Shropshire Futures:

An Economic Development Strategy for Shropshire

FINAL VERSION

Prepared by SQW Ltd

on behalf of the

Shropshire Economic Forum

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Contents

Preface

This document presents *Shropshire Futures,* the new Economic Development Strategy for Shropshire.

The Strategy has been developed iteratively and the process has been based on consultation throughout. For the record, key milestones in this process are summarised below.

Initial Visioning

Following a selection of early consultations, undertaken on a one-to-one basis, the first key event in terms of Strategy development was a *Visioning Workshop* which was held on 11th February 2003. This was attended by around 30 Partners. All members of the Economic Development Forum were invited to attend, along with a number of other individuals and organisations that had been nominated by members of the Steering Group.

The purpose of the *Visioning Workshop* was to "brainstorm" creatively the medium-long term possibilities for economic development in Shropshire. To facilitate this process, we used De Bono's "Thinking Hats" and considered the issues facing Shropshire from six quite different viewpoints. The exercise opened up a range of different perspectives on the Shropshire economy: all of these were helpful in terms of challenging current thinking but they all required greater testing as the Strategy process moved forward. A note highlighting the outcomes from the Visioning Workshop was circulated shortly after the event.

Research

There then followed a period of desk-based activity which included two main elements:

- first, we reviewed a set of econometric projections which had been prepared by Cambridge Econometrics on the basis of their Local Economy Forecasting Model. These provided baseline projections for the performance of the economy through to 2015. Whilst not a forecast in a formal sense, these data highlighted some of the issues that needed to inform the Economic Strategy including, *inter alia*, the locally high concentration of economic activity in sectors which are projected to decline nationally

- second, we reviewed a sizeable number of studies, analyses, research reports, Strategies and Action Plans, some relating exclusively to Shropshire whilst others were regional or national documents. However, together, these provided insights into different dimensions of the Shropshire economy.

SWOT Development

On the basis of the data analysis and the literature review, we drew together a baseline assessment of the Shropshire economy together with a SWOT analysis structured according to the Regional Economic Strategy domains of: Business Competitiveness and Clusters; Skills and Employment; Land, Property and Infrastructure; and Community Regeneration.

Four workshops were then organised to which members of the ED Forum – and others nominated by attendees at the Visioning Workshop – were invited. The document containing the draft SWOT and baseline was circulated in advance of the meetings on 4th and 5th March. At the Workshops, the draft SWOTs were discussed and then various amendments were suggested and gaps highlighted. The SWOTs were revised following the workshops and were then circulated in early April. Subsequently, we received one more set of written comments on the SWOT which we sought to take on board.

In addition, at this stage, the summary SWOT analysis was presented to a meeting of the Board of the Shropshire Partnership. Discussions during the meeting appeared to endorse its main findings.

Strategic Framework

A draft Strategic Framework was then developed. This sought to capture the key evidential themes deriving from the SWOT documents and from the various workshops. While these themes were informed by key issues identified within each of the SWOT domains, they were not constrained by them in terms of the architecture of *Shropshire Futures*. Thus we sought to work across the four RES pillars to develop a Strategic Framework that was both (a) specific to the particular issues facing the Shropshire economy as it looks to the future, and (b) consistent with the wider framework presented through the Regional Economic Strategy.

The first draft Strategic Framework was presented to our Steering Group at the end of March and amended in the light of this discussion. It was then presented to partners at a meeting on 11th April to which all those involved in the SWOT workshops and/or the Visioning Event were invited. The intention at this event was to secure "buy in" from Partners, and to provide approval for us to move onto detailed Action Planning. In broad terms, Partners agreed that the shape of the Strategy was correct whilst acknowledging that more work was required to develop some of the detail. A note of the 11th April meeting was circulated shortly after the event.

Actions

On 4th June, there then followed five working meetings, each of which was attended by 5-10 nominated people. After a brief presentation of the strategic framework, each of the working groups considered one of the five Strategic Priorities and assessed (a) the extent to which actions within Shropshire are already addressing the core elements of the Strategic Priority and (b) new actions that might be developed to deliver each Priority.

Alongside this process, SQW also sought to map existing and proposed actions. To this end, we initially circulated a spreadsheet for completion. Subsequently, we spoke, on an individual basis, with a wide range of partners in order to complete the matrix.

On 18th July, the Economic Development Forum then considered the long list of draft actions. It agreed that these ought to be written up and circulated to a range of partners in order to formulate a collective response to individual proposals. Four criteria were used as the basis of this assessment:

- the extent to which the action fits with *Shropshire Futures*
- the extent to which the action is genuinely additional (i.e. it fills a gap or adds value to activity that is already underway)
- the extent to which the action should be an immediate priority
- the extent to which particular organisations are willing and able to take a lead role in delivery.

By the beginning of September 2003, some 22 completed responses had been received. These were then reviewed and a composite analysis was presented for discussion at a further meeting of the Economic Development Forum on 16th September. Through the debate, the Forum members provided further fine-tuning to the prioritisation process. The results of this discussion have informed the Action Plan presented in Chapter 4.

Arrangements for Implementation and Monitoring and Evaluation

Proposals for Implementation were developed during the Autumn and were discussed – in some detail – at a meeting of the Economic Development Forum on 21st November 2003.

At the same meeting, there was also a shorter debate about performance measurement. Some outline proposals are presented in this document, but these will need to be developed further as the action planning process moves forward.

Steering the Strategy process

The process of preparing *Shropshire Futures* has been steered by a group of senior partners from across the County. In itself, this has contributed significantly to the shape of the overall Strategy. Key reporting dates and meetings are summarised below:

- The Economic Development Forum – both in full and through a Steering Group of Forum members – has overseen the process. It met to consider different elements of the Strategy on 18th December 2002 (SG); 24 March 2003 (SG); 18 July 2003 (full ED Forum); 16 September 2003 (full ED Forum) and 21st November 2003 (full ED Forum). In addition, Forum members have attended key consultation events (see below)

- The District Officers Group has met twice during the process: on 4 February 2003 and 10 September 2003

- Early thinking on the Strategy was considered at a meeting of the Board of the Shropshire Partnership. This took place on 21 March 2003

- *Shropshire Futures* was considered by a group of businesses on 21 November 2003. In addition, individual businesses have been invited to attend the different consultation events.

SQW Ltd
December 2003

1 Introduction and Overview

Preliminary observations

1.1 Shropshire is an important sub-regional economy. In 2003, its GVA was estimated to be £2.9bn (at 1995 prices) and some 123,000 people were employed in the county; these figures accounted, respectively, for 4.5% and 4.8% of the West Midlands' regional totals. Looking back, time series data suggest that during the 1990s, the economy of Shropshire grew more quickly than that of the West Midlands as a whole, in terms of both employment and output. Conversely forward projections are very close to the regional average; they suggest annual output growth of 2.8% over the period 2000-05 and 2.2% over the subsequent five years1.

1.2 Alongside these headline economic indicators, unemployment levels are low (indeed, they are currently around half the figure for the West Midlands as a whole) and activity rates are relatively high. The population is also growing quickly: according to data from ONS, the population of Shropshire increased by 2.2% over the five years from 1996-2001 while that of the West Midlands actually declined.

1.3 On the face of it – and across a range of indicators – the economy of Shropshire would therefore appear to be performing robustly. Against this backdrop, why bother developing an Economic Strategy for the county?

Why bother with an Economic Strategy?

1.4 The Economic Forum – essentially the economic element of the wider Shropshire Partnership – has recognised the need for an Economic Strategy for three main reasons.

1.5 A first reason for choosing to develop an Economic Strategy is that digging beneath the surface reveals issues of some concern, many of which are inter-related, in terms of Shropshire's medium-long term economic prospects. For example

- although population data suggest rapid growth, these aggregate statistics mask important demographic changes linked to an age structure which is increasingly skewed towards the older age groups: the loss of young people is a major worry in terms of the county's medium-long term prospects
- across the county, wage levels are low: on one measure, and in terms of average weekly earnings, Shropshire ranks 104th amongst 128 county and unitary authorities.

[1] GVA and employment data sourced from Cambridge Econometrics on the basis of their Local Economy Forecasting Model

Although the costs of living may also be relatively low, it is acknowledged that low wage levels reflect the range of jobs in the county and in turn have implications with regard to the attractiveness of the county for its young people

- within Shropshire, there is a high concentration of employment in sectors which are declining nationally, together with a low incidence of employment in national growth sectors. Again, this must be a concern with regard to medium-long term economic sustainability across the county

- the economy of Shropshire has important links north, east, south and west and – arguably – more needs to be made of the connections, particularly in terms of links with Telford.

1.6 A second important reason surrounds the growing scale and importance of the regional agenda. In this context, Shropshire needs to make its case in a collective and rounded manner:

- already, Shropshire is some way behind the game in terms of presenting its agreed sub-regional priorities to regional and national funding partners. Yet there is serious funding to be had, and Shropshire needs to capture its share: it must make its voice heard amongst the plethora of competing claims from other sub-regional partnerships

- in addition, Shropshire needs to engage, at a sub-regional level, with the major regional projects: clusters, high tech corridors and regeneration zones.

1.7 Thirdly, the new Economic Strategy is important because interventions will certainly achieve greater impacts if there is some commitment to agreed Strategic Priorities across the growing range of sub-regional partners:

- increasingly it is acknowledged that economic development is as much a social process as it is an economic one and thus building “social capital” – in all senses – is very much part of the economic development mainstream. This is turn means that the range of actors and agencies which are implicated in economic development has mushroomed: business links, learning and skills councils and local authorities are clearly central, but so to are the NHS Trusts, education authorities, and the increasing range of voluntary and community sector organisations. And then there is the private sector – the wealth generators and thus the key partners in terms of any economic development venture. Across this vast constituency of interests, a good Economic Strategy should provide a basis for dialogue and synergy across the spectrum of overlapping actions and interventions: the delivery of evidence-based policies through partnership arrangements is critical.

Structure of this document

1.8 Against this backdrop, this document seeks to summarise the strengths, weaknesses, opportunities and threats facing the Shropshire economy and it does so using the framework provided by the four "pillars" identified within the Regional Economic Strategy. Section 3 takes this assessment and – literally – cuts across it to identify a series of Strategic Priorities and Cross-Cutting Principles together with a Vision for economic development; these elements constitute the architecture of *Shropshire Futures*. Section 4 then describes a number of actions which might be undertaken in order to achieve the Strategic Priorities and Cross-Cutting Principles, and deliver the Vision, recognising that much of the activity already underway within the county is making a significant contribution. Section 5 presents an implementation structure through which *Shropshire Futures* might be delivered while Section 6 provides a framework for monitoring and evaluation.

2 Perspectives on the economy of Shropshire: Today and tomorrow

2.1 Shropshire's economy has many inter-related dimensions. Inevitably, any attempt to "explain" it will be partial for we can write and read only line by line but the economy needs to be understood as a whole; put another way, separating one domain from another is necessary for purposes of exposition, but its significance goes no further. With these caveats in place, we summarise below some of the strengths and weaknesses of Shropshire using the framework of the four pillars identified in the Regional Economic Strategy[2].

