

## **ECONOMIC DEVELOPMENT STRATEGY: ANNUAL PROGRESS REVIEW 2018/19**

REPORT OF: DIVISIONAL LEADER FOR PLANNING AND ECONOMY  
Contact Officer: Mark Healy, Regeneration and Economy Programme Manager  
Email: [mark@midsussex.gov.uk](mailto:mark@midsussex.gov.uk) Tel: 01444 477593  
Wards Affected: All  
Key Decision No  
Report To: Scrutiny Committee for Housing, Planning, and Economic  
Growth: 18 July 2019

---

### **Purpose of Report**

1. This report sets out a summary of the progress made in implementing the Council's Economic Development Strategy for 2018-2031.

### **Summary**

2. The current Mid-Sussex Economic Development Strategy (The Strategy) and its supporting five-year Action Plan were considered by the Scrutiny Committee for Leader, Resources and Economic Growth at its meeting on 7 March 2018. The Strategy was formally adopted by Full Council at its meeting on 25 April 2018.
3. In line with best practice and as agreed at the Scrutiny Committee meeting an annual progress report has been prepared which highlights progress and key achievements in the first year of the strategy.

### **Recommendations**

4. **That the Scrutiny Committee notes the progress made in delivering the Economic Development Strategy set out in the report.**
- 

### **Background**

5. The Council's Economic Development Strategy (2018-2031) was adopted by Full Council at its meeting on 25 April 2018. A copy of the strategy can be found at: <https://www.midsussex.gov.uk/licensing-business/economic-development-strategy/>. It is structured around four Priority Themes of *places, premises, people and promotion*. Within each of those themes there are one or more specific outcomes which the Council is working to deliver. Those outcomes are summarised in Appendix 1.
6. The strategy is supported by a five year Action Plan which sets out the 65 actions which will deliver the outcomes: 26 relating to Place, 9 to Premises, 22 to People and 8 to Promotion. Although many of the actions will be delivered over the five year period of the Action Plan some have specific delivery timeframes.

### **Key areas of progress for 2018/19**

7. This report highlights the key areas of progress in terms of delivering the Action Plan. Ongoing business-as-usual (BAU) activities which deliver continuous outputs and which do not have a fixed end-date are not included. The most

notable examples where significant progress has been achieved are also summarised in the following paragraphs, together with a summary of key metrics for each of the four themes.

## Priority Theme 1. Place

### Place: key measures of progress over the last year

Increase of **2,217m<sup>2</sup>** A1 comparison and convenience retail floorspace delivered in the District.

**£10.9m** Local Growth Funding (LGF) secured for the Burgess Hill Place and Connectivity Programme, with a further **£10.9m** in match funding.

**£4m LGF** funding secured for odour mitigation at the Goddards Green Waste Water Treatment works) with a further **£6.5m HIF** funding secured in 2019/20.

**£165,000** One Public Estate funding secured to support planning and feasibility studies of the regeneration of two key Burgess Hill sites

**8** town centre properties were granted planning permission for new shopfronts,

Shop front improvement grants totalling **£21,000** were awarded to **five** retailers in East Grinstead to carry out improvements

### *Burgess Hill Place and Connectivity Programme (Actions 19 and 20 of the Action Plan)*

8. Significant progress has been made in driving forward the Burgess Hill Place and Connectivity Programme. This programme consists of schemes which have been identified to deliver improved cycleways, footways and public transport improvements. The programme is being delivered in partnership with West Sussex County Council (WSSCC) and Burgess Hill Town Council (BHTC).
9. The £10.9m Local Growth Fund (LGF) funding will be spent by March 2021 with the full spend of £21.8m by March 2025. There will be ongoing community engagement throughout the development and delivery of the projects.

### *A2300 Corridor Improvements (Action 16)*

10. A2300 corridor improvement project will upgrade the road to a dual carriageway and provide cycle and pedestrian links connecting the Northern Arc and employment sites with the rest of the town. £16.9m LGF funding has been agreed. Significant progress has been made in the delivery of the project, with the six week public engagement exercise has been completed. The design and build procurement process is complete and the project is on schedule to be delivered by March 2021.

### *One Public Estate (OPE) funding (Actions 3 and 9)*

11. The Government's One Public Estate (OPE) provides funding for feasibility studies and masterplanning to explore the potential of the public estate been utilised to support housing and economic growth. The Council's two bids for funding have been successful, with grants of **£75k** and **£90k** awarded respectively to support feasibility studies at The Brow and Burgess Hill Railway Station. The Council is procuring consultants to carry out those studies.

### *Haywards Heath Masterplan (Action 11)*

12. Tibbalds, a specialist consultant have been appointed to develop a Masterplan for Haywards Heath. The Masterplan remains on schedule for completion in 2021 and this will be a supplementary planning document. Public consultation will take place over autumn 2019.

