

Draft Shropshire Economic Growth Strategy 2017 - 2021

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1. Summary

- 1.1 A new draft Economic Growth Strategy for Shropshire from 2017 to 2021 has been prepared and was presented to Cabinet on 1st March 2017. The aim of this draft Strategy is to provide the vision and ambition that will direct the actions that the Council will take to achieve increased economic productivity and support a prosperous and resilient economy over the next 5 years.
- 1.2 The draft Strategy has taken into account the work that was commissioned last year with IPPR North to develop a new economic vision alongside the Council's own Corporate Plan and vision to 'make Shropshire a great place to live, learn and work', as well as the sub regional plans and national economic context. This Scrutiny committee were engaged by IPPR North during their process of engagement as one of the consultees and the Committee have been regularly updated on the progress with the preparation of the new strategy.
- 1.3 Cabinet agreed on 1st March 2017 to present this draft strategy for consultation, particularly seeking the views of the business sector, voluntary and independent sector, Town and Parish Councils as well as the Marches LEP and West Midlands Combined Authority (WMCA). The outcomes of this consultation will inform the final strategy, which will be taken back to Cabinet in the summer.
- 1.4 The draft strategy and supporting information including the IPPR North report and a short survey of questions are available on the Council's consultation page on the website. The documents can be accessed at <http://new.shropshire.gov.uk/get-involved/economic-growth-strategy/>. The consultation runs until the 28th April 2017.
- 1.5 Subject to the outcomes of the consultation, the intention is that there is an annual review of the actions that are set out in this draft Strategy and that the evaluation of achievements and updates are reported to Cabinet.

2. Recommendations

- A** Scrutiny members consider the attached draft Economic Growth Strategy 2017 – 2021 for Shropshire and agree feedback as part of the consultation process. Scrutiny members are referred to the consultation material on the website.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 Shropshire's economy has generally been performing well but it has the potential to do much better and to raise its economic productivity. There are a number of current challenges and future trends that, without a strategic economic approach and in the absence of targeted actions to address them, mean that the economy of Shropshire will under-perform.
- 3.2 The retention of existing business, the ability to develop and retain skills and talent and successfully attract new inward investment from outside Shropshire are all key objectives to supporting a step change in economic performance.
- 3.3 The Council has a key role to play in each of these objectives and a significant opportunity to use its own investment power, services and influences to maximise economic growth. There are six priority actions for the Council that are detailed in the draft Strategy (these will be underpinned with a communications and relationship management plan);
- Target actions and resources on economic opportunities
 - Enable businesses to grow and succeed
 - Deliver infrastructure to support growth
 - Meet skill's needs of businesses and people's aspirations for work
 - Promote Shropshire to investors
 - Build our reputation as a Council that is 'good to do business with'
- 3.4 There are four targets in the draft Strategy that have been based on evidence from the current Local Plan together with recent studies and forecasts. These are targets for the 5 year period of the study and progress against these and the actions will be monitored and reported annually. The actions will be defined as immediate (next 6 months), short term (within the next 2 years), medium term (within 2 to 5 years) and longer term (over 5 years).
- 3.5 An Equality and Social Inclusion Impact Assessment (ESIIA) for the draft strategy is being undertaken. The strategy and supporting information are available on the website and have been publicised through the local press. Officers are attending a number of meetings and events with businesses, stakeholders, community representatives and the voluntary sector over the coming weeks to present the key headlines of the draft strategy and encourage input as part of the consultation process. The ESIIA will be regularly updated over the 5-year term of the strategy.

4. Financial Implications

- 4.1 Increasing the business base of Shropshire is directly related to generating business rates that the Council receives. Retaining businesses and attracting new companies will support and raise the business rate income for the Council. This has become increasingly relevant given Government's changes to business rate retention by 2020.

- 4.2 An investment strategy for developing the key employment sites will inform an updated and detailed capital investment programme for the Council, which is an integral part of the Financial Strategy.
- 4.3 Following the outcomes of the consultation, the draft Economic Growth Strategy will help to inform how the council makes the best use of the £1m that has been allocated for economic growth from the New Homes Bonus reserve, as set out in the Council's Revenue Monitoring Report of 9th November 2016.

5. Background

- 5.1 There is significant evidence and analysed findings that sit behind the draft Economic Growth Strategy including the commissioned research report with IPPR North (jointly commissioned with University Centre Shrewsbury) to help Shropshire develop a new economic vision. A table setting out how the recommendations from this report have been responded to in the presented draft economic growth strategy is included as part of the consultation material.
- 5.2 In developing Shropshire's draft Economic Growth Strategy, the regional and national economic picture and context has been considered. It aligns with and informs the Marches LEP ambitions for growth as well as the West Midlands Combined Authority (WMCA) Strategic Economic Plan to 2030. Shropshire's role as a Non-constituent Member of the WMCA is an important development in the evolution of partnership arrangements with the wider West Midlands region and the mutual and shared benefits of growth.
- 5.3 The consultation period formally opened on the 13th March and will run until 28th April 2017.

6. Additional Information

- 6.1 The Government has recently launched the 'Building our Industrial Strategy' green paper for the UK and this provides a clear emphasis on the need for local economies to perform well, for this to be place led, and for the overall productivity of the UK to increase to close the gap that currently exists with other countries. This green paper has informed the development of our own draft Economic Growth Strategy and the intention is for the Council to respond to the Government's consultation by the 17th April 2017.

7. Conclusions

- 7.1 The new draft Economic Growth Strategy for Shropshire for 2017 to 2021 sets out a clear ambition and set of actions to increase economic productivity and for the Council to be bold, committed and focused in its leadership role to generate and support growth for the benefit of Shropshire residents and businesses.
- 7.2 The current consultation period is an opportunity for businesses, communities, partners and stakeholders to engage in the draft strategy and to provide their feedback.

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| <p>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</p> <p>Supporting documents and consultation material (including the IPPR North Report) available here:</p> <p>http://new.shropshire.gov.uk/get-involved/economic-growth-strategy/</p> <p>http://new.shropshire.gov.uk/media1/3965/shropshire-economic-analysis-report-ippr.pdf</p> <p>Corporate Plan 2016/17 to 2018/19</p> <p>https://www.shropshire.gov.uk/shropshire-council/corporate-plan/</p> |
| <p>Cabinet Member (Portfolio Holder)</p> <p>Councillor Steve Charmley, Portfolio Holder for Business and Economy</p> |
| <p>Local Members</p> <p>All</p> |
| <p>Appendices</p> <p>Appendix 1 – Shropshire Draft Economic Growth Strategy 2017-2021</p> |