

# Cabinet



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Norfolk and Suffolk Economic Strategy</b>	
<b>Report No:</b>	<b>CAB/FH/17/053</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	24 October 2017
<b>Portfolio holder:</b>	Councillor Lance Stanbury Portfolio Holder for Planning and Growth <b>Tel:</b> 07970 947704 <b>Email:</b> <a href="mailto:lance.stanbury@forest-heath.gov.uk">lance.stanbury@forest-heath.gov.uk</a>	
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<b>Purpose of report:</b>	To enable Cabinet to endorse the content of the Norfolk and Suffolk Economic Strategy and the proposed next steps for West Suffolk.	
<b>Recommendations:</b>	<b>It is <u>RECOMMENDED</u> that Cabinet:</b>  (1) <b>agrees to endorse the Norfolk and Suffolk Economic Strategy, as contained in Appendix A to Report No: CAB/FH/17/053, as guidance to support the strategy for growth in West Suffolk; and</b>  (2) <b>agrees the next steps for the delivery of outcomes for West Suffolk communities, as set out in Section 3 of Report No; CAB/FH/17/053.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

**The decisions made as a result of this report will usually be published within 48 hours and cannot be actioned until five clear working days of the publication of the decision have elapsed. This item is included on the**

<i>Decisions Plan.</i>			
<b>Consultation:</b>		The development of a new strategy has been overseen by a group of all local authority Leaders, the LEP Board, sector leaders and college and university leaders. Over 1000 people have been involved in consultation events led by businesses and individual sector groups have been consulted.	
<b>Alternative option(s):</b>		The alternative option is to not endorse the document and to prepare an economic strategy for West Suffolk in isolation. It is considered that the development of the West Suffolk approach to economic development is best set in the context of the region. The partnership approach provides opportunities for collaboration and regional promotion that wouldn't be available if a West Suffolk strategy were prepared in isolation.	
<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • Time and resources of existing staff to deliver on the agreed strategy.	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
That the strategy does not include a key theme that will affect our ability to attract funding from government	Low	New Anglia LEP has worked closely with government departments to ensure their pitch is appropriate	Low
That other partners will not sign up to the strategy thereby weakening its impact.	Low	New Anglia LEP has hosted numerous events and engagement sessions with a wide range of partners including Local Authorities, Businesses, Universities and colleges.	Low
<b>Ward(s) affected:</b>		All Wards	

<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>	None
<b>Documents attached:</b>	<b>Appendix A:</b> Norfolk and Suffolk Economic Strategy. <b>Appendix B:</b> Norfolk and Suffolk Economic Strategy Executive Summary.

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## **Key issues and reasons for recommendation(s)**

### **1. Background**

- 1.1 The Norfolk and Suffolk economy contributes over £35bn to UK plc, growing by 9% since 2010, faster than many “powerhouse” areas. It has higher than average levels of economic activity and rapidly growing sectors and businesses across a diverse economy. The area is well connected to Cambridge, London, European and global markets. Given the significant opportunities ahead New Anglia Local Enterprise Partnership (NALEP) considered it timely to review the evidence; understand how the economy is working and changing; and agree the actions for all partners to take to ensure future success.
- 1.2 Over the past months, local authorities, businesses, universities and colleges have been working together with NALEP to develop a new economic strategy for Norfolk and Suffolk. The final version of the Norfolk and Suffolk strategy is attached at Appendix A. An Executive Summary has also been produced and this is attached at Appendix B. NALEP has invited Forest Heath District Council and St Edmundsbury Borough Council to endorse the Norfolk and Suffolk Economic Strategy. This report explains the approach taking to the development of the strategy; the key elements of the strategy; and also the implications and opportunities for West Suffolk. The report concludes with a recommendation for both councils to endorse the strategy and to agree the next steps for West Suffolk.

