

## 6. PROGRESS UPDATE ON ECONOMIC DEVELOPMENT STRATEGY

REPORT OF: PROGRAMME MANAGER, BURGESS HILL GROWTH AREA  
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Wards Affected: All  
Key Decision: No  
Report to: Scrutiny Committee for Leader, Resources and Economic Growth  
28<sup>th</sup> February 2017

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### Purpose of Report

1. The purpose of this Report is to provide a progress report to the Committee on work underway to update the Council's Economic Development Strategy

### Recommendation

2. **The Committee is requested to note:**
    - (a) **Progress made on the Economic Development Strategy to date**
    - (b) **The role of the Committee in signing-off the final report**
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### Summary of progress to date

3. A Member Working Group (membership list at Annex A), under the leadership of Councillor Ash-Edwards, has been convened to take forward work on the update to the Economic Development Strategy. The first meeting was held in January where there was a wide-ranging discussion on issues affecting growth in the District. The Member Working Group will aim to present a draft Strategy to this Committee in the Autumn for recommendation to Cabinet later in the year.
4. An overall approach to stakeholder engagement in the development of the strategy has now been agreed and Officers are in the process of arranging a workshop with Town/Parish Councils and a business breakfast event. Other stakeholder engagement activities will include a survey to all businesses in the District and the convening of an issues workshop with relevant officers from West Sussex County Council and the Local Enterprise Partnership.
5. Officers are in the process of developing proposals for a vision, priorities and objectives for the strategy ahead of the next Member Working Group meeting in April.

## Background

### Previous Economic Strategies

6. The Council's first Economic Development Strategy was published in 2010 with a priority of "to maintain and enhance a healthy and vibrant local economy that provides in a sustainable way for the well-being of all those who live, work, visit or run a business in Mid Sussex". The strategy identified strategic objectives of –
  - Allocation of employment land
  - A healthy rural economy
  - Support for the business community and facilitating inward investment
  - Enhance transport infrastructure
  - Vibrant town centres
  - Strong tourism and visitor economy
  - Promotion of education, training and skills
7. A refresh of this first strategy was published in 2013. It amended the vision to "A strong Mid Sussex economy, where business profits fully from economic growth and where your residents have the opportunity to work within their communities" and narrowed the objectives to just four –
  - Support a robust and resilient Mid Sussex economy through direct action and by influencing businesses and partners
  - Seek to improve the self-sufficiency of Mid Sussex communities by creating 7,600 new jobs by 2031
  - Ensure that the Council has an outward looking attitude to support and encourage business growth through the provision of all its services and functions
  - Engage with wider partnerships to deliver economic benefits for Mid Sussex
8. The 2013 refresh was underpinned by the development of the "This is Mid Sussex" dataset - this document provided, for the first time, a comprehensive summary of key information relating to the local economy and is being updated to inform the new strategy.
9. There have been a number of significant changes in the economic environment since the 2013 refresh –
  - The vote to leave the European Union
  - A decision to locate a third runway at Heathrow airport rather than a second runway at Gatwick airport
  - Significant changes to the planning regime (continued by the recent Housing White Paper) –
    - Impact of permitted development rights on office accommodation
    - A focus on the promotion of independent builders
    - Starter Homes initiative
  - Ability of local authorities to retain business rates in the future
  - Submission of the District Plan

10. All of which, combined with the fact that the 2013 document only covered the period to March 2015, suggest that the time is right to develop a new Economic Strategy for the District.

#### Current levels of investment in business

11. Since the 2013 refresh of the Economic Development Strategy, the Council has achieved some notable successes in promoting economic growth –
- A total of £31.86m secured from two rounds of Local Growth Deals to support infrastructure improvements in Burgess Hill
  - Significant investment attracted to all 3 town centres
    - Burgess Hill will benefit from a £65m project to regenerate the town centre
    - East Grinstead has planning permission for the redevelopment of the Martells department store and surrounding area
    - Haywards Heath is coming towards the end of a major project to redevelop the station and bring in a new Waitrose store
  - A variety of different funding opportunities opened for businesses –
    - Specific broadband funding
    - Grants for local economic development projects
    - New grant programme for micro-businesses
12. The new strategy will aim to ensure that the benefits from these investments and programmes are maximised and that they are used to attract further investment and as a stepping stone to more economic growth.

#### **Work on the new strategy**

13. Work has started on the new strategy and governance arrangements have been established. A Member Working Group (membership list at Annex A) has been convened and is chaired by Cllr Ash-Edwards. The Member Working Group will be supported by an Officer Working Group chaired by the Assistant Chief Executive. The Member Working Group will aim to present a draft Strategy to this Committee in the Autumn for recommendation to Cabinet later in the year.
14. The first meeting of the Member Working Group saw a wide-ranging discussion on issues affecting economic growth in the District. Key points raised included –
- The importance of having a detailed economic profile to underpin the development of the strategy
  - The need for the economies of our three main towns to complement each other rather than compete
  - The importance of supporting the rural economy
  - The importance of having a range of business space offerings (including office space) to retain existing businesses and attract new ones
  - An understanding of the constraints of growth will be critical in order to develop a successful strategy

15. The Members Working Group also stressed the importance of engaging directly with those working in the local economy and other key stakeholders. A stakeholder engagement strategy has subsequently been agreed. The main elements of this strategy are:
- A workshop style event with Parish and Town Councils
  - A business breakfast with invitees from the various representative groups (Business Parks Associations, Chamber of Commerce, etc), blue chip businesses located in the District (American Express, CAE systems, Edwards, etc) and a sample of smaller sized businesses, along with Basepoint. This will be supplemented by a District-wide survey of businesses to ensure that all companies have the opportunity to contribute their views
  - An Issues workshop with West Sussex County Council and the Local Enterprise Partnership providing focused discussion on measures to tackle key constraints such as education and transport.
  - Officer to officer bilateral discussions with neighbouring authorities to identify good practice that Members should consider.
16. Work is currently being carried out by Officers to develop the evidence base and implement the stakeholder engagement strategy agreed by the Member Working Group in order to develop a draft vision along with draft objectives and priorities for consideration at the next Member Working Group in April.

### **Financial Implications**

17. This progress report does not have any financial effects. When the draft strategy is submitted to this Committee it will be accompanied by a report on any financial effects of the actions it contains.

### **Risk Management Implications**

18. It is not considered that that this progress report carries any particular risks to be reported. A full assessment of risk management implications will accompany the submission of the draft strategy to this Committee.

### **Equality and Customer Service Implications**

19. There are none associated with this progress report but ensuring equality for businesses and economic opportunities for all residents will be a central theme of the new strategy.

### **Other Material Implications**

20. There are no legal implications as a direct consequence of this progress report.

### **Background Papers**

The 2013 refresh of the Economic Development Strategy.

***Membership of Working Group***

Cllr Ash-Edwards (Chair)

Cllr Barratt-Miles

Cllr Cherry

Cllr Clarke

Cllr de Mierre

Cllr Hersey (M)

Cllr Walker

Cllr Wilkinson

Cllr Wyan