

Policy Issue No 2, January 09 into Practice

Changing Opinions: Prosperous Places, Making the Economy Work for Your Town

// The degree of autonomy over strategic decision making is one of the most significant distinguishing features between high performing continental European Cities and their English Counterparts. //

CLES Groundwork report The Contribution of the Local Environment to the Local Economy 2007. The implication is that is taking a strategic approach delivers more economic results.

Can you take a strategic lead in your town?

This guide is aimed at:

1. Community partnership members
2. Town / Parish councillors



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Introduction

The prosperity of small towns depends significantly on the prosperity of businesses both within the town itself and nearby. How your town can develop a strategy for its economic development and boost the business community is the theme of this paper. It brings together a number of tools for developing a local economic strategy and introduces a range of approaches to promoting business activity. It also provides some policy background and links to policy documents that may be helpful in developing and implementing economic plans. Finally, throughout the document there are case studies and links to additional sources of information.

We live in challenging times with the economic down turn severely affecting most of the country. With many market towns already in a vulnerable position the impact will be heavy, but there are also opportunities opening up for market towns to nurture new business sectors and develop their role as sustainable community hubs. We need to seize these opportunities. While some initiatives will be more challenging to get off the ground, others may be easier, such as asset purchase, with less competition from the housing sector.

Springboard incubator, Stokesley, in Hambleton District, North Yorkshire. Nurturing new business in high technology sector

The credit crunch will undoubtedly affect what can be achieved and how it can be financed, but the underlying trends of increasing oil prices, the impact of broadband on business location and a move towards the knowledge economy will remain. Local economic resilience (greater economic self-containment) may emerge as a stronger trend, but it will be even more important to identify competitive opportunities as the situation evolves. Initiatives that are successful in this financial climate are likely to be robust in more affluent times.

The time is right for towns and their partnerships to take an active part in planning their future. The government's current Sub-National Review will make economic development a statutory duty for upper tier local authorities for the first time. This means that local authorities will be required to assess market town economies, even where the authority is dominated by a larger urban centre. This paper shows how you can contribute to that process and gives examples of how other towns have already done so. It also outlines how tools and resources available through Action for Market Towns can help guide you through the process.

Background issues and Economic Sector Trends

People continue to move out of urban areas in the UK - over 10,000 people moved to market towns and rural areas in Yorkshire and Humber alone in 2007/08 - but most of these people still work in the urban centres. This is one trend amongst many which affect small towns.

Others include the steady trend in recent years of decreasing affordability of housing in many market towns and increasing centralisation of services, such as the closure of post offices and small schools. For more analysis of the issues affecting rural services see the Commission for Rural Communities report 'Tackling Rural Disadvantage Through How Public Services are Reformed ([Click here for report](#))'.

Also well-documented are the challenges posed by large multiple retailers, whose expansion is affecting the form and function of town centre retail. This is not always bad news for small retailers: there are examples where a modest expansion of supermarket provision in a town centre, has given a positive boost to the town centre independent retail sector, by encouraging more residents to shop locally. [Click here for a report showing evidence of some positive impact](#).

There are many shades of economic prosperity and economic sustainability. Attractive market towns inside city regions are generally doing quite well, boosted by their role as labour providers. However, this may lead to further problems of towns becoming simply dormitories. By contrast, market towns which have seen a decline from reliance on heavy industry, such as Castleford, whose regeneration was profiled on Channel 4 in 2008, are often still struggling ([Click here for details of the Channel 4 Castleford project](#)). Twenty years ago, Hebden Bridge in West Yorkshire was a failing mill town. With strong local leadership, it has now reinvented itself as a creative centre, highly attractive to professionals and thriving under its 'alternative' image.

Each town is unique and there is no national blueprint for developing a local economic strategy: the way forward for each town involves value choices as well as judgements of economic opportunity.

There is a long-term trend of declining employment in manufacturing, although very high value manufacturing is a growth sector in some areas. There is also a long term trend of increase in service sector, high technology and other knowledge based businesses. Importantly for market towns and rural areas, the internet makes it possible for many knowledge based businesses to be located away from large urban centres.