### **2. Norfolk and Suffolk Economic Strategy**

- 2.1 The work commenced with the development of a detailed evidence base to inform a deeper understanding of the economy. This included the impact that new technologies, techniques and collaboration across sectors will have to drive growth, raise productivity and support businesses in the diversification into new products and markets.
- 2.2 The development of a new strategy has been overseen by all local authority Leaders, the LEP Board, sector leaders and college and university leaders. Over 1000 people have been involved in consultation events led by businesses and individual sector groups have been consulted.
- 2.3 The strategy is inclusive and aims to benefit all. This work has also been developed with an understanding of the emerging Industrial Strategy and the Government’s approach to growth. New models of funding and financing are being explored to deliver the infrastructure needed to support the returns and growth that the evidence shows can be delivered.
- 2.4 The new strategy summarises the economic evidence. It sets clear ambitions that describe the place that Norfolk and Suffolk can be. It then sets out the proposed actions to deliver future success aligned under five themes: Our offer to the world; Driving business growth and productivity; Driving inclusion and skills; Collaborating to grow; and Competitive clusters close to global centres. It is focused on place - setting out where it is expected growth is most likely in the years ahead. The development of the strategy included a series of metrics and sets out clear economic indicators

and targets, which will be used to measure success and the impact of the strategy. NALEP has published this information in an Evidence Report which is available on their website and is also summarised in the Strategy from page 9 onwards.

- 2.5 The strategy commits local authorities and other partners to working together to pool resources and coordinate activity in some key areas such as inward investment, skills, place marketing and infrastructure investment. It is considered that this stronger collaboration and joint effort is vital to attract the level of investment needed.
- 2.6 This is a strategy for all Norfolk and Suffolk. As such many organisations will be involved in delivering different elements. NALEP has committed itself to the development of clear action and investment plans over the Autumn on major priorities such as Transport and Skills for example.

### **3. Implications for West Suffolk**

- 3.1 As we develop our Strategic Plan and look at developing local Place specific growth strategies we will be working with NALEP to look at how we can continue to build the inter-relationship with place based growth and the Strategy that NALEP is seeking to deliver. This is a similar approach for the Greater Cambridge Greater Peterborough Enterprise Partnership (GCGP) – or the Combined Authority too. West Suffolk is part of both LEPs and plays a key role in bringing the two LEPs together for the benefit of West Suffolk and the wider area.
- 3.2 NALEP intends to work with partners to develop delivery plans and this is timely for us as we will have the opportunity to build on the work we are doing to focus on place and themes that will ultimately make a difference to our communities.
- 3.3 As far as our West Suffolk places are concerned, we are working to build the evidence base for each area. This is a similar approach to how NALEP developed its strategy but with the clearer focus on smaller geographies this work results in a much more bespoke understanding of the issues and opportunities for our places. For example in Bury St Edmunds we know that (among other indicators) while unemployment is low; there is a shortage of start up space and a shortage of move on space; and that innovation, aspiration and attainment rates are relatively low. Having this detailed information enables us to take direct action or influence actions in a more bespoke, targeted way. We can take this intelligence and use it as evidence to NALEP that their investment in our area will help them to achieve their stated ambitions.
- 3.4 The following paragraphs give examples of the actions that we will work with the LEP and other partners to develop, based on the priorities in the strategy. The paragraphs explain the contribution West Suffolk can make to achieving the aims and also what impact those aims will have.

### 3.5 **Theme 1: Our Offer to the World**

NALEP states that improving and communicating a clear ambitious offer to the world is central to all the ambitions and targets and to attracting the people, investors and businesses of the future.

3.6 West Suffolk is well placed to appeal to inward investment opportunities with relatively affordable housing and increasingly interesting companies with cutting edge research and technology such as Treatts PLC and Sanofi, along with our proximity to Cambridge. Point 2 of our Six Point Plan for Jobs and Growth is "Promoting the West Suffolk economic region" and seeks to invest in the creation of a West Suffolk investment brand which clearly sets out West Suffolk's unique selling points.

3.7 West Suffolk will strengthen its promotional work alongside Norwich and Ipswich to both attract the highly skilled people we need and to accelerate inward investment. West Suffolk will work with NALEP to raise the profile of the East across the UK and beyond using consistent branding and an agreed overarching offer.

