### **REPORT TO THE MEETING OF THE EXECUTIVE 6 DECEMBER 2017**

### **PORTFOLIO: ENTERPRISE**

## REPORT FROM ASSISTANT DIRECTOR, PLANNING & REGENERATION SERVICES

#### SUBJECT: ECONOMIC GROWTH STRATEGY 2017

#### 1 DECISION BEING RECOMMENDED

- 1.1 That, subject to any comments by the Executive, the Economic Growth Strategy 2017 (EGS17) be agreed as the framework for promoting economic development in the District, and that future updates and amendments, as required, be agreed with the Portfolio Holder for Enterprise to ensure the document is kept up to date. (A copy of EGS17 is attached as Appendix 1 to this report).
- 1.2 That, subject to the approval of EGS17, a detailed implementation plan be prepared and reported back to the Executive at a later date.

#### 2 KEY DECISIONS DOCUMENT REFERENCE No: 11/17

#### 3 REASON/S FOR RECOMMENDATION

- 3.1 The Council has reviewed, consulted upon, amended and updated its Economic Growth Strategy. The revised Economic Growth Strategy 2017 takes into account new and emerging evidence and priorities published by Government and also considers local priorities identified at the Essex and South Essex level.
- 3.2 This strategy sets out the economic strengths and challenges that our District is likely to face in the future and how we plan to overcome these and grow our local economy in the short, medium and longer term. It outlines four priority areas that the Council will focus on, working in partnership with the wider business community.

#### 4 SALIENT INFORMATION

- 4.1 The Rochford district forms part of South Essex, which is a functional economic area, with each local authority having differing economic compositions influenced by a range of factors including geography, population, infrastructure, economic drivers. However, it is important that the Rochford District has a clear direction of travel to achieve continued economic growth. Therefore the four priority areas that would be concentrated on are:-
  - To encourage inward investment;
  - To support business growth and retention;

- To develop skills and employability; and
- To support new businesses.
- 4.2 The economic development function of the Council moved into the Planning and Regeneration Department in June 2016. Following an initial scrutiny of the current service with the Portfolio Holder for Enterprise in Summer 2016, the Assistant Director for Planning and Regeneration, Planning Policy and Economic Development Team Leader and Economic Development Officer(s) undertook a fundamental review of the economic development function.
- 4.3 The draft EGS17<sup>1</sup> was put out for external public consultation via the Council's website, both on the Business and 'Have Your Say' pages and through social media. The document was also circulated amongst local business groups, including the 3 local Chambers and Essex Chambers of Commerce, and to all business subscribers of the Council's e-bulletin service 'Tell Me More' (848 business news subscribers as of 21 November 2017). It was available to comment on during the month of October 2017. Following on from these consultations, responses received (tabled in Appendix 2), have been considered and incorporated into EGS17.

#### 5 ALTERNATIVE OPTIONS CONSIDERED

5.1 In this instance, no alternative options have been considered. It is essential for the District to have a growth strategy in place to ensure that all opportunities for delivering economic growth, inward investment, retention, development of skills and employability and continued support for existing business are realised.

#### 6 **RISK IMPLICATIONS**

6.1 Without an Economic Growth Strategy, the Council would have no clear direction of travel to achieve economic growth and reassure the business community of our continued support. There is a risk that, without a clear growth strategy, opportunities for investment and development in the District will be lost.

#### 7 RESOURCE IMPLICATIONS

7.1 This work has been achieved within existing budgetary constraints and through officer's current workloads. There are no immediate resource implications arising from the approval of draft EGS17. Any initiatives or schemes linked to EGS17 which require resources which cannot be met from the existing Department budget will be brought to the Council for a decision.

<sup>&</sup>lt;sup>1</sup> <u>http://www.rochford.gov.uk/business/business-strategies</u>

7.2 EGS17 and its implementation plan, which will detail how the Council is going to deliver the actions identified within the strategy, will be monitored in conjunction with the Portfolio Holder for Enterprise.

#### 8 LEGAL IMPLICATIONS

8.1 None.

#### 9 EQUALITY AND DIVERSITY IMPLICATIONS

9.1 None.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature:

## Assistant Director, Planning & Regeneration Services

#### Background Papers:-

None.