The situation in the agricultural sector is now quite fluid: whilst employment continues to decline due to mechanisation, there is increasing interest in local production for local markets and in green energy.

Large public or private sector service activities, such as hospitals, council offices, care homes or schools, can be major employers and have a major positive impact on a local market town economy.

Jobs multiplier

There is an economic rule of thumb called the Multiplier Effect that says that one job bringing income into a local economy supports three more local jobs, whether in retail, building sector or other activities. The number of jobs depends on how 'closed' the economy is and in some cases the multiplier effect can be higher than three. But be warned - the reverse is also true should any major local employer cease to operate. This means that the presence of a single major employer has a disproportionate impact on the economy.

The new national planning policy framework in England is designed to move beyond a pure land use approach to a more spatial and community responsive approach. The concept involves a regional strategy, with housing and other targets identified spatially and government guidance documents, planning policy supplements or PPS's to guide decisions at a local level. In England PPS6, Planning for Town Centres specifically supports the concentration of retail in urban centres to promote their 'vitality and viability'.

[Click here for a link to PPS6](#)

The situation in Wales, Scotland and Northern Ireland also supports town centre vitality and viability, but is less dominantly focused on town centre concentration. For more information on the relevant planning legislation for each country:

- **Wales** [Click here for Welsh town centre planning policy](#), Technical Advice Note 4 – TAN4, Retailing and Town Centres
- **Scotland** [Click here for Scottish town centre planning policy](#), SPP8 – Town Centres and Retailing – supplemented by PAN52, Planning in Small Towns and PAN 59 Improving Town Centres
- **Northern Ireland** [Click here for Northern Irish town centre planning policy](#), Revised (Draft) Retailing, Town Centres and Commercial Leisure Developments (DRD 2006).

At a local level in England the new Local Development Framework (LDF) provides a spatial framework driving planning policy, through its core strategy section which as it suggests sets the strategy and supplementary planning documents which lay out more detailed plans. [For more information on the LDF in England click here.](#)

Market Town Economic Functions

A Yorkshire Forward 2008 study by SQW Assessing the economic performance of rural capitals in Yorkshire and Humber ([Click here to download a copy](#)) identifies four potential economic roles for market towns:

Potential economic roles for market towns

- **labour provider (commuter or dormitory function)**
- **business centre**
- **tourism hub**
- **combined roles, with none dominant**

Factors affecting the prosperity of towns differ according to whether the town is part of the city region (situated close to a major urban centre) or sits outside the city region. That is the ability of a town to prosper with different functions depends significantly on its distance and relationship to its nearest large urban centre.

Drawing out the inferences of this report and the Yorkshire and Humber experience we suggest that economic sustainability is favoured by well developed economic functionality.

- **The prosperity of a larger freestanding town will be favoured by either**
 - a specialised business sector or
 - the presence of a major employer, whether public or private,

but tourism alone as a business specialisation is rarely adequate for larger freestanding towns (i.e. those without labour providing or commuter roles).

- **Small towns without close relations with urban centres (outside the city region) may be economically sustainable when their business base is:**
 - Tourism focused
 - Unspecialised
- **Towns with close relations with urban centres that are prosperous tend to have a labour providing role, although this may be combined with another role.**



Canalside at Ramsborough, 'Disciplined Rurb'. An image of a market town of the future, from Yorkshire Forward's Market Towns of the Future report.

- **While the economic prosperity of the labour provider towns is accepted, this function can bring with it some challenges, in terms of social and environmental sustainability.**

Yorkshire Forward also published a study in 2007 'Market Towns of the Future', which discussed possible future scenarios for towns.

[Click here to download a copy.](#)

The scenarios are developed looking at the predicted major causes of change arising from social trends, climate change, information technology advances, globalisation and their predicted impact on government policy. The report message is that advanced planning, community leadership, and innovation are critical now to achieving a positive scenario in the future.

