

TITLE OF REPORT: Gateshead Economic Development Strategy 2021**REPORT OF: Peter Udall, Strategic Director, Economy, Innovation and Growth**

Purpose of the Report

1. To seek Cabinet endorsement of the new Economic Development Strategy for Gateshead '**Good jobs, growing businesses and great places**' and recommend that Council approve the Strategy as part of its policy framework.

Background

2. The Economic Development Strategy will provide a framework for prioritising economic development activity that creates opportunities for everyone to thrive while tackling the borough's key challenges.
3. In setting out a vision for a fairer, greener, more resilient economy, characterised by good jobs, growing businesses and great places, the strategy invites friends of Gateshead to work collectively towards this goal.
4. The strategy will not operate in isolation and should be read in conjunction with Thrive and the Health and Wellbeing Strategy.

Proposal

5. This report presents the proposed Economic Development Strategy for Gateshead, included in Appendix 3, amended to reflect changes resulting from comments, suggestions or issues raised.
6. Consultation has taken place with organisations, residents, businesses, and employees and included a series of events facilitated by the Council and hosted by NewcastleGateshead Initiative (NGI) as detailed in Appendix 2.
7. Gateshead Council would like to thank all volunteers, partners, stakeholders, and consultees who took part for kindly sharing their insights and expertise.
8. In response to consultation feedback concerning housing choice, quality, and affordability, together with the importance of digital inclusion to a fairer economy, the strategy has been amended. The updated version in Appendix 3 takes account of these priorities and synergies with the Housing Strategy and Digital Programme.

9. Some of the language has also been changed to ensure the ideas and ambitions articulated in the strategy resonate with the widest possible range of audiences, including residents and employees.
10. An Annual Delivery Plan will be developed to sit alongside the Economic Development Strategy. Its purpose will be to capture the actions Gateshead Council and its partners are taking to deliver the policy objectives within the strategy and meet the economic development needs of the borough and region.
11. Implementation of the strategy will be monitored through the Corporate Performance Management & Improvement Framework.
12. Agreement is sought to the Economic Development Strategy for Gateshead prior to seeking Council approval.

Recommendations

13. It is recommended that Cabinet endorses the Gateshead Economic Development Strategy and asks Council to approve the strategy as part of the Council's policy framework.

For the following reasons:

- (i) To ensure the Council is well placed to respond to the economic opportunities and challenges facing the borough and,
- (ii) Takes action to create a fairer, greener, more resilient economy for Gateshead that enables everyone to thrive.

Policy Context

1. Making Gateshead a Place Where Everyone Thrives sets the strategic direction for the Council, redressing the imbalance of inequality, championing fairness and social justice.
2. This approach has shaped development of the Health and Wellbeing Strategy for Gateshead.
3. An Economic Development Strategy for the borough supports the attainment of Thrive aspirations and policy objectives articulated in the Health & Wellbeing Strategy.

Background

4. The Economic Development Strategy is a vehicle to develop, coordinate and deliver place-based interventions that promote the economic ambitions and priorities established by the Thrive agenda, Health and Wellbeing Strategy, and Climate Change Strategy, aligned to the North East Economic Recovery Plan.
5. A draft strategy provided the context for engaging organisations, residents, and employees in a conversation about how to create a fairer, greener, more resilient economy – building on key strengths - while tackling economic, social, and environmental challenges that are critical to future success. This ensured that the strategy is informed by the perspectives, knowledge, skills, and experience of all those who are passionate about the future of Gateshead.
6. Organised into four cross-cutting, transformational themes, the strategy aims to accelerate the transition to an economy that enables everyone to thrive:
 - **Digital Economy:** supporting development of the digital economy, including tech start up and growth, collaboration between industry and academia, digital infrastructure, and the skills required to develop both a technically trained, and digitally literate workforce.
 - **Visitor Economy:** Gateshead has an iconic arts, culture and heritage offer that is attractive to residents, businesses, students, and visitors, however the pandemic has hit the tourism and hospitality sector hard. Increasing tourism investment and growing visitor and business visitor numbers, while making our urban and rural attractions more accessible, are key to regrowing and expanding a thriving visitor economy.
 - **Green Economy:** Transitioning to a green economy presents significant growth opportunities and challenges as the race to decarbonise energy, transport, buildings, and industries intensifies. The strategy highlights emerging growth, investment, training, and career opportunities in the green economy. Business and skills support to manage the impact of climate change and reduce carbon emissions is an emerging priority as Gateshead tackles its Net Zero mission.
 - **Local Economy:** local businesses are often the lifeblood of communities and neighbourhoods; providing essential goods, services, and employment for residents. The

strategy will look at the support local enterprise needs to access a greater share of money spent in the local economy and ensure the benefits of this wealth are recirculated to increase opportunities for business and employment growth in the borough.

