

Economic Development Strategy 2024 - 2031



Evidence Review and Issues Paper

Executive Summary

Harborough District Council (HDC) is undertaking work to produce and agree a new Economic Development Strategy (EDS) to run concurrent with the Local Plan to 2031. This Evidence Review and Issues Paper is the first stage in that process. It is intended to stimulate debate and discussion on Harborough District's economic priorities; on how HDC, partners and stakeholders can positively shape the district's future; and specifically on the focus of the HDC Economic Development team going forward.

The evidence reviews and contextual analysis has enabled the drafting of a SWOT matrix:

Strengths	Weaknesses
<ul style="list-style-type: none"> Affluent, high performing district with high quality of life and environment and considerable vitality in many important core economic metrics - skills, occupational employment, jobs and enterprise density, resident wages, and household income 	<ul style="list-style-type: none"> Typical non-metropolitan demographic challenges, major housing market pressures and tensions, lack of major business clusters anchored by global players and a well-defined innovation eco-system, and no HE or even FE footprint
<ul style="list-style-type: none"> Well-located for Leicester, other East and West Midlands centres, with good connectivity to London and some regional airports 	<ul style="list-style-type: none"> Not particularly well-placed to command policy attention and prioritisation from Government and LLEP compared to other L&L flagship places and developments
<ul style="list-style-type: none"> Seemingly not as vulnerable to pandemic, impacts and other potential shocks as many places – with extremely low levels of multiple deprivation and strong health and wellbeing 	<ul style="list-style-type: none"> Economic strengths over-reliant on out-commuting and perhaps Magna Park. Local GVA, productivity and workplace wages are low and not growing particularly fast
Opportunities	Threats
<ul style="list-style-type: none"> Very well-positioned to take advantage of post-COVID premiums for space and quality of life leveraging how well-connected it is to local cities and metropolitan centres 	<ul style="list-style-type: none"> National/regional context pays little attention to Harborough District and low levels of resourcing limit local freedoms, flexibilities, and delivery capacity
<ul style="list-style-type: none"> Magna Park and its existing consents could offer an opportunity for step-change and transformation in economic profile and performance of the campus and district 	<ul style="list-style-type: none"> Local complacency and resistance to change may inhibit ambition and necessary decisive, radical decision-making and delivery effectiveness
<ul style="list-style-type: none"> Market Harborough could create a new exemplary post-pandemic market town – together with reconfiguring attractive rural settlements and their hinterlands 	<ul style="list-style-type: none"> Continued increasing demographic pressures and housing market challenges cause loss of dynamism and young talented exodus – leading to stagnation and decline

Harborough District is facing a radically new context to that in which the 2018-23 EDS was drafted and approved. Post-pandemic and post-Brexit, with strong emphases on net zero and levelling up, technological developments like AI, major fiscal constraints, an impending national election, and devolution opportunities, require a new approach. The EDS 2024-31 will provide this.



Harborough District enters this period with many strong economic performance metrics. Based on the evidence review and contextual analysis, The district is affluent, with high quality of life and environment, and considerable vitality in important factors like skills, occupational employment, jobs and enterprise density, resident wages, and household income.

The district is well-located for Leicester, other East and West Midlands centres, with good connectivity to London and some regional airports. Magna Park is a nationally significant logistics hub, and its existing consents offer an opportunity for step-change and transformation in the economic profile and performance of its own campus and the district. More widely, with the market towns, villages and rural areas, Harborough district is very well-positioned to take advantage of post-COVID premiums for space and quality of life leveraging how well-connected it is to local cities and metropolitan centres.

However, Harborough District also suffers from typical non-metropolitan demographic challenges of aging, major housing market pressures and tensions, lack of business clusters at scale outside Magna Park, a small innovation eco-system, and no HE or even FE footprint. Its economic success is over-reliant on out-commuting, and the lack of local education and employment opportunity does lead to an exodus of young talent. Although superficially economic vitality looks strong, the evidence review also surfaces trends that are not as positive as neighbouring areas and deficits in key future-facing capabilities like digital infrastructure.

Overall, the district and the council struggle to command policy attention and prioritisation from Government, Midlands Engine and the Leicester & Leicestershire Enterprise Partnership (LLEP) compared to other L&L flagship places and developments. National and regional context pays little attention to Harborough District and to Leicestershire as a whole. Low levels of resourcing limit local freedoms, flexibilities, and capacity to deliver step change.