3.8 We have a view to the wider economy, including that of Cambridge. We are mindful of the strengthening links between places such as Milton Keynes/Oxford etc. in infrastructure terms. We are keen to continue to work with other partners including the Chamber of Commerce to ensure that our road and rail links are appropriate for our communities and the role we play in the wider economic region. There are opportunities through the establishment of the Cambridge Combined Authority that we will explore to ensure that our places such as Newmarket, Haverhill and Bury St Edmunds benefit from investment. This accords with Point 4 of the Six Point Plan for Jobs and Growth that aims to ensure the right conditions for growth.

3.9 One of the key areas of intervention for us and partners relates to digital connectivity both for broadband and mobile phones/technology. West Suffolk is a predominantly rural area and much of the upgrading of technology occurs in areas of highest population density which often leaves our rural communities behind and creates a patchwork of connectivity. It is also essential for many of our key and developing sectors that we have excellent digital connectivity to enable them to compete nationally and globally.

3.10 It is clear that the provision of land, premises and appropriate homes is directly linked to inward investment. There is little point in promoting ourselves if we are incapable of accommodating those we attract. In West Suffolk we have a great deal to offer, with our historic towns, rural villages and key strategic commercial/residential sites. We are committed to supporting delivery and will work with our partners to ensure sustainable, appropriate growth going forward.

### 3.11 **Theme 2: Driving business growth and productivity.**

The strategy explains that our diverse economy is a real strength and states that work to support businesses will be driven by three goals; Increasing investment; driving productivity; and helping our firms move into new

markets and products.

3.12 We will work with Menta, the NALEP Growth Hub, West Suffolk College and other partners to ensure that our business support system works effectively for new businesses and growing businesses alike. In support of this we will consider whether there is a case for investment in physical start up opportunities with the essential digital infrastructure to enable the agencies such as Menta to provide the services to new and developing companies. We will work with NALEP to establish new centres of excellence to improve productivity and innovation in West Suffolk.

3.13 We already have good contacts with colleagues at DIT who work to promote and support companies looking to increase exports. We already look to support our local companies in this regard. For example, at our Business Festival this year West Suffolk College is hosting a professional development course on International Trade, Globalisation, Shipping and Logistics. The strategy states that NALEP is planning to lead a cross sector "trade global, supply local" campaign to open up supply chains for businesses and West Suffolk will be happy to promote and support this campaign with our businesses.

3.14 Investment funding plays a key role in the growth of businesses and productivity and the Strategy recognises this. In West Suffolk we are developing our approach to our own investment opportunities which can sit alongside other funds for the benefit of our businesses.

### **Theme 3: Driving inclusion and skills**

3.15 This theme recognises the contribution that individuals make to growth ambitions. It considers that good progress has been made in raising skill levels, but states an ambition to go further and faster, particularly for those already in work.

3.16 We will work predominantly with West Suffolk College and other institutions including the NALEP Skills Board to focus on the skills and inclusion agenda. NALEP aims to establish sector skills plans and develop an integrated skills offer which, along with WSC, we will support with our approach to business engagement (point one of the Six Point Plan for Jobs and Growth) and our ability to understand what our local businesses need now and in the future. West Suffolk can explain the sectors that are showing signs of growth and work with both LEPS to promote clusters and strengthen supply chains.

3.17 With Suffolk County Council we will support the efforts to deliver the Youth Pledge (this ensures young people have either an apprenticeship, job, work experience or training within 3 months) for all the young people in West Suffolk. And beyond this we will continue to work with partners to promote and support the delivery of high quality apprenticeships for all people - utilising the new apprenticeship levy.

3.18 The strategy aims to take the principles behind the Youth Pledge and extend these to adults in an attempt to remove the barriers to getting people back into work. This is aligned with Point 5 of the Six Point Plan for Jobs and Growth aims to develop skills and increase employment opportunities for all

by aligning the skills base and skills provision in West Suffolk with job opportunities.

3.19 West Suffolk can support this approach for example we have an ever increasing number of over 65 year olds and we are keen to understand and extend their contribution to the Growth agenda. West Suffolk can be used as a pilot for the initiatives that NALEP promotes in this regard.

