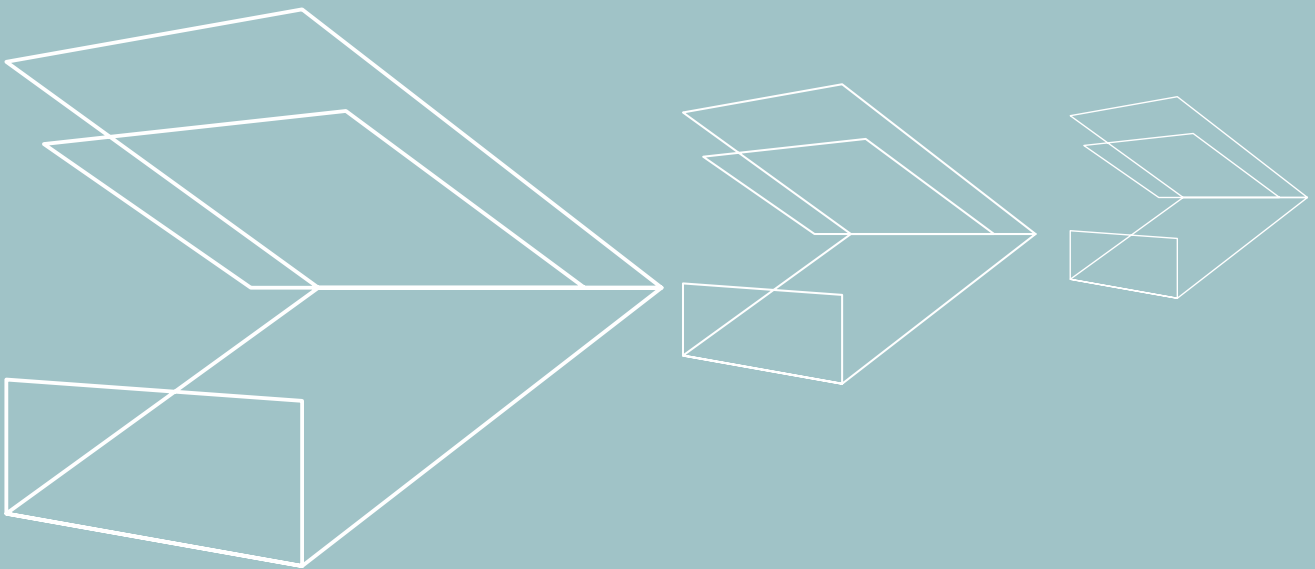


# Have you got the knowledge on... local economic strategies?

'Local government has most to contribute, most to gain and most to lose in the enhancement of local economies'  
Sharing Future Prosperity: A Survey of the Local Authority Role in Economic Regeneration (LGA, 2001)



**KNOWLEDGE** 

## **IDeA Knowledge**

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# KNOWLEDGE

In the face of increasingly mobile capital and growing global competition, no area can afford to be complacent about the health of its economy. The new power of 'economic, social and well-being' affirms that local authorities have a responsibility and a remit for local economic development.

But with the developing regional agenda, and the wide range of other institutional and policy changes, authorities need to re-examine their role in promoting economic development.

This economic strategies routemap is designed as part of the IDeA's approach to improving services. It supports the shared service delivery priority, between local and central Government, of 'ensuring the economic vitality of localities'.

The routemap aims to support authorities in their community leadership role, help them sharpen their approach to economic development and regeneration and develop new and more effective ways of working. It maps out some of the key decisions and choices - and critical success factors - in developing local economic strategies.

This routemap is also part of an economic strategies toolkit to be found on IDeA Knowledge: [www.idea-knowledge.gov.uk](http://www.idea-knowledge.gov.uk).

The toolkit provides users with access to key literature and examples of what people are doing around the country to effectively promote development and growth in the new economy.

The routemap will provide the basis for a range of further work supporting local authorities in delivering economic well-being. This will include an evaluation tool for local economic partnerships produced jointly with the Chief Economic Development Officers Network (CEDOS).

## IDeA Local Economic Strategies Network

This routemap has been produced with the help of the Fostering Business Growth beacon councils and experienced practitioners and policy experts who are members of the IDeA Local Economic Strategies Network.