The Evidence Review is available in full below and is considered extensive enough to identify the major strategic questions and issues that the new EDS will need to address. These questions include the balance between orthodox goals like productivity and economic growth with decarbonisation and inclusion; how far to focus on indigenous business growth or recognise the district's potential as a location for out commuting, hybrid and home working; and how far the EDS should be vision-led with 2-3 big ticket changes or a longer shopping list of projects responding to funding opportunities nationally and regionally.

The Issues Paper sections seek feedback on how ambitious and radical the new EDS should seek to be. At one level, Harborough District could be a quiet, low-key partner, off-pitch of the main LLEP transformers (City, Airport/Gateway, Food Cluster, Professional & Business Services, Hinckley, Loughborough), and just slightly outside the major national Oxford2Cambridge Arc priority. At another level, though, the district could want to be known nationally and even beyond as a modern vibrant district, welcoming talent, offering excellent and affordable quality of life and job opportunities, alongside ease of access to Leicester and major metropolitan centres.

In discussing the Issues Paper, we will be seeking your views on what Harborough District wishes to be known for as an economy in the future; how ambitious the EDS should be; and what major strategic choices will need to be resolved in the EDS formulation exercise. The paper concludes with two scenarios for the future – one broadly incremental, and one more about step-up and step-change in performance and local capabilities. Your feedback on these analyses and participation in the impending consultation and co-design exercises is now sought.

Whilst we welcome all feedback and comments, your thoughts on the following questions which are positioned at relevant points in the report will be particularly welcome:



Q1. What are your thoughts on Harborough District's opportunities and challenges of the late-2020s, and what would you like to see in the district's overall vision?

Q2. Does the Evidence Review (including the annex) identify the major data sources relevant to the EDS? If not, what is omitted or interpreted inadequately?

Q3. Does the SWOT summarise the district's key characteristics accurately? What is inaccurate, omitted and/or in need of qualification? What other issues would be most important if we expanded the table from three strengths, weaknesses, opportunities, and threats to four or five each?'

Q4. How should the overall economic health and performance of the district be measured, and what are the key indicators of success in this EDS?

Q5. In your opinion, "What does Harborough District wish to be known for as an economy in the future, and how ambitious should the 2024-31 strategy be in terms of the balance between incremental and step-change?

Q6. Should there be some sort of refreshed Economic Growth Board or Panel (of HDC and other major economic role players locally) to take ownership of progressing and delivering the new strategy?

Q7. What do you see as the priorities of Harborough District Council as a whole and the HDC Economic Development Team in particular for economic development to 2031?

Q8. Do you have further comments on the issues raised in this paper or on the process going forward? Are there any major considerations you believe we have omitted?

Please respond to.....

Introduction and purpose: Harborough District Council's (HDC) existing economic development strategy (EDS) ran from 2018-23. HDC is therefore undertaking work to produce and agree a new EDS for the medium term, to run concurrent with the Local Plan to 2031.

This paper is the first formal stage in that process – an Evidence Review and Issues Paper.

The economic Evidence Review summarises the existing data and research on the district's economic performance, the context in which that performance is being achieved, and any trend data that is noteworthy going forward. The Issues Paper explores the main challenges, opportunities, and options for future policy, programmes, projects, and other actions.

The paper is intended to stimulate debate and discussion on Harborough District's economic priorities – on the district as an economic geography and set of communities; for HDC, major partners and stakeholders in the district's future; and specifically on the focus of the HDC Economic Development team.

Therefore, we invite you to read and consider this paper and let us know your views on the questions and issues it raises. HDC's EDS will be most effective if it is also your EDS – a compelling expression of your economic ambitions and priorities for Harborough District. Please get in touch and get involved...

Background and context: A huge amount has changed contextually since 2018 – globally and nationally as well as locally.



Considering the external context, major changes with some local economic implications, include:

- Much greater focus on both climate crisis and on inequalities and left-behind communities – epitomised nationally by, for instance, statutory net zero targets on environmental agendas, and ‘Levelling Up White Paper’ (LUWP) on lagging places and communities.
- Major advances in technology and the digital economy – including AI – likely to change the way most businesses and many people work and requiring new skills and competences.
- The UK has left the EU and global conflicts are increasingly disrupting global governance in general, and migration, trade, and investment in particular. Locally, the prominent roles EU Structural Funds had in local economic development has ended.
- The COVID-19 pandemic provided a huge post-2020 economic shock and transformed the way many people work and how we, key property and commercial markets regard physical space.
- The financial context is now characterised by cost of living and much higher costs than the 2010s, together with acute public finance constraints at both national and local levels.
- Devolution in England is gathering pace with pan-regional partnerships (PRPs) like Midlands Engine and Combined Authority proposals, among others, taking on Local Enterprise Partnership (LEP) roles and functions.

