

# County Durham Economic Strategy 2008-2013

## Presentation to Durham County Council

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Economic Partnership

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County Durham  
Economic  
Partnership



# County Durham Economic Strategy (CDES) Consultation

- Launched 3<sup>rd</sup> December 2007 for 4 months
- What we want out of the consultation:
  - Raise awareness of the challenges and opportunities
  - Feedback to inform the Strategy's development
  - Encourage more people to be actively involved in development of the County's economy



# The consultation process

- Publications - Countywide
- County Durham Citizens Panel
- County Durham Economic Partnership website
- Presentations at local partnerships
- Engagement with young people and the voluntary and community sector
- University facilitated debates



# Why update the CDES?

- Economy looks very different from 2002....
- Economic development policy context is changing - city regions, more strategic role for RDAs...
- Local Government Reorganisation
- CDES will set out
  - clear priorities for economy and narrowing the productivity gap between the County and the region / nation
  - County Durham's role and contribution to the city region
  - Priorities for investment - by One NorthEast, local authorities, other key partners



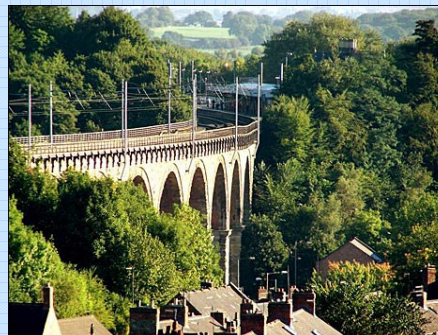
# Making progress....

- Educational attainment is improving
- Increasing numbers of employees qualified to NVQ Level 2
- High business survival rates
- Some manufacturers prospering...others not
- Increased investment in property in some places both housing and workspace



# World Class Economic Assets

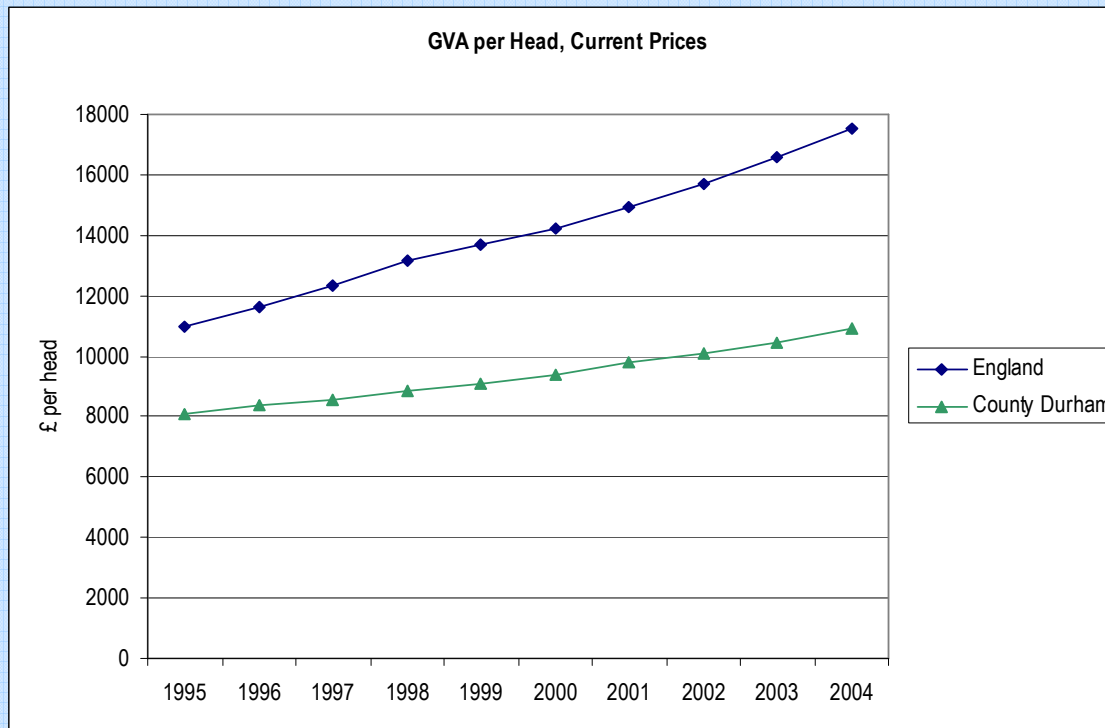
- Durham City
- Durham University
- NETPark
- Transport infrastructure
- Our People



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# Economic Challenges and Opportunities (1)



