



# ECONOMIC DEVELOPMENT STRATEGY APPENDIX I

Evidence Base 9<sup>th</sup> February 2023

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# 1. Borough Economic Profile

## 1.1 Economic Health Check Dashboard

Factor	Issues	RAG
<b>Small Business growth performance</b>	Losses of businesses in the 0-9 and 10-49 employment size band have occurred between 2017-22.	
<b>Large Business growth performance</b>	Net increases in businesses of over 50-249 and 250+ employers 2017-21.	
<b>Business survival</b>	Small net reductions in number of businesses in 2019 and 2021, but Surrey Heath's five business survival rate outperforms surrounding districts.	
<b>IT &amp; Professional Services</b>	A net loss of 115 (18%) of firms in IT & communications and 170 (15%) professional and technical services occurred between 2017 - 22	
<b>Performance of other sectors</b>	Small but continued losses of businesses across most other sectors in 2020-21, with a net loss of 140.	
<b>Service sector employment</b>	Net job losses during 2016-21 of 500 and 1000 respectively in IT & communications and professional and technical services and of 3000 jobs across accommodation & food services, wholesale distribution and arts and entertainment, offset by 500 retail, 1000 transport & storage and 1000 business administration and 2000 health jobs created.	
<b>Manufacturing and construction</b>	Net increase of 500 manufacturing and 1500 construction jobs created 2016-21.	
<b>Economic activity</b>	Surrey Heath outperforms most surrounding boroughs.	
<b>Occupational structure</b>	Surrey Heath has the highest proportion of residents in employment in senior management occupations amongst surrounding boroughs	
<b>Qualification Levels</b>	51% of Surrey Heath residents in employment hold qualifications of NVQ 4 or above and 70% of NVQ 3 and above.	
<b>Earnings by Place of Residence</b>	At an average of £821, Surrey Heath's weekly earnings by place of residence exceed most immediately surrounding boroughs	
<b>Earnings by Place of Work</b>	At an average of £739, Surrey Heath's weekly earnings by place of work are either above or slightly below most of the surrounding districts and are above the regional and national average.	
<b>GVA £ per head</b>	Surrey Heath's GVA per head is higher than all surrounding districts except for Guildford, Runnymede, and Windsor and Maidenhead.	
<b>Average Price of a Home</b>	The average price of a home in Surrey Heath lowest of all but one of the immediately surrounding districts.	

## **1.2 Surrey Heath Economic Structure and Trends**

Key highlights are set out below for Surrey Heath. Comparative data on the surrounding districts of Bracknell Forest, Guildford, Hart, Runnymede, Rushmoor, Windsor and Maidenhead and Woking is provided in Appendix 1.

### **Enterprises by Employment Size Band Surrey Heath, 2022**

Of 4460 businesses in 2022, 89% (3,985) of Surrey Heath's businesses have 9 less employees, 8% (350) have between 10 to 49 employees, 2% (85) have between 50 to 249 employees and 1% (35) have over 250 employees.

Between 2017 and 2022 Surrey Heath lost 250 (6%) of its micro businesses and 20 (5%) of its businesses that had 10-49 employees. Despite this, Surrey Heath has done well in generating more businesses of 50 to 249 employees (5), a net increase of (6%) and has generated 10 new businesses with 250 or more employees (a net increase of 40%).

### **Changes to Numbers of Businesses by Sector**

Between 2017 and 2022, Surrey Heath lost 115 information communication and 117 professional scientific and technical businesses. Other sectoral losses and gains have mainly been of between 5 and 35 businesses in each case. Such losses of businesses have occurred in manufacturing, motor trades, finance and insurance, education, health and arts and entertainment. However, there have been increases in construction, retail transport and storage and property and business administration.

### **Changes to Numbers of Employees by Sector**

Surrey Heath has gained 2550 jobs between 2016 and 2021. Significant job losses have been experienced in accommodation and food services (1500), Information and communications (500), professional scientific and technical (1000), education (500) and arts and entertainment (250).

In contrast, there have been increases of 500 manufacturing jobs, 1500 construction jobs, 500 retail jobs, 1000 transport and storage jobs, 250 finance and insurance jobs and 2000 additional jobs in the health sector.

## Enterprises by Sector 2017 – 2022 and Employment by Sector 2016-2021

Sector	Surrey Heath		Surrey Heath	
	2022 Enterprises No.	Changes 2017-22 No.	2021 Employment No.	Change 2016-21 No.
1 : Agriculture, forestry & fishing	40	-5	45	0
2 : Mining, quarrying & utilities	15	0	400	150
3 : Manufacturing *	180	-15	3,500	500
4 : Construction	600	30	3,500	1,500
5 : Motor trades	135	-10	600	-100
6 : Wholesale	155	-5	3,000	-500
7 : Retail	260	5	4,500	500
8 : Transport & storage (inc postal)	135	25	2,250	1,000
9 : Accommodation & food services	200	-5	3,000	-1,500
10 : Information & communication	510	-115	1,750	-500
11 : Financial & insurance	90	-5	1,250	250
12 : Property	165	35	600	0
13 : Professional, scientific & technical	945	-170	6,000	-1,000
14: Business administration & support	460	20	8,000	1,000
15 : Public administration & defence	5	0	800	0
16 : Education	85	-5	2,500	-500
17 : Health	155	-30	10,000	2,000
18 : Arts, entertainment, recreation etc.	320	-10	2,250	-250
<b>Column Total</b>	<b>4,460</b>	<b>-250</b>	<b>53,945</b>	<b>2,550</b>

\*See Annexe A B for further breakdown

### Source: ONS UK Business Counts – Enterprises and Business Register and Employment Survey

Note: All figures are rounded ONS to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology..

Source:

## Births and Deaths of Surrey Heath Enterprises 2016 to 2021

Between 2016 and 2018, Surrey Heath's business stock was either increasing or stable whereas since 2019 it has been reducing in net terms and its rate of business creation has continually slowed since 2016.

## Business Survival Rates

Surrey Heath has had a five year business survival rate at 46% better than in all its surrounding districts.

## Average Earnings, 2022

Residents of Surrey Heath earn more on average all of those in all surrounding districts, the South East and nationally. Earnings by place of work are either slightly above or below most of the surrounding districts and are above the regional and national average.

Average Gross Pay, Full Time Workers	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Earnings by Place of Residence	£	£	£	£	£	£	£	£	£	£
Weekly pay - gross	821.4	729.0	815.1	808.4	767.3	666.4	759.1	736.5	685.3	642.2
Earnings by Place of Work										
Weekly pay - gross	738.9	847.0	763.5	732.6	786.3	670.4	734.6	766.6	664.3	642.0

Source: ONS Annual Survey of Hours and Earnings - resident analysis and workplace analysis

### 1.3 Workforce

#### Population, 2022

Surrey Heath has a population of 89,000 of which 62% are of working age, similar to the regional and national average.

#### Economic Activity, Surrey Heath, Oct 2021 – Sep 2022

Surrey Heath has a higher rate of economic activity and higher employment rate than all of most of its surrounding districts at 82.6% and 80.6%. 77.3 of its population are aged between 16 and 64. Unemployment at 3.2% is similar to the regional average and below the national average.

#### Occupational Structure and Qualification Levels, Surrey Heath Residents

Surrey Heath has the highest proportion of residents (18.6%) who are in senior managerial occupations, compared with surrounding districts

Surrey Heath has a higher proportion of graduate level residents amongst its population at 51% than the regional and national average.

#### Average Annual Price of a Home and Price Change 2020-21

Based on the UK House Price Index, house prices are very competitive in Surrey Heath when compared the surrounding districts.

### 1.4 Status of Surrey Heath's Main Sectors

Appendix 2 provides a detailed breakdown of Surrey Heath's sectors. Set out below is a summary of size, structure and trends in the main sectors in the Surrey Heath local economy. Detailed profiles of these main are set out in Appendix 2.



## **Information and Communications**

There are 510 businesses within this sector within Surrey Heath, ranging across publishing, film and TV production, broadcasting, telecommunications and computer programming and software activities. Of these, 450 businesses are of less than 5 employees, 35 have between 5 and 9 employees and 25 have from 10 to 49 employees. None have more than 50 employees.

The three largest sub-sectors are: computer consultancy activities with 265 businesses, computer programming activities with 70, other information technology and computer service activities with 45 businesses and film and television programme production with 40 businesses.

The sector saw an overall decrease of 115 businesses between 2017 and 2022. The sector overall employed 2040 in 2021 but has seen a net loss of 420 jobs since 2016. Most of this is accounted for by 300 job losses in computer consultancy activities and 75 in other information technology and computer service activities. Employment in computer programming has remained stable.

## **Professional Scientific & Technical Services**

There are 945 businesses in the professional, scientific, and technical sector in Surrey Heath, a decrease of 170 since 2017. The majority of these businesses are micro sized with 825 having up to four employees and 65 having between five and nine.

The largest sub-sector was 'Business and other management consultancy activities' with 405 businesses, but saw a decrease of 120 businesses since 2017. This was followed by 'Engineering activities and related technical consultancy' with 145 businesses, which have decreased by 30 businesses since 2017.

The sector overall had a net loss of 430 jobs between 2016 and 2021 explained by job losses of 1250 in business and other management consultancy, 100 in Engineering activities and related technical consultancy, 880 in Research and experimental development on social sciences and humanities, 15 in market research and 25 in Specialised design activities.

However, these were offset by major employment gains in the following sectors. Legal activities with 200, Accounting with 800, Activities of head offices with 500, Research and experimental development on biotechnology with 150 and advertising agencies with 180.

## **Financial and Other Business Services**

Finance and insurance in Surrey Heath comprises 95 businesses, with no net change since 2017. The sector employs 1215 having generated 265 jobs since 2016.

Real estate activities account for 165 businesses, having increased by 35 since 2017 currently employing 615 and with an increase of 40 jobs since 2016.

Business administration has 460 businesses and seen an increase of 1325 jobs since 2017 accounted for by an increase of 2455 jobs in employment activities and of 840 in landscaping, offset by a loss of 1560 security jobs and 285 office administration jobs.

### **Retail and Hospitality**

There are 260 retail businesses of mostly less than 10 employees in Surrey Heath. There has been a net increase of five such businesses since 2017 but with a significant increase of 725 jobs.

There are 10 accommodation and 190 food and beverage businesses with no net change in business number since 2017. Both activities have experienced job losses since 2016 with 260 lost in accommodation and 925 in food and beverage service activities.

### **Manufacturing**

There are 180 manufacturing businesses in Surrey Heath. The major employers in the sector are:

	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
28 : Manufacture of machinery and equipment n.e.c.	1,500	800
31 : Manufacture of furniture	500	100
10 : Manufacture of food products	300	200
27 : Manufacture of electrical equipment	200	150
33 : Repair and installation of machinery and equipment	175	25
30 : Manufacture of other transport equipment	150	-150
25 : Manufacture of fabricated metal products, except machinery and equipment	125	-75
29 : Manufacture of motor vehicles, trailers and semi-trailers	100	60
32 : Other manufacturing	100	-75

Most have seen significant employment gains, particularly manufacture of machinery and equipment and food products. Against this, since 2016, Surrey Heath has lost 580 jobs in manufacture of basic pharmaceutical products and pharmaceutical preparations, almost wiping out this sector from the local economy.

### **Distribution, Transport and Storage**

Warehousing at 30 businesses has increased by 5 businesses since 2017 and there has been a significant increase of 1150 warehousing jobs, bringing current employment to 1500. Wholesale distribution accounts for the majority of this activity with some 290 businesses, having seen a small decline of up to 15 businesses since 2017 but a loss of 600 jobs, down to 3600, since 2016. Land transport has 65 businesses but despite a 20% net increase in the number of businesses, employment has halved to 300 jobs since 2016.

### **Creative Industries**

There were 240 enterprises in the Creative Industries sector in 2022 in Surrey Heath. The largest sub-sectors are film and TV production, advertising and specialised design activities

each with 40 businesses. The sector employs 630 people, the major employers being advertising and specialist design activities. There has been job growth of 195 in advertising and media and 25 in architectural activities, against small job losses or stagnation in most other sectors.

### **Tourism, Culture and Leisure**

There were 345 businesses that could be classified as being in the Tourism Culture and Leisure sector in Surrey Heath as defined above in 2022, which has seen no major net change in the number of businesses since 2017. Around 6500 are employed in the sector, but almost 2500 jobs have been lost since 2016. Of these 250 have been lost in hotels, 1000 have been lost in restaurants and catering and 1000 in passenger transport. Employers in other sector has been relatively static over this period.

### **Advanced Technologies**

Surrey Heath’s grouping of high tech manufacturing and of science and engineering based services accounts for 325 such businesses in Surrey Heath, with around 40 in total having disappeared since 2017. Almost half of these businesses are accounted for by service sector based engineering activities and related technical consultancy, which total 145 businesses and which have reduced by 30 since 2017. As can be seen, there is very little high technology based manufacturing which comprises only of up to 5 businesses in each of the manufacturing of computers and peripheral equipment, communication equipment, instruments and irradiation and electromedical equipment. None of these have more than five employees except for two which have increased by five businesses since 2017. Businesses in instruments and irradiation and electromedical equipment manufacturing appear to be new to the area.

The largest manufacturing employers are:

	<b>Employment 2021</b>	<b>Employment Change 2016- 21</b>
Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1500	1000
Wholesale of pharmaceutical goods	1250	0
Engineering activities and related technical consultancy	800	-100
Computer programming activities	300	0
Research and experimental development on biotechnology	200	150
Technical testing and analysis	150	-50
Specialised design activities	100	-25

The major areas of employment gain have been in manufacture of engines and turbines, increasing by 1000 jobs and research and experimental development on biotechnology, 150.

The major areas of job loss have been in other research and experimental development on natural sciences and engineering, -880, manufacture of pharmaceutical preparations, -580, manufacture of air and spacecraft and related machinery, -290, wholesale of computers,

computer peripheral equipment and software, -120, and engineering activities and related technical consultancy, -100.

Surrey Heath therefore has lost most of its presence in pharmaceutical and aircraft manufacturing since 2016.

## 1.5 Impact of Changes on of Surrey Heath's Strategically Important Clusters

The Surrey Heath 2018 economic development strategy highlighted four key strategically significant clusters, based on 2016 employment data.

- Specialist engineering
- Pharmaceuticals and chemicals
- Computer sales, programming and services
- Health Cluster and Hospital activities

Taking account of the above analysis, the impact of changes on each strategic cluster are set out below. Of these:

**Specialist engineering** has lost most of its aerospace manufacturing and repair employment from 350 in 2016, to now only 60. Engineering consultancy, technical testing and research and R&D, which employed 2000 in 2016, now employs 970, a loss of 1030 jobs. The grouping has however maintained most of its employment at 2720, down from just over 3000 in 2016 due to engine & turbine manufacturing 1500 employing over half of these and having seen a net increase of 1000 jobs since 2016 and an increase in manufacturing of motor vehicles and related components which together have increased employment from 30 to 90 jobs since 2016.

**Pharmaceuticals and chemicals** employed 1940 people in 2016 but has declined with the virtual disappearance of the manufacture of pharmaceutical preparations where 580 jobs have since been lost 2016. Against this, 150 jobs have been created in R&D on biotechnology.

**Computer sales, programming and services** employed 2075 people in 2016 and has seen a net loss of 580 jobs since 2016, mostly from computer consultancy, though jobs in computer programming have remained static.

**Health Cluster and Hospital activities** employs 8,040 people, an increase of 2015 since 2016.

## 1.6 Other Patterns of Sector Employment Growth and Decline

Sub sectors demonstrating prominent employment growth Surrey Heath since 2016 are listed below.

	<b>2016</b>	<b>2021</b>	<b>Change</b>
Building of ships and floating structures	0	150	150
Construction of utility projects for electricity and telecommunications	0	1000	1000
Electrical installation	300	400	100
Plumbing, heat and air-conditioning installation	125	250	125
Retail sale in non-specialised stores with food, beverages or tobacco predominating	1000	1250	250
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	150	250	100
Retail sale of hardware, paints and glass in specialised stores	100	225	125
Retail sale of sporting equipment in specialised stores	125	225	100
Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	450	800	350
Warehousing and storage	300	1250	950
Legal activities	200	400	200
Accounting, bookkeeping and auditing activities; tax consultancy	700	1500	800
Activities of head offices	500	1000	500
Advertising agencies	45	225	180
Activities of employment placement agencies	150	600	450
Temporary employment agency activities	2000	4000	2000
Landscape service activities	400	1250	850
Residential nursing care activities	350	600	250

Local activities experiencing job losses in Surrey Heath are listed below.

	<b>2016</b>	<b>2021</b>	<b>Change</b>
Private security activities	1,750	150	-1,600
Business and other management consultancy activities	2,500	1,250	-1,250
Other research and experimental development on natural sciences and engineering	900	20	-880
Restaurants and mobile food service activities	2,500	1,750	-750
Manufacture of pharmaceutical preparations	600	20	-580
Computer consultancy activities	1,000	700	-300
Other business support service activities n.e.c.	900	600	-300
Manufacture of air and spacecraft and related machinery	300	10	-290
Operation of sports facilities	400	125	-275
Hotels and similar accommodation	700	450	-250
Other social work activities without accommodation n.e.c.	500	300	-200
Other personal service activities n.e.c.	450	250	-200
Manufacture of other plastic products	150	0	-150
Wholesale of wood, construction materials and sanitary equipment	250	100	-150
Freight transport by road	350	200	-150
Manufacture of medical and dental instruments and supplies	150	20	-130
Wholesale of electrical household appliances	200	75	-125
Wholesale of other household goods	300	175	-125

	2016	2021	Change
Wholesale of electronic and telecommunications equipment and parts	150	30	-120
Maintenance and repair of motor vehicles	350	250	-100
Wholesale of other machinery and equipment	500	400	-100
Retail sale of clothing in specialised stores	700	600	-100
Beverage serving activities	800	700	-100
Administration of financial markets	100	0	-100
Engineering activities and related technical consultancy	900	800	-100
Defence activities	200	100	-100
Other education n.e.c.	250	150	-100
Educational support activities	100	20	-80

## 1.7 Future Sources of Job Growth

The following sectors are projected to be the fastest growing new global industries during the 2020s. Most of these are projected to experience global growth rates for between 11% and 25% over most of the decade.

- Data Science
- Cloud Computing
- Artificial Intelligence (AI)
- Internet of Things (IoT)
- Cyber Security
- Blockchain Technology
- Robotics
- Drones
- Virtual Reality
- Genomics
- Nano Technology
- Renewable Energy
- E-learning
- 3D Printing
- Sharing Economy
- Care Economy

Source: Debiprasad Bandopadhyay; *The 16 Fastest Growing Industries of The Future (2021)*; blog post published on June 12, 2021

These activities not only have scope to create large numbers of well-paid jobs but will also be having a disruptive effect on wide range of other industry sectors. One common theme across each of these activities is the reliance on advanced digital technologies.

In addition, the UK government envisages a green industrial revolution with major potential for global trade to create and support up to 250,000 green jobs and comprising the following activities.

- Advancing Offshore Wind
- Driving the Growth of Low Carbon Hydrogen
- Delivering New and Advanced Nuclear Power
- Accelerating the Shift to Zero Emission Vehicles
- Green Public Transport, Cycling and Walking
- Jet Zero and Green Ships
- Greener Buildings
- Investing in Carbon Capture, Usage and Storage
- Protecting Our Natural Environment

- Green Finance and Innovation

These sector growth prospects will have major implications for Surrey Heath's positioning in terms of inward investment positioning, business accommodation and supporting infrastructure.

## **2. Economic Profile of the Urban and Rural Sub Districts**

### **2.1 Business and Employment Structures**

The table below provides an analysis of the number of enterprises by sector across each of the Surrey Heath urban and rural areas. As can be seen, 3,365 of the Borough's businesses are located in Camberley, Frimley, Bagshot and Lightwater and 1090 in the rural areas of Chobam & Windlesham and West End & Bisley. Collectively the urban areas account for 76% of all enterprises across the borough and the rural areas Chobam & Windlesham and West End & Bisley 24%.

As can be seen, 47,300 of the Borough's employees have jobs in Camberley, Frimley and Bagshot and 7305 in the rural areas of Chobam & Windlesham and West End & Bisley. Collectively the urban areas account for 87% of employment across the borough and the rural areas 13%. The urban areas experienced a net increase of 2,530 jobs between 2016 and 2021 whereas the rural areas experienced an increase of 820 jobs in the same period (76% and 24% of employment gains respectively).

### **2.2 Status of the Rural Economy**

#### Significance of the Rural Business and Employment Base

The most significant businesses by number in the rural areas are: construction (145 businesses, retail (70), information & communication (110), professional, scientific & technical (245) and business administration & support services (110). All sectors in the rural areas are closely similar to the urban areas as a proportion of all businesses, though some sectors show slightly above average predominance (i.e. 1-2%) in the number of businesses in the rural areas. These include agriculture, mining and quarrying, motor trades, property and professional and scientific services. The sectors which employ the most in the rural areas are: manufacturing (600 employees), construction (550), retail (800), accommodation & food services (485), professional, scientific & technical (550), business administration & support services (1,450), education (700) and health (525).

#### Trends In Rural Industries

A net loss of 35 businesses occurred between 2017 and 2022 in the rural areas. There were increases of between 5 and 15 businesses in construction, transport and storage, accommodation and food services, finance and insurance and property. Losses of between 5 and 15 business units occurred in agriculture, manufacturing, motor trades, wholesale, professional and scientific services and business administration, education and arts and entertainment, along with a decrease of 20 businesses in information and communication.

825 jobs have been created in retail and business administration, with increases on wholesale, transport and storage, accommodation, finance, public administration and health. There have been losses of 450 professional, scientific and technical jobs and of 110 jobs in the rural areas have occurred across mining and quarrying, manufacturing, construction, motor trades. See Appendix 3 for further details.



<b>Table 1 No. of Enterprises, Surrey Heath by Super Output Area, 2022</b>	<b>Bagshot</b>	<b>Lightwater</b>	<b>Camberley North</b>	<b>Camberley Town</b>	<b>Camberley Heatherside</b>	<b>Camberley West</b>	<b>Camberley Parkside</b>	<b>Frimley</b>	<b>Frimley Green</b>	<b>Mychett and Frith Hill</b>	<b>Urban Total</b>	<b>Chobam &amp; Windlesham</b>	<b>West End &amp; Bisley</b>	<b>Rural Total</b>	<b>Grand Total</b>
<b>Industry</b>															
1 : Agriculture, forestry & fishing (A)	0	0	0	5	0	0	0	0	0	0	5	20	10	30	35
2 : Mining, quarrying & utilities (B,D and E)	0	0	0	0	0	0	0	0	0	5	5	5	5	10	15
3 : Manufacturing (C)	5	5	10	5	5	65	5	10	10	15	135	20	25	45	180
4 : Construction (F)	35	40	40	35	25	95	50	45	35	55	455	70	75	145	600
5 : Motor trades (Part G)	15	10	5	5	5	30	10	5	5	10	100	20	20	40	140
6 : Wholesale (Part G)	5	5	5	15	5	55	10	15	5	5	125	20	10	30	155
7 : Retail (Part G)	20	15	10	45	5	40	15	10	15	20	195	45	25	70	265
8 : Transport & storage (inc postal) (H)	15	10	10	10	5	30	10	5	5	10	110	15	15	30	140
9 : Accommodation & food services (I)	25	10	5	30	0	60	0	10	15	10	165	30	10	40	205
10 : Information & communication (J)	30	55	25	50	35	90	45	30	25	20	405	60	50	110	515
11 : Financial & insurance (K)	5	10	0	10	5	20	5	5	5	5	70	20	5	25	95
12 : Property (L)	10	10	5	20	5	30	15	5	5	10	115	30	10	40	155
13 : Professional, scientific & technical (M)	55	65	40	125	45	165	65	60	40	40	700	160	85	245	945
14 : Business administration & support services (N)	35	30	20	45	10	95	25	35	20	35	350	75	35	110	460
15 : Public administration & defence (O)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 : Education (P)	10	5	5	10	0	15	5	10	0	0	60	15	5	20	80
17 : Health (Q)	15	10	10	15	5	30	5	10	10	10	120	20	10	30	150
18 : Arts, entertainment, recreation & other services (R,S,T and U)	25	35	10	35	10	65	20	15	15	20	250	40	30	70	320
<b>Enterprises by Urban and Rural Areas 2022</b>	<b>310</b>	<b>315</b>	<b>205</b>	<b>455</b>	<b>165</b>	<b>885</b>	<b>280</b>	<b>270</b>	<b>210</b>	<b>270</b>	<b>3,365</b>	<b>660</b>	<b>430</b>	<b>1,090</b>	<b>4,455</b>
Change, Enterprises, 2017-22	-105	-40	-5	-15	-30	35	-30	-20	-15	10	-215	-20	-15	-35	-250
<b>Employment, Urban and Rural Areas 2021*</b>	<b>3,220</b>	<b>1,525</b>	<b>1,160</b>	<b>6,040</b>	<b>580</b>	<b>15,925</b>	<b>890</b>	<b>15,520</b>	<b>1,425</b>	<b>1,015</b>	<b>47,300</b>	<b>4,270</b>	<b>3,035</b>	<b>7,305</b>	<b>54,605</b>
Employment, Urban and Rural Areas 2016 **	4,120	1,830	1,330	5,485	710	13,675	905	11,370	3,850	1,495	44,770	3,820	2,665	6,485	51,255

\*The level of rounding applied varies by estimate. Please see article or further information on how rounding is applied <https://www.nomisweb.co.uk/articles/1103.aspx>.

\*\*Differences from the totals in the Employment Tables in Appendix 1 are due to rounding errors so should be treated as indicative only.

## 2.3 Sustaining and Enhancing the Economies of the Villages and Rural Areas

Of key importance will be maintaining the economic vibrancy of the rural areas and viability of important commercial and public sector services. This depends on developing and maintaining the earning capacity of residents to generate the necessary demand and spending levels to sustain them.

### Quality of Life and Well Being

Assuring or encouraging adequate provision of essential services, such as:

- Food retailing
- Community infrastructure
- Access to Health and Social Care
- Culture and Leisure

### Supporting the Rural Economy

- Maximising local job opportunities
- Provision of adequate workspace commercial land and buildings
- Accelerating high speed digital connectivity
- Maintaining good transport accessibility
- Boosting rural accommodation and food and beverage services and the visitor economy.

The following priorities have been identified:

- Getting gigabit capability connections to hard-to-reach rural premises, along with measures to meet demand for high quality business premises and workspace through the continual upgrading and revitalisation of the rural commercial buildings.
- Improving public transport options.

Other possible initiatives could include:

- Building the visitor economy by promoting sustainable measures to boost rural visitors and spending on such activities as rural arts, recreation, staycations and food services.
- Strengthening these activities can help boost spending on sustain key retail and other community support businesses, subject to avoiding activity that could detract the from the natural beauty of these areas.

### **3. Factors Constraining Business Growth**

#### **3.1 Impact of Brexit on Trade Levels**

##### **Brexit Impact on the Service Sector**

The service sector makes up 80% of the UK economy. 40% of exports from the sector went to the EU pre-pandemic. Trade in services has become more difficult between the two unions since the signing of the 2020 Brexit deal. The trade deal signed provided agreements and a framework for dialogue between the UK and EU in regard to financial services and greater trade opportunities. However, progress in this area has been limited.

It is important for the government to develop a clear and concise strategy for the service sector post-Brexit that is realistic about the prospects and risks associated with deepening services with non-EU partners.

**Source: Professor Sarah Hall; UK in a Changing Europe**

##### **Brexit Impact on the Manufacturing Sector**

The Trade and Cooperation Act (TCA) signed on 30<sup>th</sup> December between the UK, EU and European Atomic Energy Community helped to avoid tariff-barriers but non-tariff barriers have returned since the end of the transition period and has brought adverse effects onto the UK economy. TCA does not replace the frictionless trade that occurred prior to the UK's departure from the EU. Due to administrative barriers, both imports and exports from and to the UK and the EU have decreased by 15% each. Production disruptions have been reported. The volatile Northern Ireland situation risks worsening relations between the UK and EU, which can put the current TCA in jeopardy.

The potential benefits to Brexit have not materialised and for those that have, they do not make up the loss in trade that the UK previously had with the EU. More regulatory divergence from the EU could either bring further benefits or disruption and is yet to be confirmed in either case.

Although no-deal has been avoided, the TCA is still considered a 'thin' deal and though UK manufacturing may not be wiped out, it will suffer greatly without some government intervention. The government needs to accept that the sector is going through problems far beyond 'teething trouble'. Measures such as postponed accounting for VAT and custom easements have been welcomed short-term measures but more options must be considered.

Any benefit to Brexit will not happen automatically and will require a well-funded industrial policy if UK manufacturing is to benefit from further growth opportunities. This strategy will also need to take the move to net-zero, industrial 4.0 and levelling up all into account.

**Source: Professor David Bailey and Dr. Ivan Rajic; Brexit's Effect on the UK's Manufacturing Sector; January 2022**

As of December 2022, the UK manufacturing sector still sees itself struggling following the Brexit referendum, in addition to issues faced by rising inflation and global supply chain issues. The quarterly

Make UK/BDO Manufacturing Outlook survey published on 12<sup>th</sup> December 2022 reported that the sector shrank by 4% this year, with a further decline of 3.2% projected for 2023. Prior to this, the British Chamber of Commerce in November stated that the decline of the manufacturing sector was clear after the economy shrank by 0.2% in September with the business group the new barriers to trade imposed by Brexit as one of the key factors in the sector's decline. **Source: Manufacturing Outlook Q4 2022, Make UK, 12<sup>th</sup> December 2022. Outlook Worsening as Production Sector of Economy Hits Trouble, BCC, 11<sup>th</sup> November 2022**

As of 4<sup>th</sup> January 2023, businesses have cited Brexit as a cause of the sector's worst performing month in two years. The S&P Global/CIPS UK Manufacturing PMI scored 45.3 in December, down from 46.5 in November, figures released show. This makes December the worst performing month since 2009, with the exception of the early phase of COVID-19. Businesses cited current global issues and low demand from China, mainland Europe and the US from external circumstances, they have also cited extra red tape from Brexit as a significant cause in the sector's decline.

### Other Brexit Impacts

According to Agricultural Recruitment Services' report from July 2021, impacts of Brexit have been<sup>1</sup> increased red tape and uncertainty about farm payments.

**Source: Agricultural Recruitment Services' Report, July 2021**

On 21<sup>st</sup> December 2022, the British Chamber of Commerce released a survey that showed that 77% of firms, for which TCA is applicable, stat that it has not helped them increase sales or grow their business. In addition to this, 56% of firms stated that they faced difficulty adapting to new rules for trading goods, 46% faced difficulties with adapting to new rules for trading services and 44% stated that they had difficulties obtaining visas for staff. **Source: Brexit Trade Deal Not Delivering, BCC, 12<sup>th</sup> December 2022**

UK's new migration policy and restrictions on freedom of movement make it difficult for British companies to employ EU citizens and for UK service providers to travel to the EU for work. These new travel difficulties present new challenges where travel and frictionless trade is important. Managing these uncertainties requires cooperation with the EU. Without this cooperation, there is a risk that ongoing disputes and further changes to the volatile post-Brexit relationship could lead to a reduction in confidence in the UK economy, limiting investment and productivity improvement that can hamper development of the UK's services sector.

## 3.2 Cost of Living Crisis

The 'cost of living crisis' refers to the fall in 'real' disposable income that the UK has experienced since late 2021. The current crisis has been predominantly caused by high inflation outstripping wage and benefit increases and made worse by recent tax increases.

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1 *The Early Impact of Brexit on UK Agriculture-* Agriculture Recruitment Services (Jul 2021)

The ONS reports that around 9 in 10 (89%) of adults in Great Britain have seen an increase in their cost of living, an increase from 62% in November 2021. The most common reported increases were people finding an increase in the price of food (94%), an increase in gas or electricity bills (82%) and an increase in the price of fuel (77%).<sup>2</sup>

This has prompted many people to take measures such as cutting back on non-essential items (57%), using less gas and electricity at home (51%) and cutting back on non-essential trips on a vehicle (42%). The report also found that 35% cut back on spending on food and other essentials, 23% using savings to cover costs and 13% using more credit than usual.<sup>3</sup> Businesses have also reported to be heavily effected, with 26% of businesses polled by YouGov stating that their energy costs could be unsustainable in the coming months and 75% stating that they will have to pass the cost onto their customers. In an interview with the Daily Telegraph, Chancellor Nadhim Zahawi said Britons on an income of £45,000 will need help paying energy bills<sup>4</sup> as consultancy firm Auxilione have issued a forecast stating that they believe that the energy price cap may go as high as £5,600 by the start of next year and going as high as £7,700 from April 2023.

