

**Environment, Communities and Fire Select Committee****9 May 2019****A Prosperous Place: Economic Growth Plan 2018 – 2023 Action Plan****Report by Executive Director Economy, Infrastructure and the Environment****Summary**

The West Sussex Plan published in October 2017 sets out the vision for West Sussex, and what the County Council plans to achieve for its residents, businesses and the County. A key priority is `ensuring West Sussex is a prosperous place`, with a strong and vibrant economy.

A new Economic Growth Plan for the period 2018 – 2023 was adopted in June 2018, providing the framework for the County Council's activities to support and drive economic growth to achieve the `prosperous place` outcomes. The Plan is built on existing priorities and commitments, and identifies new opportunities for growth around five priority themes. The Economic Growth Plan and the supporting annual Action Plans will prioritise activity and investment to achieve the priorities, building on existing County Council commitments and progressing new opportunities.

The annual Action Plans will be reviewed and updated every six months to reflect the latest position, plans and performance. They will not be formally adopted.

**The focus for scrutiny**

The focus for the Committee is to scrutinise progress with the Economic Growth Plan 2018-2023, and the annual action plan for 2019/20.

**Recommendations**

- (1) The Select Committee scrutinises the Economic Growth Plan 2018-2023 annual Action Plan, with a focus on work led by the Economic Growth Team.
- (2) The Select Committee considers new economic growth activities being progressed to achieve the five priority themes.

## **Proposal**

### **1. Background and Context**

- 1.1 In October 2017 the County Council published The West Sussex Plan setting out the Council's priorities. The West Sussex Plan sets out the County Council's firm commitment to supporting and growing the economy, through striving for West Sussex to be `A Prosperous Place`.
- 1.2 In support of the achievement of the West Sussex Plan, an Economic Growth Plan 2018 – 2023 was developed and adopted, with five priority themes to support the achievement of the Prosperous Place outcomes:
  1. Strengthening the coastal towns
  2. Maximising the opportunities from Gatwick
  3. Growing the green energy county
  4. Promoting West Sussex as a place to visit and work
  5. Enabling a workforce for the future
- 1.3 The Economic Growth Plan and the associated annual Action Plan are County Council plans, rather than countywide plans. Both are cognisant of national, regional and partners' priorities, and recognise that working in partnership is important to success.
- 1.4 Following the adoption of the Economic Growth Plan 2018-2023 in June 2018 ([LDR05\(18/19\)](#)), a high level Action Plan was developed setting out the projects, activities and propositions that will be progressed by the County Council to achieve the five priority themes. This has progressed into an annual action plan for 2019/20 (see Appendix A).
- 1.5 The achievement of the Economic Growth Plan is dependent on the work of a range of County Council functions and teams, including the Economic Growth Team; the Growth Deals Delivery Team; Planning and Strategic Transport; Sustainability and Your Energy Sussex; the West Sussex Digital Infrastructure team; and Education and Skills. In addition to considering the overall approach to managing the achievement of the Economic Growth Plan, the focus of the Committee item is the work of the Economic Growth Team, which primarily covers work associated with the formerly named Bold Ideas; growth through key business sectors; workforce and skills initiatives; and business support activities. Progress with Horsham Enterprise Park (also through the Economic Growth Team) and the work of other services and functions is scrutinised elsewhere.

### **2. Proposal**

- 2.1 The proposal is to support the Economic Growth Plan 2018 – 2023 approach to managing progress through annual Action Plans, in order to build on the County Council's current priorities and commitments to supporting economic growth, and to progress new opportunities to achieve the five priority themes adopted in the Plan.

- 2.2 The annual Action Plans include progress on and current actions relating to the formerly titled `Bold Ideas`, which are specific interventions led by the County Council to stimulate economic growth, namely:
- The redevelopment of the former Novartis site, to support and grow high value employment with a focus on the knowledge economy (including the health and life sciences)
  - The development of the creative and digital sector in coastal towns, initially focussing on establishing a collaborative workspace and hub in Bognor Regis
  - The promotion of West Sussex as a place for active, outdoor short breaks through the `beautiful outdoors`, now evolved into a countywide partnership to support and grow the visitor economy through Experience West Sussex
  - Leveraging opportunities from Gatwick, currently reflected in the former Novartis site plans, the Growth Deals with the Districts and Boroughs, and visitor economy initiatives
  - (It has previously been confirmed to Members that the Bold Idea around high end finance evolved into a strong proposition for businesses around broadband and digital infrastructure, to support knowledge and data intensive businesses to be located in the county).

2.3 The annual action plan also highlights propositions to be progressed in 2019/20, including the growth of the creative and digital sector, and the consideration of the future `older / mature` workforce. The presentation to Committee will include an update on progress to date with these two new areas of work.