Pillar I: Business competitiveness and clusters

2.2 Within Shropshire there are currently over 11,000 VAT-registered businesses[3], the vast majority of which are small[4]; this is a key feature of the Shropshire economy. Business birth rates in Shropshire are noticeably lower than regional and national averages, but rates of de-registration are also relatively low. In the context of an overwhelmingly small firm economy, this implies limited "churn". Another linked feature is the high incidence of self-employment: some 13% of the county's labour force is self-employed compared to a regional average of 9%[5]. This picture of low rates of business start-up and high levels of self employment is consistent with that observed across much of rural England[6].

2.3 Against this backdrop, Partners have identified a number of key sectors and clusters across the county and their importance has been confirmed through analysis (Table 2.1). In moving forward, *Shropshire Futures* must address the requirements of the associated businesses in terms of skills, ambitions and infrastructures.

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2 A full SWOT analysis was prepared by SQW and was then discussed, debated and developed during a series of workshops which were held with partners from across Shropshire in March, 2003

3 ONS, 2002

4 Recent data from ABI suggest that 70% of workplaces have 1-4 employees and 95% have fewer than 25 employees

5 ONS, 2002

6 "Rural Economies: Stepping Stones to Healthier Futures" A Report by the Countryside Agency, March 2003: see pages 13 and 27

Table 2.1: Shropshire's key clusters and sectors

Tourism	A recent study of Shropshire's tourism industry concluded that within the county, some 5,835 jobs were directly associated with tourism while a further 1,920 were indirectly related to it[7]. Shropshire has a great variety of tourism assets including the high quality landscape, Severn Valley, the county town of Shrewsbury, Ludlow (with its castle, Church and local food), and a diversity of habitat and topography. Nevertheless, the county's tourism industry struggles with its identity and – as a result – suffers from low awareness in major potential market sectors. A particular issue in this regard surrounds the profile and potential of Shrewsbury within the overall mix. In response, a Vision has been proposed for tourism in Shropshire, namely to "establish Shropshire as a high quality rural tourism destination that uses the area's distinctive landscape, environment and heritage assets to provide unique opportunities for relaxing, short leisure breaks for couples and activity-focused family holidays…". In delivering the Vision, particular attention will be paid to a number of key assets – e.g. Severn Valley Railway and the Royal Air Force Museum at Cosford – along with the need to reform the delivery structure for support to tourism
Health and social care	Health and social care is a major growth sector in both absolute and relative terms; it therefore constitutes a key specialism with some important opportunities. Given demographic trends within the county and more generally, this is clearly an opportunity for Shropshire – and it has been recognised as such in the county's Community Strategy – but is it an area that should become a priority for economic development
Environmental economy	The environmental economy is defined as a group of activities "which aim to protect or improve the environment; generate income through environmental good practice; or are dependent on a high quality environment". Across Shropshire, Herefordshire and Worcestershire, it is estimated that there is a total of almost 24,000 jobs associated with these activities[8]. In practice, these overlap with a number of other sectors which are described elsewhere in this table (notably, tourism and some elements of the agri-food industry). Here we focus on one distinctive sub-set: the "environmental industry". In Shropshire, there are 187 firms in allied activities; over half of these are engaged in waste management and the second largest sub-group is environmental consultancy[9]. This may constitute a growing specialism for Shropshire and one that is very focused on Shrewsbury. Within the town there is a number of sizeable environmental consultancy companies such as Enviros, Entec and Environmental Simulations International. Several of these companies have intertwined genealogies and there is every suggestion of an active labour market across them; this may be pointing to a genuine cluster within the Shrewsbury area
Agriculture	Across large parts of Shropshire, agriculture remains a major employer: the agricultural labour force amounts to around 11,000 people of which some 28% may be found in the district of South Shropshire[10]. A key feature of Shropshire's farming industry is its diversity and a recent study identified three distinctive agricultural sub-regions within the county: the north west of the county (dominated by dairying), the south (by livestock) and the central and eastern area (by cropping)[11]. Over the recent past, the acreage devoted to agricultural uses has declined as has the number of holdings. And in terms of the latter, there has been a notable polarisation in terms of farm size. Beyond this, the recently-completed Shropshire Farm Study conducted an extensive survey of farmers within the county. This found that some 52% of respondents had financial problems, but the minority – around a third – considered that advice would be useful in planning a viable business future; this in itself is probably a significant finding and one that *Shropshire Futures* needs to take into consideration. Also significant was the finding that just over 30% of respondents had embarked on some form of diversification[12]. However again, this headline figure masked some important variations: the proportion of farms seeking to diversify was highest amongst sheep farmers and amongst the larger farming units.

[7] "Shropshire Tourism Strategy Review" Draft Report for Shropshire County Council, January 2003

[8] "Environmental Economy of the Rural Regeneration Zone of the West Midlands" Report to the Environment Agency, AWM and the RRZ by ERM, September 2002

[9] "Environmental Economy of the Rural Regeneration Zone of the West Midlands" Report to the Environment Agency, AWM and the RRZ by ERM, September 2002

[10] MAFF/DEFRA Census of Agriculture, 2002

[11] See "A Farm Study for Shropshire", prepared by the Centre for Rural Research for Shropshire County Council, Summer 2002

[12] In addition, during our 4th March SWOT Workshop, the point was made that the associated ventures are often led by women entrepreneurs from within farming families (see Annex C)

Food	Within Shropshire, there are a number of very high profile food businesses and these rank among the county's largest employers and its major inward investors. For example, Muller established a presence in Market Drayton almost two decades ago. This has subsequently been strengthened and consolidated through additional investment. In addition, Northern Foods – through Palethorpe – has a significant presence within the area. Thus there is evidence of a dairy-related agglomeration – if not a genuine cluster – in the north of the county. Moving south and the structure of the food processing industry changes. There are few large employers. Instead, there is plethora of small firms, some of which are supplying local / regional food associated with Ludlow and its annual festival of food and drink. Many of these suppliers are diversifying farm businesses and in this domain, Heart of England Fine Foods (HEFF) has played a key role. For the food and drink industry as a whole, a key development is the proposal for a food processing centre of excellence at Battlefield Enterprise Park, north Shrewsbury. Alongside the provision of start-up units and larger scale business premises, the intention is that a centre of excellence should provide higher education and training, technical advice, and marketing and business support to the industry. The proposal is backed by a number of key partners including both Harper Adams University College and AWM[13]. More generally, Shropshire has a key role to play in terms of the region's food and drink strategy.
Medical technology	Although currently modest in scale, there is interest in the longer term opportunities surrounding the medical technologies sector. Within Shropshire, a key resource in this context surrounds the Robert Jones and Agnes Hunt Orthopaedic Hospital at Oswestry. This has a strong reputation in orthopaedic research and there may be commercial potential associated with its expertise in joint revision, tissue replacement, orthotic devices, the treatment of muscular problems and computerisation of medical records. Against this backdrop, there has been a feasibility study to examine the potential for a medipark in Oswestry.
Creative Industries	Creative industries constitutes an important growth area for Shropshire. Already the county has some significant assets. These include, *inter alia*, Shrewsbury Music Hall, the Ludlow Assembly Rooms, and Shrewsbury Museum and Art Gallery. Looking to the future and Shrewsbury is about to open a regionally significant arts venue: the Old Market Hall. In addition, there are three Specialist Status Arts Colleges within the County[14]. Thus the potential exists for development across this growth area[15]. In the context of these – and other – strengths, work has been underway over recent months to prepare a Creative Industries Development Plan for Shropshire and Telford and Wrekin. In the context of a previously fragmented approach to supporting the sector's development, this emphasises the need for some consolidation and co-ordination. The Plan recommends the recruitment of a dedicated staff team which would be required to work with local partners to map the sector, produce a resource pack, promote showcase events and conduct a range of pilot projects. In addition, the suggestion is made that there may well be synergies with Herefordshire in the domain of media development[16].

2.4 Drawing together the insights and arguments relating to individual sectors/clusters – together with those deriving from the baseline projections for Shropshire economy – we can identify a number of distinctive strengths, weaknesses, opportunities and threats that will need to inform the development of *Shropshire Futures*. These are summarised in Table 2.2 overleaf.

[13] "West Midlands organic produce and processing centre" A report to AWM by EC Harris and Ancer Spa, April 2002

[14] Creative Industries Development Plan for Shropshire and Telford and Wrekin, for Shropshire County Council, January 2003

[15] During our workshop discussion on 4th March, the point was also made that creative industries constitute an important focus for growing numbers of social and community enterprises; the potential associated with the third sector in this context should not be under-estimated

[16] Creative Industries Development Plan for Shropshire and Telford and Wrekin, for Shropshire County Council, January 2003

Table 2.2: Business Competitiveness and Clusters: Summary SWOT

Strengths:	**Weaknesses:**
• There seems to be a growing cluster of knowledge activity, based around Shrewsbury, and linked to environmental consultancy • The economy of Shropshire has proved to be quite resilient and base projections are reasonably positive • Some high profile businesses - such as Muller - have an established presence within the county through inward investment • Activity rates are high and unemployment rates are low • High incidence of small firms, many of which are locally owned and managed • Diverse agri-food sector, and positive associations in terms of quality, etc. • The tourism industry has some important assets within the county which add up to a wide ranging and diverse offer • Leisure also has great potential as a wealth generator: distinctive specialisms here may include walking, cycling and equestrian sports • There appear to be significant strengths in the domain of crafts and the creative industries, and social and community enterprises are playing a key role; these now need to be harnessed strategically	• High proportion of business activity is within low wage sectors that are in structural decline • High proportion of very small businesses – many of which are regarded as "lifestyle" and without the ambition or the resources to grow • Concern about the age profile of owner-managers, many of which are facing succession issues • Muller aside, there has been little inward investment • The approach to sector support has been very fragmented. This is seen as a particular issue with regard to tourism and creative industries • Based on consultation evidence, the perception is that Shropshire has insufficient employment land • There is a very limited HEI presence within the county and this may be frustrating the growth of the knowledge economy • Too often, perceptions surrounding business opportunities appear to stop at the county boundaries • Proximity to RAPRA and BPTA appears to have generated limited impacts for Shropshire • Entrepreneurship appears to be an isolated – and isolating – process: there is little sense of an entrepreneurial community • Within the county, there seems to be a weak business and professional services sector; this should be an enabling resource that can catalyse business growth • Relatively low rates of business start-up – although survival rates good • Limited aspiration for growth among large numbers of micro businesses
Opportunities:	**Threats:**
• Over the medium term, there should be important opportunities associated with medical technologies • The tourism and creative industries sectors have a number of good assets on which to build their profile and presence • The baseline data point to opportunities in the domain of the computer services industry; capturing these opportunities should do much to help diversify the economy and provide quality job opportunities for young people • There appear to be clear opportunities in the domain of health and social care: while a "Cinderella" industry in some respects, could this be managed to become an asset? • Could entrepreneurship networks be established across the county, perhaps with market town hubs or foci based around communities of interest? The offer would have to be a strong one to counteract individualism • Scope to attract "business creators" and in-moving entrepreneurs with Shropshire's strong lifestyle offer • A49 and A5/M54 axes may provide linked opportunities for strategic economic development based around key sites and key clusters	• Continuing fragmentation in supporting strategic sectors and clusters • Current buoyancy is masking longer term structural vulnerabilities – no room for complacency • Across sectors which are demonstrably in difficulty, notably farming, there appears to be limited uptake of available support • Telford has been – and is likely to remain – something of a threat vis-à-vis Shrewsbury and its role as the dominant service centre: the relationship needs to be used constructively • Environmental consultancy aside, there is little sense of where a "new Shropshire economy" might be coming from • On-going threat from Wales given higher levels of WDA funding • NIMBYism appears to be a real concern in terms of providing businesses with the conditions from which they might grow • There are continuing concerns about the lack of ambition within the county in terms of business development. This will become a threat in the context of economic restructuring

Pillar II: Skills and Employment

2.5 For many partners, the issues surrounding skills and employment are the key priority for the Shropshire economy. Nevertheless, the point has also been forcibly made that the response that *Shropshire Futures* makes must be led by the needs of key businesses and clusters – hence the interconnectivity of the Pillar domains – not through a supply-side led agenda.