Another poll commissioned by the Liberal Democrats and conducted by polling firm Savanta ComRes found that many families and households will take drastic measures to reduce their cost of heating, with many 23% saying that they will do without heating during the winter months and 27% of those with children doing the same. 70% said they will use the heating less and 11% stated that they are considering taking loans to cover extra costs, with the figuring rising to 17% again for those with children.<sup>5</sup>

As of November 2022, the ONS placed inflation at 10.672% after a previous high of 11.052% in October (falling by 0.392%). Furthermore, the cost of the government shielding households from soaring energy prices is expected to double to £5 billion in the new year. Ministers have reportedly planned a £25 million advertising campaign to help people save money and energy which will include advice such as urging people to reduce their boiler's temperature, turn off the heating when they go out, turning off radiators in empty rooms and investing in effective insulation. In addition to this, local authorities such as the City and County Councils are working together with charities to inform constituents about ways they can save energy, whilst also cooperating with charities to supply food for foodbanks and finding locations for warm banks to help those in need. Individual councils are also currently providing support to those in need for the specific requirement of their local area.

As of 4<sup>th</sup> January 2023, the British Retail Consortium has placed UK food inflation at 13.3%, up 12.4% in November, the highest monthly rate since the BRC started collecting data in 2005. BRC's chief executive Helen Dickinson stated that 2023 will be another difficult year for families, with little sign things will change in the near future. Dickinson further stated that

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2 'What actions are people taking because of the rising cost of living?' Office of National Statistics. Explainer. Aug 5<sup>th</sup>, 2022

3 ibid

4 'Cost of living crisis: Britons on £45,000 will need help paying energy bills, chancellor says - as experts warn price cap could rise to £7,700' Conor Stepson. *Sky News*. 27<sup>th</sup> August 2022

5 'Nearly a quarter of UK adults plan to keep heating off this winter, poll finds' Kalyeena Makortoff. *The Guardian*. 29<sup>th</sup> August 2022

businesses struggling with current energy costs needed the government's yet to be announced scheme for businesses to be implemented, with Chancellor Jeremy Hunt stating that it will be ready early in the year. With a sharp rise in prices, household spending has cut back drastically as figures from Barclays show that retail sales fell overall in 2022 and high street slumped during the Christmas period. Retailers currently offering discounts on select products are experiencing increase in sales, with the supermarket chain Aldi reporting record Christmas sales.

### 3.3 Recessiary Prospects

IMF Managing Director Kristalina Georgieva stated on 2<sup>nd</sup> January 2023 that 2023 will be a tougher year than 2022, stating that a third of the world's economies to be in recession as the year progresses. Citing causes such as Russia's war on Ukraine, higher interest rates, inflation and the current COVID crisis in China as challenges to the stabilization for the global economy. Katrina Elle, an economist at Moody's Analytics spoke to BBC News and stated: "While our baseline avoids a global recession over the next year, odds of one are uncomfortably high. Europe, however, will not escape recession and the US is teetering on the verge."<sup>6</sup>

This bleak news for the global economy follows the IMF's Global Economic Outlook report published in October 2023, where the global economy was slated to experience a broad-based and sharper-than-expected global slowdown. In the report, Global growth is forecast to slow from 6.0 per cent in 2021, to 3.2 per cent in 2022 to 2.7 per cent in 2023, thereby making it the weakest growth profile since 2001 excluding the global financial crisis and the acute phase of the COVID-19 pandemic. The report further states that Global inflation is projected to rise 4.7 per cent in 2021 to 8.8 per cent in 2022, but 6.5 per cent in 2023 to 4.1 per cent in 2024.<sup>7</sup>

Research conducted economists at Goldman Sachs placed the chance of the U.S. facing a recession at 35% and that the economy can produce a "soft landing" amongst current economic turbulence,<sup>8</sup> with Georgieva and the IMF stating the US economy is the most "resilient"<sup>9</sup>. In contrast, a poll of economists conducted by Bloomberg put this figure as high as 70%. In regard to the Eurozone, Georgieva has stated that she believes half of the European Union will be in recession from collateral of the economic impact of the Ukraine war<sup>10</sup> with economist Nouriel Roubini stating that he believes the recession hitting Europe will be "worse than expected"<sup>11</sup>. However, as of 4<sup>th</sup> January 2023, evidence points to these fears calming down slowly as inflation seems to be slowing down in major EU economies. France has recently seen its inflation rate fall down to 6.7% from 7.1% in November. The same has happened in Germany's inflation rate going down from 11.6% to 9.7% and Spain which went down from 6.8% to 5.8% in the same time period. Many economists point out that this could

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6 'Third of world in recession this year, IMF head warns' By Suranjana Tewari and Peter Hoskins  
BBC News. 2<sup>nd</sup> Jan 2023

7 WORLD ECONOMIC OUTLOOK REPORT OCTOBER 2022 IMF 11<sup>th</sup> October 2023

8 Why the US is Expected to Escape Recession in 2023 Goldman Sachs

9 Ibid 1

10 Ibid

11 'Europe to see deeper recession than expected' DW 2<sup>nd</sup> Jan 2023

be<sup>12</sup> a sign that inflation in the Eurozone has peaked and a recession may not be as bad as expected.

China's economy grew by 4.4% in 2022 according to Xi Jinping, exceeding that predicted by many economists. The end of the Zero-Covid policy was expected to increase interest in international trade and increase growth in the economy, however the recent outbreak of COVID-19 in the country has soured economic outlook as the European Union begins to impose restrictions on those travelling from China. Some are predicting that this outbreak may have a knock on effect on the global economy.<sup>13</sup>

As of December 2022, some had suggested that the U.K. is already in recession. Data from the ONS saying that the economy fell by 0.3% in the third quarter, with the UK being the only G7 country with GDP still lower than pre-pandemic levels. Elsewhere in the world, fears of a global recession are looming but some economists are stating that these fears may be premature.

According to the poll of the U.K.'s top economists, the U.K. is said to experience the shock of inflation caused by the Ukraine war and aftermath of the Coronavirus Pandemic longer than any other G7 economy. This in turn will force the Bank of England to keep interest rates high and the government to run a tight fiscal policy. Whilst many economists such as Paul Dales from consultancy firm Capital Economics believe the economy will return to growth by the end of 2024, Britain's economy will still be deeper and longer than other developed nations. A forecast by Consensus Economics shows the U.K.'s GDP shrinking by a full percentage point, as opposed to 0.1 per cent seen in the whole Eurozone and 0.25 in the United States.<sup>14</sup>

### 3.4 Economic Inactivity

As of December 2022, economic inactivity has increased nationally by 565,000 since the start of the pandemic in 2020 according to an inquiry by a committee of the House of Lords published on 20<sup>th</sup> December 2022. The inquiry found that issues such as Early retirement, increasing long-term sickness and changes in the structure of migration and an ageing population as to why the UK is experiencing such strenuous shortages of labour in certain sectors. The report concluded that these strains have led to issues such as increasing inflation, damaging growth in the near term and reducing the revenue available for financial services while demand for said services grow.

The report elaborated in each of these four causes.

- The decision to retire early among 50-64 year olds to be the main driver in the change since 2020, with lifestyle changes and increased savings during the pandemic

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12 Europe's recession may not be as bad as feared Anna Cooban, CNN 4<sup>th</sup> Jan 2023

13 Xi Jinping estimates China's 2022 GDP grew at least 4.4%. But Covid misery looms. Laura He, CNN 2<sup>nd</sup> Jan 2023

14 UK faces worst and longest recession in G7, say economists Delphine Strauss and Valentina Romei *Financial Times* 2<sup>nd</sup> Jan 2023



as reasons as to why early retirement was feasible for some. The report concluded that most early retirees are potentially well-off and any assumption that they will return to the work force due to the cost-of-living crisis is misplaced.

- The change in migration structure noted refers to the exodus of EU migrant workers who left the UK and whom normally filled lower paid roles. These were then counterbalanced by more high-skilled and non-EU workers who were granted visas which prioritised skilled workers, thus causing an imbalance in certain sectors.
- Lastly, the ageing population factor was said to have helped drive down the labour supply and is being reinforced by other factors and that its impact has not received the impact it deserves. The report concluded that the Department of Work and Pensions review into workforce participation must be conducted quickly, as was proposed by the Chancellor's Autumn Statement.

In regard to sickness as a cause of long term economic activity, the data found that the rise in sickness-related inactivity was among people who were already inactive.

## **4. Changing Landscape of Urban Centres**

### **4.1 Retail Shifts and Prospects for Wider Town Centre Diversification**

Before the outbreak of the pandemic in March 2020, many of traditional retailers that had been the “backbone” of high streets for decades were burdened with too many stores, inflexible lease structures, rising costs and increasing debts.

This resulted in an increase in vacancies as retailers either went out of business (such as BHS), or closed a significant number of their high street store portfolios to focus on ecommerce, and/or, in some cases, relocated from town centres to out of centre shopping parks (e.g. Marks & Spencer and John Lewis).

This will inevitably involve a transition away from high streets as solely retail-led locations to those that are built on greater diversity, and which offer a wider range of uses; including leisure, culture, arts, heritage, civic, education, healthcare, youth, employment, tourist and other amenities/attractions. These wider uses are already being delivered and tested by the Council in the town centre. For example, the Council will be opening a Youth Hub during 2021/22 in partnership with the Department for Works and Pensions (DWP), dedicated to supporting 18-24 year olds on Universal Credit into employment, training or education.

Pop-up and meanwhile uses/leases in some vacant units/buildings can help prevent the proliferation of “dead frontages”.

Street markets, market halls and kiosks can also provide the “seedbeds” and “incubator space” for new businesses to grow and flourish



The convergence of online and physical space also represents a further competitive response to the challenges facing our town centres and high streets. For example, both Amazon and eBay are trialling the use of physical space to showcase their services and goods. Amazon’s “Clicks and Mortar” stores

Source: Town Centre Uses & Future Directions Study: Part 2; Lambert Smith Hampton

## **4.2 What is Considered Likely to Happen to Town Centre Activities**

The COVID-19 pandemic has led to many changes to how people use and visit high streets. Data from November 2020 shows that footfall was at 45% compared the same time as the year before. Meanwhile, internet sales had risen to 33% of all sales by the start of the pandemic.<sup>15</sup>

Overall, data from IMRG states that online sales grew by 36% in 2020, which is the highest growth seen in 13 years. This is in contrast to overall retail sales, which fell by 0.13% marking the lowest annual growth figure for 25 years.

Research done by e-commerce quarterly shows that most of 2020’s retail growth was driven by multichannel retailers, who were the ones most easily able to make a shift to online retail. Grocery is shown to have had the biggest surge of online retail at 128%.

However, research has shown that many consider this a temporary measure for groceries once retail commences after lock down is over. The retail sector is preparing for a series of innovations that have ripened during the course of the pandemic, including things such as; reactive digital sales, investment in delivery, new ‘brand experiences’ to bring customers into stores and innovations in online and offline customer service.<sup>16</sup>

These raise a lot of questions for the future of city centres, especially with the permanent closure of many businesses on high streets. 57 of 264 stores in Oxford Street have permanently closed since the start of the pandemic and major landlords are receiving only half of their usual income from renting out commercial spaces.<sup>17</sup>

## **4.3 New Concepts for Revitalisation and Diversification of Town Centres**

Research from KPMG says that that it is clear things won’t return to the way things were before the pandemic. With the reduction in commuter footfall and reduction in commercial rent, city centres may now have to consider serving their inhabitants in a different way. According to the same report, high streets could lose anywhere from 20-40% and end up affecting 1-5% of the local labour force. Basingstoke and Bracknell are said to be the most affected, with 39% of retail jobs said to be in jeopardy with the move to online commerce. Some reports are expecting up to 400,000 job losses on high streets nationwide.

New models could be emerging with consumers buying online and getting a better price whilst some stores may adopt a hybrid model where they have their stores as a showroom

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15 *The future of the high-street, House of Commons, 10<sup>th</sup> December 2020.* Local Government Association

16 ‘Covid-19 impact on retail: what trends are emerging in 2021?’ Nikki Gilliland. *Econsultancy* (20<sup>th</sup> January 2021)

17 ‘What will city centres look like post COVID?’ George Arnett, *Vogue Business*. (15<sup>th</sup> February 2021)

before the customer buys the product on their website. However, some speciality stores may keep their physical locations intact.<sup>18</sup>

Suggestions in the KPMG report include:

- office spaces for start-ups, pop ups or incubators who will now be able to afford rent in the city centre whilst businesses provide support and mentoring
- community centres can be opened with focuses ranging from children’s recreation to adult art courses
- residential property is also said to play a key role in the revitalisation of city and town centres.<sup>19</sup>

#### **4.4 Support to Hybrid and Remote Working**

Hybrid and remote-working will create a new set of benefits but also challenges to local economies with its wide-spread adoption. Research by Legal and General and Demos showed that the new working model will provide opportunities for parts of the country such as rural areas and neighbourhoods that were previously ignored. The survey identified the following factors as being more important to between 50% and 70% individuals if working from home:

- Access to fresh air
- Good local shops
- Faster reliable Internet access
- Supportive communities and pleasant streets
- Places to go out
- Premises to support local jobs
- Housing that meets needs
- Exercise and sports facilities
- Good transport services

35% of respondents stated that they planned to spend more money at their local neighbourhoods, whilst 25% said they wanted to do so in local high streets and town centres. In his article on the same report for *The Times*, Gurpreet Narwan stated that:

“The findings underscore the need for thriving local high streets, which could require a rethink of town planning. It presents a challenge to the concept of high population density urban accommodation. The report called for a renewed focus on “15-minute neighbourhoods”, with places close by to meet and work, as well as outdoor public spaces for leisure and recreation.”<sup>20</sup>

The increase in home working has generally benefitted commuter towns, local centres and essential shops at the expense of larger cities and towns; and has also reinforced the concept of the walkable and liveable 10-15 minute neighbourhood.

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18 *The future of towns and cities* (January 2021) KPMG

19 ibid

20 ‘Hybrid working could be right up your street’, Gurpreet Narwan, *The Times* (March 22<sup>nd</sup>, 2021)

Changes to the Use Classes Order, which came into effect in September 2020, provides greater flexibility for landlords of high street retail units to switch to workspace and other (former) B1 employment activities with greater flexibility and room for hybrid models that combine retail and workspace functions. However, as highlighted above, the challenge will be to retain active frontages at street level to help maintain the overall integrity and vitality of the primary shopping area.

#### **4.5 Outward Movement from Cities**

The same report found that 2.5 million people (5% of the population) had moved from their previous homes with a further 5.5 million considering moving. This in part due to wanting access to more outdoor spaces but also due to wanting more suitable living arrangements. This impacts on some major cities where housing is on average less spacious than non-urban areas. However, the report concludes that the previously predicted and reported mass exodus from cities is overblown as young people and those with jobs that cannot be done remotely make up the majority of those that moved last year and that they moved within larger cities.

#### **4.6 The '15 Minute Cities' Concept**

This was developed by Carlos Moreno, scientific director and professor specialising in complex systems at University of Paris Panthéon-Sorbonne, who believes that city-life as we knew it before the pandemic won't make a return. Instead, he proposes the creation of cities where everything an individual needs can be reached within a quarter of an hour by foot or by bike. In an article on BBC Work life, the 15 minute city is quoted as requiring minimal travel between housing, offices, restaurants, parks, hospitals and cultural venues. Each neighbourhood is also quoted as needing to fulfil six functions: living, working, supplying, caring, learning and enjoying.<sup>21</sup> The concept has proved popular, with Paris Mayor Anne Hidalgo having put it at the centre of her successful 2020 re-election bid and hiring a commissioner to make the concept a reality.

#### **4.7 Other Recent Thinking on Town Centres**

Set out below is a selection of points recorded from the Westminster Social Policy Forum webinar on the Next Steps For High Streets and Town Centres in England which took place on the 7<sup>th</sup> September 2022. (Speakers' names are indicated in each case).

- Every high street should have a Hub and High Street Coordinator. 80% of businesses fail and the Government needs to take into account the impact on mental health of high streets with more empty buildings. More businesses owners need education on how to manage a business and know their full potential. **Samantha Poole (Ask GoTo)**
- Getting people back to shopping on the high streets is only a small part of the plan. For the high streets to grow, investment and infrastructure is needed. Class E gives businesses breathing room to experiment without planning permission. Government is looking into a reworking of the landlord and tenant relationship. A new retail

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21 'How 15 minute cities will change the way we socialise' Peter Yeung, *BBC Worklife* (January 4<sup>th</sup> 2021)



strategy developed by the new Truss government will focus on seven points to help revitalize the high street. **Paul Scully (MP, Minister for Local Governments and Communities)**

- Government policy is needed fast and planning policy must take changes into account. Planning processes are too slow at the moment. Due to taxation and business rates, 4 in 5 retailers could close their shops if the rates are not put down. The system is too slow to reflect market values. Local leadership is important for town centres. Retail and the High Street are not the same thing. Roles of shops could be expanding, becoming more like experiences rather than strictly shops. The green economy and sustainable public transport are needed so that everything is easy to get to. **Helen Dickinson, British Retail Forum**
- The night time economy brings a cultural and economic factory, generates £4.6 billion annually and 425,000 jobs and attracts 3 million tourists per year. Cities often attract students depending on vibrant nightlife. Fintech companies are often attracted to areas with vibrant nightlife and huge cultural output. It is vital for work life balance. Discussion of renovating centres rarely takes into account people's social and mental health. Cities and towns with less vibrant nightlife and low cultural output have more cases of depression in those aged 20-39. The industry is aspirational to youth culture and has helped stem crime rates. A case study has shown no rise in criminal activity with the rise of nightlife economy. **Michael Kill, Chief Executive Night Time Industries Association**
- Digital place making (enhancing people's experience of places through location-specific digital technology), community engagement and innovation are all important for maintaining healthy high streets. **Jo Morrison (Calvium)**
- We to instil some magic onto the high streets. Children and young people need to be consulted and interviewed on what they want from a high street and we need artists and creatives and youth workers need to be involved. Community cafes and toy libraries are also ways to integrate and interact with communities to bring life back into the high street. **Helen Dewdney (The Complaining Company)**
- Class E gives greater flexibility on floor plans and how to use new or old buildings to create new market places or community areas and allows for creativity and more businesses to occupy a certain space. **Lizzie Le Mare (Tibbalds)**
- The digital revolution has been accelerated by Covid and any initiative or plan must bring it into the centre of the holistic approach to town centres. Culture, arts and leisure are important in any plan for any new high street strategy. Experimentation with commercial and public spaces must be allowed as strictly bureaucratic practices do not allow for completely holistic approaches and do not take certain aspects of creativity into account. Levelling up must remain a core part of the government's strategy and cannot change course or risk further chaos in trying to revitalise town centres. **Baroness Valentine (summing up)**

## 5. Spatial Development Prospects and Issues

### 5.1 Commercial Property Market Trends

#### Interviews With Commercial Property Agents

Four commercial property agents serving the Surrey Heath area have been contacted for their experience of business demand, opinion on the suitability of available accommodation, attraction and constraints of doing business in the Borough and key priorities for infrastructure and other improvements. Agents from Curchod and Co, Hurst Warne, Hollis Hockley and Clare and Co have been interviewed and the findings are summarised below.

#### Types of Businesses Making Enquiries

All four agents say that the majority of enquiries are for industrial, warehouse, storage and distribution space, with one agent estimating that this constitutes 65-75% of their enquiries.

The office side has some movement but much less and is generally companies looking to downsize when they have a lease break. What movement there is falls mainly in the category of 500-2,000 sq ft.

#### Changes Since the Covid Pandemic

Since the pandemic, the trend has been for more industrial space, as noted above, partly due to increased online activity.

With more people working from home, businesses need less office space but the market has picked up slightly in the last six months for smaller offices. Office-based companies are struggling to know how to adapt in terms of hybrid working and whether or not to try and get staff back into the office more regularly.

In the meantime, some businesses are looking for more quality office space to encourage employees to come back. If they have downsized, they can afford to pay more for better quality accommodation. It is only small businesses, SMEs, who are driven purely by cost.

One agent comments that, *'The tide is turning slightly where employers are now putting their foot down a bit and saying staff need to come back to the office, and are making some people redundant so employees are more likely to do what they need to do to keep their jobs. The office market will probably pick up slightly but from a very low base. But they will want to locate in Surrey Heath if they do look for space?'*

#### Companies Relocating from Outside the Borough

Most agents say they are not aware of any significant companies who have located in Surrey Heath from outside of the area.

One agent mentioned Delta Mowbray who were previously in Farnham and were expanding quickly so needed to move, and there was nothing in Waverley or Guildford for them. They relocated to Hudson House in Frimley, a Surrey Heath Borough Council investment, and the agent comments that, *'it was a great example of how partnership working between the local authority and business can really succeed. Mike Cummings in the Property Team worked hard on this and it came to a great conclusion'*.

### Appeal of Surrey Heath

The main attraction, according to all the agents, is the road connectivity, especially the easy access to the motorways. There is a great road network in and out of Camberley, Meadows Business Park and Watchmoor Point are both only a few minutes from the M3 and the M4, and also close to the A3. One agent adds that the countryside around the area is also of appeal.

### Surrey Heath's Main Competitors

The main competitors to Surrey Heath are noted to be:

- Bracknell due to having more office space.
- Woking due to the train link to London and the new, high quality office buildings.
- Farnborough, although the price is higher per sq ft, the train service is so much better and it has easy access to the airport for overseas clients. One agent says, *'Over the last 10-20 years Farnborough has become the top pick of office enquiries'*.
- Reading, an example is given of a client who recently moved there from Camberley and say they have found it much easier to recruit. Make a Wish Foundation also relocated to Reading from Camberley.
- Guildford, simply as a nice, well-connected city.
- Basingstoke, as it has better shopping.

### Constraints to Business Growth and Attracting Businesses to the Area

The main downside to Surrey Heath is highlighted by all as the fact there is no direct rail link to London Waterloo. It is also commented that the town centre is busy on the roads, and there is only one way in and out, which puts people off having space in the town centre.

The shopping centre is considered to be 'okay' in Camberley, not brilliant but not thought to be the off-putting factor. Rather the off-putting factors are the train service and whether or not there is availability of industrial space.

### Adequacy of Commercial and Industrial Property in the Area

Overall, there is not a huge amount of available stock in Surrey Heath, it is mostly occupied and many offices have been turned to residential; one agent comments that *'lot of tertiary office space has gone to PD, which is not a bad thing. Most of what is left is business parks'*.

There is really no office market in the rural areas, only a small amount in Camberley and Frimley. It is added that Bagshot has its own little market of smaller office space.

One of the problems with office space is that it is not good value for money to refurbish existing or build new, as it will not command the rental value to make it worthwhile. As one agent states, *'In Surrey Heath, rents are £20-25 per sq ft, yet to refurbish space would cost £150-250 per sq ft, so it is not financially viable. By comparison, in Woking rents are £37-39, similar to Guildford, and will probably rise to £40+ which makes it more worthwhile to spend money on it. Investors are restricted by low rents here'*.

Another agent quoted similar and added, *'Plus is it really in demand anyway? The office market still in limbo post covid, and the train connections in Surrey Heath mean the office market would rather go elsewhere'*.

One agent explains that, *'Commercially, Blackwater Valley in the upper M3 is its own market - this includes Camberley, Aldershot, Fleet and Frimley and comprises around 6 million sq ft of total stock. The town centres in Surrey Heath are not good; there is no town centre office market in the Blackwater Valley at all, it is all in out-of-town Business Parks. In Reading, by comparison, there is around 12 million sq ft of stock and around half of it is in the town centre'*.

The Meadows Business Park is cited as being the best place locally for office space; it offers the prime office space people now want, however it falls just outside of Surrey Heath boundary, according to one agent. St Georges House in Camberley is highlighted as office space which is letting well, having undergone major refurbishment.

In terms of industrial space, demand hugely outstrips supply, highlighted by all agents. Frimley Business Park, on the boundary of Surrey Heath and Rushmoor, is turning to industrial, and Watchmoor Park is looking at doing the same. More than one agent said similar to the following, *'There is not nearly enough supply of industrial to meet the demand, so for places to be going to industrial is the right thing to do'*.

One agent points out that Albany Point, Frimley, has 3 brand new warehouse units which were finished earlier this year and went very quickly.

### **What Needs to Be Done to Attract and Retain Businesses in the Area**

All agents feel strongly that Surrey Heath Borough Council needs to provide more land for industrial and warehouse space as this is where most of the demand is. This could include developing new but also converting existing property, including knocking down office buildings to make way for industrial as many areas are doing. The following examples are given:

*'Abingdon, just outside of Oxford, has turned its office Business Park into industrial - and now it is full up with really interesting businesses - science and tech, pharma, defence, gym businesses. Another example of where industrial has worked well and been done in a cool, modern way is in Solihull, at the Blythe Valley Business Park. Big names are now either in situ*



*or taking space before it is even completed. Such as Gym Shark, Lounge, even Tesla. These sorts of businesses aren't bothered by the bad connections on the train - they are attracted by the good connections to the motorways'.*

Further comment is made to quell any concern about what industrial might entail, *'And the council shouldn't worry that it will all be taken by Amazon distribution operations - they only need one unit even if they do want to take space! People often think industrial is all tin roof sheds, and Amazon - but these days industrial units can house really interesting, exciting businesses. High skilled, high-quality businesses too - production, clean tech, brakes for Formula One, scientific activity, gyms. It can be a really good thing'.*

To further outline the demand, it is pointed out that several tenants are bidding on one industrial unit on Watchmoor Park, and whereas industrial used to be £11 per sq ft, now it is £18.

Building new office stock is considered to be waste of time and money, as the rents would not be high enough to make it viable, as outlined in the previous section. It is commented that, *'The office market is bleak for Surrey Heath and there is almost nothing the council can - or should - do about it'.*

#### **Development Needs and Potential Of Town Centres**

The town centres in Surrey Heath receive mixed reviews from the agents. Frimley town centre is considered by one agent to be *'dire'; all charity shops and vape shops, not even any banks'*. Camberley is thought to be leaps and bounds ahead of that, but still *'tired'*. Whilst there is House of Fraser and Primark, there is not much else to draw people in and people go to Basingstoke, Guildford or Reading if they want to shop.

The changes in town centre parking rates are not considered to have been a helpful decision; it was previously free for two hours and now is only free for one hour. Whilst it is appreciated that money needs to be recouped somehow, this is not thought to be the best way to do it if there is a need to encourage life back into the towns.

Woking is often cited as a town where the council has pulled out all the stops to improve it and attract more business. It has encouraged restaurants and bars by investing money in marketing and incentives, such as rent freezes.

One agent comments that more BTR (build to rent) would be a good idea in the town centres. It is also stated that, *'you could put a serviced office space there but it is likely to fail really quickly and be a waste of money. Possibly let it go to residential in places, and encourage more leisure businesses'.*

It is added that some of the bigger retail units probably need splitting into smaller units, however it is also stated that it is not obvious who would then take them.



### Key Commercial Sites and Their Potential Uses

One agent said they did not know of any, and were not aware of any allocated land. Other existing sites noted are:

- Frimley Park has some potential for more and improved industrial space.
- York Town area is 'dilapidated' and could be brought up to scratch with a mix of office and industrial.
- The old Stihl HQ is a warehouse site up for development.
- Fair Oaks Airport is close to the M25 and could be film studios or an area for logistics companies. It is emphasised that the council would need to work with employers to make this happen.
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### Priorities Noted for Surrey Heath

Agents have been asked what their vision is for Surrey Heath, whether there is any sector potential, what the necessary infrastructure improvements and other priorities are to enhance the prospects of the area. The following are the main points captured in response to these questions:

- There are no real sector opportunities in the area; encouraging clusters relies on having a university, or a big brand like Toyota or similar which can then create spin offs. There is nothing like that in Surrey Heath, except possibly the defence sector, but this is not thought to be likely or viable.
- Rather than focusing on sectors, it is felt to be more worthwhile to build/convert stock to attract the businesses who will want to come here – i.e., industrial and warehouse space where the demand is huge.
- In order to meet the demand for industrial space, the council needs to be pro-development and enable change of use where necessary. It also needs to make sure there is enough land supply coming through.
- The big challenge is going to be power supply, for industrial warehouses to gain as much as they need from the National Grid, although it is not clear what the council can do about that.
- There was a bid to smarten up the A3 a few years ago but there is still work to be done with this; it is not clear what the further improvements need to be, but it puts people off as it is so busy.
- The Meadows gyratory / M&S area, is a complicated road system which could be improved.
- If the council can do any lobbying about the connection to London on the trains, it would be worthwhile as this is such a massive issue.

Evidence Base

- Make sure the town centre and retail spaces are as smart as they can be as this draws people in.
- It is considered to be a shame that the Sandhurst military place is fenced off as it is such a beautiful building and grounds, and on the other side there are really tatty shop fronts. The development of this needs to happen as soon as possible, as it is not a good look for the town.

5.2 Commercial Property Availability

A review of currently advertised commercial property indicates that there is 288,000 square feet of industrial space currently available on five locations and 322,000 square feet of offices, of which 246,000 is available as subdivided space. Only 14,500 square feet of grade A office space is currently available and on one development only. (St Georges House, Knoll Road, a current office modernisation project is not advertised as Grade A space).

Source: EG Property Link. Vacant Office and Industrial Space Surrey Heath 16/12/22

Address	Industrial Minimum Unit Size sq ft	Industrial Max unit size sq ft	Offices	Offices Max unit size sq ft	Of which Grade A	Price	Agent
Unit 15a Watchmoor Trade Centre, Watchmoor Road, Camberley, GU15 3AJ			196	196		ROA	Curchod&Co
Building 10, Watchmoor Park, Camberley, Surrey, GU15 3YL			4,650	4,650		£21.00 Per Sq Ft	Campbell Gordon
Station House, 1 Pembroke Broadway, Camberley, GU15 3XD			140	Offices		ROA	Curchod&Co
Unit 4, Watchmoor Point, Watchmoor Road, Camberley, GU15 3AD			35,526	35,526		ROA	JLL
2a Princess Way & 68/70 High Street, Camberley			979	979		£14,685.00 Per Annum	Clare & Co
Suite 2, Dolphin House, 103 Frimley Road, Camberley, Surrey, GU15 2PP			1,357	1,357		£24,426.00 Per Annum	Curchod&Co and Clare & Co
Suite 1a, Dolphin House, 103 Frimley Road, Camberley, Surrey, GU15 2PP			648	648		£11,664.00 Per Annum	Curchod&Co and Clare & Co
Unit 2 Or 2b/2c, Bridge Trade/Industrial Park, Bridge Road, Camberley, Surrey, GU15 2QR	1,750	2,930				£15 per sq ft	Clare & Co
Unit 15a Watchmoor Trade Centre, Watchmoor Road, Camberley, GU15 3AJ			197	197		ROA	Curchod&Co
Camberley, Camberley, GU15 3YL			55	1,980		£250 per desk per month	Instant Offices



# Surrey Heath Economic Development Strategy Review 2022-3

## Evidence Base

Source: EG Property Link. Vacant Office and Industrial Space Surrey Heath 16/12/22

Address	Industrial Minimum Unit Size sq ft	Industrial Max unit size sq ft	Offices	Offices Max unit size sq ft	Of which Grade A	Price	Agent
459 London Road, Camberley, GU15 3JA			1,982	4,097		£15 per sq ft	Curchod&Co
Watchmoor Trade Centre, Watchmoor Road, Camberley, GU15 3AJ			187	321		£250-£500 pm	Curchod&Co and Clare & Co
Unit 18 Watchmoor Trade Centre, Watchmoor Road, Camberley, GU15 3AJ			321	321		ROA	Curchod&Co
Prova Court, 17 Doman Road, Yorktown Industrial Estate, Camberley, GU15 3DF	16,421	16,421				£189000pa	Clare & Co
11 Watchmor Park, Watchmoor, Camberley, GU15 3YL			5,456	14,456	14,456	£18.50 oer sq ft	BNP Paribas
3 Watchmoor Park, Watchmoor Park, Camberley, GU15 3YL			571	13,564		£22 per sq ft	BNP Paribas
London Road, Camberley, GU15 3HL			55	1,100		From £195 per desk pm	Instant Offices
Diamond House, 149 Frimley Road, Camberley, GU15 2PS			470	470		£1200 pm	Curchod&Co
Ten Watchmoor Park, Riverside Way, Camberley, GU15 3YL			4,650	4,650		£22 per sq ft	London & Clancy
Data Centre, Stanhope Road, Camberley, GU15 3BW	145,585	145,585	145,585	145,585		ROA	Colliers
Unit 3, J4, Camberley, GU15 3LB			7,707	7,707		ROA	Knight Frank
St Georges House, Knoll Road, Camberley, Surrey, GU15 3SY			2,225	5,625		£18 per sq ft	Clare & Co and Hollis Hockley
Unit A Watchmoor Point, Watchmoor Road, Camberley, GU15 3EX	107,542	107,542				ROA	Colliers
Unit 8 Tuscam Trade Park, Trafalgar Way, Camberley, GU15 3BN	15,470	15,470				ROA	JLL
Foundation House, Watchmoor Park, Camberley, GU15 3rg			5,433	5,433		ROA	Curchod&Co
Frimley Road, Camberley, GU16 7ER			55	1,980		from £139 per desk pm	Instant Offices
Archipelago (Building 4), Lyon Way, Frimley, GU16 7ER			4,474	4,474		ROA	Curchod&Co
Building 4.2 Frimley 4 Business Park, Frimley, GU16 7SG			11,603	35,924		ROA	Curchod&Co
Gloucester Hall, Gloucester Gardens, Bagshot, GU19 5NU			1,814	1,814		£36000 pa	Page Hardy and Harris
Spectrum House 53 Guildford Road Bagshot GU19 5NG			1113	1,113		£19,000.00 Per Annum	Collins & Jarvis



Source: EG Property Link. Vacant Office and Industrial Space Surrey Heath 16/12/22

Address	Industrial Minimum Unit Size sq ft	Industrial Max unit size sq ft	Offices	Offices Max unit size sq ft	Of which Grade A	Price	Agent
Station House, 1 Pembroke Broadway, Camberley, GU15 3XD			140	15000		ROA	Curchod&Co
Knightway House, Park Street, Bagshot, Surrey GU19 5AQ			451	451		ROA	Clare & Co
Suite 3, Knightway House, Park Street, Bagshot, GU19 5AQ			451	451		£9,114.00 Per Annum	Curchod&Co
1 Tanners Yard, London Road, Bagshot, GU19 5HD			981	2030		£19.50 per sq ft	Page Hardy and Harris
2a Princess Way & 68/70 High Street, Camberley			979	979		£14,685.00 Per Annum	Clare & Co
First Floor, Bourn House, 8 Park Street, Bagshot, GU19 5aq			669	669		£14,000.00 Per Annum	Curchod&Co
Connaught House, 22-24 Guildford Road, Bagshot, Surrey, GU19 5JN			1399	1399		ROA	Curchod&Co and Clare & Co
4 Tanners Yard, London Road, Bagshot, GU19 5HD			1,049	1,049		£19.50 Per Sq Ft	Page Hardy and Harris
St Georges House, Knoll Road, Camberley, Surrey, GU15 3SY			2,225	5,625		£18 per sq ft	Clare & Co and Hollis Hockley
<b>Total Sqft</b>	<b>286,768</b>	<b>287,948</b>	<b>245,793</b>	<b>321,820</b>	<b>14,456</b>		

Source: EG Property Link

## 5.3 Planning Policy Framework

### Core Strategy and Development Management Policies

#### DPD (2012) CP1: Spatial Strategy

The policy states that new development will come through largely through redevelopment of previously developed land. Employment growth will be largely focussed on Camberley Town Centre, Core Employment Areas and other existing large employment sites in Frimley. Other settlements have limited capacity for employment growth through redevelopment of existing sites.