**Chris Bates**

*Head of Economic Development  
Reading Borough Council*

**Anne Bonsor**

*Head of Regeneration, Harlow District Council*

**Ron Botham**

*Professor of Entrepreneurship and Regional  
Development  
University of Glasgow*

**Gary Collins**

*Operational Director - Regeneration  
Halton Borough Council*

**Tony Curtis**

*Head of Planning Environment and Transport  
Basingstoke District Council*

**Gareth Daniel**

*Chief Executive, London Borough of Brent*

**Scott Dickinson**

*Senior Policy Manager, Audit Commission*

**Daniel Dobson-Mouawad**

*County Director of Economic Development  
Suffolk County Council (and Chairman, Chief  
Economic Development Officers Society)*

**Mike French**

*Head of Economic Development  
Sedgemoor District Council*

**Jim Graham**

*Chief Executive, West Berkshire Council*

**Peter Grant**

*Economic Development Manager  
Eastleigh Borough Council*

**Graham Hammond**

*Head of Economic Development  
London Borough of Bexley*

**Carol Hayden**

*Senior Policy Adviser  
Audit Commission*

**Steve Hoyle**

*Assistant Director of Regeneration  
Housing & Neighbourhoods  
Blackburn with Darwen Borough Council*



**David Incoll**  
*Chief Executive, West Devon Borough Council*

**Derrick Johnstone**  
*Director, EDuce Ltd*

**George Krawiec**  
*Chief Executive*  
Southend-on-Sea Borough Council

**Adam Lent**  
*Research Consultant*

**Kirstin Liddell**  
*Senior Project Officer,*  
Local Government Association

**Richard Poundford**  
*Manager*  
Rotherham Industrial Development Office

**Tony Rich**  
*Programme Manager: Economic Regeneration*  
*Tourism and Urban Policy*  
Local Government Association

**Graham Smith**  
*Director of Planning and Development*  
Knowsley Metropolitan Borough Council

**Stephen Syrett**  
*Reader in Local Economic Development*  
Middlesex University

**Roberto Tambini**  
*Assistant Chief Executive*  
Eastleigh Borough Council

**Chris Tebbutt**  
*Policy and Research Manager*  
Leeds Development Agency

**Ian Thomson**  
*Head of Regeneration and Planning Service,*  
Rotherham Metropolitan Borough Council

**Peter Williams**  
*Senior Partner*  
Peter Williams LLP

**Connie Young**  
*Head of Business Development and Marketing*  
IDOX Information Services (The Planning  
Exchange)

## How to use this routemap

Use the routemap to take stock and identify what you - and your partners - need to work on.

Take a few strands at a time as part of a series of team or partner meetings. Use the questions to prompt hard reflection on what you need to do to achieve more impact.

The first section of the routemap puts forward Tough Questions To Ask to help you strengthen your strategy and its impact.

The second section of the routemap provides some signposts and ideas for developing the content of your strategy in a range of economic policy areas.

While these signposts are not intended to be comprehensive, they should make you think about actions to improve your effectiveness.

KNOWLEDGE 

# KNOWLEDGE

[www.idea.gov.uk/knowledge](http://www.idea.gov.uk/knowledge)

Your first port of call for knowledge in local government

IDeA Knowledge is the focal point for the latest thinking and good practice on the main issues for local government in England and Wales.

The website contains up to date and relevant information on issues affecting local government. There is a wealth of material on best practice across a number of key areas, data on every local authority in England and Wales, news and hot topics, plus discussions on important topics. It means that you can go to one place and easily find information, guidance, and solutions.

The site is accessible and easy to navigate. The content has been specifically written for the web in plain English. IDeA Knowledge is the first local government website to be awarded the RNIB's 'See it Right' accreditation, for blind and partially sighted users.

You can register onto IDeA Knowledge, free of charge, at [www.idea.gov.uk/knowledge](http://www.idea.gov.uk/knowledge). When registering you can opt in to receive the weekly emails that alert users to new content and features - over 80% of users in local authorities currently do so.

# Economic strategies: tough questions to ask

## UNDERSTANDING LOCAL NEEDS AND OPPORTUNITIES

How well do we understand

- the needs of local businesses, sectors and communities?
- business and labour market dynamics?

Do we use information well, avoiding 'paralysis by analysis'?

Do we consult widely yet avoid consultation fatigue?

How well are we working with others to:

- co-ordinate research and monitoring?
- find joint solutions to data sharing problems?
- develop common methods to monitor and manage information?

How well do we understand and engage with alternative perspectives?

Do we work closely with local businesses in all we do?

Do we make enough use of 'short-life task teams' to get to the bottom of thorny issues?

