

Portfolio:	Economic Development
Ward(s) Affected:	All

Purpose: To review the performance of Economic Development in 2019

1. Background

- 1.1. Previously, the Economic Development Annual Report was reviewed by the Executive. At the Chairman's Drafts in 2019, it was decided that as no decision was due to be made regarding the report, performance and finance scrutiny would be the proper place for this paper to be reviewed.
- 1.2. The Executive agreed the Council's Economic Development Strategy (the Strategy) in 2014, and a further update in 2018. Further that it should receive an annual update on progress against its action plans. This report is the 2019 update for the Performance and Finance Committee.
- 1.3. The Economic Development strategy runs from 2014-2020 and therefore will undergo a full refresh during 2020. A business consultation will be undertaken to ensure the strategy is fitting for the local economy and will support and enable future growth.

2. Current Position

- 2.1. The Economic Development Strategy has been in place since 2014 and is due to be updated in 2020.
- 2.2. 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.
- 2.3. Monthly reports are provided to Corporate Management Team and Portfolio Holder and provide up to date details of businesses visited, actions arising and follow up discussions.

3. Economic Development Function

- 3.1. The role of economic development is to support and enable businesses and communities to benefit economically from positive changes and growth in the local economy.
- 3.2. The Economic Development team achieves this function by:
 - Undertaking an active Account Management programme with local businesses
 - Attending networking groups and making connections with local businesses and entrepreneurs

- Undertaking projects which support and promote the local economy
- Responding to large, business lead planning applications
- Being the point of contact for businesses wanting to connect with the Council
- Monitoring the local and national economy and understanding sectors and their needs for growth
- Working with organisations such as the Local Enterprise Partnership Em3, Surrey County Councils, Surrey Chambers, Business South and others

3.3. The Local Economy

- Number of business registered for PAYE and VAT – 5,365 (up 600)
- Population – 88,900 (increase 500)
- Jobs in the Borough – 65,000 (increased from 52,000 Please note that this dramatic increase is being reviewed)
- Borough GVA - £3.3bn – static (GVA updates in December)
- Highly Skilled workforce – 48.7% employed professionals (15% increase)
- Gross Weekly Pay £739.4, a slight decrease of £12 per week, but higher than the national average of £587

3.4. Open for Business

3.4.1. 2019 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.

3.4.2. Open for Business continues to be a successful collaboration between the Council and business. The Business breakfast, Business awards have been successful in continuing the Council's approach to Open for Business.

3.4.3. 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 with businesses all over the Borough benefitting. This year we have awarded 4 grants (Windlesham, Frimley, Chobham and Camberley).

3.4.4. The Economic Development team are beginning to attend organised networking events locally and discussing the work of the team and where SHBC can support through its Open for Business initiative. Great connections are being made, and are proving worth while.

3.4.5. 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 more to provide support where required. The Team has also started attending Collectively Camberley Breakfast meetings.

3.4.6. The Economic Development team works with wider teams across the Council to support the Councils ambitious growth plans, identifying key economic impacts of projects for developments for the Council and for Businesses throughout the Borough.

3.4.7. This year the council has become Members of Business South, to expand on our business support and networking. We are hosting our first event in partnership with Business South during November at the RMA.

3.4.8. Economic Development has forged a strong relationship with the University of Surrey which has opened up many opportunities for networking and future projects.

3.4.9. This year we launched our first sector group for the Heath sector, a meeting of large and small businesses and organisations interested in development of the sector. The meeting was so successful the group has been taken on by Set Squared who are taking the partnership forward to investigate future projects and seek funding opportunities.

3.4.10. Economic Development has supported many of the town centre project development ideas working alongside I & D and Commercial property. Further, Economic Development is developing projects to support economic Growth across the Borough. One major project gaining a lot of interest from large businesses and government departments is the 5G retail test bed project this project has been highlighted as a flagship project by the DCMS and discussions are on-going with regards to partnerships, next steps and funding.

3.5. Economic Development – Supporting Development

3.5.1. The Economic development team is continuing to support the work of the I&D team in ensuring we are providing data and analysis when required alongside carrying out business development and key account management with businesses and potential tenants for retail units across the town and other units around the Borough.

3.5.2. The team also continues to provide support in reviewing major planning applications with regards to the economic impact of the projects.

3.6. The next 12 months

3.6.1. 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 2020. The new strategy will ensure that there is a robust direction of work in line with all other council strategies and plans.

3.6.2. The Council will work closer 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 work with the hub to deliver support and seminars throughout the next 12 months.

3.6.3. The Economic Development team will continue to work with teams across the Council to support the delivery of the Councils ambitious Growth plans.

3.6.4. The Economic Development Team will continue to promote the Kevin Cantlon Shop Fronts scheme, going out to commercial agents, shop fit out companies and others to ensure that those choosing to update their shop front, or new tenants or owners, know that they have access to the funding.

3.6.5. 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.

3.6.6. The Economic Development team will continue to work with the Surrey Skills and Training Board to ensure we support our businesses in taking up and developing apprenticeships throughout the Borough of all levels and sectors.

4. Proposal

4.1. The draft for the 2025 Economic Development Strategy is due by the end of January for comments prior to consultation with businesses.

4.2. The Committee is asked to note that the 2020 update to the strategy and action plan will be produced in three parts, this is to ensure that the plan delivers but can provide a flexible approach depending on market changes and the impacts over the coming years of Brexit:

- An overarching strategy – covering 5 years
- A Data update – Updated yearly
- Supporting action plan – reviewed yearly

5. Resource Implications

5.1. There are no resource implications attributed to this paper

6. Recommendation

The Committee is asked to note the report reflecting on 2019, and provide any comments and recommendations as appropriate

Background Papers: None

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