- County's GVA improving but gap with NE and England is widening - almost £2.1 bn in 2004

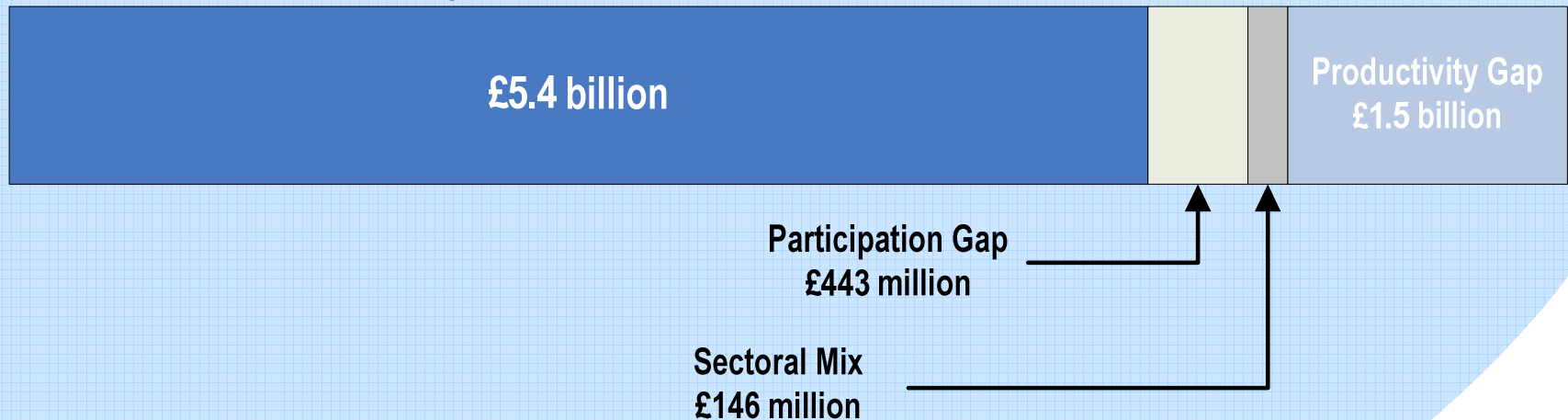


# Economic Challenges and Opportunities (2)

Potential GVA



Actual GVA and Gap Analysis



- productivity is key





# Economic Challenges and Opportunities (3)

- Manufacturing remains County Durham's most significant private sector - and is key driver of productivity and GVA
- Require a significant shift of employment from low to high value added employment sectors
- Relatively low business start up rates
- Need an increase of 64,260 graduates to meet Leitch 2020 targets
- Need 17,000 workless residents to take up employment



# What are we aiming for?

*By 2023 we want County Durham to have a modern economy with more jobs, higher income levels, a more skilled workforce and more businesses able to compete in regional and global markets.....*



# How do we achieve this?

## Competitive Business - a can do culture

- Focus on sectors with growth potential
  - Manufacturing and engineering
  - Environmental technologies
  - Financial and business services
  - Tourism
- Develop more science and technology-based businesses
- Improve business productivity and workforce skills - invest in the long-term
- Increase start-ups and self employment
- Improve access and take up of broadband



# Competitive People

- Raise aspirations for work and learning - young people and adults
- Encouraging enterprise
- Helping people to re-enter and remain in work
- ‘join up’ local employment and skills support



# Competitive Places

- Develop Durham City
- Realise the potential of our town centres
- Develop key tourism/leisure assets
- Improve and develop land and premises for business



# Flagship Projects

- Durham City
- NETPark
- Eastgate
- Barnard Castle
- Beamish
- GREAT Institute
- County wi-fi project



# Targets for 2013

- Aspirational - focus on narrowing the gap in economic performance
- Achieve growth in GVA in excess of 4% per annum - almost double current regional growth rates - to £8 billion by 2012/13
- Doubling current start up rates to increase the number of net additional VAT registered businesses from 200 to 400 p.a
- Massive increases in the proportion of our adult workforce educated to NVQ Level 3 (55%) and NVQ Level 4 (35%)
- Increase *average gross weekly earnings* for County Durham residents to 90% of the GB average from 85% in 2006



# Questions

1. Are workforce skills our biggest challenge? If not, what is?
2. How can we encourage employers - including those in the public sector - to invest in skills?
3. Should we focus on sectors with growth potential?
  - Manufacturing and engineering
  - Environmental technologies
  - Financial and business services
  - Tourism

..or on other sectors?
4. Are the flagship projects the right ones?
5. Are we missing some big ideas - if so what are they?