7. These themes are underpinned by four pillars of activity that provide the strong foundations upon which we can seek to transform the economy:
 - **Supporting Businesses** – creating the conditions for business to flourish and provide good jobs for all, now and into the future
 - **Helping People** - building the capabilities of people to find, sustain and progress in employment and achieve economic security
 - **Shaping Future Places** - creating sustainable places and communities that are attractive to people and businesses and benefit health and wellbeing
 - **Improving Connectivity** - enhancing connectivity to ensure everybody can live, learn, and earn
8. An Annual Delivery Plan will be developed to sit alongside the Economic Development Strategy. Its purpose will be to capture the actions Gateshead Council and its partners are taking to deliver the policy objectives within the strategy and meet the economic development needs of the borough and region.
9. Implementation of the strategy will be monitored through the Corporate Performance Management & Improvement Framework
10. A copy of the Economic Development Strategy for Gateshead is included at Appendix 3.

Consultation

11. In preparing this report consultations have taken place with the Leader, Deputy Leader and Economy Portfolio holder.
12. Consultation has taken place with councillors, organisations, residents, businesses, and employees. This included a series of events facilitated by the Council and hosted by NewcastleGateshead Initiative (NGI). A comprehensive report will be provided in due course to everyone who attended the sessions. A summary of the consultation undertaken and key issues raised is detailed in Appendix 2.
13. The response to the vision was overwhelmingly positive and embodied stakeholders' aspirations for the borough. Stakeholders indicated further information about the Delivery Plan would be helpful to translate strategic priorities into a programme of action.

Alternative Options

14. The alternative is to not produce a strategy and operate without a clear set of shared policy objectives against which decisions on priorities and resources can be made and outcomes for people and businesses assessed.

Implications of Recommended Option

15. Resources

- a. **Financial Implications** – The Strategic Director, Resources and Digital confirms

there are no financial implications arising directly from this report. Any future resource implications arising from the strategy will be considered as part of the approach to budget and the medium-term realignment and investment of targeted resource towards achieving Thrive priorities and outcomes.

b. Human Resources Implications – there are no human resource implications arising directly from this report

c. Property Implications - there are no property implications arising from this report.

16. Risk Management Implications - the risk management implications of the strategy will be assessed by the Strategic Director of Economy, Innovation and Growth as part of the strategic risk management process.

17. Equality and Diversity Implications - the Economic Development Strategy will aim to reduce inequalities within Gateshead. An integrated impact assessment has been carried out to identify potential implications and impacts related to protected characteristics identified in the Equality Act 2010. This is attached at Appendix 4.

18. Crime and Disorder Implications – there are no specific crime and disorder implications arising apart from existing issues noted in this report.

19. Health Implications – the Economic Development Strategy will contribute to the achievement of improving health and wellbeing outcomes for local people and aim to reduce inequalities within Gateshead.

20. Climate Emergency and Sustainability Implications - the Economic Development Strategy is aligned with Gateshead's Climate Change and Heat Decarbonisation Strategies and will therefore support the borough's transition to Net Zero.

21. Human Rights Implications - there are no human rights implications arising from this report.

22. Ward Implications - all wards within the borough are covered by the Economic Development Strategy.

Consultation Process and Methods

1. As part of the consultation with organisations, residents, businesses, and employees the Council published information in several ways:
 - A draft Economic Development Strategy for Gateshead – Executive Summary presentation
 - A series of short videos designed to animate transformational themes, showcasing the impact of investment and partnership working in realising Cabinet's vision for the borough
 - A compilation of case studies demonstrating the ways support for business, people, places, and connectivity interact to deliver increased investment, business growth and employment opportunities across Gateshead and the region
2. Publication of the draft strategy was promoted to stakeholders, the local business community, and residents through:
 - Direct email to stakeholder consultees.
 - Gateshead Council's webpage
 - Gateshead Now; a fortnightly news bulletin reaching 34,966 people and read by 12,804 residents
 - Council Information (employee bulletin)
3. The consultation comprised a multi-stakeholder event, a residents' panel, a public survey, a workshop with the Youth Assembly and employee workshops and a survey.

