



FUTURE PORTLAND

Portland Economic
Vision and Plan

Transforming our Island economy to deliver growth and jobs

Portland Community Partnership
Portland Economic Vision Board & Portland Coastal Community Team



January 2016

Foreword

An Economic Development Vision for Portland

We are pleased to present our Economic Vision for Portland, which sets out our ambition, priorities and approach that we will take to enable the growth of the local economy to create stability and prosperity. This is a shared agenda developed by the public and private sectors, taking into account the different opportunities and challenges that Portland needs to address.

The plan has been developed with support from Weymouth & Portland Borough Council and is derived from extensive local consultation work and research undertaken in developing the Portland Neighbourhood Plan. In recognition of the importance of growing the economy, the Portland Community Partnership (PCP) has established the Economic Vision Board led by local business and stakeholders to develop and drive forward the Vision and Economic Action Plan.

Portland's potential as an economic asset for its own community and for the whole of south and west Dorset is gradually being recognised generally but also specifically by the Dorset Local Economic Partnership (LEPs) as part of the development of the Western Dorset Growth Corridor. Creating a sustainable high performing economy is at the heart of our Neighbourhood Plan. We have established priorities around increasing jobs and new business start-ups, enabling appropriate housing development and facilities as well as ensuring our companies are supported and have the opportunity to grow and develop.

We will use the Vision and Strategy to articulate to partners our ambitions and plans with a view of improving collaboration and maximising leverage. The strategy will also help shape our conversations with Weymouth & Portland Borough Council, Dorset County Council, Portland Town Council and Dorset Local Enterprise Partnership in supporting delivery of the wider regional growth programmes.

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1. Introduction

About the Economic Plan

The Economic Plan sets out the vision, objectives and proposed interventions towards securing economic growth in Portland over the next 15 years. It forms a major building block in the emerging Neighbourhood Plan, which will provide the overarching framework for growth and development on the island. Portland's Economic Plan needs to be founded on a clear and ambitious vision that is based on, but not overtly constrained, a sound understanding of the local economy; and an assessment of the role that the Island can play in the global, national and sub-national economy. It should align, but not be driven by county and regional priorities, as this is where it will secure external financial and political support.

Underpinned by the policy position (section 2), robust evidence base including a SWOT assessment (section 3) and an analysis of opportunity sectors (section 4), the Economic Plan sets out a shared vision and five Strategic Objectives (section 5) for transforming the economic prospects of Portland. The Economic Plan includes a coherent set of actions that can be turned into reality on the ground.

A Partnership Approach

The Economic Plan provides the framework to create local prosperity and vibrant, successful neighbourhoods and communities. The Economic Plan has been developed following an extensive programme of local consultation involving local businesses, the community and voluntary sector and the local community; our consultation programme is outlined in Appendix 1. An important focus both in terms of developing and delivering the Economic Plan is the local community taking the lead in shaping the island's economy for the benefit of all communities. The involvement and participation of local groups and local people will continue during the delivery phase to empower communities to maintain a sense of place, become more resilient given economic challenges and opportunities and increase their well-being.

The Economic Plan is a living document, which will be subject to local scrutiny and review led by the Economic Vision Board.

The Isle of Portland

The Isle of Portland has a unique coastal character, with very distinct villages and settlements separated by wide open spaces, parts of which are marked by the presence of the quarrying industry. The island contains some of the largest employment areas in

Weymouth & Portland Borough. The former naval estate has provided opportunities for regeneration and new industrial and commercial development at Osprey Quay, Southwell Business Park and Portland Port.

Although the area is an attractive place to live and contains some large employment sites, there are still areas that suffer from high levels of multiple deprivation; three of the most deprived areas in Dorset are on Portland. Indeed, headline data indicate that Portland is underperforming compared to the national / county average across a number of measures of productivity and business competitiveness.

Building growth and prosperity requires co-ordinated action from all sectors; it requires assistance from all tiers of government and local input to help rebalance and strengthen the economy. However, companies and the workforce remain the key drivers of economic growth, particularly with the ongoing pressure on consumer and public expenditure.

As well as responding to local needs and opportunities, the economic plan for Portland needs to be placed in the context of global and national economic change. The Government continues to take action to stimulate economic growth to make sure the UK can succeed in the global economy. Economic growth creates opportunity, increases income and helps to reduce poverty and worklessness. The global economy is slowly adjusting to the global financial crisis. However, the resultant constraints on banking capital, the government's desire to reduce borrowing and continued uncertainty in business and consumer confidence all continue to contribute to a slow and uncertain period of recovery and growth. Whilst it is impossible to accurately predict future trends, it is possible to identify certain changes which will impact on Portland's economy. Changes in global markets and competition will lead to continued pressures in many sectors and the most vulnerable will see restructuring, downsizing and closures.

Digital technologies continue to drive change, at an accelerating pace, in every sector of the global economy. Most obviously this is creating a new internet based economy which in the G20 countries alone was worth \$2.3trn in 2010 and is expected to be worth \$4.3trn by 2016¹. Connectivity and high speed broadband service is now an essential utility for a growing economy.

There will be increasing competition for investment in jobs from the rest of the region and our neighbours, making it essential that Portland makes the most of its strengths, assets and areas of competitive advantage.

¹BCG (2012) The Connected World: The \$4.2 trn opportunity – the internet economy in the G20

Principles

A number of core principles will shape the process of developing the Economic Plan, including:

- Aligning the Portland Economic Plan with the growth plans of the Dorset Local Enterprise Partnership (LEP) and the emerging Dorset Councils Partnership and Dorset County Council's Western Dorset Growth Corridor strategy;
- Ensuring the strategies take advantage of current and future funding opportunities, specifically EU funds for 2014-2020;
- Play to the strengths and opportunities of Portland and focus on key assets;
- Maximising financial incentives, and
- Involving all stakeholders, partners and the local community in developing and implementing the Economic Plan.



Image: Osprey Quay, Chesil Beach and Portland Harbour (illustration)

2. Portland Economic Plan: context

Successful locations are those that have “reinvented their economies, creating jobs in new, more knowledge-focussed industries to offset losses in more traditional industries”². The weakest performing areas are those that have failed to support jobs growth in the knowledge economy. The local economy continues to change and adjust to changing economic circumstances, particularly the withdrawal of the Royal Navy in the late 1980s. To continue to follow this path, long term objectives need to centre on:

- Improving the skills of the workforce;
- Supporting innovation, and
- Providing the right infrastructure

The Coalition Government’s Plan for Growth (2010) set out the reforms and priorities to enable the UK to compete in a rapidly changing global market. The Treasury Document, Fixing the Foundations: Creating a more Prosperous Nation³, up-dates the Plan for Growth and sets out the general economic agenda for the next 5 years, outlining the Government’s views on skills, universities, transport, energy, digital infrastructure, innovation, planning and devolution / a balanced economy. The major focus is on increasing productivity in the UK.

