

**TEESDALE DISTRICT COUNCIL**

**Report To: EXECUTIVE COMMITTEE  
10 MARCH 2008**

**From:** Director of Regeneration

**Lead Member:** Cllr Josephine Fergus

**Ward Member:** All Ward Members

**Subject: CONSULTATION RESPONSE TO COUNTY DURHAM  
ECONOMIC STRATEGY 2008 - 2013**

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**1.0 SUMMARY**

- 1.1 A consultation draft County Durham Economic Strategy 2008-2013 "Building our Future" has been circulated for comment. The draft strategy sets out a long-term plan for the economy and the actions needed to achieve its objectives and to raise productivity levels.
- 1.2 The Strategy has been constructed upon three key objectives:
- to make County Durham's businesses more competitive and productive, and rebuild a culture of enterprise across the County
  - to improve the employability and skills of the County's workforce
  - To improve the economic competitiveness of the County's major towns
- 1.3 Closing the productivity gap will require a shift of employment from low to high value added employment sectors and there is recognition that County Durham has a low skills base and high levels of incapacity benefit. At present the gap in economic performance between County Durham and the regional and national economies is widening.
- 1.4 A range of local, regional and national organisations are being consulted and this includes the Teesdale Local Strategic Partnership who recently organised a presentation and seminar on 13<sup>th</sup> February to which members were invited. Consultation responses are required by 7<sup>th</sup> March 2007 and the Executive Committee are being asked to endorse the response retrospectively.
- 1.5 Generally the feedback received is that the Strategy provides a comprehensive and sound analysis of the current challenges facing the County Durham economy. However, comment was also made that the document requires further rural proofing, as set out in the main body of this document.

## **2.0 RECOMMENDATION(S)**

**2.1 It is recommended that the action taken by the Director of Regeneration in responding, as now detailed, to the County Durham Economic Partnership be endorsed.**

## **3.0 LINK TO CORPORATE KEY PRIORITIES/AMBITIONS**

3.1 Priority: Grow the Economy

3.2 Ambition:

E.1. Create and sustain employment in Teesdale

E.2. Increase visitor spend in the District

E.3. Bring about a sustained economic 'step change' in the District

3.3 Outcome:

-increasing entrepreneurial activity and innovation, with more jobs created and existing ones sustained

-residents having improved skills and confidence to meet current and future business needs

-increasing the supply of business space to meet current and future business needs

-increasing income from tourism

## **4.0 BACKGROUND**

4.1 The opportunity to make an input to the draft County Durham Economic Strategy 2008-2013 "Building our Future" is welcomed. The comments that follow represent views expressed at a presentation and seminar organised by the Teesdale Local Strategic Partnership and a detailed analysis of the document.

4.2 The focus on the priorities of Competitive Business, Competitive People and Competitive Place is broadly supported, but with recognition that rural areas are vital to the sustainable development of the region, the County and to sustainable communities. Housing affordability has consistently been a major issue in Teesdale, with the ratio between earnings and house prices consistently greater than the equivalent figure in the County. In a district with a small and ageing population, the further loss of younger residents has a significant impact on the labour force. This affects both the level of new businesses which start up, the ability of current businesses to expand and the ability to attract inward investment to an area with a small labour force.

4.3 The emphasis on working with existing businesses to increase workforce skills is supported. In relation to areas of deprivation in the North East area of Teesdale, narrowing the gap in terms of access to employment should be a key consideration but this area has not had access to additional public funding received by other similar areas within the County. To ensure parity, it is recommended that support for this area is brought into line with the rest of the County.

4.4 The emphasis on developing a County-wide wi-fi network is welcomed as a bridge between urban and rural, as is the emphasis on supporting the economy (including tourism) through key projects in Barnard Castle and Middleton-in-Teesdale, as well as supporting villages to become sustainable. The support for Eastgate and Hamsterley Forest is recognised as a potential benefit for the whole of the rural South West.

- 4.5 Options to improve the science and technology base of Teesdale, including improving sites and premises infrastructure and links to universities, perhaps through extensions or outposts of technology belts, to attract more knowledge-based industries would be welcomed. Whilst we see the need to invest in the urban areas as a way of providing benefits to the County as a whole, rural deprivation is a real problem and the economic strategy which is eventually adopted needs to recognise the special needs of the rural areas and the "across the board" support needed. This is particularly pertinent to the important agricultural base that needs to be recognised within the Strategy, not least in terms of landscape stewardship, environmental impact and tourism.
- 4.3 In addition to the points made above, areas of emphasis thought to be missing from the document include the business opportunities in the environmental renewables sector, local procurement (how money is spent and re-spent in local economies), creative transport solutions and positive partnerships with industry.

## **5.0 STATUTORY CONSIDERATIONS**

6.1 Financial Implications: None

6.2 Risk:

<b>Risk</b>	<b>Category</b>	<b>Implications</b>
Teesdale response may not be accepted and incorporated into finished Strategy	Reputational	Lack of incorporation of Teesdale and rural issues into Strategy will lead to lost opportunities for economic growth

- 6.3 Equality and Diversity: EIA for service completed
- 6.4 Human Resources: Staff time
- 6.5 Community Safety: None
- 6.6 Legal Issues: None

**Background papers:** "Building our Future" County Durham Economic Strategy 2008-2013 and "Have Your Say" consultation leaflet

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