**Executive** Meeting:

Date: 31 May 2011

Achieving Our Economic Potential – Consulting on the Subject:

**Economic Development Plan Framework and Skills for** 

Growth

Report of: **Executive Member for Sustainable Communities - Strategic** 

Planning and Economic Development

**Summary:** The report outlines the proposed approach to fully engage with partners

> and stakeholders in developing the Central Bedfordshire Economic Development Plan (EDP) Framework around four priority themes. This includes directing a new skills development approach (Skills for Growth)

to drive economic growth across the area.

Advising Officer: Gary Alderson, Director of Sustainable Communities

Contact Officer: Liz Wade. Assistant Director Economic Growth Skills and

Regeneration

Public/Exempt: **Public** 

Wards Affected: ΑII

Function of: Executive/Council

None

**Key Decision** No

Reason for urgency/ exemption from call-in

(if appropriate)

## CORPORATE IMPLICATIONS

## **Council Priorities:**

The vision of the Sustainable Communities Strategy is "To ensure Central Bedfordshire" is Globally Connected, Delivering Sustainable Growth to ensure a Green, Prosperous and Ambitious Place for the Benefit of All".

The Strategy will be delivered through two underpinning key themes of creating the conditions for economic success and community prosperity and raising standards and tackling inequality in order to deliver 26,000 new homes and 27,000 new jobs by 2026.

The EDP will underpin the delivery of the vision and along with our approach to Skills for Growth will contribute to all of the other identified corporate priorities.

### Financial:

The development of the EDP and the costs of consultations will be met through the 2011/12 Economic Development, Skills and Regeneration budget.

## Legal:

Although there are no statutory requirements for the Council to take forward these pieces of work, both are key to enabling Central Bedfordshire achieve its true economic potential. The Council will be able to demonstrate its leadership and enabling ethos on the economic development and skills agendas under Section 2 of the Local Government Act 2000 to promote or improve the economic well-being of its area.

# **Risk Management:**

Potential risks relate to the buy in and take up of the Economic Development Plan. Early engagement with officers and key partners and adherence to project management principles in producing the plan is vital.

# **Staffing (including Trades Unions):**

None at this time

## **Equalities/Human Rights:**

Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination and to foster good relations in respect of nine protected characteristics; age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

In developing the EDP and our approach to Skills for Growth, the Council must ensure that decisions are made in such a way as to minimise unfairness, and that there is not a disproportionately negative effect on people from protected groups.

An Equalities Impact Assessment will be undertaken on both the EDP and the Skills for Growth Strategy. Findings from the Local Economic Assessment on Equalities and target groups will inform these.

# **Community Safety:**

None at this time

### Sustainability:

Fundamentally matching employment with the needs of our growing resident population is directly addressing the longer term sustainability of Central Bedfordshire.

## **Summary of Overview and Scrutiny Comments:**

 The views of the Sustainable Communities Overview and Scrutiny Committee will be sought before Executive is asked to approve the full EDP and Skills for Growth Strategy.

## **RECOMMENDATIONS:**

1. that the Executive approves the EDP Framework and the four priority themes;

- 2. that the Executive endorses the development of a Central Bedfordshire approach to Skills for Growth to identify and agree the priorities and actions required to ensure that the skills challenges facing Central Bedfordshire can be addressed;
- 3. that the Executive endorses the proposed consultation approach to ensure effective internal and external engagement and considers the draft EDP including the Skills for Growth plan at a future meeting prior to full Council approval; and
- 4. that the views of Overview and Scrutiny are invited to inform the Executive's final decision on these matters.

# Reason for Recommendations:

To ensure that this corporate priority is led by the Executive on behalf of full Council and wider area in response to the need to achieving job growth (27,000 jobs by 2026) in Central Bedfordshire In realising our full economic potential.

Integral to this the first Central Bedfordshire approach to all age skills called 'Skills for Growth' that seeks to shape and influence the skills needs of individuals, employers to meet the growing economic needs. This is in line with the Government's expectation of Local Authorities increasingly leading and influencing the commissioning of local skills and training providers to meet those needs as a key regeneration and economic driver for our economy

### **Executive Summary**

Executive consideration is sought on the proposed framework for the EDP for Central Bedfordshire, the development of our approach to Skills for Growth and the proposed consultation approach. The framework for the EDP is shown in Appendix A.

