

9. MID SUSSEX ECONOMIC DEVELOPMENT STRATEGY 2013 – PROGRESS REPORT AND ACTION PLAN UPDATE

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Wards Affected: All
Key Decision: No
Report to: Scrutiny Committee for Planning and Economic Development
14 October 2014

Purpose of Report

1. This report sets out progress against the objectives of the Mid Sussex Economic Development Strategy and Action Plan. It is the second and final update of 2014.

Summary

2. The report outlines key programmes and work undertaken to meet the Strategic Objectives of the Economic Development Strategy and Action Plan (refreshed 2013). This includes working with local businesses and participating in strategic programmes and partnerships seeking to promote economic growth and supporting the corporate priorities of the Council.
3. The report allows Members to scrutinise this work and if required, to make suggestions to how the work can be developed in future to better achieve the Strategic Objectives.

Recommendations

4. **Members are recommended to note the report and progress to date.**
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Background

5. The Economic Development Strategy and Action Plan set the focus for the Council's economic development work until March 2015. The Strategy outlines how the Council promotes and influences the Mid Sussex economy, including working with other organisations such as the Gatwick Diamond and the Coast to Capital Local Economic Partnership (LEP); and as partners on the Greater Brighton Economic Board and the Rural West Sussex Partnership.
6. On adoption of the Economic Development Strategy and Action Plan by Cabinet in March 2013, it was agreed to provide a twice yearly progress update. This report is the second and final update of 2014, following feedback to this Committee in March.
7. This report sets out how the Council is striving to deliver the Economic Development Strategy, drawing upon current programmes and examples of the Council's 'Whole Council Approach' to economic development and working with the business community.
8. The Economic Development Strategy and Action Plan is designed to:

- Complement rather than duplicate the work of other bodies working to promote economic development in Mid Sussex;
 - Fulfil the 'Whole Council Approach' to economic development i.e. it is not the responsibility of just one Member or service area;
 - Be deliverable - outcomes are measured by the actions and results of Council services and by monitoring wider economic indicators; and
 - Be consistent with the Council's other relevant plans and strategies, including the emerging Mid Sussex District Plan.
9. The Economic Development Strategy is centred on meeting four strategic objectives which outline the aims of Mid Sussex District Council to support sustainable economic growth and the corporate priorities of the Council. These are to:
- i. Support a robust and resilient Mid Sussex economy through direct action and by influencing businesses and partners, with a particular focus on encouraging investment, enterprise and business start-ups in Mid Sussex, particularly in creative and knowledge based sectors;
 - ii. Seek to improve the self-sufficiency of Mid Sussex communities by creating 7,600 new jobs by 2031, enabling residents to work within the communities where they live to build stronger communities and reduce the need to commute;
 - iii. Ensure that the Council has an outward looking attitude to support and encourage business growth through the provision of all its services and functions (the Whole Council Approach); and
 - iv. Engage with wider partnerships to deliver economic benefits for Mid Sussex.
10. The Strategic Objectives of the Economic Development Plan are closely aligned with the strategy of the emerging District Plan. Although adoption of the District Plan has been delayed until spring 2016, the strategic objectives of the Economic Development Strategy are still being pursued and remain a key priority of the Council. For example, part of the new high quality business park at Burgess Hill already has a resolution to grant planning permission; and officers continue to work closely with the consortium delivering the Northern Arc development at Burgess Hill and the University of Brighton and other key partners to bring forward these strategic proposals alongside the District Plan where possible.

Delivery of the Economic Development Strategy and Action Plan Objectives

Objective i) - Support a robust and resilient Mid Sussex economy through direct action and by influencing businesses and partners, with a particular focus on encouraging investment, enterprise and business start-ups in Mid Sussex, particularly in creative and knowledge based sectors.

11. Since March 2014 the Council's Wellbeing and Economic Development teams have jointly employed a part-time Business Liaison Officer, Gordon Reay, whose role is to promote the services of the Mid Sussex Wellbeing team and support economic development by providing a direct link between local businesses and the Council. The combined role has enabled the Business Liaison Officer to very effectively promote the 'Well-being' project with specific health check clinics.

