



# A guide for economic development services: their role and future skills needs

A report by Shared Intelligence

April 2023

## Foreword

Local leaders want to create inclusive, sustainable and thriving local economies where people want to live and work, and where employers want to invest.

At a local level this means attracting investment and capitalising on opportunities created by green growth, automation and new global markets as well as existing industries which can lead to high-quality jobs for our residents. With the right levers and approaches, councils can also address social, regional and economic inequalities within and between places.

Local government's economic development teams have a vital, cross-cutting role in achieving this. While these teams come in a variety of shapes and sizes, they are all unique in being able to bring together knowledge, expertise and skills about their local area – more so than any other single local or national institution. Their work is critical to the places they serve, but combined, it is also vital for England plc too.

National government is increasingly recognising this through recent policy shifts including working through councils and devolved authorities to target economic growth funding alongside a move to integrate Local Enterprise Partnership functions into local government structures. These are positive developments, which have both the potential to support more effective local decision making and address recruitment and retention challenges by making way for an expansion of economic development services.

This guide shares examples of what councils' economic development teams do and how they are delivered, so councils can learn from each one other. It goes on to highlight emerging issues that are landing on their desks and what future skills, knowledge, and abilities they might need to address these, with signposting for further support.

It really is a must read for new and existing officers and elected members with direct involvement in economic development, or anyone else that wants to better understand or connect with these services.



Cllr Kevin Bentley

Chair, LGA People and Places Board



Mayor Marvin Rees

Chair, LGA City Regions Board

# Executive Summary

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Economic development services are “about making things happen that the market on its own won’t deliver”.

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Economic development officer, district council

This guide explains what local economic development (ED) services do for the communities they serve, why they are important, the challenges they face, and the skills and knowledge they will need in the coming years. It builds on [a 2022 report by CEDOS](#), the professional body for economic development. The aim of this guide is to help councillors and senior officers get the most from their ED services and enable them to maximise their impact in a changing landscape.

Economic development services come in a variety of shapes and sizes from single officers to large teams. They help create the conditions for sustainable and inclusive growth, use data to provide councils with vital intelligence to understand and support the local economy. Teams will also develop evidence-based business cases for regeneration projects and local economic interventions such as community wealth-building approaches, including to support their town centre and high street economies, by linking with a range of other council services. They have direct connections to local businesses and public employers unique to their area – large to small and across all sectors, and help existing employers expand and attract new ones through inward investment. This in turn helps them understand employers’ skills needs and increases local employment opportunities. In addition to local knowledge, they bring strong, local democratic accountability when translating national government policy to local infrastructure investment. All of this enables councils to target economic support quickly and accurately. This was the case during the pandemic, where ED services were able to target grant relief using their direct and strategic relationships and networks.

For central government, ED services provide a proven delivery mechanism for place-based funding, along with local capacity to create, identify, and appraise candidate projects.

In recent years there has been a deliberate shift of government policy to put councils front and centre in delivering local economic outcomes. Policies for levelling up, UK Shared Prosperity Fund (UKSPF) and a clear economic focus within city and county deals are all examples of this. ED services act as the bridge between national economic policy, and local action based on local need. They do this using their ability to influence other services through which they create the conditions for growth including housing, planning, procurement, education, and skills. Many have built their reputation and capacity through decades of successful delivery of EU structural funding for economic development. More recently they have taken a lead role co-ordinating the £9 billion of Government place-based funding currently being invested to reduce geographic inequalities (UK Community Renewal Fund, UK Shared Prosperity Fund, and Towns Fund and to a lesser extent, Levelling Up Fund). The combined work of these local teams is vital to the growth of England plc.

Four factors are shaping the context in which ED services operate

1. **The Government’s commitment to broader and faster devolution, including the integration of Local Enterprise Partnerships (LEPs) into local government.** It is nothing new for Government to shift responsibility for economic development between different organisations, and local government’s role has always been the constant factor. But the acceleration of devolution now puts local government front and centre.
2. **The replacement of EU structural funding with a domestic funding regime.** Some councils have reported capacity constraints with responsibility for programmes such as UK Shared Prosperity Fund but it also creates real opportunities to define outcomes locally.

3. **Continued pressure on local government budgets affects non-statutory services like ED the most.** Added to this, shorter-term, competitive, national bidding rounds adds pressure on councils and ED services to commit scarce resources into writing competitive bids. These second and third factors strengthen the case for inter-authority collaboration on ED services (where appropriate), and the need to innovate both operations and policy.
4. **Recruitment, retention, and capacity.** Beyond the wider staffing pressures in local government, entry to the ED profession is less clear compared to other professions and lacks structured work-based or qualification routes beyond graduate entry.

#### What this guide recommends

**Recommendations for local authority economic ED services.** Given the importance of ED services and the scale of change, it is vital that they have the capacity, knowledge, skills, and ability to deliver. They should:

1. undertake rapid reviews of the core objectives of the economic development service and align council service plans accordingly
2. review knowledge, skills, and abilities of ED services and ensure staff can provide what is required to deliver the council's aims and objectives for economic development
3. explore how closer joint working with other councils could help meet the needs of the functional economic area, make the most of scarce resources, reduce duplication, and maximise economies of scale where it makes sense to do so.

To enable council ED services to deliver point 2 above (staff skills), this guide identifies 19 areas of essential skills, knowledge, and abilities which council ED services will need in the coming decade. It recommends ED services look at which of the 19 skill areas they need according to the type of service they offer. A simplified typology of economic development services has been provided and mapped to the 19 skill areas. The detail of this approach can be found in section 3 of this guide.

**Recommendations for portfolio holders.** This guide recognises that elected members have a key strategic role in local economic development and identifies two ways they can provide support:

1. Members can help ensure ED services are fully aligned with council objectives for the local economy and understand which communities could benefit from economic growth.
2. Members can support ED services to build sustainable partnerships with key local businesses, employers, and anchor institutions so they know what contribution may be required in the long-term.

