
ECONOMIC STRATEGY

**Responsible Cabinet Member – Councillor Chris McEwan,
Economy and Regeneration Portfolio**

Responsible Director – Richard Alty, Director of Place

SUMMARY REPORT

Purpose of the Report

1. To brief Cabinet on the draft Economic Strategy and seek endorsement for the actions contained within it.

Summary

2. Local businesses have been working with the Council through the Darlington Partnership to prepare an Economic Strategy that is relevant to the business community of Darlington (as well as potential future Darlington businesses). Crucially, the development of the strategy has been shaped by local business people through enquiry groups, so that the implementation of the strategy can be largely delivered by them (as set out in the previous report to Cabinet on 10 October 2011).
3. The Strategy will replace the Darlington Gateway Economic Strategy which has served the Borough well from 2001 until now. That Strategy helped the Borough attract substantial public and private sector investment which led to Darlington's economic indicators improving faster than other areas. The strategy was updated in 2007, but, following the credit crunch, the recession and the severe reductions in public sector funding available for economic regeneration, it is no longer up to date.
4. The consultation draft of the new Economic Strategy (**Appendix 1**) is deliberately succinct and focused on the actions that need to happen to achieve the outcomes. To this end, the main document only sets out the high level messages and actions, whilst much of the background material is contained in appendices. The document is primarily written for businesses and the Local Economic Partnership to help them in developing the local economy and in clearly communicating the Borough's economy to others.
5. The Strategy focuses on the issues and actions that businesses have said are important to the development of Darlington's local economy. It is based around four themes: place; people; infrastructure and business conditions. High level actions are then set out in these categories; some of which are strongly cross-cutting in nature. The delivery of these actions can be characterised as follows:

- (a) Addressing immediate issues as soon as is possible, such as upgrading the Borough's broadband offer and improving the inner ring road.
- (b) Getting the right conditions in place for business. Actions such as Foundations for Jobs, improving the land directory for sites & premises and improving the retail offer in the Borough would come into this category.
- (c) Going for opportunities that will generate a step change in the local economy. Undertaking actions that help businesses in Darlington exploit opportunities for example in the emerging tele-health/tele-care markets;

Recommendation

- 6. It is recommended that Cabinet:
 - (a) Endorses the Economic Strategy set out in Appendix 1.
 - (b) Agrees that officers continue to work up the detailed actions plans set out in Appendix 2 with delivery partners under the Priority Actions set out in the Economic Strategy.

Reasons

- 7. The recommendation is supported to support and to continue the development of a local resilient economy that contributes to the One Darlington: Perfectly placed outcomes.

Richard Alty
Director of Place

Background Papers

Darlington Local Economic Assessment, 2011
Darlington Economic Strategy, 2012

Simon Houldsworth : Extension 2701

S17 Crime and Disorder	No impact identified
Health and Well Being	A prosperous economy that provides opportunities for all in a sustainable way will have positive impacts on health & well being.
Carbon Impact	The development of a low carbon economy is integral to the economic success of the Borough in the future.
Diversity	A locally diverse and resilient economy will provide opportunities for all.
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	No new implications
Key Decision	Yes
Urgent Decision	No
One Darlington: Perfectly Placed	The Strategy set out in this report seeks to support the vision and outcomes of the Darlington Partnership through a better understanding of the Borough's economy.
Efficiency	No new implications

MAIN REPORT

Information and Analysis

8. The Darlington Gateway Economic Regeneration Strategy served the Borough well from 2001/2 to 2007/8. It had clear priorities for the actions needed to improve Darlington's economy which attracted substantial public and private sector investment. This investment led to Darlington's economic indicators improving faster than other areas. The strategy was updated in 2007, but following the credit crunch, the recession and the severe reductions in public sector funding available for economic regeneration, it was considered necessary to look fundamentally at what the Borough's economic strategy should now be. Equally in the context of the Tees Valley Statement of Ambition and the importance of the Local Economic Partnership to the Tees Valley Economy it important to re-align Darlington's economic strategy.
9. The Darlington Partnership has prepared a new Economic Strategy (**Appendix 1**) that:-
 - (a) is relevant to the business community of Darlington Borough (as well as potential future Darlington businesses);
 - (b) has been led and shaped by them in its development; and
 - (c) is implemented by, and on behalf of, them.
10. The Strategy focuses on the issues and actions that businesses have said are important to the development of Darlington's local economy.
 - (a) Ensuring that young people leaving schools, college and university are adequately equipped for work in terms of "aptitude, attitude and attendance"; that stronger links are forged between education providers and trainers with local businesses to ensure that

- mismatches between local employment opportunities and education/training undertaken are minimised;
- (b) Ensuring that the infrastructure of the borough (road, rail, air, broadband and utilities) has the capacity to support economic growth now and into the future;
 - (c) That sites and business premises are available for businesses starting out and also for those expanding or growing their activities;
 - (d) Darlington needs to market itself as a business location (and celebrate our world class heritage and capabilities) and more support for business is needed, for instance mentoring.
11. The Strategy is based around four themes: place; people; infrastructure and business conditions. High level actions are then set out in these categories; some of which are strongly cross-cutting in nature. The delivery of these actions can be characterised as follows:
- (a) Addressing immediate issues as soon as is possible, such as upgrading the Borough's broadband offer and improving the inner ring road.
 - (b) Getting the right conditions in place for business. Actions such as Foundations for Jobs, improving the land directory for sites & premises and improving the retail offer in the Borough would come into this category.
 - (c) Going for opportunities that will generate a step change in the local economy. Undertaking actions that help businesses in Darlington exploit opportunities for example in the emerging tele-health/tele-care markets;
12. An equalities impact assessment has been undertaken on the strategy. The self-assessment process found that the strategy should have a positive impact on young people, disabled people and unemployed people through the implementation of actions designed to give people the training to get into work. Several, publicised, engagement sessions were arranged for people to tell the Council about impacts, but none of those present provided impacts on the strategy. Where appropriate, further impact assessment will be required on the detail of specific actions when these are being developed.
13. The Strategy will be presented to the Board of the Darlington Partnership at their meeting on 12 September 2012, after which the organisations listed in the delivery plan will be responsible for undertaking the actions given to them.

14. Financial Implications.

15. There are no immediate financial implications arising from the Economic Strategy.
16. The development of the action plans in consultations with partners will take account of budgets and resource implications and will be considered as part of the Council's normal budget processes.

Outcome of Consultation

17. The draft strategy has been developed with significant input from local businesses, representatives of business sector organisations, education providers and others involved in the economy of the Borough. Their input has informed the content of the draft document attached to this report. In addition, members of the Place Scrutiny Committee have provided feedback at their meeting on 6 September 2012; this feedback will be given

verbally to members due to the short timescales.

18. There has been consultation with the general public over the draft Strategy throughout the Summer. The consultation period ended on 10 September 2010 and any feedback received will be given to Members at the meeting.