



**Surrey Heath Borough Council**  
Surrey Heath House  
Knoll Road  
Camberley  
Surrey GU15 3HD  
Telephone: (01276) 707100  
Facsimile: (01276) 707177  
DX: 32722 Camberley  
Web Site: [www.surreyheath.gov.uk](http://www.surreyheath.gov.uk)

**Division:** Corporate  
**Please ask for:** Rachel Whillis  
**Direct Tel:** 01276 707319  
**E-Mail:** [democratic.services@surreyheath.gov.uk](mailto:democratic.services@surreyheath.gov.uk)

---

To: All Members of the **EXECUTIVE**

The following papers have been added to the agenda for the above meeting.

They were not available for publication with the rest of the agenda.

Yours sincerely

Karen Whelan

Chief Executive

---

#### **SUPPLEMENTARY PAPERS**

	<b>Pages</b>
<b>1. Economic Development Annual Report 2018</b>	<b>3 - 10</b>

The above report supersedes the previously published version of the Economic Development Annual Report 2018.

This page is intentionally left blank

## Economic Development Annual Report 2018

**Summary:** The Executive agreed the Council's Economic Development Strategy (the Strategy) in 2014, and a further update in 2018. This Report is the update on activities and economic growth over the past 12 months of the programme, with a look towards the future programme developments.

### **Portfolio: Transformation**

**Signed off by Portfolio Holder: Economic Development**

**Wards Affected: All**

### **Recommendation**

The Committee is advised to comment as appropriate and note the content.

#### **1. Resource Implications**

- 1.1 Surrey Heath no longer receives central Government Funding to support its services. Greater retention of Business Rates, changes in the Non-domestic rating system and support from the Em3 LEP and other partners will allow the Borough to continue to provide Economic Development support to benefit the businesses and the community of Surrey Heath.
- 1.2 The Council's corporate priority; Prosperity, states that "We will support and promote our local economy so that people can work and do business across Surrey Heath". The Economic Strategy is the Council's commitment to the Borough on supporting and creating situations for growth and sustainability for business and the community.

#### **2. Summary**

- 2.1 The Strategy identifies three principal economic objectives. These are:
  - a) A sustainable place to live, work, shop and play**
  - b) A great place for business to flourish**
  - c) A great place for people to succeed**
- 2.2 The Committee is asked to note that the Strategy has 18 months (of 5 years) left to run. The economic landscape has changed significantly since its first iteration in 2014 and as such the strategy was updated in July 2018. Some of the actions were moved and altered to ensure we are delivering the right projects.

#### **3. Key Issues**

3.1 This Key Issue section seeks to highlight some of the main areas of economic development work over the past twelve months since the last update..

### 3.2 Borough Growth

	<b>2016</b>	<b>2017</b>	<b>Difference</b>
<b>Number of Businesses</b>	4,715	5,350	Increase 635
<b>Non-VAT Businesses</b>	1,550	1,750	Increase 200
<b>Micro Businesses</b>	89.9%	89.7%	Decrease 0.2%
<b>Jobs in the Borough</b>	52,000	55,000	Increase 3,000
<b>Borough GVA</b>	£3.3bn	Data set yet to be updated by ONS	
<b>Highly Skilled Workforce</b>	33% employed professionals	33% employed professionals	No change
<b>NVQ 4 and Above</b>	43.9% of population	58.7% of population	Increase of 14.8%
<b>Borough unemployment</b>	0.7% of population	0.5% of population	Reduction of 0.2%
<b>Average Earnings</b>	£799 per week	£742.3 per week	Reduction of £56.7 per week

Source NomisWeb Report 2018

A full review of the Borough's data will be completed by January 2019

It is noted that the Borough's growth overall has slowed compared to previous years, however small growth in the current uncertain economic climate pre-Brexit and during a time of austerity, should be considered a positive reflection on the Boroughs businesses drive to succeed and "do business". Positively, business numbers and employment continues to grow

Our strengths as a Borough in having a highly qualified population means that the Borough can look to hold on to and entice new businesses looking to seek out quality employees. However the down side to this is the ability to fulfil lower grade posts within the Borough considering cost of living is high.

### 3.3 Open for Business

3.4 2018 has seen the continued development of positive cooperative inter-department relationships as part of the 'one team' approach; and active working with the LEP and colleagues at Surrey County Council to share information and to work on joint strategies for collective gain through the Surrey Futures Programme.

3.5 Open for Business continues to be a successful collaboration between the Council and business. The Business Breakfast and Business Awards have been well received among the Business community and both these events, and other focussed networking and business development will be a continued theme for the Economic Development team looking forward in to the new year.