3.20 We will work with WSC and NALEP to expand the education pipeline within our Primary and Secondary Schools and help to engage children in Science, Technology and Engineering. West Suffolk is always keen to pilot new approaches to engaging younger people to improve their opportunities and in support of the local economy.

3.21 Inclusive growth is an area where partners will need to work together to ensure all parts of our communities receive the benefits of growth. Working with partners we will look to preventative measures as a priority to address some of the challenges we face and we can bring experience of local projects that have made a difference to our communities – for example social prescribing in Haverhill.

#### **Theme 4: Collaborating to Grow**

3.22 This theme acknowledges the importance of agencies working together; with private enterprises; and across sectors.

3.23 Integrating tech as a cross cutting theme is important not just across industry in terms of how they do things but also for a place and how it operates and manages supply and demand. For example our local company Servest has bought a stake in the tech firm Getronics with the aim of utilising the expertise in the work that Servest and its clients do, increasing the focus on digital transformation through the development of smart buildings and the Internet of Things. We are exploring with NALEP further work to look at the value that can be created in terms of growth by looking at ICT/Tech/Digital creative in this way and how our work could be shared across the NALEP area. There is considerable potential for this as we have major place shaping projects in all of our centres.

3.24 West Suffolk is well placed to support the wider collaboration between NALEP and other regions such as Cambridgeshire and Peterborough. It is clear that many of our infrastructure projects such as road, rail and broadband or our inward investment opportunities and supply chain activities are best tackled in a collaborative way.

#### **Theme 5: Competitive Clusters close to global centres**

3.25 The strategy states that Norfolk and Suffolk has a number of recognised national and global cluster of business. Focussing on specific sectoral opportunities will deliver real value in sector specific interventions. The strategy identifies four clusters: Clean Energy; Financial services and insurance; ICT, Tech and digital creative; and Life sciences and biotech.

Based upon the evidence we and others have gathered, we understand that



3.26 our local economy is relatively resilient. This is because we have representation in a number of key sectors (as identified in point 6 of The Six Point Plan for Jobs and Growth) and a range of business sizes (dominated by small and medium enterprises). However there are threats to our economy such as the current lack of start-up and move on space in Bury St Edmunds. Our key sectors include (among others) agriculture food and drink; the visitor economy; advanced manufacturing and engineering. West Suffolk also has key sectors that can be supported to promote clusters and thereby support further growth. For example, ICT and digital creative is a sector that is showing signs of growth. We also have some strengths in Food Farming and Agritech, and Life Science and biotech. We will work with NALEP on the proposed sector skills plans to ensure maximum impact for our businesses.

3.27 The paragraphs above set out how West Suffolk can contribute to the delivery of the aspirations in the strategy. The next steps for us are to liaise with our partners such as West Suffolk College, Menta etc. on the key actions (as set out in section 3) with a view to them signing up to this approach. At the same time we will use this information to open discussions with both NALEP and the GCGP to influence the delivery plans both aim to produce. All of this information will be influenced by the development of our own Corporate Strategic Plans and the developing plan for our places.

#### **Conclusion**

#### **4.**

4.1 The development of the Norfolk and Suffolk Economic Strategy has been inclusive and is for West Suffolk at least, very timely as we are preparing our new strategic plan and place based strategies.

4.2 The Strategy provides a clear and comprehensive framework for the next steps towards delivery. NALEP has opened the doors to partners to work together on the delivery phase and West Suffolk is well placed to do so.

4.3 West Suffolk will work with NALEP and a list of other partners to ensure that our communities benefit from appropriate growth across the themes of: digital connectivity; skills and inclusion; inward investment; appropriate investment in road and rail; and sector development (to include advanced agriculture, food and drink; ICT tech and digital creative; visitor economy tourism and culture; and advanced manufacturing and engineering).

4.4 It is recommended that both Councils endorse the Norfolk and Suffolk Economic Strategy and agree the approach to the next steps set out in section 3.27 above.