Any of these singly require thoughtful consideration in determining Harborough District’s next EDS. Together, and alongside continuing rapid, volatile, and unpredictable changes, and an almost certain 2024 national general election, there must be a case for radical resetting rather than an incremental refresh.

The 2018-23 EDS’s vision was of a district with **“a robust reputation as a dynamic, entrepreneurial, and attractive place to do business. Sustainable employment opportunities and district-wide prosperity will be achieved by developing home-grown enterprises and proactively attracting high-value businesses to the area.”** It is a vision extremely focused on business growth within and inward investment to the district. Given the changes post-2018, is this the right emphasis for 2024-31?

Q1. What are your thoughts on Harborough District’s opportunities and challenges of the late-2020s, and what would you like to see in the district’s overall vision?

Evidence review overview.

A more detailed evidence review is appended at Annex One.

The key strategic issues relevant to the EDS might be summarised as:

1. **The basics** – geography and demography
 - a. Largest district spatially in Leicestershire & Leicester with second most sparse density
 - b. A tradition of rapid population growth that has slowed in recent years.
 - c. A rapidly aging population and potential working age population (WAP) shortages
 - d. Southernmost district with strong connectivity to London, South East, West Midlands
2. **Economic metrics** – Harborough District has a strong economic profile, with many economic indicators outperforming national, regional, and county averages.





- a. Resident WAP holds more senior jobs than average, with higher levels of qualifications and higher average earnings than the norms of local and regional geographies. Enterprise density within the district is strong, and unemployment is low. Economic activity rates and rates of economic activity growth are particularly high.
- b. However, GVA and productivity growth is sluggish, and gross disposable household income (GDHI) is extremely poor compared to neighbours and other comparators.
- c. High difference between residential and workplace earnings illustrates the importance of outward commuting. Although 2021 census figures are unreliable, out commuting (based on 2011 census) may be close to 50% of the WAP, although homeworking will have changed this during and post-pandemic.
- d. A strongly service-led economy, well-diversified within this, with a particular large and nationally important logistics sector anchored by Magna Park with most of the 'big beast' employers of the district.
- e. Digital infrastructure in the district is not as strong as some local and regional averages. The district tends to participate in Leicestershire's broadband investment and enabling programs rather than necessarily being at the forefront of them.

3. Social and levelling up review – despite seeming to have many positive economic metrics, Harborough District has significant vulnerabilities and risks in levelling up terms.

- a. Harborough District's GDHI relative fall over 20 years is by far the worst in L&L. It is an indicator of sluggish productivity and GVA growth and is only still above national averages because of out commuting to higher value jobs.
- b. Whilst the overall IMD (Index of Multiple Deprivation) ranking is very strong, the district has major health inequalities, acute housing affordability pressures and education and skill is a mixed bag with no local HE or FE at scale.
- c. There is an unexplained and surprising result in terms of survey trends measuring overall happiness that merits further investigation.

4. Relevant environmental issues – Harborough District seems well-positioned for a green-led EDS:

- a. The district's current CO2 emissions performance remains around average, but improvements are being made rapidly.
- b. Many parts of the district are well-established as aspirational locations for living, with a high quality of life and environment, and strong offers for active healthy living, access to open space, and nature recovery.

5. Economic intelligence: There are many relevant datasets – too many. And there can be challenges with all of them in terms of:

- a. level of geography (many do not even go down to district let alone sub-district level),
- b. timeliness (most official data is backward-looking – sometimes at quite extended periods in the past),
- c. significance (selecting which amongst so many metrics are of greatest priority).
- d. Besides the Index of Multiple Deprivation (IMD), a couple of other composite indices which suggest ways of synthesising overall economic performance are explored in the Annex.

Q2. Does the Evidence Review (including the annex) identify the major data sources relevant to the EDS? If not, what is omitted or interpreted inadequately?





