

To: All Members and Substitute Members of  
the Overview and Scrutiny Committee -  
Services  
(Other Members for Information)

When calling please ask for:

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**Legal & Democratic Services**

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Date: 19 January 2024

### Membership of the Overview and Scrutiny Committee - Services

Cllr Carole Cockburn (Chair)  
Cllr Philip Townsend (Vice Chair)  
Cllr Jane Austin  
Cllr Dave Busby  
Cllr Janet Crowe  
Cllr George Hesse

Cllr Jacquie Keen  
Cllr Gemma Long  
Cllr David Munro  
Cllr John Robini  
Cllr Graham White

### Substitutes

Cllr Kevin Deanus

Cllr James Staunton

**Members who are unable to attend this meeting must submit apologies by the end of Monday, 15 January 2024 to enable a substitute to be arranged.**

Dear Councillor,

A meeting of the Overview And Scrutiny Committee - Services will be held as follows:

Date: Tuesday, 23 January 2024

Time: 7.00 pm

Place: Committee Room 1, Council Offices, The Burys, Godalming

A supplement to the full agenda of this meeting is set out below.

The meeting can be viewed remotely via [Waverley Borough Council's YouTube channel](#) or by visiting [www.waverley.gov.uk/webcast](http://www.waverley.gov.uk/webcast).

Yours sincerely,

**Susan Sale**

**Executive Head of Legal & Democratic Services & Monitoring Officer**

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## Waverley Corporate Strategy 2020 - 2025

### Vision

*Our vision is that Waverley will be environmentally, economically and financially sustainable with healthy, inclusive communities and housing available for all who need it.*

Our strategic priorities:

- ✓ Local, open, participative government
- ✓ Supporting a strong, resilient local economy
- ✓ Taking action on Climate Emergency and protecting the environment
- ✓ Good quality housing for all income levels and age groups
- ✓ Effective strategic planning and development management to meet the needs of our communities
- ✓ Improving the health and wellbeing of our residents and communities
- ✓ Financial sustainability

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### Good scrutiny:

- is an independent, Member-led function working towards the delivery of the Council's priorities and plays an integral part in shaping and improving the delivery of services in the Borough;
- provides a critical friend challenge to the Executive to help support, prompt reflection and influence how public services are delivered;
- is led by 'independent minded governors' who take ownership of the scrutiny process; and,

- amplifies the voices and concerns of the public and acts as a key mechanism connecting the public to the democratic process.

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## NOTES FOR MEMBERS

Members are reminded that contact officers are shown at the end of each report and members are welcome to raise questions etc., in advance of the meeting with the appropriate officer.

## AGENDA

9 Economic Development Strategy

The Committee are to receive a presentation by the Regeneration and Planning Policy team to update members on the progress of the Economic Development Strategy.

**Officer contacts:**

**Jake Chambers, Senior Democratic Services Officer (Scrutiny)**

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## Waverley Borough Council

**Report to:** Overview & Scrutiny Committee - Services

**Date:** 23 January 2024

**Ward(s) affected:** All

**Report of Director:** Joint Strategic Director of Place, Dawn Hudd

**Author:** Catherine Knight, Economic Development Manager

**Tel:** 01483 523584

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**Executive Portfolio Holder responsible:** Cllr Liz Townsend

**Tel:** 07703 308253

**Email:** liz.townsend@waverley.gov.uk

**Report Status:** Open

**Key Decision:** Yes

# New Economic Development Strategy and Action Plan 2024-32

## 1. Executive Summary

- 1.1 Waverley Borough Council has an existing economic development strategy that is out-of-date and no longer relevant. Adopted before the climate emergency declaration, pre BREXIT, the cost of living crisis, as well as the significant impact of the pandemic on working patterns.
- 1.2 Whilst the effects of the Covid-19 pandemic and broader macro-economic changes have undoubtedly impacted the borough and reduced the number of jobs available, there remain significant

opportunities for sustainable growth. Through this new Strategy, the Council intends to set out our proposals for ensuring that Waverley remains a great place to work, live and invest, and is well-positioned to harness the opportunities of new, emerging technologies, particularly those in the green and sustainability sectors. While retaining the existing business base.

- 1.3 This paper introduces the new Economic Development Strategy and accompanying draft Action Plan for the period 2024-2032.

## **2. Recommendation to Overview & Scrutiny Committee**

- 2.1 To review and comment on the draft Economic Development Strategy and Action Plan and provide feedback on this for the Executive to consider.

## **3. Reason(s) for Recommendation**

- 3.1 To ensure that the borough has an up-to-date Economic Development Strategy and Action Plan that provides clear vision of how Waverley can achieve a green, creative and sustainable economy.

## **4. Exemption from publication**

No.

This report and the accompanying appendices are not exempt from publication.

