

28 June 2022



**Inclusive Economic Strategy – Econ-
versation Feedback**

**Report of Geoff Paul, Interim Director of Regeneration, Economy
and Growth**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report gives an overview of the comments received in response to the Big Econ-versation on the Council's new Inclusive Economic Strategy. It is a priority of the County Council to engage in the development of the strategy and this report is the second report of a number expected to the Economy and Enterprise committee.

Executive summary

- 2 In December 2021, the council's Cabinet agreed to the process for developing a new Inclusive Economic Strategy and that the development of the strategy should be preceded by a conversation with stakeholders across the county to understand their views on economic opportunities and challenges. As a result, the Big Econ-versation was undertaken between 31 January and 22 April 2022.
- 3 By the end of the Econ-versation over 86 events had been held and attended with over 1500 people engaged. A total of 1455 surveys were completed including 918 residents, 94 businesses and 443 young people. Some of the key messages coming out of the Econ-versation were:
 - County Durham needs more good quality jobs to support people into work, improve earnings, retain skilled residents and young people, and ensure that there is a healthy workforce;
 - There is an opportunity to build on and grow sectoral strengths in the county, including in manufacturing and energy;
 - These good quality jobs need to be accessible to local people, through improved public transport, especially in rural areas;

- Flexible and inclusive skills provision, retraining, careers advice and work experience was identified as an area to improve and is important for young people and workers of all ages. This will also bring benefits to businesses through increased productivity and growth;
 - Support is required to improve the health of residents and workers to help target the causes of poverty;
 - There is a lot on offer in the county – a diverse and beautiful natural environment, culture and heritage – but more needs to be done to market and promote the county, attracting people to live, work and visit the county;
 - Investment is needed county-wide, particularly in smaller towns and villages, to regenerate high streets and town centres through a more diverse offer, support local businesses, create local jobs for residents, and restore confidence and a sense of community; and
 - Green economy and climate change is a priority for residents and is seen by business to be a major opportunity for growth. While residents are supportive of net zero, they want a balanced approach that protects jobs and is manageable with wider economic pressures.
- 4 Using what we have brought together from the Economic Review, the Economic Statement and the Big Econ-versation we now need to develop the priorities and actions for the Inclusive Economic Strategy. We will then test these over the summer and prepare a draft in the autumn which we will then share for further comment before the document is signed off by Cabinet.
- 5 The Inclusive Economic Strategy will be a key document to support the County's economic growth in the future.

Recommendation

- 6 Scrutiny members are recommended to note the report and presentation and comment accordingly.

Background

- 7 In December 2021 the council's Cabinet agreed an approach to develop a new Inclusive Economic Strategy based on a three-stage process:
- **Economic Review:** Core evidence base;
 - **Economic Statement:** A short document to inform the conversations on the new strategy; and
 - **Conversation and Strategy Development:** A broad conversation with stakeholders and partners which will be used to develop a draft strategy.
- 8 Cabinet agreed that the development of the strategy should be preceded by a conversation with stakeholders across the county to understand their views on economic opportunities and challenges. As a result, the Big Econ-versation was undertaken between 31 January and 22 April 2022.

Our Big Econ-versation

- 9 In January, a stakeholder engagement process was launched as 'Our Big Econ-versation'. The conversation was supported by its own website which was designed to catch people's attention. Three surveys were available for businesses, residents and young people to complete. The Econ-versation was also supported by a comprehensive media campaign including social media, press releases, bus advertising, case studies of residents and businesses, County Durham News, posters, etc.
- 10 Officers are also organising several bespoke events with businesses including a Business Breakfast on 29 March 2022, presentations and workshops for the county's Business Networks, the North East England Chamber of Commerce, Registered Providers, Enterprise Agencies and the County Durham Start Up Network. Workshops were also held with the North East Local Enterprise Partnership and Durham University and discussions held with the NHS Foundation Trusts as anchor organisations.
- 11 We also worked with our communities and our members through presentations and discussion at Area Action Partnerships, promoting the conversation at meetings hosted by other bodies such as the County Durham thematic partnerships, external organisations and town and parish councils. We also worked specifically with the County Durham Together Partnership to encourage engagement in the Econ-versation and with our Community Champions through a series of workshops to explore different topics.

- 12 Officers are also working with colleagues across the council (e.g. public health, the gypsy and traveller service), external partners (e.g. voluntary and community groups), and programmes (e.g. DurhamWorks) to ensure the conversations included individuals and groups that may not have ICT equipment or may need additional support in order to respond.
- 13 By the end of the Econ-versation over 86 events had been held and attended with over 1500 people engaged. A total of 1455 surveys were completed including 918 residents, 94 businesses and 443 young people.

Resident Survey Responses

- 14 918 responses were received to the resident's survey, 63% of which were female, 36% male and 1% non-binary/other. 20% of respondents identified as disabled and the majority of respondents were aged over 45 and in full time employment. Some of the key points raised were:
- 1 in 3 respondents have faced barriers to good skills training, jobs and career progression including:
 - Poor transport connectivity or insufficient transport options, especially in rural areas;
 - Lack of well paid, highly skilled, secure jobs and career opportunities that offer progression in the county compared to other parts of the region and country;
 - A lack of investment in the county and concentration of existing investment in Durham City and larger towns rather than smaller towns and rural areas – and a concern that this was driving people out of the county;
 - A lack of investment in education and skills with limited provision;
 - Limited retraining opportunities for older people, as well as the high cost and inflexible nature of provision. The barriers for older people seeking employment opportunities was also raised; and
 - Some residents said they would like to see more support for disabilities and residents with special educational needs;
 - Approximately one quarter of disabled respondents work full-time, compared to over half of non-disabled respondents;

- Residents would like to see investment in town centres and high streets including more events;
- Many residents said they would like to see investment in public transport and active travel to improve connectivity around the county; and
- The majority were positive about County Durham as a place to visit. However, many also felt the tourist offer and promotion could be improved.