The context for economic development and growth has changed significantly since 2010, which has been driven by a number of factors; part of this is due to changing economic circumstances. Although the national economy is no longer in recession and continues to show signs of recovery, the effects of the recession are still in evidence, particularly in terms of incomes and wage levels and the cost of living. Action to restore economic stability through tackling the fiscal deficit continues to be the key government priority. This impacts on how local government and public agencies can maintain their long-standing role in promoting local economic development. Alongside the need to reduce the budget deficit, a key driver has been the rebalancing of the economy, specifically a shift away from a concentration on financial services in London; a shift of output and employment from the public to the private sector and a shift from consumption to production and exports.

Finally, councils and local communities have also had to adapt to a new era of localism both in terms of institutional arrangements and new devolved powers for local government, which impact on delivering an economic development agenda. More powers and responsibilities will continue to be devolved from the centre to local authorities and local groups, including Local Enterprise Partnerships (LEPs).

² Urban Economic Change since 1911: Centre for Cities, March 2015

³https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/443898/Productivity_Plan_web.pdf

Dorset LEP Strategic Economic Plan

At a regional and sub-regional level, there is already in place a strong policy and programme framework to support sustainable economic growth and job creation. The Dorset Local Enterprise Partnership was set up to invest in different industry sectors across the county to boost business, create new and more highly-skilled jobs and to ensure the county's infrastructure is in a strong position to promote growth. The LEP has produced its Strategic Economic Plan (SEP), which is centred on four key themes:

- Competitive Dorset
- Talented Dorset
- Connected Dorset
- Responsive Dorset.

The Strategic Economic Plan for Dorset recognises the opportunities for investment in broad-based and targeted regeneration activity in the southern and western part of the county, to protect local strengths, generate jobs and growth and help to reduce economic deprivation. Projects including the regeneration of Weymouth town centre, expansion of Portland Port and development of innovative tourism attractions on Portland are seen as key to achieving this. These proposals between them have huge potential to deliver new businesses, jobs and investment to the local area.

Western Dorset Growth Corridor

The sub regional context is set within the emerging Western Dorset Growth Corridor economic strategy, which focuses on developments in the corridor of Weymouth, Dorchester and Portland. The sub regional strategy aims to achieve a better balance and more sustainable future for the towns of Weymouth and Dorchester whilst releasing the employment and investment potential of Portland.

The local authorities and county have recently established a Western Growth Corridor Growth Board, comprising member representatives of Dorset County Council, Weymouth & Portland Borough Council, West Dorset District Council and North Dorset District Council, to strategically drive and coordinate the projects with local partners and the Dorset LEP to achieve economic growth for the benefit of the local communities.

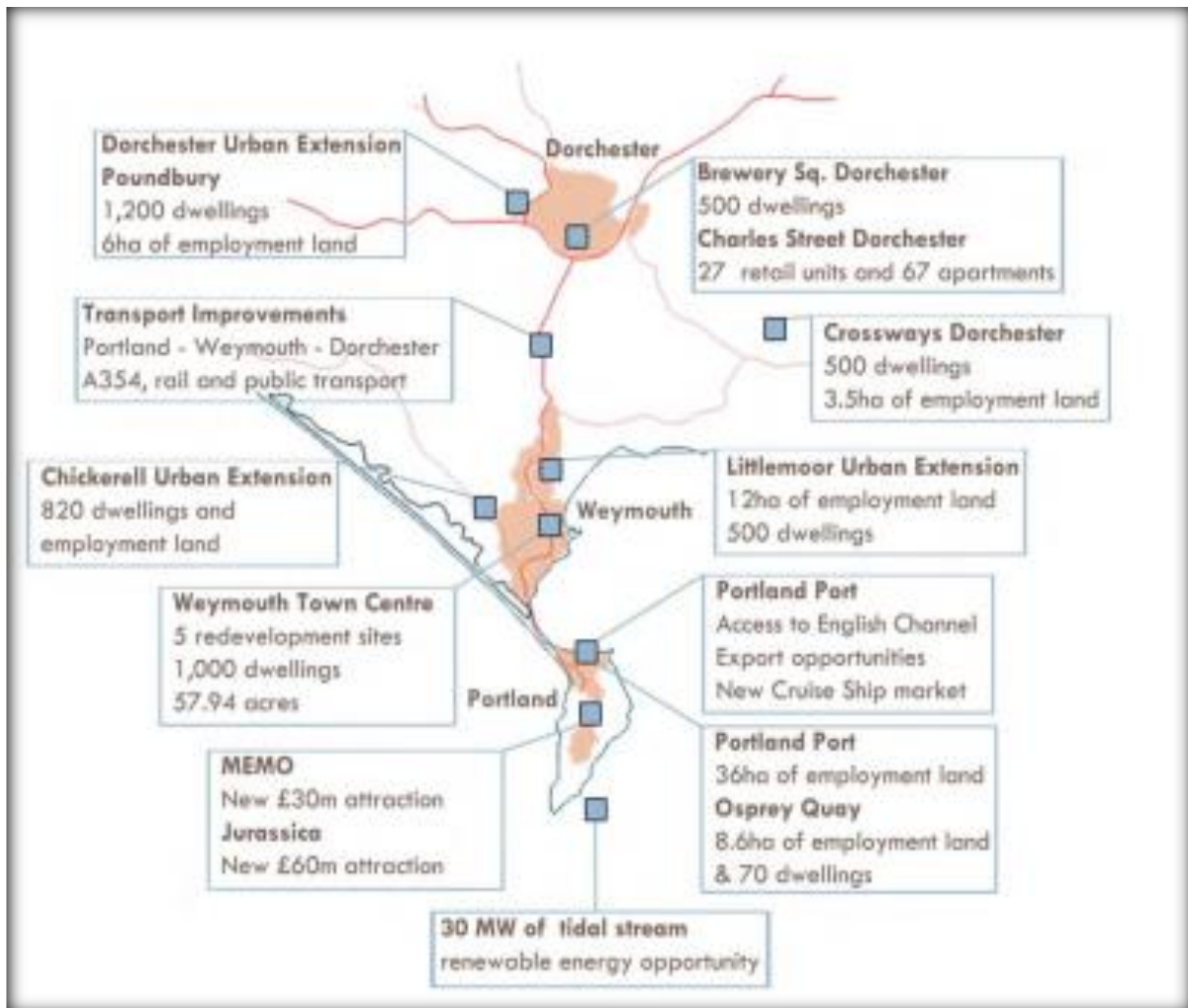


Image: Western Dorset Growth Corridor Growth Opportunities (illustration)

Implementation of the SEP and Growth Corridor projects, and coordinating the necessary infrastructure to support these and the other growth planned in the area through the adopted West Dorset, Weymouth & Portland Local Plan, will require joint working between the local authorities as well as with a range of other partners and stakeholders. An important issue will be to ensure that Portland plays an active role in the Growth Corridor and benefits from investment to economic growth.