12. Through the work led by the Business Liaison Officer, the Council have been able to:

- Establish a strong central contact point at the Council for the business community to be developed.

As a result, the Business Liaison Officer is dealing with an increasing number of enquiries from local businesses which have included premises requirements, grant funding, the Council's business directory and other Council provided services

- Establish stronger, positive links between the Council and the three main local Business Associations including regular attendance at each Association's committee meetings.

The Council sponsored and attended the Haywards Heath and District Business Association conference, the first such conference to be held in Mid Sussex, in March 2014, and the Burgess Hill Means Business event, organised by the Burgess Hill Business Parks Association, held in May 2014. These events have provided an opportunity to interact with local business and establish links and contacts with the wider business community and has assisted the Council's awareness of immediate issues and needs.

- Promote its services, economic development programmes and signpost important funding opportunities.
- Achieve a steady flow of information from businesses to the Council and increase the Council's awareness of issue affecting, the business community's needs.

This is important as it can be difficult to engage constructively with the business community.

13. Availability of premises to allow businesses to expand/ relocate is one of the key issues to emerge from discussions with the business community to date. In addition, working closely with the Burgess Hill Business Parks Association, the Council has commissioned a Burgess Hill business survey to facilitate a greater analysis of the particular characteristics and needs of the local economy. The survey will also provide qualitative evidence to further support the proposed District Plan employment allocations at Burgess Hill. The results of the survey, sent to 450 local businesses, are expected late October 2014.

14. The Council's annual Open 4 Business event will take place on 21 October. Following the success of previous events, a larger venue has been selected with this year's event to be held at the Kings Centre in Burgess Hill. As well as offering the usual opportunity for networking, a presentation will be made on the grant funding available to local businesses. Details can be found on the Mid Sussex website: www.midsussex.gov.uk/8453.htm.

15. To support businesses potentially looking to relocate to Mid Sussex, the Council continues to support the West Sussex County Council commercial property search website. The website, supported by a number of independent commercial property agents is regularly updated and fulfils an identified need for such information also helps evaluate the current commercial property market. The website is wholly funded by West Sussex County Council. Links to the website are included from the business section on the MSDC website and are promoted directly to local businesses by the Business Liaison Officer.
16. Mid Sussex District Council is a major supporter of Young Enterprise. The Council provides financial assistance and hosts the local Young Enterprise Board meetings. Young Enterprise allows local students to set up and run their own company and to market their products and services to the public. This introduces the students to the opportunities and challenges of running a business and enables them to gain skills in areas such as finance, sales and marketing. In the longer term, Young Enterprise will help provide entrepreneurs for the future, assisting the Mid Sussex economy to continue to grow. Last year was a particularly successful one for Mid Sussex, with students from Hurstpierpoint College winning the title of 'Best Company' at both the Mid Sussex Young Enterprise Awards and the Sussex county awards. Their company, Omni, subsequently took part in the regional finals at Guildford Cathedral. This academic year, pupils from Burgess Hill School for Girls, Hurstpierpoint College, Imberhorne School, East Grinstead, St Paul's Catholic College, Burgess Hill, Warden Park School, Cuckfield and Worth School near Turners Hill will be taking part. Each company will be supported by a Business Advisor volunteer, a group of local business people giving up their time to mentor the students in planning their business.
17. The Council have supported a partnership of local authorities, the Gatwick Diamond Initiative and private firms to deliver a new employability advice website for young people called 'Take OFF'. This online resource offers advice on how to look for and apply for jobs, interview techniques and understanding what employers expect from people joining their business. The project will assist to prepare young people for work, including inspiring them to find the right path through education.

Objective ii) – Seek to improve the self-sufficiency of Mid Sussex communities by creating 7,600 new jobs by 2031, enabling residents to work within the communities where they live to build stronger communities and reduce the need to commute.