The EDP framework builds on the Local Economic Assessment and other core policies of the Council which set out the high level priorities for delivering the proposed 27,000 additional jobs in Central Bedfordshire between 2011 and 2026. The framework is based around four priority themes:

- Business growth and resilience
- Land & Premises
- Into Work
- Skills for Growth

In addition to these four priority themes it is proposed that a fundamental shift in the way the Council acts to support jobs and business growth is needed, a shift towards an enabling open for business culture.

Comprehensive engagement with internal and external stakeholders and partners will be critical in ensuring that Central Bedfordshire identifies the right priorities and achieves consensus around these priorities.

## **Economic Development Plan**

- 1. The EDP builds upon the published Local Economic Assessment (LEA). The framework and its proposed four priority themes directly link to the evidenced needs to drive economic growth from the assessment findings. The plan would be developed through further consultation and engagement setting out in more detail how the conditions will be created to deliver the 27,000 additional new jobs by 2026.
- 2. The framework for the EDP is shown in Appendix A. The four priority themes are:
  - (a) Support business resilience and growth, with a particular focus on high growth businesses (Business Growth & Resilience).
  - (b) Provide a range of high quality employment land and premises together with regenerating our town centres and rural communities (Land & Premises).
  - (c) Enable people to play a full and active role in the Central Bedfordshire economy (Enabling Into Work).
  - (d) Increase our supply of skilled people (Skills for Growth).
- 3. Against each of the priority themes a detailed delivery plan will be established as part of the consultation process as an annex to the agreed EDP. This will capture detailed actions the Council and our partners will contribute towards addressing the agreed key theme priorities and provide a point for monitoring and updating our progress.
- 4. Critically, underpinning the four themes is the need for the whole Council to develop an enabling ethos that is focused on delivering the economic outcomes for the area. Only in this way can we deliver the step change in economic performance we strive to achieve and build a reputation that this is a Council and area that is open for business.

# **EDP Priority Themes**

### 5. Business Growth & Resilience

The Council plans to achieve the economic potential of 27,000 new jobs by supporting private sector enterprise, including new businesses, starting up, existing business thriving and growing or attracting new inward investment into the area. To address this it is proposed to improve the way that the Council engages with businesses. We will facilitate business growth by 'making it easy', including streamlining cross-Council service information and delivery, responding to the needs of businesses and encouraging them to engage more fully with support providers to release their own potential. When considering new inward investment and developer interest, an enabling culture will mean working with the commercial sector to identify what they need and find ways to make it happen. Businesses are being asked to identify what barriers they face for growth/survival. We propose to work through business intermediaries to address their needs.

### 6. Land & Premises

Business growth is reliant on the availability of a range and choice of land and premises. Businesses require efficient infrastructure to support their activities and productivity. To address this, proposals include ensuring that planning policies continue to be flexible, responsive and supportive of sustainable growth in both urban and rural communities. Development and delivery of town centre master plans will be key to attracting new investment and jobs, as will the continued need to improve Central Bedfordshire's key business infrastructure, including utilities and broadband needs. We will seek to ensure that the Council is at the forefront of emerging infrastructure delivery models and opportunities, working across the Council to engage with utilities and infrastructure providers to influence local delivery. In some cases the Council will need to consider taking an enabling role through the use of its own assets to facilitate further private sector investment. The EDP will seek to stimulate high level conversations on how the Council balances the need for receipts with the longer term economic needs.

### 7. Into Work

Achieving Central Bedfordshire's full economic potential requires harnessing the skills and abilities of people who are not currently able to participate in the economy. Current proposals for activity include supporting individuals into employment through routes such as self employment, employment, volunteering, Social Enterprise and training. Help will be targeted towards groups identified as in most need, including young people not in employment, education or training (NEETs), people aged over 50, women, ethnic groups and deprived areas of Central Bedfordshire. There will be close alignment to tackling poverty, both through the need to promote and produce financial planning capacity and availability, but also critically through joint working through the Family intervention work of the Council and our partners. Priority will increasingly be focused on influencing the recently appointed DWP (Department for Work and Pensions) Work Program Prime Contractors and external partners to deliver services needed locally.