#### CP8: Employment

Will seek to make provision for 7,500 new jobs in the period to 2027 through utilising existing employment areas and promoting more intense use of these sites. Core Employment Areas will be retained for employment use (with no overall loss of industrial floorspace) and along with Camberley Town Centre will be the focus for economic regeneration and inward investment. In Camberley Town Centre, mixed-use development making a positive

contribution to the economic role of the town centre will be encouraged. Redevelopment of other employment sites to provide small flexible B1 units will be promoted.

CP10: Camberley Town Centre

The policy states that regeneration of the town centre to sustain vitality and viability and in particular address the high level of office vacancies within the town will be promoted. Up to 200 homes and 41,000 square metres of gross retail floorspace is anticipated to 2028.

DM12:

District and Local Centres and Neighbourhood Parades The Borough Council will encourage development that offers environmental improvements and supports and enhances the viability, vitality and retail function of District and Local centres and Neighbourhood Parades. Resists loss of retail units below specified levels. Non A use classes not normally permitted at ground floor level and development at first floor level should first consider residential accommodation although community or B1a office uses may be acceptable.

DM13:

Employment Development Outside Core Employment Areas and Camberley Town Centre Outside Core Employment Areas and Camberley Town Centre, development for B class uses will generally be restricted to existing buildings/operations in employment use (extension, alteration, addition, redevelopment) and sites allocated for employment use in a Site Allocations DPD. The loss of employment sites may be permitted if that loss fulfils certain criteria.

See Appendix 4 for planning policies related to Camberley Town Centre.

## **5.4 Key Development Sites and Locations**

Local agents have suggested the following locations for possible redevelopment. Frimley Park has some potential for more industrial space. York Town area is dilapidated and could be brought up to scratch, this is a mix of office and industrial, near the post office. Old Stihl HQ is a warehouse site up for development. In terms of where industrial could go - only a handful of sites for it. Fair Oaks Airport, it is close to M25. Need to work with employers to make it happen. Could be film studios, logistics.

## **5.5 Planning and Development Issues**

Because development issues in Surrey Heath are highly complex, Surrey Heath's economic development strategy needs to inform and be consistent with the emerging Local Plan. The current Local Plan to 2028 is being revised.

The new Local Plan will set out the challenges and priorities for the next 18 years. These will centre around:

- Provision of housing to meet allocations

- Improving the supply of affordable housing
- Employment growth, particularly amongst SMEs
- Achieving net zero carbon targets
- Regeneration of Camberley town centre.

90% of the borough is green belt with the existence of a number of special protection areas.

## **5.6 Impacts of Covid-19 on Working Practices and Floorspace Use**

### **Pre-Covid Home Working Patterns**

According to the Office for National Statistics, prior to COVID-19, only 1.7 million people in the U.K. worked from home full-time, with the figure increasing to 4 million when factoring in workers who had their home as their main place of work some of the time. The same source states 8.7 million people at one point had worked from home at some point in their working-life which is less than 30% of the work force<sup>22</sup>, meaning that 70% of the U.K. work force had no prior experience of home working prior to when social distancing measures were put in place in March 2020.<sup>23</sup>

These figures placed the U.K. far behind other Western European nations such as the Netherlands, Sweden, and Denmark. A study conducted by Leesman in March 2020 concluded that the U.K. was one of the worst prepared nations for a move to home-working with 25% of firms having no-crisis working opportunities, with 'professional occupations' accounting for the highest rate of home-working at 69.6%. Those ranked under 'Managers, directors and other senior officials' and 'Associate, technical and secretarial occupations' were ranked a joint second at 67.3%. Elementary and manual occupations reported less likelihood in working from home opportunities, which saw employees in the five major categories for these types of jobs reporting under 20% of their workers doing some amount of home-working. Of those working from home, 34.4% reported working less hours than usual whilst 30.4% reported working longer hours.<sup>24</sup>

### **Recognised Benefits from Home Working**

A survey conducted in collaboration between the World Economic Forum and VoxEU showed evidence that the stigma against working from home is decreasing significantly with 40% of respondents claiming their view on working from home has 'substantially improved' and a further 19% stating that it has 'slightly improved' and 17% 'hugely improved'.

In regard to productivity, 49% of respondents feel that their output has remained 'about the same' since the measures were introduced and a further 16% say that it has made them 'more

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22 *Coronavirus and homeworking in the U.K. labour market* (24<sup>th</sup> March, 2020), Office for National Statistics

23 'How many people in the U.K. worked from home before lock-down', Barney Cotton, *Business Leader* (March 25<sup>th</sup>, 2020)

24 *Coronavirus and homeworking in the U.K.: April 2020* (8 July, 2020), Office for National Statistics



efficient'. When asked how they feel about the potential of working from home two to three days a week in 2022, 59% of respondents said that they felt 'positive'.<sup>25</sup>

A separate report conducted by the Chartered Institute for Personnel and Development found similar positive findings on the effect of homeworking. 71% of employers said that they found that productivity had either improved or stayed the same and that the challenges of overcoming some of the difficulties of homeworking can be overcome by adopting a hybrid model instead of total homeworking. This survey found that 63% of employers would be more willing to adopt a hybrid model instead of total homeworking which stood at 45%. In their report, CIPD also identified what they considered to be the main benefits of homeworking, which were:

- **Avoiding long commutes:** the most frequently cited benefit in this survey mentioned by 46% of respondents was avoiding long commutes to work, which allowed employees to save money and have more personal time to themselves and with their families.
- **Enhanced employee well-being through flexibility of hours:** this was the second most cited reason at 39%, but meant that 61% of respondents did not necessarily consider this a benefit due to an inability to disconnect from work while at home.
- **Team communication and collaboration:** whilst another contested topic on the benefits of homeworking, 35% of respondents felt that if companies had the appropriate I.T. technology, communication was actually more efficient.
- **Reduction in distractions:** Whilst this is often stated as the main benefit of homeworking, only 33% of respondents answered that they felt this way. CIPD concludes that the reasoning behind this is due to the forced use of a total homeworking model and was entirely dependent on the living space of the employee who may not have had sufficient living space to work efficiently during the pandemic.

Other benefits listed were the normalisation of the use of technology, which improves inclusion and allows those with disabilities or illness that impede travel to connect with other employees more, as well as those in distributed teams to connect better with other teams in the same company. In addition, people felt that the workplace had become more personable as one work director noted that the separation between the 'work persona' and 'the home persona' had slipped since the adoption of homeworking as employees now had to be more upfront of their home situation, allowing him to know his employees better.<sup>26</sup>

### Emerging Patterns of Homeworking Post Covid

A range of evidence has emerged regarding the emerging patterns of homeworking.

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25 'Working from home is revolutionising the UK labour market', Shivani Taneja, Paul Mizen and Nicholas Bloom, *Vox EU* (15<sup>th</sup> March, 2021)

26 *Flexible working: lessons from the pandemic* (1<sup>st</sup> April, 2021) The Chartered Institute of Personnel and Development





- In February of 2021, the *Financial Times* reported many major companies and banks like Lloyds, Natwest, Deutsche Bank, Aon, Virgin Media, Revolut, HSBC and many others were considering a move to flexible working for many of its staff.
- In May 2021 the Times reported that the several major accountancy firms have firm plans to adopt hybrid working.
  - EY has announced a permanent shift towards hybrid working with most of its 17,000 staff in Britain having been told to expect to work from home for at least two days a week after the pandemic
  - KPMG, a rival, has told its UK staff that they will be expected to spend up to four days in the office every fortnight from June onwards
  - PWC, another leading accountancy firm, has told its 22,000 staff to expect to spend an average of two to three days a week in the office once restrictions are lifted.
- The above World Economic Forum and VoxEU survey concluded that two days a week at home in the post-COVID world is expected to become the norm.
- The Census 2021 estimates that 8.7 million (31.2%) usual residents aged 16 years and over in employment in England and Wales worked mainly at or from home in the week before Census Day, 21 March 2021.

The ONS produced a report in May 2022 on the outcome of its Opinions and Lifestyle Survey related to the past and projected patterns of home working.

When asked about their future work plans in February 2022 for the Opinions and Lifestyle Survey, 8 in 10 workers stated that they intended to hybrid work. Since then, the proportion of workers who are hybrid working has risen from 13% in early February 2022 to 24% in May of the same year, whilst the percentage working exclusively from home has fallen from 22% to 14%.

One of the main takeaways of the ONS survey is that the majority of people who wish to spend most of their working hours at home has risen, with 84% of workers who had to work from home because of the coronavirus pandemic stating they planned to carry out a mix of working at home and in their office in the future.

The proportion of workers who wish to work in such a way had not changed much from the previous year, but the hybrid pattern has shifted in favour of spending most working hours at home. 42% of respondents reported that they planned to work from home most of the time, whilst the proportion who planned to split their time equally between the two had fallen. The proportion who planned to return to their place of work permanently fell from 11% to 8% between 2021 and 2022. In 2022, 38% of working adults reported having worked at home at some point over the previous seven days. This follows a trend seen in 2022, which has seen a



rise of people using hybrid working but travelling to work exclusively remains the most common pattern with 46% of workers doing this in May 2022.

Hybrid and homeworking increased by income bracket, with 38% of workers earning £40,000 or more reporting that they hybrid work. This remains the only income bracket where hybrid working is the norm. Figures decreased to 32% for those between £30,000- £40,000, 21% between £20,000- £30,000, 24% for those between £15,000 and £20,000 and 8% of those earning up to £15,000. These figures also include jobs that cannot be done from home, thus swaying results.

Workers aged between 30 to 49 were the most likely to report hybrid working, with 29% reporting to do so. The figures for all other age groups regarding working from home exclusively were all nearly equal in proportion. Travelling to work exclusively was the still the most common in most age groups, with more than half of workers aged 16 to 29 or those aged 50 to 69 all doing so.

More than three-quarters (78%) of those who worked from home in some capacity said that being able to work from home gave them an improved work life balance in February 2022. Half reported it was quicker to complete work (52%) and that they had fewer distractions (53%). Almost half also reported improved well-being (47%).

Overall, the proportion of businesses reporting using or intending to include homeworking as a permanent business model increased slightly from 16% in autumn 2020 to 23% in early April 2022. This varied significantly by industry. More than half (54%) of businesses in the information and communication industry said that they use increased homeworking as a part of a permanent business model in April 2022. This is contrast to 3% of businesses in the accommodation and food service industry and 5% in the construction industry, where homeworking is less applicable.

Industries that saw the largest increases in the proportion of businesses reporting that they use or would be using homeworking as a permanent business model between November 2020 and April 2022 included the:

- information and communication industry (23 % increase)
- education (private sector and higher education businesses only) industry (20 % increase)
- professional and scientific activities industry (12% increase)
- arts, entertainment and recreation industry (11% increase)

The most common reason for using or planning to use homeworking as part of a permanent business model (among businesses who reported this) was improved staff well-being (60%), followed by reduced overheads (43%) and increased productivity (41%).

The Opinions and Lifestyle Survey undertaken by ONS in April 2022 was able to demonstrate the marked difference in working from home intentions by businesses across different sectors.

## Evidence Base

Across all of the sectors, the percentage of businesses using or planning to use increased homeworking as a permanent business model in April 2022 was 23%. However, 53% of information and communication businesses and between 25% and 43% of professional and business services, education and arts and education businesses stated that they would. Activities such as wholesale and retail, transportation and storage and or the service activities the proportion was between 10 and 15% and 3-5% for construction and accommodation and food services. Figures for some sectors may increase because 8% stated they were unsure.

Industry/Size Band	Not applicable	Not sure	No	Yes
Information and communication	27	9.5	9.8	53.6
Professional scientific and technical activities	22.6	9.5	24.9	43.1
Education	9.2	25.9	27.8	37.1
Real estate activities	23.3	13.2	30.9	32.6
Arts entertainment and recreation	35.4	5.8	32.6	26.1
Administrative and support service activities	30.4	8.2	35.7	25.6
Manufacturing	22.1	7	51.1	19.8
Human health and social work activities	14	9.9	60.4	15.6
Wholesale and retail trade; repair of motor vehicles and motorcycles	29.9	9.2	46.6	14.3
Transportation and storage	32.1	15.9	40.8	11.3
Other service activities	38.7	0	49.6	11.3
Construction	28.9	5.9	60.1	5.2
Accommodation and food service activities	40.9	0	55	3.3
<b>Total</b>				
<b>All businesses</b>	<b>28.2</b>	<b>8.3</b>	<b>40.6</b>	<b>22.9</b>

Extrapolating these figures based on the current sectoral employment mix of Surrey Heath indicates that 12,400 workers in the borough will be working from home for part of any given week.

Related research by ONS indicates that only about 6% of all workers expect to work exclusively at home and 8% exclusively at their offices, with 84% expecting to work in the office either most of the time (18%), half of the time (24%) or sometimes in the office but mainly at home (42%).

Recent research by the workplace consultancy AWA found that employees are now coming into the office on average just 1.5 days a week. Freespace, a technology company that has 120,000 workplace sensors in corporate offices across the country, found on one week in May 2022 that less than 15 per cent of desks were occupied on the Friday compared with more than 40 per cent on Wednesday and Thursday (before Covid, average occupancy was 60 per cent).

Key challenges for Surrey Heath will be to:

- a) Ensure that the town centre and village centres will be able to support home workers by offering more local drop in business centres and workspace, faster reliable internet access, supportive communities and pleasant streets, places to eat out and exercise,

to meet the greater demand where there are higher concentrations of remote working and as well as offices.

- b) If necessary, identify opportunities to bring forward conversion of local offices to meet the shift to hybrid working requiring working environments more conducive to promoting collaboration, innovation, recruitment and staff retention and that are primarily attractive to staff.

No one knows if the mainstream office market is going to return. Co-working space is very competitive there is a need to ensure that there is a need for this and to understand the changing landscape of demand for commercial space from businesses.

As regards workspace, there had been a growing demand for shared working space in many towns across the South East with many such developments proving commercially successful with high premiums being charged for individual desk spaces. Much of the recent growth in demand is from home workers wanted respite from distractions or feelings of isolation at home needing to drop in for 1-2 days per week or even just for a few hours. The question is not whether this market exists but how sustainable it is.

Centres offering this type of facility are unlikely to be viable as income streams are highly unpredictable and can only be finically sustainable if a high proportion of their space is contracted for longer periods of say 3 or 6 months minimum to assure regular income streams.

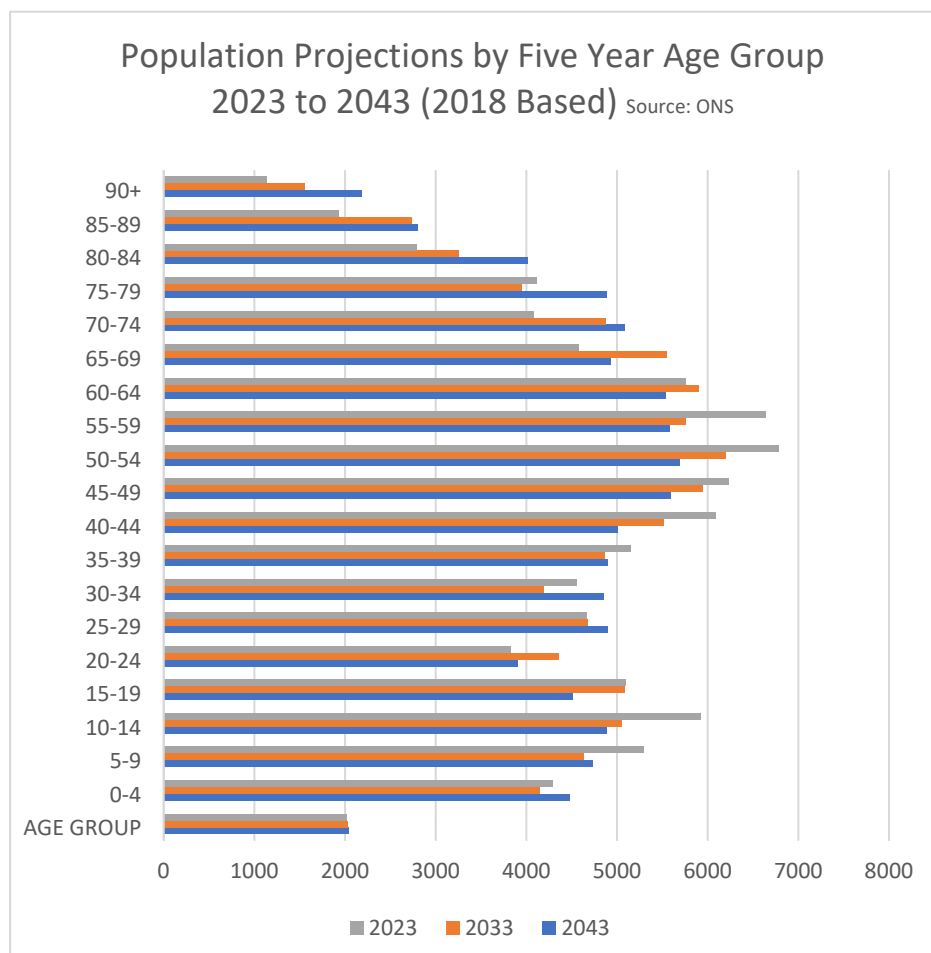
It is suggested that a demand study of workspace requirements is undertaken around the end of 2023 to see how much of what type of workspace provision is needed and, if tangible demand can be proven, what types of business model need to be adopted to ensure long term viability.

## 5.7 Population

In Surrey Heath, the population size has increased by 5.1%, from around 86,100 in 2011 to 90,500 in 2021. This is lower than the overall increase for England (6.6%), where the population grew by nearly 3.5 million to 56,489,800. Nearby areas like Bracknell Forest and Runnymede have seen their populations increase by around 10.1% and 9.4%, respectively, while others such as Woking saw an increase of 4.7% and Guildford saw smaller growth (4.7%). At 5.1%, Surrey Heath's population increase is lower than the increase for the South East (7.5%). As of 2021, Surrey Heath is the 29th most densely populated of the South East's 64 local authority areas, with around seven people living on each football pitch-sized area of land. Source: ONS

By 2040, older persons age groups are forecast to experience the most significant proportional growth with ages 70-74 increasing by 27.6%, ages 75-79 increasing by 53.9%, ages 80-84 increasing by 59.5% and 85 years and over increasing by 107.9%.

Currently, working professionals make-up a large proportion of Surrey Heath’s population with 45- 49 and 50-54 age groups the most populous age groups. However, these groups are forecast to experience decline by approximately -8.4% and -7.5% by 2040. 3.33 Amongst young adults, the 25-29 and 30-34 age groups are forecast to increase by approximately 19.3% and 16.1%. This is linked to the profile of the additional migrants coming as a result of the affordability uplift. In contrast, the 35-39 age group is expected to experience negative growth at - 3.9%.



## 5.8 Housing

The local population is growing, the pressure for housing is not diminishing and the Borough needs to plan for future sustainable employment growth. Housing is an economic driver in its own right. The development of 1,200 homes and associated infrastructure at Deepcut will benefit local businesses and residents.

The Surrey Heath Local Housing Needs Assessment follows the standard methodology approach to assess housing need as set out by the Government in the NPPF (February 2019). This study will inform the development of relevant housing policies in the emerging new Local Plan. This results in a housing need for 332 dpa.

The analysis suggests a net need for 159 of affordable rented houses per annum to be provided in Surrey Heath over the period to 2040.

Local Housing Needs Assessment May 2020 Surrey Heath Borough Council GL Hearn Page 5 of 102 13. Linked to population growth, the age profile, commuting patterns, double jobbing and economic activity rates, the housing need associated with the standard method (332 dpa) would support an increase in jobs of 4,704 jobs over the 2019-2040 period.

Source: Local Housing Needs Assessment for Surrey Heath Borough Council; GL Hearn; May 2020

## **5.9 Factors Affecting the Transformation of Camberley Town Centre**

### **Relevance to Wider Economic Growth**

The vision for Camberley is to be a leading centre for the Borough and the wider North West Surrey and Blackwater Valley area. It is the Borough's number one development priority. The addition of a major anchor store will transform the Camberley offer and will see the delivery in total of 41,000 sq m of prime retail space in the coming years (see the Camberley Town Centre Area Action Plan, July 2014). It is important from an economic perspective that the town retains some of its office space fulfilling its role as a valuable employment centre, as stated in Policy TC5 of the Camberley Town Centre Area Action Plan. The Council believes there is scope to enhance the economic potential of rural areas and communities and, longer term, the infrastructure and vibrancy of Frimley, Camberley's neighbouring town.

Surrey Heath has a notable concentration of high technology sectors with high productivity and strong GVA per head (see B4 below). This employment base needs to be retained and enhanced in order to contribute to the target of creating or attracting 7,500 jobs to the area by 2028. Camberley town centre itself is a strategic employment location, accounting for some 4500 jobs.

To keep skilled people within the area, retain employers and attract investment in order to meet this target, in addition to supporting a local population of 25,000, Camberley Town Centre needs to be fully functional, offering attractive retailing, hospitality, leisure and entertainment and adequate employment floorspace.

Camberley, as an identified Step Up Town in the LEP Strategic Economic Plan, has a key role to play in enhancing the economic performance of the sub-region, not only in terms of its own capacity to generate increased GVA, but also to support the population and economy of Surrey Heath.

Camberley Town Centre is the main retail and employment centre in the Borough and its regeneration is one of the Council's priorities. The town centre has been and will continue to be subject to change. A number of sites are allocated in the Draft Local Plan within and around the town centre for a mix of uses including a significant proportion of residential.

### **Major Constraints and Challenges**

The ability to realise the London Road Block opportunity and other improvements to the town centre is being held back because of poor accessibility. There is an urgent need for more sustainable transport infrastructure in order to address the growth in road traffic and to improve traffic flows in Camberley Town Centre, and there has been insufficient investment in sustainable integrated public transport solutions.

The Town Centre Area Action Plan recognises that growth will need to be accommodated without imposing further congestion on the highway network and that accessibility will need to be addressed by a combination of highway improvements, greater use of public transport, travel by cycle and on foot and better integration of bus and rail services.

The following problems demonstrate the poor accessibility which is diminishing the functionality of Camberley Town Centre and holding back its development to its full potential.

- There is severe traffic congestion along the London Road (A30) particularly at peak hours during the morning rush hours and from 4pm to 7 pm on weekdays and at lunchtimes during the weekend.
- Bus services are improving but still only carry a small proportion of visitors to the town centre.
- The A30 London Road is very difficult to cross creating a barrier to residents and workers needing to access the town centre.
- Development of the London Road Block, key to enhancing the retail, leisure and cultural quality of the town is being held back due to accessibility constraints. Unless these are dealt with, the scheme is unlikely to attract investment at the required scale and quality of development to make it viable.
- Rail services are infrequent and slow with poor connectivity to other rail lines, creating a need for alternative forms of public transport.

### **Recent Investment by Surrey Heath Borough Council**

A significant number of new investments in the town centre by the Council have been delivered in Camberley Town Centre since the Core Strategy and AAP were adopted.

- London Road Block– the majority of this key northern gateway site to the town centre is owned by the Council. It represents the largest regeneration opportunity in the town centre for new residential and mixed-use development, along with the provision of high quality public realm.
- The High Street, Princess Way and Knoll Walk - The Council and the Enterprise M3 Local Enterprise Partnership (LEP) have jointly invested some £4.4m in comprehensive public realm works along the High Street and Princess Way. The works were completed in early 2021.

- The Square - The Council acquired the 42,735 sqm shopping centre in 2016 and have since invested in the refurbishment of the malls.

. Good progress has been made on a number of key development/regeneration projects, also working with the private sector including:

- Ashwood House / Pembroke House - The Council has led the circa £30m redevelopment of these former office blocks which are identified as key opportunities by the AAP (Policies TC16 and TC17). Berkeley Homes is leading the residential-led redevelopment of both buildings.

- Arena Leisure Centre – located on the edge of the town centre the Council has entered into a 25-year contract with Places Leisure, to design, build, operate and maintain a £22m facility on the site of the former Arena Leisure Centre. The new centre opened on 1st July 2021

Surrey Heath Borough Council’s ownership of key town centre assets (such as The Square) and sites (including London Road), it is well placed to manage and curate Camberley Town Centre’s offer, to build resilience and “future-proof” the town against known (and currently unknown) challenges by providing more diverse and flexible uses that respond to dynamic market, economic and consumer trends.

**Source: Town Centre Uses & Future Directions Study: Part 2; Lambert Smith Hampton**

## 6. Factors Affecting Transport Infrastructure Provision

### 6.1 Draft Infrastructure Delivery Plan

The borough’s Draft Infrastructure Delivery Plan 2019 sets out the priorities for transport infrastructure (roads, public transport, pedestrian and cycle routes) which are set out below. Other physical infrastructure such as gas and electricity infrastructure, water provision and treatment, sewerage works and waste collection, recycling and disposal, and social, green and blue infrastructure addressed by the Infrastructure Delivery Plan are not considered here.

### 6.2 Highways and Local Road Accessibility

The Borough contains one stretch of strategic highway, the M3 motorway with junctions located at Bagshot/Lightwater and Frimley. The A322 provides the link from Junction 3 of the M3 to the M4. SCC has recently completed a £4.15m improvement scheme to the Meadows Gyratory roundabout and almost completed a package of transport improvement measures for the A30 and Camberley Town Centre highway network. The proposed changes aim to reduce peak hour delays along the A30, maintain bus reliability and improve accessibility for pedestrians and cyclists on routes to and within Camberley town centre.

Future needs and planned provision are to be informed by the Transport Assessment. Surrey County Council Capital works programme identifies currently funded schemes.



### 6.3 Rail Accessibility and Prospects

There are three rail stations in the Borough: Bagshot, Camberley and Frimley. South Western Railway operates the Windsor rail line to London Waterloo which runs through Surrey Heath, however only the Ascot to Aldershot line has stops within the Borough.

Camberley, Frimley and Bagshot are all served on the line up to Ascot from where there are connections to Clapham Junction and Waterloo via Feltham and Staines and Reading. To the South the line runs to via Aldershot and Farnham to Alton. Aldershot provides an interchange with the service to Ash and Guildford, from each of which connections onto the Redhill to Reading line are possible. Ash Vale provides a connection to Woking. A comparison of the usage of Surrey Heath stations with a sample of others in neighbouring is provided below.

Station	Apr 2021 to Mar 2022 Entries and Exits: Total
Camberley	237332
Bagshot	85444
Frimley	140544
Ash Vale	227016
Aldershot	888372
Farnham	930500
Bentley	64764
Alton	550756
Ash	160032
Sunningdale	363724
Longcross	68956
Virginia Water	396658
North Camp	169476
Farnborough North	327342
Farnborough	1513992
Woking	4070300

Source: Office of Rail and Road

Passenger usage is lower than for other stations on the line as direct access to London Waterloo is limited. Many residents drive to other local stations outside of the Borough such as Brookwood, Farnborough or Sunningdale to use direct services to London Waterloo.

Studies undertaken in 2016 looked at options for a direct line from Camberley to London Waterloo. Draft Local Plan Policy IN8 identifies the safeguarding of land for a potential rail link to enable direct trains to London Waterloo. Housing allocation HA1/06 Land at Camberley Station, Station House, Pembroke, Broadway, Camberley identifies the provision of a new station as part of the requirements of this allocation.



## **6.4 Buses**

Surrey County Council is delivering the Gold Grid programme of works to improve bus stops and bus operations along selected bus corridors. This is part of the Council's efforts to encourage sustainable travel and is funded by the EM3 Local Enterprise Partnership with match funding by Stagecoach through increased investment in bus fleet. The bus stop improvements include raising the kerb near the bus stops so that low floor accessible vehicles can provide step free access for passengers and the mobility impaired, adjusting the position of the bus stop pole or shelter, improvements to the footway at waiting areas, introducing bus stop clearways to enable buses to fully pull up to the accessible kerbing, provision of bus shelters and provision of real-time passenger information displays, plus improvements to help with the reliability of bus journey times.

## **6.5 Walking and Cycling**

### **Key Requirements**

The key infrastructure required to deliver employment and retail development relates to means of travel, including active and sustainable travel modes such as walking, cycling, bus and rail, and the delivery of highway capacity. Active travel is also an essential element for delivering a net zero carbon transport network.

### **Current Provision**

There is limited cycling provision, with provision focused along the A30 London Road through Camberley, Frimley Road and a small section on the Maultway.

A new route also exists along the BVR which runs from the Meadows roundabout and Watchmoor Park, providing safe access to and from Blackwater Station. Issues identified by the INA and other sources

The INA identified that the quality of many rights of way are substandard with a lack of pedestrian crossing facilities at key junctions and along the A322 leading to severance between the east and west of the Borough.

Cycle routes along the A30 do not provide a connection to other destinations. The majority of cycle routes in Camberley take the form of shared cycle and pedestrian footways with an on-road cycle lane present along Frimley Road.

### **Local Cycling and Walking Infrastructure Plan for Surrey Heath**

As regards, future needs and planned provision, SCC is preparing a Local Cycling and Walking Infrastructure Plan (LCWIP) for the Borough and feasibility work on a Camberley to Frimley Cycle link has been undertaken by SCC with Government funding. An application for funding for the scheme has been submitted.

The LCWIP is a Department of Transport initiative to help local authorities identify and prioritise improvements to walking and cycling routes. The objective is to increase the number of people walking and cycling by increasing the use and attractiveness of routes for everyday journeys. LCWIPs will form part of the Active Travel Implementation Plan for the Surrey Local Transport Plan.

The LCWIP will be developed in consultation with stakeholders and will include the development of concept proposals with high level costings. The LCWIP phase one will therefore set out the overall plan for improving walking and cycling routes in the Borough. The key outputs of the LCWIP will be a network plan for walking and cycling within the Borough and a prioritised programme of infrastructure improvements.