**Recommendations for national stakeholders.** To meet recruitment and capacity challenges action is also needed at a national level. This guide identifies four opportunities for national stakeholders to improve career development support. They should:

1. produce a clear career pathway for new and existing economic development roles
2. explore the development of an apprenticeship standards in ED services to aid work-based progression and provide development for the existing ED workforce
3. promote the ED profession through action by partner agencies, employers, learning providers (in further and higher education) and the ED professional body
4. develop the CPD offer for ED services to ensure it is visible and joined up.

## 1. Introduction

This guide focuses on the future skills needs of economic development services based in councils and other local democratic institutions. It builds on [a 2022 report by CEDOS](#), the professional body for economic development, which explored the structures within which economic development operates across local government and an overview of skills and capacity gaps.

This guide explains what local economic development services do for the communities they serve, why they are important, the challenges they face, and the skills and knowledge they will need in the coming years. The aim of this is to help councillors and senior officers get the most from their ED services and enable them to continue making an impact in a changing landscape.

The content of this document comes from interviews with local government officers, elected members, and others involved in local economic development. It has also been developed and tested with a working group convened by the LGA and CEDOS

## 2. Current and future opportunities and drivers of change

In considering the future skills needs, we first look at the contextual changes in central and local government which affect the role of ED services.

### Factors driving change over the past five years

Four factors are currently shaping the context of ED services and the skills needs of their staff.

“The LEP news [acceleration of integration] is a game changer for the delivery of economic development services in the future.”

Elected member, county council

- **Devolution and integration of local economic partnerships (LEPs)** into councils (or other local democratic institutions like combined authorities), presents short-term challenges but has the potential to be a major opportunity for ED services. ED services have always had to adapt to the creation and disbanding of various other organisations such as Training and Enterprise Councils (TECs) and Regional Development Agencies (RDAs). Nonetheless, the current integration of LEPs presents a major opportunity for local government ED services. There is also an opportunity to build up staff skills by taking on specialisms held within each LEP. Across the country, local government has a short window of time to build their own capabilities by recruiting former LEP staff with knowledge of key sectors, of inward investment strategies and relationships with the Department for Business and Trade (DBT) on international markets. Furthermore, skills and knowledge around bringing business voice into local economic decision-making can be developed through new governance models. These considerations all have an impact on future skills required.
- **Greater flexibility in the post-Brexit domestic replacement for EU structural funding.** The replacement of EU structural funding has resulted in a shift in responsibility from LEPs and county councils towards district councils including through the UK Shared Prosperity Fund (UKSPF) and UK Rural Prosperity Fund (UKRPF). Some councils have reported that this shift has created capacity constraints, but it has also provided real opportunities to define local

outcomes. Skills to define outcomes locally and to design effective evaluation frameworks are increasingly important in the absence of a national framework from government. A clearer understanding of what works will unlock innovative approaches and new ways to understand impact. Finally, finding ways to link funding and demonstrate additionality across different government departments is becoming increasingly important.

- **Continued pressure on local government budgets** falls disproportionately on non-statutory services including economic development. Funding pressure is now a long-term issue. But in the short term this has also been exacerbated by competitive national bidding rounds (notably the £4.8 billion Levelling Up Fund, £3.6 billion Towns Fund, £220 million Community Renewal Fund, as well as several other smaller funds). As a result, councils and specifically ED services have been drawn into committing scarce resources to writing competitive bids. Interviewees described veering from the short-term detail of high street recovery projects to big questions about the future of local sectors.
- **Recruitment, retention, and delivery capacity.** In part this is due to the ED profession having less-well defined career paths than other local government professions. The broad skill sets required by ED services contribute to this, as do blurred distinctions in some places between ED and other services (notably regeneration). Added to this, ED services are often reliant on a carousel of short-term project funding which makes staff retention and progression difficult. In the very short term, the effects of LEP integration on the economic development profession as a whole, provide added uncertainty. However, LEP integration will likely be a driver for local authorities to expand their ED services and sets a challenge to attract talent from other sectors including education and industry. The cross-sector learning that can be achieved through this approach could strengthen ED services and capacity. To further enhance this, career progression routes should be considered to upskill and motivate the local government workforce. These are set out in section 5 of this guide.

#### Opportunities and challenges over the coming decade

Those leading and delivering local ED services foresee many challenges in the coming decade but four come up with the greatest consistency.

- **The case for joint working across ED services is growing.** With devolution deals now covering more than 50 percent of England, local authorities have a genuine moment to seize – to work even closer with one other on economic development, to create multi-authority growth strategies where these make sense locally, more ambitious inward investment offers, and ensure economic growth meets locally determined goals. In the mayoral combined authorities (MCAs) even greater opportunities to shape local economies are presented by devolved funding and all are reframing economic policy in line with LEP integration. At a district level, UKSPF provides an opportunity for jointly commissioned delivery of place, business, and skills outcomes. Alongside these pull factors are also strong push factors for joint working, stemming from budget pressure on discretionary non-statutory functions, as a result of long-term demands from social care, compounded by Covid and the cost-of-living crisis.
- **ED services will need to become more innovative both in their external work, and in how they operate internally.** Changes across the economy (Brexit, the pandemic and its aftermath, structural changes in the labour market, and levelling up policies), new

technology and evolving government policy are all major drivers for ED services. In order to get ahead of these structural shifts, external and internal innovation by ED services is vital. The coming decade will see sectors evolve, new occupations emerge which don't exist today, and changes in expectations about economic growth. New gigabit broadband targets, pro-innovation regulation of digital technologies, and expansion of the [Catapult network](#) are a few examples of the new knowledge base that must be acquired to ensure economic opportunities are delivered. Internally within their own operations ED services will have to become more commercial in order to generate new sources of revenue as council budget pressures continue. This will require skills in innovation, assessing and managing risk, and the ability to translate approaches from other fields.