Issues Paper

Based on the evidence review and contextual analysis, a SWOT (Strengths- Weaknesses – Opportunities – Threats) matrix is used to synthesise the district's performance in a high-level strategic tool for economic strategy planning and prioritisation.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Affluent, high performing district with high quality of life and environment and considerable vitality in many important core economic metrics - skills, occupational employment, jobs and enterprise density, resident wages, and household income 	<ul style="list-style-type: none"> Typical non-metropolitan demographic challenges, major housing market pressures and tensions, lack of major business clusters anchored by global players and a well-defined innovation eco-system, and no HE or even FE footprint
<ul style="list-style-type: none"> Well-located for Leicester, other East and West Midlands centres, with good connectivity to London and some regional airports 	<ul style="list-style-type: none"> Economic strengths over-reliant on out-commuting and perhaps Magna Park. Local GVA, productivity and workplace wages are low and not growing particularly fast
<ul style="list-style-type: none"> Seemingly not as vulnerable to pandemic, impacts and other potential shocks as many places – with exceptionally low levels of multiple deprivation and strong health and wellbeing 	<ul style="list-style-type: none"> Not particularly well-placed to command policy attention and prioritisation from Government and LLEP compared to other L&L flagship places and developments
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Very well-positioned to take advantage of post-COVID premiums for space and quality of life leveraging how well-connected it is to local cities and metropolitan centres 	<ul style="list-style-type: none"> National/regional context pays little attention to Harborough District and low levels of resourcing limit local freedoms, flexibilities, and delivery capacity
<ul style="list-style-type: none"> Magna Park and its existing consents could offer an opportunity for step-change and transformation in economic profile and performance of the campus and district 	<ul style="list-style-type: none"> Local complacency and resistance to change may inhibit ambition and necessary decisive, radical decision-making and delivery effectiveness
<ul style="list-style-type: none"> Market Harborough could create a new exemplary post-pandemic market town – together with reconfiguring attractive rural settlements and their hinterlands 	<ul style="list-style-type: none"> Continued increasing demographic pressures and housing market challenges cause loss of dynamism and young talented exodus – leading to stagnation and decline

The SWOT analysis highlights the district's high quality of life, environmental vitality, and positive economic metrics such as skills, occupational employment, jobs, and enterprise density. However, it also faces aging challenges, housing market pressures, lack of major business clusters, and no Higher Education or Further Education (HE or FE) footprint of any scale.

The district is well-located. But perhaps because of this, economic strengths are over-reliant on out-commuting and Magna Park. Locally produced GVA, productivity, and workplace wages are weak. Harborough District appears less vulnerable to potential shocks than many places, but not well-positioned to command policy attention and prioritisation from the government pan-regional and regional arrangement compared to other City and County (L&L) flagships and priorities.





The District is extremely well-placed to make the most of post-COVID premiums for space and quality of life. However, the national/regional context pays little attention to Harborough district, and low levels of resourcing limit local freedoms, flexibilities, and delivery capacity. Magna Park and its existing consents offers an opportunity for step-change in the campus and district's economic profile and performance. And there are other high profile niche businesses like Joules and some at Bruntingthorpe. Market Harborough could create a new exemplary post-pandemic market town, with Lutterworth, Broughton Astley, attractive rural settlements and their hinterlands enhancing the district's overall offer.

Q3. Does the SWOT summarise Harborough District's key characteristics accurately? What is inaccurate, omitted and/or in need of qualification? What other issues would be most important if we expanded the table from three strengths, weaknesses, opportunities, and threats to four or five each?'

The essence of an issues paper is that you use it to stimulate discussion on key issues. The choices that seem to arise from the evidence review and contextual analysis are outlined below:

1. First, the EDS consultation and co-creation process needs to discuss questions like:
 - **Q4. How should the overall economic health and performance of the district be measured, and what are the key indicators of success in this EDS?**
 - **Q5. In your opinion, "What does Harborough District wish to be known for as an economy in the future, and how ambitious should the 2024-31 strategy be in terms of the balance between incremental and step-change?"**
2. Second, the Council needs to determine how far it wishes to build a "Team Harborough" approach of major partners, and how receptive partners are to this.
 - **Q6. Should there be some sort of refreshed Economic Growth Board or Panel (of HDC and other major economic role players locally) to take ownership of progressing and delivering the new strategy?**
3. Third, HDC needs to feel comfortable with a '**whole council**' approach to the EDS – with contributions from services like Planning, Property, Finance etc.; soft-power influencing by the leading Members and senior management; as well as a purposeful ED team.
4. Finally, **the ED team** needs to be structured and focused to deliver progress on the eventual agreed EDS approach and priorities.