Action for Market Towns is undertaking research in association with Birkbeck College on market town 'typologies' – how it is possible to classify and group market towns by common characteristics. This will help in tailoring training and advice packages for market town partnerships and also facilitate exchange of experience between towns with similar backgrounds and experiences up and down the country.

Assessing the Economy of Your Town

How does a market town partnership, consisting largely of volunteers, who may have business experience but are unlikely to be trained economists, undertake the analysis needed to underpin an economic strategy?

1. Gathering the Data

a) Get healthy – Where do you start

The starting point for any town is the community plan setting out the town vision and strategic objectives, based on evidence gathering and consultation.

Community plans may be achieved through a range of approaches. Some examples include parish planning (parish plans), the market towns initiative Healthcheck approach (town action plans), masterplanning, the Yorkshire Forward Renaissance approach producing Strategic Development Frameworks, or the new streamlined and scalable AMT Healthscan. For more information on community led planning [click here](#).

Where a community plan has been produced, it will typically have sections for social, economic and environmental issues and so a body of economic information will already be available. This can form a basis for an economic plan.



This vacant shop was occupied for 6 weeks from Dec 06 – Jan 07 during the Caterham (Surrey) community planning consultation process and clocked 1,000 visitors in a town of 16,000

b) You'll never walk alone – accessing existing sources of information

Most local authorities have an economic or regeneration section with officers who will have a good understanding of your market town economy. Get to know them and involve them in the work you are doing. Most local authorities will value your local knowledge and see that it supplements and enhances the more work they will be undertaking: it is another aspect of partnership working. Your local authority partners will have statistical data analysing factors such as:

- Employment statistics
- Skills levels
- Commercial vacancy rate
- Registration and de-registration of businesses
- Foreign and domestic direct investment levels
- Commuting statistics

However, local authorities may not have analysed how many people are employed in a particular business sector and may also be affected by boundary issues. For example, where a different local authority borders your town, it may provide employment or other services to a significant number of residents.

Other sources of local economic data and analysis include:

- Local Strategic Partnerships (LSPs)
- Regional statistical offices
- Regional Development Agencies
- Business link and other support agencies
- The Learning and Skills Council – skills related

c) The truth is out there: Market Town Benchmarking – Town Centre Focused Economic Evidence Gathering

Market Town Benchmarking provides annual comparative data on town centre prosperity. This enables towns to monitor local trends and to assess the impact of initiatives. The package also compares their performance with similar towns.

The approach has been successful in identifying key areas for action and also supporting funding applications to address these issues. For example, in Stamford ([Click here for the Stamford case study](#)) the information was used to identify a need for

town centre business space, to attract a desired retail multiple (a 'key attractor') and influenced the development and funding of a range of projects, including public realm enhancement.

Market Town Benchmarking is a rigorous approach used across the country and designed to be conducted by volunteers. The online assessment toolkit can be purchased for an initial investment of £200, with annual payments of £150 per year subsequently (2008 prices). [Click here for more details](#) or contact mike.king@towns.org.uk



The pedestrianisation of Red Lion Square and the Sheep Market area, has enabled the centre of Stamford to re-discover its social function as a hub of community activity, alongside the retail service provision. This 'Gateway' scheme was informed by evidence from the Market Town benchmarking process.

2. Pulling it all Together – Producing an Economic Strategy

Alongside, official data, collecting local qualitative data is very valuable to provide an insight beyond the data. Where a market town health check has been carried out this may cover this type of data. Interviewing business owners / managers and key employers is part of this process. How do they see the opportunities and constraints of operating in your town? What are the growth sectors?

Note that businesses that are not VAT registered will fall under the radar of most statistics. Find creative ways of uncovering these.

By now, you will have a mass of data. The data alone will not produce an economic strategy: that requires your local knowledge and the input of local people at consultation events. Identifying opportunities for economic growth requires a review of the town's history and current trends, an exploration of opportunities, taking account of the town's position both in the region and in relation to the nearest larger urban centres, and a decision on the approach that best fits the town. The importance of leadership should not be underestimated.