2.6 An analysis of skills and employment issues suggests a mixed picture across the county. While education attainment levels are good, the benefits are not fully captured within the workforce, mainly because of net out-migration among young adults. The result is that skills levels within the resident workforce are lower than they should be county-wide. However the problems are accentuated in more rural areas. Moreover, there appear to be particular issues with regard to skills levels across some key sectors, including many of those described in Table 2.1. There is also a limited take-up of available training opportunities among employers; this is a key challenge in an overwhelmingly small firm economy.

2.7 On a more positive note, provision through the network of Further Education (FE) Colleges is considered to be good, as is engagement in – and provision of – adult and community learning across parts of the county. *Shropshire Futures* will need to respond to these – and other – challenges and opportunities if the economy is to move forward in a sustainable manner. A summary assessment of strengths, weaknesses, opportunities and threats across the domain of skills and learning is provided in Table 2.3.

Table 2.3: Skills and Employment in Shropshire: Summary SWOT

Strengths	Weaknesses
• Shropshire's schools provide young people with a good education which results in above average levels of GCSE attainment among 16 year olds • The proportion of 16 year olds in Shropshire going into full time education increased from 69% to 74% between 2001 and 2002 • There is high employment and nearly one third of residents in Shropshire are employed in managerial, professional and associate professional occupations, a marginally greater proportion than the regional average • Businesses are generally able to find employees at SOC Level 4 (managers and administrators, professional occupations, associate professional and technical occupations) where the level of qualification required to enter the professions is highest • Across the LSC area, lower than average hard to fill vacancies and skill shortage vacancies are reported by business establishments • On the face of it, for young people, there is generally a good match between provision of learning opportunities and demand. And the quality of that provision overall is good (GHK review of provision for 16 – 19 year olds). • 59.7% of employers stated that there were no barriers to training their employees (A View from the Top: Shropshire Chamber, 2001) • Shropshire LSC area has a qualifications profile at levels	• Only 13% of Shropshire's (LSC area) employees are employed in the 10 best performing industries in the UK compared to the national average of 18%. Meanwhile 8% of Shropshire's employees are employed in the 10 worst performing UK industries compared to the national average of 6% • Employers need to train more if they are to access future skills needs • There are already skill shortage vacancies among 31.7% of all vacancies for SOC Level 2 (craft and related workers) in the LSC area • Shropshire LSC are has a higher proportion of individuals whose highest qualification stops at Level 2 compared with the region • There are some 62,500 adults of working age in Shropshire CC with poor basic skills and sectorally, basic skills deficiencies are greatest in agriculture, manufacturing and hotels and restaurants • There is a higher than average propensity for people with low or no skills to be economically inactive or employed in unskilled jobs, to be resident in South Shropshire, and to be employed in small companies • Shropshire has the highest average distance travelled to a place of learning amongst the six local LSC areas in the West Midlands, on average,

3, 4 and 5 which mirror the regional average. • Qualification levels are highest in Bridgnorth, Shrewsbury and Atcham (Learning, Skills and Qualifications in Shropshire, 2002 – Draft) • 65% of the total population has been engaged in learning compared to the regional average of 65% (Learning, Skills and Qualifications in Shropshire, 2002 – Draft).	16 miles. (Shropshire and Telford and Wrekin: A Statistical Overview of the Shropshire LSC Area, Initial Draft, 2002) • Qualification levels are lowest in South Shropshire and North Shropshire, in particular, South Shropshire has almost twice as many people without a qualification as Shrewsbury and Atcham (Learning, Skills and Qualifications in Shropshire, 2002 – Draft) • People with disabilities are more likely than those without to have low or no qualifications. • The widening participation agenda could be stronger across the full range of providers and planners.
Opportunities	**Threats**
• Employers are not immune to the benefits of training 82.5% of all employers could identify at least one benefit of training. • There is very high levels of computer access for personal use – 80% of the population across the LSC area with 69% possessing home computers. • 34% of those using computers at home did so for learning. • Home learning is significantly higher in South Shropshire which is the most remote in terms of distance to learning opportunities. • There is a growing network of family literacy and numeracy schemes based in schools and other initiatives to bring learners in remote areas to learning and vice versa. • North West Shropshire EAZ may provide a fertile ground to explore inter-school collaboration and further links with the local community and business. • Over 61% of the Shropshire LSC area's residents said in 2002 that there was nothing preventing them from taking part in learning (Shropshire and Telford and Wrekin: A Statistical Overview of the Shropshire LSC Area, Initial Draft, 2002) • Learning providers already collaborate to plan provision, enhanced collaboration might address the shortage of learning opportunities at some levels in some parts of the county and in some subject areas. • The LEA continues to support strongly the 'Gateway Education and Arts Centre', as a key centre for student learning in the county (Shropshire Adult Learning Plan, 2002-2003) • There are already a range of HE courses offered in the county including Edexcel (BTEC) National Qualifications, Professional Qualifications, Access Courses and Foundation Degrees. • While young people leave the county between the ages of 18 and 25 there is an increasing trend for them to return to their parents home in their late Twenties. • The County Council with partners has developed a memorandum of understanding that they will together pursue the idea of "Universities for Shropshire".	• It is generally recognised that work in the future will require higher level skills – this may not be recognised by Shropshire's employers – only 23.4% of employers stated that skills needed from an average employee in their business are increasing. • Already 7.4% of all employers identify that there are gaps in the skills of their workforce that they are finding difficult to bridge which include communications skills (37.1%), basic IT (35.5%), basic literacy and numeracy (27.7%), (A View from the Top: Shropshire Chamber, 2001) • Those in employment with low/no qualifications are disproportionately concentrated in unskilled and semi-skilled positions in the small firm sector. They are most likely to be employed in Hotels and Catering, Transport and communications and Distribution (Learning, Skills and Qualifications in Shropshire, 2002 – Draft) • Provision in neighbouring areas may be more attractive to students because of higher levels of student support (transport grants to providers in Wales for example). • Only 53% of the economically active workforce has participated in learning in the past year compared to 73% in the past 3 years (Learning, Skills and Qualifications in Shropshire, 2002 – Draft) • the expected decrease in the 25-34 year old population is projected to be significant in the next 5 years. Shropshire is an area which has a net migration of learners to Higher Education establishments outside of the county, mainly to Staffordshire and Wolverhampton Universities (Learning and Skills Council Local Strategic Plan, 2002-2005)

Pillar III: Land, Property and Infrastructure

2.8 The physical infrastructure is a key resource for any economic strategy for it can do much to either encourage – or stifle – growth. Across Shropshire, the robustness of the physical infrastructure is currently mixed. Below, we consider three key dimensions.

2.9 Employment and housing *land* is allocated across all five districts, but unevenly so. Across Shropshire, the main employment sites are in Shrewsbury, Market Drayton, Wem, Ellesmere, Whitchurch, Bridgnorth, Bishops Castle, Craven Arms, Ludlow and Oswestry. The County Council[17] recorded 259 enquiries for industrial premises in 2001. Demand for premises was greatest in Shrewsbury and Atcham (104) and fairly evenly distributed around the rest of the county[18]. Enquiries have generally increased in Shrewsbury since Shrewsbury Business Park and Battlefield Enterprise Park opened. There are, in addition, a number of reserve sites that may become available over the plan period to meet long term strategic employment needs. In terms of employment land, the conclusion is that land is available, but it needs to be used in a strategic manner which is cognisant of the needs of key sectors and clusters.

2.10 *Road and rail infrastructure* quality varies across the county: in short, Shrewsbury and the east of the county is better connected than areas to the west. There are two main road routes through the county, the A49 (running north-south) and A5/M54 (running east-west), and the majority of Shropshire's market towns are located on these routes. Transport infrastructure improvements are proposed in conjunction with major road developments in Shrewsbury, North Shropshire and the along A5. In addition the identification of the Ireland-UK-BENELUX Priority TEN Route could bring important new investment in to the county.

2.11 Another key infrastructure is *broadband telecommunications*. Currently this is weak in relation the rest of the West Midlands[19], and it is unlikely that this will be resolved under BT's current strategy for rolling out ADSL broadband connectivity. BT's strategy is demand-led for local exchange areas, which means that at least 30% of the population has to sign-up to the service before it can be rolled out into an exchange area. Therefore, it will take some considerable time to achieve connectivity through this route or through 'Cable', which is only available in some areas of the country (not including Shropshire). In the meantime, ICT in Shropshire will be delivered through external networks e.g. the People's Network (library network), Learn Direct Satellite and MidMAN (a collaborative project between the West Midlands' FE colleges and HEIs). A major project called 'Switch on Shropshire' could have a significant impact in terms of improving the conditions for growth, county-wide. It is being developed to address the ICT needs of the county, particularly in the most remote rural areas, through alternatives such as satellite technology. It is currently subject to an *ex ante* appraisal.

2.12 Against this backdrop, Table 2.4 provides a summary SWOT analysis.

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[17] District councils also receive enquiries about business premises

[18] Data obtained from the property enquiry database held by Shropshire County Council.

