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| TITLE | Economic Development Strategy 2016-2021 |
| FOR CONSIDERATION BY | Council on 21 st July 2016 |
| WARD | None Specific |
| DIRECTOR | Heather Thwaites, Director of Environment |

OUTCOME / BENEFITS TO THE COMMUNITY

The Strategy seeks to secure a more prosperous and productive future for the borough's residents and businesses by facilitating business growth, ensuring that people have the skills that businesses need and promoting innovation. The Strategy also commits to delivering the housing and infrastructure growth needed to support the economic growth of the area.

RECOMMENDATION

That the Council :

- 1) approve the Economic Development Strategy 2016-2021;
- 2) note that any investment needed to deliver the strategy (over and above what would be delivered currently through existing budgets) will be brought back to the Executive for a decision

SUMMARY OF REPORT

Wokingham Borough is in the heart of Thames Valley Berkshire a successful high performing economy second only to London. This Strategy sets out how the Council will facilitate economic growth locally within the context of the government's wider agenda for growth and the Thames Valley Berkshire Local Enterprise Partnership (LEP) Strategic Economic Plan.

The key objectives set out in the strategy are to:

- Create a place where businesses thrive by offering good quality housing and infrastructure
- Facilitate business growth through business support and inward investment
- Ensure that people have the skills that businesses need and are able to support themselves into employment
- Encourage innovation and technology to build a competitive business environment.

Positive feedback on the draft strategy has been received from a number of different organisations and local businesses.

Background

Wokingham Borough is in the heart of Thames Valley Berkshire a successful high performing economy second only to London. However, the area cannot afford to stand still as a sub-region if it is to continue to contribute to UK growth and remain internationally competitive.

This Strategy sets out how the Council will facilitate economic growth locally within the context of the government's wider agenda for growth, which is being developed through its relationship with Thames Valley Berkshire Local Enterprise Partnership (LEP).

Analysis of Issues

The Wokingham Borough Council Economic Development Strategy 2016-2021 has been drafted in line with Thames Valley Berkshire LEP's Strategic Economic Plan (SEP), whilst seeking to identify the Council's specific economic role and local priority projects. Four objectives have emerged:

Objective 1 : Create a place where businesses thrive by offering good quality housing and infrastructure

The Strategy recognises that if the local economy is to reach its full potential, we need the homes and associated infrastructure to support this. Our strategy is therefore centred on planned growth and sustainable house building, so that we can attract the highly-skilled, professional workforce we need. The Strategy recognises that we need to protect the character of the area, in order to continue to attract businesses and workers to locate here.

Objective 2 : Facilitate business growth through business support and inward investment

This objective is focused on how we drive forward business growth in the area, with an increased emphasis on certain high-growth sectors. This activity will be undertaken with partners (including the LEP, UKTI, etc.). In addition, the strategy identifies a local project to investigate opening an incubator unit for small, high-growth business start-ups.

Objective 3 : Ensure that people have the skills that businesses need and are able to support themselves into employment

Since the last Strategy, significant progress has been made in this area, including the Elevate project, supported apprenticeship programme and work with developers on construction skills. This section sets out our continued commitment to support people of all ages into work and training opportunities, with a strong focus on self-sufficiency and our vital role as a corporate parent.

Objective 4 : Encourage innovation and technology to build a competitive business environment

Technological advances are an important economic driver and we are lucky to have some high-profile tech companies located in the Borough. A recent report by Tech City found that Wokingham Borough (combined with Reading and Bracknell Forest) has a

turnover of £10bn from the digital sector (second only to London) and the third highest total number of digital jobs. We therefore need to ensure that we capitalise on our strengths in this area

The Council has sought feedback on the draft strategy from a number of different organisations and local businesses, including the Thames Valley Berkshire LEP and Wokingham Chamber of Commerce, to confirm that it highlights the key issues of local importance.

An action plan is being developed with SMART targets setting out how we will deliver against the priorities. This will be a working document and updated at least annually.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

| | How much will it Cost/ (Save) | Is there sufficient funding – if not quantify the Shortfall | Revenue or Capital? |
|-----------------------------------|-------------------------------|---|---------------------|
| Current Financial Year (Year 1) | £0 | Yes | Not Applicable |
| Next Financial Year (Year 2) | £0 | Yes | Not Applicable |
| Following Financial Year (Year 3) | £0 | Yes | Not Applicable |

Other financial information relevant to the Recommendation/Decision

The strategy itself does not commit the Council to any additional costs. However, should any of the actions identified result in any future financial implications; these would be brought to the Executive for approval.

Cross-Council Implications

Economic development is at the heart of the Council's vision for Wokingham Borough - "A great place to live, an even better place to do business" and will impact on all Council services.

List of Background Papers

Thames Valley Berkshire Strategic Economic Plan 2015/16 to 2020-21:
http://thamesvalleyberkshire.co.uk/strategic_economic_plan

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| Contact Rhian Hayes | Service Environment |
| Telephone No 0118 974 6090 | Email Rhian.hayes@wokingham.gov.uk |
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