## **5. Purpose of Report**

- 5.1 The purpose of this report is to seek Executive's endorsement of the new Economic Development Strategy 2024 – 32 and supporting evidence base and to recommend its adoption to Full Council. The paper also seeks agreement from the Executive to undertake consultation of the draft Action Plan with strategic partners.

## **6. Strategic Priorities**

6.1 The Economic Development Strategy and Action Plan 2024 – 2032 addresses a range of priorities in the Council’s Corporate Strategy 2020 – 2025. This includes, but is not limited to:

- Supporting a strong, resilient local economy.
- Taking action on Climate Emergency and protecting the environment.
- Improving the health and wellbeing of our residents and communities.

## **7. Background**

7.1 Waverley’s existing Economic Development Strategy (2018-2032) and accompanying Action Plan (2018-20) was due to be refreshed in 2019 when new corporate priorities were established when the Covid-19 pandemic hit. An Economic Development Covid Action Plan (2020-21) was created to respond to the urgency of the situation, identifying opportunities to support business and employment impacted by the pandemic. This has now been delivered.

7.2 Whilst the full impact of Covid-19 and economy shutdowns, as well as the UK’s exit from the European Union are not fully understood, it is a pertinent time to renew the borough’s vision and key priorities of focus to support the local economy.

### New Strategy

7.3 Three documents have been produced in preparing a new Economic Development Strategy:

- Waverley Economic Development Strategy 2024-32 (Appendix 1) – presents an analysis of our local economy and sets out priorities to support the borough’s economic development.

- Waverley Economic Development Action Plan 2024-26 (Appendix 2) – sets out the actions the Council and its partners can do to facilitate economic development in the borough.
- Waverley Economic Development Evidence Base 2022-23 (Appendix 3) – examines the borough’s economic strengths, weaknesses, opportunities and threats.

7.4 These documents have been informed through the collation of quantitative and qualitative data by consultants Economic Growth Management Limited and subsequently Avison Young.

7.5 This research has been used to inform a new vision for the Waverley economy:

#### OUR VISION

*We will work proactively together to attract small and start-up businesses to locate in Waverley to help stimulate a more **thriving** and **green** local economy.*

*Through our active and meaningful interventions our economy will be more environmentally sustainable, productive and inclusive than ever before.*

We will embed our vision in the way that we work across our organisation and in how we work with our partners. We aim to build on upon the borough’s existing strengths which already place Waverley in a strong, competitive position.

We want to be recognised for doing things ‘differently’ and for trying new approaches to deliver positive, sustainable economic development and thriving communities.



7.6 This vision will be achieved by focusing on six thrive themes with the delivery of six gamechanger programmes and supporting activity:

(a) Green Waverley – positioning Waverley as the go to place for “green” businesses.

(b) Creative Waverley – elevating our strong creative and cultural sector so the borough becomes one of the most prominent clusters of this activity in Surrey.

(c) Regenerated Waverley - working with our public sector partners, and town and parish councils to develop highly ambitious “Place Strategies” that will help our main settlements to become fit for the future.

(d) Rural Waverley - re-invigorating and re-imagining our rural areas as places where small clusters of sensitive and sustainable business activity can thrive.

(e) Equal Waverley - ensuring that our residents have the training, skills, and access to opportunities they need to benefit from our thriving green economy.

(f) Connected Waverley - This programme will support our area to become one of the most digitally connected rural areas in the country.

#### Action Plan

7.7 The Economic Development Action Plan sits alongside the main Strategy and sets out what the Council and its partners can do over the short, medium and long-term to address the key constraints and harness the opportunities to deliver a sustainable, thriving economy for the borough.

- 7.8 Recognising that partners and stakeholders will play a critical role in the delivery of the Action Plan, this will be subject to further engagement and consultation to ensure buy-in.

## **8. Consultations**

- 8.1 The Economic Development Strategy and Action Plan have been produced following extensive one to one discussions and workshops with a wide range of stakeholders from across the Borough to gain a deep understanding of the current economic climate and identify specific opportunities for development for the four main settlements and rural areas of the borough.

This has included:

Internal - including planning policy, housing, finance, licensing, assets and Waverley Training Services.

External – business support organisations - the four Chambers of Commerce in Waverley, the new Business Improvement District contacts in Cranleigh, Godalming and Farnham; Federation of Small Businesses, Surrey Chambers of Commerce, Visit Surrey, key sector representatives from the local business community, Waverley town and parish clerks; commercial agents operating in the borough, local job clubs x3, local education and skills providers including the University for the Creative Arts, key broadband providers, Surrey County Council Economy and Growth team, Guildford Borough Council and local community groups.

- 8.2 A wider qualitative business questionnaire was distributed to gather information on the challenges and opportunities for the local business community.
- 8.3 Using these insights, an action plan has been prepared based on the major economic growth opportunities for the borough and the appropriate policies and approaches to be adopted by the Council and its partners to meet the needs of the local economy over the next ten years.