Broadly, the options for the type of EDS are likely to be a mix of incremental and step-up/step change.

At one level, Harborough District could be a quiet, low-key partner, off-pitch of the main LLEP transformers (City, Airport/Gateway, Food Cluster, Professional & Business Services, Hinckley, Loughborough), and just slightly outside the major national Oxford2Cambridge Arc priority. It could focus on retaining its successful quality of life based on out commuting and older residents with reasonable incomes. It could live with Magna Park's expansion and focus on minimising its negative externalities. And that choice requires one type of economic strategy.

At another level, though, the district could want to be known nationally and even beyond as a modern vibrant district, welcoming talent, offering excellent and affordable quality of life and job opportunities, alongside ease of access to Leicester and major metropolitan centres. In this scenario:

- Market Harborough would be a nationally premier post-pandemic market town – maximising its connections to Leicester, Northamptonshire, and London
- Lutterworth, Broughton Astley and the Villages would progress town centre and neighbourhood plan where available to maximise their offer as high-quality residential communities and visitor economies.



- Magna Park (MP) will be the highest profile pacesetter (nationally) in net-zero logistics as a diversified campus with major innovation and education components.
- The enterprise and innovation focus beyond MP might seek to build on the quirky distinctive brands (like Joules, Bruntingthorpe), green and visitor economy opportunity.
- Major investment would be sought for affordable and market housing to attract and retain young talent.
- Digital investments would create step-change in home and hybrid working and even ‘digital nomad’ opportunities, whilst also improving local business competitiveness.

And those types of choices require a different type of strategy.

None of these choices are binary. The key to the 2024-31 strategy will be the judgements made as to how ambitious the district wishes to be, and where it wishes to position itself going forward in terms of these questions and the issues in the table below.

Strategic choices	Decision for the District	For HDC and ED Team
<ul style="list-style-type: none"> • Should the EDS focus on orthodox GVA, productivity and local jobs, or give equal importance to out-commuters and quality of life? 	<ul style="list-style-type: none"> • Orthodox EDS or • Triple bottom-line focus on economic wellbeing and green agendas 	<ul style="list-style-type: none"> • Determine what form “Team Harborough” arrangements should take – in terms of major institutions and partners involved in the future economic success of the district. Should there be some sort of Economic Growth Board or Panel? • Members and Senior Management to use soft-power and influence to advocate and gain support for the final formulation, approval, and delivery of the EDS. • Ensure there is a “whole council ownership” of the EDS and commitment to its delivery. • Refresh the roles, purposes, and priorities of the ED team
<ul style="list-style-type: none"> • Traditional EDS focus (business support, visitor economy, innovation, infrastructure, skills) or more value-driven 	<ul style="list-style-type: none"> • Prioritise enterprise and innovation, skills and labour market, transport, and infrastructure or • Prioritise sustainability, inclusion, ‘good jobs’ and ‘good work’ 	
<ul style="list-style-type: none"> • Should strategy be incremental and manage existing trends well, or should it seek step-change to shift key trends 	<ul style="list-style-type: none"> • Make the most of rapid aging demographic and slowing population and economic growth rates or • Seek to attract and retain young talent and business 	
<ul style="list-style-type: none"> • Even-handed between places or priority places for growth 	<ul style="list-style-type: none"> • Levels of attention and resource on market towns and villages 	
<ul style="list-style-type: none"> • Vision led with 2-3 big ticket changes or a longer shopping list of projects responding to funding opportunities 	<ul style="list-style-type: none"> • Focus on major projects (e.g. Magna Park, Market Harborough, higher level skills, digital infrastructure, and services) • Respond pragmatically as opportunities arise nationally, regionally, and locally 	

Q7. What do you see as the priorities of Harborough District Council as a whole and the HDC Economic Development Team in particular for economic development to 2031?

Conclusions and next steps: Your feedback on this paper will be welcomed and valued. Harborough District really is at a decisive moment when it needs to determine how radically and ambitiously to refresh its approach to economic development.

Following publication of this paper, we shall be holding interviews and discussions in February, March, and April with a view to formulating a draft full EDS in the Spring.