“We need to find ways to develop new approaches even though they take more time, introduce more risk, and are harder work more generally – perhaps appraisal tools geared towards assessing and designing novel approaches?”

Senior officer, mayoral combined authority

- **ED services must respond to the changing role and uses of data.** Understanding data has always been a core role of ED services and professionals. But the limitations of official national data are increasingly apparent, especially with the most recent census data gathered during the pandemic. The data that is available today is a fraction of what will be available over the next few years as new sources develop and as data is used in different ways. The volume of data created, captured, copied, and consumed worldwide is [predicted](#) to nearly double from 2022 to 2025 (97 zettabytes to 181 zettabytes). This means ED services must build their skills to understand many different data sources and challenge how data is used to form business cases.

“Data data data! Covid showed us the power of machine learning to identify and predict and we need the skills to use and commission this properly.”

CEO, local enterprise partnership

- **Local zero carbon focus will move from jobs and skills to infrastructure and competitiveness.** Creating and attracting green jobs remains critical in our economy. ED services will need to understand future trends in accelerating decarbonisation and work to prepare employers and employees for labour market changes. The focus of local ED services will also need to extend to understand the capacity and availability of local and regional energy infrastructure. As the cost of energy and emissions rise, sustainable energy infrastructure will become a critical competitiveness factor. This will require ED services to acquire skills and knowledge and work with those who understand energy infrastructure, to understand and influence energy supply, storage, decarbonisation, and energy finance.

### 3. Economic development services vary in form and focus

One of the biggest challenges when discussing and comparing ED services nationally, is that they vary greatly in what they do, what they view as important, and the skills and knowledge they require. This can make it hard for those outside of ED services to understand their role and impact. It is also a factor which makes career progression into and within ED less distinct than for other local government specialisms.

In this section, the guide sets out what is common to ED services, a simplified typology of ED services with examples of how they differ and goes on to consider what role elected members play.

The most common roles and functions played by ED services include:

- Acting as conveners and connectors and supporting local stakeholders and partnerships.
- Translating national policy into local opportunities and creating new ways to level up.
- Signposting employers to business support so they can access support at a national, regional and / or local level.
- Working with skills providers to ensure the needs of local communities and the business population is influencing provision.
- Using evidence and data to identify skills requirements for local residents and businesses in order to influence economic prosperity.
- Using their understanding of regeneration processes and business case development to unlock or accelerate projects.
- Attracting inward investment, either through stakeholder management or drawing on local need to bring forward funding, often using their ‘own leverage and economic muscle’.

#### ED services come in many forms

One of the products of this work is a typology of ED services which takes into account a number of factors including the characteristics outlined below. Identifying which service model most closely describes each council’s own ED service will enable them to make the most of this guide.

| Simplified typology of economic development services                                |  |
|---|--|
| <b>Solo act</b> , up to 1 full-time post, focused on influencing and collaboration. | <b>Large strategic</b> , little or no direct delivery, large, commissioned programmes, wide range of strategic capabilities (influence, data, policy). |
| <b>Small hands-on</b> , focused on business support and skills.                     | <b>Large hands-on</b> , multiple projects delivered directly and with partners.  |

#### Large and small teams, commissioners, and hands-on delivery

What ED services do vary significantly between authorities. In many places, ED services have been shaped by their role managing European Structural Funds and they are also shaped by other factors like the type of authority in which they are based. Where ED services sit within a council’s structure can also affect what they do. Some are in the same managerial group as statutory service areas, such as trading standards, planning or highways, while others are grouped with non-statutory services like culture, or as part of a chief executive’s policy unit.



Some ED services have a narrow focus as a consequence of limited resources. For example, they may concentrate on high street regeneration and place marketing. Often these are ‘solo acts’ comprised of just one officer.

Other services have a broad range of functions enabling them to intervene in the local economy in multiple ways; setting local economic policy, creating sector-based strategies, working with adult and community learning, supporting regeneration, developing business cases using HM Treasury “Green Book” appraisals or “Five Case” models. These activities require broader knowledge and competencies, including specialist skills. In this guide they are referred to as ‘large strategic’.

Some ED services deliver interventions directly, for example, running job brokerage schemes or business networks. These can be delivered even with quite limited resources but require specific technical skills. In this guide, these are referred to as ‘small hands-on’ (often found in districts) or ‘large hands-on’ (often found in counties) models.

By contrast, some ED services are strategic commissioners of projects and interventions rather than running them themselves. This requires procurement and contract management skills. Unitary authorities often use a combination of direct delivery and commissioned services, which means they need both skillsets. UKSPF funding has made it more common for ED services to combine direct delivery with commissioning especially among ‘solo acts’.

#### [Partnership skills and the ability to acquire sector knowledge quickly](#)

ED services have been described as leaders and enablers and partnership building skills are often cited as essential. Internally across the council, connecting up with different services including community safety, culture, public health, property, transport, licensing to name but a few can bring real benefits in developing policy and interventions. They must also be able to write place-based narratives for funding bids and for uniting public, private, and community partners under a common vision.

Administrative geography affects how ED services operate and the skills they need. Messy geographies (where tiers of local government and / or boundaries of other public bodies are not coterminous) make it harder to set shared priorities compared to coterminous areas. This requires additional relationship building skills.

ED services provide many different local stakeholders with data, commercial insight, and guidance on economic strategy – in relation to different sectors of the local economy. As a result, one of ED officers’ primary skills is the ability to acquire relevant sector knowledge quickly and often (a skillset now needed in a great many occupations far beyond local government). For example, an ED officer might have to quickly develop deep knowledge of health and care, or digital gaming, to address issues of local priority. A consultee from the [What Works Centre for Economic Growth](#) described ED officers as needing to have a lot of specialisms rather than being generalists.

