

THE DRAFT EPSOM & EWELL ECONOMIC DEVELOPMENT STRATEGY

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| <u>Report of the:</u> | Head of Place Development |
| <u>Contact:</u> | Julia Owen/ Karol Jakubczyk |
| <u>Urgent Decision?(yes/no)</u> | No |
| <u>If yes, reason urgent decision required:</u> | |
| <u>Annexes/Appendices (attached):</u> | Annex 1: Draft Epsom & Ewell Economic Development Strategy |
| <u>Other available papers (not attached):</u> | Strategy & Resources Committee Report: An Overview of the Epsom & Ewell Economic Development Strategy 29 September 2015 |

REPORT SUMMARY

The Council has prepared a draft Borough-wide Economic Development Strategy, which serves as a framework for delivering sustained prosperity. The draft Strategy identifies a series of actions and interventions that can be pursued through the Council's economic development, town centres management and planning functions.

RECOMMENDATION

That the Committee considers the scope and content of the Draft Economic Development Strategy and subject to any amendments and additions agree to recommend its adoption by Council.

Notes

1 Implications for the Council's Key Priorities, Service Plans and Community Strategy

- 1.1 The current Corporate Plan 2012-2016 identifies promoting the economic vitality of the Borough as a key priority for the Council. The Economic Development Strategy will work in tandem with other Council policies and initiatives, such as the Local Plan, to ensure that the Borough continues to be a sustainable place to live and do business. It will also link to any relevant priorities agreed in the new Corporate Plan.

2 Background

- 2.1 Over the years the Borough Council has sought to create a healthy environment for economic development to take place. During this period our approach has principally been set out within Local Plan policy and delivered through the development management process. More recently we have also taken proactive steps to introduce town centres management. Whilst our approach towards business development has yielded some success, such as the expansion of the WS Atkins HQ and the relocation of Nuffield Health, the growing challenges to our local and national economy require us to have a more proactive economic development role.
- 2.2 During September 2015, the Strategy & Resources Committee received a report setting out how the Council could expand its commitment to economic development. Specifically that report set out the work behind the preparation and production of a Borough-wide Economic Development Strategy. The Members of the Committee were invited to comment on proposed content of the then emerging Strategy. In particular, their views were sought on the proposed interventions and outcomes. The Committee identified some minor additions and amendments to be incorporated into the emerging Strategy.
- 2.3 Following the Committee's decision, work continued on the preparation and production of a draft Economic Development Strategy. The final draft of this document is included under Annex 1 of this report.

3 The Emerging Epsom & Ewell Economic Development Strategy

- 3.1 The draft Economic Development Strategy provides the Council with a framework within which it can take actions to help deliver sustained prosperity. To this end the Strategy identifies a series of actions and interventions that we can pursue through our economic development, Town Centres management and planning functions. The performance of the Strategy will be primarily monitored through the Local Plan Annual Monitoring Report (AMR)¹. This is currently the subject of reports to the Licensing & Planning Policy Committee. An extract from the Local Plan AMR, focussing upon economic development indicators could be presented to the Strategy & Resources Committee.
- 3.2 The draft Strategy focusses upon five themes. These were selected following consultation with Members and the local business community. The themes seek to reflect and develop the Borough Council's priorities already set out in the Corporate and local Plans. The five themes are:
 - Improving accessibility and infrastructure;
 - Support commercial and retail vitality;
 - Maintain good links and building partnerships with the business

¹ The Local Plan Annual Monitoring Report is an established reporting mechanism, published at the end of the financial year. There is likely to be a close relationship between the indicators used to monitor the performance of the Local Plan and those related to the Corporate Plan's economic development objectives. Equally, many of the projects will be lead through the Council's Planning Policy Team, it would be logical to utilise existing reporting structures.

community;

- Widening the choice of commercial property; and
- Skills development

3.3 The Strategy's themes are set out within an Action Plan, which identifies a variety of different interventions that the Borough Council can undertake under each theme. For example, in order to improve accessibility and infrastructure the Borough Council can contribute to the delivery of transport improvement schemes such as the Kiln Lane Link and Epsom Town Centre improvements. The Action Plan continues by identifying specific outcomes; the performance monitoring regime and who the lead Officer is likely to be. The Action Plan is included at the end of the draft Strategy (included under Annex 1).

4 Financial and Manpower Implications

4.1 Staff resources have been allocated to oversee the implementation of the Economic Development Strategy. The majority of the tasks will fall to the Council's Planning Policy Team, which sits within the Place Development Department. This includes Economic Development expertise and the recently appointed Town Centres Manager, both of whom will have key roles in implementing the emerging Strategy.