Agenda item 7 of a Council meeting on 21<sup>st</sup> October 2021 reported that the key tasks which will be undertaken include: a review of existing data, further data analysis and GIS mapping, stakeholder engagement, identification of a network of preferred routes and development of a programme of infrastructure improvements.

The phase one work will cost £60,000 and is estimated to take between 6 to 9 months to complete.

Phase two of the LCWIP comprises more detailed feasibility work required to develop implement the most compelling proposals for five cycle and five walking routes. This involves the production of preliminary designs, costings and an assessment of the economic case in order to produce a robust business case which will be used for funding bids. It is estimated that the phase 2 work will take 12 to 18 months to complete.

Government funding is available for the delivery of cycling and walking schemes but to secure this funding requires the submission of detailed implementable schemes. The funding requested in this report will be used to develop implementable schemes in Surrey Heath. It is intended that a funding bid for a package of LCWIP proposals will be submitted to the Department of Transport and if successful this could secure about £5 million of infrastructure funding for walking and cycling routes within the Borough.

## 6.6 The Future of Mobility

### Drivers of Change

Several key drivers are about to significantly disrupt existing mobility modes and choices.

- The most current driver is the UK government's decision to achieve net zero carbon by 2050 along with associated measures such as banning the sale and eventual use of fossil fuel vehicles.
- Major developments in data, connectivity, artificial intelligence, automation and battery and electrical vehicle technology are creating conditions for a disruptive impact on existing availability systems.

- Enhancing digital connectivity will develop smarter ways of working and reduce the need to travel.
- The demand for travel will increase with population growth.
- Younger people are less likely to travel by car than before and therefore active travel infrastructure and very high quality, frequent mass transit services will be the way forward.

### **The Government's Move Towards Clean Transportation**

In 2015, the Government set a target to “ensure almost every car and van is a zero-emission vehicle by 2050” and in 2017, the Government announced that it will end the sale of all new conventional petrol and diesel cars and vans by 2040 and in 2018 that all new cars and vans should be effectively zero emission. In the Road to Zero strategy, the Government set an ambition for between 50% to 70% of new car sales to be ultra-low emission by 2030, alongside up to 40% of new vans. Electric vehicles will require locations for short term hire and charging points. There is no overarching strategy across all the arms of government, organisations and bodies for an EV charging network to be rolled out in the way the policy makers have envisaged and to facilitate a totally electric UK vehicle fleet. This project will accelerate the adoption of EV's by providing copious charging points adjacent to a central urban transport hub and enable approaches to for the management and pricing of charging facilities to be tested, evaluated and optimised.

In May 2020, the Transport Minister, Grant Shapps announced an ambitious programme to be published in early June with the aim of doubling cycling and increasing walking to work by 2025. Measures will include pop-up bike lanes and wider pavements as well as cycle and bus-only streets.

The minister has indicated that outside London, half of all journeys are under three miles and that if cycling increased by 5%, it would mean eight million fewer car journeys, nine million fewer rail journeys and 13 million fewer bus journeys.

### **Potential Benefits of Net Zero Mobility**

A wide range of benefits for can stem from a Net Zero mobility strategy.

- Zero emission vehicles have no greenhouse gas or air pollutant tailpipe emissions. Making the transition to these types of vehicles will help tackle climate change and improve air quality in urban areas.
- The promotion of active travel within urban areas will improve health leading to longer and happier lives and reducing the need for car travel.
- Smoother journeys and less wasted time on travelling brought about by better and more integrated transport choices and eventually self-driving cars can have a massive impact on productivity and enhanced economic performance and wealth creation

- The existence of a state of the art urban and rural mobility system will be an important factor in raising quality of life in Surrey Heath.
- Reduction of congestion, increased convenience and lower cost of travel.
- Widening accessibility for disabled and older people.
- These benefits address a number of three grand challenges set out in the government's industrial strategy, not only the future of mobility but in meeting the needs of an ageing society, capitalising on UK strengths in artificial intelligence and data and policies for clean growth.

### Managing the Transition

The Department of Transport report Future of Mobility: Urban Strategy, March 2019, states that, if appropriately harnessed and managed such measures can transform urban and rural mobility significantly. But if it is inadequately managed this could worsen congestion and public health. For example, existing pinch points could be replaced by excessive congestion from the bunching up of driverless electric vehicles. A holistic and integrated approach, supported by a viable economic rationale will be key to successful transition to net zero mobility.

The Future of Mobility: Urban Strategy states that:

- a) New mobility services must lead the transition to zero emissions and be safe and secure by design, able to operate as part of an integrated transport system combining public, private and multiple modes for transport users.
- b) The marketplace for mobility must be open to stimulate innovation and give the best deal to consumers.
- c) Mobility innovation must help to reduce congestion through more efficient use of limited road space, for example through sharing rides, increasing occupancy or consolidating freight.
- d) Data from new mobility services must be shared where appropriate to improve choice and the operation of the transport system.
- e) Walking, cycling and active travel must remain the best options for short urban journeys and mass transit must remain fundamental to an efficient transport system.

## 6.7 Key Transport Policies

### Transport for the South East

Transport for the South East vision is that by 2050, the South East of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step-change in connectivity and environmental quality. A high-quality, reliable, safe and accessible transport network will offer seamless

door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and giving our residents and visitors the highest quality of life.

#### Strategic Goals

The regional transport strategy sets out three Strategic Goals:

- Economic. Improve productivity and attract investment to grow our economy and better compete in the global marketplace.
- Social. Improve health, safety, wellbeing, quality of life, and access to opportunities for everyone.
- Environmental. Protect and enhance the South East's unique natural and historic environment.

The following strategic priorities have been defined to address the above economic objectives.

- Better connectivity between major economic hubs, international gateways (ports, airports and rail terminals) and their markets.
- More reliable journeys for people and goods travelling between the South East's major economic hubs and to and from international gateways.
- A transport network that is more resilient to incidents, extreme weather and the impacts of a changing climate.
- A more integrated approach to land use and transport planning that helps our partners across the South East meet future housing, employment and regeneration needs sustainably.
- A 'smart' transport network that uses digital technology to manage transport demand, encourage shared transport and make more efficient use of our roads and railways.

Notable priorities in support of the other two objectives are:

- A network that promotes active travel and active lifestyles to improve our health and wellbeing.
- An affordable, accessible transport network for all that promotes social inclusion and reduces barriers to employment, learning, social, leisure, physical and cultural activity.
- A seamless, integrated transport network with passengers at its heart, making it simpler and easier to plan and pay for journeys and to interchange between different forms of transport.
- A reduction in carbon emissions to net zero by 2050, at the latest, and minimise the contribution of transport and travel to climate change.
- A reduction in the need to travel, particularly by private car, to reduce the impact of transport on people and the environment.

- Minimisation of transport's consumption of resources and energy.

#### Surrey Transport Plan

The Surrey Transport Plan sets out a vision for a future-ready transport system that allows Surrey to lead the UK in achieving a low-carbon, economically prosperous, healthy and inclusive county with excellent quality of life for all residents, whilst seeking to enhance both the built and natural environments. The following objectives are defined.

1. To rapidly reduce carbon emissions, ensuring Surrey is on track for net zero emissions by 2050.
2. To support Surrey's growth ambitions and enable businesses and people to prosper sustainably.
3. To provide well connected communities that encourage equal access to travel to ensure no one is left behind.
4. To create thriving communities with clean air, excellent health, wellbeing and quality of life.

Key policies are summarised as follows.

- Planning for Place. Plan, design and improve local neighbourhoods to reduce the number and length of car trips.
- Digital connectivity. Promoting and encouraging access to high-quality digital connectivity for all the people of Surrey.
- Active travel and personal mobility. Prioritising walking and cycling to improve the health of the county.
- Public and shared transport. Working with operators to improve journeys on public and shared transport.
- Demand management for cars: introducing measures to shift the priority from vehicles to active travel.
- Demand management for goods vehicles. Measures to reduce pollution in Surrey caused by delivery vehicles.
- Efficient network management. Managing the efficiency of the highway network to minimise the impact on people and places.
- Promoting Zero Emissions Vehicles (ZEVs). Raising awareness of the benefits of Electric Vehicles to increase uptake.
- Supporting behaviour change. Raising awareness to encourage more walking, cycling and use of public transport and electric vehicles.
- Protecting the environment. Identifying and avoiding the impacts our proposals may have on the environment wherever possible.

There are four key cross-cutting pillars within the Surrey Transport Plan LTP 4

### Active Travel and Personal Mobility

This is to prioritise walking and cycling. Currently in Surrey Heath, a local cycling and walking improvement plan is being drawn up for the entire borough. The improvement plan defines the network of routes for cycling and walking that will be typically developed within 2-5 miles of each of the town centres. These will include some have fast routes into the town centre and stations which will link in with the liveable areas through distribution routes. The local walking and cycling plan may link towns, for example between Godalming and Guildford. For this type of initiative there are now subject one or two rounds per year. To be successful, detailed plans need to be in place well in advance.

### Public and Shared Transport

This is focused currently on buses and strategies will vary according to the different priorities within different places. There is scope for developing high quality bus corridors but in the short term the tendency is to prioritise the hinterland areas of around the settlements, linking the extremities into the town centres and providing good access to schools and hospitals. Creating high quality bus corridors depends on the commercial operators and has to be on discrete routes where the population and demand is big enough to generate high use of the services that make them viable.

In the long-term, people will dial up an autonomous vehicle to pick them up once these are seen as safe and are accepted, in which case there would not be much appeal for getting on a bus, though this would be a radically different model and unlikely to appear for some considerable time.

### Electric Vehicle Charging

This relates to on-street parking and residents and the aim is to run a concession for the private sector to roll out installations. Transport for the South East has not developed appropriate models for electric vehicles use by the disabled and this needs to be rectified so that appropriate guidance can be put forward before the programme can be fully rolled out.

### Planning for Place

This centres around the creation of liveable neighbourhoods involving the community in planning how to make peoples' residential areas quieter by creating places where people can walk and play. The liveable neighbourhoods initiative involves reducing speeds, closing off roads then creating amenities like small open space, play areas or community amenities such as coffee concessions at closed off ends of roads. This initiative does not involve any dedicated routes but more greening of the streets and reducing speeds.

### Strategic Highway Programmes

Alongside these pillars are the high impact strategic programmes, which account for 85% of all expenditure County-level expenditure.



The mainstream programmes also involve improvements to the general road network, mainly small-scale junction improvements. Surrey County Council deploys a prioritisation tool to rank such transport improvement schemes.

Source: Surrey Transport Plan LTP 4

### Enterprise M3

Enterprise M3 recognises the need for smarter approaches to transportation is focused on promoting decarbonisation and innovation in transport systems to achieve cleaner, smarter mobility. This is because: transport represents around 50% of emissions in the region; EM3 and neighbouring areas are losing jobs due to issues with mobility and connectivity; and growth and development depend on suitable connectivity and mobility. The LEP supports the priorities in the TfSE strategy. Local action also needs to be shaped by factors such as there being low levels of investment in east-west routes and the congestion on radial routes, particularly around Guildford on the A3 and the M3.

In conjunction with TfSE, Enterprise M3 LEP proposes that it and other partners bring forward the low carbon transport agenda and necessary transport infrastructure, actions to minimise “unclean” transport to reduce the need to travel beyond the local area and promote active travel for individuals and other low emission forms of mobility. This will include advancing the digitalisation of the economy and projects such as “Gigabit EM3: Town & Rural” for ultra-fast broadband; and the renewal of town centres with more local “casual” office spaces to blend home and office working, as an alternative to commuting long distances.

Source: Enterprise M3; Revive and Renew: Actions To Support A Low Carbon Economy

## 6.8 Bringing Forward Strategic Infrastructure

Surrey’s Economic Future proposes a ‘whole Surrey’ approach to growing and sustaining quality places, addressing infrastructure constraints to the provision of housing and reinvigorating the county’s town centres.

Key infrastructure schemes to cope with the demands for active travel, electric vehicles and other sustainable transport systems will need to be brought forward.

In the long-term, economic development in the Surrey Heath Urban areas depend on having strong transport infrastructure capacity, as this is a magnet for all other investment. The town centres will need significant investment if they are to adapt to present day needs and conditions.

Infrastructure requirements will be funded by a variety of different mechanisms. Key sources of funding over which the planning system can have a direct influence are Community Infrastructure Levy (CIL) and Section 106 Agreements. However, there are other funding sources that could become available over the Plan period. These could include direct funding by statutory undertakers and Central government funding pots (grants or loans) which might



be administered through for example, Homes England or the Enterprise M3 Local Enterprise Partnership.

Significant amounts of funding can also come from the government to bring about and accelerate key improvements, but these opportunities are likely to be lost if adequate forward planning and preparation has not taken place. Given deadlines for submission of bids, these are unlikely to succeed if the planning of project only starts once the funding scheme is announced.

Required conditions for successful applications for external funding of important infrastructure projects of benefit to Surrey Heath will be

- Agreeing priorities with the County Council and government funding bodies at an early stage.
- Programming of funding over a number of years so that there is certainty in place for initiatives that involve the County Council and other funding partners.
- Streamlined processes for releasing Section 106 and Community Infrastructure Levy funds to assure match funding within the timescale allowed for external funding bids.
- Business case readiness, based on early identification of infrastructure development priorities in conjunction with funding partners and initiating upfront planning and feasibility work for bringing forward projects together for local infrastructure projects in advance of the funding schemes being announced.
- Bringing forward preliminary business cases so that the partners could be more confident about the costs and risks and to significantly improve the chances of getting projects funded.
- Taking a flexible stance on funding allocations if priorities change or more significant opportunities appear.

## **7. Briefing on Digital Connectivity Issues**

### **7.1 Why Digital Connectivity Matters**

The digital sector is an increasingly important and extremely diverse part of the modern business base and the Enterprise M3 Local Industrial Strategy highlighted the need for a step change in digital broadband and mobile connectivity. It found a significant gap between maximum speeds and the average speeds in the region and that businesses are less well served by broadband operators who favour domestic users. Surrey Heath needs the roll out of high-performance digital connectivity to accelerate across the borough for a number of reasons.

- The drive towards net zero, measures to reduce the need to travel
- Working from home and/or in shared workspace communities along with hybrid working is becoming increasingly the norm across a high proportion of knowledge-based occupations.

- Tomorrow's industries will be predominantly digitised and data-driven and intensively dependent on high-performance digital connectivity.
- High-performance digital connectivity is key to boosting productivity and value-added wealth creation.
- Where achievable, high speed connectivity can make Surrey Heath's rural areas, which already accounts for 24% of all businesses and 13% of employment in the borough more viable for modern day business activity.

## 7.2 Central Government, County Council and LEP Ambitions

### Central Government Ambitions

The government's aim is for 85% of all UK premises to benefit from gigabit-capable (1000mbps) download speeds by 2025 and 'nationwide' by 2030. It's ambitions for mobile connectivity are 90% of the UK to have access to 4G by 2025 and for the majority of the population to have 5G coverage by 2027. Building Digital UK (BDUK) is the executive government agency that is responsible for the roll out of gigabit-capable broadband and the expansion of 4G mobile coverage in hard-to-reach areas of the UK. This has been transferred from the Department for Digital, Culture, Media and Sports to the new Department for Science, Innovation and Technology (DSIT). It works closely with industry partners and local bodies to deliver two overarching programmes: Project Gigabit and the Shared Rural Network.

### Fixed Connections

Full fibre, where it can be provided viably, is important for futureproofing of internet connections. To deliver full fibre connectivity at pace across the county, the Government has promoted private sector investment where possible to install most of this connectivity.. Where there are gaps, such as in sparsely populated areas that are likely to be unviable commercially for full fibre deployment, the government is investing additional funding to connect as many of these homes and businesses as quickly as possible. Project Gigabit is the government's £5 billion programme that targets homes and businesses that are not included in broadband suppliers' plans, reaching parts of the UK that might otherwise miss out on getting the digital connectivity they need. As part of this, BDUK is launching local, regional and cross-regional **procurements** targeting places not in line for a broadband upgrade as part of commercial suppliers' build plans. BDUK have divided most areas in the UK into Lots. The vast majority of Surreys postcodes fall into Lot 22 (Surrey), although a few, including some in Surrey Heath, fall into Lots 26 (Buckinghamshire, Hertfordshire and East of Berkshire) and 27 (Hampshire). These procurements are complimented by the:

- **Gigabit Broadband Voucher Scheme:** Up to £210 million in vouchers has been allocated to give eligible communities immediate financial help with the costs of getting gigabit speeds The value of vouchers has recently been increased to up to £4,500 for all beneficiaries. They are designed to target communities that might otherwise not be reached by planned commercial rollout or other Project Gigabit interventions for hard-to-reach premises.

- **GigaHubs Scheme** where up to £110million has been allocated to connect public sector buildings such as surgeries, libraries and schools.

### Mobile Connections

The Shared Rural Network (SRN) is a £1 billion government deal with the UK's four mobile network operators (EE, Three, VMO2 and Vodafone) to improve 4G coverage and level-up connectivity across the UK through the sharing of existing resources and the significant investment in new masts. The SRN will help increase 4G mobile geographic coverage up to 95% of the UK. (Current coverage for Surrey Heath can be reviewed by visiting [www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2022/data](http://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2022/data)).

### Alternatives for Hard to Reach Areas

Since not all homes and premises will get connected through the above programmes, alternatives will need to be found and mobile connections or hybrid fibre and mobile will be a key alternative for delivering Gigabit capability internet services in hard to reach areas. According to the Project Gigabit Delivery plan - autumn update 2022, the government has launched trials to test the viability of satellite connectivity with multiple stakeholders to a limited number of remote premises across the UK that are believed to be Very Hard to Reach, using Starlink's Low Earth Orbit satellite constellation. The UK government's One Web service also has scope for providing such solutions.

### **County Council Ambitions**

The importance that Surrey County Council (SCC) has placed on digital connectivity for the well-being and prosperity of residents and businesses has been reflected in corporate policies, strategies and investment for more than ten years. 'One County, One Team' Corporate Strategy 2012-2017', 'Confident in Surrey's future', Corporate Strategy 2016-2021', 'Surrey 2030 Economic Strategy Statement, One Surrey Growth Board 'Plan for Growth', 'Surrey Place Ambition 2050,' 'Surrey's Climate Change Strategy 2020,' and the Local Transport Plan where one of the key drivers is facilitating working from home and development of a suitable fast broadband network, have all confirmed Surrey's intention that no one should be left behind in this digital age. Reflecting SCC's ambition to be on the front foot in promoting investment in digital infrastructure within the county, SCC has also developed a Digital Infrastructure 2030 Vision Statement that states: 'By 2030, the residents and economy of Surrey will benefit from a digital infrastructure and network with widespread provision of gigabit speeds and 5G wireless technologies. Excellent digital connectivity will act as an enabler to unlock the potential of new technologies for our communities, support sustainable growth, facilitate innovation and enable businesses to thrive.'

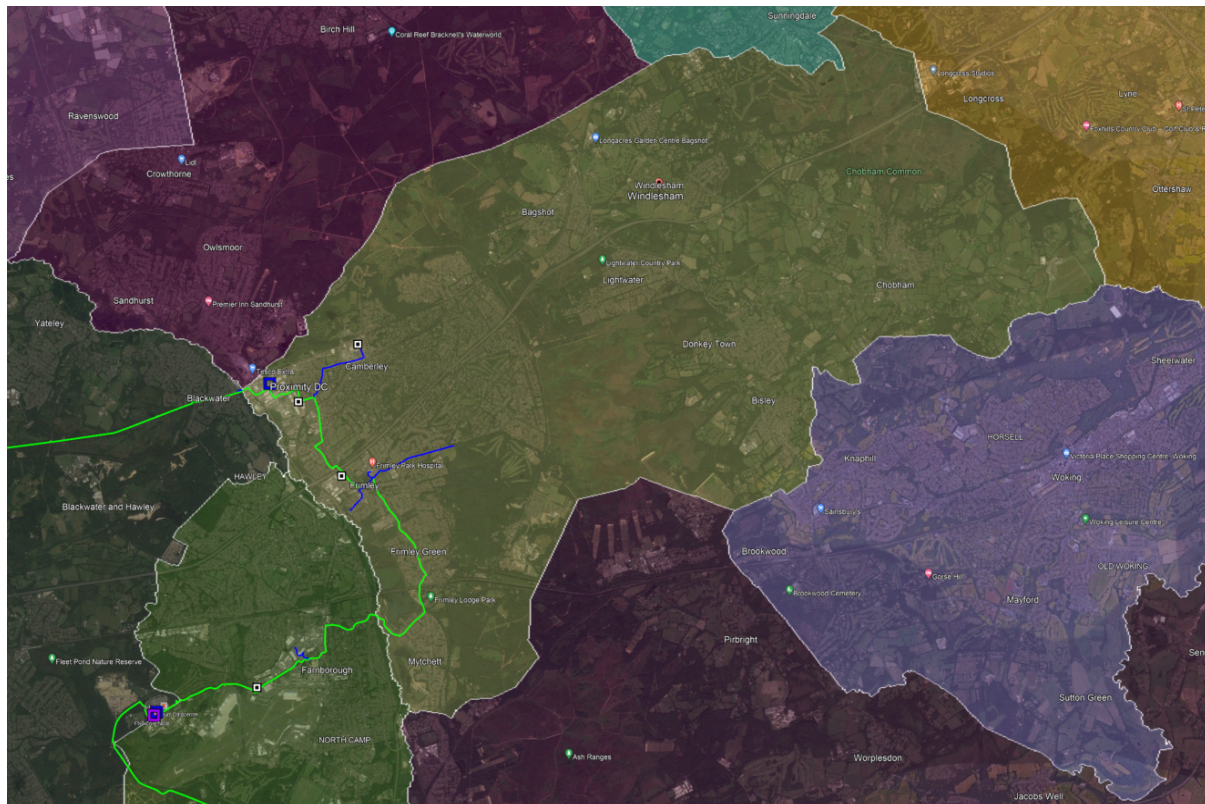
### **Surrey Heath Ambitions**

Surrey Heath's ambitions are to accelerate the installation of Gigabit capability connections across the borough in order to boost the business productivity as well as improving residents'

access to a wide range of services and support such as those related to health, education and public safety amongst many others. Whilst large parts of the borough are densely urbanised and can be expected to receive Gigabit capability connections through suppliers' planned deployments, the wards of Bisley and West End and Windlesham and Chobham are made up of villages and sparsely populated rural areas. A key aim to therefore to achieve fibre connections to as many premises in these areas as possible otherwise to identify alternative solutions to achieving Gigabit speeds. To this end, the borough council will be keen to see the various communities in these areas taking advantage of the funding and incentives being offered by the government to accelerate maximise related coverage.

### Opportunities from the Basingstoke - Guildford Spine

The Basingstoke Guildford Spine is a high capacity fibre link being taken forward by Enterprise M3. The spur serving Surrey Heath will pass through the western edge of Surrey Heath through Frimley and Camberley as shown in the plan below. As regards connectivity with rural areas such as Chobham & Windlesham and West End & Bisley, there would be merit in considering an extension from the spine which would address shortfalls in those areas. Project Gigabit packages will be relevant in this regard. The aim of Enterprise M3 has been for the spine to be considered by potential Project Gigabit bidders as part of their proposals. Procurement for the core route is to be started by the early Spring of 2023. Surrey Heath will need to engage with Enterprise M3 to discuss how this initiative can be configured to have the optimum impact for the borough.



### 7.3 Current Status of Gigabit Capable Connections in Surrey Heath

All data below is considered to be correct at the points of time quoted but is subject to continual change as Gigabit capability infrastructure development continues. The table below shows the percentages of business premises and homes that are covered at the time of writing by Superfast and Gigabit capability connections in Surrey Heath, with county and national comparisons.

	Surrey Heath	Surrey	UK
	%	%	%
Superfast ≥ 30 Mbps	98.41	99.36	97.39
Gigabit DOCSIS 3.1 or FTTP	76.93	84.76	73.34
Full Fibre (FTTP or FTTH)*	36.23	37.35	46.62
Alt Net FTTP **	7.88	24.95	19.11
Openreach FTTP	7.62	30.26	30.45

\*Fibre to the Premises or Fibre to the Home \*\*Excludes Openreach, KCOM or Virgin Media RFOG

Source: Think Broadband Website, 3<sup>rd</sup> February 2023.

### 7.4 How Connections Will Increase in the Next Few Years

#### Fixed Connections

##### Commercial Deployment

Most fibre infrastructure in Surrey is currently being delivered by commercial suppliers. In Surrey Heath, residents and businesses will be able to access fibre based gigabit-capable speeds will be available via the Openreach and Virgin Media O2 networks. However, the Government has been keen to open up the gigabit market to more suppliers, and at least eight smaller suppliers, known as Alt-Nets, are now also deploying networks in Surrey. In Surrey Heath, Alt-Nets including Toob Broadband, Trooli and Swiss Fibre are providing full fibre connections to some areas of Camberley, Frimley, Bagshot, Mychett, Chobham and Windlesham.

PROVIDER	Openreach: Work Underway	Toob Broadband	Trooli has upgraded some areas in the locations below	Swiss Fibre: Work Underway	Virgin Media O2 *	Openreach: Deployment Plans Announced where upgrading premises to FTTP by 2026
<b>AREA</b>						
Camberley		√				
Frimley		√				
Frimley Green						
Lightwater						
Bagshot			√	√		√
Mychett		√				
Chobham	√					√
Windlesham			√			

Source: <https://www.surreycc.gov.uk/business/digital-infrastructure-coverage> December 2022



\*Residents or businesses in Surrey who can currently connect to the existing Virgin Media O2 network can access gigabit-capable speeds, through the DOCSIS 3.1 copper wire service operated by Virgin Media giving an Gigabit equivalent service. Virgin Media O2 are now planning to overlay their whole network to full fibre by 2028 and this work has already started in Surrey.

Large new commercial developments in Surrey Heath are expected to be engaging with the fibre suppliers at an early stage. This is because no businesses are now likely to rent premises unless there is full fibre connectivity. These and new housing schemes are being targeted by the suppliers.

### Government Funded Deployment

As part of the market engagement activities for the forthcoming Project Gigabit procurements, BDUK undertook an Open Market Review (OMR) and a Public Review (PR) last year for each Lot to determine commercial coverage plans. A huge amount of data has been gathered nationally including across Surrey to identify premises that may be eligible for public subsidy. The government has published its findings with a view to addressing gaps. Premises have been classified as follows.

- **Black and Grey** - indicates premises with one or more qualifying gigabit infrastructures from different suppliers being available or will be deployed in the coming 3 years. These premises are not eligible for public subsidy.
- **Under Review** – Under Review – indicates premises where suppliers have reported planned commercial broadband coverage, but where those plans have been judged through the Open Market Review as potentially being at risk of not being completed. These premises won't be included in any initial procurement but will be subject to on-going monitoring.
- **White** - indicates premises with no gigabit network infrastructure and none is likely to be developed within 3 years by commercial suppliers. These premises will be considered for inclusion in any initial procurement but it should be noted that not all white premises will be included in the initial deployment.

The table below shows the number of Surrey Heath premises falling into each of these categories by main postcode area in Lot 22 (the procurement allocation which includes, most but not all Surrey Heath premises).

Locality	Black	Grey	Under Review	White
Camberley North	21	2743	49	782
Camberley Town	7	2977	83	1736
Camberley Heatherside	11	2453	28	275
Camberley West	2	4331	38	1856
Camberley Parkside	0	2183	0	320
Frimley	126	2553	18	486
Frimley Green	20	2077	34	235

Locality	Black	Grey	Under Review	White
Lightwater	25	1915	774	352
Bagshot	0	826	2288	75
Mychett and Frith Hill	0	698	119	668
Chobam & Windlesham	0	698	119	668
West End & Bisley	0	3035	157	972
<b>Total</b>	<b>212</b>	<b>26489</b>	<b>3707</b>	<b>8425</b>

Source: UK Gigabit Programme: Surrey Public Review

The table indicates that within Lot 22 just under 27,000 premises are likely to receive gigabit infrastructures from different suppliers in the coming 3 years but that some 8400 premises in Surrey Heath are unlikely to be provided with gigabit network infrastructure by commercial suppliers and are likely to require support under Government support for Gigabit capability fibre connections in their localities. A further 3,700 premises are at risk of fibre connections not being completed and may also require support. This excludes a small number of postcodes for the borough which are included in Lots 26 and 27 which cover Berkshire and Hampshire. However, the Government have indicated that even if homes and businesses have been designated Gigabit White, not all of them will be included in any Project Gigabit procurement. Lots 26 and Lot 27 are progressing through to procurement. However, in the case of Lot 22, following market feedback, this has been deferred and BDUK are currently considering other options. The Gigabit Voucher Scheme is currently on hold in Surrey pending decisions taken around procurement.

**Mobile Connections**

As stated above there will be more coverage of mobile services. The Government’s ambition of the majority of the population being covered by 2027 has already been achieved by both the EE and Three networks. By 2027, 50% of the country is to be covered by 5G. The 2G and 3G networks are due to be switched off by the end of 2033 but some 3G networks are already due to shut down by 2024 and be replaced by 4G or equivalent services. The Mobile Network Operators (MNOs) are continuing to upgrade their existing infrastructure to 4G/5G and installing new masts in the Not Spot areas (where there is no mobile coverage). To facilitate the rollout of 4G/5G across the county, the County Council has recently entered into a non-exclusive agreement with a neutral host called Freshwave, allowing MNOs to install and operate small cell radio transmitter units (4G, 5G and/or future mobile technology frequencies) to an agreed list of SCC street furniture assets (e.g. lighting columns, illuminated signs, CCTV columns, traffic light columns).

In terms of telephone operations, a major forthcoming change is the shutdown of Openreach’s analogue Public Switch Telephone Network (PSTN) by the end of 2025. This will impact anything that currently plugs directly into the existing analogue telephone wall socket, i.e that does not go via a router. Devices affected include telecare pendants, lifts, alarms, cash machines etc.



## **7.5 Key Challenges for Surrey Heath**

If Gigabit capability connectivity is to be successfully accelerated in Surrey Heath, the following orchestration, response mechanisms and communications measures and will need to be established.

### **Orchestration Measures**

- Marshalling and generating demand in the more remote areas of the borough which are more expensive to access. Eligible business and residential communities in the hard-to-reach areas will need to be mobilised to submit bids for government funding.
- Engagement with Enterprise M3 to discuss how the Basingstoke - Guildford Spine spur serving Surrey Heath might be extended to the more remote areas of the borough.
- Establishment of organisation-wide systems, processes and communications activities to respond to a range of requirements of the commercial suppliers who are installing the upgraded connectivity.
- Clarity regarding the roles of property, planning, legal services and housing in responding and dealing with these issues providing the necessary capacities and resourcing for these functions.
- Mechanisms to anticipate and address potential blockages and bottlenecks.
- Close relationship building with private sector Gigabit capability suppliers in order to track progress in the penetration of FTTP connections within commercially viable urbanised and rural areas.
- Ensuring compliance with new regulations that came into force in December 2022 that require the installation of gigabit-ready infrastructure and/or gigabit-capable connections during the construction of new homes.
- Considering the Council's position with the provisions of the Local Government Act around competition in dealing with requests for multi-site wayleaves from multiple digital connectivity suppliers.
- Consider working with SCC to improve digital connectivity in the Surrey Heath areas through the installation of small cells on their assets.

### **Communications Measures**

- The commercial network suppliers' contractors installing Gigabit capability connections are only going to be around for a limited amount of time and local residents and businesses need to be aware of the need to engage promptly around



requests for wayleaves and access to their properties to ensure they are not missed out.

- Spreading the word about the about the Project Gigabit voucher scheme and other support available.
- Promoting broadband social tariffs to ensure that any residents that are eligible, such as those on Universal Credit, can benefit from significantly reduced monthly charges.

### **Response Mechanisms**

- There will be increasing numbers of requests for wayleaves for local authority sites and buildings and entire properties managed by local housing associations. FastTrack response systems and streamlined processes will be needed if comprehensive connectivity is to be accelerated.
- The commercial network operators need to find out who to speak to on securing wayleaves and access to borough council land and to other public sector stock.
- A list of contacts will be needed to ensure that all relevant parties are connected to the relevant functions of the local authority in this regard. This will include contacts in other agencies such as the County Council, railways and other statutory suppliers.

If not already started, an audit of all council assets should be undertaken to consider whether there are any impacts associated with the shutdown of the PSTN network. In addition, the council should engage with telecare suppliers to confirm that their technology will still work and also engage with businesses and residents to highlight the changes and what they need to consider.

## **8. Climate Change and Meeting Net Zero Targets**

### **8.1 Major Climate Change Risks**

Evidence has emerged on the climate change risks and opportunities, certain of which are of relevant to the Surrey Heath.