#### [Budgets shape teams and recruitment patterns](#)

Like all non-statutory services in local government, ED services are under increasing budget pressure. Some ED services consist of just one officer based in a larger team (for example, regeneration, planning or regulatory services). Individuals in this situation are likely to be highly stretched and more likely to rely on generalist skills.

The current funding landscape is geared towards short-term recovery and quick wins. While there is a need to develop short term investment opportunities, it risks displacing activity focused on longer-

term goals and ED services must develop the ability to balance their time between short and long term even under these pressures.

While heavy reliance on short-term or project-based funding is the norm for many ED services, it presents recruitment and retention challenges. This means it is often the norm for ED professionals to seek another job towards the end of their current project rather than remaining in that team. This has led to personal flexibility being a core skill for ED professionals but makes it hard for ED services to build up knowledge and experience.

Teams with access to core funding tend to have a longer-term, less project-specific focus, and can build-up specialisms and stable roles. The interviews highlighted how over the coming years, ED services will need to access more specialist skills, for example, using machine learning to exploit data, or ethnography to get deeper insight into community needs. They will therefore need more stable budgets. Some ED services have been able to secure private sector funding for specific activities or access to tranches of funding from planning gain. These go some way to providing budget stability.

#### Elected members influence the approach of ED services to economic growth

When elected members are involved with economic development and provide political leadership, this can have a significant and positive impact on the direction of ED services. Differences in political direction make a practical difference to the approach and focus of ED services. In some councils elected members seek for instance community wealth building or inclusive growth approaches, which aim to ensure economic growth is distributed fairly and creates opportunities for all locally. Others take a mission-based approach, where growth is a means to achieving specific goals such as decarbonisation or developing new technology clusters as part of a long-term vision. In other places the pattern of economic growth is left to the market to determine. As a director in a combined authority put it: “the presence of politicians in discussions has brought in challenge about the distribution of benefit, whereas officer-only discussions can still fall back into an ‘all-growth-is-good’ mindset.”

The ability to work within political environments is a key skill for ED officers. Having elected members who are well-briefed and supportive of their ED service, and an ED service with clear and consistent goals, improves business confidence and ED service influence. Elected members can be supported in their decision making by ED officers who provide data and an understanding of key economic principles. It is important for ED officers to have the skills to engage with members and demonstrate robust evidence of impact.

For this reason, one of the key recommendations of this guide is that ED services should have service plans which clearly state their goals and approach to economic development.

## 4. What economic development services achieve

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Economic development services are “about making things happen that the market on its own won’t deliver”.

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Economic development officer, district council

Economic development (ED) services provide councils with vital intelligence about the local economy, and connections to local businesses and employers. Many take the lead on supporting their town centres and high streets. They enable councils to provide economic support quickly and accurately as they did during the pandemic and in its aftermath, through direct and strategic relationships, networks, and business databases. They influence the availability of employment opportunities by attracting employers to the area, supporting inward investment, and helping existing employers expand.

ED services also bring local knowledge and accountability to national infrastructure investment. They provide central government with a delivery network for place-based funding programmes, and local capacity to create, identify, and appraise candidate projects. This includes the £9 billion of place-based funding currently being invested to reduce inequalities through the UK Community Renewal Fund (£220 million), UK Shared Prosperity Fund (£2.6 billion), and Towns Fund (£3.6 billion) and to a lesser extent, Levelling Up Fund (£4.8 billion).

A national focus on recovery during the pandemic put pressure on ED resources to fund short-term recovery interventions relating to high streets, trade, issuing grants and administering government schemes to support businesses. This redirection of resources meant that there are tensions between the short-term needs of councils and the long-term impacts that ED services are expected to make.

The most effective ED services are the ones that can guide long-term place-making and place-shaping by connecting employment, education and skills, business, and investment together through long-term strategies.

The best way to illustrate what ED services achieve is through practical examples and case studies. Here are seven ways in which ED services add value, each is illustrated with a short case study:

1. Closing the skills gap between employers and the local community.

[Essex County Council – Aviation academy](#)

Essex County council’s ED service used its data and relationships to create the conditions for developing the Stansted Airport College. The new college is an £11 million technical skills facility opened in 2018 and it is the first purpose-built on-site college at a major UK airport and the only further education centre in Uttlesford.

The opening of this new centre is a key moment in tackling skills shortages in Essex but also more widely in the South East Local Enterprise Partnership (SELEP) area, which also covers Kent and East Sussex. This employer-led project directly tackles challenges identified from the respective skills strategies of Essex County Council and SELEP to create clear and direct paths for local young people into important engineering roles. The new facility was built on a one-acre site on land made available by the airport. The project also received: two separate £3.5 million grants from SELEP, Local Growth Fund and Essex County Council; £600,000 from Harlow College; and was also supported by a £300,000 grant from Uttlesford District Council.

The skills strategies highlighted challenges, including having nearly 180,000 young people in the area with no qualifications, and skills below the national average. The college shows what can be achieved when employers, education providers and local authorities collaborate.

The county council is also supporting the transition from fossil-fuel to electric vehicles (EVs) with a new electric vehicle centre at Harlow College. The project will fund 50 free places over a 24-month period to train EV technicians. Community learning workshops will raise local awareness for current and would-be EV owners.

Role of the ED service: it has provided detailed understanding of the local jobs and skills landscape. This in turn comes from having good data and strong partnerships with Stansted and Harlow College (to connect them together), and from having an elected member who understands and values their ED service to help drive the project forward at a senior level. It is a good example of how ED services can support long-term strategies for economic growth by creating an environment where skills and training are designed around what employers want, including many businesses at the airport.