Have we grasped the implications of national and EU policy developments?

Are we forward-looking, focusing on opportunities as well as problems?

## A STRATEGY THAT INSPIRES AND DELIVERS

Do we have a clear vision of where we are going and the outcomes we want to achieve?

Do we have a firm sense of where we're starting from and the distance we have to travel?

Do we have a clear idea of how our contributions, and those of our partners, will make a difference?

Have we provided leadership, building consensus but making tough choices and prioritising?

Are we raising everybody's sights and agreeing challenging targets?

Does the strategy have a logical thread from analysis to action and focus on outcomes not process?

Have we included 'quick wins' to show that the strategy can deliver?

Do we have an action plan that's easy to understand, with tasks, responsibilities and milestones?

Is the strategy easy to understand and communicate? Have we done all we can to help others see how the pieces fit together?

## REAL STAKEHOLDER ENGAGEMENT

Do we make it easy for businesses and communities to get involved?

Are we doing enough to inspire confidence and trust in our relationships with businesses and communities?

Do we promote genuine dialogue and really listen to what stakeholders have to say?

Are we responsive and do we show stakeholders how much we value their input?

Do we 'let go' so that business and communities can take the lead in driving change?

Are we straightforward about what we can influence and what we can't? Do we only get involved where we can add real value?

How well do we demonstrate the value we add to our stakeholders?

Do we adequately recognise the diversity of interests amongst stakeholder organisations and communities?

Do we maintain good relations with the press and keep economic well-being goals alive in media?

## PARTNERSHIP THAT MAKES THINGS HAPPEN

Are we each concentrating on what we do best?

Do we have a clear sense of common purpose and mutual advantage?

Are partner roles and responsibilities clear?

Are the right people involved?

How well do we handle the tension between co-operating and competing with other local authorities and agencies?

Do partner activities add up to more than the sum of the parts?

Do we get close to partners: understand what they bring to the table, what drives them and what holds them back?

Do we manage partner expectations effectively - e.g. how electoral cycles and committee working affect what local authorities can deliver and when?

Do we keep partnership working as simple as we can, and do we keep at it when it gets difficult?

Do we avoid passing the buck and bickering in public?

Do we provide leadership when it's needed and are we prepared to let others lead when it matters?

Do we lead by example, doing what we say we're going to do, and doing it well?

Do we hold others to account in a constructive way and are we accountable ourselves?



## SUCCESSFUL INTERVENTIONS

Do we fully understand the choice of interventions we have, and their likely effects?

Do we have a clear rationale for each and every intervention we make or contribute to?

Have we robust evidence and defined the root causes of what we want to address?

Do we understand the sources of market failure, on both demand and supply sides?

Have we sought other people's experience and applied the lessons?

Do we work at an appropriate level depending on the issue at hand: regional, sub-regional, local, neighbourhood - and across boundaries?

Have we effective methods for project planning, management and appraisal?

How flexible are we in changing course when needed?

Are we doing the most important things? Are we doing too many things? What are the consequences if we do fewer?

Do we do enough to promote what we do, to attract interest and take-up of services?

Have we chosen the right mix of delivery methods to suit our circumstances: working in partnership, contracting out or delivering directly only when we have to or where we can add most value?

## LINKING THINGS UP

How well does the economic strategy relate to local social and environmental priorities?

Are we aligning our activities with those of our partners (regionally, sub-regionally and locally) in meaningful ways?

Are we genuinely 'customer-driven', or are we guilty of protecting our own turf?

Are we doing enough to hunt out unnecessary overlap and overcome fragmented service delivery?

Have we developed our strategy in association with the LSP, the community strategy and other agencies (e.g. RDA, LSC, Business Link)?

Do we make plans jointly with partners - including consultations, relationships with key businesses and, where appropriate, external bids?

Do we combine activities to increase impact and free up resources? Are there opportunities to co-locate services to improve services?

## CAPACITY TO DELIVER

Have we considered capacity and resource requirements for successful delivery?

Are we getting the basics right? What more do we need to do to ensure high quality services?

Do we have a plan for managing change in how we work? What ways of working do we need to change, and how will we ensure successful implementation?

Have we appropriate tactics for addressing the factors that inhibit change, including entrenched practices and attitudes within the authority and amongst partners and stakeholders?

Do we devote adequate resources to facilitating partnership working, stakeholder engagement, feasibility work, and accessing external resources?

Do we invest in the capacity of voluntary/community and business sectors to contribute to the strategy, to bid and to manage projects?