- 8.4 In 2023 the Council created a new Local Economy Advisory Forum (LEAF) to be used as part of a governance model, to build stakeholder ownership of the strategy. To date this group has met to provide governance for the UK Shared Prosperity Fund and Rural England Prosperity Fund 2023-25. It is envisaged that this will continue to have a role in the Strategy, and action plan delivery.
- 8.5 Following consideration of the draft Strategy and Action Plan by the Overview & Scrutiny Committee - Services and Executive, it is proposed that the documents will be subject to further consultation with key stakeholders prior to adoption by the Council.

## **9. Key Risks**

- 9.1 Resource limitations – both staffing and financial - within the Council and its partner organisations may shift priorities and hinder delivery of the Economic Development Strategy and Action Plan. However, the Strategy covers a long time horizon and identifies activities that can be delivered over the short, medium and long term, providing an element of flexibility.
- 9.2 A number of the medium- and long-term activities in the Action Plan will require an element of grant funding in order to be delivered. The Government funding landscape for regeneration and capital projects, however, is complex. There is little indication around when funding programmes will be launched, the application processes are typically a very involved and extensive, and they are highly competitive and oversubscribed e.g. the Brownfield Land Release Fund received bids from Councils worth more than £100m for only £45m of funding. The Council and its partners must therefore work to progress projects to a position where Business Cases can be submitted at short notice to apply for grant funding when available.
- 9.3 There is a risk that there may be a lack of engagement and buy-in from strategic partners on elements of the Strategy. However, subject to Executive agreement, the intention is to progress to consultation with key stakeholders and to gather feedback from

Overview & Scrutiny Committee - Services before finalising the document and action plan.

## **10. Financial Implications**

- 10.1 The Economic Development Strategy and accompanying Action Plan outline the short, medium and long-term activity that is required to deliver the overarching priorities.
- 10.2 This action plan is currently not fully funded apart from business-as-usual activity which is being delivered within the existing capacity of the Economic Development Team and those projects within the Property and Asset team which are subject to individual business cases and dealt with below. Should additional funding beyond the existing revenue budget for the Economic Development service be required, a report will be brought forward to the Executive for consideration. We will also be investigating any other forms of funding as we move forward with specific parts of the strategy.
- 10.3 In addition to consulting with stakeholders, an indicative high-level cost plan will be drafted based on anticipated resources (capital/ revenue and staffing) required to deliver the various activities. It should be noted that some of the actions relate to the Council's existing financial commitments in the Capital Programme e.g. "Provide a new leisure centre in Cranleigh to enhance provision and cater for a growing population" and "Continue to use our Investment Strategy to work with partners to bring niche workspace typologies on our local high streets focused on local MSEs and flexible workers, starting with 69 High Street in Godalming".
- 10.4 We will need to look for opportunities to work with partners and to secure grant funding from Central Government, notwithstanding the aforementioned risk around the uncertainty of availability.

## **11. Legal Implications**

- 11.1 There are no legal implications arising directly from this report and from the recommendations therein.
- 11.2 Should the Council seek to procure any services relating to the action plan in due course, the Council's Legal and Procurement teams will provide support to ensure compliance with the Council's legal duties including the Public Contracts Regulations 2015 and the Council's Procurement Procedure Rules.

## **12. Human Resource Implications**

- 12.1 The Economic Development team currently comprises 1.4 FTE and has led on the commissioning and progression of work on the Strategy to date. A number of the short-term activities outlined in the Action Plan can be progressed within this existing staffing establishment, and with input from other services (e.g. Assets, Planning Policy & Finance/ Procurement), but more substantial actions will require additional capacity. A separate business case relating to this will be brought forward for consideration at the appropriate time.
- 12.2 The collaboration with Guildford Borough Council (GBC) could provide opportunity to work together on certain initiatives e.g. continuation of business support provision for start-ups, inward investment marketing activity, pooling of grant monies as per UK Shared Prosperity Fund, to drive greater efficiency of resources – both staffing and financial, joint approach to increasing digital connectivity. GBC adopted a new Economic Development Strategy in March 2023, which in part aligns with Waverley's Strategy. Opportunities for collaboration will be continually reviewed with GBC.

## **13. Equality and Diversity Implications**

- 13.1 The Council has a statutory duty under Section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of

its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 13.2 An Equalities Impact Assessment has been completed considering the Strategy and draft Action Plan. The statutory duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.
- 13.3 The Strategy incorporates a proposed programme of activity – “Equal Waverley” – which recognises that there are pockets of deprivation across the borough and seeks to ensure that residents have the training and skills they need to benefit from opportunities of a thriving economy.