## 2. Designing employment support for local businesses and start-up support for entrepreneurs.

### Hull City Council – Business Support

Employment support: In 2019, Hull City council set up the employment hub using business rates uplift from the successful development of their Enterprise Zones. The council also managed to secure 3 years of funding from DWP grants (years 2 and 3 were secured following the success of the first year). Over 2,500 people have been supported in some way with 350 people directly securing employment. In addition, training and employment through the national Kickstart scheme was delivered through the employment hub infrastructure which engaged more than 150 businesses. The council has also linked apprenticeship and grant opportunities with the end of the Kickstart scheme as the additional cost of employment at the end of the programme often became a difficulty for businesses. As a result, if a Kickstart alumnus is retained at work after 3 months, the business becomes eligible for grant and apprenticeship support.

The success of the employment hub renewed the council's commitment to their business support service. Using the uplift from business rates in their enterprise zone, the council is creating additional staff positions in the business support team. This additional team resource means they can directly provide a wider range of benefits and more comprehensive support that meets the needs of local businesses. One of the shortcomings of the current landscape is that a lot of business support is, and has been, tied into programmes like ERDF and more recently UKSPF which restricts the type of business support provided.

Start-up support for entrepreneurs: The ED service also has a team focused on micro business and youth enterprise with a particular emphasis on helping those facing barriers to self-employment. The focus of this team is to upskill individuals and develop their confidence in getting into employment as well as providing a pathway into self-employment and advice around starting businesses.

While it had regular engagement with large scale businesses, Hull City ED service wanted to increase engagement and collaboration with its SME base. So the council set up an "Hull city - your future" event which 80 businesses attended. The event brought together a diverse range of businesses, from 100-employee businesses to sole traders and was an opportunity for the council to communicate their business support offer and enable smaller businesses to build networks to help their organisations grow. The council is now looking to hold an event every six months.

Role of the ED service: it developed a comprehensive service by gaining support for their work from across the council and with senior leadership. The service demonstrates the value of their work using data on the enterprise zone and employment hub. This has allowed ED officers to request more internal funding post-ERDF. The council understands that socioeconomic deprivation results from a lack of skills and opportunities to employment and therefore, understands the value of their ED service in connecting and partnering with businesses. This innovative approach focuses on businesses as an area to develop skills, alongside the work of further education institutions.

### 3. Creating growth strategies with input cross sectors.

[Staffordshire County Council – Economic Growth strategy 2023 to 2030 & growth programme](#)  
Staffordshire’s ambitious Economic Strategy is their roadmap to delivering ambitions for the local economy.

The county boasts a diverse economy with significant strengths in automotive (Jaguar Land Rover, Gestamp), aerospace (Moog), energy (General Electric, ABB), medical technologies, (Cobra Biologics, Biocomposites), construction (JCB, KMF), logistics (Amazon, DHL), digital (Risual) and agri-tech. In addition to this, most of the businesses in the area are small and medium enterprises.

The council has created a new growth strategy from 2023 to 2030 that covers the challenges and opportunities presented through levelling up and devolution, climate change and housing whilst also working with several different partners including Midlands Engine, Midlands Connect, Stoke-on-Trent & Staffordshire Local Enterprise Partnership and Staffordshire University among others. The strategy considers both longer-term economic and shorter-term priorities, through a flexible economic growth programme.

Role of the ED service: it played a strategic role in convening and connecting different organisations and different priorities under one overarching and long-term strategy. It was able to achieve this by having a detailed understanding of the priorities of both large and small businesses in the area and a data-led understanding of where the strengths of the local area lie. ED officers played a central role in pulling together and understanding the priorities across local needs, national and local politics and policy, the impact of the Covid-19 pandemic, and cabinet members’ priorities, into one strategic document.

### 4. Place and destination management including supporting retail cores / town centres and tourism.

[Devon County Council – Made in Devon](#)

“Made in Devon” is a scheme set up by Devon County Council to help businesses promote genuinely local products and services and encourage consumers to buy from local independent businesses. Any business that is based in Devon or uses Devon materials wherever possible and has been operating for more than six months can apply to join. Consumers who want to buy from trustworthy Devon companies can look on the Find a Local Business page, seasonal campaign pages or the Love to Shop Local page and know they are supporting a local, Devon business that has trading standards’ stamp of approval.

“Made in Devon” was set up as an add-on to the nationally recognised “Buy with Confidence Trading Standards” approval scheme to provide additional support and resilience to local businesses. Member businesses are assessed on their legal compliance, their commitment to sustainability, how they currently contribute to their local communities, and their specialist skills.

Funding from Devon County Council from 2021 to 2023 enabled up to 125 Devon-based businesses a year to join the scheme for free. This funding provided each business with a free audit by Trading Standards, and free membership of the scheme for their first year where they could take part in promotional opportunities.

The project demonstrated how councils can ensure every local business is contributing to the priorities of the local community, while simultaneously promoting local products in the area. The scheme also aimed to build Devon as a brand and establish the region as a place for high quality goods and services.

Role of the ED service: the Devon Economy Enterprise and Skills service delivered this by taking advantage of the commercial experience within their team. They understood that by promoting local products they could create a more sustainable and circular local economy. By using externally funded free membership the service was able to build trust with the business community which has enabled a self-sustaining model from March 2023. Additionally, the service was able to use their existing relationships with businesses to better connect them with Heart of the South West Trading Standards and Business Support which was mutually beneficial.

#### 5. Attracting inward investment from private and public sources.

##### [Lincolnshire County Council – Team Lincolnshire](#)

Investment in Lincolnshire has primarily been made by businesses who are already based in the county. The county council and partners had undertaken work to attract inward investment for some years, but wanted to step up efforts. Recently, the council has recognised that inward investment promotion materials tend to be generic, all describing "a well-located area, a skilled workforce, and access to ports/airports". The council understood that an inward investment offer that stood them apart from others was needed, rather than creating a generic offer that investors could access anywhere across the country. To help them do this, they focused on three themes:

##### 1. An advocacy programme led by the private sector.

Team Lincolnshire is a partnership of around 150 Lincolnshire businesses who help to promote the area. They attend meetings with private investors alongside the council team and colleagues from district councils, have their own steering group, which is facilitated, not led, by the council.

