

CABINET

Wednesday, 11 April 2018

EAST SUFFOLK ECONOMIC GROWTH PLAN 2018-2023 (REP1844)

EXECUTIVE SUMMARY

1. Economic growth is one of the three central pillars of the East Suffolk Business Plan and as such an effective economic growth strategy is required to ensure we achieve our ambitions in this area. This report highlights the development of the new East Suffolk Economic Growth Plan (ESEGP) which replaces the 2014 East Suffolk Growth Plan.

The new growth strategy supports the Council’s objectives for achieving economic growth by identifying the key growth sectors, growth areas and the thematic priorities upon which a successful growing economy is based. The draft ESEGP also sets out how success against these ambitions will be measured
- 2.
3. It sets out the methodology for updating our current growth plan, highlights East Suffolk’s economic vision and objectives for facilitating economic growth. The new strategy also identifies our key sectors and growth areas where growth is anticipated to be focussed. In order to measure the success of our new plan stretching targets have been set to raise employment, support business growth and increase productivity. By way of context this report also highlights the new Norfolk & Suffolk Economic Strategy and the new national Industrial Strategy published in November 2017 by the Department for Business, Energy & Industrial Strategy (BEIS).

Is the report Open or Exempt?	Open
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Wards Affected:	All Wards in the District
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Cabinet Member:	Councillor Michael Ladd, Cabinet Member for Economic Development & Tourism
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Supporting Officer:	Paul Wood Head of Economic Development & Regeneration 01394 444249 Paul.wood@eastsoffolk.gov.uk
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1 INTRODUCTION

- 1.1 The strategic policy context for supporting economic growth has been refreshed at a national and regional level in recent months. This combined with a change in economic fortunes since the publication of the East Suffolk Growth Plan and the economic uncertainties associated with Brexit make it timely to update the East Suffolk approach to supporting and facilitating economic growth.
- 1.2 This report highlights the vision and objectives of the new growth plan along with the key sectors and growth areas where the intelligence suggests future economic growth will be focussed. It also provides a high level summary of the new national Industrial Strategy and the regional economic strategy by way of context and to demonstrate the level to which East Suffolk's economic strengths are linked to these plans.
- 1.3 The overall purpose of this report is to gain Cabinet's approval for this refreshed approach to facilitating economic growth as set out in the new East Suffolk Economic Growth Plan.

2 BACKGROUND

- 2.1 The 2008 financial crisis and subsequent recession led to a prolonged period of low/negative growth and rising unemployment. However, since 2013, when the previous East Suffolk Growth Plan was written, nationally the economy enjoyed a period of sustained growth and therefore it is an appropriate time to refresh the East Suffolk Growth Strategy to reflect the changing economic landscape, the opportunities we are able to embrace and the challenges we need to address.
- 2.2 This coincides with the new national Industrial Strategy which was published by BEIS in November 2017. This new strategy aims to create an economy that boosts productivity and earning power throughout the UK. The strategy focusses on five foundations of productivity, these are:
 - Ideas (an innovative economy)
 - People (good jobs and greater earning power)
 - Infrastructure (upgrade the UK's infrastructure)
 - Business Environment (the best place to start and grow a business)
 - Places (prosperous communities across the UK)
- 2.3 These five foundations are underpinned by four Grand Challenges which aim to put the UK at the forefront of the industries of the future and are:
 - Artificial Intelligence (AI) & the Data Economy (embracing AI and the data revolution)
 - Future of Mobility (the UK will become a world leader in the way people, goods and services move)
 - Clean Growth (the UK will maximise the advantages for the UK industry from the global shift to clean growth)
 - Ageing Society (to harness the power of innovation to help meet the needs of an ageing society)

2.4 The Norfolk & Suffolk Economic Strategy (NSES) was also published in the autumn of 2017 (see Cab rep SCDC: 33/17 WDC: rep1700) and has ambitious plans for Norfolk and Suffolk to be:

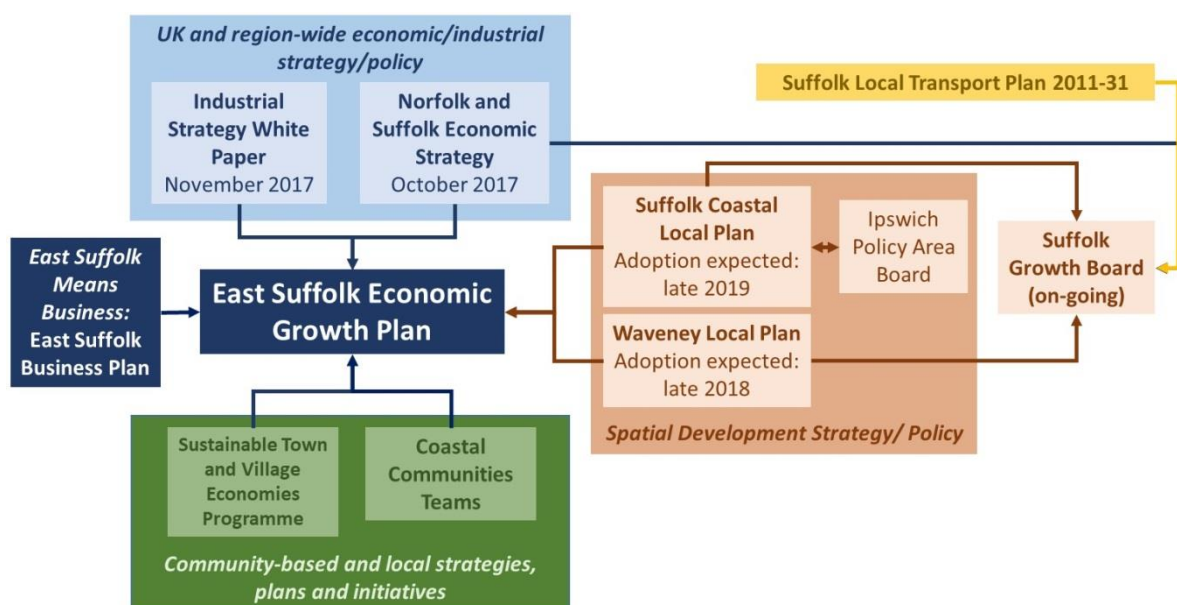
- The place where high growth businesses with aspirations choose to be
- An international facing economy with high value exports
- A high performing, productive economy
- A well-connected place
- An inclusive economy with a highly skilled workforce
- A centre for the UK’s clean energy sector
- A place with a clear, ambitious offer to the world

2.5 In order to achieve its ambitions the NSES highlights nine growth sectors where the region displays a competitive advantage and six ‘Priority Places’ where the evidence suggests there are significant opportunities and commitment for continued growth. The importance of the east Suffolk economy in delivering the ambitions of the regional strategy is amply demonstrated by the fact that our districts have economic strengths in seven of the nine growth sectors and account for half of the priority places.

3 EAST SUFFOLK ECONOMIC GROWTH PLAN 2018-2023

3.1 The new East Suffolk Economic Growth Plan is informed by both the Industrial Strategy and the NSES. Importantly East Suffolk displays economic strengths and competitive advantage in a number of the sectors, growth areas and economic themes contained within these two strategies. This provides us with the ability to attract external investment to support growth locally.

3.2 More locally it is also strongly linked to the economic growth ambitions of the East Suffolk Business Plan and the emerging Local Plans. The diagram below summarises the strategic context for the new growth plan.



3.3 The new growth plan sets out our vision and objectives for growing the East Suffolk economy. These are:

Our Vision is that businesses across East Suffolk have the confidence to invest and grow, creating opportunities for people of all ages and improving further the quality of life in an outstanding environment.

Our three main priorities will be:

1. Supporting entrepreneurs and entrepreneurship in East Suffolk
2. Encouraging established businesses to invest and grow
3. Attracting inward investment to East Suffolk, focused around existing and emerging sectors and supply chains

3.4 As part of the development of the new growth plan a SWOT analysis was undertaken. This analysis identified East Suffolk's key economic assets and opportunities such as:

- Felixstowe Port
- the digital/ ICT cluster at Adastral Park,
- offshore and nuclear energy
- marine life science cluster at CEFAS, Lowestoft

All of the above are of national economic significance.

3.5 The growth plan also recognises the large number of medium sized businesses providing economic stability across East Suffolk such as Braf Engineering, Woodbridge and M&H Plastics, Beccles as well as the strong visitor economy which benefits from the strong and unique array of market towns, coastal resorts, Area of Outstanding Natural Beauty and the diverse cultural offering. The regeneration of Lowestoft provides significant opportunities for growth linked to the offshore energy industry.