A Productive Use of the Environment and Built Heritage

A strong message from the Neighbourhood Plan consultation work was the equal value that the Environment and Heritage was placed alongside the need to develop the economy. Sustainable development options would be at the centre of this balanced approach. In the same way that it is being recognised that ‘corridors’ of economic activity can create opportunities to raise the areas profile and investment potential so similarly the creation of green corridors as well as facilitating the robustness of species to withstand climate change and biodiversity loss also improve related job creation opportunities in areas such as natural

sciences and eco, heritage and health tourism. They also improve the potential for health and wellbeing of the local population all of which are increasingly being factored into investment decisions.

In order to assist with progressing these ideas successive Governments have created a more flexible management approach. This includes improved referencing to mitigation and offsetting within planning guidance and the creation of Local Nature Partnerships which are required to work closely with the Local Enterprise Partnerships. The aim of the resulting LNPs is to work within their local area, creating positive change through strategic, integrated management of the natural environment. In their vision statement the LNP states ‘the natural environment should not be viewed as a constraint but the basis upon which growth and development can be sustained.’

Similarly a realistic and forward looking approach to the way in which the Island’s built heritage is conserved is needed. The Neighbourhood Plan’s evidence base states ‘Portland is an historic and special environment in many ways. The built environment is arguably as significant and important as the natural environment. The nature of the historic build construction sourced mainly from local stone couple with its integration into the landscape means that the built environment has a significance resonance.’ A comprehensive Heritage strategy which builds on conservation appraisals, needs to be used in a positive way to exploit economic development opportunities.



Image: Portland Bill

3. Portland Economic Profile

It is important that the Economic Plan is based on a detailed understanding of economic strengths, opportunities and challenges. Data and forecasting are essential for *informing* policy and programme development; however, data should not *dictate* economic development and growth strategies.

All local economies have had to adapt to a new financial and economic context since 2008/09. Sustained economic growth has been difficult to achieve and although there are signs of sustainable recovery in the UK, many commentators argue that this has not been based on a sustainable model of increased productivity that delivers a better quality of life for most people. In 2014, the UK economy grew 2.8%, inflation averaged 1.5% and unemployment moved back below 6% of the workforce. Structurally, however, the called-for economic rebalancing is not evident. The coalition took office more than four years ago with a vow to rebalance the UK economy towards exports and manufacturing and away from its dependence on domestic spending. But figures show the services sector as the main engine of growth driven in the main by low inflation, rising employment and low interest rates. However, productivity remains weak, which is a serious medium-term challenge.

Portland Economic context

Until the 1990's, a significant element of the local economy was based on defence related work at Portland. Following the closure of the main Ministry of Defence and Royal Navy establishments, the island has had to 'regenerate' itself as a sustainable local economy and various programmes of regeneration and diversification efforts have mitigated some of the impacts of defence closures. There has been economic recovery since 2001. However economic underperformance continues to be an issue.

Unfortunately, much economic data is not broken down to a Portland level; the information below provides a summary profile of Portland based on available data, including an analysis of respective data (text in blue).

Population

Weymouth & Portland has a total population of 65,000 residents, of which 12,844 live on Portland. The island has experienced a small population growth between 2001 and 2011 (0.72%), but a further analysis shows a significant fall in working aged population (specifically the under 44s) coupled with an increase in the 60+ age bracket.

Analysis: *As population has broadly remained static, the population data reflects an inward migration of retired and outward migration of working age population. The increases in the number of economically inactive people may impact on attempts to bring new jobs to the area as the local labour pool decreases.*

Travel to work patterns

Portland is linked to the mainland (Weymouth) by the A354; the nearest railway station is Weymouth (6 miles distance). The travel to work pattern demonstrate a high number of people who travel off the island to work. Figures indicate that the difference between in commuting and out commuting is net commuting of -1,806. (Gross figures)

Analysis: *The figures could indicate the lack of (quality) jobs on Portland but also the interdependency of Portland and the wider Weymouth/Dorchester economic corridor. The future aspiration should be to provide a better balance of jobs and homes within Portland reducing the need for high levels of commuting.*

This may be assisted by reductions in public sector jobs, which are largely based in Weymouth and Dorchester, coupled with these workforces being asked to work more flexibly; however this would still require appropriate opportunities to be created on the Island. (I.e. retraining/skills sets).

Economy

Although not available at a local level, in 2011, Dorset's per capita was 77% of the UK average. Dorset is marked as by a low GVA demonstrating that the local economy generates less added value per head than other areas and is less productive – a clear weakness in the economy.

The UK Competitiveness Index (UKCI) represents a benchmarking of the competitiveness of the UK localities, including its cities based on an integrated measure of competitiveness focusing on both the development and sustainability of businesses and the economic welfare of individuals. Weymouth and Portland is the least most competitiveness locality in the south west (apart from Torbay) and is placed 308 out of 379 local authority's in the UK.

Analysis: *Low competitiveness indicates weaknesses in terms of skills, clusters of high growth companies and innovation.*

There are in the region of 292 firms (2015), excluding self-employed on Portland. The pattern of work indicates that 61% of people work full-time (a decline of 4% since 2009) and 39% part-time. The major employers on the island include:

- Public Sector (i.e. Dorset County Council, Education and Health)
- HM Prison Service, Portland
- Sunseeker International
- Albion Stone
- TODS Defence Ltd
- Drumgrange Ltd
- Manor Marine (MPI Services (UK) Ltd)
- Portland Engineering Ltd
- Agincare Group Ltd

Ward	Number of Businesses	% of Businesses	Employees FT	Employees PT	Employees Total	% of FT Employees	% of PT Employees	% of Total Employees
Underhill	103	35%	722	380	1,102	39%	37%	37%
Tophill West	95	33%	667	223	890	36%	30%	30%
Tophill East	94	32%	446	552	998	24%	33%	33%
<i>(Tophill total)</i>	189	65%	1,113	775	1,888	61%	63%	63%
Total Business	292		1,835	1,155	2,990			

In Weymouth & Portland, the percentage of self-employed residents is 14%, which is the smallest proportion of self-employed residents among the Dorset districts. Low levels of self-employment can be seen as a proxy for a lack of an entrepreneurial culture, which is seen as a key ingredient for economic growth.

Key Employment Sectors

Dorset LEP has identified nine growth sectors, five of which are relevant to Portland, including:

- Tourism, leisure and hospitality
- Advanced engineering and manufacturing
- Health and social care
- Creative industries
- Environmental goods and services.(sustainable energies, wind, wave, tidal, solar)

Despite low levels of employees working within the knowledge-based sector, there are opportunities to increase employment in growth sectors as a result of the London 2012

Olympic and Paralympic Games sailing events and the development of Osprey Quay as a major employment location.