Q8, Do you have further comments on the issues raised in this paper or on the process going forward? Are there any major considerations you believe we have omitted?

Please respond to.....

Annex One: Evidence review.

Evidence Review I – sources used: Harborough has a satisfactory level of evidence to undertake the Evidence Review and EDS formulation exercise. HDC publishes an [Economic Profile](#) on its website, dated 2018. This has been updated by the author from other sources. Among these are HDCs own [Local Plan and supporting evidence](#), Leicester & Leicestershire (LLEP) [Annual District Economic Profiles](#) and various other LLEP analyses, the [Leicester and Leicestershire Strategic Growth Plan](#) and a number of its supporting evidence documents including the [Housing and Economic Needs Assessment](#), and an extensive desk review of national datasets from, among others, Government and [ONS/NOMIS](#).

In summary, the existing evidence sources are sufficient to review Harborough's economic performance, the context and trends going forward, and key issues that should inform growth and development over the 2020s.

The author conducted and presented an extensive review of these sources in 2021/22, and a further analysis explicitly against the LUWP missions in 2022/23. These have been updated for 2023/24.

Evidence Review II – The basics: Harborough is the largest district spatially in the county and 27% of the entire LLEP area. Its population density at 161/sqkm is the second most sparse after Melton and is under one-third of average LLEP density. Despite this rurality, Market Harborough's built-up area comprises around ¼ of the district's population. With Lutterworth, Broughton Astley and the Leicester Fringe, this urban core rises to 50%.

Harborough's strong location on national road and rail transport routes to London makes it well-located, but intra-district travel, especially public transport, can be more problematic. Enabling the district to function as a systematic and synergistic set of towns and communities can be challenging.

Trend population growth is high but may be moderating. Over 2001-20, Harborough was the fastest growing district in Leicestershire, but in the 2010s, population growth fell below Charnwood. In 2015-20, North-west Leicestershire became the second district to overtake Harborough's growth rate. Going forward, forecasts suggest Harborough will cease to be a rapidly growing district within the county, similar to county averages to both 2033 and 2043. The aging demographic challenge is acute, with Harborough's current median age above national, regional, and county averages. The 70+ population rise of 11,700 by 2043 is greater than total 0-70 rise, taking over-70s to 22.6% of total population.

The district will increasingly experience a huge working age deficit and massive over-sixties surplus compared to national averages. With no HE or post-eighteen technical education provision at scale, Harborough suffers from a cliff edge exodus of talented young people at 18-19, many of whom will not return, and a significant above-average profile of over 60's and over 90s.

Evidence Review III – economic profile: Harborough has a strong economic profile, with core metrics outperforming national, regional, and county averages. The resident working-age population holds more senior jobs than average, with higher levels of qualifications and higher average earnings than the norms of their geographies. Enterprise density within the district is strong, and unemployment is low. Job density and job growth are reasonable yet unremarkable, but labour market participation is high. Harborough's 47,000 jobs represent a density of 0.84 of resident working-age population, above regional and county but below England averages.



On the labour supply side, economic activity rates and rates of growth are particularly high (87.8%) compared to national, regional, LEP, and county comparators. Unemployment doubled during the pandemic but remains low compared to national, regional, and county averages. Harborough is a self-employment hotspot, with 11.5% of economically active in 2021.

GVA and productivity growth have historically been modest, but Gross Disposable Household Income remains high. Harborough's productive base went into the pandemic with sluggish GVA and productivity performance. Its £2.2bn GVA economy grew by only 92% from 1999-2019, significantly below county, LEP, regional, and national averages. Gross Domestic Household Income (GDHI) remains strong at £24,246 per head, well above county, LEP, regional, and national averages.

The relatively high difference between residential and workplace earnings illustrates the importance of outward commuting. Resident average weekly earnings are well above national, regional, LEP, and county averages, while workplace earnings are below national rates, albeit slightly above regional and local averages. Harborough's connectivity enables residents to access higher value job opportunities regionally and even in London.

In the 2011 Census, Harborough's labour, and jobs markets self-contained at around 50%, with only 51% of 36,700 jobs filled by district residents. Of the districts' 42,300 workers, 55% commuted out of the district for work. This is unsurprising given Harborough's lack of a large city within the district and its proximity to Leicester, Northamptonshire, and metropolitan areas in the South and Midlands. The porousness of the labour market is significant strategically, as it is important to be aware of developments in Leicester and the city fringe, as well as North Northamptonshire and adjacent West Midlands area.