For further information please contact Natalie Hayward (Planning Policy and Economic Development Team) or Cheryl Milton-White/Paula Chapman (Economic Development Officers) on:-

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# **Rochford District Council**

## **Economic Growth Strategy 2017**

## Executive



## **Economic Growth Strategy 2017**

## 1 What is our Economic Growth Strategy?

1.1 Our Economic Growth Strategy takes into account new and emerging evidence and priorities published by Government as well as the more local priorities identified at the Essex and South Essex level. The diagram below demonstrates the relationship between relevant strategies from those organisations responsible for economic development, regeneration and growth, and how these relate to our strategy.



1.2 As a district we form part of South Essex, which is a functional economic area, with each local authority area having different industrial compositions influenced by a range of factors including geography, population, economic drivers etc. This strategy sets out the economic strengths and challenges that our district is likely to face in the future, and how we plan to overcome these in the short, medium and longer term. To

demonstrate commitment to delivery of this strategy, it will be supported by a more detailed implementation plan that will be updated to ensure that it remains relevant to the aims and priorities of the district and the sub-region.

### 2 What are our economic strengths?

#### Thriving regional airport

London Southend Airport has its own mainline train station to London, and is well positioned to connect our district with other parts of the UK, Europe and beyond. It has hugely improved its service offer and is a rapidly growing asset within the district.

#### Access to London and other markets

Frequent trains into London on the Southend Victoria to Liverpool Street line, which takes 50 minutes or less, and access to east-west strategic highway network (A127 and A13) into London, M25 and beyond, and north-south links to Chelmsford (A1245 and A130). Coach link from Stansted Airport to London Southend Airport via Rochford District (X30).

#### Low unemployment rate

We have the lowest rate of unemployment in South Essex with only 0.9% of our working age population claiming out-of-work benefits in 2017.

#### Local, skilled employment opportunities

Our largest sectors for employment in the district include the construction, retail, professional, scientific and technical sectors. We also have a relatively high proportion of enterprises in the IT, digital and creative sector.

#### Entrepreneurial and business culture

We have the highest rate of business survival compared to other parts of South Essex with over half of all home-grown businesses surviving over a five year period.

#### Diverse, historic town centres

The towns of Rochford, Rayleigh and Hockley are steeped in history, with many historic buildings, and offer a unique location to businesses to thrive.

#### Close proximity to high-population centres

There is a large pool of potential employees in the district and other centres in the wider area nearby offering an accessible workforce for any business need, with 89.8% achieving at least an NVQ Level 1, above both the regional and national average.

#### High quality of life

Despite being a highly connected location for business, the district has a distinct and uniquely rural feel, and there are many accessible parks and green and open spaces. Wildlife havens include Foulness Island and the Upper Roach Valley Special Landscape Area, as well as the Wallasea Island Wild Coast Project, which is a landmark conservation and engineering scheme.

#### Increasing access to superfast broadband

Much of the district is connected to high speed broadband, with further phases due to be rolled out over the next few years

#### New, large, high quality business park

To the north of London Southend Airport, just to the south west of Rochford train station, a new large-scale, high-quality and high-tech business park is being developed with potential for 100,000 m<sup>2</sup> of bespoke business accommodation.

### 3 What are our economic challenges?

#### Skills mismatch

There is a skills gap in the district of necessary skills for specific careers, which impacts on the ability of local people to access certain local jobs, and there is still a proportion of the population that lack suitable education, skills and work readiness.

#### Educated and skilled workforce

Only 18.1% (NOMIS2016) hold an NVQ level 4 equivalent or higher (degree level and above), this is below the East of England and National average.

#### Infrastructure constraints

Rochford has a constrained transport system, across South Essex there are limitations within the existing infrastructure, including the highway network and broadband, which impacts on the potential growth opportunities.

#### An ageing population

The percentage of residents over 65 years of age is greater than the England average, which is a trend that is projected to continue in the future.

#### Proximity to key employment locations

We are within easy commuting distance of Southend, Basildon, Chelmsford and London which provides local communities in the district with a wide choice of job opportunities but equally encourages out commuting.

#### Lack of available grow-on space

There is a mismatch between the supply of, and demand for, grow-on space across the county, with both industrial and office space being in short supply. This shortage of grow-on space is evident in almost all local authority areas in Essex, however, the imbalance was found to be particularly pronounced in Rochford District, where in July 2016 the district was assessed as having just 0.4 years supply of units.

#### Varying quality of employment land

There have been some issues with matching business needs – particularly for those outside the area looking to locate to the district – with available employment land opportunities.