## **14. Climate Change/ Sustainability Implications**

- 14.1 The Council formally declared a climate change emergency in 2019 and set a goal for the borough to reach net zero emissions by 2030. This Strategy places sustainability and the importance of addressing the climate change agenda at the heart of its vision - to “work proactively together to attract and support small and start-up businesses to locate in Waverley to help stimulate a more thriving and green local economy” – and includes a specific programme “Green Waverley” that seeks to position the borough as the place for ‘green’ businesses.
- 14.2 The Action Plan includes activity where the Council and its partners can collaborate to promote a low carbon economy.

## **15. Summary of Options**

- 15.1 The Overview & Scrutiny Committee – Services is asked to review and comment on the draft Waverley Economic Development Strategy 2024-2032 and Action Plan, prior to its consideration by Executive. The Executive will be asked to consider the following options:
- 15.2 **OPTION 1:** The Executive could decide not to endorse the draft Economic Development Strategy and Action Plan to not progress to engagement with stakeholders. However, the borough lacks an up-to-date Strategy, and the Covid-19 Action Plan which provided a useful interim plan is also now redundant as the economy has shifted from responding to the emergency of the pandemic to a more stable position. As outlined in the key risks section of this report, building consensus with partners around the Strategy and Action Plan will be critical to its success.
- 15.3 **OPTION 2 (Recommended):** To endorse the draft Economic Development Strategy and Action Plan and progress to further engagement with key stakeholders, in advance of consideration of feedback by Executive, prior to adoption. This will ensure that the borough has an Economic Development Strategy and Action Plan that reflect and respond to the economic landscape. The proposed consultation on the Action Plan will help to ensure that there is strong support from key partners and stakeholders whose knowledge, experience and resources will be critical to delivery.

## **16. Conclusion**

- 16.1 The new Economic Development Strategy and Action Plan present a clear vision to ensure that Waverley has a thriving green, creative and sustainable economy. This report recommends the adoption of the Strategy and progression to further engagement on the Action Plan.

## 17. Background Papers

17.1 Waverley Economic Development Strategy (2018 – 2032)

17.2 Waverley Economic Development Covid-19 Action Plan (2019-20)

## 19. Appendices

Appendix 1: Waverley Economic Development Strategy 2024-32

Appendix 2: Waverley Economic Development Action Plan 2024-26

Appendix 3: Waverley Economic Development Evidence Base

Please ensure the following service areas have signed off your report.  
Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	TBC
Legal	TBC
HR	N/A
Equalities	N/A
Lead Councillor	18/1/24
CMB	23/1/24
Executive Briefing	23/1/24



Committee Services	23/1/24
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DRAFT

# Waverley's Thriving and Green Economy

Our Economic Development Strategy

January 2024



**Waverley**  
BOROUGH COUNCIL

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## Annexes

- Appendix 1** Economic Development Action Plan
- Appendix 2** Evidence Base



# Foreword

Our borough is one of the best places in the country to locate a business. We offer the connectivity, infrastructure and talent associated with our more ‘urban’ neighbours set within stunning open countryside scattered with picturesque market towns and villages, and with excellent transport links to the South East, including London, Brighton, and Portsmouth.

We are also highly dynamic and proactive. We understand that to thrive we need to work closely with our local businesses and continue to invest in sustainable and inclusive development and infrastructure across the borough. We work collaboratively with our private and public sector partners and are making high-impact investments across Waverley ranging from high street acquisitions to the Brightwells Yard regeneration scheme in Farnham and supporting delivery of the new Dunsfold Park Garden Village near Cranleigh.

We are on a mission to attract more sustainable businesses and entrepreneurs to live and work in Waverley. We offer the work life balance that many people are looking for with high quality housing, excellent educational establishments, access to outstanding green spaces, with a strong council commitment to protecting and enhancing our environment.

Our new emerging local development plan will seek to accommodate energy efficient and exceptional residential and commercial sites across the borough supported by high-speed digital infrastructure and a low carbon, resource efficient and socially inclusive economy.

This *Economic Development Strategy and Action Plan*, which I am delighted to introduce, will help us to make these necessary changes. It will enable us to harness our economic strengths and opportunities, while also addressing any weaknesses and threats. It also demonstrates that we are ‘pro-business’ and have a clear, ambitious and deliverable plan to make our borough more attractive to investors.

We are also determined that our future economy will be forward thinking and bold – we want it to be environmentally sustainable, productive and inclusive. Drawing inspiration from cutting-edge concepts like Kate Raworth’s *Doughnut Economics*, we understand that there are environmental and social limits to growth so have put sustainability and equity at the heart of this strategy.

We look forward to collaborating with colleagues and partners on this important work and I am certain that together we can create positive outcomes for our residents, our economy, and our environment.

**Cllr Liz Townsend BEM**

*Portfolio Holder Planning, Regeneration and Economic Development*

*Waverley Borough Council*



# 1 How Do We Define 'Economic Development'?

Economic development is traditionally defined as a broad set of activities that bring local partners together to generate wealth and improve livelihoods by stimulating the economy of an area through the use of resources, powers, and influence.