Quarrying and masonry are traditionally associated with Portland and stone workings, such as Tout Quarry, have made an important contribution to the Island's heritage. Although quarrying barely resister on the employment scale, employing less than 1% of residents on Portland, the quarrying sector is important in terms of land use and potential diversification. For instance, the mining landscape has created fresh opportunities and a rethink on how redundant mines can be utilised.

Analysis: The area has developed strengths in several business areas: marine technology, defence-related, advanced engineering and tourism. There is potential to play to these strengths, which may achieve growth and provide better quality jobs.

Qualifications and Skills

Skills levels within Portland continue to improve at most qualification levels; data indicates that Portland was out-performing England and Wales in terms of qualifications in 2011. However, the percentage of people aged 16-74 with no qualifications is 20% (19% in England and Wales). Of more concern, only 19% have a Level 4 qualification and above compared to 29% in England and Wales. Further action is required to bridge the gap between education and employment.

Qualifications by Ward	Tophill East %	Tophill West %	Underhill %	England And Wales %
Level 4 Qualifications And Above	20.3	18.5	18.6	29.7
Level 3 Qualifications	15.6	16.8	12.5	14.5
Level 2 Qualifications	20	21.2	18.8	17.2
Level 1 Qualifications	19.1	19.8	21.4	15.2
Apprenticeships And Other Qualifications	8.7	8.8	10.3	8.6
No Qualifications	16.3	14.9	18.6	15
<i>Source: 2011 Census (Table LC5106EW - Highest level of qualification by economic activity)</i>				

The development of the future workforce is vital to the local economy as we as for the aspirations of individuals. Whilst there is no university in the area, there is an increasing HE

offer at Weymouth College and Bournemouth University in particular have developed stronger links. The Isle has seen investment through the Portland Aldridge Community Academy, which has entrepreneurship and innovation as key development strands. The Government's expansion of Apprenticeships also could provide development opportunities in particular Advanced Apprenticeships and Foundation degrees. Within Weymouth and Portland, there are concerns that the workforce is relatively low skilled, with particular skills gap relating to the replacement of highly skilled staff approaching retirement and at the level of new starters.

Analysis: The qualification and skills base of a locality and the type of key sectors within an area has clear links with the earnings capability of those living / residing there. Portland needs to develop, attract and retain a suitably qualified and skilled workforce capable of meeting the requirements of a more knowledge-based, high-technology economy.

Employment, wages and economic activity levels

In Portland, public sector jobs - administration, health and education -employ the highest proportion of Portland residents. Other main employment areas include 'wholesale and retail trade, repair of motor vehicles and motorcycles (14.5%), manufacturing (10.3%) and construction (8.2%).

Analysis: There is an over-reliance on public sector jobs and low-value employment in terms of Portland residents in employment.

The reality of low wages in Weymouth and Portland is highlighted in a South West regional league table which places the borough 28th out of 36th areas⁴, with the borough offering average wages of £22,100. The average wage for the whole of the region was £24,400, almost £3,000 lower than the UK average of 27,200. Within the borough, the average home costs 11 times the average local wage.

Analysis: Low wages puts the local population and the consumer industry as a comparative disadvantage. A key focus must be to raise local wage rates relative to the average in Dorset and the region.

The latest unemployment rate (January 2015) for Portland is 2%, which is the same as the Great Britain rate although higher than the regional average (1.3%) and Dorset LEP area (1.2%). Of more concern is the high rate of long term unemployment on the island (16%).

⁴ Manpower Group 2014

Employment sites

Between 1994 and 2013, 8.21 hectares of employment land has been developed in Portland. The total area of land with permission or allocated in the local plan is 16.46 hectares along with a further 38h at Portland Port. Key employment sites on Portland include:

Osprey quay (49h), Portland Port (47h), Immosthay (7.5h), Tradecroft (6.5h), Southwell Business Park (8h).

On Portland, the competing demands of nature, heritage and employment are particularly evident, with considerable protection afforded to the natural and built environment. However, a shortage of serviced development land modern industrial and office premises is clearly a threat to economic growth. Future expansion of Portland Port and Osprey Quay business development areas has the potential to create local jobs for local people.

Analysis: Employment sites must be protected to secure indigenous growth and inward investment. However, developments must embrace sustainability to ensure that Portland retains its quality of life.

Infrastructure and Access

Transport

Significant growth is planned for Dorchester, Weymouth and Portland with the planned expansion on Portland including:

- Creation of in excess of 3,000 jobs i.e. doubling the existing jobs on Portland;
- Attracting around 1 million visitors per annum to new attractions (i.e. Jurassica and MEMO);
- An increase in Port passengers of 36,000 per annum.

To secure future economic growth, it is critical that cost effective improvements are investigated and made to the local highways network and to the existing public transport provision (including availability and frequency of service).

Assuming these growth figures which are forecasted by the Dorset LEP , a high level economic assessment for the 'A354 Portland Relief Road' (also known as the Western Relief Road) has been undertaken by Dorset County Council and found to offer an economically viable solution with the cost of such a bypass scheme estimated at £37.1M (2015 prices),

acknowledging that this assessment excludes environmental and social factors which would need to be assessed as part of understanding the true cost and viability of such a scheme.

Analysis: Appropriate resource should be allocated towards finding and working up deliverable and affordable transport schemes both on and off Portland that recognise the significant contribution Portland can make to the Western Dorset Growth Corridor taking account of short, medium and long term needs. This should include the existing highways network, improvements to public transport and the provision of a 'A354 Portland Relief Road'.

Super-fast Broadband

Despite investment in super-fast broadband on Portland, concerns have been expressed by the business community regarding access to high speed provision in some areas. Similar concerns are expressed in regard to mobile network coverage.

Analysis: The provision of high speed broadband on Portland is important and is attracting small media and creativity businesses to develop on the Island.

Environment

The quality of Portland's natural and historic environment is a major component of the area's identity and future prosperity. Access onto Portland is via the A 354, alongside Chesil Beach, one of the most iconic features along the south coast. The island is an exposed, windswept and rocky landscape, with a strong maritime theme. Quarrying and military activity has, and continues, to significant impact upon the island's character. Much of the Island contains environmentally sensitive areas of international and national importance.

These unique assets not only provide a landscape and sense of place but also provide economic opportunities including a setting for watersports and coastal recreation of world class quality. The strong tidal currents around Portland also provide opportunities for the installation of tidal turbines to generate clean energy.

Analysis: The Island needs to exploit new opportunities through innovation in environmental technologies, for example in renewable energy technologies based on tidal or wind or solar power.