[19] SQW report to GOWM on ex-ante appraisal of ICT projects in the West Midlands

Table 2.4: Land, Property and Infrastructure in Shropshire: Summary SWOT

Strengths	**Weaknesses**
• Shropshire has some large employment sites. For example, there is a 20.9ha site to the north of Battlefield, north east of Shrewsbury, and 14.5ha at Emstrey (the site of Shrewsbury Business Park). The latter is one of 30 business parks in the UK to be developed by British Telecom as a 'BTeLocation' • Some specialised developments are planned and proposed around actual and potential cluster specialisms, e.g. the proposals for Oswestry Medipark and the food processing centre of excellence at Battlefield (north east of Shrewsbury) • There is a strong and positive interdependence of business and commuting (as well as education and training) between Shrewsbury and Telford • Smaller market towns in the county play a key role in delivering services to the rural hinterland - 'each has a role as a centre serving its surrounding rural area' (Local Transport Plan, Ch. 3, para. 3.37) • Good connectivity to neighbouring areas of the North West, Wales and the West Midlands and the rest of the UK via the A5, the A49 and the M54 (The Shropshire and Telford and Wrekin Joint Structure Plan 1996-2011, Ch. 2 para 2.2). • The Shrewsbury-Telford-Wolverhampton railway line is heavily used for passenger and county generated freight to the West Midlands and the rest of the UK (The Shropshire and Telford and Wrekin Joint Structure Plan, Ch. 2 para 2.2). • Shropshire has many attributes of a "leafy shire" and offers a high quality of both natural and built environment. There is a relative lack of congestion and the area is perceived to offer economic stability	• The provision for employment and housing growth is mainly in Telford rather than Shropshire. This may encourage net out-commuting • There is some resistance to allocating sites in the outlying towns and villages of Shropshire • There is a shortage of dedicated space available across the county for start-ups/small businesses (e.g. stages 1 & 2 incubators) • Outside Shrewsbury, there is a need for public sector assistance to open up employment sites and make them ready for private sector development • The quality of the main trunk roads through the county could be improved • Locations not on the A5/M54 and A49 central spine routes are disadvantaged in terms of access and opportunity • The dearth of public transport especially in rural areas is a source of social exclusion for those without access to a car • Many villages do not have a daily bus service (LTP, 3.18) and many railway stations have been closed • The county's towns compare unfavourably with other Marches towns (e.g. Hereford) which have train services directly to London • Public subsidies in rural areas for sponsored bus services are very high. A loss of jobs in some areas (e.g. Whitchurch) has caused further decline in demand for buses • ICT broadband connectivity is not yet available in many rural areas
Opportunities	**Threats**
• Market towns could take on a greater role as centres of rural service provision and economic activity • Cluster specific developments at Battlefield (food) and Oswestry (medical technology) could be seized • Extend and possibly expand the rolling programme of acquisition of industrial sites, servicing these sites and selling them onto private developers • Employment sites available for development in/around some market towns (e.g. Craven Arms) could be better marketed to attract employers • Attract capital funding for infrastructure improvements via the multimodal Priority TEN route proposed between Ireland-UK-Benelux • Opportunities associated with the A49 north-south central spine road as an economic corridor (possibly associated with the emerging arts and cultural offer) • Proposed road schemes in Shrewsbury, North Shropshire and along the A5 • Scope for more innovative approaches to rural transport and encourage voluntary transport schemes (e.g. Dial-a-Ride) in rural areas (LTP, 3.21) • Switch on Shropshire and opportunities linked to the proposed satellite network for connectivity to introduce the internet more widely throughout the county and to encourage better information sharing through new initiatives	• The type, size, quality and location of allocated employment land in some areas may need reviewing in order to provide for the needs of modern business • Start up companies are constrained by a lack of grow-on space • Existing rail services could be scaled back due to a reduction of funding to the Strategic Rail Authority from central government (Infrastructure workshop) • As well as transport deficiencies, the lack of public and community facilities is a cause of rural isolation and deprivation • Major issues around affordable housing could exacerbate the trend for young people to move away • There are concerns about NIMBYism and a strong resistance to new development over the short and medium term • Delays in delivering broadband connectivity could threaten the ability of Shropshire to develop a better high-tech base. This could also limit the potential for future HE linkages and other wider business and research opportunities

Pillar IV: Community Regeneration

2.13 Data from the Index of Multiple Deprivation (IMD, 2000) suggest that different types of deprivation are sprinkled throughout the county. But the fact that most of the county has at some stage had European Structural Fund designations indicates that the issues are quite widespread; strategic packages under the current Objective Two Programme exist in Oswestry, the Severn Valley and South Shropshire.

2.14 Given the issues about young people alluded to above, the county's youth manifesto – written by the Shropshire Youth Parliament and highlighting some of the issues for the younger generation – is especially important. This indicated that young people would like to have more facilities including warm, safe places for sports and entertainment20, greater integration into their local communities, regular and cheap local public transport particularly within the smaller towns and rural areas. They would like more health support and advice. Some concerns were also expressed about the lack of job opportunities and affordable housing21.

2.15 By way of context for the summary SWOT that follows, we outline some of the principal issues across different parts of the urban hierarchy – from Shrewsbury, through the market towns to Shropshire's extensive rural settlements and rural areas.

2.16 *Shrewsbury* - as the administrative centre and county town - contains two-thirds of the county's population and the majority of its businesses, shops and services. Shrewsbury and Atcham District is relatively affluent but its community strategy acknowledges that there are pockets of deprivation, particularly in North Shrewsbury where there are high numbers of people suffering from ill health, premature deaths and high rates of teenage pregnancy.

2.17 Outside Shrewsbury, the Market Towns are important local business and service centres. These towns each have their own individual needs[22]:

- in *Whitchurch,* key issues include a high population of elderly people, low availability of employment, recent closures of several large employers, and poor access to and from the hinterland. There is a concern about increasing levels of homelessness and significant fear about crime and disorder linked to a need to improve facilities and support for young people

- in *Market Drayton,* key issues include reliance on two large food based employers, concern that the town market is in decline, problems of vandalism, insufficient GP

[20] Concerns about having warm and safe places were voiced at the North Shropshire Rainbow Event linked into the Youth Parliament Manifesto. The general manifesto raises the issue of the need for more social/leisure facilities for young people

[21] Concerns about jobs and housing were voiced at the North Shropshire Rainbow Event linked to the Youth Parliament Manifesto

[22] Information in this section is taken from Market Towns Initiative SWOTs and Action Plans, apart from data on Ludlow which is drawn from the South Shropshire Community Strategy

services for a growing population, families at a disadvantage in the buoyant housing market, lack of services for young people, poor public transport links with the rural hinterland, a need to improve local amenities and cultural/entertainment facilities, and falling numbers of volunteers for social care activities

- in *Oswestry* there are higher than national average numbers of families on low incomes. The most deprived wards are Victoria and Gatacre. There are relatively high levels of unemployment, high numbers of households that are not owner occupiers and do not own a car, a more elderly age profile than other areas, a high proportion of lower social groupings, the lowest educational and skills qualifications in Shropshire, and the lowest proportion of young people remaining in further education

- in *Bridgnorth*, key issues include poor public transport, a high proportion of out-commuting, lack of transport for youth services, and a lack of affordable housing

- in *Church Stretton,* key issues include an ageing population, high levels of business failure, a high level of commuting out to work, a lack of affordable housing for first and second stage home buyers, a lack of cultural and community facilities, a lack of child care provision and poor transport infrastructure.

- in *Craven Arms,* key issues include a shortage of local employment opportunities, a lack of affordable housing, poor public transport links with the rural hinterland, a high rate of out-commuting, out-migration of young people, lack of community facilities (particularly for young people) and a lack of support for community centre activities. There is no secondary school in Craven Arms. The town also suffers from a poor visual image and is regarded as the "poor relation" compared to neighbouring towns. Recently it has faced a decline in industry, the station area is in poor state and the area has been considered as the location for a waste site. Consequently, community morale is – reportedly – low and community divisions have developed as a result.

- in *Ludlow,* key issues include a lack of affordable housing, stark difference between the 'haves' and 'have nots', the Sandpits area of the town as a whole has a statistically higher mortality rate for coronary heart disease and strokes for under 75s and unemployment in the Galdeford ward.

2.18 The extensive *rural area* within Shropshire varies in terms of proximity to the towns and the main roads and railways. The east is closer to Telford and the West Midlands and is therefore characterised by higher rates of out-commuting. The west borders with Wales and suffers from a lack of accessibility.

2.19 It is within this broad spatial context that we need to understand the imperatives for community regeneration across Shropshire as a whole. Key themes which feature in our

SWOT relate to providing for the needs of young people, the elderly, those who cannot access basic services and those excluded from the job market because they lack basic skills.

Table 2.5: Community Regeneration in Shropshire: Summary SWOT

Strengths	**Weaknesses**
• Shropshire offers a high quality of life to its residents, and the quality of the environment is one of the factors that has encouraged in-migration, particularly amongst the older population. • Shropshire has a many small rural communities that operate 'internally' with a strong sense of independence and pride. This helps promote community identity and strong cohesion, where generally in-movers are welcomed. • The smaller towns, such as Bishop's Castle, Ellesmere, Highley and Cleobury Mortimer, are important to the life of the county and have roles as centres of provision serving their surrounding rural areas (LTP, 3.37). This an important asset in terms of effective service delivery • Crime rates in the county are low compared to regional and national levels. But fear of crime is prevalent in some of the market towns and village communities, particularly amongst elderly people (Market towns healthchecks and Community Regeneration workshop) • There are good networks of adult and community learning facilities, especially in the north of the county. • The third sector (social enterprise, community groups, voluntary groups, charities) is growing in Shropshire and within this context, particular strengths have been identified in the domain of creative industries	• Deprivation – as measured by IMD – is 'sprinkled' across the county. In practice it is difficult to measure and often exists in localised pockets • Exclusion often linked to lack of transport and access to services. 48 of the 111 wards in Shropshire are in the 10% of most deprived wards in England in terms of "access to services" (IMD,2000) • Social exclusion of non-car owners (including second person in households, children, elderly and disabled) is aggravated by poor public transport in remote areas • Young adults are moving away because of few high skilled job opportunities, limited provision of higher education, low wage levels, a lack of affordable housing, lack of access / transport employment and the influx of retired individuals • High incidence of dormitory villages • The county has a lower proportion of social housing (15%) than the English average (21%). This adds to the difficulties that young people and people on low incomes face in finding affordable housing. • Concentrations of child poverty in Market Drayton, North Shrewsbury, Oswestry and Craven Arms (Children's Fund, 2002) • The lack of childcare places and out of school provision is a problem in many areas • 13.5% of the population is aged 65-79. This is placing increasing strain on health care and social care organisations to deliver services. • 62,500 adults of working age in Shropshire with basic skills needs (22% of the total) and many more with either literacy or numeracy requirements • Limited investment capital available for small enterprises and the new social enterprises • Broadband connectivity is not yet available in many of the rural areas.
Opportunities	**Threats**
• Opportunities to develop new social and community enterprise ventures and strengthen existing voluntary and community schemes as a delivery mechanism to the most excluded and deprived • Scope to develop better public and private sector social support through initiatives such as the Sure Start programme that integrate early education, childcare and health and family support services. • Market towns, as the centres of access and opportunity for the rural areas that surround them, could be encouraged to widen and co-ordinate their services to their dependent rural hinterlands • Site development in market towns could lead to new job opportunities and benefit local communities • Improve transport access by developing greater integration between modes of transport, particularly road and rail, and transport solutions for rural	• Poor transport is threatening access to a range of services including access to training which in turn limits skills development across the county. • Rural community facilities are becoming non-viable e.g. post offices, schools, GP surgeries. For example, 45% of Shropshire parishes did not have a post office in 1997 (South Shropshire Profile, 2002) • Affordable housing is a major and growing concern • Fear of crime is a threat because it breaks down the sense of community trust. This is a particular concern for elderly people. • Health and social services are 'run down' in the context of growing needs and changing communities. These services are under increasing strain to deliver in the most rural areas. • In some areas, the voluntary sector is struggling to find enough volunteers for social care activities

communities (e.g. dial-a-ride, and minibus services) • ICT broadband infrastructure should increase connectivity and encourage electronic delivery of business support services	• NIMBYism – linked to in-migration of middle aged and elderly people - can make community divisions between younger and older people, new arrivals and established local people