The 2021 census is highly problematic for self-containment analysis given the extraordinary levels of home working during the pandemic. However, the home working phenomenon is a major issue for strategic consideration in the EDS, potentially enabling Harborough to leverage its space assets and quality of life capabilities.

Harborough is a strongly service-led economy, well-diversified within this, with a particular large and nationally important logistics sector anchored by Magna Park. For local employment, Harborough has particularly high private enterprise densities (91% compared to under 83% nationally) with a reasonable spread of industries, and therefore commensurate low public sector employment. The only extremely high location quotients (LQs) are transportation and storage (3.3), recognising the importance of Magna Park. The lowest LQs are health and social work, finance, insurance, and other important industries going forward.

Active enterprises in Harborough represent a fair degree of diversification, with by and large enterprises by industry tending to mirror national patterns. However, Harborough's numbers of enterprises in transport and storage are lower than national averages, confirming the small number of 'big beasts' at Magna Park and relatively few businesses in the industry elsewhere. Agriculture has much larger footprints than national averages in both enterprise and employment.

Magna Park (MP) is the largest multi-site distribution centre in the UK, set on 550 acres and bounded by M1, M6, and M69 motorways. With consents for around 600,000 sq. meters to the north and south of the site, MP provides the largest component of Leicestershire's likely distribution and logistics expansion in the 2020s.

Harborough, a district with high business dynamism, has an unusual track record of business births and deaths. This suggests that the district may need investment to become better-placed for indigenous innovation, as it lacks university or research and technology organisations at scale. However, the potential for a logistics innovation centre, major private sector internationally competitive players, niche players, and specialist assets suggest potential for specialist Research, Development, and Innovation capabilities in the right post-pandemic circumstances.

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Harborough businesses have utilised various government financial instruments, including 1671 awards for small business, retail, leisure, and hospitality concerns, 540 from Restart Funds, 210 grants from Local Authority Discretionary Grant Funds, and 116 from Additional Restrictions Support Grant, totalling at least £27m in support. The labour market saw a cumulative number of furlough Coronavirus Job Retention Scheme recipients and around 4,100 individuals taking up Self Employment Support Grant, making 13,800 claims with a value of £40,000,000.

Digital infrastructure in Harborough is not as strong as some local and regional averages, and the district has tended to participate in Leicestershire's broadband investment and enabling programs. The latest Think Broadband data shows 96.2% of premises with Superfast and 49.8% with Ultrafast connectivity, well below city and county performance.

Evidence review IV – Social and levelling up profile: However, Harborough's ranking is not entirely positive. The author's March 2022 Levelling Up analysis of district performance against the 10 LUWP missions showed concerns over major 'levelling-down' risks in Harborough's declining economic metrics, coupled with acute housing affordability and workplace pay inequality challenges, very high levels of out commuting, institutional capital deficits especially in higher and further education, and unexplained wellbeing metrics that deem to belie the high quality of life perceptions of the district.

Although, as stated above, many of Harborough's core economic metrics (e.g. economic participation, residential average wages, skills etc.) look relatively strong – especially compared to county and regional averages, this is almost entirely due to very high levels of out commuting – over 55% of residents in employment in the pre-pandemic era.

The local economy's performance, on the other hand is much weaker and has been characterised by declining relative productivity and gross domestic household income over time.

Harborough's productivity decline over 15 years prior to the pandemic is far more acute than its neighbours. Indeed the 10.5 index points fall is 2nd worst in Leicester and Leicestershire after Blaby and very different to its neighbours – Leicester, Melton and Hinckley & Bosworth who have RISEN 15, 16 and 17 points respectively.

The position is replicated with Gross Disposable Household Income (GDHI). Harborough's GDHI 17.4% fall over 20 years is by far the worst, and even the 6.8% 2009-19 fall is only exceeded by Charnwood of the 9 L& councils. The point is that crude metrics may obscure this. Because of our commuting Harborough's overall GDHI remains the highest in L&L – at 113.1 (13% above UK averages). But it has fallen from 37% above average in 1999.