Deprivation

The Index of Multiple Deprivation (IMD) shows that the Island has significant pockets of multiple deprivation. Underhill ward is ranked as the 3rd most deprived ward in the borough

and within the top 10% most deprived nationally; Tophill West and Tophill East are ranked as joint 8th most deprived ward in the borough.

Summary

On the basis of the data and intelligence, it would be difficult to describe Portland's economy as successful. Its economic base is weighted toward lower value-added activities, with an over-reliance on low-value employment. Average earnings are also modest by regional standards. This may reflect the local significance of the public sector, where earnings between higher and lower earners are traditionally more compressed than in the private sector

The area suffers from pockets of deprivation and a disparity between low earnings and high housing cost. It has been one of the weakest areas in the south-west in generating private sector employment in recent years and its modest increase in employment seems to be attributable to a comparatively robust public sector.

However, the Island does have a number of strengths, opportunities and assets that could be a focus for future economic growth activities, including:

- Employment sectors that offer future growth potential;
- A potentially strong tourism and leisure offer;
- Outstanding and unique natural environment and built heritage;
- Areas of job creating potential, including Portland Port and Osprey Quay;
- A 'green technology' opportunity cluster.

The London 2012 Olympic sailing event based at Portland and the development of the National Sailing Academy has provided an unprecedented opportunity for the island. The island has continued to adapt and develop in line with changing economic demands and the economic plan will need to respond to change and transition.

Strengths, Weaknesses, Opportunities and Threats Analysis

Strengths

- Good array of businesses, with strengths in marine technology, defence-related, advanced engineering and tourism.
- Diverse economy not dependent on one sector.
- Good supply of development land for commercial development. Including Portland Port and Osprey Quay.
- Strong tourist and visitor sector, specifically 'niche' adventure activity sector.
- Low unemployment.
- High quality of life and attractive destination for individuals of high net worth.
- Deep and sheltered water adjacent to industrial land.
- Good broadband and 3G/4G Network coverage and speed.
- Unique environment with diverse landscape and rich biodiversity.
- Historic environment with a range of cultural and heritage visitor attractions.

Opportunities

- Increasing opportunities for rural enterprises through investment / development of Portland – Weymouth – Dorchester growth corridor.
- Expansion and growth of existing high-rates of home-based and self-employed businesses.
- Stronger links between tourism and local food.
- Development of tourism offer, specific visibility from Jurassica and MEMO projects
- Continued growth of cruise market.
- Enhancing 'gateway' to the Jurassica coast.
- Further enhancing cultural heritage.
- Stronger development of value added enterprise in the maritime, advanced engineering and energy sectors.
- Increase the number of visitor days, including the number of overnight stays and visitor spend, including developing new and expanding existing events
- Developing the renewable energy sector
- Improving links to local academic institutions as employers, skills providers and for knowledge exchange activities.
- Further investment in infrastructure, e.g. broadband, 3G/4G, Port.
- Potential to cluster industries.
- Re-engage with London 2012 Olympic legacies especially around water sport and outdoor activity to increase publicity of Portland.

Weaknesses

- Limited growth in private sector businesses compared to region / England.
- Low quality of jobs predominantly supporting low wage economy.
- Low level of business start-ups and entrepreneurship.
- Traffic congestion, specifically A354 from mainland.
- Some skills shortages.
- General inability to retain young workers and secure employment for them.
- Youth unemployment and low skills in areas.
- High cost of housing and lack of affordable housing.
- Lack of choice of high grade, modern business space.
- Infrastructure needs upgrading in places.
- Limited transport affecting access to work.
- Limited population growth.
- High number of out commuting.
- Level of high deprivation, specifically long term unemployed
- Lack of high speed broadband at key business centres

Threats

- Ageing population
- Climate change, coastal erosion and flooding
- Continued dependency on public sector employments (e.g. prison service).
- Large scale investment in energy sector impacting on landscape
- Concentration of investment / development in urban areas to detriment of rural area.
- High housing costs restricts the supply of labour, especially in lower income occupations.
- Constraints of planning system and planning policy on the development of housing and business properties.
- High house prices leading to communities that are less socially diverse due to the domination of older groups and those with high incomes.
- Delays in improvements to road infrastructure and communications leads businesses to locate/re-locate into better serviced urban centres.
- Increasing elderly population raises dependency ratios

4. Opportunity Sectors – drivers of economic growth

The Economic Plan provides the framework to enable businesses to grow as well as encouraging the creation and growth of new ones. The Plan builds on the sector strengths of the area, particularly those sectors which have potential to grow.

Maritime Sector

The UK's marine engineering sector continues to grow and drive forward key developments in equipment and product design and technical innovation. The sector is an important part of the national economy contributing £19 billion gross value added and employing over 360,000 people, many of them in highly skilled roles⁵.

The maritime sector is global in nature, mobile and growing with ships carrying 80% of global trade. Sea born trade is predicted to double by 2030 in line with the forecast growth in international trade. The UK is ideally positioned to exploit these conditions and drive growth in the UK maritime sector. Evidence indicates that the UK continues to be seen by the international market as a world-leading maritime centre. It also shows that the UK remains highly competitive, particularly in the field of maritime business services, maritime education, training and skills and marine manufacturing, engineering and research. The UK maritime cluster's contribution to the economy is already substantial and, with the right conditions, can be grown further. However, this potential growth and the UK's international position cannot be taken for granted. In the face of increasing competition from fast-growing maritime centres in other countries "the UK maritime sector must be willing to adapt, improve and change to successfully exploit these opportunities⁶."

The UK's maritime education and training infrastructure is second to none, with educational provision and professional skills development in prestigious universities and colleges. These institutions benefit from significant input from, and collaboration with, the world's most successful maritime businesses. In addition, many of the world's leading maritime industry research and training institutions, manufacturers and service providers are located in the UK. The sector features globally recognised and industry-leading brands that drive forward key developments in equipment, product design and technical innovation. Research and Development in the maritime sector is extensive, supported by the world-class capabilities of

⁵ UK Trade & Investment, January 2013

⁶Department of Transport: *Maritime Growth Study: Keeping the UK competitive in a global market (Sept 2015)*

UK universities and research institutes. The UK's maritime research landscape is further enriched as a result of the large numbers of small and medium size enterprises (SMEs) at the forefront of R&D and innovation.

Portland has particular strengths in the maritime sector, particularly advanced engineering and manufacturing. Due to its maritime naval history, Portland still has a number of businesses involved in defence related activities. The deep water port creates opportunities for businesses not only in the port estate but on Portland and beyond. As well as providing world class sailing and leisure facilities, Osprey Quay offers modern workspace. Significant local businesses include Sunseeker International, the leading leisure boat manufacturer of luxury motor yachts, which has expanded its manufacturing expertise in Portland. Coordinated action involving national and regional support agencies is required to grow and develop the maritime sector to meet the needs of businesses in the sector particularly to increase sales and productivity.