#### **Rural nature**

Whilst being relatively rural compared to the rest of South Essex, this presents challenges for local businesses in terms of accessibility, availability of superfast broadband etc.

#### Under-developed tourism offer

Due to our rural nature, we have the potential for a different tourism offer to the rest of South Essex; we have the potential to promote green tourism. The Wallasea Island Wild Coast project will bring together the maritime, wildlife and coastal heritage and will result in a unique attraction that supports the Rochford tourism offer and has the potential to contribute to the local economy.

#### Loss of business space to other uses

Leisure and retail uses have infiltrated onto our traditional industrial estates, potentially creating a conflict between users. Government intervention, through permitted development rights, also has the potential to undermine our economic competitiveness.

## 4 How do we unlock our potential?

4.1 We need to continue to build on our strengths, and work to overcome the challenges we face through identifying what our priorities are and working with key partners. We have identified four priorities as set out in the diagram below.



## To encourage inward investment we will ...

- Work with land owners and developers to identify and deliver regeneration opportunities and unlock more difficult sites
- Develop marketing and promotional materials to promote the district
- Ensure the Council works effectively with businesses to meet their current and future needs
- Work with Invest Essex to promote and encourage business investment to the district
- Develop a customer relationship management (CRM) system that can link to existing systems within partner agencies, such as Invest Essex and Best Growth Hub, to enable an improved property/land search service, matching needs with site opportunities to prospective businesses needs
- Work with other organisations such as Essex County Council and Opportunity South Essex to influence and secure funding for infrastructure improvements
- Support the development of the Wallasea Island Wild Coast Project, and other initiatives such as the River Crouch Coastal Community Team
- Work with Southend Borough Council to deliver the Joint Area Action Plan (JAAP) which includes the 100,000 m<sup>2</sup> high tech business park
- Be responsive to planning consultations through supporting viable business cases
- Attend relevant business events that showcase the district such as BEST Business Show

- Keep the Council's business webpages up-to-date to promote the benefits of locating in the district
- Promote all business activities through various social media platforms and regular ebulletins to 'Tell Me More' subscribers

#### To support business growth and retention we will...

- Hold add hoc Business Surgeries across the district in partnership with the BEST Growth Hub
- Provide free business events to inform our businesses of latest developments and legislation and encourage networking opportunities
- Develop a customer relationship management (CRM) system that can link to existing systems within partner agencies, such as Invest Essex and Best Growth Hub, to effectively deal with business expansion enquiries and match business needs with site opportunities to maximise the promotion of grow-on space that is available.
- Be responsive to planning consultations to support business growth and investment and be pro-active in resisting residential conversions of commercial space wherever possible
- Actively promote available business grant funding opportunities
- Work with Southend Borough Council to deliver the Joint Area Action Plan (JAAP) which includes the 100,000 m<sup>2</sup> high tech business park
- Keep the Council's business webpages up to date to ensure relevant and latest information is available to business such as training and networking events
- Actively promote Parish and District Council tender opportunities to the local business community to encourage a local supply chain
- Effectively engage with, and encourage the continued development of the 3 Chamber<sup>1</sup>
- Promote all activities through various social media platforms
- Produce regular and informative e-bulletins to 'Tell Me More' subscribers
- Work with our external partners to deliver a robust business support package, such as BEST Growth Hub, NWES and LoCase
- Work and consult with our private sector business colleagues, such as Essex Chambers of Commerce and the Federation of Small Business to continue to promote their business initiatives and events
- Represent local business interests at all relevant meetings held at local, county and regional and SELEP level
- Support and encourage the development of enterprise centres offering flexible workspace within the District wherever possible.
- Hold an annual Pop-Up business café in partnership with the BEST Growth Hub

<sup>&</sup>lt;sup>1</sup> 3 Chamber is the combined business membership of Rayleigh, Rochford and Hockley Chambers of Trade

- Work with other organisations such as Essex County Council and Opportunity South Essex to influence and secure funding for infrastructure improvements
- Promote networking and workshop events throughout Essex in partnership with other business support agencies
- Promote best practice procedure to local businesses

