

boosting the knowledge economy

MOVING WITH THE TIMES

Rationale

- Wear Valley is recognised by the Department for Work and Pensions as being the most deprived rural district in England. It has the highest number of individuals claiming Job Seekers Allowance in County Durham, at 3.3 percent. Current employment centres rely heavily on traditional and declining industries. Available jobs are often poorly paid. The proposed Eastgate Renewable Energy Village development has been identified as a means of creating sustainable jobs in Weardale, and promoting business links. It has proved a catalyst for the creation of a Skills and Employment Action Plan for the area.
- A lack of broadband facilities has recently been identified as one of the main factors preventing the development of the knowledge economy in West Durham.
- Both Teesdale and Wear Valley suffer from a shortage of businesses operating in the knowledge-intensive and growth sectors. By determining how and why in-migrants are attracted to or repelled from an area, it may be possible to develop the right conditions for entrepreneurial in-migration and potential economic prosperity.

Eastgate – the concept

Since 2002 Wear Valley District Council has been championing the re-development of the Eastgate site in Weardale, once home to the Lafarge Cement UK Eastgate Works. Current thinking following local consultation favours the development of a flagship renewable energy village. Work is anticipated to begin in 2008 subject to planning approval. Plans will meet the needs of the community, which will be an eco-friendly living, working, and learning environment as well as a visitor attraction. The project aims to use all five forms of renewable land based energy available in the UK. This includes wind, solar, hydro, biomass and geothermal power.

“ There is a genuine stated desire from organisations consulted to become more formally engaged in the Eastgate initiative, contributing to its success and supporting their business objectives ”

Sue Dawson, Wear Valley District Council



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Actions and Activities

Skills and Employment

Skills and employment are considered key to the success of the Eastgate project. Recognising this, the Learning and Skills Council (LSC) together with Wear Valley District Council and Pathfinder funding have brought together key agencies in the project to form a Skills and Employment Working Group to focus on this issue. Established in early 2007, the group aims to identify the current and future skills needs of local businesses, and to develop links between businesses and local training and skills providers, with a view to using the findings to further develop the Eastgate concept. Members include identified stakeholders such as local schools, colleges and universities, training and employment providers. The stated intention of the group is to seek ways by which to:

- Develop skills programmes that support the immediate and the long term viability of the site
- Provide sustainable employment for local residents
- Provide work and skills opportunities for the 14 – 19 age group
- Develop a Skills and Employment Action Plan for the area

In addition, an Area Delivery Plan model was devised to examine how existing businesses might benefit from the Eastgate project.

Broadband

Broadband provision has long been identified as a stumbling block to the development of businesses in rural locations. With this in mind West Durham was recently mapped with the help of funding from the Pathfinder. With BT

suggesting no knowledge of the problem, it was decided to collate evidence. A questionnaire sent to 1760 households in the Stanhope, Wolsingham and Newfield areas, together with an additional 26 businesses on the South Church Enterprise Park, generated 301 stated requests for broadband. Survey findings confirmed anecdotal evidence of broadband provision gaps. BT was notified of the results and their response is still awaited.

In-migration

Research into “Creating the right conditions for attracting entrepreneurs to the rural North East” was funded by ONE, with case study areas focusing on Tynedale, Berwick and East Cleveland. A further case study for rural West Durham was added through the influencing of the Pathfinder. The aims of the study were to establish:

- The extent to which the return of knowledge-based businesses to rural areas can be considered a trend
- What motivates them to make the move to a rural area
- What motivates in-migrants to choose to establish businesses in the knowledge economy
- The extent to which the rural North East meets the needs of both companies and individuals



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Next steps and Results

Natural England, Aggregates Levy Sustainability Funding (ALSF) and the Learning and Skills Council (LSC) resources have now been secured to take the environmental elements of the Skills and Employment Action Plan forwards.

The Pathfinder is currently considering a proposal for funding a project to define, evaluate and cost alternative potential solutions to bring access to broadband in rural areas. This should address the current inhibition of existing micro businesses due to the lack of broadband provision in Wear Valley and Teesdale.

Under the Area Delivery Plan model, businesses within a 15 mile radius of Eastgate were targeted to see what business opportunities might arise. A profile of existing businesses was devised,

and an analysis made of what business support would be required. This was also used as an opportunity to dispel any myths about the Eastgate project and for concerns to be addressed. Analysis estimates that the Eastgate project will deliver around 150 jobs from business investment with a further 200 in the visitor and hospitality sector.

Some 226 interviews were conducted with in-migrants and the findings used in the compilation of a report looking into creating the right conditions for attracting entrepreneurs to the rural North East. Key findings included:

- In-migrants make rather than take jobs and raise skills levels by input and by creating demand for higher skills
- In-migrants improve access to markets, increase demand for local goods and services, and strengthen development of the knowledge economy

- In-migrants represent a useful tool for enhancing prosperity in rural areas and generating long term economic growth
- Quality of life is a key factor for in-migrant entrepreneurs
- Limited broadband coverage was identified as a key barrier for entrepreneurs, so much so that certain locations are rejected primarily on this basis

Other more generic problems highlighted included finding suitable recruitment candidates, low skills levels (especially technical) and poor business support.

“ The proposals for a vibrant living and working community at Eastgate are designed to generate sustainable jobs for local people and create a draw for investment from outside this area.....The Skills and Employability Plan highlights the overwhelming support from our local colleges and training providers to contribute to the success of this initiative ”

Bob Hope, strategic director for Environment and Regeneration at Wear Valley District Council

For more information, please contact the chair of the West Durham Rural Pathfinder, Bryan Rees, on 0191 202 3669 or email bryan.rees@gone.gsi.gov.uk or visit www.westdurhampathfinder.com.



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