##### 2. A focus on the area's strengths by sector.

The ED service produced six investor propositions which describe specific sites, values, supply chains, and support mechanisms for the sectors in which Lincolnshire has a competitive advantage. In doing this, money has been moved away from generic place-based investment promotion to more targeted promotion, including using social media and as proactive attendance at sector events to identifying target businesses.

##### 3. Knowledge of the factors that really affect investors' decisions.

The ED service has developed their team's knowledge of banking and accountancy finance. Ultimately investment decisions are based on whether the finances stack up and the ED service is now better able to understand the detail of what matters to each potential investor. They have also started developing knowledge in energy management/supply due to its critical role in investment decisions in rural areas.

As a result, Lincolnshire County Council is currently dealing with more investment enquiries than ever before and are already at the 'heads of terms' stage over new investments which will adapt and modernise the county's industrial composition.

Role of the ED service: it understood the need to step back and challenge whether what they were doing was effective and whether there was a need to move away from "doing", to taking on a role as a facilitator. Although it was a difficult decision, they understood that their skills and resource better suited a more strategic role. Additionally, development of their targeted communications through social media and greater knowledge on banking and accountancy finance attracted outside businesses to Lincolnshire who had not previously considered the county, and created better understanding internally of what investors want.

#### 6. Working across regeneration and planning to shape contributions from business.

##### Bristol City Council – City Centre Recovery and Renewal

Bristol city centre is the primary economic centre in the West of England region, home to 120,000 jobs, 2,200 businesses, well-known retail brands alongside the city's growing independent retail and hospitality sectors, night-time economy, and flagship cultural attractions. Like many UK city centres, Bristol has been impacted by changes in shopping habits and working practices as a result of the Covid-19 pandemic, which accelerated trends towards online and out of town shopping and increased home working.

The council's ED service has attracted over £5 million of investment to support the recovery of the city centre and nine other priority high streets. As restrictions were lifted across the UK, it focused on the recovery of the city centre. The ED service worked with partners to boost footfall and visitor numbers, support recovery of the culture and events sectors and re-establish the city centre as a prime visitor location within the region. In doing this the service has been working with a range of creative, community and business partners to deliver an events programme throughout 2022. This has attracted over 75,000 visitors to the city centre and generated almost £1.4 million of additional spend in Bristol's businesses and supported 216 paid jobs in culture and events.

Additionally, the Vacant Commercial Property Grant Scheme is used to bring vacant commercial properties back into use, supporting diverse businesses across the city. The council have supported 70 new and expanding small businesses, charities and social enterprises, allocating £604,000 in grants to open new shops and premises. The scheme has created over 300 new jobs, and to date, has supported a decrease of nearly 2 percentage points in city centre vacancy rate.

The council has provided £400,000 investment for greening and street scene improvements within the city centre. This investment will complement physical regeneration of Bristol Shopping Quarter, Castle Park and St James' Barton Roundabout, which will be guided by a development and delivery plan led by the regeneration service. The plan will consider potential long-term changes to buildings, spaces and streets and the way spaces are used and consider what is needed to support a thriving city centre in the context of the climate, ecological, economic, and social pressures.

Role of the ED service: the service has facilitated extensive joint working across Bristol City Council services – economic development, regeneration, planning, property, transport, licensing, public health, community development, waste, street scene, culture, community safety. Working with partners is also critical to success and the ED service facilitates the City Centre Recovery Group which co-ordinates activities with the three city centre area Business Improvement Districts (representing over 1,000 businesses) and shopping centre managers for Cabot Circus and The Galleries.



## 7. Building partnerships to deliver greater outcomes for local places.

### Cotswold District Council – RAU innovation village

The innovation village at the Royal Agricultural University (RAU) in the Cotswolds is a concept for a sustainable, carbon neutral, innovation village which will be home to a community of entrepreneurs, policymakers, practitioners, and researchers committed to addressing major global challenges.

Role of the ED service: the proposed £100 million development, on a 29-acre site at RAU's Cirencester campus, was originally proposed to be sold off but the ED service and its lead elected member saw the opportunity for the site to benefit the local economy and add value for the RAU. It made the case at officer and political level for the RAU to develop the site themselves. The land is now central to the RAU's vision and aims to support industry, food producers, farmers, and landowners in developing sustainable solutions for healthy land and nature, food production, and resilience in rural communities.

The university will be liaising with local residents and stakeholders to shape the proposals as they progress with a view to submitting a planning application to Cotswold District Council. There are many intended benefits of the scheme.

- New businesses – doubling the current outputs of RAU's Farm491 agritech incubator and the local Growth Hub within first five years of operation, representing additional £35 million of investment, 120 jobs created, and support for 200 start-ups and SMEs.
- Provision of skills, training, employment, and affordable housing, targeted towards improving retention of 16–24-year-olds.
- Research funding – attracting annual research income of £10 million p.a. by 2030, growing from current baseline of £2 million p.a.
- High-value job creation – new academic and R&D opportunities estimated at 50 FTE.
- Increase in conferencing business and associated revenue growth – estimated value of £5 million p.a.

This project is a notable example of the ability of ED teams to create opportunities that the market will not themselves deliver. By using their experience and relationships with local businesses and stakeholders, the local authority - through their ED service - were able to create a more ambitious and place-shaping project than was planned.



## 5. Future skills needs of economic development services

### Career pathways and promoting the ED profession

It is clear that more needs to be done to promote the ED profession in local government to attract and retain the right skills. In producing this guide, issues around recruitment, retention and skills were often identified as challenges by ED services and other stakeholders. As referenced earlier, this is partly due to the ED profession having a less-well defined career compared to other local government professions. The broad skill sets required by ED services contribute to this, as do blurred distinctions in some places between ED and other functions (notably regeneration). Added to this, ED services are often reliant on a carousel of short-term project funding which makes retention and progression difficult.