- Risks to public health from high temperatures; the elderly, can be particularly susceptible and the Heat Vulnerability Index serves to highlight that urban communities can tend to be more vulnerable than rural communities.
- Impacts on productivity of employee in public services such as transport, health and social care.
- Poor air quality can be exacerbated by high temperatures, which leads to further public health concerns, and can possibly of increase vector borne diseases.
- Risks to communities and businesses from flooding.

- Risks to infrastructure including bridges, railways, pipelines and sewers, rail, road, ICT and energy infrastructure which can be damaged by storms and flooding events or fail to operate at full capacity due to high temperatures.
- Effects on wastewater management and of water quality from droughts and storm events.
- Risks to farming and forestry.
- Changes to soil structures, and issues of soil erosion.
- Extreme weather events can also impact species populations.
- Possibility of loss of carbon stores (through oxidisation) or decreased ability to sequester carbon from the atmosphere.
- Risk to valued structures and the historic environment.

Source: UK Climate Change Committee Adaptation Sub-committee's Climate Change Risk Assessment & Climate Change Study; AECOM;

## 8.2 Climate Change Legislation

In 2008 the UK passed the Climate Change Act which committed the UK to lower their net UK carbon account for greenhouse gases by at least 80% of the 1990 baseline by 2050. The Climate Change Act, the Paris Agreement (2015), which was adopted by participating member states of the 21st Conference of the Parties (COP) of the United Nations Framework Convention on Climate Change, enshrines a commitment to restricting the increase in the global average temperature to “well below 2°C above preindustrial levels and pursuing efforts to limit it to 1.5°C. In 2019 the UK Government’s Climate Change Act’s targets were revised setting a new target of net-zero emissions by 2050.

## 8.3 Emerging Government Strategies

On a wider front, more recently the Government has been working on a whole variety of sectoral strategies related to net zero carbon targets, brought together with the Prime Minister’s 10 Point Plan for the green industrial revolution which came out in the autumn of 2020. The UK is to reduce its emissions by 77% by 2035, compared to a 1990 base level. The plan sets out a commitment to bringing a greater degree of renewables and systems, as well as more offshore wind as well as nuclear, to phase out the sale of conventional petrol diesel cars by 2030 and for all heating in homes and workplaces to be low carbon by 2035. This has the potential to deliver up to an estimated £42 billion of private investment by 2030 across energy, buildings, transport, innovation and the natural environment. In doing so, the aim is to position the UK to take advantage of export opportunities presented by low carbon technologies and services into new, global emerging markets. Skills requirements will need to be defined and set out to make the transition. Source: HM Government: The Ten Point Plan for a Green Industrial Revolution; Building back better, supporting green jobs, and accelerating our path to net zero; November 2020

## 8.4 Proposed Approaches to Net Zero Transport

The Government published Decarbonising Transport in March 2020, ahead of a full Transport Decarbonisation Plan timetabled for autumn 2020. The report sets out the scale of the challenge highlighting that transport now exceeds power supply as the primary source of emissions nationally (due to the latter's extensive adoption of renewables); that the transport emissions will decrease significantly but well short of what is required to achieve net zero targets; that passenger car emissions dominate but are decreasing, whilst van / HGVs emissions are increasing.

The Government's identified strategic priorities are to:

- Accelerate modal shift to public and active transport;
- Support EVs including by delivering charging infrastructure and supporting energy system readiness;
- Transform 'last mile' deliveries;
- Place specific solutions.

The report also discusses links to the forthcoming DfT Science Plan, which will explore matters including EV battery technology development; EV charging infrastructure; and the role of hydrogen as a future low carbon fuel, noting that electric batteries are not likely to be a solution for powering larger road, marine and rail vehicles.

The AECOM Climate Change Study asserts that transport emissions are set to decrease significantly over coming years with the roll-out of EVs but that there is nonetheless a need to significantly reduce the demand for transport.

## **8.5 Net Zero Approaches to Buildings**

### **Construction Methods**

Local authorities seeking to accelerate the integration of low carbon design and resilience into its own housing stock adopting a number of approaches, examples being:

- A fabric first approach, working to Passivhaus standards.
- Fitting all housing units with air source heat pumps and photo voltaic on rooftops.
- Provision of electric vehicle charging points and bike storage to encourage active travel promoting use of new cycleways for which the council has recently received funding.
- Encouraging sustainable practice in construction and development using recognised environmental standards.
- Reducing carbon emissions in procurement and supply chains such as sourcing local materials to reduce transport distances and therefore supply chain lengths.
- The adoption of MMC and modular housing is conducive to less site traffic, dust and noise and less material wastage which in turn reduces the carbon footprint.
- Local sourcing of materials to reduce transport distances and therefore supply chain lengths.
- Adopting Modern Methods of Construction, a range of off-site manufacturing and on-site techniques that provide alternatives to traditional construction and aim to build homes more quickly and efficiently through modular building to reduce the need for labour and to deliver new developments at a very fast pace once off-site construction facilities are in place, whilst achieving high energy efficiency standards, reducing construction waste and allowing much tighter tolerances to be met.
- Whole life-cycle approaches such as reuse and retrofit of existing built structures and the use recycled or repurposed materials.

### **Retrofit**

Some local authorities are taking a lead on rolling-out retrofitting of their own housing stock and can also support programmes locally that support retrofitting of private housing stock. The aim is to future proof the housing as much as possible, creating air tightness for doors and installing mechanical heat recovery mechanisms and equipment for constant ventilation to dissipate heat from kitchens and bathrooms to cooler areas of the home whilst taking out pollutants and to update existing local authority-owned housing stock that is dated and energy inefficient. Retrofitting existing homes and communities to improve fabric standards and efficiency and support the electrification of heating is a national priority.

## **8.6 Job Creation Prospects from Net Zero**

The Government has adopted a Ten Point Plan to mobilise £12 billion of government investment, and potentially three times as much from the private sector, to create and support up to 250,000 green jobs in the following activities.

- Advancing Offshore Wind
- Driving the Growth of Low Carbon Hydrogen
- Delivering New and Advanced Nuclear Power
- Accelerating the Shift to Zero Emission Vehicles
- Green Public Transport, Cycling and Walking
- Jet Zero and Green Ships
- Greener Buildings
- Investing in Carbon Capture, Usage and Storage
- Protecting Our Natural Environment
- Green Finance and Innovation

A Westminster Employment Forum webinar conference which took place on Thursday, 10th March 2022, on green skills, apprenticeships, and employment, policy, implementation, and related priorities for education and training, businesses and the workforce. Key findings from are summarised below.

Amy Jenkins (Deputy Director for Green Finance Jobs and Investment for net zero in the Department for Business, Energy and Industrial Strategy) stated that 430,000 is the current base level of low carbon jobs across the UK. Retrofitting buildings to meet government energy efficiency targets requires an additional 350,000 skilled construction workers in Britain by 2028. A green skilled job can range from civil mechanical, electrical, electrical engineers, data analysts, machine learning experts skilled tradespeople, as well many others.

The government predicts the manufacturing sector will create 1.2 million additional jobs in the sector by 2050. In a survey by Make UK, 45% of manufacturers said that green skills needed are in fact at level four or five at the higher level and 30% saying it degree level. There is a major requirement for reskilling and retraining the existing workforce, but there are major gaps. Level 3 and 4 programmes that do not properly equip many of those engineers for the digital technologies that are used in manufacturing at the moment.

Dr Adam Read President of the Chartered Institute of Waste Management maintains that collaboration is needed to get the 300,000 new waste management employees with the right skills are needed as well as reskilling the 150,000 and take them on a transition. Green skills in the sector will encompass engineers, communications experts, designers technologists, data scientists. Science, technology, engineering and maths will be particularly important in many low carbon jobs across different sectors, whether in renewables, electric vehicles or heavy industry and so on. The UK has a skills gap in this area.

## **8.7 Assuring the Required Supply Base and Skills for the Green Economy**

A very large labour force will be required to address net zero construction and retrofit techniques and there is a big requirement for education in how to install these enhancements and to get a firm base of competence within local areas for these new technologies. There is also a need to educate local people into how to use these new installations as well.

Some local authorities welcome the presence of a modular home factory within or close to the borough and as they move through the decarbonization process some will lobby with large housing developers such to set up such factories.

By 2040, all jobs will be green jobs. The conclusion of the Green Skills Taskforce set up towards the end of 2019 was that a modular upskilling approach breaking the training down into modular courses would be necessary. There is a key role for education institutions, especially further education, to make more flexible and more modular courses available for those currently in work. Awareness of climate change needs to be mainstreamed, allowing the next generation of the workforce to understand the world of business that is carbon and resourced constrained.

## **8.8 LEP Support Proposals**

Proposed actions by the EM3 LEP will be to support a low carbon economy through a number of initiatives.

- Investment in capacity to deliver a Clean Growth Business Support Service
- Work with the Skills Advisory Panel to advance skills supply for clean growth industries especially at technical levels 4 & 5 and at from degree to PhD levels to address the priority of creating jobs and skills supply in low carbon sectors.
- Communication and sign posting to the Government's substantial investment in careers and employment support which includes a £3bn green investment package that could help support 140,000 green jobs.

Source: Enterprise M3: Revive and Renew: Clean Growth

## **8.9 Surrey Heath Climate Action Plan**

In October 2019, the Council declared a Climate Emergency and pledged to become carbon neutral by 2030 across its own estate and operations, including contractors used, and support the actions being taken by Surrey County Council in this area. The Surrey Heath Climate Change Action Plan has two key aims:

1. To work towards achieving the ambitious net-zero carbon emission target by 2030 as an organisation and contribute to making the Borough net zero by 2050 (with the aspiration for net zero by 2030).

2. To ensure that the Council as an organisation is resilient to the impacts of climate change and support the resilience of the Borough to the impacts of climate change. To deliver the aims of the Action Plan, eight objectives have been identified:

- Develop and deliver a credible pathway to being carbon neutral by 2030 in our estate and operations.
- Deliver significant carbon reductions through developing and implementing an energy strategy to reduce energy consumption and increase local renewable energy production to transition to zero-carbon energy.
- Work with partners to support initiatives and infrastructure to increase the uptake of walking, cycling and public transport, and low emission vehicles.
- Deliver improvements to green infrastructure in the Borough, increasing the potential of land, biodiversity, current and future woodland in the Borough to sequester and store carbon.
- Work with partners to help facilitate reduced waste and increase reuse and recycling in the Borough.
- Use education and best practice sharing to drive significant behavioural changes within Surrey Heath to encourage the adoption of more sustainable lifestyle choices.
- Facilitate and encourage partnership working to increase the resilience of the council's estate and operations to climate change and set the standard for all sectors of our local community to reduce their carbon emissions and adapt to the impacts of climate change.
- Support the development of the green economy, including sustainable farming and food production.

The Action Plan draws directly on the Surrey Climate Change Strategy and supports the shared ambition of Surrey's 12 local authorities for Surrey's residents to live in clean, safe and green communities, where people and organisations embrace their environmental responsibilities and sets out the collective approach to do our part to tackle climate change. The Action Plan is supported by the emission baseline set out in the Climate Change Study prepared by AECOM on behalf of the Council to support the development of the new Local Plan.

### **8.10 Proposed Borough Council Initiatives**

The following initiatives are currently being considered by the Borough Council.

- Investigating potential opportunities to partner with universities for local research and innovation.
- Reviewing the implications of moving towards a low carbon economy on Surrey Heath's jobs and skills markets.
- Working with partners, use local economic data to provide a clearer picture of ongoing reuse activities, to identify circular economy opportunities and assets.

## **9. Labour Force**

### **9.1 Causes of Current National Labour Shortages**

#### **Economic Inactivity Levels**

As of December 2022, economic inactivity has increased by 565,000 since the start of the pandemic in 2020 according to an inquiry by a committee of the House of Lords published on 20<sup>th</sup> December 2022. The inquiry found that issues such as Early retirement, increasing long-term sickness and changes in the structure of migration and an ageing population as reasons as to why the UK is experiencing such strenuous shortages of labour in certain sectors. The report concluded that these strains have led to issues such as increasing inflation that damage growth in the near term and reducing the revenue available for financial services while demand for said services grow. The report elaborated on each of these four causes.

1. The decision to retire early among 50-64 year olds to be the main driver in the change since 2020, with lifestyle changes and increased savings during the pandemic as reasons as to why early retirement was feasible for some. The report concluded that most early retirees are potentially well-off and any assumption that they will return to the work force due to the cost-of-living crisis is misplaced.
2. The change in migration structure noted refers to the exodus of EU migrant workers who left the UK and whom normally filled lower paid roles. These were then counterbalanced by more high-skilled and non-EU workers who were granted visas which prioritised skilled workers, thus causing an imbalance in certain sectors.
3. Lastly, the ageing population factor was said to have helped drive down the labour supply and is being reinforced by other factors and that its impact has not received the attention it deserves. The report concluded that the Department of Work and Pensions review into workforce participation must be conducted quickly, as was proposed by the Chancellor's Autumn Statement.
4. In regard to sickness as a cause of long term economic activity, the data found that the rise in sickness-related inactivity was among people who were already inactive.

#### **Labour Shortages Due to Brexit**

A major report from reWage and the Migration Observatory at Oxford University has concluded that Brexit has exacerbated recruitment issues faced by UK employers. Many employers who used to rely on EU workers and are now ineligible to recruit from overseas have had to adjust by either reducing their need for workers by turning to automation or simply producing less.



Employers from some industries, such as agriculture, have been able to recruit from non-EU countries, however most companies in low-wage industries are not permitted to do this under the current immigration system.<sup>27</sup>

The authors of the report were careful not to pin all of the current labour shortages solely on Brexit; pointing out that many countries in Europe have had difficulty in recruiting in the travel sector after the pandemic,<sup>28</sup> as well as the early retirement of many workers over the age of 50 that has caused problems across the UK labour market.<sup>29</sup>

Still, labour shortages were worse in sectors that were heavily dependent on the EU - such as hospitality and warehouse and security work- employers were not able to use new visa routes due to the wage rates being too low while sectors such as health and agriculture have been able to bring in workers from non-EU countries.

Contrary to the belief of many Brexit supporters, the fall in immigration has not resulted in higher wages and employers have simply cut output instead.<sup>30</sup>

Professor Madeline Sumption cautioned against increasing the number of low-wage work visa schemes as they are notoriously difficult to police and often open workers to exploitation and abuse. The report concluded that government may want to 'wait it out' as the economy slowly adapts and shortages disappear over time.<sup>31</sup> The Home Office said it has reduced the time it took for employers to recruit overseas for those eligible for visas but stressed that employers should look to the domestic labour market."<sup>32</sup>

### Mitigating Measures Proposed by The British Chambers of Commerce

In July 2022, the British Chambers of Commerce urged the UK government to overhaul the post-Brexit list of occupational shortages, after warning that many companies were struggling to recruit workers.<sup>33</sup> According to a survey conducted by the BCC, more than 60 per cent of companies told the BCC that they were experiencing recruitment difficulties.

According to the report, three quarters of firms (76%) continue to experience recruitment difficulties, dropping only two percentage points from the first quarter (78%). The report found that the construction sector is facing the most severe recruitment challenges with 83% reporting difficulties, followed by production and manufacturing on 79%, logistics on 79% and

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27 *How is the End of Free Movement Affecting the Low-wage Labour Force in the UK?* (Aug, 2022) ReWage and the Migration Observatory

28 'Europe's stretched tourist workforce struggles to meet surge in demand' Peter Wise, Eleni Varvitsioti and Amy Kazmin. *Financial Times* July 24<sup>th</sup>, 2022

29 'Sharp rise in early retirements drives contraction of UK workforce' Delphine Strauss. *Financial Times* July 16<sup>th</sup> 2022

30 *How is the End of Free Movement Affecting the Low-wage Labour Force in the UK?* (Aug, 2022) ReWage and the Migration Observatory

31 *ibid*

32 'Brexit intensifies labour shortages as companies struggle to hire' Chris Giles. *Financial Times*. August 15<sup>th</sup> 2022

33 'UK business lobby group calls for government help over labour shortages' Daniel Thomas, *Financial Times*. July 14<sup>th</sup> 2022

hospitality on 78%. The report also found that only 28% of employers have increased their investment in the last three months, with only 19% of smaller firms likely to report an increase.<sup>34</sup> In response to these challenges, the BCC has recommended a three-point plan:

- Firms must be encouraged to find new ways of unlocking pools of talent – by investing more in training their workforce, adopting more flexible working practises and expanding use of apprenticeships;
- Government must help employers invest in training by reducing the upfront costs on business and providing training related tax breaks; and
- The Shortage Occupation List (SOL) must be reformed to allow sectors facing urgent demand for skills to get what they need.<sup>35</sup>

Enterprise M3 has reported that the South East economy more generally faces labour supply constraints that make the creation of new jobs in frontier industries increasingly tough.

## 9.2 Local Hard to Fill Vacancies

The Enterprise M3 Local Skills Report and Skills Action Plan 2022 has reported the highest persistent vacancies to be for:

- Nurses
- Sales and business development managers
- Programmers and software development professionals
- Gaming and immersive technologies professionals
- Social care workers
- Haulage and Logistics workers, particularly due to the rise in internet shopping
- Hospitality roles such as Chefs, Kitchen and catering assistants.

Many of the hard to fill job roles highlighted are reflective of the types of clients the Job Centres and DWP support, which tends to be those who are less highly skilled. They are hard to fill due to the lower pay, anti-social hours, how physically hard the work is and the expense of childcare. Covid has also had a negative impact on the appeal of health and social care opportunities.

Source: Enterprise M3 Local Skills Report and Skills Action Plan 2022

## 9.3 Regional Skills Strengths

The Enterprise M3 area and Surrey Heath in particular exhibits high productivity, high employment and high incomes, due to:

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34 'Rapid reform needed to tackle crippling staff shortages - Quarterly Recruitment Outlook' Press Release, British Chamber of Commerce. July 14<sup>th</sup> 2022

35 ibid

- A higher concentration of high skilled jobs compared to national levels
- More highly skilled workers compared to national levels
- High progression rates of young people into higher education; Resilience to economic shock of Covid19.

Analysis has shown that there is a very high rate of employment and growing resident workforce, very low rate of economic activity, highly skilled workforce and very diverse skills base, very high in and out commuting with out of area jobs being critical to overall prosperity and high incomes, high skills and employment in frontier sectors.

Source: Enterprise M3 Local Industrial Strategy: Skills and People

### 9.4 Take Up of Vocational Provision

The Enterprise M3 Local Skills Report highlights a low take-up of vocational provision – including apprenticeships – which could offer routes to employment and address skills needs. Demand for Apprenticeships continues to wane both nationally and in EM3. Nationally, apprenticeship starts in 2019/20 fell to their lowest level in ten years. The EM3 area has strengths in the academic route to employment and high university-level participation which arguably accounts for the low demand, supply and uptake of vocational routes including apprenticeships.

Source: Enterprise M3 Local Skills Report and Skills Action Plan 2022

### 9.5 Responding to the Move to Digitisation

Digital technologies already make a significant contribution to Enterprise M3's productivity advantage through large numbers of high value jobs, for example in computer consultancy and programming, and a rapid growth in computer games publishing, wired telecommunications and computer facilities management. In 2020, EM3 hosted 45,973 jobs in the Digital sector with 1.7% growth compared to 1.3% nationwide.

For example, film and TV production with the announcement of Netflix expanding their production facilities at the EM3 Enterprise Zone site at Longcross in Surrey. Significant additional pressure on the local skills pipeline is expected to arrive in 2022 as a result of inward investment in the region from large international studios such as Amazon, Disney and Netflix.

In healthcare, the NHS is committed to digitise the entire service by 2024.

Integrating more sophisticated digital solutions into workforce requires specialist training with implications for continuous reskilling and recycling of work forces.

As part of the actions to support digitalisation, the LEP team and Growth Hub and other partners will need to continue to support digitalisation of the economy especially as a contribution to clean growth and innovation, and this will include helping businesses and organisations to improve their digital facilities and skills.

Examples are the EM3's investment of Getting Building Funds in 'Digital Skills Work' for FE Colleges and the 'Creative Tech Growth Booster' and, funded by EM3, regional colleges and universities, the Innovation South Virtual Campus hosts a range of 15 bite sized online programmes in digital skills designed to upskill and reskill.

Source: Enterprise M3: Revive and Renew: Actions To Support Digitalisation

### 9.6 Identified Priorities

Key priorities for the sub-region are therefore to help employers to fill persistent vacancies, address the low take-up of vocational provision, widen participation in higher education in parts of the Enterprise M3 area and meet the need for training at higher technical skill levels to address urgent skills needs.

The skills priorities included in the 2020/21 Skills Action Plan include the three big ambitions for the EM3 area, prioritising accelerating and expanding education and training in:

- High level digital skills for workers in specialist roles
- Supporting retrofitting activity to decarbonise homes and buildings
- Technical jobs in low carbon sectors

Action priorities are to:

- Establish a local Digital Skills Partnership; led by employers, this would bring together public, private and charity sector to innovative delivery of high-level digital skills in AI and cyber security.
- Establish a network of training provision for retrofitting.
- Support the Apprenticeship and Skills Hub as a specialist in technical skills for emerging low carbon sectors.

Source: EM3 Local Skills Report January 2022

## 10. Regional and Sub-Regional Strategic Policies and Ambitions

The following strategic policies are set out in Appendix 5.

- The EM3 LEP Strategic Economic Strategies
- Surrey's Plan for Growth: Surrey's Economic Future
- Surrey Place Ambition for the Blackwater Valley Corridor Strategic Opportunity Area
- Surrey Heath Five Year Plan

## **11. Prospects for Culture, Leisure and Entertainment**

The Town Centre Uses & Future Directions Study highlighted subject to future trends, costs and market demand, the following potential to enhance the role of culture, leisure and entertainment.

- Increased quality and choice of Camberley's food and beverage offer. The 'food and beverage' ('F&B') sector accounts for over half (55%) of total available leisure spend and growth, followed by 'cultural services' (16%), 'recreation services and sporting events' (9%), accommodation services (7%), 'games of chance' (7%) and 'personal grooming' (6%).
- Scope for introducing new gym/health and fitness formats and other commercial leisure uses was also highlighted. The latest leisure spend figures and forecasts sourced from Experian take account of the impact of the pandemic in 2020 and show a +£385m (+24%) growth in spend between 2019 and 2038 in the Study Area (Zones 1-11), from £1.6bn to almost £2bn.
- Reviewing the theatre's current location, size, capacity and offer. For example, there could be potential to provide a new replacement library, theatre and multi-purpose venue in the heart of the town centre, subject to viability and the availability of suitable sites. In our judgement a more central location would also generate significant positive benefits for Camberley's overall vitality and viability.
- Art, culture and heritage assets can also make a significant contribution to the overall vitality and viability of centres, and to local economies. For example, trips to theatres, galleries and museums represented the fourth most popular leisure activity in the wider Study Area.

Together, all these leisure, art and cultural uses will help to diversify and strengthen Camberley's attraction, increase its resilience to impacts from dynamic market trends, and boost its daytime, evening and night-time economy.

Source: Town Centre Uses & Future Directions Study: Part 2; Lambert Smith Hampton

A natural grouping of civic and cultural uses has evolved to the east of the town centre. The character of Knoll Road and the cultural and civic quarter is quite different from the rest of the town. Free standing statement buildings sit within relatively green landscaped areas set back from the road.

The vision is to build on this character and enhance the cultural/civic offer with new development and enhanced linkage. The main interventions in this opportunity area will be to improve the physical pedestrian connections to the town centre and the overall quality of the public realm.

The emphasis will be more on public realm schemes as opposed to major development. Development opportunities may arise at the existing Camberley Library site and the sites currently occupied by Surrey Police and Portesbery School.

Together, these sites offer a significant opportunity to reconfigure the eastern edge of the town centre by enhancing Camberley Park and providing high quality new family housing adjacent to the town centre. Further work will be undertaken with Surrey County Council regarding the master planning of this area.

Source: Town Centre Masterplan 2015

## **12. Business Support**

### **12.1 Overview**

Surrey Heath has access to some excellent business support resources such as the Surrey Chamber of Commerce and the business engagement functions of the Business Improvement District. The scope of these activities are described below including findings from interviews with Collectively Camberley and Surrey Chambers.

In addition, there is a need for a coherent business support strategy that will address the following needs.

- Borough-wide Business Engagement
- Improving Productivity and Business Performance
- Skills Needs Analysis
- Successful Business Start and Early Stage Survival
- Economic Vibrancy of Other Urban Centres and Rural Areas
- Retaining Strategically Important Businesses and Capturing Expansions
- Inward Investment Facilitation

These are reviewed further at the end of this section.

### **12.2 Collectively Camberley: Business Improvement District**

The geographical scope of the Business Improvement District is approximately equivalent to the designated area of the Town Centre Area Action Plan. There are 400 participating businesses. The BID team comprises 2 officers reporting to a board made-up of local businesses. The main vision centres around the renewal following covid and attracting businesses, visitors and spending. The website is titled Love Camberley.

Adopted objectives are:

- Keeping It Vibrant
- Keeping It Safe And Welcoming
- Keeping It Together

Objective 1: Keeping It Vibrant

- A number of events are organised each year mainly in the High Street, Park Street, the Obelisk area and Princess way. These have included an Armed Forces Day; markets and a beach party on the street; a Christmas lights switch on and much to support cultural activity - during the pandemic a pop up theatre was set up in the shopping centre. Several smaller seasonal events are arranged such as the Easter Halloween and Christmas reindeer hunts. These are good for moving footfall across the town centre.
- There is a monthly farmers market on Park Street arranged by Surrey Markets and there are proposals to test out the concept of a vegan market.
- The Business Improvement District also runs a gift card campaign and measures to support the night economy.

### Objective 2: Keeping It Safe And Welcoming

- A current initiative is on drink spiking awareness and preventative action. All night time economy venues have signed up to this.
- There is a town centre radio scheme against crime through which businesses can share information and contact local police on duty.
- A pub watch scheme enables photos of people banned from the town to be shared.
- Two defibrillators have been installed.
- Training is also provided on first aid, dementia & sign language.
- There is a hanging basket scheme and a bauble chair.

### Objective 3: Keeping It Together

- This concerns relationships amongst businesses and with neighbouring activities.
- Businesses are brought together at six monthly events. An annual town centre business award scheme takes place with awards being based on public polling.
- Activities related to Covid recovery are also promoted.
- This objective also encompasses coordinating business support provision where necessary.

The BID team have the following views on the priorities for investment and development in the town centre.

- Getting the go ahead for redevelopment of the London Road Block.

- Completing the regeneration of the last section of the High Street.
- Many local participating businesses support the idea of improving rail services to Waterloo, but were this go ahead, this station and gateway areas will need smartening and more welcoming.
- Use of vacant units, for pop up activities of benefit to the community and promoting shop front improvements. This is an important initiative because vacant shops are detrimental to neighbouring units.
- A current priority has been managing the operations of this is like Uber and Deliveroo and finding an area where delivery drivers can wait say that they on hand to make pickups from the food outlets.
- Once this issue is resolved, issues such as last mile delivery can be examined.

The BID has the annual business survey and its mailing list as suitable platforms for marshalling support for key initiatives and programmes.

The Business Improvement District officers have found that many early stage businesses are in need of basic business support in the form of business planning, marketing and financial strategies and this is an area that still needs to be tackled. Other support includes the need to show them how to undertake deliveries.

The Business Improvement District is also concerned with basic issues such as the upkeep of the town, getting street furniture and planting maintained, which is the County Council's responsibility.

On issues such as walking and cycling infrastructure, a unit in Prince's Way is used for a bike store and there is a love my bike campaign. This is an area on which the Square should be involved.

As regards the economic development strategy, the Business Improvement District is focusing on solving the smaller problems rather than operating at strategic level. Close communication is needed with the council to ensure that there is no duplication and that complementary actions are identified. There is therefore a need to be regularly consulted so that all parties observe the same goals.

There is also need for initiatives started to be brought to fruition as it is important for initiatives not to lapse and for letting people to know the outcome.

More information is available on [www.collectivelycamberley.co.uk](http://www.collectivelycamberley.co.uk)



## **12.3 Surrey Chambers of Commerce**

### **Support Offered and Means of Client Engagement**

The Chamber claims to offer an ‘eclectic mix of support’, based on current opportunities and business needs. This includes:

- Information and signposting, with Business Advisers on hand if needed.
- A Start Up Academy, supported by Surrey Heath Borough Council, where various experts are available to offer support.
- Working closely with the ‘Log in Lounge’, (<https://loginbusinesslounge.spaces.nexodus.com>), set up by a Chambers member which is a place in Camberley where businesses can come and work.
- It also runs the Local Skills Implementation Plan (L-SIP); a national scheme to identify skills shortages; it has the contract for Surrey Heath and North and mid Hampshire.
- Business promotion is also an important part of the remit; achieved through magazines, social media, website, newsletters.

The Chambers operates via a membership scheme and ensures the team is ‘out and about’ as much as possible to promote the benefits to potential clients. In terms of encouraging businesses to sign up, the following comment is made:

*“We tried telesales calls but people need a reason to join us, which often becomes apparent after they have attended an event and they can see there is something in it for them. Businesses can be hard to engage as it takes them time to see the benefit, so you have to find something of use for them. During Covid we interacted with a lot more businesses, generally because they had questions they wanted answered’.*

### **Business Support Which Works Well and What Could Be Improved**

Previously there were Business clinics in Surrey Heath and these were considered useful. On the whole, people want to talk to someone, not to be sent away to look something up. Admittedly, this may change with the younger generation, but until it does, *“businesses generally want more hand holding and help to find out what they don't know, or even what they don't know they don't know!”*

It is considered that a menu of support should be made available to businesses, some of it delivered in a 121 setting if required. There are areas where many struggle, for example, cyber security, managing the workforce remotely, finding funding for the next stage etc. Having easier access to that knowledge and information would be invaluable. The council is urged not to try and start something themselves in this regard, however; rather to use what is already there and support it, look in advance at what is needed and plan it collaboratively with relevant partners. It is suggested that business support provision could be best offered through a consortium approach. For example, create a small group of interested parties, such as the Surrey Chambers, members of the Economic Development team at Surrey Heath Borough Council, a local bank and accountancy firm, and involve all parties in designing a plan

for business support, including roles and responsibilities. For example, the Chambers could run events, the bank would provide financial guidance, etc.

#### **Engaging Hard to Reach and Under-represented Businesses**

In short, this is simply about resources and marketing, and the need to get out to where these businesses are. If they are rural - go to speak to them; who are they and what do they need? The Chambers makes the comment that Surrey Heath Borough Council is already quite good at doing this.

#### **How To Measure Success In Business Support**

The advice is to keep it simple and build it into the plan for all events and activities. It is best to ask the same few key questions and persuade businesses to respond, partly by making sure they can see why they are being asked and how it feeds into the process and overall plan; ensure it does not look like a box ticking exercise.

#### **Priorities For Skills Development**

It is important to get the message out there that there is support available, and for there to be less mixed messages or stereotypes about certain training schemes, such as Apprenticeships. Often the assumption is that they are aimed solely at youngsters at the start of their career, but there are many levels and they can be really useful at a later stage of someone's career too. It would help to ask businesses what skills needs they have and then make them aware of what is available, and that some of it is free of charge.

#### **Emerging Opportunities In Surrey Heath**

There are a couple of industrial estates in the area, are there any large companies where there is the potential for tapping into their supply chain? For example, Amazon Filters is a successful manufacturing firm in Camberley; it would be interesting to talk to them and find out whether other businesses could link into them.

The Log in Lounge is proving to be a really successful co working space; are there other opportunities for similar set-ups? As a place to deliver business support it is ideal as brings a captive audience.

#### **Collectively Camberley's Vision for Surrey Heath**

Surrey Heath needs to be seen as a 'business friendly area'; a place where people want to do business, and the planning agenda needs to be brought into this to ensure it happens.

Action needs to be taken to make high quality businesses come to the borough; for example, use the Invest in Surrey website and create a picture and a persuasive message as to why businesses should come to the area.

Also, public transport needs an overhaul; the fact there is not a direct rail connection to London is a huge downside, however given there is probably not much that the council can do about that, it is felt that the A30 could be smartened up at least.

Whilst the centre of Camberley is reasonable, outlying parts of town are considered to require some attention. Look at Woking as a good example of what needs to be done - focus on retail, restaurants, hotels as it will make businesses more likely to want to locate here.

#### **12.4 The Log in Lounge**

This is a workspace development which time runs performing arts events in the evenings such as comedy clubs or jazz brunches stop it includes meeting areas, hope this key end tables and benches. It is having to put one more fence tickets the necessary foot folding come. A workspace facility which set up in the shopping centre but is not very private. The level of demand for shared workspace is not clear.

#### **12.5 The Enterprise M3 Growth Hub**

The Enterprise M3 Growth Hub provides free, expert advice and a resource network for new and existing businesses including signposting to a range of business services, information on starting and growing business and access to a Business Support Helpline.