Do we use simple systems to ensure quality and continuous improvement?

Are we making full and effective use of ICT in promoting and delivering our projects and services?

## CORPORATE COMMITMENT

Is there widespread understanding of how all parts of the local authority contribute to economic well-being? And of how whatever the authority does will somehow affect the local economy?

Is there substantial support for economic well-being activity across the authority amongst members and officers?

Are there senior officers who lead on economic well-being matters in each department?

Do corporate policies - for example, procurement and recruitment policies – effectively integrate economic, social and environmental well-being?

Do we accept the limits to how 'corporate' anyone is but, at the same time, help ensure the little gains which will build their support?

Do we do enough to mitigate the adverse effects of internal politics and narrow professionalism?

Do we promote why business involvement matters, and why the authority needs to have a 'business-friendly' face?

Have we explored, as part of Best Value, how the authority can contribute more to develop local businesses and social enterprise and improve job opportunities for disadvantaged people?

## EVALUATION & LEARNING

Do we have enough of the right kind of evidence to make informed judgements about what's working and what's not?

Do we do enough to learn from elsewhere - from Beacons, from different sectors and from different parts of the country - and avoid reinventing the wheel?

Do we encourage innovation and informed risk-taking?

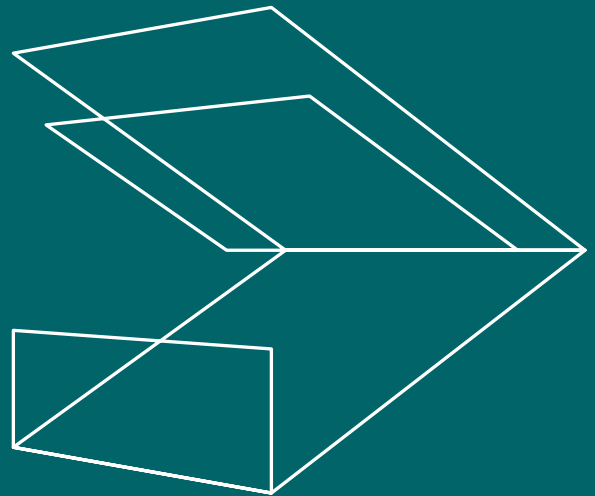
Do we always have clear objectives and targets - and valid, timely success measures? Do we have a vision of what 'economic well-being' will look like?

Have we processes for regular review and adjusting what we do to keep on track?

Do we concentrate too much on recording inputs and monitoring outputs, and not enough on assessing outcomes?

Do we invite external challenge, to question what we do and why we do it?

Do we employ imaginative ways of developing skills and knowledge, such as action learning?



# Signposts to what goes into economic strategies

JUST SOME OF THE ISSUES AND ADVICE RAISED IN THE IDEA EXPERT WORKSHOPS AND BY BEACON COUNCILS...

## DEVELOP BUSINESSES AND CLUSTERS

Are we ensuring with partners that clients enjoy a genuinely seamless business support service?

Are business support services tailored to needs in different sectors and at different stages of a business life cycle?

Do business support services reach disadvantaged areas and groups?

Do we understand the clusters and supply chains linking local companies, locally, regionally and beyond?

Do we have joint strategies for start-ups, micro and growing businesses?

How well do we co-ordinate service delivery with the private and voluntary sectors?

Do we concentrate energies where we can make the most difference? This could mean working with traditional industries and services as much as high tech.

Are we thinking broadly enough? For example, arts and community theatre can be an economic generator. So can environmental technologies.

Do we recognise the potential of social enterprise while helping to ensure that it's viable and well-managed?

Does our approach to regulatory services enable business development, rather than impose unnecessary burdens?

## RETAIN AND ATTRACT INVESTMENT

Do we understand the main factors affecting investment decision-making?

Have we reviewed the strength of the local 'investment offer'? Is it strong enough to attract the businesses we want?

Do we provide a seamless service with other agencies in marketing what we offer and handling enquiries?

How well do we respond across the whole authority to problems raised by local companies?

Are we flexible and fast enough in responding to businesses? Do we work at the fast pace required by the business world?

Do we keep close to key businesses? Have we considered using 'account management' where a manager maintains a relationship, ensuring business needs are met?

Do we do enough to help local branches make the case for new investment to their head offices?

Do we co-ordinate effectively all aspects of attracting and retaining investment with partners?