An economic strategy for a market town needs to be written down in a few sentences. Documenting how you got there and the planning of how to make it happen will be more lengthy, but should be subsidiary to a simple message encapsulated in the succinct strategy.

Here are some of the issues you may need to consider:

a) Importance of the Town Centre

A market town centre is a guide to the prosperity of the town, but the retail sector itself is only part of the picture. Towns need income from other sources. This may be from the salaries of people employed in local businesses and the trade generated through these businesses operating, or it may be from commuters, from their business or service sector employment elsewhere, from pensioners' income or from visitors (whether leisure or business) accessing retail and other services.

b) Location of Non-Retail Business

Links to Town Centre. Where non-retail business is located in or around the town centre, this has the

greatest positive impact on the functioning of the town centre, both from a retail perspective, by increasing footfall and also from a social perspective by encouraging the town centre to be a community hub.

Measures to improve the look and functioning of the town centre (which for example may be identified through the Benchmarking process) will have a positive impact on attracting business. Identifying and supporting the development of redundant buildings for high quality office use can be an important part of the process.

'Public-led initiatives may be required that go beyond positive use of the planning system; in many locations, given the likely commercial return taking into account risk and uncertainty, it is unlikely that the private sector, unassisted, would provide such space. Public funding – in some form – is likely to be needed to fill the gap.' ([Yorkshire Forward 2008 study by SQW Assessing the economic performance of rural capitals in Yorkshire and Humber, bottom of page 74 - Click here for report](#))

Examples of initiatives where high quality office space has been developed successfully for knowledge-based businesses include the Richmond Heritage Partnership Scheme ([town centre based over the shop with public investment click here](#)) and Broughton Hall Business Park ([out of town country estate location, private investment click here](#)).

c) Supporting the Business Environment – the Role of the Public Realm

Creating a positive business environment is a very important aspect to enabling business development. This covers a wide range of issues, from having suitable office space, available skilled individuals, and fast internet speeds, but importantly also making the town a 'nice place' to host businesses. There is increasing evidence that the state of the public realm (open access public space, including streets, squares, parks, and paths) is important to business location and particularly to small businesses. [Click here for a report by Ecotec for EMDA October 2007](#), for evidence analysing and supporting the Economic Impact of the Public Realm. And of course the state of the public realm affects the attractiveness of the retail offer.

d) Business sectors

The visitor economy (a term covering tourism) is an important business sector in many market towns. Other important employment sectors may be regional (such as the growing Cambridge City Region high technology cluster); a single employer such as Skipton Building Society in Skipton (employing over 2,000 people in a town under 15,000) and business in general as in Malton and Norton in North Yorkshire, just inland from Scarborough. Businesses, particularly knowledge-based ones such as research companies or firms operating over the internet, are quite mobile and open to attractive locations that will allow them to attract and retain key staff.

e) Identifying Growth Sectors

It is important to understand the dominant economic sectors that drive your town economy. There is always a sector or several sectors that have some level of dominance in a market town economy. Which are yours and do they have potential to grow or are they in decline? Do they provide high value employment? What factors are holding back or would accelerate their development?

f) Business Clusters

Increasingly, business clusters are seen as important for business development. A business cluster is a group of industries and organisations that are linked together in buying and selling relationships, or which share the same infrastructure, customers, technologies, or skills base, and whose linkages enhance competitive advantage. For example, where the visitor economy is strong in a town this operates as a cluster.

g) Fitting with Other Strategies

How does your emerging strategy fit in with your local authority's Local Development Framework and also the work of the Local Strategic Partnership? If you have worked closely with your local authority economic development team, your proposals will not come as a surprise to them and will hopefully mesh with their thinking, Economic strategies at the UK level, Regional Development Agency level and local authority level will identify key areas of business or business clusters that they have prioritised. It is important to find a fit with those relevant to your area.

h) Skills Issues

Are there any 'people barriers' holding back economic development in your town? These could be demographic (18-30 year olds may tend to move away); lack of key skills or training opportunities; or lack of affordable housing to attract and retain a sector of your workforce

i) Start Up Business

Market towns and rural areas have higher than average business start up rates, and more women start businesses in rural/market towns than in urban areas, although these businesses do not have such high growth rates as their urban counterparts. They are still very important to their economies because of the numbers employed. Many of the smaller businesses are not 'seen' in statistics as they are not VAT registered. What opportunities are there in your town to encourage start-up businesses?