18. The District Council resolved to grant planning permission for The Hub Business Park at Goddards Green in May 2014. The business park forms part of the Northern Arc strategic allocation in the emerging District Plan. It is also included in and supported by the City Deal and the Coast to Capital Strategic Economic Plans. The business park will provide up to 50,000 square metres of new employment floor space for research and development, industry and storage and distribution. As part of the proposals, the development will also contribute towards transport improvements along the A2300 corridor. Discussions are ongoing with potential occupiers and it is expected that the detailed applications for individual units will be submitted by the end of the year.
19. Members will be aware that the Council is jointly funding the creation of new starter units for small and emerging business enterprises at Bridge Road, Haywards Heath. The Council agreed £1.27m of expenditure from reserves to fund the project and has also secured £600,000 of funding from the West Sussex 'Kick Start' initiative.

20. The units will address an identified need for space for small and expanding enterprises, currently constrained by the lack of affordable business premises within the district. The scheme will offer 24 offices and 9 studio workshops, with approximately 880m² of workspace. The facility is designed to support small businesses by:
- Promoting shared spaces and shared skills to enhance networking opportunities for the emerging businesses.
 - Providing short term tenancies on the basis of providing easy access for small and growing businesses without tying them down to lengthy tenancies or accommodation costs.
21. Planning permission for the starter units was approved in April 2014 and work will commence early October for completion May 2015. The business centre will be managed by Basepoint, a not for profit charitable trust. There have already been a number of enquiries about the units from potential occupiers.
22. Members will be aware that American Express are relocating a large number of its employees currently based in Brighton back to the vacant site at Sussex House in central Burgess Hill. The scheme (granted planning permission in March 2014) to refurbish and increase the capacity of the building from 900 employees to a potential of 1,250 employees is well progressed. The return of the firm to Burgess Hill is welcomed and will be a boost to the town and its businesses.
23. Members will be aware that planning permission was granted in January 2013 for the redevelopment of a redundant rural business site in Sayers Common for Avtrade's new global headquarters. The move to Sayers Common from an existing premises in Albourne will create 13,000m² of new office, storage and distribution space and over 50 new jobs with accommodation space for a further 115 employees. The majority of the scheme is now complete with the remaining elements either progressing or planned in the short-term.

Objective iii) – Ensure that the Council has an outward looking attitude to support and encourage business growth through the provision of all its services and functions (the Whole Council Approach).

24. The Council sets out to provide a 'Whole Council Approach' to economic development and our links to the local economy. It is not the responsibility of just one Member or service area to contribute towards economic growth. All the Council's Business Units need to deliver this through their provision of services. Service Plans across the Council will guide each area in their work over the coming year.

For example:

- Prompt payment of invoices and the use of local companies in service provision and for the supply of goods and services where appropriate, both of which support small businesses and the local economy.
- Support for economic development include the provision of free advice and support by Building Control and Environmental Health
- Support for workplace health programmes by Performance and Partnerships

- Dealing promptly with local land searches and legal agreements to deliver timely development and facilitate business growth/ relocation by the Councils Legal Service and Local Land Charges Service
- Providing facilities and promoting tourism within the District by the Councils Leisure Service
- Ensuring sustainable economic development is a central consideration in decision making on planning applications by the Development Management service
- Delivering affordable housing, which provides much needed accommodation for local households and local employees on low incomes by the Housing Enabling team.

Objective iv) - Engage with wider partnerships to deliver economic benefits for Mid Sussex.

