

Report of	Head of Commercial Services	Author	Nigel Myers ☎ 282878
Title	Colchester Economic Growth Strategy 2015 to 2021		
Wards affected	All wards affected		

This report concerns the Colchester Economic Growth Strategy 2015 to 2021

1. Decision(s) Required

- 1.1 To refer to Council for adoption of the Colchester Economic Growth Strategy 2015 to 2021 as part of the Policy Framework.

2. Reasons for Decision(s)

- 2.1 The strategy recognises the need and responsibility to provide an overarching vision and framework of action for economic development and growth in the Borough.

3. Alternative Options

- 3.1 The alternative would be not to produce a strategy. This would represent a missed opportunity to fully capitalise on economic development and growth in the Borough. Also this omission may not meet the Council's responsibilities to promote and improve well-being under the Local Government Act 2000.

4. The Strategic Context

- 4.1 The primary role of the Colchester Economic Growth Strategy is to set out a framework to steer the activities of the Council and partner organisations (public, private and third sector) to achieve a sustainable and strong local economy, foster the conditions for economic resilience and growth and to capture the economic benefits for residents and businesses in the Borough.
- 4.2 As described in 5.3 Colchester has a buoyant and resilient economy which is well positioned to benefit from growth opportunities. Independent research shows that Colchester is ranked 51st (out of 433) in the UK for high growth and economic performance.
- 4.3 The strategy recognises the need to be broadly aligned with the economic aspirations contained in the South East Local Enterprise Partnership and Essex Economic Plans. This alignment is particularly important when Colchester is able to benefit from UK and EU funding opportunities for skills, business and infrastructure.

5. Understanding the Local Economy

- 5.1 Underpinning this strategy is a comprehensive and robust evidence base. Evidence has been obtained from a wide range of government, academic and private sector studies.

These include the Official Labour Market Statistics, East of England Forecasting Model, Essex Employment & Skills Evidence Base, Grant Thornton Place Analytics data and Barclays 'Local Insights'.

- 5.2 Consultation has taken place with local businesses, business representatives and business partners such as the Colchester Business Enterprise Agency (COLBEA) and the Colchester Enterprise Hub. Feedback has been incorporated in the evidence base and has helped shape the overall direction of the Strategy.
- 5.3 The evidence base demonstrates that Colchester has a buoyant and resilient economy which has weathered the recession comparatively well. The latest data from Grant Thornton Place Analytics data which compares the economic performance of all areas in the UK place Colchester as 51st ('A' ranking) for high growth (employee growth, business growth, resident population growth and resident working age growth). Other Colchester studies point to an increase in Gross Value Added (GVA) of £2.4 billion in the next 17 years. More immediately the overall turnover for Small & Medium Size Enterprises (SME's) has increased by 13% and consumer spending has gone up by 4%.
- 5.4 The evidence base is also showing that there are areas of economic performance that need to be addressed if Colchester is to deliver a place which is vibrant, prosperous, thriving and welcoming for our residents, businesses, students and visitors. In terms of entrepreneurship, rate of business formation, productivity, proportion of knowledge workers and patents granted Colchester is 152nd in the UK ('C' ranking). In addition Colchester has proportionately less high skill and more low and unqualified individuals than the East of England and the UK. Also the working age population is currently exceeding the rate of new job creation, which is overwhelmingly part- time.
- 5.5 The strategy recognises the ongoing requirement to refresh data and when appropriate to review delivery in the light of new and compelling evidence.

6. Strategic and Delivery Priorities

- 6.1 The role of the Council is to work with public, private and third sector partners to create the conditions which will deliver economic development and growth.
- 6.2 The delivery of the strategy will focus on the delivery of challenging and ambitious targets. Informed by the evidence and consultation the following targets are proposed for delivery in the lifetime of the Strategy by the Council working in collaboration with its partners:
 - Create 6,000 new jobs
 - Raise the skill levels of our residents, including 500 apprenticeships
 - Create, retain and support 1,000 new businesses
 - Secure superfast broadband to all our businesses
 - Secure £5m of direct funding for skills and business support
 - Attract £10m of new inward investment
- 6.3 Delivery will focus on interventions which create the optimum Return on Investment (ROI) in terms of measurable economic benefits. Interventions will aim to benefit our residents particularly in terms of skills and employment opportunities, business growth, place and quality of life. Our approach will concentrate on the economic sectors that the evidence indicates have the strongest potential for growth in terms of new jobs, improving skills and securing new businesses, funding and investment.