Settle's Vision, created through the Renaissance Market Town community planning process, incorporates an economic strategy, focusing on media and digital technologies and branding alongside an innovative approach to development and promotion of its more traditional role as a Yorkshire Dales market town. [Click here to see Settle's Vision document.](#)

Business incubator units can help support start-up businesses as part of a wider sector development approach. Business Incubators have an average success rate of 98% of businesses succeeding whilst in the incubator (compared to a national average of less than 50% of all small and medium sized companies registered) and 87% surviving after five years of starting. (source UKBI - [Click here for more info](#))

A good practice reference document is the Herts Vitality Feasibility Study: Golden Rules of Effective Managed Workspace Development, by Tribal for East Herts Council, which also explores business support approaches. [Click here to download a copy.](#) Yorkshire Forward's December 2008 Rural Business

Space Study, by King Sturge et al, looks at when and how public sector investment may be justified.

[Click here to download a copy.](#)

j) Local Fit

Ensuring a market town economic strategy fits the town, requires it to link to the vision for your market town and the people that make it up.

Marsden and Slaithwaite's 'Green Valley Initiative' is a concept designed to link together a number of plans and promote the development of an environmental technology based economy (or cluster) in these two small Pennine market towns in West Yorkshire.

Historically Marsden and Slaithwaite's economy was dominated by textile manufacturing, but with this in severe decline, the community identified environmental technology as a potential growth sector. The community vision was for a place to live and work (not commute from). There was a strong interest in environmental issues and a small existing set of environmental businesses. The Green Valley Initiative fits, both with Kirklees and Yorkshire Forward business development strategies.

The Green Valley Initiative is currently being taken forward with two initial projects in conjunction with Kirklees Council and Yorkshire Forward. [Click here for a case study and a linked promotion document.](#)

k) Marketing the business sector

Having established the economic strategy, developing the marketing of your town business sector is a key aspect to consider in relation to delivering the results. For more information on delivery see next section.

Supporting Business in Your Town – Tools

What factors influence businesses in their decision to invest in a town? A recent amt-i study of four UK market towns has identified the following as important influences on business decisions to invest (in no particular order):

- Strategy of the market town / local authority
- Understanding of growth sectors
- Strong local authority
- Transport links / car parking
- Environment
- Community facilities
- Housing
- Education and skills
- Technology – broadband and mobile phone connections
- Land / property
- Business support and networking
- Promotion and Branding

These findings provide a useful checklist of factors that are favourable for business in general. Where each of these factors is favourable, the business environment is strong. Where there are weaknesses, initiatives to address this weakness may be appropriate. If the development of a particular business sector is envisaged, then analysing constraints associated with these same headings is a useful approach to identifying sector-specific needs.

The following case studies, provide examples of how supporting each of these factors can positively impact on the business environment.

1. Understanding of growth sectors

Investing in Food

Hambleton District Council together with Yorkshire Forward identified the food processing sector as having growth potential. This led to the development of a business park with 70% focus on the food sector. Leeming Bar Business Park near Bedale is located adjacent to the existing Leeming Bar Industrial Estate which now has the largest ice cream manufacturing plant in Europe and a cluster

of food firms such as Dalepak, Vale of Mowbray and Holmesterne Foods. The new Business Park will soon have a specially designed business incubator to support new businesses starting in the food sector.

[Click here for case study.](#)

Taking Advantage of the High Skills Base

Market towns within city regions typically have a high skills base which can be an important factor in attracting high growth businesses. Thompson Reuter's legal services operate in the small town of Mythemroyd, near Hebden Bridge in West Yorkshire. Over 200 lawyers and other staff are employed in a converted chicken hatchery. [Click here for case study.](#)

2. Business support and networking

Sleaford Business Improvement District (BID)

Sleaford BID is one of the first to operate in a UK market town. In the last year it has taken initiatives around security, car parking, plastic bag avoidance and promotion. BIDs require majority agreement from businesses in an area, and all businesses in the BID area pay a fee to the programme. [Click here for case study.](#) Public realm improvements are one of the policy objectives of BIDs nationally in the UK.

