

EXETER CITY COUNCIL
SCRUTINY COMMITTEE – ECONOMY

5 SEPTEMBER 2013

KNOWLEDGE ECONOMY CONSULTATION UPDATE

1. PURPOSE OF REPORT

- 1.1 To update members on work undertaken on the preparation and development of a knowledge based economic development strategy for Exeter. Members will receive a presentation from the appointed consultants and views are invited on the direction and progress of the development of the strategy to date.

2. BACKGROUND

- 2.1 Scrutiny Committee – Economy (7 March 2013) and Executive (19 March 2013) approved funding to appoint a consultant to provide specialist advice to the City Council, and to key partners, on the potential opportunities to grow the city's knowledge economy further as a focus for attracting investment and renowned expertise, growing businesses, developing new sources of business activity for local companies, and creating employment opportunities for local people.
- 2.2 The development of the knowledge economy has been an ongoing priority for some time for the City Council and its existing Economic Development Strategy, and in its partnership working with its neighbours, East Devon District Council, Devon County Council, the University of Exeter, Peninsula College of Medicine and Dentistry, Exeter College, the Met Office and others. The current ongoing economic difficulties and the uncertain future facing different sectors in the city have led to a realisation that the city has to embrace the need for managed change in its economy, and that it has had to deliver the infrastructure needed to support and facilitate economic growth.
- 2.3 Against a background of low average income levels and economic restructure, supporting the growth of high value added jobs is essential for the future economic success of the city.
- 2.4 The city's economy has proved resilient throughout the economic downturn but there is no room for complacency. The creation of high value added employment opportunities, attracting and retaining high skilled workers, and capitalising on existing strengths and assets (such as the University of Exeter) are especially important as the city continues to strengthen its economy.
- 2.5 Recent developments and the achievements of key organisations in the city have created what might be regarded as a platform for facing up to the key challenges to growing the city's knowledge economy. It is intended that the strategy will build upon the opportunities arising out of:
- Exeter's position as a principal economic driver and its relationship with the wider 'real' economic geography of the city, including its economic relationships with East Devon, Mid Devon and Teignbridge
 - rationalising and promoting the city as a prime location for investment and relocation
 - the important strategic developments including the Exeter Science Park, Skypark Business Park, and existing developments, organisations and

networks such as the Innovation Centre, the Met Office and the 'Exist' initiative by the Chamber of Commerce

- the research and development strengths of the University of Exeter, recently acclaimed as University of the Year with its developing world class research environment with positive engagement and knowledge transfer between users of research in industry, government and the third sector
- the above national average level of employment in the knowledge economy in the area and the above average skills levels
- the high quality of life in the city and surrounding area

3. TENDER PROCESS

3.1 A tender for the work was sent to five specialist companies with experience in the knowledge economy and of developing strategies for cities with similar characteristics to Exeter. Three responded with formal proposals.

3.2 Of the three submissions received for the work the one received from Mickledore demonstrated the most relevant experience, expertise and recognised the key requirement to produce a very practical strategy which has a clear set of actions, each owned by an individual/organisation and with a specified outcome for the action concerned within an agreed timetable.

3.3 Mickledore have set out their approach against 6 interlinked stages, to develop and deliver the strategy on time and on budget for October 2013.

Stage 1 – Capacity and Capability

To understand the current state of the knowledge economy in the area both from the perspective of knowledge based institutions and in terms of sector strengths and key companies.

Stage 2 – Opportunities, strengths and barriers

To determine the opportunities for the knowledge economy and any factors that are preventing these opportunities being fully realised.

Stage 3 – Review of support mechanisms

To map the business support mechanisms that are in place, understand their target companies, the resources in place and the breadth of the offer.

Stage 4 – Skills and education requirements

To determine the gaps between opportunities and skills and education.

Stage 5 – Action plan

To create a single set of actions that can best coordinate the role of all the stakeholders and has the buy-in of all the interested parties.

Stage 6 – Resources

To establish the resources required to achieve the action plan.

3.4 A project steering group of knowledge economy businesses has been established to question and monitor the work and research undertaken by Mickledore to ensure that the resulting strategy and action plan is pragmatic, deliverable and relevant to the city's economy.

3.5 The final strategy will be brought back for approval by the City Council in November.

4. RESOURCE IMPLICATIONS

4.1 The cost of this piece of work will be no more than £20,000, funded from the New Homes Bonus receipts.

5. RECOMMENDATION

5.1 Members to receive a presentation from Mickledore and to comment on the direction and progress of development of the strategy to date.

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Local Government (Access to Information) Act 1985 (as amended)
Background papers in compiling this report:-

Preparation of Knowledge Economy Strategy 2013 – 2018
Scrutiny Committee – Economy
7 March 2013

Executive
19 March 2013