*Haywards Heath Business Improvement District (Action 8)*

13. Heartflood, specialist consultants have been appointed to explore the feasibility of introducing a Business Improvement District (BID) for Haywards Heath. BIDs are business-led and business funded initiatives established to improve the vitality and vibrancy of town centres. Each BID is formed within a defined area agreed with the local business community. A BID can only be implemented following a successful vote by the businesses within the area. Once set up, every business within the agreed BID area will pay a small fixed levy (1-2 per cent of rateable value), which is then ring-fenced for use only within the BID area and only spent on projects which will improve the trading environment of the area. Engagement with businesses will be completed in late summer with a final report to be delivered in August.

## **Priority Theme 2. Premises**

### **Premises: key measures of progress over the last year**

**4,000m<sup>2</sup>** new employment space delivered at the Hub, Burgess Hill.

Planning permission granted for a further **24,300m<sup>2</sup>** of new employment sites across three key sites (the Hub, Handcross Garden Centre, St Modwyn's Copthorne site).

**72 bed hotel** delivered in East Grinstead, and a **78 bed hotel** under construction in Haywards Heath.

**210** new technology businesses start-ups in the District in 2018.

*Improve the stock of employment premises across the District (Actions 27 and 29 of the Action Plan).*

14. The first phase of development of The Hub employment land to the south of the A2300 was completed before the end of the year, with a 4,000m<sup>2</sup> DPD warehouse delivered. Planning permission for phase 2 of the development has been granted which will deliver over 5,000m<sup>2</sup> of new employment space for Roche Diagnostics.
15. Planning permission was granted at Perrymount Road, Haywards Heath in March 2019 for the demolition of a 2,995m<sup>2</sup> office building and the replacement with 7,575m<sup>2</sup> office building with parking for approximately 91 vehicles and landscaped public realm.
16. Construction has also commenced at the former Handcross garden centre site on the A23. Planning permission was granted in September 2018. This scheme will deliver industrial units providing 7,800m<sup>2</sup> of B1 (office) and B8 (warehousing).

*Work with the developers of hotels with existing planning permission (Action 33)*

17. The Council is working with developers to ensure progress is maintained for the two hotel sites with planning permission. As at the end of the year:

- East Grinstead, a 72 bed hotel by Travelodge was completed in the Autumn of last year
- Haywards Heath, a 78 bed hotel by Premier Inn is being developed in Perrymount Road. Construction is underway with planned completion in 2019.

### Priority Theme 3. People

#### People: key measures of progress over the last year

For 2018, **75,900** Mid Sussex residents were qualified to at least NVQ2, an increase of **5,800** since 2013, **84 per cent** of the District's residents are NVQ2 qualified, compared to 79 per cent regionally and 75 per cent nationally.

**540** apprenticeship starts in the District (2017/18 academic year).

**Two** apprentices recruited by MSDC during 2018/19.

**40 businesses** helped to grow with microbusiness grant awards totalling **£70,825**, which attracted **£170,740** in match funding. The scheme also supported the recruitment of **three** apprentices to businesses in the District.

A reduction in the number of young people identified as NEET to **44** at the end of 2018/19 from **50** at the end of 2017/18.

**The Council supported more than 40** business networking events for local business associations, including 'ask the expert' seminars on specialist themes including GDPR rules and cyber security.

**£7,500** grant funding committed to supporting local business associations

**92% of new** businesses in the District survived for more than 1 year, compared to 91% for the South East and England as a *whole*

**98.0 %** of payments of undisputed invoices paid by the Council within 10 days during 2018/19, compared to 97.8% for 2017/18.

**93.3%** food businesses achieving good or very good ratings compared to **92.8%** in 2017/18

*Work with WSCC and Department for Education to facilitate an educational use of Central Sussex Haywards Heath campus and to ensure higher and further education provision within the District (Actions 36 and 38)*

18. The Council has lead the work with WSCC, Department for Education (DfE), and Chichester College Group (CCG) to secure dedicated further education / sixth form provision in the district. CCG will be re-opening the college in Haywards Heath September 2020.

*Continue to support and encourage initiatives which promote and support STEM subjects across the District. (Action 39)*

19. Promoting STEM skills was a key focus of the 2018/19 Open4Business event. Speakers included the Regional Network Lead from STEM learning. Jeff Alexander, CEO, Gatwick Diamond Business; and Shelagh Legrave, CEO of the Chichester College Group who spoke about ways to respond to the skills gap within organisations.

20. STEM skills were also a key theme in the launch of this Economic Development Strategy the CEO of a local meditech firm Cells4Life, was one of the keynote speakers.

*Continue to work with local businesses and training providers to promote apprenticeships across the District (Actions 41) and Deliver the Microbusiness Grant Scheme (Action 43)*

21. The Microbusiness Grant scheme supports local businesses by offering grants of up to £2,000 to support growth and grants of up to £1,500 to help with the costs of recruiting an apprentice. The 2018/19 40 grants were awarded with a total value of £70,825. Those grants leveraged in match funding of £170,740, representing £2.41 of private investment for every £1.00 of grant funding. The recruitment of three apprentices was supported by the scheme. Overall feedback about the scheme from the business community has been very positive.