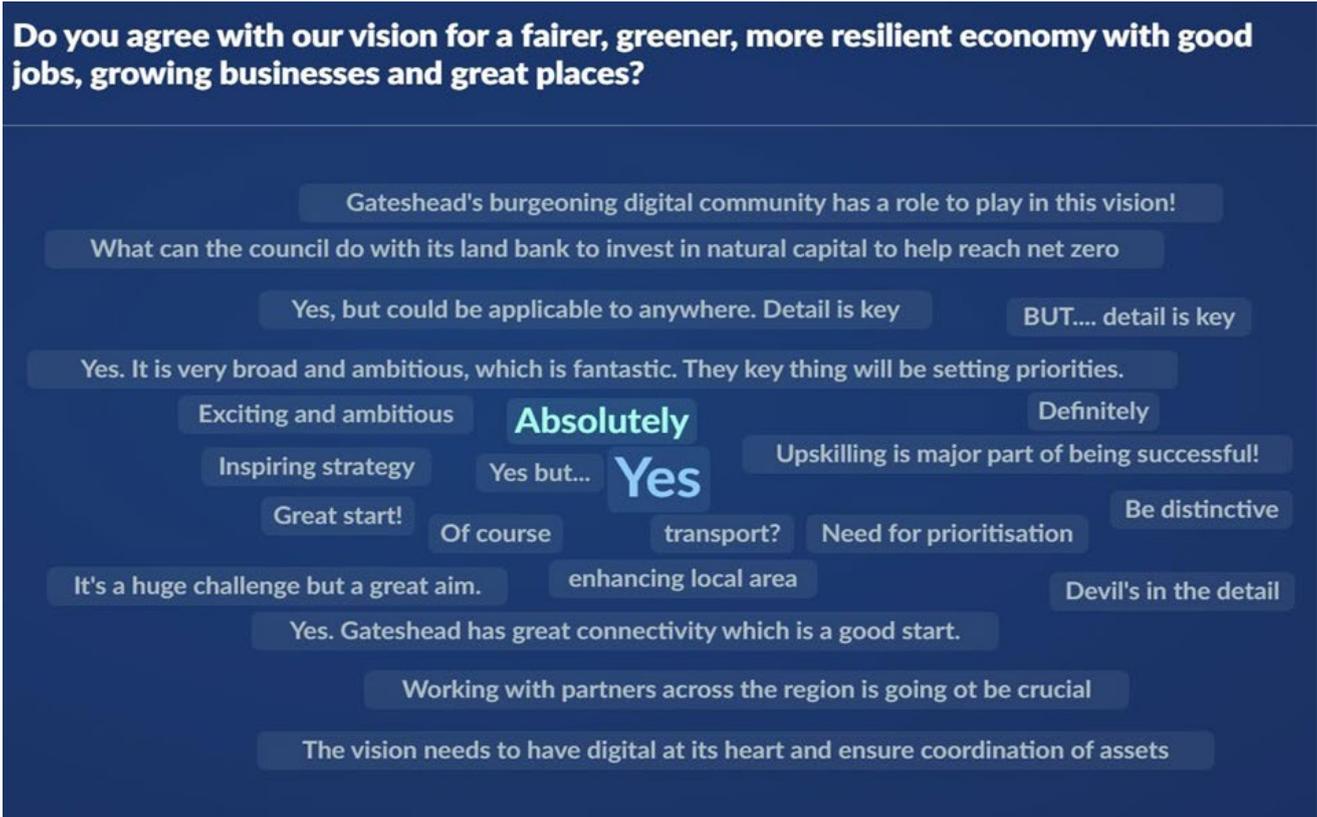
Multi-Stakeholder Event

4. A half day event with facilitated Q&A sessions and focus groups was held on 20th September 2021. The workshop involved public, private, and voluntary organisations interested in supporting an Economic Development Strategy for Gateshead.
5. The event was divided into three segments; the first session explored stakeholder impressions of the strategic vision, aims and objectives before consultees split into breakout groups. The groups examined specific topics linked to each of the strategy's eight key themes. A final plenary session asked attendees to describe the role their organisation could play in contributing to Gateshead's vision for the economy and identify the most important indicators of future success. Information on the format and content of the workshop is provided below.