- 3.6 The Kevin Cantlon Shop Front Improvement Grant Scheme is also benefiting small local retail businesses, allowing them to invest in their business with support from the Council, Interest from 8 shops, with 2 currently in receipt of Grants (Frimley and Chobham). This is not as successful as was hoped and therefore the scheme will be reviewed, to ensure the funding suits business need.
- 3.7 The Economic Development team are beginning to attend organised networking events locally and promoting the work of the team and where SHBC can support businesses through its Open for Business initiative. Great connections are being made and the team will be looking to host focussed sector networking seminars.
- 3.8 Economic Development is continuing to work with the Frimley Business Association to support their plans, and is re-connecting the Watchmoor and Yorktown Business associations and the wider business community to provide support where required.
- 3.9 Surrey Heath is part of a County wide pilot to retain business rates, with funds to be used to support Economic Growth within the Borough. One project identified is the development of an incubator space for start-up, self employed and micro businesses to enable better engagement with the wider business community, and glean the benefits of collaborative working and improved local supply chains.
- 3.10 6 Businesses within the Borough have accessed support over the last 12 months from the EM3 Growth Hub, who have been supported in developing growth plans and accessed mentoring from EM3 ambassadors.

The companies gaining from the support are;

- Beam Accountancy (Camberley)
- Magikos IT (Camberley)
- No Grey Area (Camberley)
- Si 29 Computer Services (Camberley)
- Consentricare (Frimley)
- Pulseteq Ltd (Chobham)

- 3.11 Economic Development works with wider teams across the Council to support the Councils ambitious growth plans, identifying key economic impacts of projects and developments for the Council and for Businesses throughout the Borough.
- 3.12 This Calendar year has also seen the implementation of a Customer Relationship Management (CRM) tool; Tractivity which is enabling the capture and review of business across the Borough for more streamlined and value for money communications, meaning that we will no longer have to send out paper based invites to the business breakfasts, and we can target sectors, and send out meaningful communications to business to support growth and development across the Borough and wider.
- 3.13 The Economic Development Team has also led the opening of a pop-up shop "Off the Grid" within The Square in Camberley selling local Artisan and hand made products during the Autumn/Winter. This is a unique proposition within Camberley, and will support the further understanding of the retail sector and how it needs to adapt to the changing digital environment. It is believed that this is the first Council led pop-up shop not only in Surrey but England.

3.14 This year, it was decided to cancel the Surrey Heath Expo, 2 weeks before the event was due to be held. Stand bookings were down considerably, and registered visitor numbers were low. The team took into consideration the financial outlay of the companies committed to attend as well as the resource implications of those businesses and decided that the gain which was to be made for these businesses in making new connections was not great enough to justify their costs.

3.15 The next 12 months

3.16 To ensure that the Councils Economic Development Strategy fully reflects the needs of an ambitious Borough, a full update to the Strategy will be undertaken during 2018/19. The update will include new baseline data, and a smarter, more agile strategy, which will reflect the needs of an ever changing economy. This will also allow Surrey Heath to react quicker to the realities of Brexit post March 2019.

3.17 The Economic Development team proposes to develop a suite of materials both online and printed to support Surrey Heaths ambitions growth plans, including a review of our online presence and how businesses access information. These documents will not only help attract new business but support current businesses to grow and develop through accessing funding, finance, support and access local supply chains.

3.18 The Team will identify the key sectors within Surrey Heath and host Sector meetings and workshops to identify the needs across these sectors.

Sectors already identified are

- Medical Technology
- Pharmaceutical
- Manufacturing
- Smart Cities – Associated Technology

Work will continue in identifying other emerging sectors to ensure these are understood and supported.

The objectives of these sector groups will vary between groups, initially their aims will be to understand the sectors needs within the Borough, and key objectives will then emerge and can be taken forward into actions.

The ambition is to have hosted the initial meetings of these sector groups during 2019 as a minimum.

3.19 The Economic Development Team will also host various workshops and seminars throughout 2019, partnering with business support bodies and others to impart key information and support skills development. One significant workshop in that Calendar will be focused on the outcomes of Brexit, due to be hosted in early May 2019. The ambition is to hold a further 4 seminars across 2019.

3.20 The Council will work closely with The EM3 Growth hub to deliver a range of support within the Borough. We will signpost more growth businesses to the

Growth hub for free support, as well as working with the hub to deliver support and seminars throughout the next 12 months.

The Em3 Growth Hub has identified Surrey Heath as a Scale up area as part of a pilot project to target up to 15 high growth, high innovation companies in the Borough and will offer to support them in their growth plans aiding them in achieving 20% growth in turnover and/ or employment.

