

Environment and Economy Overview and Scrutiny Panel

Agenda
Item:
A.3

Meeting Date: 2nd March 2017
 Portfolio: Economy, Enterprise and Housing
 Key Decision: No
 Within Policy and Budget Framework: YES
 Public / Private: Public

Title: An Economic Strategy for Carlisle District
 Report of: Corporate Director of Economic Development
 Report Number: ED 09/17

Purpose / Summary:

To provide the panel with the background to, scope of, and draft timetable for the development of an Economic Strategy for Carlisle District.

Recommendations:

To note the background to and progress made to date, and to scrutinise the draft scope of the Economic Strategy and its timetable for development.

Tracking

Overview and Scrutiny:	2 nd March 2017
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1. BACKGROUND

- 1.1 It has been some time since Carlisle has had an up to date Economic Strategy. Despite this, the economy of the District has clearly evolved and the Council has maintained a handle on the picture of the economy, owing largely to the two Economic Reviews (2013 & 2015) commissioned by Carlisle Economic Partnership (CEP) and funded by the City Council. In addition to this, our intelligence about the picture of the local economy is brought together by a wide range of factors and partners, for example Cumbria Intelligence Observatory supplies a monthly labour market briefing (Appendix 1) and Cumbria LEP and Cumbria Chamber of Commerce also contribute to the wider picture of Carlisle's performance within Cumbria.
- 1.2 It is now considered an opportune time to progress with the development of a new Economic Strategy for the District. With the recent adoption of Carlisle District Local Plan 2015-2030 and the prestigious designations of Enterprise zone status at Kingmoor Park and Garden Village status at St. Cuthbert's, this is a key time in which significant opportunities exist within the District for economic development. It is important that the Council, as a key partner, does its utmost to create the right conditions to attract investment, particularly targeted investment in those sectors considered to have the highest growth potential.
- 1.3 Carlisle has a prosperous economy which is already home to many international and successful brands, with its employment performance experiencing growth of 4.1% since 2009, outperforming the UK average. The locational advantages and skilled workforce have helped to power thriving engineering, manufacturing and logistics industries with the presence of Pirelli, Nestle, McVitie's and Eddie Stobart being testament to this. Key employment sectors in Carlisle include: health (16.7%); retailing (11.8%); manufacturing (10.3%); and transport and storage (8.1%), and there has been an 8.2% growth in the working-age group over ten years with skilled trades and process workers representing a higher proportion of the workforce than England and Wales. In addition to this, beneath the headline firms sit a diverse and growing range of innovative SMEs.
- 1.4 There is clearly an existing detailed baseline which establishes the current picture of the economy based on the Economic Review of Carlisle carried out by the University of Cumbria, however in order to inform the Economic Strategy, Carlisle City Council commissioned Regeneris Consulting Limited in December 2016 to carry out a piece of work to establish those growth sectors that the District is best suited to attract in future and the land and locational requirements of such sectors.

There are also a number of emerging studies from Cumbria Local Enterprise Partnership (LEP) which will be of interest and add value to Carlisle's Economic Strategy, including the Tourism Growth Plan and the Rural Growth Plan.

- 1.5 Whilst Carlisle's strengths appear to be clear, the work by Regeneris will identify the sectors of the economy where growth is more likely to take place and where Carlisle has a competitive advantage. This in turn will inform the Economic Strategy to ensure that Carlisle is in a strong position to attract investment and businesses, and thus connect into and capitalise on areas of growth. This study will be integral in clarifying the City's strengths, weaknesses, opportunities and threats and how well placed Carlisle is to respond to opportunities that may arise from growth sectors.

2. SCOPE OF THE ECONOMIC STRATEGY

- 2.1 Understandably the detail of the Economic Strategy will remain fairly fluid until the conclusion of the growth sector study. This will provide a clearer way forward in terms of the sectors that specific efforts should be made to attract in order to enhance the economic performance of the District. Despite this the scope of the Economic Strategy is fairly clear in terms of what it should cover, under the following broad sections;

Setting the Scene

Picking up on where we are now, Carlisle District's strengths, weaknesses, opportunities and threats – the baseline (as informed by the Economic Review of Carlisle and Regeneris Growth Sectors study).

Detailed analysis of key contributors to Carlisle's Economy

This section will be the most detailed, where analysis of the following contributors to the economic picture of Carlisle District will allow actions to be identified for moving forward, including, but not limited to:

- Inward Investment;
- Business support;
- Business engagement;
- Place promotion
- Rural economy;
- Social enterprise
- Tourism;
- Housing;
- Connectivity & Infrastructure;

- Skills;
- Enterprise Zone.

Carlisle's Economic Future

This section will consider what we want Carlisle District's economy to look like over the next 15 years, what do we want to achieve? This will involve interrogation of the aforementioned studies and importantly, consultation with businesses and stakeholders will be vital to establish a vision and identify key issues.

Essential Actions/To-Dos

Consideration is to be given to the most essential priorities in order to achieve a successful economic future for Carlisle by effectively focussing City Council resources and energies over the term of this Economic Strategy, to avoid the temptation to do everything and spread ourselves too thinly. It will be important to be realistic.

Actions will focus on those priorities that will deliver maximum change related to what we want, and need, to address. The priority areas will also outline what we will do in partnership, as the public sector and what we will seek external funding to help deliver.

At the forefront of Carlisle's new Economic Strategy will be delivery – our plan of how to achieve it and what we are going to do to achieve it.

3. TIMETABLE FOR THE DEVELOPMENT OF THE ECONOMIC STRATEGY

At this stage the timetable remains draft however an indicative timeframe is provided at Table 1.

Tasks	Month							
	March	April	May	June	July	Aug	Sept	Oct
E & E O&S								
Analysis of baseline								
Receipt of Regeneris Growth Sectors Study								
Draft Economic Strategy document								
Consultation with key stakeholders, businesses & partners								
Consultation responses taken on board and strategy amended								
Strategy begins committee process								
Economic Strategy adopted								

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 As highlighted within this report, good progress had been made to date in relation to the background information required to begin to compile an Economic Strategy for Carlisle District. It is now imperative that building on the outcomes of the growth sectors study, the City Council moves forward with a plan of action in order to capitalise particularly on those sectors where potential for growth has been identified. At the forefront of Carlisle’s new Economic Strategy will be delivery – our plan of how to achieve it and what we are going to do to realise our ambitions.

4.2 Members of the Panel are therefore asked to note the background to and progress made to date, and to scrutinise the draft scope of the Economic Strategy and its timetable for development as outlined within this report.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The development of an Economic Strategy contributes directly towards achieving the Vision of the Carlisle Plan 2015-2018 – ‘To improve the...economic prosperity of the people of Carlisle’, and ‘further establish our position as the regional centre and focus for investment’. It also contributes towards its Priority ‘Support business

growth and skills development to improve opportunities and economic prospects for the people of Carlisle’.

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Appendices **Appendix 1:**
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

N/A