

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**9 FEBRUARY 2017**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

### **CABINET DECISION**

**Regeneration and Transport – Lead Cabinet Member – Cllr Cooke**

#### **STOCKTON-ON-TEES ECONOMIC STRATEGY 2017-2032**

1. Summary

This report presents the Council's Economic Strategy 2017-2032 that sets out its long-term vision and ambitions in relation to economic growth, which is supplemented with a three-year Economic Growth Plan for the period 2017-2020 that provides details of the activities that will be delivered over the three-year term to support economic growth in the Borough.

2. Recommendation

1. Cabinet approve the Economic Strategy 2017-2032 and note the three-year Economic Growth Plan
2. Agree that any final amendments to the Economic Strategy are delegated to the Cabinet Member for Regeneration and Transport and the Director of Economic Growth and Development

3. Reasons for the Recommendation/Decision

1. To ensure that the Council has a strategy that sets out its long-term vision and ambitions in relation to economic growth over the next 15 years.
2. To provide the Council with the flexibility to pro-actively respond to changing economic circumstances and priorities, through the introduction of a supplementary rolling three-year Growth Plan.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, 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 and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

### **Disclosable Pecuniary Interests**

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code).

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**SUMMARY**

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**INTRODUCTION**

1. Cabinet will be familiar with the Stockton-on-Tees Local Economic Assessment (LEA) finalised in 2014, which provided the baseline of the economic conditions prevalent in Stockton-on-Tees at a point in time.
2. The thematic Economic Climate Reports that have been considered by Cabinet on a quarterly basis since November 2015 update that assessment with the most current information, prior to a full LEA being completed by mid-2017.
3. The combination of these findings, and the intelligence gathered from proactive engagement with partner organisations and businesses, have served to determine how and where the Council can intervene to support and influence long-term sustainable economic growth.

**DETAIL**

4. The performance of the Borough's economy is a key driver to sustain a successful and growing location. The economic environment does not stand still; with ongoing structural changes both within the UK and global economies that have the potential to impact the local economy. As such, the Council remains committed to its long-term economic vision and priorities with the production of the Economic Strategy and Growth Plan.
5. It should be recognised that the Council only has limited direct control over economic growth. Indeed, in many circumstances, the factors surrounding economic growth are totally outside of the control of the Council, for example global oil prices. In some instances the Council is able to influence the economy, for example through statutory functions or lobbying, but this

control is also limited by the legislation the Council is bound by and the intentions of the private sector.

6. Where the Council can have the most influence is through working in partnership with other public sector organisations and, where appropriate, the private and voluntary sectors to intervene to bring about economic growth; potentially considering the Council's assets and statutory functions as a way to stimulate economic growth.
7. Given changing economic conditions, policies and priorities, the rolling three-year Economic Growth Plan has been produced to set out the activities and interventions that will support economic growth in the Borough.
8. Producing a three-year plan in this way enables the Council to reflect a shift in delivery if necessary in the future; to continually respond effectively to changing economic circumstances outside of the Council's control and enable interventions to be focused on businesses, locations, or various population groups to deliver against the priorities identified in the Economic Strategy.
9. The Council's strategic vision for the Borough is that

**THE BUSINESSES AND PEOPLE OF STOCKTON-ON-TEES ARE PART OF A THRIVING AND PRODUCTIVE TEES VALLEY ECONOMY; A CITY REGION THAT IS DRIVING ECONOMIC GROWTH ACROSS NORTHERN AND NATIONAL ECONOMIES**

10. The Economic Strategy objectives and priorities are

<b>OBJECTIVES</b>	<b>PRIORITIES</b>
<i>Have a successful business base where existing companies have experienced sustainable growth and new businesses have been created and attracted</i>	1A Enterprise 1B Productivity 1C Jobs
<i>Provide sufficient sites and premises in vibrant, connected and distinctive places that businesses are attracted to and people choose to live, work and play</i>	2A Strategic Employment Locations 2B Housing 2C Town Centres 2D Transport and Infrastructure 2E Environment
<i>Ensure that people have the opportunity to learn/train and gain the appropriate level of skills to maximise the employment opportunities available in the economy</i>	3A Skills 3B Employment 3C Inequality, Deprivation, and Poverty

11. During the external consultation stage there were some very positive and constructive comments received, such as



12. At its meeting on 27<sup>th</sup> June 2016 Cabinet resolved that approval of the Economic Growth Plan would be delegated to the Cabinet Member for Regeneration and Transport, and the Director of Economic Growth and Development, and that the thematic Economic Climate Reports would be the method by which delivery of the Economic Strategy and Economic Growth Plan would be reported. The current version of the Economic Growth Plan is attached at **Appendix 1**.