2.4 The Economic Growth Plan 2018-2023 sets out the importance of measuring the impact of the Plan and its associated Action Plans, and a performance framework has been developed for this purpose, at two levels:

- *High level measures* with baselines reflecting the West Sussex Plan's Prosperous Place measures and the five priority themes (Appendix B). Any activities in the action plans will link to and contribute to the high level measures.
- *Specific indicators and measures* for each project, set out in the annual action plan (Appendix A). These will provide the performance framework for directly measuring the benefits of the action plans, and are based on the high level measures.

2.5 The high level measures are as follows:

Priority Theme One: Strengthening the Coastal Towns

- Improved rates of business start-up (in West Sussex Performance Dashboard)
- Improved business survival rates (in West Sussex Performance Dashboard)
- Higher workplace and resident earnings
- Increase in creative digital sector
- Net commercial floor space built (m<sup>2</sup>) (office and industrial B1 & B2)

#### Priority Theme Two: Maximising the opportunities from Gatwick

- Increased business count
- Increased proportion of employment in higher value business and professional services
- Higher resident and workplace earnings (in West Sussex Performance Dashboard)
- Commercial floor space (office and industrial) built every year

#### Priority Theme Three: Growing the Green Energy County

- *No high level measures – all measures at initiative level.*

#### Priority Theme Four: Promoting West Sussex as a Place to Visit and Work

- Increased visitor expenditure per head (trip)
- More balanced seasonal profile of visitors
- Increase in local food and drink producers

#### Priority Theme Five: Future Workforce

- Improved resident earnings across the County (in West Sussex Performance Dashboard)
- Employment rates aged 50+

2.6 The annual Action Plans reflect where the County Council is best placed to support the economy, and are developed with due consideration to the following:

- The five priority themes, their associated objectives and areas for action set out in the [adopted Economic Growth Plan](#) (pages 30-45)
- Feedback from partners and business representative organisations on the `Projects and Propositions` document, the precursor to the Action Plans which was shared with partners as part of the consultation on the draft Economic Growth Plan 2018-2023
- Current economic growth priorities and commitments, including through the existing portfolio of economy projects and the Growth Deals agreed with the districts and boroughs
- Current priorities and commitments from a wide range of County Council services which help to facilitate and support economic growth, including the work of planning services on strategic transport, and the activities of the Digital Infrastructure team to develop a better connected county
- Opportunities to build on existing activities, and new propositions to support the achievement of the five priority themes, including the creative and digital coast, the green energy county, Experience West Sussex, and the mature workforce.

2.7 The annual Action Plan (Appendix A) sets out the five priority themes, their proposed high level measures, and specific projects and propositions within each priority objective. For each project or proposition, there is a statement on the current position and target timescale; the key actions and milestones for the year; the resource position (officer, key partners or organisations, and budget); and the indicators and measures of success, where they have been agreed. Further measures will be added as propositions are developed into measurable projects and activities.

- 2.8 The annual Action Plan will be reviewed at the end of each year, with indicators, measures of success and benefits formally tracked. The officer Economy Board, Chaired by the Executive Director Economy, Infrastructure and the Environment, has oversight of progress. Formal reporting also takes place through the West Sussex Performance Dashboard.
- 2.9 Since the adoption of the Economic Growth Plan 2018-2023 in June 2018, the Coast to Capital Local Enterprise Partnership's (LEP's) strategic economic plan `Gatwick 360` has also been adopted. The Economic Growth Plan is consistent with the strategic economic plan, which provides the region's strategic plan and the framework against which important funding decisions will be made. A dialogue is ongoing with the LEP on specific opportunities to collaborate on shared priorities and actions in the SEP, and through the emerging Local Industrial Strategy. The County Council is represented on the LEP Board by the Leader.

### 3 Resources

- 3.1 The development and delivery of the County Council's economic growth activities are primarily funded through the Economic Development Base Budget; the approved Capital Programme 2018-2023; remaining funds in the Strategic Economic Plan Reserve (see decision LDR06 15/16); funds in the Economic Growth Reserve; and through leveraging external funding, including Coast to Capital Local Growth Fund; the Strategic Investment Fund (the pooled business rates); and remaining EU funding (including EAFRD, ERDF and Interreg 2 Seas).
- 3.2 The revenue and Capital Programme budget allocations to support current, agreed economic growth priorities are set out in the table below.

<b>Economic Development Funding Available 2019/20 to 2023/24</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>
<b>Revenue Funding</b>					
Economic Development Base Budget	1,082	1,061	1,061	1,061	1,061
Strategic Economic Plan Reserve	1,202				
Economic Growth Reserve	1,297				
<b>Capital Programme</b>					
Crawley Growth Programme	6,901	5,278	0	0	0
Creative Bognor	868	0	0	0	0
Worthing Public Realm	169	0	0	0	0
Growth Programme	600	3,000	4,000	12,000	2,000
Experience West Sussex	0	500	0	0	0
Horsham Enterprise Park	1,000	6,280	7,720	15,000	0

- 3.3 The uncommitted balances from the Strategic Economic Plan and Sustainable Investment Reserves were merged into a single Economic Growth Reserve in Autumn 2018 via the August Total Performance Monitor decision report (decision taken in November 2018), to support the achievement of the new Economic Growth Plan. The use of the reserve for the delivery of the plan is delegated to the Executive Director Economy, Infrastructure and the Environment, in consultation with the Leader and Cabinet Member for

Finance and Resources. The remaining balance in the Strategic Economic Plan reserve continues to support the delivery of the formerly named Bold Ideas and the six Growth Deals with the Districts and Boroughs.

