

REPORT TO: Employment, Learning and Skills, and
Community Policy and Performance Board

DATE: 20 February 2017

REPORTING OFFICER: Strategic Director, Enterprise, Community
and Resources

PORTFOLIO: Economic Development

SUBJECT: An Overview of National, Regional and
Local Economic Development and
Regeneration Strategies

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide PPB Members with a review and summary of the economic and regeneration strategies and interventions that are published by central government and regional agencies. It also provides a commentary on a range of local strategies from Halton-based organisations, including this Council.
- 1.2 This report also considers how these strategic documents and policies might influence aspects of this Council's future service delivery in respect of economic development and regeneration.
- 1.3 Particular focus is given in section two of the document to the government's Green Paper, entitled 'Building our Industrial Strategy' that was launched at Sci-Tech Daresbury by the Prime Minister on 23 January 2017. The consultation on the document will close on 17 April 2017.

2.0 RECOMMENDATION: That the report be noted.

3.0 SUPPORTING INFORMATION

- 3.1 The work undertaken by the Council's Economy, Enterprise and Property Department, to support the economy of Halton, is primarily driven by perceived local needs and priorities. These are determined by the Council. However, increasingly other public sector agencies and organisations operating both locally and at regional level intervene in numerous ways in the local economy. These organisations normally have published strategies and policies in place that outline their goals and the strategies and tactics that they intend to deploy to achieve them.

The attached document identifies some key documents that will, at varying levels, influence this Council's thinking and consequently, to

some extent, will shape the economic development activities and interventions that this department undertakes.

- 3.2 New and revised strategies emerge from National and Regional government on an increasingly frequent basis. For example, section 2 of the attached report highlights eight strategic central government strategy and policy documents in the past seven years. This Department monitors and reviews these documents periodically, to determine the relevance and potential impact and to ensure that informed choices can be made about local direction and to ensure that this Council does not overlook any emerging opportunity to boost our local economy.
- 3.3 Paramount in this category is the government's proposed new **Industrial strategy Green Paper entitled 'Building Our Industrial Strategy'** that was unveiled by the Prime Minister, at Sci-Tech Daresbury on 23 January 2017. The Green Paper is highlighted because it sets the agenda for government economic policy over the period of the current Parliament and beyond.
- 3.4 The document is also significant in that it marks a shift in government thinking about the economy and business. Principally, this is because an industrial strategy is needed as a critical part of the government's plan for post-Brexit Britain, as leaving the European Union requires making long-term decisions about Britain's economic future. In addition, this appears to be a notable step away from the approach of the Cameron government, as being more interventionist rather than 'laissez-faire' in approach.
- 3.5 In addition, although at the time of writing, the Green Paper has so far received less publicity than Brexit, it could have a more significant long-term impact on Britain than leaving the European Union. But that impact depends on the government not only producing a substantial plan but also sticking to it over years and parliaments, which will not be an easy task. Increasing Britain's post-Brexit economy will rely heavily on state intervention as the government looks to exploit the impending removal of EU state aid rules. The report considers the UK's skills base and examines its weakness when compared to other developed countries.

This document sets out to consider how a post Brexit Britain can reverse the UK's long-term problems associated with productivity. In general, the UK has an underlying weakness, in that we produce less for every hour we work than our competitors.

- 3.6 The attached report also outlines actions being undertaken to involve stakeholders and local business in the consultation process.
- 3.7 Section three of the attached document considers regional priorities policy and strategies relating to the Northern Powerhouse, The Atlantic Gateway and the Liverpool City Region.

- 3.8 The past five years have seen the biggest change in sub-national economic development arrangements for more than a decade with the abolition of the Regional Development Agencies and the creation of the new Local Enterprise Partnerships (LEPs) and the wide devolution of power to the regions. This focus on localism and the creation of The Liverpool City Region have changed the spatial scale of economic development. Nationally, economic interventions are no longer focused on single local authority areas. The spatial scale of economic development and regeneration has changed.
- 3.9 Section four examines local policies and strategies. This includes the Council's Unitary Development Plan that determines the allocation of employment land. Development strategies currently in preparation relating to opportunities linked to the forthcoming opening of the Mersey Gateway are identified. In addition, skills development is considered in some detail, - as building a workforce that is vital to support the skills needs of businesses in Halton. The skills agenda is a recurring theme, identified in numerous strategic documents from national government down. Businesses need a supply of talented and better trained people who can embrace change.
- 3.10 In conclusion, many of these strategic documents share a common element. Those concerned with direct delivery to business focus on three crucial elements; firstly, improving the skills of the workforce; secondly, reducing the cost of doing business; and thirdly, making available the resources (money or suitable premises etc) that all business need to compete and thrive in today's global economy.
- 3.11 Against these changes and challenges, The Economy, Enterprise and Property Department are currently involved in driving our economy forward, providing essential business support and infrastructure development to promote local growth. The services provided will need to adapt in future and change to suit the changing economic environment. Working with partners within both the Borough and in the broader City Region will be vital to this activity going forward. The Department will continue to monitor the strategic approach of partners and central government to identify potential linkages and possible benefits.

4.0 POLICY IMPLICATIONS

There are no policy implications associated with this report.

5.0 FINANCIAL IMPLICATIONS

None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 Whilst the analysis outlined in this report focuses of the development of economic development policies and strategies, a strong economy will

have a positive bearing on how the Council can support its wider priorities in the future.

7.0 RISK ANALYSIS

There are no risks identified.

8.0 EQUALITY AND DIVERSITY ISSUES

None identified.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.