Retail Sector Support

a) BASE

The Base (Business and Social Enterprise) initiative is a training and support programme for independent businesses from the retail and service sectors. These types of small businesses rarely invest in training, unlike the large retail multiples and rarely access mainstream business support services such as business link. BASE provides short and relevant courses to help SMEs tackle and adapt to change. Independents in market towns face many challenges including the increase of online and out of town shopping, the success of multiple retailing, parking issues and now the credit crunch.

Courses include: marketing, selling, visual merchandising, website design, business planning, management skills and employment law. They are delivered in accessible and unthreatening local venues usually in the evening. [For more information on the BASE programme including case studies click here](#)

b) Loyalty Cards

Town loyalty cards can help independent shops and services attract regular custom from people living and working in a town. Following completing a Healthcheck, Haslemere developed an award winning low cost rewards scheme in 2005. After 6 months they had 31 businesses involved and 4,000 cards. This scheme uses SAVY Smart Card technology and increased revenue and footfall beyond expectations. The Smart Card allows individual businesses to operate in different 'pockets' of the card (up to 48) and control their own rewards/discounts to the customer.

[For Haslemere case study click here.](#)

amt-i in partnership with Malanie Odnell, one of the founders of the Haslemere scheme initiators now offer a consultancy service for towns considering a scheme of their own. [For details of the amt-i consultancy service click here.](#)

Shop local campaign toolkit

In High Peak Derbyshire a group of 5 towns came together to create a practical 'self help' toolkit for independent retailers to enable them to think about how they could compete better against multiples and supermarkets and to lead a publicity campaign to raise awareness amongst local retailers.

[Click here for more information.](#)

Visitor Economy Support - A Better Welcome

A Better Welcome is an approach to developing the visitor economy (tourism sector) in a town by combining a review of specially commissioned robust local research into current visitors with visioning and action planning for the future. It is designed to enable a partnership of local businesses and local partners to work together, drawing on their combined skills and knowledge. [Click here for case study.](#)

Business Cluster Networking

a) Business centre cafe

In the Swansea based digital business support centre 'Technium Digital' a Starbucks café has proved a very active networking hub. In addition to people meeting over coffee, the café is used as a venue for small events/ presentations.

b) Leeming Bar Business Forum

In the Leeming Bar business park near Beedale in North Yorkshire where occupancy is designed to be 70% food sector (referred to earlier under food sector support), a business forum has facilitated a number of successful engagements with the local authority and other partners. These include provision of training. It also provides a valuable opportunity for inter-business links and creative exchange.

3. Branding and Promotion

Town Branding

The branding of the Cambridge area as a high technology region has helped market towns in the area to benefit from inward investment. Within the Cambridge brand there are local initiatives which are effectively creating sub-brands linked to the Cambridge brand. [Click here for case study.](#)

Many towns recognize the importance of promoting local distinctiveness as a means of promoting their tourism or visitor economy, for example Garstang in Lancashire made itself the first Fair Trade Town. Dumfries and Galloway County Council now have a policy of small town branding for their many market towns. For example they now have

- Wigtown branded as a book town
- Castle Douglas branded as a food town
- Kircudbright branded as an artists town

For more information on Dumfries and Galloway small town branding, go to www.gloriousgalloway.com. In others towns such as Hay on Wye for books or Ludlow for food, the branding has emerged with an awareness of the value of the specialism to their tourism business.

All these towns use their branding to promote themselves as destinations. However, specialising in specific high technology sectors is starting to emerge as an alternative type of branding for market towns.