Part A: Overall Impression of the Strategy, Aims and Objectives

6. This segment posed four questions to stakeholders
 - a. Do you agree with our vision for a fairer, greener, more resilient economy with good jobs, growing businesses, and great places; one that delivers a more equitable distribution of wealth and protects natural resources so that everyone, anywhere in Gateshead can thrive?
 - b. Does the strategy capture the key challenges and opportunities facing Gateshead?

- c. Are there any additional aims, objectives or priorities that should be included in the strategy and have you any evidence of these to share with us? Please explain any changes that are needed and why.
 - d. What can we do to support more collaborative working between the council, partners, and stakeholders? / How should we work with partners to make Gateshead's economy one in which everyone can thrive?
7. The response to the vision was overwhelmingly positive and embodied stakeholders' aspirations for the borough. Stakeholders indicated further information about the delivery plan would be helpful to translate strategic priorities into a programme of action.



Part B: Thematic Workshops

- 8. Each of the eight thematic areas which were joined by stakeholders depending on their areas of interest.
- 9. A number of questions examined the stakeholders views on how the Council and stakeholders could work better together to achieve the benefits outlined within the strategy.
- 10. Stakeholders views were sought on skills, support required opportunities and possible actions.
- 11. There was enthusiasm amongst stakeholders to contribute to the Economic Development Strategy to deliver the better outcomes for business, the economy and to provide greater opportunities for the people of Gateshead. Specific issues raised will be fed into our themed action plans as they are progressed.

Part C – Organisational Alignment & Performance

12. This segment posed four questions to stakeholders:

- a. What role can your organisation play in contributing to Gateshead's vision for the economy and how can you help to deliver the strategy? (Thrive pledge)
- b. How should we measure success against the vision and what are the most important indicators of change for Gateshead?

13. There was widespread recognition that ongoing external engagement will be paramount to achieve the scale of ambition articulated in the strategy, particularly its thematic objectives. Stakeholders identified a variety of potential success indicators, including:

- More and better jobs – higher skills and qualification levels and higher pay
- Meeting housing targets
- Meeting Net Zero targets
- The number of public, private, business, and voluntary partnerships contributing to the success of the vision
- The number of local people who are employed in the borough
- Investment brought into the borough, particularly green finance

Residents Panel

14. In carrying out consultation, the council has strived to foster an inclusive approach that recognises the real-life experiences of local people in formulating the Economic Development Strategy and forthcoming delivery plan.

15. The aim of the Residents Panel was to bring together a group of people who broadly reflect the diversity and geography of the local population - to imagine the type of economy they want in the future and suggest how this might be achieved.

16. This type of engagement aimed to ensure resident voices were captured and opportunities to engage with people who may not usually take part in public consultation were maximised. Better connected businesses, people and places emerged as a core theme.

Public Survey

17. A draft version of the strategy was published on Gateshead Council's website on the 20 September 2021, coupled with an online survey. Respondents had until 10th October to submit their written responses.

18. The survey generated feedback on the opportunities and challenges residents perceive should be prioritised in the strategy, together with suggested actions that can be taken to tackle these issues.

19. Respondents are 'self-reporting' and survey results are not weighted, therefore they are not necessarily representative of the population as a whole. Nonetheless, the insights are

valuable and indicate overall support for the strategic direction of travel.

20. 85% of respondents agreed with the vision set out in the strategy.

Gateshead Youth Assembly

21. Officers from the Council and NGI representatives attended a meeting of Gateshead's Youth Assembly organised by Gateshead's Youth Council Coordinator. They gathered the views of a range of young people aged between 12 and 21 years, who live or are educated in the borough. They raised issues about public transport attractiveness and connectivity and the need to have and the need to have access to training, employment opportunities and career advice

Employee Consultation

22. Officers from Economy, Innovation and Growth Group presented the strategy to cross-service workshops, in team meetings and at council-wide drop-in sessions to gather staff feedback. A total of 148 employees attended presentation Q&As and 50 responded to the online survey. Respondents agreed that the strategy captured the key challenges and opportunities facing Gateshead. Detailed comments will be fed through to the relevant themed action plans.