In terms of the Index of Multiple Deprivation (IMD), Harborough ranks as one of the least deprived districts in England (10th/317), with none of its Lower Super Output Areas (LSOAs) in the 20% most deprived. However, despite its overall position, Harborough is not top-50 for either education or barriers to housing. Two of 47 LSOAs are in the 3rd and 4th deciles for deprivation, and it has the highest inequality gap between top and bottom in Leicestershire. In terms of public health, Harborough is considered positively in Public Health England pre-pandemic reports, with 20 green lights signifying well above regional averages. However, this will need to be kept under review for new conditions post-pandemic, notably long-COVID.

Harborough's education system is a mixed bag, with a lack of university or FE at scale increasing its reliance on neighbouring areas and depriving it of traditional anchor institutions. The profile of schools and sixth forms is also mixed, with some having performance concerns. The ONS happiness measures are increasingly being used to understand wellbeing, but Harborough tends to sit in the bottom half of UK districts and towards the bottom in Leicestershire for life satisfaction, worthwhile, happiness, and anxiety measures.



Harborough's housing market is high price, with major affordability challenges. The median house price in November 2021 (£333,000) is the highest in Leicestershire, with increasing divergences from county and regional averages. The affordability ratios are also typically worse than national, regional, and county averages. The implications of this housing market for economic development and inequalities should be addressed in the strategy.

Evidence review V – Environmental profile: Harborough's current CO₂ emissions performance remains around average, but improvements are being made rapidly. The district needs to consider whether and how to realise the potential for a green-led recovery, as the HDC declared a climate emergency in June 2019 and has developed a Climate Emergency Action Plan with commitments to deliver net zero for its own operations by 2030. Harborough's approach to green issues, particularly decarbonisation, should be a major driver of economic priorities and behaviour.

Harborough's emissions of 425.5 ktCO₂ represent a 30% reduction since 2005, with a per capita load of 4.5 ktCO₂ per resident. Transport is the highest generator of emissions, followed by domestic uses.

The Local Government Association (LGA) has produced a tool to estimate job requirements at the local authority level to achieve net zero by 2050. Harborough is well-positioned for other dimensions of green recovery, such as active healthy living, access to open space, and nature recovery. However, there is an issue with the size and scale of access to public green space. Harborough is well-established as an aspirational location for living, with a high quality of life and environment.

The Ordnance Survey access to open space database gives aggregate and average figures by local authority. Harborough has a property count of around 40,000, with only 10% being flats. The average size of outside space at 426m² is well above regional and national averages. However, Harborough has fewer and smaller public green spaces within 1000M of major residential settlements, well below county and regional averages.

Evidence Review VI – from evidence to intelligence: A final issue of merit for consideration in the eventual EDS concerns quality and timeliness of data. There are many relevant datasets – perhaps too many. And there can be challenges with all of them in terms of level of geography (many do not even go down to district let alone sub-district level), timeliness (most official data is backward-looking – sometimes at quite extended periods in the past), and significance (selecting which amongst so many metrics are of greatest priority).

There are a number of indices that could be used as part of an EDS tracking system, although not all of the economic vitality indices routinely go to district level.

Two were explored as part of this preliminary exercise:

The [UK Competitiveness Index](#) is a well-regarded index of economic competitiveness, the most recent edition of which is 2023. It benchmarks local authority geographies against ten economic indicators – inputs, outputs, and outcomes, all of which were considered in this evidence review.

The indicators are weighted to produce a single competitiveness score. The index is produced bi-annually and also models future potential for growth and development.

In the latest edition, Harborough District is ranked 141st of 362 UK local authorities. However, the overall score is only 95.8 (against a UK average of 100) and has dropped 3 points and 20 LA ranking places since 2019 – mirroring some of the concerns expressed earlier in the evidence review. The district is now ranked 6th in the East Midlands (from 5th in 2019) and is behind Blaby and North West Leicestershire in LLEP area – both of whose scores improved over the four years (with North West Leicestershire rising 3.6 points and 36 places over the four-year period).



The [Legatum Prosperity Index 2021](#) is more controversial; and does take an economic, social, and governance/institutional approach to measuring LA-level prosperity. Harborough District is ranked 26th of 379 LA areas in the 2021 index. However, this is mainly attributable to strong 'living conditions and health scores. The district scores quite poorly (bottom 30-40% for infrastructure and natural environment).

These types of indices are worth keeping in view for the questions they raise on the district's performance. But the EDS might wish to create its own bespoke index of the most important metrics it wishes to track for EDS purposes.