### **Skills for Growth**

- 8. Investment in skills is critical to the recovery and long term success of the UK economy (Skills for Growth, BIS, January 2011). Access and provision of the highest possible quality for training and development opportunities in Central Bedfordshire underpins our own economic success.
- 9. National policies have changed significantly the direction for public funding in supporting this agenda. There is a greater emphasis on the private sector and individuals having to pay for services. A greater role for local authorities is expected to evaluate and influence local provision to ensure local needs are being met.

Specific changes include the following:

(a) Expanding the number of adult apprenticeships.

- (b) Funding for 19-24 year olds to undertake the first level 2 or 3 qualifications.
- (c) Basic skills help for those who left school without basic reading, writing and arithmetic.
- (d) Loans for those aged 24+ to access level 3 or higher qualifications from 2013/14.
- (e) £50m public funds to stimulate innovative employer led sector initiatives.
- (f) Help for people seeking work or to access labour market relevant training.
- (g) Train to Gain replaced with help for SME's to train low skilled staff.
- 10. In this context Skills for Growth will set out for the first time how Central Bedfordshire will step up to meet the skills challenge and will shape a coherent programme of work to take forward. Skills for Growth will set out the skills priorities for the area, the actions required to achieve these priorities, how we can enhance partnership working, and clarify the changing role of the Council and partners in delivering these priorities.
- 11. In Central Bedfordshire Skills for Growth will contribute to other objectives, including:
  - (a) improved linkages between early years, schools, further education, higher education, community learning and work based learning to seek a seamless pathway through education, into and through work;
  - (b) providing information and ensuring awareness of and access to Next Step provision, and in future to the All Age Career Service, to ensure professional guidance and careers advice is available to all;
  - (c) linking into and influencing other strategies, activities and funding to ensure provision meets the needs of local people and the local economy, including future growth sectors. This includes the Strategy for Learners aged 14-19, Learning Transformation, the Child Poverty Strategy, and the Children and Young Peoples Plan; and
  - (d) providing clarity on the role and activities of the local authority and others in the public, private, voluntary and community sectors, in improving skills locally.
- 12. Skills for Growth will develop an associated Apprenticeships Action Plan. This will set out a commitment to increasing the number of apprenticeships in Central Bedfordshire and will outline the actions required to meet this ambition.

## **Engagement and Consultation**

- 13. Subject to Executive approval, the EDP Framework will be used to start a consultation and engagement process with external stakeholders, such as the Chamber of Commerce, Job Centre Plus, Business Ambassadors (leading local businesses, entrepreneurs and business representative organisations covering a range of sectors from across Central Bedfordshire), the voluntary and community sector, higher and further education institutions and the public, on the vision for the area to achieve its economic potential, the priority themes and enabling culture and importantly supporting activities. This engagement will be through workshops, specific events, regular meetings and one to one discussions to build consensus on the Plan and gather partners' contributions to the delivery against the agreed priorities. The development of our approach to Skills for Growth will work alongside the EDP Framework consultation and will be under-pinned by a series of focus groups to discuss in detail specific skills issues facing individuals, providers and businesses.
- 14. It is proposed that a 13 week consultation (June to September 2011) will be undertaken. This will be through the approach outlined above and via the Council website.
- 15. To reflect the corporate priority and cross cutting nature of economic growth, an early briefing for all Members of the Council has been scheduled.
- 16. It is recommended that the views of Overview and Scrutiny are sought on the approach being taken to create the conditions for economic growth and stimulate debate on the emerging thematic priorities. The final draft Plan will be presented to Executive following the closure of the 13 week consultation period in October, leading to adoption by full Council in November 2011 as part of the recommended/discretionary plans of the Council's constitutional policy framework.

## **Appendices:**

Appendix A – (Economic Development Plan Framework)

**Background Papers:** (open to public inspection)

Local Economic Assessment:

**Location of papers:** <a href="http://www.centralbedfordshire.gov.uk/business/regeneration-economic-growth/local-economic-assessment.aspx">http://www.centralbedfordshire.gov.uk/business/regeneration-economic-growth/local-economic-assessment.aspx</a>