

## BRECKLAND DISTRICT COUNCIL

**Report of:** Councillor Adrian Stasiak, Executive Member for Growth & Commercialisation

**To:** Cabinet 17 October 2017

**(Author:** Tim Mills, Executive Manager Growth and Prosperity)

**Subject:** New Anglia Economic Strategy

**Purpose:** To approve the Strategic Economic Plan for the New Anglia Local Enterprise Partnership.

### **Recommendation(s):**

- 1) That the New Anglia Economic Strategy be approved.

### **1.0 BACKGROUND**

- 1.1 The New Anglia Economic Strategy is intended to be an ambitious vision for the future of Norfolk and Suffolk. It brings together partners including Breckland to look at how we can build on our strengths and identify how we can achieve positive change and make the most of the opportunities in our region. The strategy is the work of local authorities, businesses and the New Anglia LEP, working together to drive forwards a single vision for our region. The partners recognise that by working together, they can create a bigger impact and that's what this strategy will help to do. Once the strategy has been adopted, action plans will be created underneath it which will influence a wide range of key decisions.
- 1.2 The draft strategy which the Council is asked to approve, is the outcome of several months of consultation, with businesses, sector groups and local authority representatives. It is not anticipated that there will be significant change to the final document. However it is being checked by a professional proof reader to iron out glitches prior to consideration by the New Anglia LEP Board on 25 October 2017. The Council is being asked to endorse the New Anglia Economic Strategy Brochure and New Anglia Executive Summary Brochure at appendix A in order to speed up the implementation and use of the strategy.
- 1.3 The existing Strategic Economic Plan was published in April 2014 and provided a blue print for how the LEP and its partners would work together to deliver economic growth across Norfolk and Suffolk up to 2026. In September 2016, the SEP Impact report was published outlining progress being made against the SEP ambitions, showing good progress against some targets – new jobs and businesses – but highlighted that there is more work to do to meet targets covering housing and productivity. At the same time, there have been a number of significant changes in the economic and political landscape, which will directly impact on the delivery of those ambitions. While the current SEP provides strong foundations, the evidence on which it is based has evolved and expanded. Therefore it was considered that the time is right to develop a new strategy which reflects the evolving local economy and changing external factors.
- 1.4 The Economic Strategy consists of four main sections plus a foreward. These are
  - a. Norfolk and Suffolk today – a summary of the evidence base and what it says about their economic current situation and future projections.

- b. Our ambitions – this sets out the key ambitions for the economic future of the area.
- c. Priority Places and Themes – this establishes what are the priorities to address the issues already identified.
- d. Making it happen – this summarises the approach to achieving the ambitions and delivering to the priority places and themes.

- 1.5 **Norfolk and Suffolk today** – This identifies that Norfolk and Suffolk have a £35.5bn economy, which has grown by 9% since 2010, faster than a number of ‘powerhouse’ areas. There are a record number of people engaged in the economy, with 82% of the working age population in Norfolk and Suffolk economically active (compared with 78% across the rest of the UK), high levels of employment (78.2%, against a UK average of 73.8%), and low unemployment (4%, against a UK average of 5.4%). Skill levels and wages however are lower, with more jobs than the national average in lower paying industries. Norfolk and Suffolk were hit hard by the 2008 recession and in the run up to it, with Gross Value Added per head (a measure of productivity) declining from 2006 and not recovering fully until 2011. This also saw a long-term reduction in economic performance compared to the UK average from which the economy has still not fully recovered. Norfolk and Suffolk continues to grow, but needs to do so faster than elsewhere to catch up with the UK and to achieve the step change we all strive for in our economy.
- 1.6 Norfolk and Suffolk has a diverse business portfolio with growing and important specialisations that make a significant contribution to the national economy. These include globally important clusters in ICT and telecoms, life sciences and genomics, and energy. Other important sectors are insurance and financial services, agriculture, food and drink, business services, digital businesses, logistics and port related businesses.
- 1.7 While Norfolk and Suffolk continue to attract more people than leave the area this is particularly people over 35 and the area has an ageing population, 23.1% of its population is already over 65 compared to 17.8% in the UK. This is an engaged, if older, population with a huge contribution to make and providing its own opportunities.
- 1.8 The document outlines the shape and challenges of the housing and commercial market. It highlights the scale of development since the 2014 strategy, with 18,850 homes having been built and 253,000 square ft of commercial space. Enterprise zones have created over 2,600 jobs, are home to 85 companies and have attracted over £45m of private sector investment.
- 1.9 **Our Ambitions** – The strategy sets out ambitions for Norfolk and Suffolk to be:
- A high performing productive economy, where business have invested in new technology, skills, new techniques, and innovation leading to productivity improvements year on year.
  - A well-connected place, locally, national and internationally. Investment in housing, roads, rail and broadband is coordinated to build the communities and connections that people and businesses need.
  - An inclusive economy with a highly skilled workforce, where everyone benefits from economic growth and wage levels rise above the national average. Norfolk and Suffolk will continue to promote collaboration between business, HE, FE, schools and the public sector to provide the training opportunities and work experience that enable businesses and people to fulfil their full potential. This will drive skills, employment rate and median wage levels.
  - A centre for the UK’s low carbon energy sector, capitalising on the strength and diversity of the energy sector and supply chain, our strategic location, skills base, connectivity to other regions.

