Date of Meeting: 23 March 2011
Title of Report: The Lewisham Local Economic Assessment
Originator of Report: Kevin Turner

At the time of submission for the Agenda, I confirm that the report has:

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Signed: ____________ Executive Member
Date: ____________14/03/2011__________________

Signed: ________________ Director/Head of Service
Date: ____________03-03-11____________________

Control Record by Committee Support

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1. Summary

1.1 This report requests that the draft Lewisham Local Economic Assessment (LEA) is approved by Mayor and Cabinet. It is an evidence base which outlines Lewisham’s economy that can be used to inform policy and strategy.

2. Purpose of the Report

2.1 This report outlines the statutory requirement for local authorities to have a Local Economic Assessment. It also provides an overview of the purpose of the Lewisham Local Economic Assessment.

3. Policy Context

3.1 Shaping our future – Lewisham’s Sustainable Community Strategy 2008-2010 contains the shared priorities for the borough. It sets out a framework for improving the quality of life and life chances for all who live in the borough. The recommendations contained in this report contribute to the key priority, Dynamic and Prosperous.

3.2 The recommendations contained in this report also support, and are consistent with, the Council policy objective ‘Strengthening the local economy’.

3.3 People, Prosperity and Place, Lewisham’s Regeneration strategy 2008-2010, also provides the context for the Local Economic Assessment. Under the theme of Prosperity this strategy states that by 2020, Lewisham will have a thriving, dynamic and creative economy. Lewisham’s population will be well educated, highly skilled and successful, making an important contribution to the workforce both inside and outside of the borough.

4. Recommendation
4.1 It is recommended that the Mayor approves the Local Economic Assessment.

5. **Statutory requirement**

5.1 The requirement for all Councils to prepare LEAs was set out in the Local Democracy, Economic Development and Construction Act 2009 which became law on 12 November 2009. Local authorities were required to start preparing their LEAs from April 2010.

5.2 The LEA requirement followed on from the Government review of Sub National Economic Development and Regeneration and supported the view of the previous Government that local authorities need to play a stronger role in local economic development and regeneration.

5.3 Detailed guidance was issued by both Government and the Improvement and Development Agency [IDEA] and Planning Advisory Service [PAS]. The IDEA/PAS guidance was developed with local authorities and designed to complement and build on Government guidance.

5.4 The Coalition Government have kept the statutory requirement for authorities to produce LEAs but have advised that they do not need to follow the guidance issued by the previous Government.

6. **The requirements and purpose of a Local Economic Assessment**

6.1 Local authorities are required to :-
- carry out an assessment of the economic conditions of their local areas;
- use this assessment as a cornerstone for strategies and targets at local, sub-regional and regional levels.

6.2 The expectation was that the new duty would:
- improve the quality of the evidence base and stimulate the use of shared evidence to support activity related to sub-regional economic development and the development of regional strategies;
- increase understanding of how economic development can support different priorities for regeneration;
- raise awareness of the ways in which local authorities and their partners can influence sustainable economic development through their wider policies;
- strengthen analysis of the ways in which local authority areas fit into wider sub-regional and regional functional markets.

6.3 The LEA can therefore provide the Council and its partners with a robust and consistent evidence base for the development and review of key strategies including the Sustainable Community Strategy, People, Prosperity, Place; the Local Development Framework , and the Children and Young People Plan.
7. Key issues from the guidance which have been adopted in developing Lewisham’s LEA

7.1 A number of issues from the guidance have been considered when developing Lewisham’s LEA:
- That it is ensured that the LEA is a ‘live’ document, by revising it, or any part of it, at any time. The first LEA should be treated as a pilot, process should be flexible and ‘iterative’, and used as an opportunity to build capacity and expertise of internal staff.
- That the council should work closely with GLA, seeking to agree core evidence and take account of Mayoral strategies.
- That the LEA should address a core set of themes which are Business and enterprise; People and communities and Sustainable economic growth.
- That the LEA should be place based, forward looking and based on appropriate and proportionate evidence and data.
- That if the LEA is to be effective it needs core elements of analysis in common with LEAs undertaken by neighbouring local authorities. This is particularly important where functional economic geography goes beyond administrative boundaries.
- That there should be built in adequate timescales for developing the LEA. To ensure it reflects latest economic changes - and provides for new opportunities - LEA needs to be reviewed annually and revised every three years.

8. The structure and content of the Lewisham Local Economic Assessment

8.1 The proposed structure and content of Lewisham’s Local Economic Assessment is set out below:
- Introduction
- Summary
- SECTION 1: BUSINESS AND ENTERPRISE
  - 1.1 Economy, Business and Enterprise
  - 1.2 Transport and communications
- SECTION 2: PEOPLE AND COMMUNITIES
  - 2.1 Lewisham’s demography
  - 2.2 Workforce, travel to work and earnings
  - 2.3 Adult skills
  - 2.4 Economic and social exclusion and deprivation
- SECTION 3: SUSTAINABLE ECONOMIC GROWTH
  - 3.1 Lewisham’s regeneration programme
  - 3.2 Employment Land Use
  - 3.3 Housing
  - 3.4 Lewisham’s economic competiveness
- Appendix 1: National Government context
- Appendix 2: The third sector in Lewisham
- Appendix 3: Local Procurement
- Appendix 4: The Domain headlines
9. Consultation on the draft Lewisham Local Economic Assessment

9.1 The consultation on the LEA included the following activity:
- draft LEA made available on Council website for comment and feedback from all stakeholders including local businesses, community groups and the public
- consultation on the LEA at the Economic Development and Enterprise Partnership
- half day walk around consultation event on Friday 18 February 2011, open to all stakeholders

10. Financial implications

10.1 A contribution of £15,000 was received from the central government grant to the council in 2010/2011 to develop the first LEA. In future years any costs related to the LEA will be incorporated into the Economic Department core budget.

11. Legal implications

11.1 The requirement for all Councils to prepare LEAs is provided by section 69 of PART 4 of the Local Democracy, Economic Development and Construction Act 2009 which came into force on 12 November 2009.

11.2 Local Authorities must prepare an assessment of the economic conditions of its area and may revise the assessment, or any part or aspect of it, any time. When discharging its functions (pursuant to section 69 (4) a Local Authority must consult such persons as it considers appropriate. Local authorities were required to start preparing their LEAs from April 2010.

12. Crime and disorder implications

12.1 There are no crime and disorder implications related to this report.

13 Equalities implications

13.1 The LEA outlines equalities information and data, in particular in the following sections: Section 2 People and Communities. However it is not the role of the LEA to make policy or strategy recommendations. The information contained in the LEA should be used to inform other strategies and policies that could have environmental implications.

14. Environmental implications
14.1 The LEA outlines information and data regarding the environment, in particular in the following sections: 1.1 Transport and Communications; Appendix 5 Lewisham’s Low Carbon Economy; and Appendix 6 Lewisham’s Natural Environment. However it is not the role of the LEA to make policy or strategy recommendations. The information contained in the LEA should be used to inform other strategies and policies that could have environmental implications.

15. Background documents and originator

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<tr>
<td>Lewisham Local Economic Assessment</td>
<td>Committee and Business Services Lewisham Town Hall</td>
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15.1 For further information please contact Kevin Turner, Economic Development Manager, on 020 8314 8229, Kevin.turner@lewisham.gov.uk