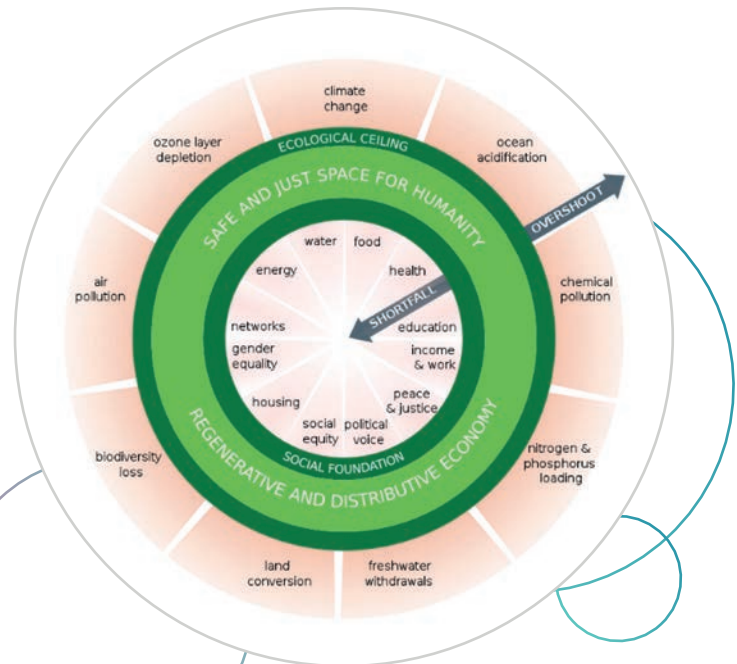
There are a range of metrics to track economic development, but it has typically been measured using Gross Value Added (GVA) which refers to the value generated in an area by businesses and organisations engaged in the production of goods and services and Gross Domestic Product (GDP) which is used to measure the size of a country's economy.

We recognise that economic growth does not always translate to improved livelihoods for *all*, and can lead to unintended economic, social and environmental consequences. For example, some of the most economically productive towns and cities across the country suffer from high levels of inequality, deprivation, congestion and air pollution which are in part linked to their economic success.

This tension has led to the rise in alternative approaches in economic development. One of most influential of these is *'Doughnut Economics'* which is an approach to economic development pioneered by Kate Raworth. This seeks to create a sustainable and just economic system for the 21st century based on the idea that the economy should not be measured *solely* by GDP metrics, but also by its ability to meet the needs of all people while staying within the ecological boundaries of the planet.

The approach is represented by a doughnut-shaped model, which shows the minimum and maximum social and ecological thresholds that a thriving society should not fall below or exceed. The inner circle represents the minimum social foundation, which includes basic needs such as food, water, housing, and healthcare. The outer circle represents ecological limits of the planet, such as biodiversity loss, climate change, and pollution. The goal is to create a sustainable economy that operates within the space between the two rings, in the *"safe and just space for humanity"*. In practical terms, doughnut economics encourages a shift from a traditional growth-based economic model to one that places equal credence on the wellbeing of people and the planet. This can be achieved by implementing policies that promote social justice, environmental sustainability, and economic democracy.

We consider these principles as fundamental to our definition of economic development, and have sought to reflect these throughout this document.



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## 2 Our Ambition

This document sets out our ten-year *Economic Development Strategy* for Waverley. 'We' are the businesses, anchor institutions and organisations that have a stake in our local economy and have been involved in the creation of this plan.

Following detailed analysis of our economic position, and extensive and wide-ranging discussions between partners, we have agreed that our collective ambition is to drive more businesses to our borough by promoting it as one of the best rural areas in the South East to locate and expand a small or startup enterprise.

We recognise that as a society we face major challenges around climate change, environmental degradation, and inequality alongside population growth. We want to ensure that our economy does not exacerbate and wherever possible tackles these issues.

We will work closely with our partners to achieve our ambition and have captured this in our vision for our future economy:

### OUR VISION

*We will work proactively together to attract small and start-up businesses to locate in Waverley to help stimulate a more **thriving** and **green** local economy.*

*Through our active and meaningful interventions our economy will be more environmentally sustainable, productive and inclusive than ever before.*

