



Subject:	Engagement with Northern Ireland Executive: Committee for the Economy
Date:	10 June 2020
Reporting Officer:	Alistair Reid, Strategic Director of Place and Economy
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

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

1.0	Purpose of Report or Summary of main Issues
	The purpose of this report is to update members on the recent engagement of the Chief Executive with the Northern Ireland Executive's Economy Committee.
2.0	Recommendations
	<p>The Committee is asked to:</p> <ul style="list-style-type: none">• Note the recent engagement of the Chief Executive with the Northern Ireland Executive's Committee for the Economy• Note the opportunities identified to enhance the partnership working with government departments to support an inclusive economic recovery and take a place-based approach to economic development in the future.

3.0	Main report
3.1	<p>At the May meeting of the City Growth and Regeneration Committee, members were advised of a range of issues and activities impacting on the work of the Economic Development and City Regeneration teams. As the work has progressed, there has been significant engagement with our public and private partners to explore the best approach to supporting the inclusive economic recovery in the city. This has led to formal engagement with a number of institutions including the Northern Ireland Assembly as well as the creation of a series of task forces and working groups, many of which have representation from the local government sector.</p>
3.2	<p>The Council's Chief Executive was recently asked to present to the 26 May 2020 meeting of the Northern Ireland Executive's Committee for the Economy, representing SOLACE alongside Anthony Tohill, Chief Executive of Mid Ulster Council as well as Cllr Stephen Moutray, Chair of NILGA's Economy and International Affairs Working Group.</p>
3.3	<p>The speakers used the opportunity to make the case for the key role that councils can and do play in supporting economic development in their local areas. They also argued the need for enhanced engagement between local and central government in designing and delivering solutions for local economic growth and supporting local communities, as well as articulating the case for a more coherent and focused financing model to support local economies. Key points raised included:</p> <ul style="list-style-type: none"> • The need for a co-design approach to public policy to support local economies – underlining the role of councils as key delivery partners (rather than stakeholders) and asking for earlier and more systematic engagement with central government in the roll-out of recovery plans as well as in future approaches to economic development • The challenging financial position that councils are currently facing as a result of reduction to income • The need for a coherent approach across government to supporting economic development – recognition that this doesn't just sit with the Department for the Economy but that other Departments (Communities, Education, Agriculture and Rural Affairs) are undertaking activities that impact on local economies – not all of which are joined-up or complementary

- The need for investment in significant re-skilling programmes – both for those who are still in the labour market (to enhance productivity) and those who are unemployed or under-employed (to meet future skills needs), with a particular focus on digital skills
- The significant challenges faced by the increase in unemployment and the disproportionate impact on key groups – including those who are already disadvantaged and young people
- The importance of apprenticeships for the future of the economy and the need to reconsider how these operate – taking account of the challenging financial position of local businesses
- The ability of councils to deliver on the ground – as demonstrated through the work to date in local areas as well as emerging strategic work in areas such as City Deals and Growth Deals. Councils have shown how they can develop locally-relevant solutions to support a place-based approach to economic growth, and attract alternative financial resources to support delivery. This underlines the point that the role of councils in local economic development has moved significantly beyond the traditional view of delivering EU funds for small business support. It also demonstrates that councils can support the delivery of activity that contributes to the outcomes set out in regional government strategies (e.g. Industrial Strategy)
- The shortcomings of the way in which local economic development is funded: there is currently no direct funding from government to local councils to deliver support to local businesses and stimulate local economies – even though there are around 30,000 local SMEs supporting more than 20% of the workforce, and these are key constituents for the council support. These are businesses that fall outside of the Invest NI client company criteria. Apart from council resources, these companies have access to limited support only largely EU funding channelled through INI to Councils for very specific programmes.
- The leadership role that councils are currently playing in economic recovery: councils are on the frontline of service delivery and are also a trusted partner. As a result, businesses and representative organisations are turning to councils to seek leadership in developing local recovery and re-opening plans. Government departments therefore need to engage with councils to give them insight into emerging thinking so that we can mobilise our resources to ensure that our local areas are ready in good time.

3.4

Following the local government intervention, there were a number of asks and agreed actions:

	<ul style="list-style-type: none"> • Request from local government for the establishment of a Task Force working across the public and private sector to support a sustainable economic recovery. This Task Force would cover a range of areas including economic development, skills, climate change and infrastructure investment. The work would focus on coordinating and maximising funding opportunities, enhancing outcomes and ensuring that resources are targeted on areas of most need • Request from the Committee for the local government representatives to present a paper outlining how councils can play a key role in supporting the government’s work on re-opening local towns and cities • Request from councils to play a role in the design and delivery of the Shared Prosperity Fund – no substantial role for local government in this area of work to date • Request from councils to consider a longer financial framework (multi-annual basis) (not necessarily within the gift of the Committee for the Economy but has been discussed with Finance Committee) • Request from councils to ensure that future economic strategies also take a place-based approach to economic regeneration – and that they have a role in both their development and delivery. <p><u>Financial and resource implications</u></p> <p>3.5 No specific financial or resource implications at this time.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>3.6 The engagement on behalf of SOLACE covers local councils all across Northern Ireland.</p>
4.0	Appendices – Documents Attached
	None