Bangor's Technium CAST
(Centre for Advanced Software Technology)

In two market towns in North Wales, the development of

- **Technium CAST (Centre for Advanced Software Technology) in the small university town of Bangor** ([click here for more information](#))
- **Technium OpTIC, supporting the growth of a new high tech sector in the small town of St Asaph, with a population of just 3,941** ([click here for more information](#))

have both been supported by high levels of European investment through the Welsh Assembly Government. These specialist centres are designed to stimulate a new high technology business sector. They focus on research as well as nurturing business development. They also strongly promote international linkages. The Welsh Assembly are supporting 6 'Technium' centres across Wales.

Festivals and events for promotion

Festivals are an established and effective way to promote a specific sector or a town in general. Ludlow's food promotion is organised around its food festival. Haslemere is a smaller market town which has used a food festival to promote the town. [Click here for Haslemere festival case study.](#)

4. Strong local authority

Howden, in the East Riding of Yorkshire, attracted inward investment from The Press Association, which has built its operations centre there employing 600 people. An amt-i case study demonstrated how a strong local authority approach from East Riding of Yorkshire Council was instrumental in securing the investment. [Click here for more information.](#)

5. Transport links / car parking

Managing limited car parking provision in your town is important for business. Integrated strategies can be produced to develop differentiated provision for various users for car parking. Options include:

- **Very short stay free car parking in central places to ensure rapid turnover**
- **Serviced car parks for long stay visitors (for example, with toilets, information boards and even picnic benches)**
- **Park and ride schemes**
- **Multi storey or underground provision**

Read about how to assess your own towns needs and case studies of what works where in the Yorkshire Forward 2007 Market Town Car Parking Research report. [Click here to download it.](#) For amt-i car parking audit support [click here.](#)

6. Environment

Evidence of the contribution of investment in the local environment to the local economy is documented in the reports by CLES and Groundwork, The Contribution of the Local Environment to the Local Economy 2007 ([Click here to download the report](#)) and by ECOTEC Economic Impact of the Public Realm for the East Midlands Development Agency in 2007 ([Click here to download the report](#)). These studies provide a range of urban and rural examples of where public realm investment in the environment has had an impact on the economy. The environment and the public realm are closely related.

7. Community facilities

A public realm enhancement initiative came out of the Stamford benchmarking assessment process. It has opened up an area that used to be used for car parking as a pedestrian town square, now used for community events as well as improving the look of the

town centre. Despite misgivings by some sections of the populations, it is now widely accepted that this has had a very positive impact on the retail sector and the feel of the town centre. [Click here for case study.](#)

8. Housing

Having the right mix of housing stock is important not just from a social perspective, it can also affect the economy. For example, if young people find it hard to buy or rent property and businesses will find it harder to recruit them, too few high value houses can also affect business. A housing survey will identify evidence of need. Check if your local authority has already carried one out.

Housing survey

Kirklees Council commissioned a housing survey for Marsden and Slaithwaite which identified a shortage of larger family housing and housing suitable for older people / people with mobility problems as critical issues. Previously, it had been assumed that affordable housing was the only issue. [Click here for survey report.](#)

[For more information on approaches to affordable housing, including working with the local development framework, 106 agreements and community land trusts, click here.](#)

9. Education and skills

Good schools

Skipton Building Society identify the good local schools as a key reason for maintaining their location in Skipton despite some challenges associated with a large company of over 2,000 employees being located in a town with under 15,000 residents, although their employment catchment area is much larger. [Click here for case study from AMT /Ruralnet/uk 2008 Convention.](#)

Supporting artisan skills development

Ludlow, in Shropshire, has developed a programme called Skillbuilders, which addresses a shortfall in cooking related skills, to support their food sector economy. This programme links young people in artisan apprenticeship positions to each other and the 14-16 year olds in schools with a variety of innovative activities, which benefit both groups. The programme is led by volunteers who work in the business sector. [Click here for case study.](#)



Skillbuilders school project at the Sept 2005 Ludlow food festival. A teacher from a French chef's school runs a carousel with youngsters going around experiencing skills tasters.