3 *Shropshire Futures:* Vision, Cross Cutting Principles and Strategic Priorities

From Analysis to Strategy

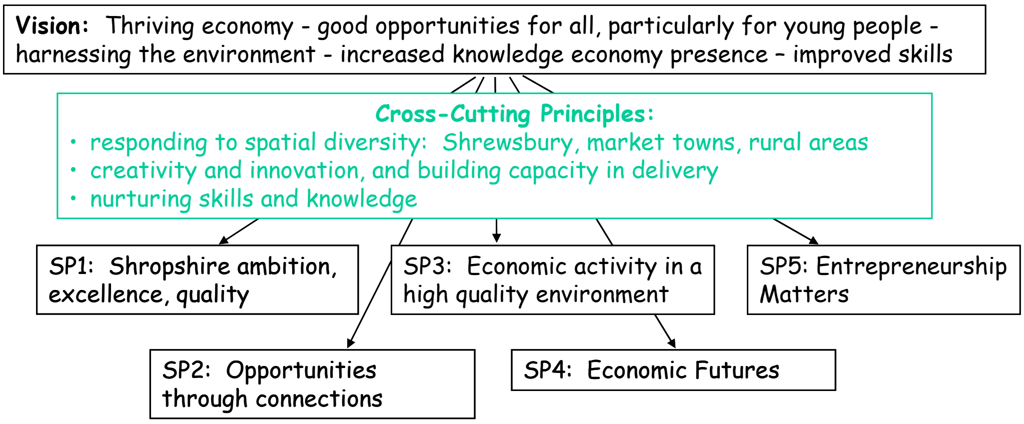
3.1 Section 2 presented – in summary form – an analysis of the Shropshire economy from the perspective of the four pillars from the Regional Economic Strategy. In moving from analysis to Strategy, there is a need to look across the four pillars and to identify the themes and issues of particular relevance to Shropshire; so whilst the underlying framework of the RES is retained, the focus for forward actions – amongst a diverse constituency of partner interests – is tailored more closely to the local area.

3.2 In terms of the architecture of *Shropshire Futures*, there are four key elements:

- a *Vision* which sets out partners' aspirations for the future of the economy of Shropshire
- a series of *Cross-Cutting Principles* which are generic priorities implicit to *Shropshire Futures*; in other words, they are the basis for moving forward and they ought to be integral to any actions that are undertaken
- a group of *Strategic Priorities* which are specific to the particular needs and opportunities within Shropshire; these will tend to be narrower in focus than the Cross-Cutting Principles and they will provide a clear rationale for action
- a series of *actions* that might be taken to deliver the Strategic Priorities in a manner consistent with the Cross-Cutting Principles and in order to realise the overall Vision.

3.3 Below, we outline the components of the Vision. We then describe two elements of *Shropshire Futures*' architecture – the Cross-Cutting Principles and the Strategic Priorities (see Figure 3.1). The emerging Actions provide the focus for Section 4.

Figure 3.1: Strategic Framework



Vision for the future of the Shropshire economy

3.4 Key elements of the Vision for the Shropshire economy include:

- the need to strengthen the business base in terms of business start-up processes and the competitiveness of established firms
- the imperative for better opportunities for everyone, but particularly for Shropshire's young people
- the need to harness the county's high quality environment in a sustainable and creative manner
- the need to increase the incidence of activities relating to a higher value-added activity and the knowledge economy
- the need to improve the skills base across Shropshire and to do so in a manner that is consistent with the requirements of key businesses, both now and in the future.

Cross-Cutting Principles

3.5 In moving forward, it will be imperative to address three Cross-Cutting Principles. These are critical elements of *Shropshire Futures*, and they will have a significant bearing on the effectiveness of it. These relate as much to the way in which Actions and interventions are taken forward as to the nature of the interventions themselves.

CC1: Nurturing creativity and innovation within economic development, including the increased capacity to deliver

3.6 First of all, it has been acknowledged that in delivery, there is a need to stimulate creativity and innovation in all of its guises. Thus while few of the foci identified within the Strategic Priorities are entirely "new", many might be tackled in innovative ways. In this context, one key dimension concerns the *nature and extent of private sector engagement* while a second might surround the *centrality of the voluntary and community sectors*. A third important dimension might reflect the extent to which a genuinely *regional perspective* might be both challenging and helpful: this should not be adopted uncritically, but in certain situations, it might be entirely appropriate, particularly if it brings with it a greater capacity to deliver.

CC2: Harnessing Shropshire's spatial diversity

3.7 Second, in taking forward all five Strategic Priorities, it will be imperative that the nature and extent of Shropshire's spatial diversity is reflected fully. This in turn means that the role of *Shrewsbury* – as the largest town by some margin – needs to be fully acknowledged, but so too do the distinctive needs and opportunities surrounding the *market towns*. Shropshire's *rural areas* are a third key component and they face a distinctive – but inter-related – set of issues and opportunities. Thus – for example – while the manner in which SP5 is delivered might be different in key market towns as compared to, say, Shrewsbury, the two should be part of the same strategic whole. The fact of spatial diversity is a resource that ought to be harnessed in delivering the Strategic Priorities; and if it is used creatively, it should do much to maximise the overall strategic impact.

CC3: Responding to the skills and knowledge challenge

3.8 The role of skills – from basic literacy and numeracy, through aspirations to higher level skills – is central to *Shropshire Futures*. In the 21st century, people are – to use the jargon of 19th century economists – the key "factor of production". Simply put, if the skills and knowledge base is improved, the performance of the economy will be enhanced. There are many different dimensions to this: some are cultural, some are more related to the supply side. But issues relating to skills – and related themes of aspirations, workforce development, workforce culture, etc. – are implicit to all five of the Strategic Priorities. In the context of an Economic Strategy, the "skills agenda" cannot be delivered in a vacuum; instead it must be an integral part of the Strategy process, hence highlighting it as a key third Cross-Cutting Principle.

Strategic Priorities

3.9 The *Strategic Priorities* are a key tenet of Shropshire's Economic Development Strategy. By their nature, these ought to be specific to the particular needs and opportunities facing the

Shropshire economy: in this context, the needs and opportunities facing Shropshire are different from those in (say) the Black Country and the Strategic Priorities ought to be similarly distinctive, whilst nevertheless recognising the steer that is provided through the Regional Economic Strategy. Five Strategic Priorities have been identified.

SP1: Shropshire ambition, excellence, and quality

3.10 In an economic development context, SP1 is concerned with "what Shropshire is good at". It is about recognising those strengths and doing more than hitherto to develop, promote and use them.

3.11 As an economy, Shropshire has clear strengths and some distinctive "brands" – of which the association of Ludlow with very high quality food is one example. However the message which has come through various workshops is that few people are "talking Shropshire up" so as to raise the profile of the county, both internally and externally. This matters for a number of different reasons. "Talking Shropshire up" should not, however, be confused with overly aggressive or unsustainable growth targets about which many within the county would feel uncomfortable. Instead, it is about conveying the sense in which Shropshire is an excellent place to do certain things, particularly those in which "quality" is a key feature. It is also a place in which ambitious people and businesses can thrive, especially when "ambition" is considered in a rounded sense. Thus it is a place where young people should be able to choose to live without compromising their own aspirations.

3.12 In short, SP1 is about recognising – and communicating – "what Shropshire is good at" and, in so doing, building the collective confidence of the county. The audience for this message needs to be internal as much as external. And it relates to the business community, to the existing workforce, and to young people, as much as it does to potential investors.

SP2: Opportunities through Connections

3.13 SP2 is concerned with improving connectivity both within and outwith the county. Connectivity has a number of quite different dimensions, all of which are relevant.

3.14 One dimension is inherently spatial and it relates to the links between villages and market towns, and between market towns and Shrewsbury, both in terms of service delivery and more strategic Actions to effect sustainable and desirable forms of economic development. A second is linked to broadband infrastructures across the county and the connectivity that might be achieved through these. A third relates to the scope and potential of the A49 and A5/M54 transport spines as actual or potential foci for different forms of economic activity. A fourth relates to the scope and potential of the railway infrastructure. A fifth is quite different in nature and it concerns the inter-connections between all of those engaged in economic development and the potential that surrounds closer relationships between them. A sixth surrounds the imperative for better 'bridges to success' such that those that are currently un- or under-employed and/or suffering other forms of socio-economic exclusion might be afforded better opportunities through enhanced connections to successful places and the people within them. And a seventh – arguably – should be focused around the potential for Shropshire that might be derived from making better use of external connections to elsewhere in the region, the UK, and beyond. In short, better connectivity – in all its guises – together with a more outward-looking perspective, could do much to enhance medium-long term prospects for the Shropshire economy.

SP3: Economic activity in a high quality environment

3.15 SP3 has been identified in recognition of the fact that Shropshire's outstanding natural (e.g. Shropshire Hills, Severn Valley) and built (e.g. Shrewsbury town centre) environments constitute key economic assets – albeit assets that need to be nurtured and harnessed in an appropriate manner.

3.16 Within this overall context, SP3 has a range of potential dimensions. One component surrounds the need to reinvest in the natural environment so as to (re)create assets of economic value: improvements around, for example, access to waterways could be one example. A second may involve realising the full economic scope and potential of the leisure economy which itself has distinctive urban (e.g. Shrewsbury town centre) and rural (e.g. cycling and walking) components. A third possibility – albeit one that is quite different in focus and form – may surround the medium-long term potential of energy crops; this would be consistent with policy commitments to renewable energy and it should be helpful in terms of effecting rural diversification. In short, SP3 is about Actions which variously address both the demand and supply sides and are consistent with harnessing creatively Shropshire's very high quality environments.

SP4: Economic Futures

3.17 SP4 is concerned with medium-long term prospects across key sectors and clusters within the economy, some of which match well with those identified by AWM at a regional level (e.g. a focus on medical technology and the continuing development of the food and drink cluster) while others are more unique to Shropshire (e.g. there is a need to promote excellence in the domain of health and social care, and environmental consultancy appears to be a distinctive specialism in the Shrewsbury area that could be promoted).

3.18 Across these key economic nodes – defined here in terms of sectors/clusters rather than locations – there is a need to ensure that the skills base is equipped to meet the current and future needs of businesses, that physical infrastructures (in terms particularly of premises, land and property) are aligned with the requirements of key clusters and sectors, that links into the knowledge/research base – whether in the county or elsewhere – are made as effectively as possible, and that business support priorities are dovetailed with this wider set of imperatives for the county. In addition, it will be important to keep a watching brief on developments within and across key sectors and clusters, both to anticipate and, perhaps, to precipitate change: in a complex world, data, intelligence and foresight are becoming much more important.

