

NEWCASTLE ECONOMIC DEVELOPMENT STRATEGY AND YEAR ONE ACTION PLAN

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Portfolio: Regeneration and Planning

Ward(s) affected: All

Purpose of the Report

To consider the new Borough Economic Development Strategy, as amended following consultation, and a first year Action Plan accompanying this showing the steps and resources required to take forward the Strategy.

Recommendations

- 1. That the Economic Development Strategy and the first year Action Plan be approved.**
- 2. That arrangements be made to publicise the strategy.**

Reasons

To ensure that the economy of the Borough is effectively promoted and to encourage common thinking and complementary action amongst local partners to help achieve this.

1. Background

Cabinet has received a number of reports since last summer on the preparation of a new Economic Development Strategy for the Borough. At its last meeting on 14th March Cabinet received a report on comments which had been received on the draft Economic Development Strategy 2012-17, following consultation on the draft. The appendix to this report listed all the representations made (in summary form), set out your offices comments on these and whether (and how) the draft should be modified in the light of the comments received. It was agreed that the amended draft strategy would then be brought to the next meeting for approval. It was also agreed that the final version of the strategy be accompanied by a first year action plan demonstrating in more detail timescales, lead bodies and resource implications and that the approved version of the strategy be re-formatted with plans and photographs added and printed for wider distribution.

2. Issues

The purpose of an economic development strategy is to consider the key issues facing the area, consider action which might address these, in the light of the strengths and opportunities the Borough has to offer and to work with partner organisations, including the local business community to agree a programme of action on the basis of jointly held priorities.

The consultation process, discussed at your last meeting, is an important part of this process, since it allows for challenge and also allows our won initial draft to be strengthened by the contribution of others.

3. **Options Considered**

In the nature of the drafting of a strategy and the consideration of all the comments received via consultation a huge variation of options have been considered, particularly in the case of how best should a particular objective be pursued. This discussion was the subject of much of your previous report.

4. **Proposal**

The amended Strategy and Year One Action Plan are appended to this report. Since your last report, the Strategy has been revised along two lines

- (i) Modifications and additions have been made following the consultation process as reported to your March meeting. This has strengthened the strategy since it has added detail which partners were able to put forward and has corrected (or refined) matters which consultees have brought to our attention.
- (ii) It is also slimmer. The draft strategy has, in effect, been split into a 'snappier' Strategy and a more detailed Action Plan (for Year One) which will be refreshed each year over the five year life of the strategy. So while it is intended that the broad thrust of the strategy will have a life of five years (in order to see demonstrable progress over a longer time horizon), the Action Plan(s) will reflect changing circumstances and (sometimes unforeseen) opportunities as they arise and should always be current.

5. **Implementation, Monitoring and Review**

A supplementary document to this strategy, an annual Action Plan, accompanies this strategy. While the strategy itself is intended to endure for the full five year period, hopefully demonstrating the effectiveness of the priorities which the Council and its partners have chosen to put their weight behind, the annual action plans will be prepared afresh each January / February for the following year (April to March).

The annual Action Plans will set out in more detail how the aims and objectives agreed will be carried out. Like the strategy itself, these will also be based around the four themes of

- Economy
- Place and Infrastructure
- People, and
- Image & Marketing

The Action Plans will identify lead bodies, timescales for implementation, costs (where appropriate) and how these will be funded.

At the end of each year the Council will publish an annual progress report, reviewing the year in terms of how well (or not) it has achieved the targets set as well as agreeing the action plan for the following year. The annual report will give decision makers in the Borough Council and their partners the opportunity to assess success to date, remind ourselves why initiatives are being pursued and the join-up between them. The review may also take the opportunity to consider fresh Government initiatives or changes in the economic or financial landscape and capitalize on them. It may also suggest changes in emphasis or priority (and perhaps what might no longer be pursued so that new things might be tried).

A fundamental question (as with all strategies) is what will success look like? This is answered in part through text (success in achieving the actions we have set ourselves) and in part through the

publication of a number of performance indicators appropriate to the four themes (business, skills etc).

At the end of the five year period covered by this strategy (2017), the Council will publish an evaluation report of the effectiveness of the strategy and assess the successes achieved and what might have been done better (or differently). This more detailed review will be undertaken after the period of the Strategy by which time changes in the economic and financial circumstances of the country (and the area) will be clearer and it may then be more appropriate to consider more fundamental changes in direction, including new initiatives.

6. **Reasons for Preferred Solution**

To ensure a commitment to agreed objectives (the Strategy) while also ensuring that actions are flexible and reflect changing opportunities and circumstances (the Action Plan(s)).

7. **Outcomes Linked to Corporate Priorities**

An Economic Development Strategy falls squarely within the Borough Council's corporate priority of regeneration. It also makes some contribution towards the Council's priorities of housing quality and disadvantaged communities. Performance information in respect of planned targets and outcomes is included in the Year One Action Plan.

8. **Legal and Statutory Implications**

It is not a statutory requirement on the Council to prepare an Economic Development Strategy though it is good practise to do so and to take decisions against the background of agreed priorities, up to date data and following consultation with partners.

9. **Equality Impact Assessment**

No differential impact had been identified. Specific actions which are designed to improve the prospects of particular sections of the community (for instance, those without work), will be subject to subsequent reports, which may themselves require an EIA.

10. **Financial and Resource Implications**

The financial and resource implications which flow from the strategy are set out not in the strategy itself but in each annual Action Plan. There is not presumption that funding will be met by the inclusion of an action within the Action Plan and any action requiring Borough Council expenditure will be subject to its own report and justification.

11. **Major Risks**

These will be dealt with project by project.

12. **Key Decision Information**

This report has been included in the forward plan and the strategy will affect more than two wards of the Borough. Approval for specific expenditure will be subject to more detailed later reports.

13. **Earlier Cabinet Resolutions**

At its meeting on 14th March 2012, Cabinet resolved

- (a) That the draft strategy be amended in the light of comments received.

- (b) That Cabinet given further consideration to any other improvements / modifications Members wish to see made to the draft
- (c) That the modified (final) version of the strategy be reported to next meeting for approval.
- (d) That the final version of the strategy be accompanied by a first year action plan demonstrating in more detail timescales, lead bodies and resource implications.
- (e) That the approved version of the strategy be re-formatted with plans and photographs added and printed for wider distribution.

14. **List of Appendices**

Newcastle Economic Development Strategy 2012-17

Newcastle Economic Development Strategy 2012-17, First Year Action Plan 2012-13