*Support business networks and Business Park Associations to identify and respond to business concerns (Actions 48 and 53)*

22. The Council continues to have a regular presence at the networking and committee meetings of the local business associations. Over the last year officers worked closely with the three local business associations to promote the Microbusiness Grant Scheme and the new Independent Retailers' Scheme. The Council also continues to support the running of the three local business associations with grants of £2,500 for each of them.
23. The regular engagement with the business community ensures that officers remain sighted on key issues that concern businesses, which then informs policy and practice. For example, in response to concerns raised by BHBPA about the availability of freehold employment space, officers met with senior managers from Homes England to discuss how the Northern Arc employment space could help address their concerns.

#### **Priority Theme 4. Promotion**

**Promotion: key measures of progress over the last year**

**1,059** new businesses set up in the District in 2018.

**Three major events** were held to promote Mid Sussex (EDS Launch, Open4Business, Apprenticeship Fair) complemented by over **40** other networking and engagement events with Local Business Associations, Gatwick Diamond, and Chamber of Commerce.

*Promoting the District: Open4Business (Actions 45 and 58)*

24. The annual Open4Business event represents one of the key channels through which the Council promotes the District as a great place to invest and do business. For the 2018/19 event 'Skills and Apprenticeships' was the theme in recognition of the importance skills will play in the future success of the District's economy.
25. The event attracted a strong field of exhibitors and speakers, and generated significant interest with over 120 delegates attending.

*Work with WSCC, C2CLEP, GBEB and Gatwick Diamond to ensure that Mid Sussex District is promoted through their national and international networks and their investor development activities (Action 65)*

26. The Council remains actively engaged with partners, particularly GBEB and the Gatwick Diamond Initiative where we have taken the lead role in developing GBEB's Business Survey which is taking place during summer 2019. The survey, which will be based on over 1,500 interviews, will provide a rich source of intelligence about business current thinking and behaviour, particularly around investment and training.

### **Policy Context**

27. The Council's Economic Development Strategy supports the Council's key strategies in particular the Corporate Plan and District Plan. In addition it supports the Government's national ambition for economic growth set out in the Industrial Strategy, as well as regional aspirations set out in the Coast to Capital LEP's Strategic Economic Plan (SEP), and County Council's West Sussex Plan for 2017-2022.

### **Financial Implications**

28. The delivery of the actions within the Strategy will be funded from within existing Council funding except where specifically noted.

### **Risk Management Implications**

29. Each of the 65 actions set out in the action plan has been assigned a risk ('RAG') status. The risk status reflects each action's actual progress against its planned delivery schedule. It also reflects the number of possible risks that could impact delivery, the likelihood that any of those risks could be realised, and severity of the impact the risks could have on the project. The overall risk status for the action plan as at year-end is green. At an individual action level, some 64 actions currently have a green status and one action has an amber status. No risks have a red RAG status.

### **Equality and customer service implications**

30. All of the projects and development activities referenced in the strategy have been assessed for compliance with the Council's equality and diversity policies and key legislation, in particular the 2010 Equality Act. An Equalities Impact Assessment (EIA) was completed for The Strategy and was included as an Annex in The Strategy when it was considered by the Scrutiny Committee in March 2018.

### **Other Material Implications**

31. There are no other material implications.

## **Background Papers**

**Appendix 1: The four key themes within the Economic Development Strategy Action Plan and their associated outcomes**

## **The four key themes within the Economic Development Strategy Action Plan and their associated outcomes**

### **Theme 1: Places.**

#### *Outcomes:*

- Viable and vibrant town and village centres with their own identity which meet the retail, leisure and employment needs of the growing population.
- The provision of business parks which provide an attractive environment which secure the retention and relocation of businesses.
- The delivery of infrastructure improvements which meet business needs.

### **Theme 2: Premises.**

#### *Outcomes:*

- An excellent supply of quality industrial and office space to meet the needs and demand across the District.
- An employment offer which is complementary across West Sussex County.
- The development of centres of excellence and clusters of specialist industries to facilitate retention, growth and inward investment into the District by these sectors.
- The development of hotel and conference facilities to meet the needs of visitors and business community.

### **Theme 3: People.**

#### *Outcomes:*

- Residents have access to opportunities to develop the skills to succeed.
- Education and training providers are aware of the skills required to access jobs in the growing employment sectors and provide the courses to deliver this.
- There is provision of further education and higher education in the District.
- Ensuring businesses can access robust and effective advice and support for their stage of growth, including start-ups and scale-up businesses.
- Support and encourage local business growth through the provision of Council services and awarding of Council contracts.
- Improved workplace health.

### **Theme 4: Promotion.**

#### *Outcomes:*

- The benefits of the economic strategy are maximised by promoting the District's advantages clearly and widely, encouraging business retention and growth and appropriate inward investment.