Currently, the effects of LEP integration on the economic development profession is creating added uncertainty. Councils play a dual role, operating their own ED services, while at the same time also serving as the accountable body to the LEP, or providing Growth Hub services for their own locality. In the longer term LEP integration will act as a driver for councils to expand their ED services and to attract talent from other sectors including education and industry. The cross-sector learning that can be achieved through this could strengthen ED services and capacity.

### Economic development future skills needs

Building on the work produced by CEDOS in 2022, this guide aims to provide greater clarity on the future skills, knowledge, and abilities needed in ED services. The contributions from interviewees enabled the identification of 19 areas of essential skills, knowledge, and abilities which council ED services will need in the coming decade. The intention is to use these to help inform career pathways, continuous professional development, and other qualification routes such as apprenticeships for ED professionals.

#### Top technical skills:

1. Evidence-based business case development and appraisal – theories of change, HM Treasury Green Book and [Five Case Model](#).
2. Data and trends analysis – data acquisition, manipulation, analysis.
3. Project and programme management.
4. Commercial skills – income diversification and value-creation for ED services themselves.
5. Commissioning and clienting.
6. Planning – development, transport.
7. Managing capital and regeneration programmes.
8. Financial risk management.

#### Top knowledge areas:

9. Economic geography – national issues of regional drivers/disparities, local issues of local business base and their needs.
10. Labour market economics – macro issues of ‘good jobs’ and automation, micro issues upskilling, local labour, inactivity.
11. Equality diversity and inclusion.
12. Inclusive growth and community wealth building approaches – scale of challenge, what works.
13. Zero carbon – how to appraise interventions, how to quantify (such as the definition of green jobs), economic impact.

#### Top abilities:

14. Rapid acquisition of new subject knowledge – mastering new subject knowledge quickly on areas where ED can have influence.
15. Cross-boundary political management – across two or more authorities.
16. Communicating vision and purpose.
17. Discovering stakeholder needs – business, employers, delivery partners, residents.
18. Advocacy for economic development.
19. Self-management of continuing professional development (CPD).

#### Continuous professional Development

The background research conducted to produce this guide confirmed there is a good supply of continuous professional development (CPD) support for staff working in ED services. This is provided by the [Chief Economic Development Officers Society](#) (CEDOS), the [Association of Directors of Environment, Planning and Transport](#) (ADEPT), and the [Institute for Economic Development](#) (IED). The [What Works Centre for Local Economic Growth](#) also plays a vital role by providing access to evidence about effectiveness, and knowledge of how to apply evidence-based approaches to economic development. A handful of universities also run masters level programmes. However, these are not offered in a systematic way, which in part relates to the issues described about less-well defined career paths.

There is more detail on these CPD offers in section 7 at the end of this guide.

#### Future skills needs by type of economic development service

One of the key recommendations of this guide is that council ED services review their own knowledge, skills and abilities to self-assess their capacity and capability to deliver the council's economic development aims. This guide provides a checklist of skills needs by ED service according to the four types identified in section 3. This checklist can be used as a self-assessment tool to help councils develop a learning and development plan for their ED service, which this guide also recommends.

| Simplified typology of economic development services                                |  |
|---|--|
| <b>Solo act</b> , up to 1 full-time post, focused on influencing and collaboration. | <b>Large strategic</b> , little or no direct delivery, large, commissioned programmes, wide range of strategic capabilities (influence, data, policy). |
| <b>Small hands-on</b> , focused on business support and skills.                     | <b>Large hands-on</b> , multiple projects delivered directly and with partners.  |

| Type of skill    | Skills requirement  | Solo act | Small hands-on | Large hands-on | Large strategic |
|------------------|---|----------|----------------|----------------|-----------------|
| Technical skills | 1. Evidence-based business case development                   | X        | X              | X              | X               |
| Technical skills | 2. Data and trends analysis                                   | X        | X              | X              | X               |
| Technical skills | 3. Project and programme management                           | X        | X              | X              | X               |
| Technical skills | 4. Commercial skills  |          | X              | X              | X               |
| Technical skills | 5. Commissioning and clienting                                |          | X              |                | X               |
| Technical skills | 6. Planning – development, transport                          |          |                | X              | X               |
| Technical skills | 7. Managing capital programmes                                |          |                | X              | X               |
| Technical skills | 8. Financial risk management                                  |          |                | X              | X               |
| Knowledge        | 9. Economic geography   | X        | X              | X              | X               |
| Knowledge        | 10. Labour market economics                                   | X        | X              | X              | X               |
| Knowledge        | 11. Equality diversity and inclusion                          | X        | X              | X              | X               |
| Knowledge        | 12. Inclusive growth and community wealth building approaches | X        | X              | X              | X               |
| Knowledge        | 13. Zero carbon   | X        | X              | X              | X               |
| Abilities        | 14. Rapid acquisition of new subject knowledge                | X        | X              | X              | X               |
| Abilities        | 15. Cross-boundary political management                       | X        | X              | X              | X               |
| Abilities        | 16. Communication vision and purpose                          | X        | X              | X              | X               |
| Abilities        | 17. Discovering stakeholder needs                             | X        | X              | X              | X               |
| Abilities        | 18. Advocacy for economic development                         |          |                | X              | X               |
| Abilities        | 19. Self-management of CPD                                    | X        | X              | X              | X               |

Alt text for above table.