25. The Local Economic Partnership continues to grow in importance for funding and delivering economic growth and infrastructure across the region. Continued engagement with the Local Economic Partnership at a senior level (the Leader of MSDC is a Board Member) and promoting Mid Sussex's strategic economic ambitions is important to ensure that Mid Sussex's priorities and infrastructure are supported and delivered.
26. The Coast to Capital Local Economic Partnership published its Strategic Economic Plan, the Coast to Capital Growth Deal in July 2014. This is a six-year plan which aims to encourage economic growth by identifying and prioritising investment in infrastructure and innovation and by providing support to the business community. During the formation of the Strategic Economic Plan, officers worked to ensure that the Local Economic Partnership reflects key projects in Mid Sussex to secure delivery of sustainable economic growth to the district and the wider sub-region.
27. Burgess Hill is identified in the Strategic Economic Plan as a strategic growth location. The provision of a business park as well as the potential for a Science and Technology Park to the west of Burgess Hill, are identified as two strategic developments within the Plan. Associated infrastructure, in particular improvements to the A2300 corridor, including road dualisation, were strongly promoted by officers to ensure inclusion in the Strategic Economic Plan.
28. The Local Economic Partnership recently signed a Growth Deal with the Government to start a six year programme of investment in jobs, infrastructure and transport. Coast to Capital was successful in securing a total of £202 million through the Growth Deal/ Local Growth Fund for the Local Economic Partnership area for the period up to 2021, with £38 million for 2015/16. The District Council has worked very closely with Coast to Capital to ensure that the Growth Deal will deliver the transport infrastructure that Mid Sussex needs to facilitate the strategic developments at Burgess Hill. Officers are now working with West Sussex County Council to develop business cases for improvements to the A2300 corridor and within Burgess Hill town centre. Due to the likely timescales for the strategic developments at Burgess Hill, funding was not sought for the first year of the Strategic Economic Plan, although it is possible that some of the £3 million provision for sustainable transport improvements may be spent in Burgess Hill town centre. Officers and members will continue to work closely with colleagues at Coast to Capital and the County Council to progress bids for funding in Round 2 of the Local Growth Fund.

- 29.** The Council is a partner in the Greater Brighton Economic Board. The 'City Region' covers the administrative areas of Brighton & Hove, Lewes, Adur and Worthing Councils, and Mid Sussex. The City Deal aims to address the following key issues:
- To build on the success of Brighton's creative-tech cluster, and help its many small businesses translate their success onto a larger scale
 - To unlock growth across other areas of the City Region outside Brighton, by giving private sector investors the confidence and space they need to invest;
 - To create effective governance structures for Greater Brighton, so that local authorities, businesses and universities across the City Region can work together in a seamless fashion.
- 30.** The proposed Science Park is a Growth Location in the City Deal and offers opportunities to link the Burgess Hill proposals with other Growth Hub opportunities promoted within the Greater Brighton area. The delivery prospects of the employment generating Science and Business Parks at Burgess Hill, proposed as part of the emerging District Plan, are assisted by the linkages to the Brighton area economy. The University of Brighton, the lead partner in the potential new Science Park proposal, is a key partner in the City Deal. The Greater Brighton City Deal was signed in March 2014.
- 31.** Officers and Members are working closely with other partners, including local authorities, education providers and the business community, to develop governance arrangements. Mid Sussex is represented by the Leader on the Greater Brighton Economic Board which was established in May 2014. The partnership is also working closely with the Coast to Capital Local Economic Partnership to align work on funding bids and key growth areas, which include the proposed Business and Science Parks at Burgess Hill.
- 32.** Gatwick Airport Limited is currently promoting to the Airports Commission, the development of a second runway located to the south of the existing runway. The Airports Commission is an independent commission tasked with recommending to the government, the need for additional UK airport capacity and how this can be met. The expansion of Gatwick Airport remains one of the three shortlisted options for airport expansion in the South East of England by 2030, the others being two options for the expansion of Heathrow Airport.
- 33.** The Council has worked with the Airport and other local authorities to ensure that the evidence base compiled by the airport is accurate, but will await the formal publication of studies expected towards the end of 2014 before commenting further regarding the expansion of the airport.
- 34.** West Sussex County Council (WSCC) has sought to reassess the way in which it delivers its economic development services and has included "Championing the Economy" within its Priority Outcomes which will be used to assess how services and projects are commissioned and prioritised. WSCC have identified key strategic areas and projects which will seek to support delivery of and officers have sought to promote the important key ambitions of the District Plan. As such, the strategic business allocations at Burgess Hill and the supporting infrastructure including the dualling of the A2300 have been identified and included within WSCC's commissioning intentions. The County Council has commissioned consultants to undertake a feasibility study for improvements to the A2300 corridor, which is currently approaching reporting stage.