John Kyrle High School's Adult and Community Learning Centre in Ross on Wye has established a mobile IT suite to tackle lack of IT facilities, to address a local lack of basic skills training provision and a lack of skills and qualifications needed in the modern workplace. [Click here for case study.](#)

10. Land / property

In-town office space

Richmond in North Yorkshire has tackled twin problems of shabby shop fronts and lack of office space with a scheme to create over-the-shop business spaces and shop front improvements. This has helped the town square to attract business and boosted the retail sector. This scheme pinpoints the importance of where business space is located. Where it is located close to the retail centre, the impact is greatest. Employees increase town centre retail footfall, when they go out at lunch time or on their way home and businesses may also buy some supplies locally. [Click here for case study.](#)

Business incubators

Springboard High Technology Business Incubator in Stokesley, North Yorkshire promotes high technology businesses. It supports start up businesses over a three-year period and has achieved impressive results contributing £4.2 million to the economy in the first 30 months of operation. However, graduating businesses (businesses are only able

to stay for three years regardless of their success to ensure maximum impact) were found to be relocating to nearby Middlesbrough, due to lack of suitable 'follow on' space. The construction of an additional building for graduate businesses has now been completed. [Click here for case study.](#) For more information on good practice in managed workspace design click here (The Golden Rules of Effective Managed Workspace Development, produced by Tribal for East Herts Council, 2008)

Influencing Local Planning Policy

In England the new Local Development Framework provides an opportunity for communities to influence spatial land use plans in a strategic way. As mentioned earlier the LDF incorporates a core strategy and a range of other supporting documents, which are designed to be updated on a rotating basis and councils must involve the community in their preparation. Influencing the form of these plans is a powerful way of affecting the development of your town.

In 2008 Kirklees Council (Huddersfield and surrounding area) were developing their local development framework (LDF) core strategy and looking at employment land issues. They were conscious of the importance of communities having employment at or near their centres (urban and market town/rural), from the perspective of building sustainable communities, magnified by issues around low carbon/increasing oil cost. In this process Kirklees Council found input from community partnerships with an economic strategic view valuable in selecting which sites to priorities for business use in the Local Development Framework Core Strategy.

Richmond's Design Guide, produced through the Heritage Partnership Scheme mentioned above, has now been adopted as Supplementary Planning Guidance within Richmond District Council's Local Development Framework and so now affects planning decisions.

Note that amt-i also offers a number of other town centre focused support services such as mystery shopping and signage audits.

[Click here for more information.](#)

Summing up

Sarah Longlands, Director of Policy at the Centre for Local Economic Strategy summed up a workshop session Prosperous Business, Prosperous Places, at Action for Market Towns 2008 Annual Convention as follows:

Firstly, the importance of understanding and assessing the local economy. With the advent of economic assessment duty, it is becoming increasingly important to fully understand the economics of place, and upper tier local authorities, probably from 2009, will be obliged by law to do this assessment. It is therefore important that market towns can link their work on the health-check to this process. Understanding your economy ensures that there is a robust evidence base on which to base future projects and allows market towns to understand how resilient their economy is in the face of a changing economic context

Secondly, the importance of networking - both within towns by involving business, communities and stakeholders in discussions about the town and harnessing their knowledge and ideas and networking between market towns (as has been done in Yorkshire) and encouraging them to work together to achieve greater impact.

Thirdly, to re-conceptualise our ideas around economics, that economic is not an end in itself but a means to an end and therefore should be regarded as a key tool which we can use to strengthen and develop our market towns.

Lastly - that, rather than wait for policy to do something for or to market towns, there is the opportunity for greater leadership among market towns and for them to set the agenda. For example, taking their ideas about economic development to partners and to decision makers at a local and regional level in order to achieve change.

More help and information

amt-i, the consultancy arm of Action for Market towns, is able to offer a range of training programme and consultancy. These are described in its Town Centre Services brochure, which is available for download on the amt-i website www.amt-i.co.uk

AMT will welcome suggestions of additional sources of information found useful by readers, and examples of good practice, to add to the range of reference material available to AMT members. Contact AMT at info@towns.org.uk



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