

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....18th April 2013

1. Title of Item/Report

Stockton Local Economic Assessment

2. Record of the Decision

Members considered a report that provided a progress update regarding the Local Economic Assessment (LEA)

The LEA findings did not, in isolation, provide the answers to all of the key questions posed but were instead the start of a baseline assessment of Stockton's current position, and would help the Council to formulate an action plan; developing services and targeted interventions across the Borough.

Key findings included:

- a. A growth in the Borough's manufacturing and distribution sector since the recession started in 2008
- b. An increase in the number of start-up businesses demonstrated by a greater number of businesses less than two years old and two–three years old than nationally
- c. A good spread sizing of businesses across the Borough
- d. Above average vehicle speeds with the North East having the quickest journey times in the country (useful when considered alongside the growing distribution and logistics sector)
- e. A growing use of 'enabling' technologies
- f. A growth in the number of Stockton residents employed in senior, technical and professional occupations
- g. A good level of qualification attainment with levels one and two exceeding national figures and level 3, regional figures. GCSE attainment had also increased by just under one third since 2005
- h. An increase in the number of school leavers progressing to Further Education (FE) and encouragingly, enrolments to FE in Science, Technology, Engineering and Maths (STEM) subjects continues to rise
- i. Despite a regional reduction in university application rates (2012), an increased number of applications to Durham University
- j. A slightly higher than national average (over 77%) of our working age population is economically active.

Whilst the LEA started to form the baseline of the Borough's economy, Census 2011 data had been 'drip fed' over the past six months and The Council had not yet been able to interrogate it sufficiently, in some cases, to evaluate across variations in data nor establish why variations occur, i.e. why certain conditions are prevalent, or if there are specific trends apparent. This work was ongoing and the Census data would be added as made available (as intelligence).

Census data aside, it was becoming increasingly obvious that the Council did not have access to a sufficient range of information / data sources to form a true and sufficiently detailed picture of the economy of our Borough, and one of the main considerations must therefore be given to resourcing qualitative data.

The known changes coming forward during 2013/2014 as part of the Welfare Reform also need to be understood in greater depth, in terms of their impact on families/individuals and Stockton's economy as a whole.

In October 2012 a report commissioned by the Council, published by the Institute of Local Governance (ILG), considered the impact that Welfare Reform would have on Stockton's economy and local communities. These initial findings were based on the limited level of intelligence available at the time and were used to inform short term policy changes to manage the short and longer term transition arrangements. This intelligence needed to be built upon to include hard data and softer intelligence around behaviour changes; to inform the broader impact anticipated as a result of the benefit changes.

Data and intelligence would be gathered from a number of sources from April 2013 going forward, to monitor the impact on a number of levels as detailed below. This intelligence gathering was happening at a local, Tees Valley and Regional level with measures in place to monitor the short, medium and long term impact on both the residents and the economy.

- k. certain groups in the population, e.g. disabled people, households
- l. LSOA, Ward and Borough levels
- m. those that have already been affected by the recession
- n. people's reduced spending power as a result of having less disposable income
- o. impact on businesses
- p. the potential for a reduced number of jobs in the labour market
- q. both statutory and non statutory services
- r. community and voluntary sector services
- s. future policy implications

t. impact on Partner organisations

RESOLVED that

1. the continued research associated with the development of the LEA be authorised.

2. the Corporate Director of Development and Neighbourhood Services, in consultation with the Cabinet Member for Regeneration and Transport, be authorised to agree and approve the final LEA

3. Reasons for the Decision

To evaluate, present and evidence the economic conditions prevalent within Stockton and provide an improved understanding of the local economic situation(s) and how an inter-connected set of factors influence each other, from which the Council could develop services and targeted interventions.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight on Friday 26 April 2013

Proper Officer  
22 April 2013