

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

17TH MARCH 2011

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Regeneration & Transport – Lead Cabinet Member – Councillor Cook

DRAFT STOCKTON ENTERPRISE STRATEGY 2010 - 2015

1. Summary

This report is to introduce the Draft Stockton Enterprise Strategy and to present the proposed vision, aims and priorities of the strategy and outline a plan for current and future actions to achieve that vision.

2. Recommendations

Members are recommended to approve the Stockton Enterprise Strategy 2010 -2015

3. Reasons for the Recommendations/Decision(s)

Stockton needs to be a competitive place, one in which businesses and people can succeed and grow, that contributes to a competitive sub-region. The Enterprise Strategy sets out a vision and framework that will help put a competitive enterprise infrastructure in place which is essential to achieving that goal.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;

- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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DRAFT STOCKTON ENTERPRISE STRATEGY 2010 -2015

SUMMARY

This report is to introduce the Draft Stockton Enterprise Strategy and to present the proposed vision, aims and priorities of the strategy and outline a plan for current and future actions to achieve that vision.

RECOMMENDATIONS

Members are recommended to approve the Stockton Enterprise Strategy 2010 -2015

DETAIL

1. This is the first strategy specifically for enterprise in Stockton. Given the current economic climate we need bring a greater focus on enterprise development and growth to improve the Borough's competitiveness and strengthen the local economy. This Strategy has been prepared during a time of significant change in the organisational and policy landscape for sub-national economic development and regeneration in England. It is crucial during such complex and rapidly changing times that, through this strategy, we clearly identify with partners what our priorities are and what action needs to be taken to improve enterprise in the Borough.
2. A summary of the draft strategy is attached along with the proposed action plan. The full version of the strategy is available in the Members library.
3. Enterprise and the local economy is not constrained by administrative boundaries but works within a much wider economic and policy framework at a national, regional and sub-regional level. We therefore need to recognise the implications of and seek to reflect those strategic influences within our strategy for the local area. The Strategy for Sustainable Growth (July 2010) produced by the Department of Business, Innovation & Skills and the White Paper 'Local growth: realising every place's potential' (October 2010) set the main context at a national level. Our Enterprise Strategy will contribute to achieving the priorities and outcomes in the Tees Valley Statement of Ambition 2010 and locally link to the Regeneration Strategy and the Local Development Framework.
4. This strategy promotes and supports enterprise. It aims to develop more new and enable the growth and sustainability of existing businesses. It addresses all aspects of enterprise from the promotion and development of a positive culture of enterprise, encouraging enterprise potential within individuals and groups, the conversion of that potential in to action to start a business, through to the realisation of the opportunities for growth and investment. The strategy is about supporting small and medium enterprises (SMEs), recognising their importance and the significant contribution as the primary engines driving growth in the local area. This is complemented by our continuing partnership work to

secure inward investment across the Tees Valley, recognising that this is an integral and key component of a competitive local economy.

5. There is a significant gap between Stockton and the national position in terms of enterprise that needs to be addressed. For example there are 4,850 Enterprises in Stockton, which is 314 per 10,000 adult population compared to 467 across Great Britain, the level of self-employment in Stockton is 7.5% compared to 12.7% in Great Britain and the business birth rate in Stockton is 44 per 10,000 adult population compared to 55 nationally.
6. The Vision for the strategy is that - *by 2015 the performance of Stockton exceeds that of the region and closes the enterprise gap with the UK in general.* The aim is to increase wealth, income and employment opportunities for Stockton by:
 - Embedding a culture of enterprise and entrepreneurship
 - Capitalising on the opportunities for business growth
 - Alleviating barriers to business growth
 - Linking residents to economic opportunities in the city region
7. The Strategy sets out the key priorities for intervention to address the core barriers to enterprise creation and growth and provides a framework for current and future activity. Twelve priorities are proposed to address barriers associated with our enterprise culture, pre-start and start-up support, support for existing businesses, business accommodation, access to finance, sector development and skills as set out in the summary document attached.

FINANCIAL IMPLICATIONS

8. It is expected that the Stockton Enterprise Strategy 2010 -2015 will be delivered within existing budgets.

LEGAL IMPLICATIONS

9. There are no know legal implications from this report

RISK ASSESSMENT

10. This Enterprise Strategy is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

11. The Draft Stockton Enterprise Strategy impacts positively on the key policy platform areas of the Sustainable Community Strategy in the following ways:-

Economic Regeneration and Transport – the strategy and action plan will help strengthen the local economy and will support the creation of new and growth of existing businesses and enable more people to become self-employed and find employment.

Safer Communities – more self-employment and employment opportunities are likely to contribute to a reduction in the propensity of people to commit crime.

Children and Young People – the strategy will help support and encourage children and young people through enterprise education.

Health and Wellbeing – enabling more people to find employment and become self-employed will improve people's wellbeing and the quality of life for all communities. The health and social care sector is identified as a possible growth area of the economy.

Environment and Housing – the strategy seeks to improve the trading environment on industrial estates and other commercial areas to increase business investment.

Supporting Themes:-

Stronger Communities – the strategy seeks to create an infrastructure which encourages and supports business activity from all people within our communities and provide an equality of opportunity for people to set up a business.

Older Adults – over 50s are identified within the strategy as a target group to provide enterprise support and advice for.

Arts Leisure and Culture – the creative and leisure industry sectors are identified as possible growth areas for the local economy.

EQUALITIES IMPACT ASSESSMENT

12. This report has been subject to an Equality Impact Assessment (EIA) and has been judged to have a positive impact. An action plan for further improvements has been developed. The EIA document has been placed in the Members' Library and a summary version of the EIA will be published on the Council's website, following Cabinet.

CORPORATE PARENTING

13. The Enterprise Strategy aims to embed enterprise in all schools and colleges and make enterprise activities more accessible to all children & young people. In particular it will seek to ensure that looked after children have the opportunity to take part in enterprise activities and get experience of being in business. This will help to raise their aspirations, confidence and skills and so improve their employment and self-employment prospects.

CONSULTATION INCLUDING WARD/COUNCILLORS

14. Consultation on the draft Enterprise Strategy has taken place with Members, with a copy being put in the Members library, the Economic Regeneration & Transport Partnership, Officers across the Council, members of Stockton Renaissance, Tees Valley Unlimited, Business & Enterprise North East, the North East Chamber of Commerce, the Federation of Small Businesses and local businesses through the Stockton Business Forum website. All appropriate comments raised through the consultation process have been incorporated within the strategy.

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Education related? Yes

Background Papers: Draft Stockton Enterprise Strategy 2010 -2015; Barclays - Black & Minority Ethnic Business Owners - A Market Research Perspective (May 2005); Stockton Cultural Enterprise Centre Feasibility Study, Stockton International Family Centre 2006; Lissenburgh, S., and Smeaton, D. (2003) Employment Transitions of Older Workers: The role of flexible employment in maintaining labour market participation and promoting job quality; PRIME (2004) 'Towards a 50+ enterprise culture'; Stockton-Middlesbrough Local Enterprise Growth Initiative: Round 2 Bid September 2006; Stockton on Tees Skills Audit: A Survey of People and Their Skills – Stockton Council, Jan 2008.

Ward(s) and Ward Councillors: This Strategy will benefit the whole of the Borough, it is not ward specific

Property: There are no direct property implications from this report