- 6.4 Employment sectors are identified as being 'Priority' offering the highest potential for job and business growth and 'Core' which will provide moderate to strong potential for job and business creation whilst underpinning future economic growth in the Borough.
- 6.5 Delivery plans for each of the priority and core sectors will detail the people and place interventions (projects) planned for the period 2015 to 2021. Each of the interventions will identify the actions, investment and partnerships (public and private) required to ensure delivery is timely and effective.
- 6.6 In addition to the focus on priority and core employment sectors we will also secure improvements to the employment infrastructure of the Borough. This strategy will drive a range of initiatives to provide superfast broadband across the Borough, bring forward strategic employment sites and ensure that a full range of business support is available to create, retain and sustain enterprises.
- 6.7 We will build on our excellent track record of securing new funding to enable sustainable economic growth. This expertise and partner base will allow us to react effectively to the new economic growth funding streams from central government and the EU to generate jobs, improve skills and grow SME's.
- 6.8 We will lobby and work with Invest Essex and the UK Trade and Investment team to attract foreign direct investment and inward investment into Colchester. We will also proactively target companies expanding their UK base with a compelling Colchester offer. The offer will be promoted using effective sales channels to increase investor confidence in the Borough and generate leads which can be converted into new businesses. In addition to attracting new companies to Colchester we will work with local companies to safeguard and grow existing investment.
- 6.9 The strategy and performance of the local economy will be measured and evaluated against a range of key indicators including Gross Value Added estimates, business and labour market changes, commercial property changes, place rankings, retail vacancy rates and broadband coverage. The delivery plans referred to in 6.5 will be regularly monitored and evaluated to track success and measure impact including their contribution to meeting the targets set out in 6.2.

7. Strategic Plan References

- 7.1 The Colchester Economic Growth Strategy will help to achieve the following goals from the Council's Strategic Plan 2015 – 2018:
- Enhance the diverse retail and leisure mix supporting independent businesses valued by residents and visitors
 - Create the right environment for people to develop and flourish in all aspects of life both business and pleasure
 - Promote Colchester to attract further inward investment and additional businesses, providing greater and more diverse employment and tourism opportunities
 - Support people to develop the skills needed by employers in the future to take advantage of higher paid jobs being created
 - Promote Colchester's heritage and wide ranging tourism attractions to enhance our reputation as a destination
 - Be recognised as a centre of learning with excellent schools, colleges, University and educational opportunities for young people to make the best of their potential

- Be clear about the major opportunities to work in partnership with public, private and voluntary sectors to achieve more for Colchester than we could on our own
- Ensure Colchester is a welcoming and safe place for residents, visitors and businesses with a friendly feel that embraces tolerance and diversity
- Create a business friendly environment, encouraging business start-ups, support to small and medium sized enterprise and offer development in the right locations
- Make Colchester confident about its own abilities, to compete with the best of the towns in the region to generate a sense of pride

8. Consultation

8.1 The Colchester Economic Growth Strategy has been the subject of consultation, including:

- Meetings with key business stakeholders to comment on the draft Strategy and Evidence Base
- Meetings with education and skills stakeholders to comment on the draft Strategy and Evidence Base

The responses to consultations have been generally positive. Where comments, amendments and suggestions have been made these have been incorporated as appropriate.

9. Publicity Considerations

- 9.1 The Colchester Economic Growth Strategy will be published on the Council's website. A communications plan is being developed to publicise the Strategy.
- 9.2 The individual projects contained in the Delivery Plans will have a communication plan to generate interest and commitment to the project delivery. This will be tailored to the specific audiences using the appropriate communication channels.

10. Financial implications

- 10.1 The strategy sets out an ambitious and challenging vision for economic growth which will be delivered against a backdrop of significant reduction in funding for local government. In the current financial climate of reduced resources, the Council will need to look carefully at how it will use these resources to coordinate and deliver the strategy from existing budgets, investment and funding.
- 10.2 The Council will work to encourage its partners to commit their resources to meeting the priorities set out in the strategy.

11. Equality, Diversity and Human Rights implications

- 11.1 An Equality Impact Assessment has been completed and a link to the document can be found below:

<http://www.colchester.gov.uk/article/12743/Commercial-Services>

12. Community Safety Implications

- 12.1 It is anticipated that with the implementation of the Colchester Economic Growth Strategy there will be a positive benefit for Community Safety.

13. Health and Safety Implications

- 13.1 There are no Health & Safety implications

14. Risk Management Implications

- 14.1 There are no risk management implications.

Appendices:

Colchester Economic Growth Strategy 2015 to 2021 prospectus

Background Papers

Colchester Economic Development Strategy 2010 to 2015
Colchester Economic Growth Evidence Base 2015
Colchester Employment Land Needs Assessment 2015
Tendring Economic Development Strategy 2013 to 2023
Tendring Socio Economic Baseline 2013
Braintree Economic Prospectus 2013 to 2026
Economic Plan for Essex
Essex Skills Evidence Base 2014
South East Local Enterprise Partnership Strategic Economic Plan 2014