

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

4 January 2018

A NEW ECONOMIC DEVELOPMENT STRATEGY FOR THE BOROUGH

Submitted by: Neale Clifton, Executive Director, Regeneration and Development

Principal author: Kim Graham, Economic Development and Regeneration Manager

Portfolio: Corporate and Service Improvement, People and Partnerships

Ward(s) affected: All

Purpose of the Report

To report, for Members' consideration, a first draft of the new Economic Development Strategy for the Borough 2018 – 2023.

Recommendations

- (a) That the Draft Economic Development Strategy, taking into account the views of the Economic Development and Enterprise Scrutiny Committee and subject to modifications suggested by Cabinet, be used as a basis for consulting with partner organisations, local businesses and wider community.
- (b) That comments received are reported back for Cabinet's consideration.

Reasons

To act as a basis for taking action to strengthen the local economy.

To develop consensus amongst local partners about priorities for action consistent with the Council's corporate priority "Borough of opportunity".

1. **Background**

The Council's Regeneration team have been working on a refresh of the current Economic Development Strategy 2012 – 2017. The Draft Economic Development Strategy (EDS) 2018 - 2023 will take account of the numerous changes to both local

and national government and the opportunities and challenges associated with these changes.

It is proposed the focus of the EDS is on four key areas that are aligned to the Stoke and Staffordshire Local Enterprise Partnership, Draft Strategic Economic Plan, which is due to be consulted upon November 2017. The key areas are Business Intelligence and Support, Place and Infrastructure/Sites and Premises, Skills and Innovation.

The EDS is driven by the Council Plan “Our Newcastle Plan 2020” to create a borough that is prosperous, clean, healthy and safe. It is designed to provide a framework for the Regeneration and Economic Development Team along with others involved in the economic development and promotion of the borough. Our corporate priority is to create a borough of opportunity to improve the economic prospects of the area for everyone living, working and visiting here.

The strategy is reported here in draft form and this will be Cabinet’s first opportunity to comment and shape it. The level of support given to the broad direction and content of the strategy will clearly have a strong bearing on its success. Similarly, the wider consultation process is designed to

- Inform partners of the Borough Council’s draft proposals
- Provide partners with the opportunity to influence and refine those proposals
- Influence partners’ own proposals.

2. Issues

The strategy is designed to form a basis for the Borough Council’s intervention and policies to promote the development of the local economy and wider benefits for all. It is also intended to influence the plans of other bodies involved in the economic development of the Borough and focuses on the following areas:

- **Business Intelligence and Support** – Objective: Growth and sustainability of the business base. Focus on support and development of SME’s, knowledge intensive sectors, professional and business services sector and the borough’s successful logistics sector. Also, optimise the benefit to local companies from public sector procurement.
- **Place and Infrastructure / Sites and Premises** – Objective: Physical transformation. Focus on Keele Science and Innovation Park, the Ryecroft development, the Enterprise Zone land at Chatterley Valley, Newcastle BID and the town centres and new sites for housing and employment through the Joint Local Plan.
- **Skills** – Objective: Increase skills and encourage more people into training, apprenticeships and jobs. Focus on support for people furthest from training and jobs, delivery of the SSLEP Skills Strategy and the Locality project, address skills gaps through Keele and Staffordshire Universities and Newcastle and Stafford College Group and stimulate demand for higher skills.
- **Innovation** – Objective: Ensure that we take full advantage and build on the strengths of innovation in our area. Focus on further development of Keele University and the Science and Innovation Park, encourage a greater level of innovation amongst our local businesses, make the most of the med-tech

sector, monitor the influence of Artificial Intelligence (AI) and automation on trends and skills requirements for future jobs.

To deliver our key priorities, we work in partnership with Staffordshire County Council, Stoke on Trent City Council, the Stoke and Staffordshire Local Enterprise Partnership, Keele University, Newcastle under Lyme Business Improvement District and The Constellation Partnership. The strategy is also informed by The Midlands Engine, emerging UK Industrial Strategy and will be informed by the proposed post Brexit UK Shared Prosperity Fund.

3. **Options Considered**

The draft strategy proposes a number of actions in each area of activity. Consultees may offer other more effective or more achievable actions. These will be considered and reported back. This draft is the basis for consultation with our partners.

4. **Comments received from Scrutiny Committee**

At the EDE Scrutiny meeting held 18 September it was suggested that a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) should be included in the draft strategy. It was also suggested that a paragraph should be added to describe the role of automation and the strategy should focus more on role of SME's (small and medium enterprises). It was also suggested that more emphasis on rural communities should be included.

5. **Proposal**

Subject to comments by Cabinet, it is proposed to consult on this draft more widely amongst partner organisations, local businesses and wider community.

6. **Reasons for Preferred Solution**

The draft appended to this report has been developed in line with the Stoke and Staffordshire Local Enterprise Partnership, Strategic Economic Plan, together with the more specific needs of the Borough and from initial soundings from four groups focusing on Business, Employment and Skills and Place and Infrastructure, which have helped shape and add content. Further refinement will be provided through the consultation process.

7. **Outcomes Linked to Corporate Priorities**

The strategy is driven by the Council Plan – “Our Newcastle Plan 2020” to create a Borough that is Prosperous, Clean, Healthy and Safe. The Draft EDS focuses on Creating a Borough of Opportunity to encourage investment and inclusive growth in the Borough which will bring jobs and improve prosperity as well as improving the well-being of our citizens and their communities.

8. **Legal and Statutory Implications**

There is not a strict requirement on the Council to prepare an economic development strategy though clearly developing policies, committing resources and making investment against a rational set of agreed objectives is good business practice.

9. **Equality Impact Assessment**

No differential impact had been identified.

10. **Financial and Resource Implications**

There are staff resource implications arising from the preparation of the strategy.

11. **Major Risks**

The principal risk of *not* preparing a strategy for the promotion of economic development is that staff resources are committed and financial investment made without reference to the things which the Council and its partners consider to be most important.

There is no obvious risk to preparing a strategy in itself, other than perhaps raising expectations from Members, staff and partners that everything in it will be achieved – but this simply reflects the inherent risk of setting objectives and targets. The strategy itself does not commit the Council to specific actions, these will be the subject of more detailed reports.

12. **Key Decision Information**

This strategy will impact on two or more wards and has been included in the Forward Plan.

13. **Earlier Cabinet Resolutions**

14. **Recommendations**

That the Draft Economic Development Strategy, taking into account the views of the Economic Development and Enterprise Scrutiny Committee and subject to modifications suggested by Cabinet, be used as a basis for consulting with partner organisations, local businesses and wider community.

That comments received are reported back for Cabinet's consideration.

15. **List of Appendices**

Draft Newcastle-under-Lyme Economic Development Strategy 2018 – 2023
SWOT analysis
Borough Profile

Management Sign-Off

	Signed	Dated
Financial Implications Discussed and Agreed		
Risk Implications Discussed and Agreed		
Legal Implications Discussed and Agreed		
H.R. Implications Discussed and Agreed		
ICT Implications Discussed and Agreed		
Report Agreed by: Executive Director/ Head of Service		