SP5: Entrepreneurship Matters

3.19 SP5 is concerned with the culture of enterprise and, more specifically, with the process of entrepreneurship. Unlike SP4, it is not sectorally specific. Instead it has been developed in recognition of the fact that while rates of new business formation (measured in terms of VAT registration) are relatively low, the incidence of self-employment is high. Equally new social enterprises are emerging as a key economic phenomenon while young and/or women entrepreneurs are playing a particularly important role vis-à-vis diversifying agricultural businesses. Recent research published by the Countryside Agency demonstrates that the new businesses set up by in-movers account for a high proportion of all new business starts across rural England; and in Shropshire – a predominantly rural county that has seen substantial net in-migration – this ought to herald a significant opportunity and one that could contribute to a gradual restructuring of the economy. SP5 is concerned with pervasive enterprise and entrepreneurship across all of these different domains.

3.20 In practice, SP5 is likely to focus on many aspects of the process and culture of entrepreneurship – from the provision of physical space (through, for example, incubator facilities), through to access to finance for early stage businesses, skills and training for entrepreneurs and early stage businesses, and supporting entrepreneurial communities and networks, and securing better use of available ICT infrastructures. Another dimension of SP5 could involve a focus on particular groups: women entrepreneurs might be one dimension, young entrepreneurs might be a second, while the would-be tourist-cum-in-moving-entrepreneur might be a third.

4 Actions to move forward

4.1 In the context of *Shropshire Futures* – as in any Strategy process – there is a temptation to launch into a whole series of "new" actions. However our mapping of activities that are on-going or planned across Shropshire suggested over 200 "projects" – of one form or another – across Shropshire in addition to the plethora of national programmes (whether from DTI, ODPM or DEFRA) to which businesses, individuals and communities from within the county are eligible to apply.

4.2 In considering how to move forward, it is important to reflect on the gamut of existing and already-planned activity and to focus on tailoring it more closely than hitherto to the agreed priorities. Two implications follow. First, if existing activity within the domain of economic development is not aligned to one or more of the agreed Strategic Priorities, questions ought to be asked as to its continuing relevance; this is a fraught exercise but it is important in seeking to achieve maximum impact. Second, new activities and actions ought only to be agreed if there are clear gaps, whether in substance, coverage or scope.

4.3 Against this backdrop, the agreed priority actions are presented below. Detailed descriptions are provided for the "new" actions while those which are already planned or already in place are listed.

SP1: Shropshire Ambition, Excellence and Quality

4.4 As described in Section 3, SP1 is about "what Shropshire is good at". Beyond this, it is about raising profile, both within and outside the county such that Shropshire is seen – by people of all ages – as an excellent place to be. Currently there are a range of planned / existing activities in this domain, although many are quite local in scope. In addition, a number of new actions have been proposed, some as immediate priorities and others as longer term developmental objectives; these would appear to complement the existing activity mix, as set out below.

SP1 – SHROPSHIRE AMBITION, EXCELLENCE AND QUALITY

SP1 - New Actions

Immediate priorities

- Developing a serious network of Business Ambassadors to raise the business profile and to provide a resource for the county
  - ⇒ Currently there is a shortage of business leaders across Shropshire: entrepreneurs and other business people who will evangelise about the county to both internal and external audiences. However business leaders have a key role to play in terms of raising profile and ambition. The proposal is that there should be a series of actions to identify and energise a cadre of Business Ambassadors from across Shropshire's businesses to advocate, argue and promote the business voice in Shropshire's development and to act to promote Shropshire's business competence at home and abroad. This will require resources to train and facilitate the group and to ensure that activities are done professionally and convincingly. In taking this forward, Shropshire Investment Bureau may have a key role to play
- Increasing Higher Education provision and raising the status of Further Education within the county through stronger business links
  - ⇒ The limited opportunity for higher education within Shropshire is one of the primary reasons for the out-migration of younger people. In addition, the visible presence of HE/FE would do much to raise profile and ambition. A series of actions to increase the provision for and status of advanced learning within the county is proposed in response. In the first instance, this should be based around stronger links between businesses and the existing providers of Further Education. Over time, there might be scope to work towards enhanced Higher Education provision, perhaps through collaborative links between institutions
- Raising the profile of Shropshire as a location for quality
  - ⇒ Government is exploring options for the relocation of some public sector services away from London and the South East. This raises important opportunities for Shropshire. In terms of securing possible projects, the competition will be tough. However for Shropshire, a high profile relocation project could bring with it enormous benefits, not least in terms of providing greater numbers of high quality jobs within the county. A series of actions are proposed in response which are intended to raise the profile of Shropshire in the context of emerging thinking surrounding the relocation of public sector activities from London and the South East.

Areas to be developed

- Establishing Shropshire as the leading county in terms of sustainable development: the “carbon-neutral” county
  - ⇒ Shropshire has many assets in this domain and it has a strong cluster of environmental businesses, particularly in and around Shrewsbury. The project will simultaneously promote nationally the strength of the County's service offer in the environmental arena, and provide evidence of the county as a sustainable economy. Using the County's recognised competence in environmental consultancy, a high profile project to map the area's carbon economy needs to be undertaken as a first step. Potentially, this might be resourced on a pro bono basis from indigenous environmental consultancy firms
- Extending the Slow City concept – in an appropriate manner – from Ludlow to elsewhere in the county
  - ⇒ Shropshire already has many assets in this domain, most notably the association of Ludlow with very good quality food. More could be done with this to provide the complete "offer" which would constitute an area of genuine excellence for the county. Building on activity already underway, actions could be pursued to develop and market the concept of "Slowness" / tranquillity in all its guises - good quality slow food, high quality of life, congestion-free towns, etc. This would provide a distinctively different and alternative offer from the grime, noise and hassle of the metropolis

SP1 - Planned Actions, for example:

- Expansion of Shrewsbury Sixth Form College with potential for HE
- New campus of Walford and North Shropshire College is planned in Oswestry and should increase participation
- New HE/FE facility at Walford to include animal care and horticulture, ICT centre, etc.; possibility of HE role
- Rural community brokerage programme: leadership training

SP1 - Existing Actions, for example:

- Project Business: Young Enterprise programme to give 14-15 year olds an insight into economic and business life
- Information advice and guidance / education business link to deliver work-related teaching and learning in schools
- Gateway TIC: M54 Gateway Project

SP1 – SHROPSHIRE AMBITION, EXCELLENCE AND QUALITY
• Ludlow Slow City: a project emphasising the slow city culture with a good quality of life, excellent slow food, etc. • "Taste of the Town": a project in Market Drayton involving Muller, Palethorpe and local organic farmers • Encouraging existing major employers in Bridgnorth to invest and expand (e.g. Alcan and Bridgnorth Aluminum)

SP2: Opportunities through connections

4.5 SP2 is concerned with forging the connections – physical, virtual and social – through which opportunities might be opened up within and beyond the county. Often this will involve linking local projects and initiatives, but there will also be a need for larger scale interventions, sometimes involving the physical infrastructures. The opportunities and potential of broadband is a key theme within SP2.

SP2 – OPPORTUNITIES THROUGH CONNECTIONS
SP2 - New Actions *Immediate Priorities* • Working with the SRA to make the rail network more accessible ⇒ Currently there is no through-service to London from any location in Shropshire; links to the rest of the West Midlands are quite limited; and there is scope to greatly improve rail services in general. Rail is an essential infrastructure if Shropshire is to be both connected and sustainable. Lobbying and other actions are required to raise awareness of the issues surrounding Shropshire with regard to railway linkages, and to precipitate action from the Strategic Rail Authority and others. • Opening up businesses to the full potential of ICT broadband ⇒ Broadband provision in Shropshire is patchy but - through Switch on Shropshire - it should improve. But a key issue will remain - from the perspective of an economic strategy - the extent to which businesses are deriving the maximum functionality from it such that the infrastructure really is improving competitiveness. Greater awareness, etc. should also help to raise demand, thereby increasing the likelihood of achieving published trigger levels. Building on other – and related activities – steps to raise awareness of - and increase the functionality provided from - broadband infrastructures remain a major priority for the county • Enhancing the resources of the Shropshire Investment Bureau to foster external connections (linked to SP4) ⇒ Shropshire Investment Bureau is regarded as a useful focus for inward investment enquiries, both from abroad and (more often) from elsewhere in the region/UK. With greater resources, it could improve the breadth and depth of its offer and help to promote the county more proactively. Steps should be taken to increase the range and depth of Shropshire Investment Bureau's service portfolio. This would extend from its current offer (which is focused mainly around sites and premises), to engage with (and, by implication, promote) issues such as skills and employment, housing, social amenities, etc.
SP2 - Planned Actions, for example: • Switch on Shropshire • Mobile facility to develop youth work provision in rural and urban wards • North west relief road, Shrewsbury • Steam heritage project in Oswestry to link the proposed Medipark and the hospital • Trans European Network (TEN) Links
SP2 - Existing Actions, for example: • BL Shropshire / TP-UK: Passport programme to encourage international trade • Actions to improve access to training provision

SP2 – OPPORTUNITIES THROUGH CONNECTIONS
• Bitesize – an initiative to encourage adults to re-engage in learning • Adult basic skills and lifelong learning community brokerage scheme • QUBE: a community facility in Oswestry district offering transport, training and art services • Creation of virtual learning environments through broadband (Walford and North Shropshire College) • Highley multi-use community centre: one stop shop for a variety of services • Strategy for e-learning • Work of the Rural Transport Partnerships • Regional e-business development initiative • Market towns initiatives: these town-based programmes are helping to reinforce the role of market towns vis-à-vis their rural hinterlands

SP3: Economic activity in a high quality environment

4.6 Shropshire's high quality environment – in rural and urban areas alike – is one of its most distinctive features and it is also a key economic asset. In delivering SP3, a series of actions might be undertaken.