- A place with a clear, ambitious offer to the world, which showcases the strengths of Norfolk and Suffolk to the UK and world. Offering diverse, high quality and affordable housing where people want to live, with a strong vibrant culture and leisure offers and a clear sense of why people and business chose to live and work here.
- 1.10 To measure success in achieving these ambitions, eight economic indicators have been developed. These are GVA, productivity, employment, businesses, housing, exports, median wage, employment rate and skills and targets have been set for these economic indicators to 2036.
- 1.11 **Priority Places and themes** – The partners have agreed to focus action and investment on a clear set of priority places and themes where evidence indicates that they will have the greatest impact.
- 1.12 The Priority Places are:
- a. Greater Ipswich
  - b. Greater Norwich
  - c. Norfolk and Suffolk Energy Coast
  - d. Cambridge – Norwich Corridor
  - e. East – West Corridors A14 / A47
  - f. King’s Lynn – Cambridge
- 1.13 The Priority Themes are:
- a. Our Offer to the world
  - b. Driving business growth and productivity
  - c. Driving inclusion and skills
  - d. Collaborating to compete
  - e. Competitive Clusters close to global centres
- 1.14 **Making it happen** – The strategy identifies that the way Businesses, the LEP, local authorities, third sector organisations, Colleges and Universities have come together to agree the strategy and are all committed to aligning relevant actions and investment to the priorities. It sets out the following approaches to take forward the strategy and make it happen:
- a. Continue to maintain and evolve the **Shared Economic Evidence Base**
  - b. **Delivery and action plans** which will set out how the projects and priorities in this strategy will be delivered and funded, the outcomes they will deliver and how partners will be mobilised to achieve them.
  - c. Ongoing commitment to work together as local councils, college, universities and business groups to **align strategy, planning and investment** across housing, infrastructure, utilities, transport and skills.
  - d. **A common investment prioritisation framework**, to assess projects and actions relating to growth that emerge from this and related strategies and plans.
  - e. **A shared inclusive growth toolkit** will provide assurance that projects are also judged consistently by their capacity to deliver positive impacts for our residents.
  - f. **Indicators** which we will use to track progress and prioritise.
  - g. **An annual stock take of progress**, involving all the partners who have been involved in developing and endorsing this strategy.
- 1.15 The Economic Strategy is important to Breckland as it will shape the focus, action and investment of the Local Enterprise Partnership and the partners, including Breckland, who have developed the strategy. It recognises for Breckland both the growth opportunities that exist such as the Cambridge – Norwich Tech Corridor and the challenges such as infrastructure and skills. These issues and their solutions extend beyond Breckland and

therefore it is important that they are tackled in partnership and that we actively engage in shaping the delivery and action plans that will establish how the strategy is implemented.

## 2.0 **OPTIONS**

2.1 Approve the Economic Strategy for Norfolk and Suffolk.

2.2 Decline to approve the Economic Strategy for Norfolk and Suffolk

## 3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 The strategy is based on a strong evidence base and its direction addresses issues which are of importance to Breckland. The coordinated approach set out by the strategy is likely to have more success as resolution of these economic issues require a comprehensive approach across all sectors. This is recognised by Government and funding agencies and a strong coordinated approach across New Anglia assists in seeking resources. Current events and the advent of the Government's Industrial Strategy mean that it is important that New Anglia has a comprehensive strategy in place as soon as possible so moving forward on the basis of the draft document is a sensible way to speed up the process.

## 4.0 **EXPECTED BENEFITS**

4.1 Norfolk and Suffolk need to achieve a step change in economic performance to address disparities with other parts of the UK particularly with regard to GVA performance. This strategy sets out an agreed way forward across all partners.

4.2 The strategy recognises important opportunities and challenges for Breckland and has the potential to encourage focus, action and investment on these issues.

4.3 The evidence base and the strategy provides a strong basis for Breckland to develop its own plans, strategies and proposals in alignment with this approach that are more likely to be successful.

## 5.0 **IMPLICATIONS**

### 5.1 **Carbon Footprint / Environmental Issues**

5.1.1 There are no direct implications for carbon footprint / environmental issues from this report or the strategy. However effective implementation of the strategy would strengthen sustainable development and particularly renewable energy.

### 5.2. **Corporate Priorities**

5.2.1 This project will contribute to the Council priority 'Developing the local economy to be vibrant with continued growth'

### 5.3 **Stakeholders**

5.3.1 The Council is a member of the New Anglia Local Enterprise Partnership and has been engaged in the development of the strategy and will continue to be so as delivery plans are developed.

## 6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 All

7.0 **ACRONYMS**

7.1 New Anglia LEP : New Anglia Local Enterprise Partnership  
SEP : Strategic Economic Plan  
GVA : Gross Value Added

Background papers:- New Anglia SEP Evidence Base

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**Lead Contact Officer**

Name and Post: Tim Mills, Executive Manager Growth and Prosperity  
Telephone Number: 01362 656845  
Email: Tim.Mills@breckland-sholland.gov.uk

**Key Decision:** Yes

**Exempt Decision:** No

**This report refers to a Discretionary Service**

**Appendices attached to this report:**

Appendix A New Anglia Economic Strategy Brochure for Endorsement and New Anglia Executive Summary Brochure for Endorsement