#### To develop skills and employability we will...

- Be an active partner in the Castle Point and Rochford Employment, Skills and Business group
- Develop and facilitate a skills and careers advice programme through an annual School Careers Options event which will be available to all four district secondary schools, and targeted at students, prior to selecting their options
- To work with, promote and facilitate local businesses engaging in the 60 Minute Mentor, Career Ready and Careers Enterprise Company programmes, operating within our district secondary schools
- Provide free business workshops to upskill businesses and their employees
- Work with our external partners to deliver workshops, seminars and training to upskill businesses and employees, such as BEST Growth Hub and Essex County Council's Innovation and Sector Development team
- Hold an annual Pop-Up business cafe in partnership with the BEST Growth Hub
- Work with other organisations such as Essex County Council and Opportunity South Essex to promote the skills agenda
- Utilise social media and our 'Tell Me More' e-bulletins to promote networking and workshop events to develop business knowledge and skills

#### To support new businesses we will...

- Work with our external partners to deliver a robust business support package, such as BEST Growth Hub, NWES and LoCase
- Signpost businesses to free business support agencies.
- Actively promote available business grant funding opportunities.
- Explore and, where appropriate, develop business cases to progress future delivery of an Enterprise Centre within the district
- Actively promote available business grant funding opportunities
- Work and consult with our private sector business colleagues, such as Essex Chambers of Commerce and the Federation of Small Business to continue to promote their business initiatives and events
- Promote all activities through various social media platforms and regular and informative e-bulletins to 'Tell Me More' subscribers

• Keep the Council's business webpages up-to-date to ensure relevant and latest information is available to business such as training and networking events



## **CONSULTATION RESPONSES TABLE FOR EGS17**

ORGANISATION	COMMENT RECEIVED	ACTION TAKEN
David Burch Essex Chambers	Thank you for inviting comments on the draft growth strategy. There is nothing in there that we would disagree with but are disappointed that there is little reference if any to working with the private sector and business organisations, such as us, to address some of the issues you have identified resulting in a very public sector focused set of solutions.	EGS17 amended to reflect continued engagement with the private sector.
lan Lewis Essex County Council	Not sure on timings, but I'll check when the SELEP SEP refresh will be completed – might be best to reference that rather than the 2014 version. But, if it is going to take too long then you'll need to stick with the 2014 version.	Checked and SELEP Strategic Economic Plan refresh was not published in time for this strategy.
Council	1.2 – I would refer to south Essex as a functional economic area rather than hub.	EGS17 amended
	Section 2 – educated and skilled workforce – I would test the 25% NVQ figure against national figures – I think that on that measure Rochford (like the rest of South Essex) will lag the national picture. I think the District profiles on the ESB website might have the most up to date figures on that.	Figures reviewed and EGS17 amended to reflect updated national figures.
	Section 3 – might be worth trying to quantify the people that lack the education, skills etc. – there might be a percentage figure in the ESB documents that could help this. With reference to the grow on space, I am not sure if you would wish to word this a bit more strengtly, or elerify that the domand is greater than the surply	NOMIS reviewed and Rochford District is too small for a reliable estimate of 'No Qualifications. Stats only list Essex wide.
	this a bit more strongly, or clarify that the demand is greater than the supply, because it could be read the other way round	EGS17 amended to reflect demand for grow on space.

ORGANISATION	COMMENT RECEIVED	ACTION TAKEN
lan Lewis Essex County Council	4.1 – I think in relation to the promotion and development of materials you should really reference that you will work with Invest Essex etc to promote the district. I also think that in the 4th bullet it should be investment rather than relocation because this would also capture existing businesses who wish to invest/expand.	EGS17 amended to include Invest Essex and investment.
	In the 3rd bullet point, rather than saying 'plans' you might want to say 'works effectively with businesses to meet their current and future needs'.	EGS17 amended.
	5th bullet – Invest Essex will say that there is already a CRM system.	EGS17 amended to acknowledge existing systems.
	In section 4.1 there is no reference to grow on space and how it could be developed – an expansion of the 4th bullet point might do that, as a 'for example'	EGS17 amended to reference grow on space
	To Support business growth section – Couple of points seem to be a repetition from the previous section. Also, there is an opportunity to reference the grow on space issue here too.	EGS17 does have repetitive points to demonstrate cross over. Grow on space added.
	On the 5th from bottom point, I would be tempted to remove the reference to 'economic development meetings' and keep this open because it will demonstrate that business interests will be represented in all activity.	EGS17 amended.
	In the skills section you may wish to add engagement via ECC with the Careers Enterprise Company to promote employer engagement in schools.	EGS17 amended to reflect Careers Enterprise Company & 60MM programmes within schools.