4.2 It is anticipated that some of the interventions will require additional sources of funding. A key task will be identifying and drawing upon appropriate external funding sources, such as from the County Council and Local Enterprise Partnership, to deliver those interventions.

4.3 ***Chief Finance Officer's comments:*** *This strategy will need to be delivered within existing budgets. Funding for additional investment (eg Incubator Units) will require individual business cases.*

5 Equalities and Other Legal Implications

5.1 There are implications arising from the interventions/outcomes identified in the draft Strategy. The full implications arising from each item will be considered at the appropriate time.

6 Sustainability Policy and Community Safety Implications

6.1 Ensuring that there are opportunities for local economic growth is an important component of maintaining the Borough as a sustainable place where people can live and work. This is a key aspect of sustainable development as defined by national planning policy.

7 Partnerships

7.1 The Corporate Plan and the draft Economic Development Strategy requires that we maintain existing and develop new partnerships, such as those with the Gatwick Diamond Initiative and the Coast to Capital LEP. This is likely to include those we already have with organisations such as Surrey County Council, in addition to new partnerships with business.

8 Risk Assessment

- 8.1 Changes in national and local economic environments, changes to the way essential community infrastructure is funded and amendments to national planning policy are making it increasingly important that we are proactive about economic development. Without positive interventions and outcomes we run the risk of unplanned for growth, which is not compliant with our strategy and vision for the Borough. By preparing a Borough-wide Economic Development Strategy we will minimise the risk of unbalanced and unsustainable growth.

9 Conclusion and Recommendations

- 9.1 That the Committee considers the scope and content of the Draft Economic Development Strategy and subject to any amendments and additions agree for its adoption.

WARD(S) AFFECTED: All

Economic Development Strategy

Epsom & Ewell Borough Council

Introduction

- 1.1 The Borough of Epsom & Ewell is far more than a dormitory area, serving as a commuter town to the City. There is a vibrant local economy in the retail, engineering, credit, leisure and race horse training sectors. The Borough is home to a number of major international and national headquarters, to small independent enterprises and everything in between.
- 1.2 Regularly voted in the top ten of best places to live in the UK, the Borough boasts a significant amount of protected green space and has excellent road and rail links, with central London less than 30 minutes distant and access to the rest of county facilitated by the adjacent M25.
- 1.3 The Council's aim is for the Borough to remain affluent, by anticipating and responding to changes in employment and business patterns and stimulating both. The area needs to keep its high income and highly skilled residents, while also continuing to invest in skills provision and graduate retention.
- 1.4 The Epsom and Ewell Economic Development Strategy provides a framework for delivering sustained prosperity setting out the Council's ambitions, key priorities and related actions for the economic development across the Borough. It builds upon Local Plan policies that have consistently set out to create a healthy environment for economic development to take place.
- 1.5 The five themes selected for this strategy support commercial and retail vitality, maintaining good links with the business community, ensuring that there is availability and choice of business accommodation, supporting skills development and working with the Gatwick Diamond Initiative and Coast to Capital Local Enterprise Partnership to secure inward investment and infrastructure funding in the area. They have been developed based on elected Councillors' priorities, the Local Plan and, the Corporate Plan plus with input from local business key stakeholders and consultants. The themes have been identified as the areas that will have the greatest positive impact on the Borough and with which the Council has the greatest influence.

- 1.6 In formulating this strategy we have worked closely with the local business community and with other relevant partners including the County Council, Coast to Capital Local Enterprise Partnership, the Gatwick Diamond Initiative, and the Surrey Chambers of Commerce.
- 1.7 The Action Plan included at the end of the Strategy sets out in greater detail the interventions that the Council will undertake to meet the range of objectives for securing continued economic prosperity for the Borough. The Action Plan also identifies which parts of the Borough Council will lead on the delivery of these objectives and the mechanisms for monitoring their performance. In most cases performance monitoring will be carried out in tandem with the Local Plan – which shares a number of key objectives with this Strategy.
- 1.8 The following section of the Strategy provides an informal overview of the Interventions.

Interventions

Improve accessibility and infrastructure

How will we do this?

- Deliver Kiln Lane Link Road
 - Deliver Plan E Highway improvements
- 2.1 The construction of an underpass at the end of Kiln Lane under the railway will have a major impact on easing traffic in the Borough's main business areas and will relieve traffic in the town centre. There is an acute need to improve circular journeys and to reduce congestion at the existing two road rail crossings which serve east-west traffic.
- 2.2 Plan E is a comprehensive development framework covering Epsom town centre. It covers a range of transport and public realm improvements which will reduce congestion, make the town centre safer, more attractive and vibrant, and enhance the cultural and leisure offer. The Plan E infrastructure improvements will in parallel enhance vehicular, cycle and pedestrian connectivity, enabling the A24 to remain fluid and improve the public realm in general.

| Benefits | Risks and issues |
|--|--|
| <p>Epsom town centre would be able to attract more businesses and customers, while the surrounding areas would become more easily accessible for both private and public transportation.</p> <p>Increasing pedestrian connectivity, easing access to shops and leisure facilities across the Town Centre</p> | <p>Dependant on third parties (Highway Authority and Railway)</p> <p>Dependant on funding from LEP</p> |

Widen the choice of commercial property

How will we do this?