- 3.4 Additional County Council programmes and budgets managed outside Economic Development support economic growth priorities, including specific projects in the Action Plan. These include the One Public Estate Programme, improvements to the infrastructure of West Sussex, and the DCMS funded Gigabit voucher scheme for businesses.
- 3.5 Any new budget allocations (including through external funding bids) for new priorities within the Economic Growth Plan will be based on sound business cases, including an assessment of critical success factors, value for money, and the likelihood of securing benefits.

## **Factors taken into account**

### **4 Issues for consideration by the Select Committee**

- 4.1 The Select Committee is invited to scrutinise and consider progress with the Economic Growth Plan 2018-2023, and the annual action plan for 2019/20.

## **5 Consultation**

- 5.1 **Partners** – Partners and business representative organisations were invited to provide feedback on a `Projects and Propositions` document, the precursor to the Action Plan which was shared with partners as part of the consultation on the draft Economic Growth Plan 2018-2023. The document sets out the `projects` the County Council is committed to delivering, including the portfolio of economy projects and the Growth Deals, and the `propositions` for new areas of work to achieve the priorities.
- 5.2 Following the adoption of the Economic Growth Plan 2018-2023, meetings were held with key partners to inform the Action Plan. Consideration has been given to partners' current economy priorities and activities, existing commitments on joint working, and opportunities to collaborate on new areas of work. Meetings have been held with districts and boroughs, the Coast to Capital Local Enterprise Partnership, the South Downs National Park Authority, the three West Sussex Area Economic Partnerships, and the University of Chichester. Further engagement with partners, including additional education partners, is progressing on specific areas of work.
- 5.3 **Members** – All County Council Members were invited to input into the priorities for the Economic Growth Plan at a Prosperous Place Member workshop on 6 December 2017. The Environment, Communities and Fire Select Committee considered the approach to the development of the Economic Growth Plan, the evidence base, and the draft priority themes and activities at its meeting in January 2018. The Committee received an update on progress at its meeting in March 2018. The Economic Growth Plan 2018-2023 was formally adopted through the County Council's governance in June 2018, and the Action Plan is based on the adopted Plan and its five priority themes.

- 5.4 **Internal** - Key County Council services have informed and/or contributed to the high level Action Plan, including the Economic Growth Team; the Growth Deals Delivery Team; Planning and Strategic Transport; Sustainability; the West Sussex Digital Infrastructure team; and Education and Skills.

## **6 Risk Management Implications**

- 6.1 There is a risk that international, national or local economic factors may result in the Economic Growth Plan and associated action plan not delivering the intended benefits. Both have taken into consideration the wider economic landscape as far as possible, including any implications arising from the UK's vote to leave the European Union. As specific new proposals progress, they will include a full consideration of risk and risk mitigation.

## **7 Other Options Considered**

- 7.1 The high level Action Plan derives from the Economic Growth Plan 2018-2023, which is based on a thorough review and consideration of evidence and data; the national and local drivers for the economy; the priorities and commitments of partners; and the County Council's commitments and particular opportunities to take the lead. A range of options for specific activities are being considered for new propositions and areas of work, and projects or delivery plans would be based on sound business cases.

## **8 Equality Duty**

- 8.1 The Economic Growth Plan 2018 – 2023 and associated annual Action Plan identifies a range of priorities and objectives to enhance equality and opportunity in the county. Equality will be considered further as each proposition in the Action Plan is progressed from concept, to feasibility, design and delivery.

## **9 Social Value**

- 9.1 There will be clear economic benefits and support for businesses and individuals. There will be environmental benefits, particularly through the `Green Energy County` priority theme. Specific actions will identify social value opportunities, and any associated procurement will comply with the Social Value policy.

## **10 Crime and Disorder Implications**

- 10.1 There are no identifiable Crime and Disorder Act implications.

## **11 Human Rights Implications**

- 11.1 There are no identifiable Human Rights implications.

### **Lee Harris**

Executive Director

Economy, Infrastructure and the Environment

**Contact:** Carolyn Carr, Economic Growth Manager  
[Carolyn.carr@westsussex.gov.uk](mailto:Carolyn.carr@westsussex.gov.uk)

**Appendix A** - West Sussex Economic Growth Plan 2018-2023 Annual Action Plan 2019/2020

**Appendix B** - West Sussex Economic Growth Plan 2018-2023 High Level Measures and Baselines

No background papers.