## COMMUNITY IMPACT IMPLICATIONS

13. This report proposes a new strategy and will, therefore, be subject to a formal community impact assessment as it will apply to all parts of the Borough – businesses, residents, and visitors, and interventions will be targeted towards those groups currently under-represented in the labour market.

## FINANCIAL IMPLICATIONS

14. There are no financial implications as a direct result of this report.

## LEGAL IMPLICATIONS

15. There are no legal implications as a direct result of this report.

## RISK ASSESSMENT

16. Specific economic development and regeneration projects are contained in the Council’s corporate risk register and appropriate risk management strategies and contingencies are in place where necessary.

## COUNCIL PLAN POLICY PRINCIPLES AND PRIORITIES

17. **Policy Principles:**

- Protecting the vulnerable through targeted intervention
- Promoting equality of opportunity through targeted intervention
- Developing strong and healthy communities
- Creating economic prosperity

18. **Priorities:**

- **Economic Regeneration and Transport** – the Economic Strategy will introduce priorities to support the economic development and regeneration of the Borough, and support the provision of transport and communications infrastructure to stimulate, support and enable economic growth
- **Environment and Housing** – the Economic Strategy sets out the Council's responsibilities to protect and enhance the environment for future generations and to sustain a Borough that is clean and green, with appropriate and sustainable housing provision that meets the needs and aspirations of the growing population; to achieve a healthy, vibrant and successful low carbon economy, that is resilient to the challenges of climate change and resource pressures
- **Children and Young People** - the Economic Strategy will work towards creating a positive impact for children and young people in the Borough through high quality Careers, Education, Information, Advice and Guidance (CEIAG) that connects the choices that young people make to the skills requirements from the local labour force needed by businesses, and provision of targeted and supported employment programmes
- **Health and Wellbeing** – the Economic Strategy will support the health and wellbeing of residents by promoting the quality of life, quality of place, and the unique cultural strengths of the Borough. The priorities to increase the skills levels and economic activity and participation in the labour market by residents have far reaching positive benefits for both individual's and their family's health and wellbeing
- **Stronger Communities** – the Economic Strategy will support the creation of mixed and sustainable communities through the provision of new and affordable housing options that are of a high standard and quality
- **Adults** – the Economic Strategy will work towards creating a positive impact for adult residents in the Borough through high quality Careers, Education, Information, Advice and Guidance (CEIAG) that connects the choices that people make to the skills requirements from the local labour force needed by businesses, and provision of targeted and supported employment programmes for those furthest from the labour market
- **Arts, Leisure and Culture** - the Economic Strategy will support the provision of cultural and creative assets that characterise Stockton-on-Tees as a diverse, vibrant and exciting place where people want to live, work, visit and play

## **CORPORATE PARENTING IMPLICATIONS**

19. As part of the Council's aspirational outcome to 'Create Economic Opportunities for All', the activities contained within the priorities of 'Skills', 'Employment', and 'Inequality, Deprivation and Poverty', will directly work towards creating a positive impact on children and young people, specifically in relation to Looked After Children's needs, by developing high quality vocational routes into work, and more intensive and distinct levels of support, such as supported employment programmes for those furthest from the labour market.

## **CONSULTATION INCLUDING WARD / COUNCILLORS**

20. During the period between 17<sup>th</sup> October and 16<sup>th</sup> December a formal consultation exercise took place with Council Officers, businesses, key partners and stakeholders, and their comments have been reflected within the Economic Strategy and Growth Plan where relevant.
21. The portfolio holder for Regeneration and Transport was briefed on 19<sup>th</sup> December.

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Education related? No

Background Papers

Stockton-on-Tees Local Economic Assessment 2014  
Economic Climate Reports (12<sup>th</sup> November 2015, 14<sup>th</sup> January 2016, 17<sup>th</sup> March 2016, 27<sup>th</sup> June 2016, 6<sup>th</sup> October 2016, 9<sup>th</sup> February 2017)  
Tees Valley Strategic Economic Plan 2014 and refresh 2016

Ward(s) and Ward Councillors:

All

Property

There are no direct implications in relation to the Council's property as a result of this report. However, it should be recognised that to deliver the proposed activities contained in the Economic Growth Plan within and beyond the existing 2017-2020 term, the consideration of 'pipeline' interventions may need to be considered, and included within the Capital Programme and Asset Management Plan at that time.