3.6 The SWOT analysis also identified the key weaknesses and threats to the growth of the East Suffolk economy. These include:

- the weak skills profile and social mobility issues in parts of East Suffolk,
- lack of incubation units/ move on space for start-ups and growing businesses,
- Infrastructure deficit in terms of transport, digital connectivity infrastructure and flood prevention.

3.7 The East Suffolk Economic Growth Plan cites a number of sectors where we have particular strengths, these include;

- Agriculture, Food and drink
- Manufacturing and engineering.
- Energy (Sizewell and offshore the industry in Lowestoft)
- ICT, Tech and digital creative (Adastral Park)
- Ports and logistics (port of Felixstowe)
- The marine sector (CEFAS)

- The visitor economy and cultural sector

3.8 We will support the three strategic priorities by focussing on future planning for economic growth, providing excellent business services and adopting no “wrong door” for business approach. The success of this strategy will be measured by three overarching performance indicators:

- to increase our productivity performance
- support net jobs growth
- Raise net business stock levels

3.9 A delivery plan will be produced setting out specific actions and activities the economic development and regeneration teams will undertake with partners to achieve the objectives of the new growth plan enabling a focussed approach to delivering our KPI's. The delivery plan is due to be completed in May 2018.

4 HOW DOES THIS RELATE TO EAST SUFFOLK BUSINESS PLAN?

4.1 The new East Suffolk Economic Growth plan will support the economic growth pillar of the Business Plan by supporting entrepreneurs and entrepreneurship in East Suffolk, encouraging established businesses to invest and grow and attracting inward investment to east Suffolk, focused around existing and emerging sector and supply chains. The KPI's provide a clear measurement for progress against the East Suffolk Business Plan.

4.2 The new growth plan will continue to support a number of economic growth business plan actions and is adaptable so as to be equally applied to any future business plan with economic growth at its heart.

5 FINANCIAL AND GOVERNANCE IMPLICATIONS

5.1 There are no additional direct financial implications resulting from the new East Suffolk Economic Growth Plan. The recent re-alignment of the Council's Economic Development team will ensure that Economic Development resources can be deployed in a manner that reflects the priorities of the new strategy.

5.2 The re-alignment will be complemented by a new business engagement plan that will enhance our engagement with businesses to improve our local economic intelligence and increase the effectiveness of the business support that the Councils and our partners can provide.

6 OTHER KEY ISSUES

6.1 This report has been prepared having taken into account the results of an Equality Impact Assessment, a Sustainability Impact Assessment and a Partnership Impact Assessment.

7 CONSULTATION

7.1 Wide ranging consultation has been undertaken with stakeholders and partners from across the public and private sector, including local authorities, NALEP, Chambers of Commerce, business associations and delivery partners, the Cabinet members for economic development, leaders and the Corporate Management team.

8 OTHER OPTIONS CONSIDERED

8.1 None.

9 REASON FOR RECOMMENDATION

9.1 The East Suffolk Business Plan recognises the importance of economic growth and its role in improving the quality of life for east Suffolk residents, businesses, employees and visitors alike. In order to drive forward our economic growth aspirations an up to date economic growth strategy is required reflecting current economic conditions, the opportunities we need to explore and the challenges to growth we need to address. Therefore Cabinet is asked to approve the new plan to ensure that the Council has the correct framework to meet its business plan actions to facilitate economic growth across East Suffolk.

RECOMMENDATIONS

1. That Cabinet supports the refreshed vision and objectives for supporting economic growth in east Suffolk
2. That Cabinet approves the new East Suffolk Economic Growth Strategy
3. That Cabinet provides delegated authority to the Head of Economic Development & Regeneration in consultation with the Cabinet members for Economic Development & Tourism to make any minor changes to the East Suffolk Economic Growth Strategy ahead of final publication.

APPENDICES

Appendix A	East Suffolk Economic Growth Plan 2018-2023 (Draft Final) Please note that due to the size of this document, it has not been printed with the Agenda Pack. However, copies are available to view on the East Suffolk Website, in the Members Room and upon request.
Appendix B	East Suffolk - Base Line - draft October 2017 Please note that due to the size of this document, it has not been printed with the Agenda Pack. However, copies are available to view on the East Suffolk Website, in the Members Room and upon request.

BACKGROUND PAPERS – None