Renewable Energy

Despite changes in policy and support surrounding renewable energy and incentives for renewable energy technologies, Portland offers an ideal environment for renewable energy companies to thrive and there are opportunities for wave and tidal power as well as solar and wind power development.

The Port of Portland, with ready access to deep water, can assist in putting the region at the forefront of construction and support to renewable energy development.

Portland has the potential to become a leading location to test and develop renewable energy development as well as supporting the development of community renewable energy. The generation of energy locally at a community level offers the opportunity to retain spending on energy for the benefit of local people and the local economy. This could be achieved for example by supporting plans to develop the 30 MW of tidal stream renewable energy in partnership with Regen SW and the SW Marine Energy Park. In addition, development of renewable energy technologies provides opportunities for skilled job creation, local economic growth and significant financial benefits.

The opportunity exists to work with partners, such as the Dorset Energy Partnership, an active group of organisations set up to develop and deliver the Bournemouth, Dorset and Poole Renewable Energy to 2020 Strategy (2013), to support the development of both business and community renewable energy options for Portland including building a business case to support the development of community renewable energy.

Tourism

Tourism is identified as a key growth sector by the Dorset LEP: the sector is a leading contributor to the overall well-being of Dorset, sustaining and supporting a significant number of jobs (over 42,000 individuals are employed in Dorset in the sector). At a local level, exceptional rural and coastal landscape has meant that tourism has been an important economic sector for Portland.

Portland Tourism: Key Facts
38,000 staying visitor trips
343,000 day visits
£24 million direct visitor spend
£24.7 million total visitor related spend
650 actual jobs supported by visitor related spend

2013: The South West Research Company

The island has a number of natural and visitors attractions which predominantly meet a domestic day-visitor market.

There are a number of tourism 'assets' that need to be included within actions to develop the visitor economy on the island. Portland Port has witnessed significant growth over the last five years. During 2015, the Port is expected to host 22 cruises accommodating in excess of 26,000 passengers. The port received an award by Cruise Insight Magazine for 'Most Improved Cruise Destination' in 2012. The tendency is for passengers to be taken by coaches off the island to other established destinations during their short stay. Further coordinated actions are needed to market and promote Portland for cruise visitors.

The island also offers a significant activity adventure product. The Weymouth & Portland National Sailing Academy hosts world class facilities for sailors and Portland Harbour provides a safe venue with a full range of water sports including diving, paddle boarding and kayaking. The adventure tourism sector continues to grow. The key to success is the ability to respond to opportunities through destination making, making use of new technology and developing products that build on strengths and assets.

In addition to the existing visitor product, a number of major tourism developments are in the planning stage, which could have a dramatic impact on the tourism offer on Portland.

- The expectation is that the £80 million Jurassica visitor attraction would attract over 500,000 visitors per annum, creating more than 150 full-time jobs and contributing £20m into the county's economy.

- The £25-30m MEMO project, which has secured planning permission, is dedicated to bring together the arts and sciences to build a truly global beacon for diversity. Locally, MEMO will act as a visitor attraction, with projected gross economic impact of nearly £20m pa. Visitor numbers are projected at 140,000 within three years of launch.

Both projects have secured financial support from the Dorset LEP, with the expectation that they will make a significant economic contribution to Portland and the wider sub region. Clearly, an important consideration is ensuring that the proposed developments protect and enhance the environmentally sensitive areas of international and international importance. Managing tourism flows in and out of Portland is a major issue, specifically if Jurassica secures the estimated 500,000 visitor per year. Concerns continue to be raised about the implications of heavy tourist traffic and over-tourism to the island.

Without doubt, there is a need to upgrade its tourism status for the domestic and overseas markets as well as diversify into new visitor market segments. Improvement of the quality and range of the overall tourism offer have started to become more apparent as new visitors are attracted to Dorset due to the uplift stimulated by the increased publicity of the 2012 Games, the World Heritage Coast, Jurassic Coast', joint marketing activity with partners and a quality drive by the private sector. The inclusion of new destinations such as Jurassica and MEMO offer the potential to dramatically increase the overall value of the visitor economy.

The Portland Tourism and Visitor Management Strategy provide a good basis for developing a strategy and action plan that develops the visitor economy in a managed and sustainable way. What is needed is for the new strategy to align to the priorities and actions set out within the Dorset Destination Management Plan.

5. Vision and Strategic Objectives

The national economy is starting to grow after a period of recession. Despite being a priority for the Council (and an evident appetite for economic growth), there remains a lack of clarity and consensus as to what economic development and growth means for Portland. Portland is a resilient island that has adapted to change throughout its history. The island needs to continue to play to its strengths and assets. It needs to take account of what makes the area 'stand out' in an increasingly crowded global marketplace to foster and attract enterprise and investment.

Our research and the Neighbourhood Plan provide an opportunity for the local community to define its economic destination. The evidence, particularly current and planned investment, and our discussions with key stakeholders suggest an area in transformation:

- Further private sector investment in Portland Port (Northern Arc – Osprey Quay/Castletown);
- New investment to build on the Olympic legacy offer;
- Plans to transform the tourism offer through Jurassica and MEMO developments as well and improvements to the co-ordination and signposting of cultural and heritage attractions and
- Appropriate use of land offer in Tophill.

The economic profile demonstrates a need to agree a future vision for Portland and define and implement a game-changing strategy with a focus on building on strengths and assets and unlocking the potential to deliver growth. Creating a sustainable high performing economy will be at the heart of the growth strategy, delivering faster sustainable economic growth with opportunities for all to flourish by increasing productivity, innovation and the quality of jobs.

The adopted West Dorset and Weymouth & Portland Local Plan sets out a vision for Portland:

“In 2031, Portland

- Has maintained and enhanced the unique character of the island in terms of its built and natural assets, whilst thriving economically and socially for the benefit of residents and visitors.
- Is the home of specialist maritime industries and other growth sectors that benefit from its unique location, providing it with a good supply of well-paid jobs that benefit the local community and wider area. Portland Port will have maintained and expanded its role as a port of national and international importance as a location for sustainable job creation.
- Has a broad tourist offer including activity based on sustainable tourism such as water sports, climbing, walking and bird watching that capitalises on its unique location
- Has reduced the levels of multiple deprivation and has good education and skills provision.”

The Neighbourhood Plan’s Vision consultation phase added references to an evolving arts and culture provision, cruise ships and attracting overseas visitors. It also included a reference on the importance of balanced housing provision and adequate transportation networks, as well planning for climate change. Although a small response (33) there was an 80% agreement rate to this augmented vision.