- Produce flagship employment sites programme
- Introduce a Business Growth incubator

2.3 There are a number of employment sites which have scope for innovative development. They can provide Epsom and Ewell with a good mix of high quality sites and premises, fundamental to securing economic growth diversification. The aim will be to have a suitable choice of sites available for accommodating inward investors and expanding local businesses, for maintaining high quality office stock and in parallel, and creating a diverse range of small business accommodation which is fit for purpose

2.4 The area has a notable concentration of creative practitioners, with the presence of the UCA and elements of Nescot. A business growth hub would be a catalyst for further development of the new high value industries within the area. It would bring positive benefits for the revitalisation of the town centre, help with the creation of new businesses and assist existing businesses, including those which are home based. It could increase graduate retention and prevent the exodus of existing socio-economic wealth.

| Benefits | Risks and issues |
|---|--|
| <p>Revitalisation of the town centre,</p> <p>Creation of new businesses and assist existing businesses</p> <p>Increase graduate retention and prevent the exodus of existing socio-economic wealth.</p> | <p>There are funding issues associated with the introduction of a Growth Hub (including acquisition of a suitable building).</p> |

Secure Business Investment and growth in the Borough

How will we do this?

- Deliver an employer attraction and retention programme

2.5 There is a need to create the profile needed to attract high quality inward investment and new employment, particularly from international sources. This will require proactive area promotion and the aftercare and support needed to ensure the retention and where possible expansion of key businesses in order to retain and create high quality jobs

| Benefits | Risks and issues |
|---|---|
| Existing businesses stay and expand in the Borough Attract new businesses set up in the area, creating jobs and using local services | A highly competitive area with neighbouring boroughs all looking to secure new inward investment Surrey County Council's recently launched Invest In Surrey service requires local authority funding to participate in the marketing programme |

Support skills development

How will we do this?

- Promote locally available Skills Programmes and initiatives

2.6 It is essential that the local workforce fully prospers by having the skills to sustain and benefit from higher value activity that the borough needs to attract and develop. The local HE and FE institutions have scope to align learning and skills provision with business needs if the objectives and profile of the new economic opportunities can be clearly defined. Opportunities to provide work placements for those in higher education and recruitment of graduates in local knowledge based businesses could be intensified. More widely in the local economy, more opportunities for apprenticeships and getting employed people into vocational training could be grasped.

| Benefits | Risks and issues |
|--|--|
| Increase graduate retention within the borough and help prevent the exodus of existing knowledge based workers | Requires coordination and engagement and strong working relationships with key stakeholders, including the local education and training providers – these have not been easy to establish in the past. |

Develop Town Centres

How will we do this?

- Support the establishment of an Epsom Town Centre BID (Business Improvement District) if this is something businesses want
- Improve the Ewell business environment
- Improve the Stoneleigh business environment

2.7 A BID is a business-led and business funded body formed to improve a defined commercial area. The Council's role is to promote and facilitate the process. The benefits of BIDs cited by the businesses they represent include businesses decide and direct what they want for the area, increased footfall, improved staff retention, area promotion. A BID can only be formed following consultation and a ballot in which businesses vote on a BID Proposal or Business Plan for the area. The ballot is run by the local authority (or outsourced by the local authority to a third party).

2.8 Epsom's marketplace is a huge asset to the Borough and to the town centre in particular. The Council aims to maximise the use of the marketplace for food, craft and other markets and for community events. Income created through commercial use of the marketplace is invested in environmental improvements and other events to make the town centre more attractive, to drive footfall and enhance the offer in the town centre.

2.9 Ewell village and the Stoneleigh Broadway retail areas have an important contribution to make in enhancing and maintaining the economic vibrancy of the borough. Support will be given to businesses to improve the business environment.

| Benefits | Risks and issues |
|--|---|
| The BID will provide an important level of resources for the regeneration of the town centre and could provide an effective vehicle for taking forward parallel initiatives which may be located in the town centre. | For a BID to go ahead the ballot must be won on two counts: straight majority and majority of rateable value. This ensures that the interests of large and small businesses are protected. Identifying the USP of Epsom. |

Lobby for Zone 6 status for Epsom Railway Station

How will we do this?

- The arguments for Epsom being in Zone 6 are many and the Council will continue to support its inclusion.

