

ECONOMIC DEVELOPMENT COMMITTEE

19 JUNE 2019

ECONOMIC DEVELOPMENT STRATEGY

1.0 Purpose of Report

1.1 To update Committee on the progress of delivering on the Economic Growth Strategy and propose a review of the strategy to reflect the formation of the Growth & Regeneration Directorate and new priorities of Government and the District Council.

2.0 Background Information

2.1 The current Newark & Sherwood Economic Development Strategy was approved by Economic Development Committee on 22 November 2017 alongside a detailed work programme which was developed following a workshop session with the committee in September 2017. The current strategy is attached at **Appendix A** and a copy of the detailed work programme showing the current status of projects is attached at **Appendix B**.

2.2 As part of the re-organisation of the Council the business engagement and skills responsibilities of former the Economic Growth Business Unit were absorbed in terms of into the Planning Policy Business Unit. The town centres responsibilities will now be led by the newly created Town Centres Business Unit.

3.0 Context for Strategy Review

3.1 Since the Strategy was produced a number of new strategies and priorities have emerged which will need to be reflected within an updated Economic Development Strategy. This section of the report highlights a number of these for the Committee.

UK Industrial Strategy/Local Industrial Strategy

3.2 In November 2017 the UK Government published an industrial strategy entitled “Industrial Strategy: building a Britain fit for the future.” Its aim is to “create an economy that boosts productivity and earning power throughout the United Kingdom”. This sets out five foundations for productivity and four grand challenges for the UK’s future. These are:

Five Foundations of productivity for a transformed economy:	
Ideas	The world’s most innovative economy
People	Good jobs and greater earning power for all
Infrastructure	A major upgrade to the UK’s infrastructure
Business Environment	The best place to start and grow a business
Places	Prosperous communities across the UK
Grand Challenges to put the UK at the forefront of the industries of the future:	
Artificial Intelligence & Data Economy	We will put the UK at the forefront of the artificial intelligence and data revolution
Future of Mobility	We will become a world leader in the way people, goods and services move

Clean Growth	We will maximise the advantages for UK industry from the global shift to clean growth
Ageing Society	We will harness the power of innovation to help meet the needs of an ageing society

- 3.3 The Strategy sets out how the government aims to improve the country’s productivity and help meet the ‘grand challenges’ we face. This approach includes working with Local Enterprise Partnerships (LEP) to produce Local Industrial Strategies which will be developed locally and agreed with the government. These strategies will help identify priorities to improve skills, increase innovation and enhance infrastructure and business growth in the LEP area. This will guide the use of local funding streams and any spending from national schemes. Local Industrial Strategies will be long-term, based on clear evidence and aligned to the national Industrial Strategy. They will identify local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness. It should be noted that upon adoption they become government policy.
- 3.4 Our LEP, D2N2 (covering Derby, Derbyshire, Nottingham, Nottinghamshire), has begun its work on such a strategy and will be consulting on a draft this summer before submitting a strategy for consideration with the Government. It is aimed that the Strategy will be finalised and agreed with the Government by March 2020. It will be important in updating our Strategy to identify how we can help deliver the national and local industrial strategies. This is particularly important as we will need to demonstrate alignment with them when pursuing funding bids with the government.

D2N2 Strategic Economic Plan

- 3.5 As well as the production of an Industrial Strategy, the LEP has updated its Strategic Economic Plan (SEP). Vision 2030 sets out how the LEP will work with its partners so that by 2030 “D2N2 will have a transformed high-value economy; which is prosperous, healthy and inclusive, and one of the most productive in Europe.” It establishes a framework for identifying what future investment priorities should be and which will have the greatest positive impact; and outlines eight key actions that direct the LEP, in the short term, towards their vision. The eight key actions are:
- build a stronger LEP with an effective Local Industrial Strategy;
 - refocus our D2N2 Growth Hub and business support to help firms improve their productivity;
 - develop our knowledge and innovation strengths;
 - inspire the careers and skills choices of our current and future workforce;
 - help people into work;
 - help our workforce to adapt to rapid change, support businesses to gain the skills needed to drive productivity in a modern economy;
 - invest with partners to maximise the benefit of HS2 and seek investment to deliver the infrastructure necessary for world class transport and digital connectivity; and
 - unlocking high quality homes and employment sites.

As with the Local Industrial Strategy it will be important to ensure that our strategy reflects the aims and actions of the SEP.

Social Mobility

- 3.6 As outlined in Agenda Item 7 the fourth report from the Social Mobility Commission published in November 2017 highlighted the fact that the East Midlands was the most “left behind” region in terms of social mobility. It uncovered a stark picture of under-investment in young people which meant that Newark & Sherwood was one of the least socially mobile areas in the country. The report identified a “local lottery” where there was little social progress for people from disadvantaged backgrounds and it highlighted poor educational performance as a key factor in constraining social mobility. Newark & Sherwood was suffering from a historic dependence on declining traditional industries leaving a legacy of low skills and low aspirations and poor educational performance over decades. The youth social mobility indicator reflected the transition from school to work with NSDC ranked the worst ‘coldspot’ for this indicator.
- 3.7 In response to this report the District Council, DWP and partners undertook a series of activities to try to assist those residents in the district on their journey to employment and provide school age children with opportunities to explore career opportunities available to them.
- 3.8 The recently adopted Community Plan includes Objective 8 which states that the Council will “Reduce the levels of deprivation in target area and remove barriers to social mobility across the district.” In particular key activity 8.4 require that we “Work with partners to tackle social mobility by creating strategic cross-sector connections to improve aspirations and youth engagement.”
- 3.9 The Social Mobility Commission has published a new report in 2019 which highlight a continuing concern with this issue; however it has not published the detailed work that identified Newark & Sherwood previously. Nevertheless in preparing a new strategy addressing the issue of social mobility will continue to be vital.

4.0 Proposals

- 4.1 It is proposed that a workshop is held with the Committee to consider in detail the contents of a new Economic Development Strategy, including an updated work programme.

5.0 Equalities Implications

- 5.1 In developing an new Economic Development Strategy equalities issues will be considered through an Equalities Impact Assessment.

6.0 Financial Implications

- 6.1 The Economic Development Strategy is delivered by the Planning Policy & Economic Growth Business Unit within its existing budget. During 2018/19 additional resource of £60,000 was invested in Social Mobility work as set out in Agenda Item 7.

7.0 Community Plan – Alignment to Objectives

7.1 As noted in Section 3 the publication of the Community Plan sets out a number of objectives and actions which any update of the Strategy will need to align to.

8.0 Comments of Director

8.1 Much work has been undertaken since the November 2017 Strategy was adopted and the Council's Economic Growth staff working with partners have achieved many positive outcomes. The report highlights a number of important emerging policies from the government and the LEP which we need to consider in the review of the Economic Development Strategy. A new strategy, informed by Member workshops will provide a sound and deliverable strategy for the future.

9.0 RECOMMENDATIONS that Members:

- a) note progress on meeting the detailed work programme of the current Economic Development Strategy;**
- b) support the review of the Economic Development Strategy; and**
- c) support a Member workshop being arranged to consider in detail the areas that the updated strategy should cover.**

Reason for Recommendations

To allow the Committee to conduct a review of the Economic Development Strategy.

Background Papers

Nil

For further information please contact Matthew Norton on Ext 5852 or Veronica Dennant on Ext 5260.

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