Aimed at developing the economy of Portland over the next fifteen years, our Economic Vision builds on the policy and programme context at a national and regional level and the unique assets and opportunities of the area. The shared vision for Portland is:-

Drawing upon our key strengths, the island will be a leader in innovative business, destination development, maritime services and low carbon technologies, connecting its residents and businesses to more opportunities, and providing an ideal environment to grow, start and locate a business. Portland will be a leading player in the thriving Western Dorset Growth Corridor and to the UK.

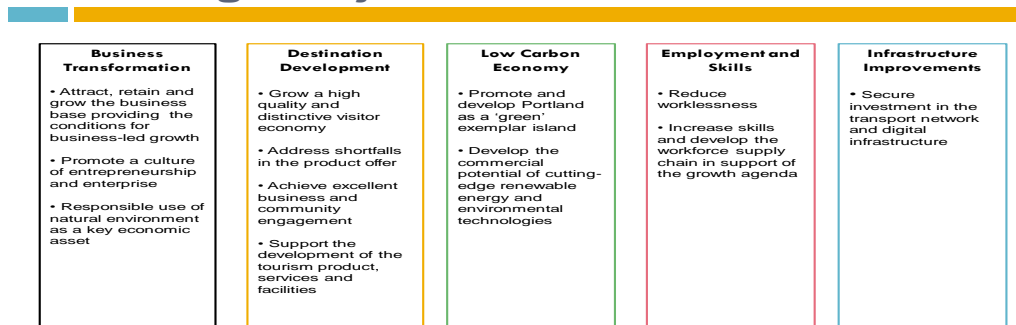
This is not necessarily a pro-development agenda; there is a need to achieve growth whilst protecting and enhancing the natural and built environment. It is also important to recognise that the opportunities created by economic growth and development are shared fairly among the town’s resident population.

We acknowledge that the economic vision can only be delivered through a cohesive and coherent partnership of public, voluntary and the privates sector working together. Our immediate focus will be on putting in place the foundations, structures and funding to achieve and deliver economic growth. Our short term priority is to continue to build momentum and the capacity of the local area to improve the island’s economic future and quality of life for all. Our action plan proposes a number of new partnerships and task groups to design and develop priority activities, including tourism, sustainable energy and community assets. We will also work closely with the Coastal Community Team in Weymouth to explore and develop opportunities of mutual economic benefit.

Strategic Objectives (SO)

Delivery of the Economic Vision is organised around 5 Strategic Objectives, which will be the focus of support and activity.

**Portland Economic Vision
Strategic Objectives**



Business Transformation

SO1: To support the growth and development of a vibrant business community focusing interventions on those growing and opportunity sectors, including the maritime, advanced engineering and renewable energy, capable of delivering higher skilled, higher waged jobs.

Working with our partners across the County, we will support existing businesses to grow, specifically those offering higher-value employment opportunities and work to attract new employers to the island, creating job opportunities for all residents. This is vital to counterbalance the outmigration of workers and young people. An important part of this is ensuring that the planning framework enables a pipeline of quality, office, industrial and incubator space to come forward in locations that are attractive to modern business.

We will create a more entrepreneurial and innovative economy, helping new business start-ups encouraging new and growing private sector businesses.

Destination Development

SO2: To support the sustainable growth of the visitor economy, which celebrates the unique strengths of Portland, supports jobs and generates business opportunities.

Tourism is a key driver to the economy of Portland. We need to build on the natural environment and 'uniqueness' of Portland. We want to establish Portland as a world-class destination in which visitor will experience a superb product and quality of service. We will work with partners from the public and private sector to develop and grow the visitor economy on Portland based on its unique strengths and character, which generates higher spend and local income, enhances its image and reputation and improves the quality of life for local communities.

Low Carbon Economy

SO3: Capitalising on its natural resources and advantages, support the development of a low carbon economy, specifically renewable energy.

The transition to a low carbon economy heralds an exciting but challenging economic and social transformation. Portland has the natural resources, specifically offshore wind and tidal potential, to become an exemplar in green energy and low carbon investment. We will promote a collective effort to put Portland at the forefront of research, development and applications to make Portland a 'green' exemplar island. A key focus will be harnessing the rich mix of energy streams, including wind, tidal and solar, to achieve economic, social and environmental gains for Portland.

Employment and Skills

SO4: To support the delivery of an appropriately skilled, motivated and productive workforce to drive economic growth

Every successful economy needs high quality skills to attract and retain high quality employment. Enhancing the skills of the adult workforce and young people entering the workforce is vital for economic growth. We will work to ensure that residents are equipped with skills for work and that the skills needs of businesses are met.

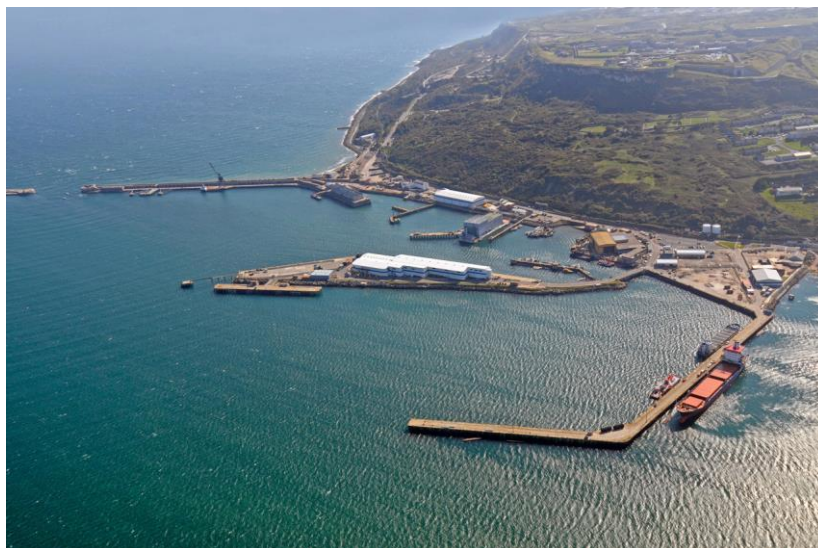
Strong links between schools and employers are an important part of effective education. We will improve and establish mechanism to support employers and IPACA (the community college), Weymouth College and other education providers to work together more effectively

Infrastructure Improvements

SO5: To ensure the provision of adequate infrastructure improvements as a basis to secure smart economic growth

Successful economies also need adequate infrastructure to provide the basis for smart economic growth and an important element of our economic plan is to improve the physical and digital infrastructure to unlock economic growth potential. Poor broadband connectivity has become a major obstacle to economic growth, which makes improvements to digital communications our key priority.

We want to encourage improvements to the local highways to address local congestion, improve public transport provision and improve accessibility for local businesses, residents and tourists.



6. Action Plan

Our Economic Action Plan has been prepared by the Economic Vision Board and will contribute to achieving the vision and includes details on resources and timescale. The Action Plan is included as a separate document (Appendix 2) and outlines proposed actions as a basis for development and delivery, following various stakeholder consultation events carried out by the Economic Vision Group Members based on the five Strategic Objectives.