1. Evidence-based business case development is a technical skills requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
2. Data and trends analysis are technical skills requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
3. Project and programme management are technical skills requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
4. Commercial skills are technical skills requirement for small hands-on, large hands-on and large strategic ED teams.
5. Commissioning and clienting are technical skills requirement for small hands-on and large strategic ED teams.
6. Planning – development, transport is technical skills requirement for large hands-on and large strategic ED teams.
7. Managing capital programmes are technical skills requirement for large hands-on and large strategic ED teams.
8. Financial risk management are technical skills requirement for large hands-on and large strategic ED teams.
9. Knowledge of economic geography is a skill requirement for solo act, small hands-on, large hands-on and large strategic ED teams.

10. Knowledge of labour market economics is a skill requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
11. Knowledge of equality diversity and inclusion is a skill requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
12. Knowledge of inclusive growth and community wealth building approaches is a skill requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
13. Knowledge of zero carbon is a skill requirement for solo act, small hands-on, large hands-on and large strategic ED teams.
14. Rapid acquisition of new subject knowledge is an ability required of solo act, small hands-on, large hands-on and large strategic ED teams.
15. Cross-boundary political management is an ability required of solo act, small hands-on, large hands-on and large strategic ED teams.
16. Communication vision and purpose is an ability required of solo act, small hands-on, large hands-on and large strategic ED teams.
17. Discovering stakeholder needs is an ability required of solo act, small hands-on, large hands-on and large strategic ED teams.
18. Advocacy for economic development is an ability required of large hands-on and large strategic ED teams.
19. Self-management of CPD is an ability required of solo act, small hands-on, large hands-on and large strategic ED teams.

## 6. Key findings and summary recommendations at a glance

For economic development services

**Key finding:** The variety of forms ED services take, and their rapidly evolving role mean those outside the service including key stakeholders may not understand the aims and impact of the service.

**Recommendation:** Undertake rapid reviews of the core objectives of the ED service and align service plans accordingly. A formal service plan should address the changing purpose, goals, and relationships to other council functions, model (for example, to anticipate the absorption of LEP roles and funding) and priority ED service actions.

**Key finding:** The 19 areas of skills, knowledge, and abilities identified here are key to ensuring ED services have the skills they need for the future.

**Recommendation:** Review knowledge, skills and abilities of ED services and ensure these provide what is required to deliver the council's aims and objectives for economic development. Produce an internal learning and development plan (covering the service's essential knowledge, skills, abilities) to ensure ED is maintaining capabilities to fulfil their role. In doing so, ED services should make full use of the CPD and professional learning available from CEDOS, ADEPT, IED, and the What Works Centres.

**Key finding:** The case for joint working across neighbouring ED services is strengthened by a combination of LEP integration, accelerated devolution, and budget pressures.

**Recommendation:** Explore joint working across neighbouring council ED services to meet the needs of the functional economic area, share resources, reduce duplication, and maximise economies of scale. ED services with limited resources should consider pooling capacity with others, for example on bid writing and investment preparedness, to maintain broad capabilities and operational effectiveness.

For portfolio holders

**Key finding:** Elected member leadership and engagement helps ensure ED services support economic growth in ways which fit with the political vision.

**Recommendation:** Members should proactively engage with ED services and vice versa ensure they are fully aligned with the administration's objectives for the local economy, while understanding which communities could benefit from economic growth.

**Key finding:** Direct support from elected members can be key to the success of partnerships with local businesses and anchor institutions in unlocking important projects and initiatives.

**Recommendation:** Members should support ED services to build sustainable partnerships with key local businesses, employers and anchor institutions, so they know what contribution may be required in the long-term.

For national organisations

**Key finding:** Lack of structured career development for ED professionals in local government is a large part of the recruitment and retention challenge and requires national effort to solve.

**Recommendations:**

- National organisations should produce a clear career pathway for new and existing economic development roles. This pathway would include existing entry qualifications and use the new skills, knowledge and attributes identified in this guide.
- National organisations should explore the development of an apprenticeship standards in ED services to aid work-based progression and provide development for the existing ED workforce. Lessons can be drawn from other professions for example, the apprenticeships pathways developed in the public health profession.
- National organisations should promote the ED profession through action by partner agencies, employers, learning providers (in further and higher education) and the ED professional body. These stakeholders should work closer together to promote the ED profession to young people, graduates, and career changes in related professions to match skills needs of current and future ED services.
- National organisations should develop the CPD offer for ED services to ensure it is visible and joined up.

## 7. Existing sources of skills support for professional CPD

There are many routes for ED services to build their knowledge, skills and abilities through formal learning, seminars, and peer networks directly aimed at economic development professionals. Much of this is provided by sector organisations including the LGA and others, as well as post-graduate qualifications provided by universities.

### Sector Organisations

- [CEDOS the Chief Economic Development Officers' Society](#) offers [regular programme](#) of events, knowledge seminars and online briefings.
- [ADEPT the Association of Directors of Environment, Economy, Planning and Transport](#) offers:
  - a [Leadership Development Programme](#) delivered by SOLACE for aspiring place directors
  - an [Excellence in Place Leadership](#) delivered by Amey
  - a Large peer programme of [Live Labs](#) and [subject boards](#).
- [IED the Institute of Economic Development](#) offer:
  - [Excellence in Economic Development](#), which is a self-assessed standard for professional practice
  - a [Certificate/Advanced Certificate in Economic Development](#), which is a modular qualification accredited by the IED.
- [What Works Centre for Local Economic Growth](#) have a wide range of [training](#) on use of evidence in economic development including training in logic models and commissioning evaluation. The Centre also offers bespoke support for impact evaluations, through their [evaluation panel](#).
- The [Future of London](#) and [Future of Manchester](#) is the network for built environment practitioners, offering place-based leadership programmes for urban professionals ([London/Manchester](#) cohorts).

### Universities

- [London School of Economics](#) hosts a [MSc Local Economic Development](#).
- [University of Glasgow](#) offers a [MSc Economic Development](#).
- [University of Cambridge - Bennett Institute](#) has a (Certificate) on [The Wealth Economy: a Framework for Sustainable Prosperity 'Beyond GDP'](#)