35. Within rural Mid Sussex, the provision of high speed broadband is also included within WSCC's commissioning intentions. In line with the policies of the emerging Mid Sussex District Plan, the Council continues to support the provision of high speed broadband and the work of the West Sussex County Council 'Better Connected' project. This project is funded by WSCC, the government and BT and steps in where the commercial market is failing to provide broadband services. The project aims to connect 90% of the county to faster broadband services (at least 2Mbps) by spring 2016 with the aim of connecting the majority of residents and businesses to superfast fibre broadband speeds (up to 24 Mbps) by this date. The West Sussex Better Connected project has so enabled:

- Completion of the first set of cabinets – now in use in Burgess Hill and Cuckfield;
- Building infrastructure in Ardingly, Balcombe, Bolney, Haywards Heath, Lindfield, Lindfield Rural, Slaugham, Warninglid and West Hoathly with service expected to start to become available from January 2015 onwards;
- Completion of survey work in Bolney, Burgess Hill, Hassocks, Haywards Heath, Hurstpierpoint and Sayers Common with service expected in these areas from March 2015 onwards.

Survey work is about to start in Ashurst Wood, Burgess Hill and East Grinstead which will enable services to become available in these areas from June onwards.

36. The Council is a member of the Rural West Sussex Partnership, a private/ public partnership looking to drive the economic prosperity of the rural economy of West Sussex. The Partnership has agreed a strategy and action plan which has fed into the Local Economic Partnership's Strategic Economic Plan. A part-time director has been appointed to implement the key priorities of the strategy, which are for the next two years, to improve digital communications (broadband and mobile), rural transport and ensuring business support and training initiatives can be accessed by rural businesses.

37. The Council submitted evidence to the West Sussex Independent Economic Commission. The Commission is a WSCC initiative, led by a panel of leading business figures from across the county, which seeks to report on the state and future needs of the West Sussex economy. The final report makes a series of recommendations that seek to make the county more business friendly and measures to support economic growth.

38. The Council will continue to work with WSCC to ensure the identified economic ambitions of Mid Sussex are prioritised.

Conclusion

39. Officers across the Council continue to work proactively to develop better and more constructive relationships with the business community. This is part of the process of supporting and gaining a better understanding of the local economy. By gaining a greater understanding of business needs, the Council can tailor and monitor its approach to economic development, allowing policies or programmes to be targeted to businesses on a more local level and provide additional economic support if and where required. Officers also continue to work hard to input into and influence important key strategic initiatives such as City Deal and the Strategic Economic Plan.

Policy Context

40. The refreshed Economic Development Strategy contains a vision for the Mid Sussex economy which is *“A strong Mid Sussex economy, where business profits fully from economic growth and where our residents have the opportunity to work within their communities.”*
41. This vision supports the broad themes of “Promoting Economic Vitality” laid out in the Council Sustainable Community Strategy and the wider corporate priorities of Better Lives and Better Communities.
42. The report therefore undertakes to update members of the work carried out in addressing the Strategic Aims of the Economic Development Strategy and the wider corporate priorities.

Other Options Considered

43. The recommendation seeks Members to note the report and the ongoing work in relation to the Economic Development Strategy. The report represents an update only of the progress made so far.

Financial Implications

44. There are no financial implications of this report.

Risk Management Implications

45. There are no strategic risk implications arising from this report and therefore no contingency measures are proposed.

Equality and Customer Service Implications

46. An Equalities Impact Assessment was carried out as part of the refresh of the Economic Development Strategy and was agreed by this committee in January 2013. The EIA did not indicate any equalities implications as a result of the implementation of the refreshed Economic Development Strategy. The full Equalities Impact Assessment is available to view upon request.

Appendix

- Economic Development Strategy Action Plan – Updated October 2014

Background Papers

- Mid Sussex Economic Development Strategy (Refreshed 2013)