This includes:

- Dedicated Growth Champions who focus on supporting individual business's growth plans
- Bespoke growth plans developed with businesses based on their unique requirements and circumstances
- A trusted expert services network; the introduction of experts with a proven track record of delivering growth results with clients
- A wide variety of expertise including: developing new markets; finding finance; innovation; product development and developing staff
- Impact assessment; growth results really matter to businesses and to the local economy, so we are with businesses every step of the way to track progress.

#### **12.6 Developing a Coherent Business Support Strategy**

The above services are valuable and commendable initiatives, but there is a need to ensure that there is a comprehensive and coherent business support strategy that will address all of the following needs at the required level of breadth and depth.

##### **Borough-wide Business Engagement**

If businesses are to be supported they first need to be engaged and their needs assessed and professionally diagnosed followed by referral to the appropriate sources of support. The

Business Improvement District plays a key role in engaging businesses in the town centre of Camberley, but it is uncertain to what extent this function is being fulfilled throughout the outlying business parks and amongst the rural areas.

#### **Successful Business Start and Early Stage Survival**

Surrey chambers is providing a start-up business support service, but evidence from the Business Improvement District indicates that there are many early stage businesses that require better understanding of business planning and how to formulate appropriate strategies. Clarity is needed as to what more needs to be done to fill gaps in this area.

#### **Improving Productivity and Business Performance**

Productivity, defined as the relationship between inputs and outputs is a key determinant of successful economic growth and performance in both a local and national context.

Surrey Heath's GVA per head, a key indicator of local productivity is relatively high and though lower than that for Guildford, Runnymede, and Windsor and Maidenhead is higher than all other immediately surrounding districts.

However, productivity has remained sluggish in the British economy since the 2008 global economic crisis. This has been partly explained by the tendency of many of the UK's industries to hire in immigrant labour, predominantly from Europe until the Brexit agreement.

This has been exacerbated by the fact that since the Covid pandemic, since which the UK workforce has shrunk by 20%, with economic inactivity increasing due to the decision to retire early among 50-64 year olds, the exodus of EU migrant workers who left the UK and whom normally filled lower paid roles and the ageing population factor. These patterns have been a major cause of labour shortages throughout the UK economy, stifling economic growth. This requires businesses to achieve more with less.

Large corporations have tended to be able to cope with these constraints by having the resources and expertise to find alternative solutions to labour shortages including moving operations to other locations if necessary.

It is the small and medium sized businesses, most of which do not have the expertise and resources to follow suit that tend to struggle as a result of these constraints. If focused support oriented to productivity growth can be marshalled to these businesses, a major boost to local productivity could be achieved.

- Introduction automation into business processes, for example greater use of online order taking in restaurants, self-service hospitality and AI applications in all aspects of business administration.
- Greater use of online platforms for marketing, enabling market reach to be extended and of video meetings reducing the need to travel and thereby management time

- Wider and deeper business collaboration to find added value or money saving innovations and solutions. There is under-exploited scope for collaboration between young nimble SMEs and large corporations less able to adapt to change.
- Enhanced management competences, better equipped to understand the solutions to productivity growth available and how to apply them.
- Resource efficiency, particularly in the context of climate change where approaches to net zero can bring about major cost savings.
- Enhanced workforce skills to boost technical competence and value of output.
- High internet speeds and capacity.

These are not improvements that can be brought about by a one size fits all approach. What is required is a more intensely resourced business engagement operation that can diagnose and deliver customised solutions in a situation specific context that go beyond the traditional business support roles of business planning, marketing and finance.

#### Skills Needs Analysis

Workforce skills are key to increasing productivity, which has plateaued. Meanwhile digital advances are expected to make some occupations obsolete and people in middle skill roles are more at risk of longer-term unemployment and need to upskill. Digital skills are in short supply, skills gaps are holding back innovation and clean growth ambitions and there are shortages of care workers, teaching staff and nursing. Surrey Heath now has a large number of Ukrainian refugees who need to become self-sufficient but who could help with labour supply if suitably skilled up. Employers are now more amenable to engaging in training up their workforces than before.

These aims are supported within Surrey's Economic Future's priority for Maximising Opportunities Within a Balanced, Inclusive Economy, which calls for better aligning of skills demand and supply. Identified skills priorities for the Enterprise M3 area are high level digital skills for workers in specialist roles; supporting retrofitting activity to decarbonise homes and buildings; and technical jobs in low carbon sectors. (Source: Enterprise M3 Skills Action Plan 2022).

Higher numbers of SMEs need to be engaged and supported in identifying solutions to meet growth needs and productivity growth through development of their workforces, then to be connected to sources of high-quality skills provision leading to measurable impacts on business productivity. In parallel, barriers to less advantaged residents in accessing employment need to be removed.

What is needed is a targeted workforce development engagement and advisory resource to engage with SMEs, help them plan for adaptation, growth and increased productivity,

diagnose skills gaps, identify and deliver solutions to short and long-term performance improvement.

Parallel measures will be to find solutions to workforce barriers, acquiring skills and accessing jobs and working with County and other regional partners to understand sector-based skills needs and gaps, for example in clean growth and digital technologies and to develop strategies and solutions to address them.

#### **Economic Vibrancy of Other Urban Centres and Rural Areas**

Large job losses have taken place in professional scientific and business administration businesses formerly based in the rural areas. Several businesses in retail and accommodation and food services have closed or been subject to significant job losses.

The last Enterprise M3 strategic economic plan advocated rural areas benefitting from high-speed broadband and mobile connectivity, smart mobility, affordable housing and flexible workspaces better distributed across the area to enable more people to work closer to home.

If the rural areas are to be assisted, in realising these aims, an effective business engagement, support and coordination resource needs to be put in place to:

- Help secure gigabit capability connections to hard-to-reach rural premises where possible.
- Diagnose business support needs and refer in appropriate provision.
- Promote sustainable measures to boost rural visitors and spending such as on rural arts, recreation, staycations and food services where this can help sustain key retail and other community support businesses.
- Promote the upgrading and revitalisation of the rural commercial buildings to enhance provision of shared and drop in workspace and to encourage investment.

#### **Retaining Strategically Important Businesses and Capturing Expansions**

Amongst its specialist clusters, Surrey Heath has lost most of its aircraft and pharmaceutical manufacturing employment and a large amount of engineering technical services jobs in the past five years. Nevertheless, substantial strengths in engine manufacturing, biotech R&D and software development remain. To keep it that way, stronger capacity for the retention of Surrey Heath's key businesses and capturing of their expansion prospects is needed by way of regular visits and relationship building with valued local companies coupled with expert support and solutions to their changing operational needs expansion and adaptation requirements to avert outward relocations.

#### **Inward Investment Facilitation**

Marked job losses across in some of the frontier sectors most significant for the economy in the wider area have been reported by Enterprise M3. They have prioritised the attraction of

scale-ups and innovation-led, high productivity sectors to the area. In parallel, Surrey County Council's Growing Surrey's Leading-Edge strategic objective focuses on inward investment and innovation. Invest in Surrey was launched in the early part of 2022; this requires the boroughs and districts to have effective capacity and mechanisms in place to respond to and help convert investment prospects generated.

In response, Surrey Heath needs to develop a clearly defined investment offer, including tailored offers for target sectors to be communicated to Invest in Surrey and other referral agents. A strong inward investment facilitation capability for responding promptly to enquiries generated, managing prospects to successful conversion and in embedding newly established operations within Surrey Heath will need to be put in place.

### 13. Health and Wellbeing

Though not a core function of economic development, health and well-being is relevant to achieving high economic performance due to maintaining a fit, capable and productive workforce, assuring adequate staffing of the health services and that the impact of finite resources is maximised in the face of an ageing population and increasing demand for health and social care.

The borough council's well-being strategy explains that, together with improving emotional wellbeing and mental health, there is a key opportunity to improve health and wellbeing by targeting these behaviours related to the top 5 risk factors of tobacco smoking, raised blood pressure, obesity, physical inactivity and alcohol through a prevention strategy.

A number of related issues necessitate multi-agency approach.

- There are many inequalities within the borough including a 10 year gap in life expectancy between some wards. Much can be done to shift from hospital visits to preventative measures.
- The local hospital in Frimley Park now employing some 6000 people and services covers an area up to the approaches to Guildford, Woking, Basingstoke and Slough. The hospital needs redevelopment.
- Demand is always increasing for health services because there is an ageing population creating an ever larger need for doctors and nurses so concentrating on prevention is key.

In order to address these issues and to raise local health levels in the local community, the local NHS has placed a secondee into Surrey Heath Borough Council with a view to tackling a series of complex issues related to the health of the local community and taking for a number of key roles.

- Getting community members to become more active and to adopt healthy lifestyles as opposed to unhealthy practises such as alcohol and taking drugs.



- Making the borough attractive for people to live and therefore work to address the many vacancies in low paid jobs In health related services Since health and social care are big employers within the area. This involves a wide agenda ranging across affordable housing access to green spaces leisure facilities and good transport end ensuring that employers support the well-being of those employed.
- Ensuring that young people could get into and stay in work, particularly if they originate from deprived areas. This embraces the creation of apprenticeships, internships and measures such as the workshop, a unit in the mall where young people can go to get advice on routes into work, access further and higher education courses and receive help on mental health.
- The Covid vaccination centre in Camberley mall worked well and one of the aims is to see how it might be possible to maintain an extent this type of approach. This is partly because in equality's exist in accessing the services and a further key role is therefore in ensuring that the health services estate is in good condition.
- A further aim is to try to take health standards upstream by way of encouraging good exercise diet and mental health.

The NHS is working with the University of Surrey on dementia and looking at applications for self-care for families. This advice is on RAG system providing guidance from staying at home to making a visit to A&E. apps are being developed for muscular skeletal issues and other medical conditions. Many appointments are now undertaken on line but there is still need for physical tests. Some of these can be provided by way of wearable devices. The use of remote monitoring at care homes and more use of paramedics is also advocated.

GP practices are now employing more people such as health and well-being coaches, people who help with social isolation and various other roles for people with different backgrounds.

The borough council's physical activity strategy sets out four priorities.

#### Priority 1: Recover and Reinvent

In addition to helping our clubs and community organisations get back on their feet, we will capitalise on the break in usual service caused by the pandemic as an opportunity to reflect on what we provide, how we provide it, and whether work can be delivered in a more efficient or modern way. The principle of recover and reinvent will be woven throughout the other themes of work.

#### Priority 2: Connecting Communities

By bringing together people from a range of backgrounds, physical activity has the ability to reduce social isolation, build a sense of pride and belonging, and create better places for our residents to live. Rather than simply dictate provision using a top-down approach, we need to make sure our actions are in collaboration with the people from our local communities and the organisations trusted by them.

#### Priority 3: Making Activity Accessible



If we want to share the benefits of physical activity with all residents, we need to make it fully “accessible” in its broadest sense, so it is inclusive for all. Accessibility is about more than just access for someone with a wheelchair – it’s about making everyone feel comfortable and that being active is for them. In order to provide equity of opportunities, we’ll be doing some targeted work and devoting resources to those who need the most support. We want to particularly engage underrepresented groups including people with disabilities and long term health conditions, women and girls, older people, residents from minority ethnic groups and residents who may find cost a barrier to activity. In addition to this targeted approach, we’ll still be providing some universal support that can be accessed by everyone, everywhere.

#### Priority 4: Stronger Connections with Health and Wellbeing

By strengthening the connections between movement, physical activity and wider health and wellbeing, we can help more Surrey Heath residents to enjoy the benefits of an active life. Despite life expectancy increasing over the last 20 years, people are spending more time in poorer health while the complexity and severity of health needs is also increasing for some groups. Many organisations are working to improve health and wellbeing, including colleagues in the NHS, the community sector, employers and the commercial health and wellbeing sector. We want to continue building on the great work that has taken place previously and strengthen the connection and collaboration between partners in the system so that more people can be signposted towards activity that works for them.

## **14. Deprivation**

### **Identified Pockets of Deprivation**

The two wards in Surrey Heath with the highest scores of deprivation are Old Dean and Saint Michaels. Of these Old Dean ranks the 4th most deprived in Surrey and Saint Michaels, 36. The two wards showing the next highest scores of deprivation are Town (Camberley) and Watchetts, but these indicate much less severe deprivation ranking in Surrey at 58 and 54 respectively.

The comparative labour market indicators for Old Dean show a slightly lower rate of economic activity and employment and self-employment rate and a higher unemployment rate compared with the borough average (9.5% versus 4.4%).

Economic inactivity rates are 19.3% versus 17.4% for the borough. It is noticeable that there are less retired people but a number of students is comparable to the borough average. What is notable is the significantly higher portion of people having caring responsibilities for families or for the sick and disabled.

For the other three wards, the economic activity rates are more closely comparable to the borough average except that rates of self-employment are consistently lower and unemployment rates higher. The proportion of students is comparable but again there is a notable difference in the proportion of people with caring responsibilities.

# Surrey Heath Economic Development Strategy Review 2022-3

## Evidence Base

Deprivation Indicators	Old Dean	St. Michaels	Town (Camberley)	Watchetts	
<u>Index of Multiple Deprivation (IMD)</u>					
Average score	22.19	14.88	12.00	12.37	
Rank in Surrey (where 1 is most deprived)	4	36	58	54	
<u>Income deprivation</u>					
Average score (rate)	0.16	0.09	0.07	0.09	
Rank in Surrey (where 1 is most deprived)	1	25	45	31	
<u>Income Deprivation Affecting Children (IDACI)</u>					
Average score (rate)	0.23	0.14	0.09	0.11	
Rank in Surrey (where 1 is most deprived)	1	24	64	40	
<u>Income Deprivation Affecting Older People (IDAOPI)</u>					
Average score (rate)	0.22	0.13	0.08	0.11	
Rank in Surrey (where 1 is most deprived)	1	11	63	26	
Labour Market Indicators	Old Dean	St. Michaels	Town (Camberley)	Watchetts	Surrey Heath
	%	%	%	%	%
Economically Active	80.7	82.9	81.7	81.7	82.6
In Employment	73.1	78.3	77.4	76.8	79
Employees	64.3	66.8	66.9	64.6	66.5
Self Employed	8.7	11.5	10.5	12.2	12.5
Unemployed	9.5	5.6	5.3	6	4.4
Economically Inactive	19.3	17.1	18.3	18.3	17.4
Retired	1.8	2.6	4.1	4.2	4.7
Student	3.9	3.4	4.1	4.3	4
Looking After Home or Family	7.3	5.6	5.9	4.6	4.9
Long-Term Sick or Disabled	3.7	3.6	2.6	2.9	1.8

It should be noted that areas showing high levels of deprivation may also include high numbers of more affluent people and That relatively affluent wards may also include pockets of deprivation.

### Supporting People in the Most Deprived Areas

The causes of deprivation on minion complex as are they available solutions for addressing them. Addressing them involves wide range of interventions from and agencies amongst the public and voluntary sectors.

These could include:

- Concerted community engagement to improve networks and participation, coupled with systematic assessment, counselling, signposting and support for socially isolated and vulnerable people. This enables support measures with the required impact to be prioritised.

- **Poverty Alleviation.** For those individuals and families experiencing severe poverty raising awareness of in-work support and provide basic support to meet immediate needs such as food banks.
- **Support to Carers.** Improved childcare and increased targeting of health services in deprived areas, in view of the higher proportion of adults with family caring responsibilities.
- **Intensified targeting of support for those suffering from poor mental health conditions.**
- **Promoting Higher Rates of Activity.** 22% of Old Dean residents rank as inactive compared to 17% in Bisley and St Pauls.
- **Engagement and Aspiration Raising.** These can encompass, focused initiatives in schools to encourage positive peer cultures; promoting participation in culture and sport; providing opportunities for volunteering; strengthening community networks and relationships between people; and other measures for building self-esteem, confidence and skills.
- **Skills and Employment Support.** Intensified and targeted support particularly for the most disadvantaged. Focus on basic skills and adult education plus identification of progression routes and support to self-advancement.
- **Transport.** Improve mobility and access to transport, based on more concerted accessibility planning and innovative solutions to transport problems. Transport from the villages has been identified as a significant barrier to accessing employment and health services, as became apparent from the Covid vaccination programme. Possible solutions could include improved cycle routes, dial a ride services or pilot schemes for mini bus services. Pilot Hoppa style schemes have potential to prove demand for regularly instituted services from commercial providers.
- **Coordination.** Increased coverage of joined-up neighbourhood management.

## Appendix 1

### Comparison of Surrey Heath's Economic Profile with Surrounding Districts

Set out below is comparative economic data on Surrey Heath and the surrounding districts of Bracknell Forest, Guildford, Hart, Runnymede, Rushmoor, Windsor and Maidenhead and Woking .

#### 1.1 Changes to Business Units by Sector

Between 2017 and 2022, Surrey Heath and most surrounding districts have seen quite significant losses of business units in professional, scientific and technical services but gains in manufacturing, construction, retail and business administration services. For other sectors the pattern is mixed across the districts.

#### 1.2 Births and Deaths of Surrey Heath Enterprises 2016 to 2021

Between 2016 and 2018, Surrey Heath's business stock was either increasing or stable whereas since 2019 it has been reducing in net terms and its rate of business creation has continually slowed since 2016. All surrounding districts except Woking and Rushmoor have seen net reductions in numbers of business units in 2020 and with net reductions in all apart from Guildford in 2021.

# Surrey Heath Economic Development Strategy Review 2022-3

## Evidence Base

### 1.1 Enterprises by Sector 2017 – 2022

Sector	Surrey Heath		Bracknell Forest		Guildford		Hart		Runnymede		Rushmoor		Windsor and Maidenhead		Woking	
	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22	No.	Changes 2017-22
	2022		2022		2022		2022		2022		2022		2022		2022	
1 : Agriculture, forestry & fishing	40	-5	45	5	120	-10	90	-5	40	0	15	5	80	0	25	0
2 : Mining, quarrying & utilities	15	0	20	10	50	5	10	-5	15	0	15	-5	45	5	5	0
3 : Manufacturing *	180	-15	165	5	230	-5	175	-20	170	-25	170	-15	335	5	205	5
4 : Construction	600	30	800	145	925	25	660	85	680	105	565	75	905	90	545	80
5 : Motor trades	135	-10	140	25	165	-5	150	-5	165	15	115	0	195	0	120	-5
6 : Wholesale	155	-5	175	-5	245	-20	130	-35	190	-25	115	0	400	5	165	-10
7 : Retail	260	5	250	20	375	0	235	20	245	40	225	0	615	110	325	75
8 : Transport & storage (inc postal)	135	25	165	30	150	35	105	10	210	50	145	20	250	30	145	30
9 : Accommodation & food services	200	-5	145	10	270	30	170	-5	195	30	180	20	410	55	215	15
10 : Information & communication	510	-115	615	-180	860	-95	575	-220	450	-95	370	-85	1,200	-165	635	-265
11 : Financial & insurance	90	-5	105	5	185	15	90	20	80	5	65	5	190	10	90	-20
12 : Property	165	35	105	20	305	35	170	30	185	20	90	5	385	70	150	10
13 : Professional, scientific & technical	945	-170	830	-195	1,740	-200	1,065	-185	760	-70	510	-125	2,215	-285	1,190	-130
14 : Business administration & support	460	20	490	-15	710	35	435	35	455	45	320	-20	925	-10	470	25
15 : Public administration & defence	5	0	5	0	20	0	20	0	0	0	5	0	15	0	0	0
16 : Education	85	-5	100	5	155	5	80	-10	80	5	50	-10	195	10	80	-5
17 : Health	155	-30	150	-30	265	-20	155	0	155	-5	110	-10	380	15	175	-25
18 : Arts, entertainment, recreation etc.	320	-10	265	-10	475	-35	310	5	280	0	195	15	635	30	320	-5
<b>Column Total</b>	<b>4,460</b>	<b>-250</b>	<b>4,565</b>	<b>-155</b>	<b>7,245</b>	<b>-195</b>	<b>4,625</b>	<b>-280</b>	<b>4,365</b>	<b>100</b>	<b>3,265</b>	<b>-105</b>	<b>9,375</b>	<b>-20</b>	<b>4,870</b>	<b>-220</b>

\*See Annexe A B for further breakdown

**Source: UK Business Counts – Enterprises** Note: All figures are rounded ONS to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.



	2016	2017	2018	2019	2020	2021
<b>Surrey Heath</b>						
Births of New Enterprises	565	530	510	490	445	465
Deaths of Enterprises	480	530	485	495	470	520
Births less Deaths	85	0	25	-5	-25	-55
<b>Bracknell Forest</b>						
Births of New Enterprises	695	625	570	605	500	535
Deaths of Enterprises	455	575	550	500	505	555
Births less Deaths	240	50	20	105	-5	-20
<b>Guildford</b>						
Births of New Enterprises	945	840	730	820	650	775
Deaths of Enterprises	715	765	675	760	705	770
Births less Deaths	230	75	55	60	-55	5
<b>Hart</b>						
Births of New Enterprises	585	550	505	545	430	435
Deaths of Enterprises	520	535	485	500	500	595
Births less Deaths	65	15	20	45	-70	-160
<b>Runnymede</b>						
Births of New Enterprises	585	670	515	540	450	515
Deaths of Enterprises	420	480	445	445	460	540
Births less Deaths	165	190	70	95	-10	-25
<b>Rushmoor</b>						
Births of New Enterprises	500	400	380	490	430	400
Deaths of Enterprises	330	395	325	395	390	455
Births less Deaths	170	5	55	95	40	-55
<b>Windsor and Maidenhead</b>						
Births of New Enterprises	1,255	1,200	1,150	1,140	985	1055
Deaths of Enterprises	950	1,060	1,010	1,030	1,040	1115
Births less Deaths	305	140	140	110	-55	-60
<b>Woking</b>						
Births of New Enterprises	795	665	640	735	710	595
Deaths of Enterprises	540	630	610	600	635	810
Births less Deaths	255	35	30	135	75	-215

### 1.3 Business Survival Rates

Outside of Guildford, Surrey Heath has had the highest five year business survival rate compared to its surrounding district with a rate of 46%.

	<b>2016 Births</b>	<b>1-year survival</b>	<b>1-year per cent</b>	<b>2-year per cent</b>	<b>3-year per cent</b>	<b>4-year per cent</b>	<b>5-year per cent</b>
<b>Surrey Heath</b>	565	545	96.5	77.9	63.7	54.0	46.0
<b>Bracknell Forest</b>	695	675	97.1	78.4	57.6	48.2	40.3
<b>Guildford</b>	945	915	96.8	78.8	63.5	54.0	47.6
<b>Hart</b>	585	560	95.7	76.1	59.8	50.4	41.9
<b>Runnymede</b>	585	555	94.9	71.8	55.6	47.9	41.9
<b>Rushmoor</b>	500	475	95.0	76.0	60.0	51.0	44.0
<b>Windsor and Maidenhead</b>	1,255	1,190	94.8	75.7	60.6	50.6	42.2
<b>Woking</b>	795	760	95.6	76.1	59.1	49.1	39.6
<b>South East</b>	<b>53,875</b>	<b>51,200</b>	<b>95.0</b>	<b>75.5</b>	<b>60.0</b>	<b>50.5</b>	<b>43.2</b>

Source: ONS Business Demography Survival Of Newly Born Enterprises District, Counties And Unitary Authorities Within Region And Country By Births Of Units In 2016 And Their Survival

## **2. Employment**

### **2.1 Employment by Industry Sector, 2021 and Change 2016-21**

Surrey Heath has gained 2550 jobs between 2016 and 2021. Significant losses have been experienced in accommodation and food services (1500), Information and communications (500), professional scientific and technical (1000), education (500) and arts and entertainment (250).

Against this, there have been Increases of 500 manufacturing jobs, 1500 construction jobs, 500 retail jobs, 1000 transport and storage jobs, 250 finance and insurance jobs and 2000 additional jobs in the health sector.

In contrast, surrounding districts have seen significant net reductions during this period, except for Guildford which has had no net change.

# Surrey Heath Economic Development Strategy Review 2022-3

## Evidence Base

<b>Employment by Industry Sector, 2021 and Change 2016-21</b>																
	<b>Surrey Heath</b>		<b>Bracknell Forest</b>		<b>Guildford</b>		<b>Hart</b>		<b>Runnymede</b>		<b>Rushmoor</b>		<b>Windsor and Maidenhead</b>		<b>Woking</b>	
<b>Industry</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>	<b>2021</b>	<b>Change 2016-21</b>
Agriculture, forestry & fishing	45	0	50	0	300	100	125	-25	75	0	75	75	125	0	75	60
Mining, quarrying & utilities	400	150	250	100	600	-100	1,000	750	600	-5,400	1,250	800	1,750	750	175	125
Manufacturing	3,500	500	1,750	250	4,000	-500	1,250	-750	1,500	250	2,500	-500	2,000	-1,000	4,000	0
Construction	3,500	1,500	2,250	250	4,000	500	2,250	250	3,000	500	2,000	250	5,000	-1,000	2,250	0
Motor trades	600	-100	1,250	0	1,500	-250	800	0	900	0	1,500	250	900	-100	600	-100
Wholesale	3,000	-500	4,500	-2,500	2,250	-1,750	900	-850	3,000	-1,500	2,250	500	5,000	-2,000	1,250	-500
Retail	4,500	500	5,000	-1,000	7,000	0	3,000	500	2,500	250	4,500	500	6,000	0	4,500	0
Transport & storage (inc postal)	2,250	1,000	900	-1,350	1,750	-750	600	-300	2,000	-250	2,250	500	1,500	-250	1,500	-250
Accommodation & food services	3,000	-1,500	3,000	500	5,000	0	5,000	0	4,000	1,000	3,000	0	7,000	0	4,000	1,000
Information & communication	1,750	-500	8,000	1,000	5,000	500	3,000	-1,000	7,000	1,000	6,000	-1,000	7,000	-2,000	4,500	-500
Financial & insurance	1,250	250	1,500	600	3,500	1,000	600	150	1,750	500	2,000	-500	1,750	500	450	-150
Property	600	0	1,000	-250	1,250	-250	600	-100	800	-200	700	-300	1,750	-250	600	-200
Professional, scientific & technical	6,000	-1,000	9,000	-4,000	10,000	-1,000	3,500	-1,000	7,000	0	7,000	1,000	12,000	1,000	6,000	-1,000
Business administration & support services	8,000	1,000	6,000	0	4,000	-500	3,000	-1,500	4,500	0	4,500	-1,500	6,000	-1,000	3,500	-500
Public administration & defence	800	0	600	-400	4,000	0	400	0	700	-550	1,250	0	1,000	-750	1,000	0
Education	2,500	-500	5,000	0	10,000	1,000	3,000	-500	6,000	1,000	3,500	0	7,000	-1,000	3,000	-500
Health	10,000	2,000	6,000	1,000	12,000	3,000	3,000	500	9,000	1,000	3,500	0	8,000	2,000	4,000	-500
Arts, entertainment, recreation & other services	2,250	-250	2,250	-750	4,000	-1,000	1,250	-1,000	3,500	-500	1,500	-250	5,000	-2,000	4,000	0
<b>Column Total</b>	<b>53,945</b>	<b>2,550</b>	<b>58,300</b>	<b>-6,550</b>	<b>80,150</b>	<b>0</b>	<b>33,275</b>	<b>-4,875</b>	<b>57,825</b>	<b>-2,900</b>	<b>49,275</b>	<b>-175</b>	<b>78,775</b>	<b>-7,100</b>	<b>45,400</b>	<b>-3,015</b>

Source: ONS; Business Register and Employment Survey



## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

### 3. Workforce

#### 3.1 Population, 2022

Surrey Heath has a population of 89,000 of which 62% are of working age, similar to the regional and national average.

	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
All People	89,200	124,200	150,400	97,600	90,300	94,00	151,300	100,000		
People Aged 16-64 %	61.7	64.3	65.8	60.1	65.6	64.7	60.9	60.8	61.1	62.4

Source: ONS Population Estimates

#### 3.2 Economic Activity, Surrey Heath, Oct 2021 – Sep 2022

Surrey Heath has a higher rate of economic activity and a higher employment rate than all of its surrounding districts with the exception of Hart. Unemployment at 3.2% is similar to the regional average and below the national average.

	Surrey Heath %	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
	%	%	%	%	%	%	%	%	%	%
Economic activity rate - aged 16-64	82.6	79.7	81.6	89.9	77.3	75.6	83.2	82.0	80.9	78.6
Employment rate - aged 16-64	80.6	77.5	79.4	85.1	74.2	75.0	79.8	78.6	78.2	75.5
% aged 16-64 employees	77.3	69.4	67.1	78.1	70.3	68.3	69.5	74.4	67.7	66
% aged 16-64 self employed	na	8.0	12.3	6.6	Na	Na	10.2	Na	10	9.2
Unemployment rate - aged 16+	3.2	2.9	2.4	2.8	3.6	3.0	3.1	3.0	3.3	3.8

Source: ONS Annual Population Survey

Numbers are for those aged 16 and over, % are for those aged 16-64

#### 3.3 Economic Inactivity (Oct 2021- Sep 2022)

Surrey Heath has a relatively low rate of economic inactivity when compared to the South East and nationally. It is the second lowest amongst the surrounding districts.

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Economically inactive - aged 16-64 %	17.4	20.3	18.4	10.2	22.7	24.4	16.8	18.0	19.1	21.4

Source: ONS Annual Population Survey

### 3.4 Occupational Structure, Surrey Heath Residents, (Jul 2021-Jun 2022)

Surrey Heath has the highest proportion of residents (18.6%) who are in senior managerial occupations, compared with those surrounding districts for which data is available and well above the regional and national average. It also has a relatively higher proportion of those in professional occupations compared with the regional and national average.

	Surrey Heath	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and	Woking	South East	GB
	(No.)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
1 Managers, Directors and Senior Officials	8,400	18.6	14.2	15.6	12.5	Na	Na	18.0	11.7	12.7	10.3
2 Professional Occupations	13,200	29.3	25.5	36.6	34.7	23.0	21.0	34.7	36.1	27.1	25.8
3 Associate Professional & Technical	7,500	16.8	14.4	10.9	9.0	Na	21.8	19.1	27.5	15.8	15.0
4 Administrative & Secretarial	na	na	9.4	11.5	8.1	Na	11.6	8.7	Na	10.1	10.1
5 Skilled Trades Occupations	na	Na	7.2	Na	10.5	Na	Na	5.6	Na	7.9	8.6
6 Caring, Leisure & Other Service Occupations	na	Na	10.4	Na	6.4	Na	Na	3.1	Na	7.7	7.9
7 Sales And Customer Service Occupations	na	Na	6.0	Na	Na	Na	Na	3.4	Na	5.8	6.6
8 Process Plant & Machine Operatives	na	Na	5.2	Na	Na	Na	Na	3.1	Na	4.2	5.7
9 Elementary Occupations	na	na	7.5	Na	11.3	Na	Na	4.1	Na	8.2	9.6

Source: ONS Annual Population Survey

Na Sample size too small for reliable estimate

Numbers and % are for those of 16+; % is a proportion of all persons in employment

### 3.5 Qualification Levels, Surrey Heath Residents, Jan-Dec 2021

Surrey Heath has a higher proportion of graduate level residents than the regional and national average, through this is exceeded by Guildford, Runnymede, Windsor and Maidenhead and Woking.

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

Qualifications (Jan 2018-Dec 2018) (Level)	Surrey Heath	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
	No.	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
NVQ4+	26,100	50.6	39.1	60.8	46.3	56.8	39.8	58.7	59.4	45.2	43.6
NVQ3+	36,200	70.0	58.2	75.2	69.4	65.8	58.7	73.8	75.9	63.8	61.5
NVQ2+	41,000	79.5	82.0	86.5	84.3	80.6	75.1	85.9	87.3	80.7	78.1
NVQ1+	46,400	89.8	90.4	91.8	92.7	89.8	87.6	91.8	97.2	90.4	87.5

**Source: ONS annual population survey**

Numbers and % are for those of aged 16-64; % is a proportion of resident population of area aged 16-64

## 4. Income and Productivity

### 4.1 Average Earnings, 2022

Residents of Surrey Heath earn more on average all of those in all surrounding districts, the South East and nationally. Earnings by place of work are either above or slightly below most of the surrounding districts and are above the regional and national average.

Average Gross Pay, Full Time Workers	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking	South East	GB
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Earnings by Place of Residence	£	£	£	£	£	£	£	£	£	£
Weekly pay - gross	821.4	729.0	815.1	808.4	767.3	666.4	759.1	736.5	685.3	642.2
Earnings by Place of Work										
Weekly pay - gross	738.9	847.0	763.5	732.6	786.3	670.4	734.6	766.6	664.3	642.0

**Source: ONS Annual Survey of Hours and Earnings - resident analysis and workplace analysis**

## 5. Housing Costs

### 5.1 Average Annual of a Home and Price Change 2020-21

Based on the UK House Price Index, house prices are competitive in Surrey Heath when compared with Guildford, Runnymede, Windsor and Maidenhead and Woking. They have seen the second highest increase from 2020 to 2021 amongst the surrounding districts. Achieved prices in Surrey Heath range from an average of £220,000 for a 2 bedroom flat to £600,000 for a 4 bedroom house with an average price of £420-430,000.

