

 Executive Committee 2nd March 2010		Agenda Item No. 10
Title	The Local Economy	
For further information about this report please contact	Chris Elliott, Chief Executive 01926 456000: chris.elliott@warwickdc.gov.uk	
Service Area	Chief Executive's Office	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	October 2010, Minute no 81	
Background Papers	See Appendix 1	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant Deputy Chief Executive, Head of Service, Finance, Monitoring Officer and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Author
Head of Service		All
CMT		Andrew Jones, Bill Hunt
Section 151 Officer		Mike Snow
Monitoring officer		Andrew Jones
Finance		Jenny Clayton
Portfolio Holder(s)		Michael Doody, Andrew Mobbs, John Hammon
Consultation Undertaken		
Please insert details of any consultation undertaken with regard to this report.		
With all Heads of Service and WCC on collecting information for this report.		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
A further report will be presented to the Executive on a proposed economic and investment strategies that are consistent with the growth levels allowed for in the local Plan which will be determined following widespread public consultation as proposed in item 9 of this agenda.		

1. **SUMMARY**

1.1 This report:

- * sets out an understanding of the local economy currently and its future prospects;
- * considers how the Council may be able to influence the local economy for the better;
- * considers the impact of the local economy on the Council and how influencing the local economy for the better will also impact on the Council.

1.2 The report suggests that the Council prepares an economic strategy and an investment strategy that are consistent with the growth levels as may be provided for within the Local Plan for the District following widespread public consultation as proposed to be undertaken by item 9 of this agenda.

2. **RECOMMENDATION**

2.1 That the Executive notes the contents of this report.

2.2 That the Executive agrees that an Economic Strategy and an Investment Strategy be prepared that are consistent with the growth levels as may be provided for within the Local Plan for the District following widespread public consultation as proposed to be undertaken by item 9 of this agenda.

2.3 That the Executive notes that the Investment Strategy will of necessity have to also address and support proposals within the Local Plan and the other priority policy areas of the over arching Sustainable Community Strategy for Warwick District.

3. **REASONS FOR THE RECOMMENDATION**

3.1 Appendix 1 and its Annexes set out a picture of the local economy. It is also illustrates how the local economy has affected the Council's services and income and costs. It demonstrates that the Council can influence the local economy in a number of ways not least by establishing the growth levels to be provided for over the next 15 years via the Local Plan process. Accordingly it should draw together the various ways that it can impact beneficially on the local economy in one strategy.

3.2 Whatever, the conclusion reached by the Council in respect of growth levels to be provided for within the Local Plan it will be the most material decision the Council can make in respect of the local economy. Drawn too tightly, and it will restrain the economy; too laxly and other important issues may be sacrificed. Consequently, the path to be chosen by the Council needs to be consistent across policy areas and so an economic strategy will have to be consistent with the growth level to be allowed for within the Local Plan. Of course, if the Council has particular aspirations in respect of the local economy, this will need to be reflected in the Local Plan and its provisions.

3.3 It is clear from Appendix 1 that there are now many more investment tools available that the Council can or could use to deliver infrastructure of all forms (the Council will in any case be required to prepare an infrastructure delivery plan to support the Local Plan) and to help deliver the Council's economic aspirations. These tools and the resources that the Council and key partners may have at their disposal need to be brought together in an Investment

Strategy. Of necessity because economic issues cross over with many other, an Investment Strategy will and should address the other priority areas of the over arching Sustainable Community Strategy – i.e. Housing; Health and Well Being; Community Safety and the cross cutting themes of Sustainability; Rurality; Supporting Communities; Community Involvement; and Narrowing the Gaps.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 The Council could decide not to prepare an Economic Strategy and Investment Strategy. However, it would inevitably make policy on the local economy and on investment by a series of ad hoc decisions in response to particular circumstances arising. Whilst this is tenable it is not the best use of council resources and it does run the considerable risk of the Council making contrary decisions.

5. BUDGETARY FRAMEWORK

- 5.1 There are no budgetary implications at this stage but when an investment strategy is developed it will have to fit in with and also influence the Council's revenue and capital plans.

6. POLICY FRAMEWORK

- 6.1 Jobs, Skills and the Economy is one of the 4 priority policy areas of the Sustainable Community Strategy (SCS). Consequently the preparation of an economic strategy is consistent with and will help implement the key provisions of the SCS. An Investment Strategy will help all aspects of the SCS be achieved but will do so within the context of the Council's financial resources (existing and likely future resources).
- 6.2 Another item on this agenda deals with a Child Poverty Strategy for the County area. One of the aspects it proposes is infrastructure works to create employment and so lever people out of poverty. The proposed Economic and Investment strategies will directly contribute to those intentions.

7. BACKGROUND

- 7.1 The Executive considered a report in October 2010 on Fees and Charges and considered that simply increasing fees and charges had reached an optimal point and that the Council needed to consider income prospects within the context of an understanding of the local economy and how the Council could assist the local economy and in doing so also benefit. To that end a further report was to be presented to the Executive. This report fulfils that decision.