SP3 – ECONOMIC ACTIVITY IN A HIGH QUALITY ENVIRONMENT
SP3 - New Actions *Immediate Priorities* • Promoting and managing high quality environments and as economic assets ⇒ Shropshire's high quality environment is one of its greatest assets. However its full economic significance is not really understood. Moreover it is often seen as a constraint to business. There is a need for far greater understanding and dialogue between the economic development professionals and those with expertise in environmental issues. This in turn should lead to the identification and capturing of serious win-win outcomes. Within this overall context, a series actions is proposed to establish the economic value of the high quality environment of Shropshire as a baseline, and then to monitor and manage this in rolling forward the economic strategy. Part of this may be promotional, but the intention is that it should be possible to identify and capture win-win outcomes. ⇒ Building on this foundation, a number of specific projects have been identified in the context of the global ambition. These include: the possibility of creating a Centre of Excellence for Heritage Conservation; the possibility of establishing a Darwin Institute for Wildlife Conservation (recognising that Charles Darwin was born in the county); and actions to develop and promote active leisure. ⇒ In addition, partners are committed to forging stronger links between the agenda for environmental management (through the enhanced Agri-environment measures which are part of the CAP reform package). Specifically, the intention is to explore the opportunities to derive greater economic benefit from AES and thereby strengthen the land-based economy.
SP3 – Planned Actions, for example: • Rural business advice service to provide advice and guidance for rural SMEs • Quality business grants for tourism businesses in South Shropshire • Whit church to Ellesmere Corridor access project to small lakes and meres • Sixth Form College work to rebuild a campus based around best environmental practices, and including an animal care and horticulture centre • District wide conservation strategy for Bridgnorth
SP3 – Existing Actions, for example: • West End Regeneration – project to revitalise an area close to the river through public art

SP3 – ECONOMIC ACTIVITY IN A HIGH QUALITY ENVIRONMENT
• Llanymynech Heritage Area – working from an archaeological survey, this project is enhancing the historical and natural attractions of the area • Environment forum to encourage the efficient and sustainable use of natural resources in Bridgnorth • Jackfield: repair and refurbishment of historic tile works at the World Heritage Site • Route 45: Severn Valley Cycleway • Heartwoods: to support SMEs in the timber and wood sectors • Interpreting the environment through art (LEADER+)

SP4: Economic Futures

4.7 Section 2 raised a number of difficult challenges for Shropshire and it highlighted the issues surrounding the high incidence of low value added activity. In this context there is a need to work with existing businesses so that they might move along the value chain. There is also a need for Shropshire – and the businesses within it – to consciously position the county for the 21st century, focusing on issues as wide ranging as land provision, skills, and so on.

SP4 – ECONOMIC FUTURES
SP4 - New Actions: *Immediate Priorities:* • Ensuring that the available land supply is made available for the requirements of Shropshire's key sectors and clusters ⇒ Within Shropshire, it is important that the available employment land is used to best effect. Key sites must be seen as a major input into the delivery of *Shropshire Futures* and they ought to be focused on agreed uses. Steps will be taken to ensure that the available industrial sites and premises within the county are used in a strategically-informed manner, focusing especially on the needs of key sectors and clusters. • Building on "Going for Growth" across Shropshire (i.e. extending it from the RRZ) ⇒ In the Rural Regeneration Zone, "Going for Growth" is a major project focusing on diversification and adding value to the existing business base. Partners within Shropshire propose to take steps to extend the venture to cover the whole county. • Enhancing the resources of the Shropshire Investment Bureau to harness economic futures (linked to SP1) ⇒ The intention is that the scope and resources of SIB should be broadened in order to identify functions linked to economic futures. In particular, the Agency will be equipped to provide an observatory function for Shropshire which will focus on business issues and, especially, future skills requirements. Linked to this the Agency will also make provision for technology foresighting processes
SP4 - Planned Actions, for example: • Wide-ranging tourism strategy for Shropshire • Creative industries plan for Shropshire • Oswestry Medipark and a series of actions to develop the medical technologies cluster • "Going for Growth" – a project to support SMEs across the RRZ • Food Processing Centre of Excellence at Battlefield
SP4 - Existing Actions, for example: • Employer training pilot to take employees to NVQ2 (Business Link and LSC) • Series of actions to release industrial land which needs to be used strategically

SP4 – ECONOMIC FUTURES
• Training and skills activities for key sectors through workforce development (LSC) • Work undertaken by HEFF, particularly in the domain of speciality foods • Innovation and Knowledge Transfer (including SMART) • Centre for Tourism Business Support • Accelerate modernisation programme

SP5: Entrepreneurship Matters

4.8 Shropshire is an overwhelmingly small firm economy. Steps need to be taken to boost the culture of enterprise and to support new entrepreneurs, whether they be young people, women or social entrepreneurs. Many of these businesses are micro in scale, but they collectively have a major impact on Shropshire. A range of possible actions is set out below.

SP5 – ENTREPRENEURSHIP MATTERS
SP5 - New Actions: *Immediate Priorities* • Raising awareness of the scope and potential of social enterprise and taking positive steps to support it ⇒ Social enterprise is a large and growing part of the Shropshire economy. Its successes need to be better recognised and good/best practice needs to be identified and disseminated. A programme of support will be developed to enhance the prospects of social enterprises as a vibrant and self-sustaining segment of the business economy. • Extending the Enterprise Experience programme beyond the RRZ ⇒ In the Rural Regeneration Zone, the Enterprise Experience is focusing on start-up processes across Shropshire. Partners within Shropshire are committed to extending the venture to cover the whole county in response to agreed economic development needs. In so doing, particular attention will be paid to forging links between established businesses and new start ups; creating an “entrepreneurial buddies” network in order to help nurture a culture of enterprise; and supporting micro enterprises that fall beneath the normal Business Link thresholds. In operationalising these objectives, attention will be paid to in-movers who may be considering new business formation, as well as to would-be entrepreneurs that have been resident within the county for some time
SP5 - Planned Actions, for example: • Provision of live-work space in selected locations – e.g. Craven Arms • Provision of small incubator business units – e.g. at Market Drayton, Bridgnorth • Enterprise Experience programme for start-up businesses in the RRZ • Centre of vocational excellence for rural businesses – will provide a business centre with incubator units
SP5 - Existing Actions, for example: • Provision of community enterprise centres – e.g. Oswestry • Social Enterprise Support Programme • Women in Rural Enterprise Programme • Investors in Excellence – to promote best practice in SMEs • Small firms initiative to help firms with 5-49 employees engage in training • Young Enterprise Entrepreneurship Masterclass

5 Implementing *Shropshire Futures*

Context

5.1 *Shropshire Futures* represents a major opportunity for the people, communities, and businesses of the county. Much work has already been undertaken in defining and agreeing the Strategic Framework and in defining the actions (new, planned and existing) through which the Strategic Priorities and Cross-Cutting Principles will be practically realised on the ground.

5.2 A firm and consensual basis has therefore been laid on which to advance and develop the county's economy over the coming decade. Implementation and development will not, however, occur spontaneously; management and clear leadership will be needed in the short term to propel the framework and its supporting projects from design into operational delivery. And, in the medium to long term, active management and creative review will be needed to ensure *Shropshire Futures* continues to respond effectively to the changing development needs of Shropshire.

5.3 High quality, incisive and challenging management will be key to implementing *Shropshire Futures*, and maximising the prospects for impact in the longer term. Developing structures and process that are able to deliver on these management attributes will therefore be vital.

Getting implementation right – the key design parameters

5.4 The structures and processes for implementation need to embody a number of key design principles, notably:

- a commitment to delivering the Strategic Priorities at the local level, using existing local delivery structures as far as possible. These local delivery structures should be supported actively and resourced with the capacities and competencies to take forward the agreed actions. Only where the local delivery structure is lacking should new delivery structures be formed

- the capability to take a strong horizontal view of *Shropshire Futures*' performance, which is able to understand the differential impacts that the Strategy is having across the county, and which ensures that the Cross-Cutting Principles, Strategic Priorities and actions respond to the differing types and scales of challenge across the county. This capability will also need to ensure that actions mesh creatively and efficiently with what has already been done, or indeed is planned

- the sustained involvement of individuals who are capable of anticipating future issues and challenges, thereby conferring *Shropshire Futures* with a strong pro-active competency. The Framework and its actions will need to be regularly and thoroughly refreshed to ensure they remain valid and appropriate to changing sub-regional needs

- a transparent monitoring/evaluation framework, which allows the performance of Strategic Priorities to be assessed and judged in real time and ex-post, by internal and external stakeholders alike

- substantial and direct involvement by the private and community sectors in *Shropshire Futures*' management, helping to ensure that management does not become the sole preserve of the public sector, but reflects the needs and wants of those constituencies at which the strategy and action plan are primarily aimed

- clear and transparent reporting mechanisms which will ensure accountability for actions, and clarity of progress

- a style and structure that commands the respect and confidence of funders at all levels, such that they are prepared to allow their funding streams to be 'bent' to achieve *Shropshire Futures*' aims and actions.

The proposed structure

5.5 The proposed structure for the implementation, delivery and management of Shropshire's Economic Strategy is described functionally below, and summarised graphically at the end of this Section.

Accountability: Local Strategic Partnership and the Business Community

5.6 In delivering *Shropshire Futures*, partners should ultimately be accountable to a wider partnership embracing all the local and regional partner organisations involved in the economic development and regeneration of Shropshire at a county, district and local level. In this context, the Local Strategic Partnership has a clear role to play, not least because the Economic Development Strategy was conceived of as the LSP's "economic pillar". But in addition, it will be important that those delivering *Shropshire Futures* are in dialogue with – and accountable to – the business community. The Strategy should, through its activities (e.g. annual conference, newsletters, Working Groups and an innovative web site) seek to engage with the private, public and voluntary sector partners that are part of this wider partnership.

Strategic Leadership: Economic Development Forum

5.7 Responsibility for the overall strategic direction of the Framework and Action Plan, for the strategic positioning of the Partnership, and for championing the Partnership and its priorities to key audiences will rest with the Economic Development Forum. To be optimally effective, this needs to comprise individuals with a well-developed understanding of economic, social and physical regeneration, and strong familiarity with the wider regional and national policy contexts. Those individuals also need to be sufficiently senior to have serious "clout" within their own organisations. Alongside public sector representatives, the Forum should involve specific representation from the private and third sectors. It is proposed that the Forum should include business interests elected from the Business Ambassadors group and that it should have a private sector chair.

5.8 The Forum will meet quarterly. It will be the formal interface on socio-economic development issues in the County with other bodies in the region – organisations such as Advantage West Midlands, the West Midlands Regional Assembly, the West Midlands Universities Association, etc.

Making it happen: the Strategy Executive

5.9 The Strategy Executive will be responsible for the operational management and delivery of the strategy and actions agreed by the Economic Development Forum. The structure, scale and functions of the Executive will reflect the scope and complexity of *Shropshire Futures* and its plans, and the differing approaches that may be required for implementation. The intention is that the Executive should be based around a dedicated post supported by federated resources, underpinned by Service Level Agreements with partner organisations. The full scale of the required resource will need to be clarified once the detailed action planning has been undertaken.

5.10 The Executive will have principal responsibility for overseeing, co-ordinating and shaping the practical delivery of *Shropshire Futures*, and leading its monitoring and evaluation. It will not directly deliver the Strategy but will work closely with partner agencies that do, providing them with resources, support and encouragement to deliver *Shropshire Futures* and its component parts. The Executive will also have a crucial role in looking across delivery to make sure the Cross-Cutting Principles and Strategic Priorities are mutually reinforcing. It will provide the administrative and secretariat requirements of the wider partnership. The Executive resource will report to the Economic Development Forum.

Steering Delivery: Delivery Groups

5.11 Depending on the outcome of the action planning process, the Partnership may choose to actively work through a number of themed Working Groups configured to reflect the Cross-Cutting Principles and Strategic Priorities defined in *Shropshire Futures*. Potentially, there might be five groups, linked to the Strategic Priorities:

- SP1: Shropshire Ambition, Excellence and Quality

- SP2: Opportunities through Connections
- SP3: Economic activity in a high quality environment
- SP4: Economic futures
- SP5: Entrepreneurship matters.

