

Case Study: Gateshead Council

Using Local Economic Insight to Help Make a Place Where Everyone Thrives

An Ambitious Vision of the Future

“Making Gateshead a Place Where Everyone Thrives” is the ambitious vision for the future set out by Gateshead Council in 2017. Unveiling a series of pledges to local residents and businesses as to how they would achieve this, the Leader of the Council, Martin Gannon, began by highlighting the numbers of people out of work and living in poverty in the region, before going on to say that this, along with Government funding cuts, meant that the Council needed to drastically change the way they do things, in order to benefit the community:

“

A radical rethink is needed about the way we work as a council, the way we spend the money, the way we work with partner organisations, businesses and how we engage with local people in our communities. Big change is needed and fast.

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Part of this radical rethink is related to one of the Council’s five pledges, which is to “Invest in our economy to provide sustainable opportunities for employment, innovation and growth across the borough.” By itself, the pledge is similar to the aims of many Local Authorities throughout the country. However, the way that the Council is going about achieving the pledge is truly innovative.

Gaining Detailed Insight on Gateshead’s Local Economic Clusters

At the start of 2018, Gateshead commissioned Emsi to produce a detailed report looking into nine of the region’s economic industry clusters: Production technology; Downstream chemical; Building services; Civil engineering; Professional Services; Digital; Business Services; Logistics and e-commerce; and Health and care.

Beginning with a general overview of the Gateshead economy, including details of its output, its productivity, its skills and its workforce, the report then dived into the nine clusters to identify a number of insights, including the following:



- **Job trends and key roles associated with each industry cluster in Gateshead**
- **Regional concentrations for each cluster throughout the North East**
- **The strengths, weaknesses and supply chains of the clusters and their underlying industries**



What Were the Major Benefits of the Research?

Most local authorities will have an idea of which sectors are driving growth in their area, and which ones should be prioritised for investment. However, much of this information tends to come anecdotally, rather than through hard data. For Gateshead, the primary benefit of the insight was that it validated the anecdotal evidence they already had, giving them more certainty about where they should be investing.

But more than simply validating existing knowledge, the report has also helped identify strengths and areas for potential investment with far more clarity. For instance, although the Council was already aware that the Digital cluster is a strength, the report went much further by highlighting software development as a particular strength. Another example would be logistics and ecommerce. Here, the insight showed that the cluster is currently underrepresented in Gateshead, yet is set to grow nationally, and so it validated the Council's investment in the sector and the creation of an Enterprise Zone.

How Does the Council Intend to Use the Report?

The Council is hoping to use the insight gained through the report in a number of ways, including:

Developing their Local Industrial Strategy

With its insight on clusters that need protecting, and those that provide new opportunities, the data will be used to provide a strong evidence-base for the Council's Local Industrial Strategy, and to demonstrate to businesses and investors that Gateshead is a place with enormous potential.

Building partnerships with local stakeholders

As Martin Gannon stated, the Council's vision means a commitment to building solid partnerships with other local organisations. What the Emsi report does is provide a "common language" from which the Council can engage other stakeholders to work together to drive growth.

Working with local training providers to shape skills provision and careers information

The report's focus on the region's workforce and skills needs has given the Council the opportunity to work with local training providers to shape their provision. This is also feeding into helping those providers bring better insight on potential career pathways to the region's young people.

Ultimately, it all comes back to the vision of "Making Gateshead a Place Where Everyone Thrives", which is all about economic development in its fullest sense. As Andrew Marshall, the Council's Strategic Director of Economic Development, commented:

The insight in the report is helping us lay solid foundations for fulfilling this vision. It has enabled us to work with our local partners to develop programmes that support the sectors which the consulting focuses on, and this will help us to ensure evidence of the skills required by employers in the future.