### IMPROVE COMMUNICATIONS INFRASTRUCTURE

Have we identified critical transport improvements that are needed for sustainable well-being?

Are we encouraging employers and communities to suggest and act on ways of tackling transport problems?

Are we lobbying for relevant nationally-funded road and rail improvements?

Have we considered what we can do to promote small-scale local transport improvements such as cycle routes and car sharing?

Is the necessary ICT infrastructure in place to facilitate fast but affordable internet communications?

### IMPROVE PROPERTY AVAILABILITY

Do we understand how the local property market works, and where public intervention is needed to overcome property bottlenecks and attract private investment?

Are we concentrating on where we can make most of a difference, avoiding competition with what the private sector will provide anyway?

Is our property portfolio still meeting local needs?

Have we ensured that there is 'move-on' accommodation as well as start-up units?

Are we working effectively with surveyors and estate agents to maintain up-to-date, accessible databases of property and premises on the Internet?

Do we ensure a fair return for the authority's share of investment and risk in public/ private ventures?

## DEVELOP SKILLS

Do we understand the nature of skills shortages in our area, their causes and what we can do about them

- as an employer?
- as an enabler?
- as an education authority?

Have we engaged effectively with the local LSC in providing opportunities for young people, communities and people in work?

Are we developing collaborative activities to address common goals in raising local skill levels and promoting lifelong learning?

Should we do more to support Education Business Links Organisations in promoting links between with schools and local employers, to help develop skills for life, including skills for employability and enterprise?

Are we doing enough to tackle basic skill needs in the authority's own workforce?

Are we promoting skills development in the wider community including management and leadership skills, e.g. through community-based regeneration activities?

## IMPROVE ACCESS TO GOOD JOBS

Do we consistently take advantage of significant developments in our area to secure local employment opportunities?

Are we happy with 'any jobs' or is there more we can do to ensure that new jobs are well-paid and offer opportunities for training and advancement?

Do our activities benefit the hardest-to-reach?

Can we help to develop intermediate labour market schemes and ensure that trainees progress to good jobs?

Are we using the authority's purchasing power to ensure that job opportunities are open to local people and that contractors invest in staff training?

Are we developing partnerships with major employers/ developers, Jobcentre Plus and community organisations to help new projects recruit the staff they need?

Are we promoting pre-recruitment training and job guarantees as means to improve access to jobs for disadvantaged people?

## REVIVE NEIGHBOURHOODS

Do we recognise the neighbourhood dimension to economic development, including different perspectives and priorities at this level?

Have we identified the steps that will make the most difference in improving the economic prospects of disadvantaged neighbourhoods?

Do partners reach out to local residents and businesses, and make sure they have first-rate employment and business support services?

Do we have a good feel, based on evidence, of barriers to enterprise and what can be done about them?

Have we identified the economic advantages and opportunities upon which to build renewal?

Can we do more to build confidence and capacity through community economic development and social enterprise initiatives?

How can we better foster 'community' amongst local businesses to help provide solutions to local problems? Can we match the interests of individual businesses with specific community needs?

Do we support what can be achieved at a very local level, but also promote understanding of why some needs have to be tackled across a wider geographical area?

Do we work closely with Community Safety Partnerships to address the impact crime has on businesses and communities?

## REVIVE RURAL AREAS

Do we recognise the rural dimension to economic development, including the implications of dispersed settlements and the requirements of doing business in rural areas?

Have we identified the steps that will make most of a difference in improving the economic prospects of rural areas?

Do partners do enough to ensure that employment and business support services are readily accessible in rural areas?

Do we understand enough about how the rural economy works, and where our interventions can have best effect?

Can we do more to build confidence and capacity in rural communities where jobs and services are under threat, through community economic development and social enterprise?

Can we strengthen local initiative, making the most of the commitment local people and businesses have to their rural locations?

## EXPLOIT THE ECONOMIC ROLE OF THE LOCAL AUTHORITY

Can we genuinely claim to be an exemplar in our recruitment, equal opportunities and staff development policies and practices?

Are we taking full advantage of our purchasing power to open up opportunities for local businesses, including social enterprises?

Are relevant learning opportunities open and promoted to all staff, to those in front-line services as well as to managers and administrators?

Are we as an employer working effectively with Jobcentre Plus and offering a good range of opportunities through New Deal?

Do we monitor local authority procurement plans to identify opportunities for local business that will fulfil Best Value criteria?

Have we considered joining with enterprise agencies and Business Link to help local SMEs compete for public sector contracts?