



Subject:	Refocus of the Northern Ireland Economic Strategy: Call for Evidence - Response
Date:	14 September 2016
Reporting Officer:	Donal Durkan, Director of Development,
Contact Officer:	Lisa Toland, Head of Economic Initiatives & International Development

Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report
1.1	Following the Assembly elections of May 2016 and the development of a draft outcomes focused Programme for Government Framework, the NI Executive has issued a 'Call for Evidence' to consider how the Economic Strategy should be refocused to reflect current economic conditions and developments in key policy areas such as the 'Fresh Start' political agreement to lowering Corporation Tax.
1.2	The call for evidence is a pre-consultation exercise received by Council on 4 August with a return date of 19 August. While an extension was secured until 31 August, this did not permit time for Committee to consider the response therefore, given the tight timeframe, an officer response was prepared and is attached as Appendix 1. This response was drafted taking account of the Council's position in relation to key strategies; primarily the response to the draft Programme for Government Outcomes Framework ratified by Council in July 2016, the draft Northern Ireland Economic Strategy in 2010 as well as the ongoing work on the Belfast Agenda and the Employability & Skills Framework (which was ratified by Council in July 2016).
1.3	Committee is asked to note that this is a pre-consultation exercise designed to enable stakeholders to submit views to inform the thinking of the Department for Economy prior to

	<p>the development of a draft Economic Strategy. The draft of the refocused Economic Strategy will be subject to a full consultation process during the autumn and members will have the opportunity to fully input to the consultation process. It is the NI Executive's intention to finalise the Economic Strategy along with the Programme for Government, Investment strategy, Social Strategy and budget later in the year.</p>
2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> – Note the officer response to the pre-consultation Call for Evidence on the Refocus of the Northern Ireland Economic Strategy – Note that the draft strategy will be subject to consultation during the autumn 2016.
3.0	Main report
	<p><u>Key Issues</u></p>
3.1	<p>The Northern Ireland Executive's Economic Strategy, published in 2012, sets out the plans to grow a prosperous local economy in the short, medium and long term (to 2030). The ultimate aim is to improve the economic competitiveness of the Northern Ireland economy by focusing on export-led economic growth. The vision for 2030 is: 'An economy characterised by a sustainable and growing private sector, where a greater number of firms compete in global markets and there is growing employment and prosperity for all'.</p>
3.2	<p>The five key themes identified in the strategy are to:</p> <ul style="list-style-type: none"> - stimulate innovation, R&D and creativity so that we widen and deepen our export base; - improve the skills and employability of the entire workforce so that people can progress up the skills ladder, thereby delivering higher productivity and increased social inclusion; - compete effectively within the global economy and be internationally regarded as a good place to live and do business; - encourage business growth and increase the potential of our local companies, including within the social and rural economies; - develop a modern and sustainable economic infrastructure that supports economic growth.
3.3	<p>The nine pre-consultation questions are structured around the vision, key objectives and themes contained in the Northern Ireland Economic Strategy and the key challenges moving forward.</p>

3.4

The Council welcomes the call for evidence as a pre-consultation exercise to inform the development of the draft strategy. Consultation and engagement with stakeholders will be critical in shaping and delivering the Economic Strategy. It is important to recognise the significant role that local government has in delivering all the PfG outcomes and those pertaining to economic growth, particularly given its role in investing in the city, supporting economic development and regeneration.

3.5

The Economic Strategy, along with the Investment Strategy and Social Strategy, will be key to take forward the ambitions contained in the draft PfG outcomes framework.

The response attached as Appendix 1 reinforces the Council's position in relation to the draft Programme for Government commitments, as ratified by Council in July 2016. In summary, the response highlights:

- The outcomes and critical indicators in the draft Programme for Government (PfG) that will shape the economic strategy refocus and the need for a whole systems approach to delivering these.
- The Council's approach to inclusive economic growth which focuses not only on stimulating economic growth and creating jobs through investment in infrastructure and service provision, but also in ensuring that as many people as possible have access to those jobs through employability and skills initiatives.
- Acknowledgement of the Economic Advisory Group's recent summary of Northern Ireland's competitiveness which reports an improvement in performance in terms of FDI job creation and the NI businesses are becoming more externally focused. While manufacturing is the largest export sector, there are also encouraging signs in the service sector.
- The Council's support for business start-up and growth as well as developing a pipeline of measures to foster business growth, development and exporting potential. It also highlights the potential opportunity to 'piggy back' on existing export led initiatives and activities such as Belfast's International Relations Framework and collaborative initiatives such as Tech Mission and South-by-South West (SXSU).
- The value of the service sector as an economic generator and as a source of employment. Tourism and hospitality is a major source of revenue and employment and critical in supporting the city and region in competing internationally. It also features strongly in the Belfast City Centre Regeneration & Investment Strategy which includes a proposal to bring forward another world class visitor attraction to

	<p>further enhance the city and regions tourism offering.</p> <ul style="list-style-type: none"> - A key challenge for Belfast and Northern Ireland is high levels of economic inactivity. The Council believes that social innovation provides a real opportunity to develop new innovative approaches to addresses this. - Business start-up activity needs to be encouraged and accelerated and therefore should be an integral aspect to rebalance the economy. Developing a culture of innovation, enterprise and entrepreneurship at an early stage in the school setting will be important in supporting this. - The need for a whole systems approach; working across government, with the ‘education family’ and private sector to better align education and skills development with employer needs. - Creating the conditions for economic growth requires a co-ordinated approach to the delivery and resourcing of infrastructure and investment in the region. - Recognition of the role of cities in driving economic growth and highlighting that a successful Belfast city-region is vital to the well-being of the wider regional economy. <p>As outlined in the Council’s response to the draft ‘Programme for Government Outcomes Framework’, there is a huge opportunity to redesign how we work and to create a new collaborative partnership between central and local government to stimulating and securing inclusive economic growth. The Council’s role as a delivery agent for capital projects funded under a number of external initiatives including Building Successful Communities, Urban Villages and Social Investment Fund demonstrates the track record and ability of Council to successfully work in partnership with central government. The response also indicates that the local impact and role of Council in supporting economic growth could be further enhanced by the transfer of regeneration powers from the Department for Communities as previously planned for under local government reform.</p>
3.6	
3.7	<p><u>Financial & Resource Implications</u></p> <p>There are no resource implications attached to this report.</p>
3.8	<p><u>Equality & Good Relations Implications</u></p> <p>There are no equality or good relations implications attached to this report.</p>
4.0	Appendices – Documents Attached
4.1	Appendix 1: Draft Response to the Refocus of the Northern Ireland Economic Strategy: Call for Evidence