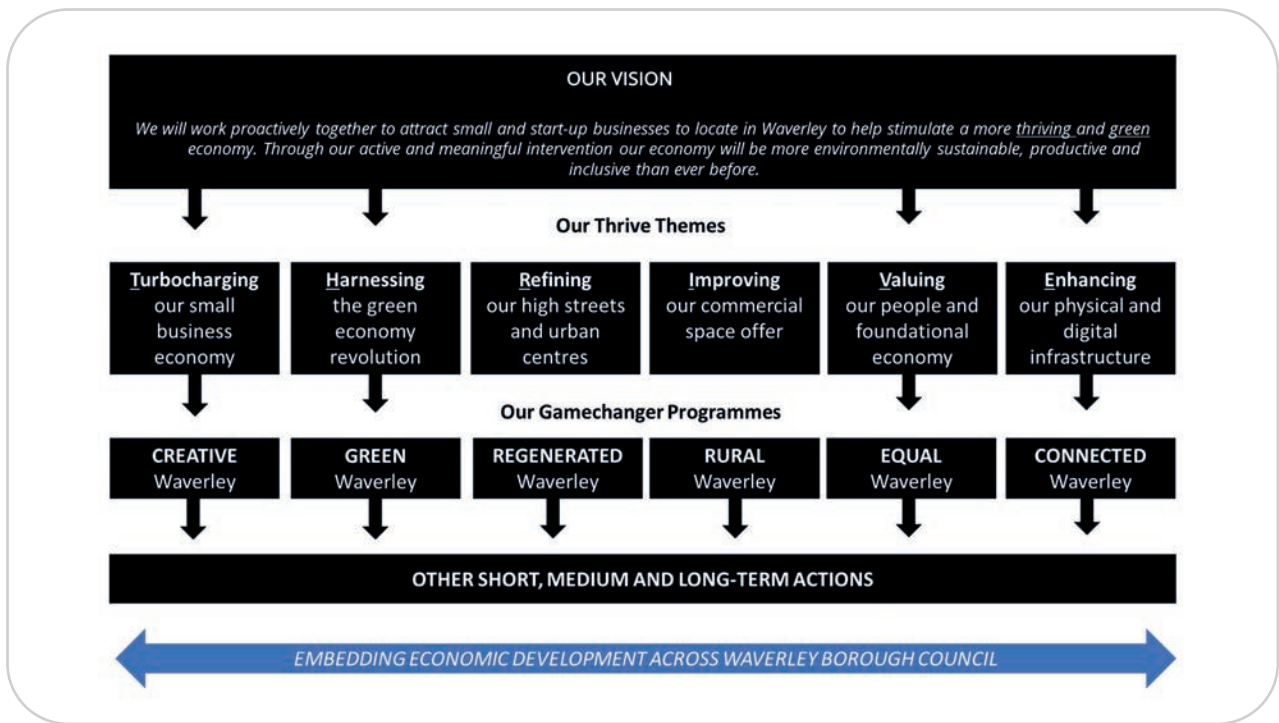
We will embed our vision in the way that we work across our organisation and in how we work with our partners. We aim to build on upon the borough's existing strengths which already place Waverley in a strong, competitive position:

- We have a Council with a Corporate Strategy that outlines a strong commitment and a history of delivering for our residents, our businesses, and our environment.

- Rather than a single city focus, we have four main historic and picturesque settlements with high quality housing and vibrant high streets that spread economic development opportunities throughout the borough.
- We have access to some of the highest-quality natural assets in the country including extensive areas designated as National Landscape in recognition of their outstanding natural beauty.
- Our resident workforce is exceptionally talented and highly skilled, and we are home to an affluent customer base.
- We benefit from having a diverse and outstanding range of cultural, creative and leisure assets attracting both residents and high visitor numbers.
- Our location is strategically positioned at the centre of the South East Region with easy access to London and major transport routes.
- We benefit from a range of exceptional educational organisations including the thriving and innovative University for Creative Arts, and the University of Surrey is also in close proximity.
- We have the highest proportion of residents in professional, scientific, and technical occupations. compared to neighbouring boroughs.
- We have a thriving rural economy covering a broad range of sectors including agriculture, manufacturing, construction, and defence.

We want to be recognised for doing things 'differently' and for trying new approaches to deliver positive, sustainable economic development and thriving communities.

**Figure 1.1 Our Strategy Structure**



### 3 Our Delivery Strategy

To deliver our vision we will focus on six **THRIVE** themes which will harness the borough’s unique qualities and draw upon the principles of *Doughnut Economics*. These themes reflect our ambition to deliver positive economic, social and environmental outcomes for our borough:

#### 3.1 Thrive Themes

This provides an outline of the Thrive themes which are covered later in more detail in this document.

- **Turbocharging** our small business economy: Supporting existing business to prosper and attracting small business and start-ups to our borough.
- **Harnessing** the green economy revolution: Mitigating the environmental impacts of existing businesses and stimulating the growth of our low-carbon economy.
- **Refining** our high streets and urban centres: Supporting our town centres to evolve and remain resilient in the face of significant macro-economic pressures.

- **Improving** our commercial space offer: Reversing our decrease in commercial floorspace and enhancing our offer to attract sustainable, modern and productive businesses.
- **Valuing** our people and foundational economy: Ensuring all our residents can benefit from our economic success and supporting sectors that underpin our day-to-day needs.
- **Enhancing** our physical and digital infrastructure: Enhancing infrastructure to improve the attractiveness of our borough to businesses and residents.