## Surrey Heath Economic Development Strategy Review 2022-3 Evidence Base

	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking
Average Price of a Home 2021	£418,252	£350,644	£461,508	£408,075	£441,133	£289,335	£494,994	£454,400
Increase in average house prices 2020 to 2021	9.60%	6.00%	3.30%	-0.10%	5.10%	3.70%	3.60%	10.70%

Source: ONS; UK House Price Index England: August 2021

### 5.2 Achieved House Prices, Surrey Heath Urban Areas, June 2021

	Surrey Heath	Bracknell Forest	Guildford	Hart	Runnymede	Rushmoor	Windsor and Maidenhead	Woking
Detached	£598,077	£789,224	£996,407	£803,090	Na	£1,470,000	£1,078,206	£953,234
Semi Detached	£423,200	£473,566	£549,137	£473,482	Na	Na	£529,279	£503,734
Terraced	£386,659	£379,129	£495,404	£375,439	Na	Na	£431,207	£414,508
Flat	£220,636	£267,828	£298,320	£236,102	Na	na	£302,942	£271,683
<b>All</b>	<b>£430,886</b>	<b>£511,014</b>	<b>£612,621</b>	<b>£519,680</b>	<b>na</b>	<b>£1,470,000</b>	<b>£431,207</b>	<b>£536,240</b>
Source: Rightmove (Source acknowledgement: House price data produced by Land Registry)								

20<sup>th</sup> December 2022

## **Appendix 2**

### **Profile of Surrey Heath's Key Sectors**

#### **1) Overview**

Profiles of the following key sectors are set out below.

- Information and Communications
- Professional Scientific & Technical
- Financial and Other Business Services
- Manufacturing
- Retail and Hospitality
- Transport and storage
- Creative Industries
- Tourism, Culture and Leisure
- Advanced Technologies

#### **2) Information and Communications**

##### **Business Structure**

There 510 businesses within this sector within Surrey Heath, ranging across publishing, film and TV production, broadcasting, telecommunications and computer programming and software activities.

Of these, 450 businesses are of less than 5 employees, 35 have between 5 and 5 employees and 25 have from 10 to 49 employees. There were no businesses listed as having more than 50 employees.

The sector saw an overall decrease of 115 businesses between 2017 and 2022.

The three largest sub-sectors are: computer consultancy activities with 265 businesses, computer programming activities with 70, other information technology and computer service activities with 45 businesses and film and television programme production with 40 businesses. Since 2017, computer consultancy activities have seen a decrease of 105 businesses in Surrey Heath and other information technology and computer service activities have decreased by up to 10 businesses. The number of film and television programme production seen an increase up to 10 businesses.

##### **Employment Patterns**

The sector overall employed 2040 in 2021 but has seen a net loss of 420 jobs since 2016. Most of this is accounted for by 300 job losses in computer consultancy activities and 75 in other information technology and computer service activities

## Surrey Heath Economic Development Strategy Review 2022-3 Evidence Base

Information and Communications Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend							
Employment Size Band	Total Enterprises	0 to 4	5 to 9	Small (10 to 49)	Change No. Enterprises 2017-21	Employment 2021	Employment Change 2016-21
Industry							
Book publishing	0	0	0	0	-5	20	-5
Publishing of directories and mailing lists	0	0	0	0	0	0	0
Publishing of newspapers	0	0	0	0	0	0	0
Publishing of journals and periodicals	0	0	0	0	-5	10	0
Other publishing activities	5	5	0	0	0	5	0
Publishing of computer games	0	0	0	0	0	0	0
Other software publishing	10	10	0	0	5	20	0
Motion picture, video and television programme production activities	40	40	0	0	10	50	0
Motion picture, video and television programme post-production activities	5	5	0	0	0	5	0
Motion picture, video and television programme distribution activities	0	0	0	0	-5	0	-5
Motion picture projection activities	0	0	0	0	0	30	-10
Sound recording and music publishing activities	5	5	0	0	5	5	5
Radio broadcasting	0	0	0	0	0	0	0
Television programming and broadcasting activities	5	5	0	0	5	0	0
Wired telecommunications activities	5	5	0	0	0	0	-10
Wireless telecommunications activities	0	0	0	0	-5	0	-15
Satellite telecommunications activities	0	0	0	0	0	0	0
Other telecommunications activities	15	10	0	5	5	175	25
Computer programming activities	70	55	5	5	-10	300	0
Computer consultancy activities	265	240	15	10	-105	700	-300
Computer facilities management activities	5	5	0	0	0	0	-10
Other information technology and computer service activities	45	35	5	5	-10	225	-75
Data processing, hosting and related activities	10	5	0	0	-5	35	-15
Web portals	10	5	0	0	5	15	15
News agency activities	0	0	0	0	0	0	0
6399 : Other information service activities n.e.c.	15	15	0	0	0	25	-20
Column Total	510	450	35	25	-115	1,620	-420

Source: ONS Business Counts

### 3) Professional, Scientific & Technical Services

#### Business Structure

There are 945 businesses in the professional, scientific, and technical sector in Surrey Heath, but saw a decrease of 170 since 2017. The majority of these businesses are micro sized with 825 having up to four employees and 65 having between five and nine. There are around 40

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businesses which have from 10 to 49 employees, 10 which have between 50-249 and up to 5 with over 250 employees.

The largest sub-sector was listed as those under 'Business and other management consultancy activities' with 405 businesses, albeit a decrease of 120 businesses since 2017. This was followed by 'Engineering activities and related technical consultancy' with 145 businesses, which have decreased by 30 businesses since 2017.

The next highest concentrations are in 'accounting, bookkeeping and auditing activities', and 'other professional, scientific and technical activities', with 95 and 75 businesses, and a decrease of 20 and 15 businesses respectively.

Other notable concentrations are in specialised design activities and advertising agencies, both of which have 40 businesses, although the latter has decreased by 10 since 2017. The number of architectural firms has increased by 10 and activities of head offices, advertising and media services have each increased by up to 5 businesses during the same period.

### Employment Patterns

The sector overall had a net loss of 430 jobs between 2016 and 2021 explained by job losses of 1250 in Business and other management consultancy, 100 in Engineering activities and related technical consultancy, 880 in Research and experimental development on social sciences and humanities, 15 in market research and 25 in Specialised design activities.

However, these were offset by major employment gains in the following sectors.

Legal activities	200
Accounting, bookkeeping and auditing activities; tax consultancy	800
Activities of head offices	500
Public relations and communication activities	10
Research and experimental development on biotechnology	150
Advertising agencies	180

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<b>Professional Scientific &amp; Technical Services Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
6910 : Legal activities	30	15	10	5	0	0	0	400	200
6920 : Accounting, bookkeeping and auditing activities; tax consultancy	95	70	10	10	0	0	-20	1,500	800
7010 : Activities of head offices	10	10	5	0	0	0	5	1,000	500
7021 : Public relations and communication activities	15	15	0	0	0	0	0	40	10
7022 : Business and other management consultancy activities	405	375	15	10	0	0	-120	1,250	-1,250
7111 : Architectural activities	30	30	0	0	0	0	10	75	25
7112 : Engineering activities and related technical consultancy	145	130	10	5	0	0	-30	800	-100
7120 : Technical testing and analysis	5	5	0	0	0	0	0	150	-50
7211 : Research and experimental development on biotechnology	5	0	0	0	0	0	0	200	150
7219 : Other research and experimental development on natural sciences and engineering	10	5	0	0	0	0	0	20	-880
7220 : Research and experimental development on social sciences and humanities	0	0	0	0	0	0	0	0	0
7311 : Advertising agencies	40	30	0	5	0	0	5	225	180
7312 : Media representation	10	10	0	0	0	0	5	20	15
7320 : Market research and public opinion polling	5	5	0	0	0	0	-5	15	-15
7410 : Specialised design activities	40	35	5	0	0	0	-10	100	-25
7420 : Photographic activities	10	10	0	0	0	0	-5	10	0
7430 : Translation and interpretation activities	0	0	0	0	0	0	0	10	10
7490 : Other professional, scientific and technical activities n.e.c.	75	70	5	0	0	0	-15	150	0
7500 : Veterinary activities	10	5	0	5	0	0	0	75	0
<b>Column Total</b>	<b>945</b>	<b>825</b>	<b>65</b>	<b>40</b>	<b>10</b>	<b>5</b>	<b>-170</b>	<b>6,040</b>	<b>-430</b>

### 4) Financial and Other Business Services

Finance and insurance in Surrey Heath comprises 95 businesses, with no net change since 2017. The sector employs 1215 having generated 265 jobs since 2016.

Real estate activities account for 165 businesses, having increased by 35 since 2017 currently employing 615 and with an increase of 40 jobs since 2017. Business administration has 460



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businesses and seen an increase of 1325 jobs since 2017 accounted for by an increase of 2455 jobs in employment activities and of 840 in landscaping, offset by a loss of 1560 security jobs and 285 office administration jobs.

<b>Financial and Other Business Services</b>									
<b>Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
<b>Finance &amp; Insurance</b>									
64 : Financial service activities, except insurance and pension funding	30	25	0	0	0	0	10	445	220
65 : Insurance, reinsurance and pension funding, except compulsory social security	5	5	0	0	0	0	-5	10	-40
66 : Activities auxiliary to financial services and insurance activities	60	45	10	0	0	0	-5	760	85
<b>Total</b>	<b>95</b>	<b>75</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,215</b>	<b>265</b>
<b>Property</b>									
68 : Real estate activities	165	145	15	5	0	0	35	615	40
<b>Business Administration</b>									
77 : Rental and leasing activities	20	15	0	0	0	0	-5	55	-95
78 : Employment activities	95	60	10	15	10	0	30	4,615	2,455
79 : Travel agency, tour operator and other reservation service and related activities	10	5	0	0	0	0	0	75	-30
80 : Security and investigation activities	10	5	0	0	0	0	-15	215	-1,560
81 : Services to buildings and landscape activities	125	90	20	15	0	5	15	2,375	840
82 : Office administrative, office support and other business support activities	200	175	15	10	0	0	-5	780	-285
<b>Total</b>	<b>460</b>	<b>350</b>	<b>45</b>	<b>40</b>	<b>10</b>	<b>5</b>	<b>20</b>	<b>8,115</b>	<b>1,325</b>

### 5) Retail and Hospitality

There are 260 retail businesses of mostly less than 10 employees in Surrey Heath. There has been a net increase of five such businesses since 2017 but with a significant increase of 725 jobs.

There are 10 accommodation and 190 food and beverage businesses with no net change in business number since 2017. Both activities have experienced job losses since 2016 with 260 lost in accommodation and 925 in food and beverage service activities.

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<b>Retail and Hospitality Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
Employment Size Band	Total Enterprises	0 to 4	5 to 9	Small (10 to 49)	Medium- sized (50 to 249)	Large (250+)	Change No. Enterprises 2017-21	Employment 2021	Employment Change 2016-21
<b>Industry</b>									
<b>Retail</b>									
47 : Retail trade, except of motor vehicles and motorcycles	260	195	40	20	0	0	5	4,505	725
<b>Accommodation and Food Services</b>									
55 : Accommodation	10	5	0	0	5	0	0	460	-260
56 : Food and beverage service activities	190	75	45	50	10	10	0	2,650	-925

### 6) Manufacturing

#### Business Structure

There are 180 manufacturing businesses in Surrey Heath, the most prominent of which are in fabricated metal products with 30 businesses, computer, electronic and optical with 20 businesses. This and repair and installation of machinery and equipment, which has 25 businesses, grew businesses since 2016.

#### Employment Patterns

The major employers in the sector are:

	Employment 2021	Employment Change 2016-21
28 : Manufacture of machinery and equipment n.e.c.	1,500	800
31 : Manufacture of furniture	500	100
10 : Manufacture of food products	300	200
27 : Manufacture of electrical equipment	200	150
33 : Repair and installation of machinery and equipment	175	25
30 : Manufacture of other transport equipment	150	-150
25 : Manufacture of fabricated metal products, except machinery and equipment	125	-75
29 : Manufacture of motor vehicles, trailers and semi-trailers	100	60
32 : Other manufacturing	100	-75

Most have seen significant employment gains, particularly Manufacture of machinery and equipment and food products. Against this, since 2016, Surrey Heath has lost 580 jobs in manufacture of basic pharmaceutical products and pharmaceutical preparations, almost wiping out this sector from the local economy. Employment in manufacture of other

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transport equipment has halved to 150 employees and manufacture of rubber and plastic products has shrunk to 35 jobs having lost jobs during the same period.

<b>Manufacturing Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
10 : Manufacture of food products	10	5	0	0	5	0	5	300	200
11 : Manufacture of beverages	0	0	0	0	0	0	-5	10	0
12 : Manufacture of tobacco products	0	0	0	0	0	0	0	0	0
13 : Manufacture of textiles	5	0	0	0	0	0	0	15	5
14 : Manufacture of wearing apparel	0	0	0	0	0	0	0	10	10
15 : Manufacture of leather and related products	0	0	0	0	0	0	0	0	0
16 : Manufacture of wood and of products	10	5	0	0	0	0	5	15	-20
17 : Manufacture of paper and paper products,	0	0	0	0	0	0	-5	10	5
18 : Printing and reproduction of recorded media	15	10	5	0	0	0	-15	50	-50
19 : Manufacture of coke and refined petroleum products	0	0	0	0	0	0	0	0	0
20 : Manufacture of chemicals and chemical products	5	0	0	0	0	0	0	40	-60
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations	0	0	0	0	0	0	0	20	-580
22 : Manufacture of rubber and plastic products	5	5	0	0	0	0	-5	35	-115
23 : Manufacture of other non-metallic mineral products	5	5	0	0	0	0	0	25	15
24 : Manufacture of basic metals	0	0	0	0	0	0	-5	0	-10
25 : Manufacture of fabricated metal products, except machinery and equipment	30	20	10	5	0	0	0	125	-75
26 : Manufacture of computer, electronic and optical products	20	15	5	0	0	0	5	75	25
27 : Manufacture of electrical equipment	5	0	0	0	0	0	0	200	150
28 : Manufacture of machinery and equipment n.e.c.	15	5	5	0	0	0	-5	1,500	800
29 : Manufacture of motor vehicles, trailers and semi-trailers	5	5	0	0	0	0	0	100	60
30 : Manufacture of other transport equipment	0	0	0	0	0	0	0	150	-150
31 : Manufacture of furniture	10	5	0	0	0	0	5	500	100
32 : Other manufacturing	15	10	5	0	0	0	-5	100	-75
33 : Repair and installation of machinery and equipment	25	20	0	0	0	0	5	175	25
<b>Total</b>	<b>180</b>	<b>110</b>	<b>30</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>-20</b>	<b>3455</b>	<b>260</b>

## 7) Distribution, Transport and Storage

### Business Structure

Wholesale distribution accounts for the majority of this activity with some 290 businesses, having seen a small decline of up to 15 businesses since 2017. Land transport and postal services with 65 and 40 businesses have seen increases of 10 and 20 businesses respectively in the past five years with warehousing at 30 businesses having increased by 5 businesses.

### Employment Patterns

Wholesale distribution has lost 600 jobs, down to 3600 since 2016. Employment in land transport has halved to 300 jobs. Against this there has been a significant increase of warehousing jobs, of 1150, bringing current employment to 1500.

<b>Distribution, Transport and Storage Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
Wholesale and retail trade and repair of motor vehicles and motorcycles	135	105	15	15	0	0	-10	600	-100
Wholesale trade, except of motor vehicles and motorcycles	155	105	15	20	10	0	-5	3,000	-500
Land transport and transport via pipelines	65	45	10	5	5	0	10	300	-300
Postal and courier activities	40	40	0	0	0	0	20	200	0
Warehousing and support activities for transportation	30	20	5	5	0	0	5	1,500	1,150
<b>Total</b>	<b>425</b>	<b>315</b>	<b>45</b>	<b>45</b>	<b>15</b>	<b>0</b>	<b>20</b>	<b>5600</b>	<b>250</b>

## 8) Creative Industries

### Definitions

The creative industries definition from the UK Government’s Department for Culture, Media and Sport is: ‘Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.’

There are thirteen sub-sectors under the term ‘creative industries’ and these are:

- Advertising
- Architecture

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- The Art and Antiques Market
- Crafts
- Design
- Designer Fashion
- Film and Video
- Interactive Leisure Software
- Music
- The Performing Arts
- Publishing
- Software and Computer games
- Television and radio.

### Sector Analysis

There were 240 enterprises in the Creative Industries sector in 2022 in Surrey Heath. The sector has seen a net increase of 5 enterprises in Surrey Heath since 2017, taking account of increases and decreases of various sub-sectors.

There are 225 of those with fewer than 5 employees, with 10 between 5 and 9 and 5 of between 10 and 49, no businesses in this grouping being listed as being any larger than this. The largest sub-sectors are film and TV production, advertising and specialised design activities each with 40 businesses. Increases in the number of enterprises have occurred in software publishing, motion picture, video and television programme production activities, sound recording, television programming and broadcasting activities, advertising and media and architectural activities.

There have been decreases of enterprises in book publishing, publishing of journals, film distribution activities sound recording TV programming and broadcasting, specialist design, photography and artistic creation each of between 5 and 10 businesses since 2017.

### Employment Patterns

The sector employs 630 people, the major employers being advertising and specialist design activities. There has been job growth of 195 in advertising and media and 25 in architectural activities, against small job losses or stagnation in most other sectors.

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<b>Creative Industries Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
5811 : Book publishing	0	0	0	0	0	0	-5	20	-5
5812 : Publishing of directories and mailing lists	0	0	0	0	0	0	0	0	0
5813 : Publishing of newspapers	0	0	0	0	0	0	0	0	0
5814 : Publishing of journals and periodicals	0	0	0	0	0	0	-5	10	0
5819 : Other publishing activities	5	5	0	0	0	0	0	5	0
5821 : Publishing of computer games	0	0	0	0	0	0	0	0	0
5829 : Other software publishing	10	10	0	0	0	0	5	20	0
5911 : Motion picture, video and television programme production activities	40	40	0	0	0	0	10	50	0
5912 : Motion picture, video and television programme post-production activities	5	5	0	0	0	0	0	5	0
5913 : Motion picture, video and television programme distribution activities	0	0	0	0	0	0	-5	0	-5
5914 : Motion picture projection activities	0	0	0	0	0	0	0	30	-10
5920 : Sound recording and music publishing activities	5	5	0	0	0	0	5	5	5
6010 : Radio broadcasting	0	0	0	0	0	0	0	0	0
6020 Television programming and broadcasting activities	5	5	0	0	0	0	5	0	0
7111 : Architectural activities	30	30	0	0	0	0	10	75	25
7311 : Advertising agencies	40	30	0	5	0	0	5	225	180
7312 : Media representation	10	10	0	0	0	0	5	20	15
7410 : Specialised design activities	40	35	5	0	0	0	-10	100	-25
7420 : Photographic activities	10	10	0	0	0	0	-5	10	0
9001 : Performing arts	10	10	0	0	0	0	0	10	0
9002 : Support activities to performing arts	10	10	0	0	0	0	0	20	5
9003 : Artistic creation	20	20	0	0	0	0	-10	15	-10
9004 : Operation of arts facilities	0	0	0	0	0	0	0	10	0
<b>Column Total</b>	<b>240</b>	<b>225</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>630</b>	<b>175</b>

#### 9) Tourism, Culture and Leisure

##### Definition

There are various definitions of Tourism as a sector activity. The simplest of these specified the five industries of tourism as being: accommodations, food and beverage services, recreation and entertainment, transportation, and travel services. Other definitions include adventure tourism and recreation, events and conferences and tourism services. However, these are not included in standard industrial classifications so are not adopted here, but would be covered by the sub-sectors listed below.

##### Sector Analysis

There were 345 businesses that could be classified as being in in the Tourism Culture and Leisure sector in Surrey Heath as defined in Appendix 1. The sector has seen no major net change in the number of businesses since 2017. The largest number of businesses are in the food and beverage sector and account for all businesses of over 10 employees. There are 5 hotel businesses and 5 holiday parks, the latter having appeared since 2017.

In the area of arts and entertainment activities, there are 10 businesses in performing arts and 10 businesses in support activities to performing arts. There are 60 businesses in sports and fitness activities and 15 businesses in amusement and recreation activities.

##### Employment Patterns

Around 6500 are employed in the sector, but almost 2500 jobs have been lost since 2016. Of these 250 have been lost in hotels, 1000 have been lost in restaurants and catering and 1000 in passenger transport. Employers in other sector has been relatively static over this period.

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<b>Tourism, Culture and Leisure Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
5510 : Hotels and similar accommodation	5	0	0	0	0	0	0	450	-250
5520 : Holiday and other short stay accommodation	5	5	0	0	0	0	0	5	-5
5530 : Camping grounds, recreational vehicle parks and trailer parks	5	0	0	0	0	0	5	5	-5
5590 : Other accommodation	0	0	0	0	0	0	0	0	0
5610 : Restaurants and mobile food service activities	145	55	30	40	10	10	5	460	-260
5621 : Event catering activities	10	10	0	0	0	0	0	1750	-750
5629 : Other food service activities	0	0	0	0	0	0	0	50	-50
5630 : Beverage serving activities	35	10	15	10	0	0	-5	150	-25
4910 : Passenger rail transport, interurban	0	0	0	0	0	0	0	700	-100
4931 : Urban and suburban passenger land transport	0	0	0	0	0	0	0	2650	-925
4932 : Taxi operation	15	10	5	0	0	0	-5	20	-5
5110 : Passenger air transport	5	0	0	0	0	0	5	0	0
7911 : Travel agency activities	5	5	0	0	0	0	-5	0	0
7912 : Tour operator activities	0	0	0	0	0	0	0	10	0
7990 : Other reservation service and related activities	0	0	0	0	0	0	0	5	0
9001 : Performing arts	10	10	0	0	0	0	0	0	0
9002 : Support activities to performing arts	10	10	0	0	0	0	0	20	0
9003 : Artistic creation	20	20	0	0	0	0	-10	50	0
9004 : Operation of arts facilities	0	0	0	0	0	0	0	5	0
9102 : Museum activities	0	0	0	0	0	0	0	0	-5
9103 : Operation of historical sites and buildings and similar visitor attractions	0	0	0	0	0	0	0	30	-10
9104 : Botanical and zoological gardens and nature reserve activities	0	0	0	0	0	0	0	5	5
9311 : Operation of sports facilities	10	5	0	0	0	0	-5	0	0
9312 : Activities of sport clubs	25	15	5	5	0	0	5	0	0
9313 : Fitness facilities	10	5	0	0	0	0	5	0	-10
9319 : Other sports activities	15	15	0	0	0	0	0	0	-15
9321 : Activities of amusement parks and theme parks	0	0	0	0	0	0	0	0	0
9329 : Other amusement and recreation activities	15	5	0	5	0	0	5	175	25
<b>Column Total</b>	<b>345</b>	<b>190</b>	<b>55</b>	<b>70</b>	<b>20</b>	<b>10</b>	<b>0</b>	<b>6540</b>	<b>-2385</b>



#### 10) Advanced Technologies

##### Business Structure

Surrey Heath's grouping of high tech manufacturing and of science and engineering based services is set out below. There are around 325 such businesses in Surrey Heath, with around 40 in total having disappeared since 2017. Almost half of these businesses are accounted for by service sector based engineering activities and related technical consultancy, which total 145 businesses and which have reduced by 30 since 2017. As can be seen, there is very little high technology based manufacturing which comprises only of up to 5 businesses in each of the manufacturing of computers and peripheral equipment, communication equipment, instruments and irradiation and electromedical equipment. None of these have more than five employees except for two which have increased by five businesses since 2017. Businesses in instruments and irradiation and electromedical equipment manufacturing appear to be new to the area.

##### Employment Patterns

The major employer sectors are:

	Employment 2021	Employment Change 2016-21
Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1500	1000
Wholesale of pharmaceutical goods	1250	0
Engineering activities and related technical consultancy	800	-100
Computer programming activities	300	0
Research and experimental development on biotechnology	200	150
Technical testing and analysis	150	-50
Specialised design activities	100	-25

The major areas of employment gain have been in manufacture of engines and turbines, increasing by 1000 jobs and research and experimental development on biotechnology, 150.

The major areas of job loss have been in other research and experimental development on natural sciences and engineering, -880, manufacture of pharmaceutical preparations, -580, manufacture of air and spacecraft and related machinery, -290, wholesale of computers, computer peripheral equipment and software, -120, and engineering activities and related technical consultancy, -100. Surrey Heath therefore has lost most of its presence in pharmaceutical and aircraft manufacturing since 2016.

## Surrey Heath Economic Development Strategy Review 2022-3 Evidence Base

<b>Advanced Technologies</b>									
<b>Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium-sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
<b>Industry</b>									
2059 : Manufacture of other chemical products n.e.c.	0	0	0	0	0	0	-5	30	-10
2120 : Manufacture of pharmaceutical preparations	0	0	0	0	0	0	0	20	-580
4646 : Wholesale of pharmaceutical goods	5	5	0	0	0	0	0	1250	0
2720 : Manufacture of batteries and accumulators	0	0	0	0	0	0	0	0	0
2611 : Manufacture of electronic components	0	0	0	0	0	0	0	0	0
2612 : Manufacture of loaded electronic boards	0	0	0	0	0	0	0	0	0
2620 : Manufacture of computers and peripheral equipment	5	5	0	0	0	0	0	5	0
2630 : Manufacture of communication equipment	5	5	0	0	0	0	0	10	0
2640 : Manufacture of consumer electronics	0	0	0	0	0	0	0	0	0
2651 : Manufacture of instruments and appliances for measuring, testing and navigation	5	0	0	0	0	0	5	30	0
2660 : Manufacture of irradiation, electromedical and electrotherapeutic equipment	5	0	0	0	0	0	5	20	10
2670 : Manufacture of optical instruments and photographic equipment	0	0	0	0	0	0	0	10	10
2680 : Manufacture of magnetic and optical media	0	0	0	0	0	0	0	0	0
2811 : Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	0	0	0	0	0	0	0	1500	1000
3030 : Manufacture of air and spacecraft and related machinery	0	0	0	0	0	0	0	10	-290
3040 : Manufacture of military fighting vehicles	0	0	0	0	0	0	0	0	0
3316 : Repair and maintenance of aircraft and spacecraft	5	5	0	0	0	0	5	50	0
4651 : Wholesale of computers, computer peripheral equipment and software	10	5	0	0	0	0	-5	30	-120
5821 : Publishing of computer games	0	0	0	0	0	0	0	0	0
5829 : Other software publishing	10	10	0	0	0	0	5	20	0
6201 : Computer programming activities	70	55	5	5	0	0	-10	300	0
7112 : Engineering activities and related technical consultancy	145	130	10	5	0	0	-30	800	-100
7120 : Technical testing and analysis	5	5	0	0	0	0	0	150	-50
7211 : Research and experimental development on biotechnology	5		0	0	0	0	0	200	150

## Surrey Heath Economic Development Strategy Review 2022-3 Evidence Base

<b>Advanced Technologies Enterprises and Employment by Sub Sector, Surrey Heath and Five Year Trend</b>									
<b>Employment Size Band</b>	<b>Total Enterprises</b>	<b>0 to 4</b>	<b>5 to 9</b>	<b>Small (10 to 49)</b>	<b>Medium- sized (50 to 249)</b>	<b>Large (250+)</b>	<b>Change No. Enterprises 2017-21</b>	<b>Employment 2021</b>	<b>Employment Change 2016-21</b>
7219 : Other research and experimental development on natural sciences and engineering	10	5	0	0	0	0	0	20	-880
7220 : Research and experimental development on social sciences and humanities	0	0	0	0	0	0	0	0	0
7410 : Specialised design activities	40	35	5	0	0	0	-10	100	-25
<b>Column Total</b>	<b>325</b>	<b>265</b>	<b>20</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>-40</b>	<b>4555</b>	<b>-885</b>

## Appendix 3

### Economic Profile of the Urban and Rural Sub Districts

#### 1. Business and Employment Structures

##### Business Structure

Table 1 below provides an analysis of the number of enterprises by sector across each of the gravely urban and rural areas. As can be seen, 3,365 of the Borough's businesses are located in Camberley, Frimley and Bagshot and 1090 in the rural areas of Chobam & Windlesham and West End & Bisley. Collectively the urban areas account for 76% of all enterprises across the borough and the rural areas Chobam & Windlesham and West End & Bisley 24%.

##### Employment Structure

Table 3 below provides an analysis of the number of employees by sector across each of the urban and the rural areas. Ask can be seen, 47,300 of the Borough's employees have jobs in Camberley, Frimley and Bagshot and 7305 in the rural areas of Chobam & Windlesham and West End & Bisley. Collectively the urban areas account for 87% of employment across the borough and the rural areas 13%.

As can be seen from Table 4 the urban areas experienced a net increase of 2,530 jobs between 2016 and 2021 whereas the rural areas experienced an increase of 820 jobs in the same period (76% and 24% of employment gains respectively).

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

<b>Table 1</b> <b>No. of Enterprises, Surrey Heath by Super Output Area, 2022</b>	Bagshot	Lightwater	Camberley North	Camberley Town	Camberley Heatherside	Camberley West	Camberley Parkside	Frimley	Frimley Green	Mychett and Frith Hill	Urban Total	Chobam & Windlesham	West End & Bisley	Rural Total	Grand Total
<b>Industry</b>															
1 : Agriculture, forestry & fishing (A)	0	0	0	5	0	0	0	0	0	0	5	20	10	30	35
2 : Mining, quarrying & utilities (B,D and E)	0	0	0	0	0	0	0	0	0	5	5	5	5	10	15
3 : Manufacturing (C)	5	5	10	5	5	65	5	10	10	15	135	20	25	45	180
4 : Construction (F)	35	40	40	35	25	95	50	45	35	55	455	70	75	145	600
5 : Motor trades (Part G)	15	10	5	5	5	30	10	5	5	10	100	20	20	40	140
6 : Wholesale (Part G)	5	5	5	15	5	55	10	15	5	5	125	20	10	30	155
7 : Retail (Part G)	20	15	10	45	5	40	15	10	15	20	195	45	25	70	265
8 : Transport & storage (inc postal) (H)	15	10	10	10	5	30	10	5	5	10	110	15	15	30	140
9 : Accommodation & food services (I)	25	10	5	30	0	60	0	10	15	10	165	30	10	40	205
10 : Information & communication (J)	30	55	25	50	35	90	45	30	25	20	405	60	50	110	515
11 : Financial & insurance (K)	5	10	0	10	5	20	5	5	5	5	70	20	5	25	95
12 : Property (L)	10	10	5	20	5	30	15	5	5	10	115	30	10	40	155
13 : Professional, scientific & technical (M)	55	65	40	125	45	165	65	60	40	40	700	160	85	245	945
14 : Business administration & support services (N)	35	30	20	45	10	95	25	35	20	35	350	75	35	110	460
15 : Public administration & defence (O)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 : Education (P)	10	5	5	10	0	15	5	10	0	0	60	15	5	20	80
17 : Health (Q)	15	10	10	15	5	30	5	10	10	10	120	20	10	30	150
18 : Arts, entertainment, recreation & other services (R,S,T and U)	25	35	10	35	10	65	20	15	15	20	250	40	30	70	320
<b>Column Total</b>	<b>310</b>	<b>315</b>	<b>205</b>	<b>455</b>	<b>165</b>	<b>885</b>	<b>280</b>	<b>270</b>	<b>210</b>	<b>270</b>	<b>3,365</b>	<b>660</b>	<b>430</b>	<b>1,090</b>	<b>4,455</b>
<b>Total %</b>											<b>76%</b>			<b>24%</b>	<b>100%</b>
<b>Source: ONS; UK Business Counts</b>															

All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology. In 2015, ONS extended the coverage of businesses to include a population of solely PAYE based businesses that were previously excluded because of the risk of duplication. In total, in 2015, 105,000 businesses have been added. Improvements in matching of administrative data and research into those units excluded has indicated that the risk of duplication is very small. The addition of these businesses brings the publication in line with Business Demography and the BIS Business Population Estimates, both of which include these businesses. For more information, see <http://www.nomisweb.co.uk/articles/news/files/UKBusinessCoverage.pdf>.

