

Item for Growth and Regeneration Scrutiny Committee – 9th December 2024

Kirklees Inclusive Economy Strategy – draft for consultation

1. Purpose

This report presents the draft Kirklees Inclusive Economy Strategy (KIES) to Scrutiny for comment and input.

It is intended that the Strategy goes to Cabinet in January and Full Council in February. Scrutiny's views are sought so that a wide range of views are taken on board during the drafting process.

2. Background

The current economic strategy expires in 2025, hence a new version is required. The refreshed economic strategy will join the others 'Top Tier' strategies; the Inclusive Communities Framework, Health and Wellbeing Strategy, and Environment Strategy. As with all the top tier strategies the KIES is framed as a partnership strategy and needs to go to Full Council for approval.

The KIES has been the subject of a dedicated workshop with partners early in its development and has been the subject of multiple discussions at the recent Picture of Kirklees event, each of Kirklees Partnership Executive, Kirklees Health and Care Board and Kirklees Health and Wellbeing Board. The employment and skills theme has been informed by the priorities of the Kirklees Employment and Skills Partnership and those raised in discussions of the Kirklees Top 100 business group.

With recent developments, there is now very strong alignment at national, regional and local levels. WYCA are nearing completion of the West Yorkshire Local Growth Plan (LGP) which was a mayoral manifesto commitment. Alongside, WYCA have shared priority sectors with Government that are expected to be refined to reach sub-sectors during the ongoing development of the National Industrial Strategy.

The Government's Green Paper *Invest 2035: The UK's Modern Industrial Strategy* was published on 14 October and is currently open for consultation until 24 November. This is a key pillar in their mission to achieve the longest sustained growth in the G7. It is important that Kirklees has an economic strategy in place that articulates our priorities to inform both the West Yorkshire strategy and submissions to Government, as well as driving our own action and direct engagement with Government.

3. Key issues

In keeping with a number of recent strategies, the draft KIES is structured around People, Business and Place. The Business section includes consideration of the future role of social enterprise, co-operatives and other alternative business models.

The Strategy is underpinned by three linked objectives of Productivity, Sustainability and Inclusion. The document is explicitly aimed at stimulating inclusive growth – defined as '*enabling as many people as possible to contribute to and benefit from growth*' - i.e. overall economic growth as measured by Gross Value Added (GVA) and average wages is important, but it must be matched with reduced levels of inequality and a move towards low carbon, otherwise 'growth' alone will not be sufficient. Overall economic growth is an enabler to help achieve other shared outcomes; it is not an end in itself.

In response to ongoing feedback and comments, a number of areas are being strengthened in the document, such as

- Foreword from the Leader to be drafted and agreed
- Case studies to be added – for example, Our Cultural Heart, Dewsbury regeneration, business productivity.
- Formatting and layout from the Design Team
- Ensuring specific language aligns to new corporate priorities
- Highlighting the role of culture and creative industries not just as an economic sector but as a driver of place making and inclusive communities.
- Alignment with Our Kirklees Futures and early years / schools.

Final changes including those above and comments from Scrutiny, along with any further comments from partners will be incorporated into a final version for Cabinet and Council.

4. Implications for the Council

5.1 Financial Implications

There are no direct financial implications arising from the strategy. Individual business cases will be brought forward for constituent programmes and interventions at the appropriate times.

Increasing the productivity of local businesses and increasing employment has positive financial benefits for the council through increased business rates, reductions in council tax exemptions. It is also expected to have a range of indirect impacts through reduced demand for a range of services.

5.2 Working with People

The framework supporting the KIES draws directly on the Kirklees People, Partners, Place approach. Within the KIES People are directly considered through employment and skills interventions but also as business owners, and as residents that benefit from investments in improvements to the places that make up Kirklees and the infrastructure connecting us within the borough and to surrounding places.

Inclusion is one of the cross-cutting themes of the strategy recognising that individuals have different needs and that our economy can only truly flourish when all people are able to benefit and maximise their potential.

5.3 Working with Partners

The KIES is a partnership strategy with many interventions being delivered with or by partner organisations, not just the Council. In particular the KIES framework frames businesses as key partners as employers and the principal drivers of innovation and growth.

There is no single economic partnership; instead we have a range of partnerships ranging from place based arrangements (Huddersfield Town Centre Partnership, Dewsbury Town Board etc); thematic board (Employment and Skills Partnership); ongoing dialogues with the likes of the Huddersfield BID and Huddersfield Unlimited; and the input of other Kirklees Partnerships that have relevance to the economy (such as the Work and Health Board). Inputs from all of these sorts of groups over a prolonged period have shaped the issues and responses that have gone into the KIES.

5.4 Place Based Working

Place is the third theme within the KIES framework and a key lens of intervention. Recognising that different places have varying assets, needs and roles this may be town centre regeneration, house building or transport improvements.

5.5 Climate Change and Air Quality

Environmental sustainability is another of the cross-cutting themes of the KIES framework. It is now almost universally recognised that significant change is required in our economy to avoid detrimental harm to the natural environment and ensure that we reach a point where we are living within planetary boundaries. The strategy aims to support new and existing businesses to develop to become less energy and resource intensive ultimately aiming to become regenerative. It also recognises that we need to develop the skills to support this and redesign our places to promote sustainable ways of living.

5.6 Improving Outcomes for Children

While the KIES does not directly impact on outcomes for children, it is acknowledged that poor economic outcomes such as economic inactivity, insecure work and in work poverty are contributing to child poverty. Development of a more inclusive economy in which all individuals are empowered to participate, and promotion of good work is expected to result in a reduction of the issues listed that are contributing to child poverty.

5.7 Legal Implications

There are no legal implications arising from this report.

5.8 Other (e.g. Risk, Integrated Impact Assessment or Human Resources)

An integrated impact assessment will be completed prior to presentation at Cabinet.

5. Options

N/A

6. Recommendations

Approve progression of the KIES through the flightpath detailed above, specifically releasing the document for Growth & Regeneration Scrutiny Committee on 9th December.

Report Sponsor: Edward Highfield Service Director Skills & Regeneration	Contact Officer: Chris Duffill Head of Business & Skills
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