Some of these themes capture work we are already focusing on, but we have also defined one new gamechanger programme per theme that we believe will make a significant difference to our economy. These highly ambitious programmes are supported by an Action Plan and reflect our determination to be greener, bolder and more impactful than we have been in the past.

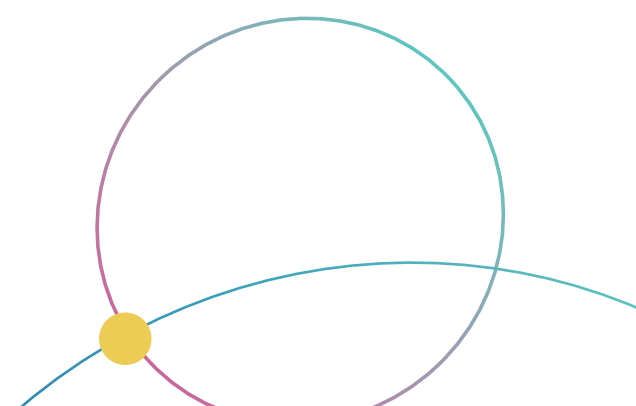
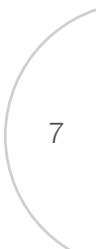


### 3.2 Gamechanger Programmes

Linked to each of our six THRIVE Themes are six new Gamechanger Programmes which are outlined below and covered in more detail in Section x:

- **Green Waverley:** Positioning Waverley as the go to place for “green” businesses. This programme supports our business base to become one of the greenest and most environmentally sustainable in the country. It will involve signposting businesses in our area to grant and loan funding to enable investment in training, tools, equipment, materials and retrofitting activities that help dramatically improve their long-term environmental performance. We will work to build a green peer to peer network which will nurture a green cluster and offer consultancy vouchers to businesses to provide them with access to specialist and tailored support that will help them decarbonise their operations and improve the environmental sustainability of their supply chains.
  - Links to ‘*Harnessing the green economy revolution*’ theme.
- **Creative Waverley:** This programme will elevate our already strong creative and cultural sector so our borough becomes one of the most prominent clusters of this type of activity in the county. Centred around Farnham, the focus will be on activating underutilised public assets and retail units to create a new network of workshops and makerspaces that encourage creative entrepreneurialism and attract inward investment.
  - Links to the ‘*Turbocharging our small business economy*’ theme.
- **Regenerated Waverley:** This programme will involve working with town and parish councils to develop highly ambitious Place Strategies for our Godalming, Farnham, Haslemere and Cranleigh centres. Each plan will identify short, medium and long-term interventions to improve the economic, social and environmental functioning of each centre.
  - Links to the ‘*Refining our high streets and urban centres*’ theme.

- **Rural Waverley:** This programme focuses on re-invigorating and re-imagining our rural areas as places where small clusters of sensitive and sustainable business activity can thrive, including food production and land based businesses. It will involve the protection and retention of existing rural employment space in accordance with planning policy, whilst encouraging the appropriate delivery of high quality rural business hubs. Drawing on inspiration from Flimwell Park (East Sussex), Snape Maltings (Suffolk) and Hethel Innovation Centre (Norfolk) this will provide high-quality office, workshop and customer-facing space for businesses that prefer to be in rural areas.
  - Links to the ‘*Improving our commercial space offer*’ theme.
- **Equal Waverley:** This programme will focus on providing our residents with access to the training skills, and opportunities they need to benefit from a thriving green economy. It will involve working with local partners to actively support unemployed residents, focusing on individualised 1-1 coaching to help them enter the labour market. The focus will be on supporting them to become ‘job ready’, whilst helping to reduce the ‘barriers’ some face in accessing employment –primarily relating to training, transport, uniforms and equipment.
  - Links to the ‘*Valuing our people and foundational economy*’ theme.
- **Connected Waverley:** This programme will support our area to become one of the most digitally connected rural areas in the country. This is critical to building thriving businesses and communities. It will involve the delivery of a package of complementary interventions in collaboration with key partner organisations to enhance both the speed and reliability of digital connectivity across the borough.
  - Links to the ‘*Enhancing our physical and digital infrastructure*’ theme.