- 3.21 Economic Development will continue to work with teams across the Council to support the delivery of the Councils ambitious Growth plans, ensuring the boroughs economy and the impacts of developments, events and initiatives are considered from an economic perspective delivering positive gains for businesses and communities across the Borough.
- 3.22 The team will also ensure that Economic Development's work, associated information, data and objectives is shared across the council so that all businesses receive the same offer of support and access to information.
- 3.23 The Economic Development Team will review the Kevin Cantlon Shop Front Improvement Scheme to ensure that it is fit for purpose and will continue to promote the scheme across the Borough.
- 3.24 The Economic Development team will continue to work on the new Customer Relationship Management tool, Tractivity, supplied by the Em3 LEP, to manage the database of businesses and contacts to support the organisation on future business related events and communications, and with this, develop a new reporting system for company engagement.

The aim is to send out 50% of the invitations for the Awards Breakfast in March 2019 digitally, saving over £1,000 in postage and packaging. The objective then is to send 100% of invitations out to the September breakfast, Saving £2,000. The use of the CRM system therefore will save the Council in the region of £4,000 annually.

- 3.25 The Economic Development team will work with the EM3 LEP, Invest Surrey and the Department of International Trade to ensure that companies who wish to expand into new markets, such as exporting, can gain support from the correct organisations.
- 3.26 The Economic Development team will continue to work with the Surrey Employment & Skills and Training Board to ensure we support our businesses in taking up and developing apprenticeships throughout the Borough at all levels and sectors.

Economic Development will assist The Surrey Employment & Skills Training Board through delivering a joint seminar to local businesses on how to get involved in apprenticeships.

- 3.27 The Economic Development Team will deliver a Corporate Social Responsibility project for the Borough enabling businesses of all sizes and sectors to get involved in organised volunteering and fundraising to support local causes. This project is also encouraging regular networking, supporting growth of local supply chains.

#### **4. Options**

4.1 The Committee has the option to comment on the report and note it.

## **5. Proposals**

5.1 It is proposed that the Committee comments on and notes the report.

## **6. Supporting Information**

6.1 The full Economic Development Strategy is available on the internet.  
<https://www.surreyheath.gov.uk/business/economic-development/economic-development-strategy>

6.2 Objectives; over the next 12 months, the Economic Development team is committed to the delivery of the following:

- 2 x Business Breakfasts
- 4 x Initial Sector Meetings
- 3 x Partner led meetings with Surrey Chambers
- 1 x Partner led meeting with Em3 LEP
- 1 x Partner supported seminar on Apprenticeships
- 6 x Account management meetings with businesses per month
- New Economic Development Strategy approved by end of March 2019
- New Economic Development and Inward Investment materials project commenced January 2019

## **7. Corporate Objectives And Key Priorities**

7.1 Corporate objective 2 – ‘We will support and promote our local economy so that people can work and do business across Surrey Heath’.

7.2 Key priorities -

- Work with partners to support our economy through strategic development planning and economic growth
- Support local businesses by encouraging improvements to local transport and infrastructure
- Encourage inward investment
- Encourage new developments to strengthen the local economy

## **8. Policy Framework**

8.1 Supports the Council’s policy objective to work with and support the local business community.

## **9. Legal Issues**

9.1 No legal issues identified.

## **10. Governance**

10.1 The Strategy cuts across a number of service areas and will be overseen by the Portfolio Holder for Economic Development.

## **11. Risk Management**

11.1 Minimal risk as the Council is committed to supporting business as set out in the 5 Year Strategy and Key Priorities.

## 12. Human Rights

12.1 No issues identified.

## 13. Consultation

13.1 No consultations have been undertaken

## 14. PR And Marketing

14.1 The Council has utilised the resources of the media and marketing team to strengthen its promotion of activities and events.

## 15. Officer Comments

15.1 This year has seen an Economic Development Team become established within SHBC. The team is focused on ensuring that the Council has a full understanding of the Boroughs economy, how regional and national policies can support our growth and ensuring that support is given to all businesses when they need it.

<b>Background Papers</b>	Economic Development Strategy
<b>Author/Contact Details</b>	Teresa Hogsbjerg, Economic Development Manager <a href="mailto:Teresa.Hogsbjerg@Surreyheath.gov.uk">Teresa.Hogsbjerg@Surreyheath.gov.uk</a>
<b>Head of Service</b>	Louise Livingston, Executive Head of Transformation <a href="mailto:louise.livingston@surreyheath.gov.uk">louise.livingston@surreyheath.gov.uk</a>

## Consultations, Implications and Issues Addressed

<b>Resources</b>	<b>Required</b>	<b>Consulted</b>
Revenue	✓	✓
Capital		
Human Resources		
Asset Management		
IT		
<b>Other Issues</b>	<b>Required</b>	<b>Consulted</b>
Corporate Objectives & Key Priorities	✓	✓
Policy Framework		
Legal		
Governance		
Sustainability		
Risk Management		
Equalities Impact Assessment		
Community Safety		
Human Rights		
Consultation		
P R & Marketing	✓	

**Review Date:** December 2019

**Version: 4**

1