ECONOMIC DEVELOPMENT STRATEGY TO BE INSERTED



DRAFT 28/10/21

Gateshead Economic Development Strategy

Good jobs,
growing businesses
and great places



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

APPENDIX 4

<p>Title of proposal:</p> <p>Gateshead Draft Economic Development Strategy</p> <p>To improve economic outcomes for residents and businesses in Gateshead and address inequalities through interventions aligned with five strategic policy objectives:</p> <ol style="list-style-type: none"> 1. Building the Economy of the Future 2. Supporting Businesses 3. Helping People 4. Shaping Future Places 5. Improving Connectivity 	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	Description of potential mitigation
<p>Equality impact: (☑ all that apply. The assessment should also consider impact on council employees and carers where applicable)</p> <p>Description of impact:</p> <p>The vision within the strategy is of an economy that is fairer, greener and more resilient that enables everyone to thrive and delivers good jobs, growing</p>	✓	✓	✓		✓					



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>businesses and great places.</p> <p>Fairness is at the heart of the strategy and this is explicit in the statement that there is a need to achieve an equitable distribution of wealth, health and wellbeing across the population to realise this vision.</p> <p>Each of the strategic policy objectives will contribute to this vision e.g.</p> <ul style="list-style-type: none"> • Building the Economy of the Future. Identifies four areas of focus that will transform our economy. Digital includes recognition of the need to tackle digital inclusion; Green identifies the need for a just transition; Visitor identifies improvements in job quality and progression and Local is about furthering Community Wealth Building which will benefit local communities • Supporting Businesses. Identifies the need to improve business practices in terms of fair employment and social value • Helping People. This identifies the need to help people across the life course into good work and includes a priority to tackle under- 											
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Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>representation in the labour market.</p> <ul style="list-style-type: none">• Shaping Future Places. This acknowledges the importance of inclusive places that provide services accessible to all and that benefit health and wellbeing• Improving Connectivity. This identifies the need to provide more affordable forms of transport to connect people and places.											
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INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Health impact: (eg physical, mental health, wellbeing, substance misuse)</p> <p>The aim of the strategy is to improve the economic outcomes of Gateshead residents and employees. This will have a positive impact on health and wellbeing as the economy is one of the wider determinants of health. The EDS will therefore directly contribute to the policy objectives of the Health & Wellbeing Strategy.</p>	
<p>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</p> <p>The overall aim of the strategy is to improve the economic outcomes of Gateshead residents and employees. This will have a positive impact on the socio-economic status of residents.</p>	



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INTEGRATED IMPACT ASSESSMENT TEMPLATE

<p>Environmental impact: (does the proposal impact on climate change and the Council's commitment to be carbon neutral by 2030?)</p> <p>The ambition within the strategy is for a greener economy with an aim to tackle climate change and environmental degradation. This will have a positive impact on the environment.</p>	
<p>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</p> <p>The overall impact of the strategy is considered to be positive</p>	



Tackle inequality so people have a fair chance

INTEGRATED IMPACT ASSESSMENT TEMPLATE

Summary of consultation/data/research undertaken to inform the assessment:

(e.g. feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)

The following engagement activities were undertaken to inform the strategy:

- Members Advisory Group
- Multi-Stakeholder Workshop Event
- Residents Panel
- Online Survey for external partners (stakeholders and residents)
- Employee Workshop Events
- Employee Survey

Feedback from these activities is incorporated in the Cabinet Report (Appendix XX). With regards to equalities, of note was:

- Making the aim of tackling digital exclusion more explicit
- Recognising the importance of ensuring people have sufficient income in retirement
- The significance of a supply of decent, affordable housing as a basis for a fairer and more resilient economy

Amendments to the strategy were made to reflect these comments.

Signed: (completing officer) Andrew Marshall

Date: 29th October, 2021

Strategic Director: (approved) Peter Udall

Date: 4 November, 2021