2.10 Businesses report to the Council that one of their biggest drawbacks in recruitment for central Epsom is the town centre lying outside of Zone 6 and the railway station not accepting the Oyster card. Likewise retailers bemoan the difficulty in attracting shoppers etc from London for the same reason.

| Benefits | Risks and issues |
|--|--|
| Increase out of Borough footfall to central Epsom Increase level of available quality employees | This is a commercial decision by a business over which the Council has little influence. |

STRATEGY AND RESOURCES COMMITTEE
5 APRIL 2016

| <u>EPSOM AND EWELL ECONOMIC DEVELOPMENT PLAN</u> | | | | |
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| POTENTIAL INTERVENTIONS AND OUTCOMES (Draft 07/03/2016) | | | | |
| Strategic Objectives | Proposed Interventions | Outcomes Sought | Lead Officer | Monitoring |
| Improved accessibility and infrastructure | <ul style="list-style-type: none"> • Kiln Lane Link Road • Plan E Public Realm Proposals • Inclusion of Epsom within Oyster Zone – Zone 6 | <ul style="list-style-type: none"> • Proven funding case and successful implementation • Improved attractiveness of Epsom as a business location | <ul style="list-style-type: none"> • Place Development Manager | <ul style="list-style-type: none"> • Local Plan Annual Monitoring Report (AMR) |
| Widening the Choice of Commercial Property | <ul style="list-style-type: none"> • Flagship Employment Sites Programme • Identify wider SME business property needs and develop a small business workspace strategy and action plan • Development of a feasibility study and business case for a start-up incubator facility in the town | <ul style="list-style-type: none"> • External funding to bring forward development sites • Strengthened property offer for attracting inward investors • Business incubation / start up facility for the creative hub • Enhanced workspace provision for small businesses • Creation of a master plan for Longmead & Nonsuch Trading Estates and East Street / Utilities opportunity site | <ul style="list-style-type: none"> • Planning Policy Manager | <ul style="list-style-type: none"> • AMR |
| Business Investment and Growth | <ul style="list-style-type: none"> • Development of existing business engagement programme • Working with partners to identify how we will secure inward investment for the Borough | <ul style="list-style-type: none"> • Secure opportunities for inward investment from multinationals into the Borough • A realignment of employment towards private sector led growth • Reduced dependency on London for employment | <ul style="list-style-type: none"> • Economic Development Officer | <ul style="list-style-type: none"> • Economic Vitality Officers' Group (EVOG) – reporting to |

STRATEGY AND RESOURCES COMMITTEE
5 APRIL 2016

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|--|--|---|--|---|
| POTENTIAL INTERVENTIONS AND OUTCOMES (Draft 07/03/2016) | | | | |
| Strategic Objectives | Proposed Interventions | Outcomes Sought | Lead Officer | Monitoring |
| | <ul style="list-style-type: none"> Develop business content for the EEBC and other stakeholder websites | <ul style="list-style-type: none"> Retention and support of existing business in the Borough Securing a diverse, self-sufficient local economy | | <p>Strategy & Resources (S&R) Committee</p> |
| Skills Development | <ul style="list-style-type: none"> Support for local skills programmes and initiatives Survey of skills needs and apprenticeship opportunities as part of ongoing business engagement activity | <ul style="list-style-type: none"> Local Jobs aligned through better skills alignment towards local residents Higher than average graduate retention Diversified employment base | <ul style="list-style-type: none"> Economic Development Officer | <ul style="list-style-type: none"> EVOG / S& R reporting |
| Town Centres | <ul style="list-style-type: none"> Support the establishment of an Epsom Town Centre BID Improve the Ewell Business environment Improve the Stoneleigh business environment | <ul style="list-style-type: none"> Regenerating the Borough's high streets and retail centres Economic diversification Improved quality of life | <ul style="list-style-type: none"> Town Centres Manager | |

| <u>EPSOM AND EWELL ECONOMIC DEVELOPMENT PLAN</u> | | | | |
|--|--|--|--|--|
| POTENTIAL INTERVENTIONS AND OUTCOMES (Draft 07/03/2016) | | | | |
| Strategic Objectives | Proposed Interventions | Outcomes Sought | Lead Officer | Monitoring |
| Partnership Building | <ul style="list-style-type: none"> Continue to develop partnership working with Surrey County Council, Gatwick Diamond Initiative and the Coast to Capital LEP with a view to maximising investment, funding and interventions in the Borough | <ul style="list-style-type: none"> Maximisation of funding attracted to Epsom and Ewell initiatives Maximisation of borough and sub-regional economic benefits | <ul style="list-style-type: none"> Economic Development Manager | <ul style="list-style-type: none"> EVOG |