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

<b>Table 2 Change in No. of Enterprises, Surrey Heath by Super Output Area, 2017 to 2022</b>	Bagshot	Lightwater	Camberley Nort	Camberley Town	Camberley Heatherside	Camberley West	Camberley Parkside	Frimley	Frimley Green	Mychett and Frith Hill	Urban Total	Chobam & Windlesham	West End & Bisley	Rural Total	Grand Total
<b>Industry</b>															
1 : Agriculture, forestry & fishing (A)	0	0	0	5	0	0	0	0	0	0	5	-5	-5	-10	-5
2 : Mining, quarrying & utilities (B,D and E)	-5	0	0	0	0	0	0	0	0	5	0	0	0	0	0
3 : Manufacturing (C)	-5	0	5	0	0	5	0	-5	0	0	0	-10	-5	-15	-15
4 : Construction (F)	-15	0	0	-5	-5	25	10	-5	0	15	20	0	10	10	30
5 : Motor trades (Part G)	0	0	5	0	0	0	0	0	-5	0	0	-5	0	-5	-5
6 : Wholesale (Part G)	0	0	0	5	0	0	5	-5	0	0	5	-10	0	-10	-5
7 : Retail (Part G)	0	-5	0	5	0	-5	0	0	0	10	5	-5	5	0	5
8 : Transport & storage (inc postal) (H)	0	0	-5	5	0	15	5	-5	0	5	20	5	5	10	30
9 : Accommodation & food services (I)	-5	-5	5	5	0	0	-5	0	5	0	0	0	5	5	5
10 : Information & communication (J)	-30	-10	-10	-10	0	-5	-10	-10	-10	-5	-100	5	-20	-15	-115
11 : Financial & insurance (K)	-5	0	0	0	0	0	0	0	0	0	-5	5	0	5	0
12 : Property (L)	-5	0	0	0	5	0	5	0	0	0	5	10	5	15	20
13 : Professional, scientific & technical (M)	-30	-30	0	-25	-15	-10	-25	0	-5	-10	-150	0	-15	-15	-165
14 : Business administration & support services (N)	-5	-5	5	10	-5	15	0	10	0	-5	20	10	-10	0	20
15 : Public administration & defence (O)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 : Education (P)	5	0	0	0	-5	0	0	5	-5	0	0	-5	0	-5	-5
17 : Health (Q)	-5	0	-5	-5	0	-10	-5	-5	0	-5	-40	0	0	0	-40
18 : Arts, entertainment, recreation & other services (R,S,T and U)	0	0	-5	5	-5	5	-5	-5	0	0	-10	-15	5	-10	-20
Column Total	-105	-40	-5	-15	-30	35	-30	-20	-15	10	-215	-20	-15	-35	-250
<b>Total %</b>											<b>86%</b>			<b>14%</b>	<b>100%</b>
Source: ONS; UK Business Counts															

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

<b>Table 3 Employment Structure of the urban and rural areas 2021</b>	Bagshot	Lightwater	Camberley Nort	Camberley Town	Camberley Heatherside	Camberley West	Camberley Parkside	Frimley	Frimley Green	Mychett and Frith Hill	Urban Total	Chobam & Windlesham	West End & Bisley	Rural Total	Grand Total
1 : Agriculture, forestry & fishing (A)	10	0	0	0	0	0	0	0	0	0	10	5	10	15	25
2 : Mining, quarrying & utilities (B,D and E)	5	0	0	0	0	350	30	10	0	10	405	5	0	5	410
3 : Manufacturing (C)	30	20	5	15	0	700	25	2,000	15	100	2,910	100	500	600	3,510
4 : Construction (F)	150	100	75	175	50	600	100	1,250	75	125	2,700	300	250	550	3,250
5 : Motor trades (Part G)	30	35	25	10	10	250	20	20	25	50	475	40	75	115	590
6 : Wholesale (Part G)	75	20	5	15	5	1,500	5	1,000	50	15	2,690	100	75	175	2,865
7 : Retail (Part G)	800	175	75	1,000	50	1,000	40	500	75	75	3,790	600	200	800	4,590
8 : Transport & storage (inc postal) (H)	100	30	30	1,000	15	300	15	200	10	35	1,735	225	75	300	2,035
9 : Accommodation & food services (I)	450	250	15	600	50	700	75	100	200	125	2,565	450	35	485	3,050
10 : Information & communication (J)	175	175	35	200	50	500	75	150	45	35	1,440	150	100	250	1,690
11 : Financial & insurance (K)	100	50	0	400	15	500	0	50	5	0	1,120	45	25	70	1,190
12 : Property (L)	150	10	15	100	5	125	15	15	20	40	495	75	15	90	585
13 : Professional, scientific & technical (M)	300	150	75	900	75	2,500	125	1,000	400	75	5,600	300	250	550	6,150
14 : Business administration & support services (N)	200	125	40	500	20	4,500	75	900	100	175	6,635	1,250	200	1,450	8,085
15 : Public administration & defence (O)	20	10	350	100	0	50	0	0	30	10	570	0	300	300	870
16 : Education (P)	225	100	300	200	175	450	75	250	100	45	1,920	250	450	700	2,620
17 : Health (Q)	300	200	75	600	20	900	15	8,000	225	50	10,385	125	400	525	10,910
18 : Arts, entertainment, recreation & other services (R,S,T and U)	100	75	40	225	40	1,000	200	75	50	50	1,855	250	75	325	2,180
<b>Total</b>	<b>3,220</b>	<b>1,525</b>	<b>1,160</b>	<b>6,040</b>	<b>580</b>	<b>15,925</b>	<b>890</b>	<b>15,520</b>	<b>1,425</b>	<b>1,015</b>	<b>47,300</b>	<b>4,270</b>	<b>3,035</b>	<b>7,305</b>	<b>54,605</b>
<b>Total %</b>											87%			13%	100%
Source: ONS; UK Business Counts															

## Surrey Heath Economic Development Strategy Review 2022-3

### Evidence Base

<b>Table 4 Change in Employment Structure of the urban and rural areas 2016 to 2021*</b>	Bagshot	Lightwater	Camberley Nort	Camberley Town	Camberley Heatherside	Camberley West	Camberley Parkside	Frimley	Frimley Green	Mychett and Frith Hill	Urban Total	Chobam & Windlesham	West End & Bisley	Rural Total	Grand Total
1 : Agriculture, forestry & fishing (A)	10	0	0	0	0	0	0	0	0	0	10	5	10	15	25
2 : Mining, quarrying & utilities (B,D and E)	-5	0	0	0	0	175	20	-10	-10	10	180	-10	0	-10	170
3 : Manufacturing (C)	-20	10	0	5	0	-300	15	500	5	25	240	-50	0	-50	190
4 : Construction (F)	-75	0	0	0	10	250	50	1,150	0	-50	1,335	-50	25	-25	1,310
5 : Motor trades (Part G)	-15	5	-25	0	5	-50	-10	15	0	15	-60	-35	25	-10	-70
6 : Wholesale (Part G)	-125	-230	0	-25	-25	-250	-25	0	-50	-5	-735	0	25	25	-710
7 : Retail (Part G)	300	25	25	-250	-25	0	10	100	0	25	210	250	100	350	560
8 : Transport & storage (inc postal) (H)	-150	10	-5	975	-10	-50	-10	100	-30	-15	815	100	-25	75	890
9 : Accommodation & food services (I)	-350	150	-25	100	20	-1,300	0	0	0	0	-1,405	50	-40	10	-1,395
10 : Information & communication (J)	-125	-25	-15	0	0	-100	-25	-100	-5	-5	-400	25	-25	0	-400
11 : Financial & insurance (K)	80	-50	0	0	5	150	-5	25	-5	-10	190	15	25	40	230
12 : Property (L)	75	-15	-5	-25	-5	-25	10	-5	-5	0	0	0	0	0	0
13 : Professional, scientific & technical (M)	-100	-25	0	200	0	1,600	-50	0	-1,600	-225	-200	-400	-50	-450	-650
14 : Business administration & support services (N)	-250	-175	-60	-300	-5	2,000	30	600	-700	-50	1,090	450	25	475	1,565
15 : Public administration & defence (O)	0	-10	50	0	-10	50	0	0	0	-90	-10	0	50	50	40
16 : Education (P)	25	-50	-50	-150	0	0	-25	0	-25	-55	-330	0	100	100	-230
17 : Health (Q)	-50	75	-50	0	-105	100	-25	2,000	0	-25	1,920	25	150	175	2,095
18 : Arts, entertainment, recreation & other services (R,S,T and U)	-125	0	-10	25	15	0	25	-225	0	-25	-320	75	-25	50	-270
<b>Total</b>	<b>-900</b>	<b>-305</b>	<b>-170</b>	<b>555</b>	<b>-130</b>	<b>2,250</b>	<b>-15</b>	<b>4,150</b>	<b>-2,425</b>	<b>-480</b>	<b>2,530</b>	<b>450</b>	<b>370</b>	<b>820</b>	<b>3,350</b>
<b>Total %</b>											76%			24%	100%
<b>Source: ONS; UK Business Counts</b>															

\* Differences from the totals in the Employment Tables in Appendix 1 are due to rounding errors.



## Appendix 4

### Camberley Town Centre Transformation Policy Context

#### Current Local Plan Policies

##### DPD (2012) CP1: Spatial Strategy

The policy states that new development will come through largely through redevelopment of previously developed land. Employment growth will be largely focussed on Camberley Town Centre, Core Employment Areas and other existing large employment sites in Frimley. Other settlements have limited capacity for employment growth through redevelopment of existing sites.

##### CP10: Camberley Town Centre

The policy states that regeneration of the town centre to sustain vitality and viability and in particular address the high level of office vacancies within the town will be promoted. Up to 200 homes and 41,000 square metres of gross retail floorspace is anticipated to 2028.

#### Camberley Town Centre Area Action Plan (2014)

The Camberley Town Centre Area Action Plan (AAP) was adopted in July 2014 and sets the vision for the Town Centre up to 2028, with the AAP vision described as follows:

*Camberley Town Centre will be a thriving centre offering a wide range of shops, excellent leisure facilities, high quality office premises and residential opportunities, and a full range of community services for the local and wider community.*

*There will be a high quality of design with an attractive streetscene, and a range of natural and civic open spaces for use by the public. There will be easy access to the centre with a good public transport system, and an emphasis on pedestrian priority.*

Key objectives for the Camberley Town Centre AAP are:

- To ensure Camberley town centre continues to be a vital and viable shopping facility which meets the needs of its catchment population and to enable the improvements and any increases in floorspace needed to achieve this.
- To provide an excellent range of leisure, cultural and community facilities to meet the needs of the local population.
- To maintain Camberley town centre's role as an employment centre.
- To enhance Camberley town centre's role as a residential area including the provision of new homes, whilst avoiding harm to European sites.
- To improve accessibility within and to the town centre by all means of transport.

- To improve environmental quality including building sustainability and use of sustainable drainage systems, enhance the character of the town centre and its heritage, protect the amenity and character of the surrounding areas.
- To provide a well-managed, safe and attractive town centre.

The existing town centre boasts an extensive comparison goods offer and major civic and cultural facilities. It has recently been approved as a Business Improvement District. There are a number of areas with redevelopment potential along the stretch of the A30 that run through the town centre, including potential to introduce more housing development. Against this, the town centre suffers from traffic congestion, poor rail access, a lack of higher order shops and a major anchor store.

To deliver the plan, growth will need to be accommodated without imposing further congestion on the highway network. The plan recognises therefore that accessibility will need to be addressed by way of highway improvements, but that in parallel, greater use of public transport and travel by cycle and on foot will need to be encouraged along with better integration of bus and rail services.

The Town Centre Action Plan envisages five activity areas, made up of a retail core surrounded by four activity areas focused on commercial, cultural and civic, housing and leisure and high street regeneration. The Opportunity Areas and Sites are:

- Pembroke Broadway North
- Camberley Station
- Land at Park Lance
- Land east of Knoll Road
- London Block Road
- Magistrates Court
- The Granary

The Town Centre Area Action Plan sets out a phased retail strategy for the town centre, to deliver Core Strategy Policy CP10, whose aim is to enhance the role of Camberley town centre as a secondary regional retail centre. This centres around expanding the retail core in the London Road Block Opportunity Area. In the short term, development activity will be focused on the upgrading as necessary of existing units in the Main Square followed by the phased development of the London Road Block Opportunity Area, then in the longer term redevelopment and refurbishment of the Princess Way, south High Street and Pembroke Broadway block. In accordance with Policy CP10, the aim is deliver up to 41,000 sqm of retail floorspace by 2028. In parallel, appropriate enhancements to the food and drink and nightlife offer will be encouraged.

The Council plans for the provision of at least 200 additional homes within the town centre to 2028 on the following sites.

Pembroke Broadway North	50
Camberley Station	50

Land at Park Lane	100
Land east of Knoll Road	80
Magistrates Court	13
The Granary	8

An undefined amount of residential development at London Road Block is also possible. A further 660 homes within the Camberley area are also planned.

### London Road Block

The measures included in the A30 London Road scheme will play a major part in achieving the aspirations of the last part of the vision referred to above, namely “...*There will be easy access to the centre with a good public transport system, and an emphasis on pedestrian priority*”.

### TC5: Employment

The Council will permit development proposals that improve the quality and range of office and business accommodation. Development resulting in loss of B use floorspace not permitted within Knoll Road commercial area but may be acceptable elsewhere in Town Centre if it achieves other plan objectives

### TC14: London Road Block

Proposed for redevelopment, site expected to deliver up to 41,000 sqm (gross) retail floorspace comprising a mix of sizes of retail units to be anchored by a major comparison goods store. Sets out additional uses, which may be acceptable to support delivery of main scheme. Sets out a number of redevelopment criteria.

### TC17: Pembroke Broadway (north)

Council will work with relevant parties to provide, among other things, retail improvements, housing, offices, improved parking facilities and environmental improvements.

### TC20: The Granary

Proposed for redevelopment for one or more commercial town centre uses comprising offices, leisure or community facilities on ground floor and housing or one or more commercial town centre uses on the upper floors.

The following parts of the AAP have direct reference to the aims of the A30 London Road Highway Improvements:

### **TCAAP Section 7 (Accessibility)**

This section covers transportation issues in more detail, with the key issues identified as follows:

- Improving public and sustainable modes of transport and increasing the use of modes of travel other than the car.

- Balancing the need to keep traffic flowing on the road network, taking opportunities to give greater priority to pedestrians, cyclists, people with disabilities and buses.
- A network of cycle routes.
- Facilitating improvements to bus services, with bus lanes and facilities, and park and ride facilities to be provided where appropriate.
- Improvements to the existing highway network including junction improvements where appropriate.
- Improving pedestrian links and access for people with disabilities within and to the Town Centre.

Accessibility to the town centre for all modes of transport should be improved to provide a comfortable and safe environment for pedestrians and cyclists and improve access by public transport. The Council will work with partners including Surrey County Council, Network Rail and the rail and bus operators to improve the accessibility of the town centre.

New development within the town centre will be required to provide or make a financial contribution towards the following items in TC7:

- i. Improved pedestrian and cyclist facilities to and through the town centre;
- ii. Improved accessibility by bus;
- iii. Enabling of effective circulation of traffic around and to the town centre, including use of signage, to minimise congestion;
- iv. Works to accommodate any other impacts upon the highway network arising from the development.

#### **Surrey Heath Policy TC8 (Improvements to the Highway Network)**

The Council will safeguard land and require all new development within the town centre to make financial contributions to highway improvements that are required in the period up to 2028. In addition financial contributions will be sought for improvements to the London Road between the Town Centre and the Meadows Gyratory to support the regeneration of the Town Centre.

#### **The Town Centre Masterplan (Supplementary Planning Document April 2015)**

The town centre framework identifies four opportunity areas where future change will be focused:

##### London Road Block Vision

The vision for this section of the town centre is to deliver a new anchor store, to radically improve the town's retail offer and to transform the character of the London Road from highway to boulevard.

##### High Street / Knoll Road Vision

This area has an important commercial function with retail in the High Street and mainly employment in offices on Knoll Road. This split is also reflected in its character, with the Edwardian buildings in the High Street character area and the modern late 20th Century office buildings along Knoll Road. Pedestrian connections and service areas between the two areas could be improved by introducing new frontages and an improved public realm

#### Pembroke Broadway Vision

Pembroke Broadway is an important gateway from the south of the town, and forms the first impression on arrival for those coming to the town by train. The area is dominated by 20th Century free-standing buildings arranged along a wide vehicular street. However, at the moment it operates purely as a functional route for vehicles, with many of the town centre buildings turning their backs to the street. Vehicular movements dominate the street and character of this area.

A number of sites along Pembroke Broadway have been earmarked for change in the Area Action Plan, and together these offer a major opportunity to transform this southern gateway to the town centre. In particular, the rail station and Ashwood House sites could transform links into the town centre. The transformation of this opportunity area will involve enhancements to the more attractive buildings, redevelopment of key sites which currently perform poorly and the introduction of a more pedestrian friendly public realm.

#### Cultural / Civic Quarter Vision

A natural grouping of civic and cultural uses has evolved to the east of the town centre. The character of Knoll Road and the cultural and civic quarter is quite different from the rest of the town. Free standing statement buildings sit within relatively green landscaped areas set back from the road.

The vision is to build on this character and enhance the cultural/civic offer with new development and enhanced linkage. The main interventions in this opportunity area will be to improve the physical pedestrian connections to the town centre and the overall quality of the public realm.

The emphasis will be more on public realm schemes as opposed to major development. Development opportunities may arise at the existing Camberley Library site and the sites currently occupied by Surrey Police and Portesbery School.

Together, these sites offer a significant opportunity to reconfigure the eastern edge of the town centre by enhancing Camberley Park and providing high quality new family housing adjacent to the town centre. Further work will be undertaken with Surrey County Council regarding the master planning of this area.

## Appendix 5

### Regional and Sub-Regional Strategic Policies and Ambitions

#### 1. EM3 LEP Strategic Economic Strategies

##### Strategic Economic Plan

Enterprise M3's Strategic Economic Plan 2018-30 set out a vision to transform Enterprise M3 into a globally competitive region, unique for its knowledge, digital and design-based economy and an already-established national asset and economic powerhouse. It identifies two 'stimulants' that will generate economic expansion:

- Digital and Data Technologies – incorporating the ground-breaking 5G Innovation Centre based at the University of Surrey which includes Vodafone, Huawei, O<sub>2</sub> and EE as corporate members, and also the National Cyber Security Centre at Royal Holloway University.
- The Clean Growth Economy – Siemens is working on an Energy Strategy for our region and there are plans to create an energy hub.

These would underpin Enterprise M3's five priorities for economic expansion:

- 1) High value sectors for a globally facing economy.
- 2) Enterprise and innovation for scaling up high productivity SMEs.
- 3) Skills for a high value, high growth economy.
- 4) Connectivity for a 21st century advanced digital and low carbon economy.
- 5) Dynamic communities and sustainable growth corridors.

The plan also highlights how the Government's four 'Grand Challenges' - The Ageing Society; Clean Growth; Future of Mobility; Artificial Intelligence and Big Data - from in the National Industrial Strategy are 'Grand Opportunities' for Enterprise M3.

##### Enterprise M3 Local Industrial Strategy

The Enterprise M3 Local Industrial Strategy is comprised of strategic narratives with a particular focus on digital infrastructure.

- Growth, innovation and productivity in the frontier sectors supported with digital infrastructure, which will attract prospective employees to the area.
- Towns have the digital and other infrastructure needed to support an increasingly multi-functional mix of flexible workspaces, housing, leisure, culture, public and local services, attracting more people in the middle part of their careers to live and work in the area.

- Rural areas benefitting from high-speed broadband and mobile connectivity, and smart mobility, affordable housing and flexible workspaces better distributed across the area to enable more people to work closer to home.
- Investment in infrastructure focused on an agreed view of future spatial growth and economic activity, smart energy systems, maximum access to global markets and improved orbital and east-west movement across the EM3 area
- Health and well-being as a central focus for economy and society and recognising the reciprocal relationship between them.

Digital connectivity needs to match aspirations for clean, economic growth and activity; fast reliable digital connectivity is now fundamental to everyday economy and society. Modern digital infrastructure is required for frontier sectors to operate at full capacity. Currently the economy is hindered by slow speeds and lack of consistent coverage, and practical constraints are being felt by some frontier sectors, particularly VR/AR gaming, big data and machine learning, with many examples of how these businesses are being held back.

This market failure requires an intervention mainly concerning the provision of new fibre, requiring local authorities and public bodies to engage via a clear governance and delivery models. Patient investment is required as payback and income will not be immediate.

#### **Enterprise M3 Revive and Renew**

Prepared in response to Covid 19, Revive and Renew updates EM3's priorities as follows.

EM3 priorities for recovery and renewal are:

- jobs and skills for employment;
- digitisation for new ways of working; growing our low carbon economy;
- supporting business-led innovation and diversification
- entrepreneurship and our high-tech sectors;
- practical and sustainable transport;
- town centres fit for the future and
- convening people and organisations in shared projects.

Source: Revive and Renew p32,36

It also advocates a number of key approaches.

#### Town Centres

Responding to a potential growth in the market for co-working space outside of city centres, by researching interest and identifying sites and intensified challenges for high streets, helping retail to move its offer online.

#### Mobility

Supporting, active travel, transport innovations good connectivity and lower emissions through investment, policy and leadership, building on Sustainable Travel Plans through Local Cycling and Walking Implementation Plans.

Transition to the Green Economy

Prioritising the decarbonisation of transport and buildings and supporting the partners in developing new economic opportunities and the associated skills and jobs in the restoration sector. Investment in the Future Towns Innovation Hub at Chilworth.

Attracting High Value Activities

Consider the most appropriate way of supporting the growth of entrepreneurial start up success through advancing the area's reputation as a great place to do business and facilitating the necessary conditions for attracting scale-ups, high innovation companies and entrepreneurs to the area.

Digitisation

Building of the Covid driven accelerated shift to digitisation and demand spike for networking and capacity services, collaboration software and cybersecurity. Bringing forward the Gigabit EM3 Town & Rural: £4.5m programme to employ gigabit capable fibre along an initial route between Guildford and Basingstoke. The need for a skills programme as well as an infrastructure programme, in order to stimulate employment and progression within the sector, particularly as redundant employees looking to enter the Digital sector.

Economic Growth Sectors, Drivers and Inward Investment Opportunities

A priority is to attract scale-ups and innovation-led, high productivity sectors to the area, and provision of local workspaces with integrated business support, focusing on the following high innovation, knowledge-based sectors:

- Clean Growth manufacturing/technology
- Games and Creative Immersive Technology
- Space and Satellite especially Earth Observation
- Aerospace and Aviation & Defence
- Health, including Animal Health
- Enabling Technologies including Robotics/AI, Cybersecurity.

Transport

Working with smart mobility and transport action groups, local and regional transport bodies and TfSE to advance the low carbon transport agenda and necessary transport infrastructure, active travel for individuals and other low emission forms of mobility.

**Enterprise M3 High Growth, Low Carbon**



This is the latest Vision document launched by Enterprise M3 expressing its aim to continue nurturing high productivity sectors, driving inward investment and seeing businesses through Brexit, the after effects of the pandemic, labour shortages, skills needs and ongoing challenges and providing tailored support to businesses through our Growth Hub.

A key focus will be helping businesses to achieve carbon-friendly growth and to compete in international markets, whilst supporting high potential sector clusters, and enhancing the conditions where innovation and enterprise flourish.

The LEP will maintain its independent voice in bringing the private, public and not-for-profit sector organisations together focussing on a high performance, high skill economy, driving economic growth and prosperity for the future.

LEPs will in the future integrate with local authorities and will move forward bringing an independent business voice with the prospect of devolving certain freedoms and powers to local areas.

## 2. Surrey's Plan for Growth: Surrey's Economic Future

### Surrey's Plan for Growth

Surrey's Economic Future, One Surrey Growth Board's Plan for Growth, sets out four priority areas of focus. These are:

1. Growing Surrey's leading edge, maximising opportunities within the county's knowledge economy
2. A 'whole Surrey' approach to growing and sustaining quality places, addressing infrastructure constraints to the provision of housing and reinvigorating the county's town centres
3. Maximising opportunities within a balanced and inclusive economy, better aligning skills demand and supply
4. Capturing the potential of a greener economy, delivering the objectives of Surrey's Greener Future.

A series of interventions has been defined under each of these themes.

1. Growing Surrey's Leading Edge

Intervention Area 1-1: Build stronger business-to-business and business-to knowledge base links. *Types of outcome sought:*

- *Businesses engaging with the knowledge base*
- *University/ business research collaborations*
- *University spin-outs/ university-related start-ups*
- *Intervention Area 1-2: Ensure capacity for innovative businesses to expand*

Intervention Area 1-2: Ensure capacity for innovative businesses to expand. *Types of outcome sought:*

- *Additional commercial floorspace delivered*
- *Jobs created and/or safeguarded*

Intervention Area 1-3: Develop a stronger investment 'brand' and offer. *Types of outcome sought:*

- *Increased jobs, workforce pay and skills demand within target technology or sector propositions*

Intervention Area 1-4: Build a targeted innovation support system. *Types of outcome sought:*

- *Increased turnover, access to and take up of specialist support*

#### 2. A 'Whole Place' Approach to Creating and Sustaining Quality Places

Intervention Area 2-1: Drive the development of the Surrey Infrastructure Plan

*Types of outcome sought:*

- Delivery of planned growth through housing and commercial developments enabled as a result of infrastructure schemes coming forward
- Additional infrastructure investment secured

Intervention Area 2-2: Improve digital connectivity. *Types of outcome sought:*

- Pending

Intervention Area 2-3: Reimagining the future of the town centre. *Types of outcome sought:*

- Additional investment in town centre locations
- Reduced vacancy rates
- Transport modal shift
- Physical output measures (sq m green space, buildings refurbished, etc.)
- Resident satisfaction

#### 3. Maximising Opportunities Within a Balanced, Inclusive Economy

Intervention Area 3-1: Strengthen the employer voice in skills planning. *Types of outcome sought:*

- Increased supply of new entrants to the labour market (and existing workers) with technical skills that meet employer demand
- Reductions in 'hard to fill' vacancies

Intervention Area 3-2: Promote retraining. *Types of outcome sought:*

- Increased take-up of adult skills/ retraining opportunities
- Increased business resilience as access to skills to respond to technology change increases
- Reductions in 'hard to fill' vacancies

Intervention Area 3-3: Maximise inclusion within the labour market. *Types of outcome sought:*

- Reduced economic inactivity and increased participation in employment and learning
- Greater employer engagement

Intervention Area 3-4: Drive a jobs recovery that works for businesses and employees

*Types of outcome sought:*

- Reduced claimant count numbers (including pace of return to pre-Covid levels)
- Increased take up of existing Government schemes
- Increased entry to employment within identified target groups

4. Capturing the Potential of a Greener Economy

Intervention Area 4-1: Deliver the Surrey Climate Change Strategy. *Types of outcome sought:*

- Achieving Surrey's ambitious climate change targets
- Generate energy from renewable sources
- More sustainable, lower carbon homes, which are cheaper to run and more resilient
- 60% reduction in carbon emissions from the transport sector by 2035
- Rollout of electric vehicle infrastructure at scale using public highways
- Reduced overall transport use through the promotion of active travel
- Reduced congestion; and reducing carbon emissions from within the transport sector
- 56% reduction in industrial emissions by 2035
- 61% reduction in emissions across the commercial and public building stock by 2035 and a 65% reduction for the housing stock

Source: Surrey's Economic Future: Towards 2030: One Surrey Growth Board's Plan for Growth; Part B: Delivery Plan

### **3. Surrey Place Ambition for the Blackwater Valley Corridor Strategic Opportunity Area**

Key outcomes sought for the Blackwater Valley Corridor Strategic Opportunity Area (SOA) 4 by 2030 are:

- Supporting the natural environment offer to identify SANG and enable housing delivery across the SOA.
- A sustainable spatial approach across the SOA and adjoining areas and a more coordinated approach across the corridor to infrastructure planning, prioritisation and delivery.
- Transport infrastructure improvements including increased active travel which support growth and help address challenges around climate change, health and wellbeing and economic recovery.
- Improved digital connectivity for businesses and residents.

### **4. Surrey Heath Five Year Plan**

**Five Year Plan Themes**

**Environment**

To enhance and improve access to the borough’s cherished green spaces and natural environments for the enjoyment of generations to come, balancing our commitments to housing delivery and economic growth. We are committed to tackling Climate Change, working with communities and partners.

**Health and Quality of Life**

To nurture the strong sense of community across the whole borough, fostering a sense of respect and consideration. We aim to ensure everyone can access a safe, quality home to meet their needs. We will take a positive approach to supporting all sectors of our community, including those who are most vulnerable. We will promote active and healthy lives for all and a rich programme of cultural and community events.

**Economy**

To invest in our towns, villages and communities, supporting our existing businesses and attracting new ones. We will promote the unique identity for our whole borough and its places and work with partners to improve to the borough’s infrastructure including transport infrastructure.

**Effective and Responsive Council**

We have listened to the views of residents, business and partners to set these priorities. We will continue this positive engagement through the implementation process, and we will advocate on behalf of our community on issues outside our direct control. We will increase how we work together with other Local Authorities, partners, businesses and the voluntary sector – we recognise more can be achieved by working together. Customer service will be at the heart of everything we do. We will harness the opportunities of technology to deliver efficient and effective services. We will spend public money wisely and attract resources and investment into the borough as a whole.

**Economic Development Action Plan**

<b>Our Action</b>	<b>Link to Partner/Policy</b>	<b>Implementation Year</b>
<b>Invest In Our Urban And Rural Areas</b>		
Identify a minimum of five sites across the Borough for the Council to invest in to deliver regeneration and community facilities.	Investment Strategy Medium Term Financial Strategy Developers Infrastructure Delivery Plan	Years 1 – 5

Deliver increased housing from the London Road Block through the development of a viable and high quality scheme.	Developers	Years 1 part demolition Year 2 development partner selected Year 3 construction starts
Undertake an assessment of our rural areas to identify and deliver infrastructure needs that will improve community facilities and enhance our villages and communities	Villages Working Group	Year 1 identify infrastructure needs Year 2-5 Implementation
<b>Improve Transport Infrastructure</b>		
Enable the delivery of local infrastructure improvements across the Borough through the Community Infrastructure Levy (CIL) spending strategy, including a review of the CIL rates.	CIL Guidance / Infrastructure funding statement	Years 1 – 5
<b>Deliver a new Local Plan for Surrey Heath</b>		
Identify and allocate appropriate development sites for housing to be delivered in line with National and Local Planning Policy.	Local Plan Landowners	Years 1 - 2
Identify and acquire land that can be used for SANGs (Suitable Alternative Natural Green space) to unlock housing development in the Borough where it is most needed Local Plan	Landowners	Years 1 – 5 (Local Plan adoption Year 2)
Agree and implement a clear vision, strategy and masterplan for the development of Camberley Town	Local Plan Camberley Town Centre Strategy Camberley Town Centre Master Plan	Year 1 Implement Years 2 – 5 and beyond based on feedback from local residents and businesses.
<b>Investment in Infrastructure</b>		
Develop and implement an infrastructure delivery plan for the Borough as a whole identifying priority areas for investment over the short, medium and long term.	Surrey County Council Other Infrastructure Advisors Y	Year 1 Draft Year 2 Finalise
Implement a new Community Infrastructure Levy charging scheme linked to the development of a new Local Plan, subject to any Government reviews of the scheme.	Developers Infrastructure Providers	Year 1 Proposals & Consultation Year 2 new scheme in place
<b>Pro-business approach / Support our businesses / Attract more inward investment into the borough as a whole</b>		
Actively encourage independent, artisan and environmentally sound businesses into our Town, Village and community centres through a package of benefits for new start-up businesses as a means to promote facilities, services and experiences for residents.	BID, Surrey Chambers, Business Associations	Years 1 – 5
Be recognised for a pro-business approach across all Council Services to build a reputation for the borough as a good place for businesses to invest and grow.	Surrey Heath Businesses BID Local Business Forums Local	Years 1 – 5

## Evidence Base

	Enterprise Partnership SCC	
Increase the amount of Council procurement spent locally and promote local spending to other businesses.	Surrey Heath Businesses Local Business Forums BID	Year 1
Deliver, with partners, initiatives to help develop people's skills and get them into employment e.g., The Youth Hub	DWP National Careers Service Years 1 Year 2 – 5 subject to funding	
Work with partners to deliver a 'unique selling point' for Camberley Town Centre, keeping up with emerging technology opportunities; to support innovation in the retail and town centre economy.	Education and Health partners BID Town Centre Strategy Local Businesses	Year 1 Town Centre Strategy
Support new and growing business through council facilitated meetings, business clinics and growth hub	Surrey Chambers BID	Years 1 - 5
Support the development of the green economy, and support businesses to achieve net zero carbon emissions.	Climate Change Action Plan Local Businesses LEP SCC	Years 1 – 5 (and beyond to 2030)
Deliver a robust economic development strategy supporting economic recovery and sustainable growth in the borough including the key business hubs.	Surrey County Council LEP BID Surrey Chambers Businesses	Agree year 1 Implement years 2 –