The Economic Action Plan is a live, working document that will be delivered over a five year period and will be renewed annually in order to revise actions in line with need and opportunity and to monitor its performance. As such, the Action Plan will be dynamic and capable of responding to change. It brings together existing and new projects and is not intended to be an exhaustive list of all activities; rather it is a selection of key actions across the island that has the potential to deliver greatest impact.

Projects are set out under each of the five Strategic Objectives and all have the potential to trigger growth and economic change. Many require a level of public sector intervention and, critically, leadership from the private sector in response to identified needs and opportunities.

The Economic Action Plan includes a number of short term 'early-wins'; our short to medium actions will particularly focus on the Business Transformation and Destination Development objectives to support our businesses to grow as well as raising the profile of Portland and promote the island as a destination and investment location of choice.

Our key priorities and projects focus on realising the potential of Portland. We recognise that there is a strong functional economic relationship with Weymouth (and indeed Dorchester). To secure economies of scale and sub-regional impact, a number of the project will be delivered in partnership with the Coastal Community Team in Weymouth and, in some instances, across the wider Western Dorset Growth Corridor.

7. Cross-cutting Themes and Headline Targets

Cross-cutting themes

Our actions will be underpinned by 4 cross-cutting themes:

Partnership working: More than ever, delivery of the Economic Vision will be about working in partnership to get the most from scarce resources. This will include establishing a new relationship between the private and public sector and local community to drive forward our growth agenda.

Equality: Social equality and ensuring that all residents benefit from growth will be at the heart of the plan as is the principles of community economic development with an emphasis on local participation and collaboration.

Leadership and coordination: The private sector needs to provide effective leadership to rally support and commitment to the Economic Vision and Plan, including securing the effective and efficient use of resources to kick-start action. Leaders within the public sector need to support this process and ensure transparency and accountability when public funds are utilised.

Changing perceptions: A key theme will be to change the perceptions and raise the profile of Portland as investment locations and a place for business. An important component of this will be to improve the local built environment and tackle areas that show decline in the public realm, buildings and improve the general gateways onto and within the Island.

High Level Targets: what we want to achieve

Identifying key performance indicators and targets will be an important part of designing the Action Plan. The Economic Plan proposes eight headline performance indicators and targets, which have been selected taking into account:

- The specific aims of the Economic Vision;
- Measurability, taking into account the availability of data and resources, and
- The need for simplicity and clarity of purpose.

The indicators and targets have been established by taking into account the baseline and align with performance targets set out within the Western Dorset Growth Corridor. The indicators will be tracked on an annual basis using Dorset County Council's performance management resource to assess change in the health of the local economy.

In addition, a Business Survey will be undertaken every two years to review business performance and satisfaction with a focus on recent growth; obstacles to success and skills.

High Level Targets – to be achieved by 2030

For Portland to secure upwards of 3,000 new jobs (gross increase based on Dorset LEP figures)
To increase the number of VAT registered businesses to the annual UK average
To secure substantial on-site progress at Portland Port and Osprey Quay by releasing the employment space
To raise the qualifications and skills levels, specifically Level 4, of the working age population to the national average
To raise average wage levels to the regional average
To reduce long-term unemployment to below the national average
To increase staying visitors by 10% and day visitors to the island to 25%
To secure in excess of £15 million external grant funding to support and encourage economic growth on Portland

8. Next Steps and Delivery

The Portland Economic Plan is a **working document** that will need to be delivered over the next 15 year (2015 to 2030) period. The plan will only succeed in realising our ambition and priorities through collaboration with all our partners at a local, national and European level.

In order to deliver this vision and Action Plan we need to define and secure appropriate resources. We are now entering a period where public spending will be significantly reduced. As well as agreeing priorities for action, we will proactively identify, promote and implement innovative funding solutions to drive forward the strategy, specifically through:

- Dorset Growth Deal; European Funding; Coastal Revival; Coastal Community Funds; Alternative Investment Opportunities

Our next steps therefore are to utilise our agreed communication channels to feed into Local Authorities, Dorset Local Enterprise Partnership and other relevant bodies and individuals to further communicate our plans.

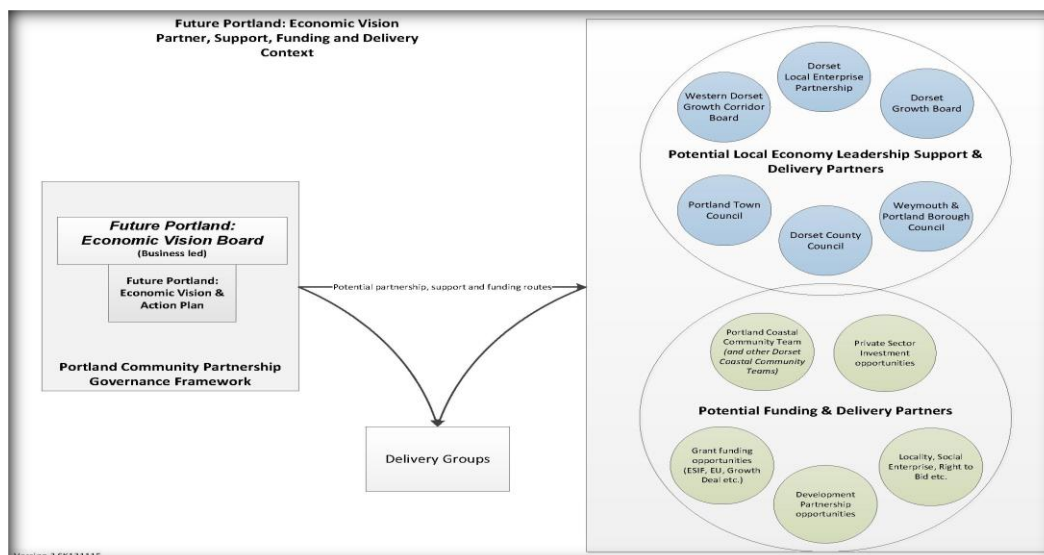
In order to assist with this we will look to:

- strengthen the Vision and Plan Board and widen its representation.
- support the development of sub and action groups
- determine the best governance and delivery structures to put in place

Delivery Arrangements

Our proposals therefore to deliver the range of actions and projects set out in the Action plan will require differing but flexible delivery structures and groupings with the core intentions as set out below.

- An oversight and partnership board which establishes a comprehensive framework for action and acts as a champion for the Vision
- Delivery structure organisations which can respond flexibly within the framework agreed and have the resources to do this.
- A delivery framework which can be widely understood measured and reported on but which can be continually kept live and current.



Future Portland: Economic Vision & Plan

“There are risks and costs to action. But they are far less than the long range risks of comfortable inaction.”

John F. Kennedy



Portland Community Partnership