Business Survey Responses

15 94 businesses responded to the business survey. Approximately two thirds of respondents employed less than 10 employees and nearly a quarter had been located in County Durham for more than 25 years. A broad range of businesses were represented including from the manufacturing, financial, retail, health construction and property sectors. Some of the key points raised were:

- Strong local attachment and pride were the biggest influence for businesses basing themselves in County Durham;
- Raising capital was rated as the biggest challenge faced by start-ups;
- A skilled workforce was viewed as the best way to improve productivity;
- One third of businesses surveyed said that Covid-19 has had a major negative impact on the county;
- Skills, digital & transport infrastructure was seen as the key to economic growth;
- Businesses listed the advantages of being in the county as quality of life, good business support and networks, and the transport links and location;
- Accessing growth finance and support for staff skills training, skills shortages, lack of employment space, perceptions of the county, low innovation, and deprivation and town centre decline were listed as challenges;
- Manufacturing, renewables, electric vehicles, tourism, financial services and digital technology were seen as a future growth sectors;

- The environment and green economy are seen as major opportunities for growth;
- Businesses highlighted the importance of business support and networks, particularly for small businesses; and
- The top priorities for businesses in relation to climate change, were recycling waste and using local suppliers wherever possible.

Young Person Survey Responses

16 443 responses were received to the young person's survey, 49% of which were female, 45% male and 6% non-binary/other. Over a third of respondents were aged 15 to 16. Most respondents lived near larger towns. Some of the key points raised were:

- Almost one third of young people wanted to go to university following school/six form while one in five thought they would go straight into full-time employment;
- 54% said they could not or are unsure they could pursue their chosen career or business idea in the county. In response to what young people felt is needed to help them get a job or start a business idea, suggestions included:
 - A wider choice of courses and opportunities to speak to entrepreneurs;
 - Better awareness around available opportunities in the county, work experience and apprenticeships through advertisements and job events;
 - More support for girls and LGBTQ+ people, particularly in the science industries;
 - Better connections to large, international companies, and attracting them to locate in the county;
- 67% said 'doing something interesting' mattered more than pay or location when choosing a career;
- The most common barriers to work young people face after leaving school/college or training, were considered to be a lack of experience; lack of local jobs, physical or mental health, too much competition for jobs and a lack of qualifications.

Responses from Events/Conversations

- 17 86 conversations with over 70 organisations were held during the Econ-versation with over 1500 people engaged. Some of the key points raised were:
- The Strategy should reflect the voices, concerns and needs of a broad range of partners not just the Council and galvanise action across the county to achieve a more inclusive economy;
 - Tackle poverty and level up the county and address growing concerns about poverty and quality of life in light of the cost-of-living crisis;
 - Create better jobs – with more opportunities, particularly to help retain young people;
 - Improve skills provision for all – across the lifecycle from young people through to older workers;
 - Support businesses to thrive and grow – through access to skills, employment sites, innovation and investment;
 - Revive town centres and neighbourhoods – repurposing high streets with a mix of services;
 - Improve transport and digital connectivity – to improve access to training and jobs, and support business growth; and
 - Promote the county – raising the profile of County Durham outside of the county and in the North East.

Conclusion and Next Steps

- 18 The Econ-versation showed that residents, businesses and stakeholders are proud of County Durham for its beautiful natural landscapes, culture, heritage, people, innovative businesses and sectors, and saw many opportunities for county, including net zero, manufacturing, knowledge intensive sectors, and tourism.
- 19 But many spoke of inequalities in the county with higher levels of deprivation and crime, declining town centres, and a lack of opportunity in some areas. Many voiced concerns over the availability of good jobs and the ability for local people to access these, whether due to poor public transport or not having the right skills and work experience.

- 20 As we move to the next stage in developing the Inclusive Economic Strategy this helps us identify some potential areas of focus including:
- Supporting business growth and job creation, particularly in opportunity sectors;
 - Improving public transport and access to facilities;
 - Developing a lifelong learning offer for residents;
 - Improving the health of residents and workers;
 - Promoting County Durham;
 - Building on recent investments to regenerate and reimagine town centres; and
 - Transitioning to net zero through a just, flexible and innovative approach that creates new jobs and safeguards existing ones.
- 21 Using what we have brought together from the Economic Review, the Economic Statement and the Big Econ-versation we now need to develop the priorities and actions for the Inclusive Economic Strategy. We will then test these over the summer and prepare a draft in the autumn which we will then share for further comment before the document is signed off by Cabinet.

Background papers

- Our Big Econ-versation [website](#)
- Inclusive Economic Strategy [Cabinet report](#)

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Appendix 1: Implications

Legal Implications

The Inclusive Economic Strategy work will be used to negotiate the devolution of powers from the Government.

Finance

The Inclusive Economic Strategy work will be used to negotiate the devolution of finance from the Government.

Consultation

Our Big Econ-versation ran from 31 January to 22 April 2022. Once the priorities and actions for the Inclusive Economic Strategy have been developed, we will then test these over the summer and prepare a draft in the autumn which we will then share for further comment before the document is signed off by Cabinet.

Equality and Diversity / Public Sector Equality Duty

Officers have and will continue to take all opportunities to get feedback from hard to reach groups across the county and the strategy will be accompanied by an equalities impact assessment.

Climate Change

The strategy will balance economic growth with opportunities to minimise the impacts of climate change.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

None.

Procurement

Consultants have been procured to support Our Big Econ-versation, develop a county deal proposal, and draft the new Inclusive Economic Strategy.