5.12 Membership of these groups, each of which will be chaired by a senior representative from an appropriate partner organisation, will be open, but will retain a core of individuals charged with responsibility for taking matters forward. Representatives of partner organisations and other relevant national and regional organisations will also be involved. The prime responsibility of the Groups will be the delivery of agreed action plans, overseeing the development and delivery of projects, and working with the Executive to lobby and influence policy and planning linked to the key themes covered.

5.13 The Chairs of each of the Working Groups will report to the Economic Development Forum making recommendations as to interventions that are required in order to deliver the Strategy's vision.

The Research and Evaluation Function

5.14 It will be vital that the Economic Development Forum has up-to-date economic and social intelligence in order to both ensure the ongoing relevance of its plans and activities and that it closely monitors and evaluates the impact of its activities. The function should provide the Partnership and the Strategy Executive with economic and social research intelligence, promote a co-ordinated approach to research across the county and link Shropshire with intelligence activity at Regional levels.

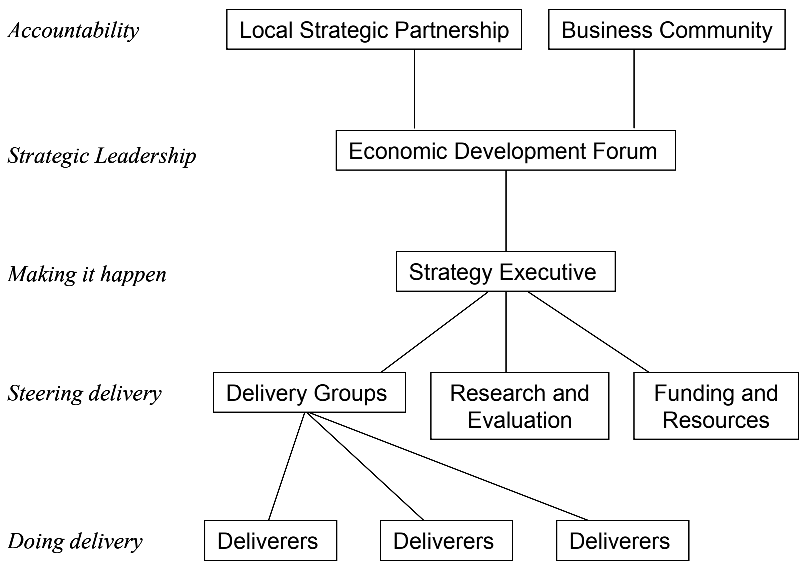
Funding and Resources Group

5.15 The new Economic Development Strategy for Shropshire is key to the development of a co-ordinated and effective approach to the securing of additional funding into the sub-region. A Funding and Resources Group could support the Strategy Executive with the identification of funding opportunities (UK and European); lobbying and influencing agencies to ensure funding regimes take account of the Partnership's priorities, and the development of co-ordinated, complementary funding submissions for the county. The Group will also play a role in identifying opportunities for bending mainstream funding programmes to better meet Shropshire's priorities.

The overall shape

5.16 If all of the roles and functions set out above are brought into play, the delivery and implementation arrangement for Shropshire's new economic development strategy will be as set out below.

Figure 5.1: Delivering and implementing Shropshire Futures



6 Monitoring and Evaluation

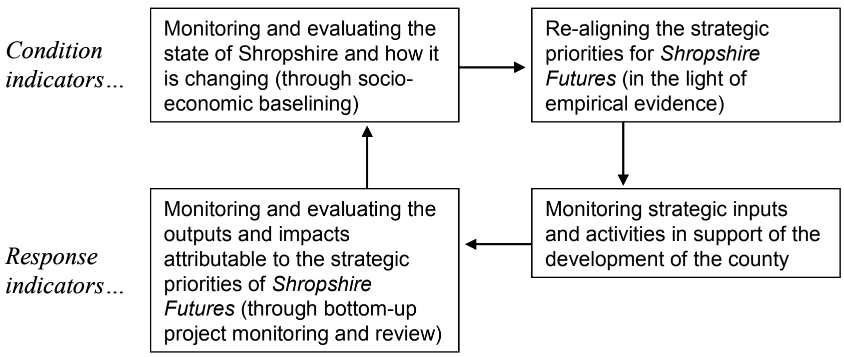
6.1 *Shropshire Futures* represents a new and bold approach to supporting the people, communities and businesses of Shropshire. The undertaking will be a significant one – the challenges to be faced are stretching and during the 10-year timescale of its life, the operational context will not be static. Changes will come from within the county in response to the Strategy and from elsewhere as the economic and policy environment changes. New funding opportunities may also materialise which are likely to have a direct impact upon the aspirations set out in *Shropshire Futures*.

6.2 To respond to these changes, and to demonstrate progress, it is vital that the delivery of *Shropshire Futures* is underpinned by a robust monitoring and evaluation framework, which is able to provide intelligence, both real time and in retrospect, on the changing strategic context and on the differences that *Shropshire Futures* is levering.

Component Parts of the Framework

6.3 In order to meet the above requirements, the monitoring and evaluation framework will need two parts. A top-down component will monitor the changing state of conditions in Shropshire and will require the use of condition indicators. The second component will be bottom-up, and will enable *Shropshire Futures'* activities, outputs, and impacts to be assessed by using appropriate response indicators. These different components are illustrated in Figure 6.1 below.

Figure 6.1: Monitoring and Evaluation Framework



6.4 When taken together, the two components should provide a clear and robust insight into the Partnership's efficiency and effectiveness in bringing about desired changes in the state of the county. The use and development of the framework will be iterative. Over time, as operating evidence and experience grows, the monitoring and evaluation framework will yield information on those activities which are more effective and efficient than others, allowing strategic and operational priorities to be reshaped accordingly.

6.5 The two components described above must be, as far possible, consistent and fit together well. To achieve this, the process of designing the final framework needs to be an iterative one with three distinct stages of development:

- sketching out the framework's main building blocks. This will require:
  - ➢ defining the principal *condition* indicators consistent with *Shropshire Futures*' strategic objectives;
  - ➢ specifying the *activity categories* that capture the contribution of projects on the ground
  - ➢ and developing the *logic chains* that connect the inputs and activities to the outputs and impact measures within each activity category
- *populating the architecture of the framework with detailed indicators*. This will require detailed consultations with those partners involved in delivering specific Strategy actions, once these have been prioritised and scheduled
- *specifying the complete framework in terms of monitoring and evaluation procedures*. In other words, an operational model and a schedule of actions will need to be put in place to ensure that the Framework actually delivers on the ground. This stage will involve the preparation of guidance and rollout workshops to promote awareness and understanding.

6.6 Progressing these three stages of the Framework's development will be a significant undertaking, and will require the Economic Development Forum to work closely and collaboratively with partners at all levels. Reflecting this, it will be important early on in the life of *Shropshire Futures* that resources are prioritised to enable this important task to be advanced.

Moving forward

6.7 Until specific actions have been agreed and scheduled, complete with relevant response indicators, the monitoring and evaluation framework cannot be fully populated. Moreover, work is currently underway within the Local Strategic Partnership to develop a performance measurement framework and this will need to inform the monitoring and evaluation activity with regard to *Shropshire Futures.* However the overarching Vision for *Shropshire Futures* does enable condition indicators to be defined.

6.8 The Vision presented in Chapter 3, included the following key elements:

- *the need to strengthen the business base in terms of business start-up processes and the competitiveness of established firms*

  This element of the Vision emerged in response to concerns about the medium-long term robustness of the business base in the context of an economy which is dominated by micro-businesses operating in sectors which are declining nationally. Within this context, the need to improve competitiveness is a key tenet of *Shropshire Futures*

- *the imperative for better opportunities for everyone, but particularly for Shropshire's young people*

  Like many predominantly rural counties, the changing age structure of the Shropshire's population is a cause for some concern in terms of medium-long term sustainability. It is recognised that Shropshire needs to be a county in which young people will positively choose to live and work

- *the need to harness the county's high quality environment in a sustainable and creative manner*

  The quality of Shropshire's natural and built environment together constitute some of the county's principal economic assets, yet their full value and significance is not widely recognised. In effecting long term and sustainable economic development, the potential of these assets needs to be fully realised

- *the need to increase the incidence of activities relating to a higher value-added activity and the knowledge economy*

  Currently, Shropshire is a low wage economy and – in the eyes of many stakeholders – the limited range of "career jobs" is one of the reasons why it is proving so difficult to retain younger people. The development of a stronger knowledge economy would do much to increase economic robustness and provide a better range of appropriate job opportunities

- *the need to improve the skills base across Shropshire and to do so in a manner that is consistent with the requirements of key businesses, both now and in the future.*

  In looking to affect sustainable economic restructuring, a strong skills base – across all parts of the labour force – is a key driver. Improving the skills base must therefore be a strategic imperative which underpins many different elements of *Shropshire Futures*.

6.9 From this, it is possible to identify a number of indicators which are appropriate for a sustainable – but nevertheless ambitious – agenda for economic development in Shropshire. Table 6.1 overleaf provides a series of possible indicators and attempts – where possible – to populate them.

Table 6.1: Shropshire Futures': Potential condition indicators, baselines and targets

Indicator	Sources of data	Baseline	Suggested 10-year target
Rate of new business start-up	VAT registration data are available from National Statistics	In 2001, the start-up rate was 8.2% in Shropshire compared to 10.3% in the West Midlands	To achieve the regional average
Changes in productivity	Data on productivity are not available at a sub-regional level; survey work would need to be undertaken	n/a	
Proportion of jobs in high tech activities	Using the DTI's standard definition of "high tech", this figure could be calculated from NOMIS data	(The exact figures are to be determined, but the suspicion is that Shropshire will be below the average for the West Midlands)	To achieve the regional average
Incidence of young people (aged 15-34) in the population	Census	23% of Shropshire's population is aged 15-34 compared with 26% nationally	25% of the county's population should be within this age-band
Proportion of jobs in the environmental economy and their wage levels	If ERM provided a SIC-based definition in their studies of the environmental economy (for the RRZ and the West Midlands), it ought to be possible to calculate this figure from ABI and NES	(The exact figures are to be determined, but the suspicion is that Shropshire will be above the average for the West Midlands in terms of numbers of jobs but below the average in terms of wage levels)	To maintain the number of jobs but increase wage levels to the regional average
Level of R&D spend within the county	Data on R&D spend are not available at a sub-regional level; survey work would need to be undertaken	n/a	
Incidence of hard-to-fill vacancies	Employers' surveys undertaken by LSCs usually address this issue	Survey evidence suggests that 6.4% of Shropshire businesses have hard to fill vacancies.	To reduce this figure to 5%
Proportion of the workforce which has achieved NVQ level 4 or above	Should be available from the LSC	Currently the figure across the Shropshire LSC Area is 21.3% whereas the national figure is closer to 25%	Close the gap with the national average