the impact of the intended activities from within the strategy. The indicators were prepared by the Audit Commission as a guide to assist local authorities in monitoring their economic development activity.

**Thriving indigenous businesses**

- The split between vacant and used employment land (locally defined indicator)
- The average spend per visitor day
- The number of new business start ups supported in the local area per 1000 VAT registered businesses
- The percentage of the local population qualified to NVQ levels 2, 3, and 4

**Businesses locating in the area**

- Total number of new investments/re-investments made in the area as a result of the promotion and support activities of the authority
- The number of people working in businesses in higher added value sectors in the district

**Vibrant communities**

(Monitoring of the Community Plan aspects of this objective will be undertaken as part of the Community Planning process)

- Number of retail ground floor units not being used as a proportion of the total number of ground floor businesses
- Satisfaction with town centres

**Recognition of issues affecting South Holland**

- The extent to which the local authority’s investment in economic development has been instrumental in levering funds from other sources, including grant aid
- Number of businesses trading internationally

**SUMMARY**
In summary, this economic development strategy has been prepared both to build on the strengths of the district’s economy (strong business sectors, an enviable quality of life, and low unemployment rates) and to address some of the economy’s weaknesses (an over reliance on traditional sectors, large numbers of young people leaving the district, and low wage/low skill jobs).

By delivering a programme of activities in support of this strategy, South Holland District Council and its partners will take significant steps towards growing the district’s economy so that it can play an important role in achieving South Holland District Council’s aim of the district being a thriving, living, and working rural community.