## 4 Turbocharging Our Small Business Economy

### 4.1 Why is action needed?

We have an important economy made up of around 8,000 businesses employing 52,000 people, but unlike some of our neighbours and most other parts of the South East we have experienced a loss of around -3,000 jobs over the past five years putting us at risk of becoming a 'dormitory borough' <sup>1</sup> which can suffer from:

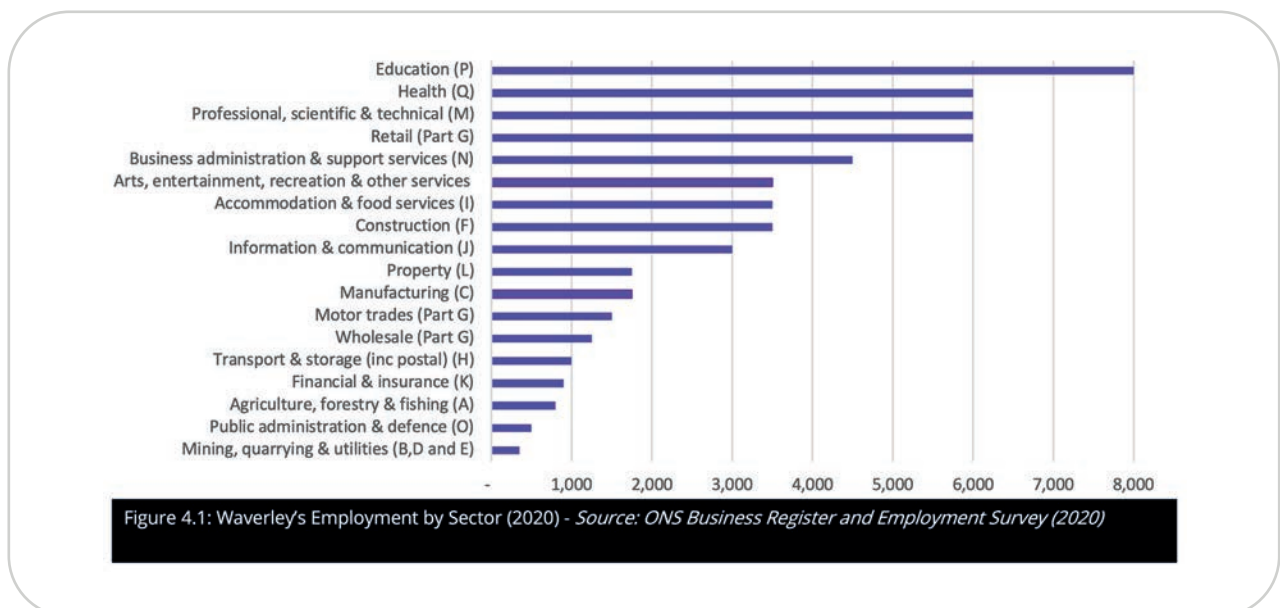
- Lower day-time expenditure in town centres from employees, customers and clients.
- High traffic, congestion and air pollution at peak times as people have to travel further afield.
- Increasing inequality as those unable or unwilling to commute are more likely to be 'left behind'.
- Greater reliance on global supply chains and the environmental degradation this creates.
- Fewer options and opportunities for social mobility.
- Less resilience to economic shocks due to a lack of economic diversity.
- A lack of vibrancy and interest – the essence of successful 'places'.

- Lower levels of social capital and weaker civil society.
- Brain drain of young educated people to places with 'better' jobs.
- Smaller business rate bases to support local services.

This decline in employment has been driven by the contraction of our private sector, most notably within the Professional, Scientific and Technical and Business Administration sectors. This is a concern as our Gross Value Added (GVA) has historically been lower than many of our neighbours in both absolute and relational terms, and job losses across our private sector have compounded this:

- Our absolute GVA is £3.3bn which is less than many of our neighbours, including Horsham (£3.4bn), Chichester (£3.4bn), the Mole Valley (£4bn), Guildford (£5.3bn) and Rushmoor (£6.2bn).
- Our relational GVA, measured by GVA per capita, is £31k versus £32k in Rushmoor, £37k in Guildford and £41k in the Mole Valley. <sup>2</sup>

**Figure 4.1: Waverley's Employment by Sector (2020) - Source: ONS Business Register and Employment Survey (2020)**



<sup>1</sup> ONS Business Register and Employment Survey (2020).

<sup>2</sup> ONS UK Small Area Gross Value Added (GVA) Estimates (2020).

These figures also link to our sector mix which is overly reliant on service-based sectors that meet the day-to-day needs of our residents. While these are essential to the functioning of our urban and rural settlements, they are not as productive as knowledge and production-based industries and provide fewer well-paid jobs for local people.

We have also seen a year-on-year decline in business births over the past five years representing a shift in our entrepreneurial position. In three of the last five years, we have experienced more business deaths than births which is reflected in our five-year business survival rate which is lower than nearly all our neighbours <sup>3</sup>.

## 4.2 How will we respond?

We will respond to this by focusing our energies on supporting entrepreneurs and micro and small enterprises (MSEs) to relocate and/or set up locally. We are focusing on this group because over 98% of our businesses fit these criteria and because our borough is exceptionally well-placed to host and attract businesses of this scale. Smaller businesses are also often more environmentally sustainable, as they tend to have local supply chains and are more likely to employ local people.

Within this group we will focus on businesses that have a growth mindset and undertake knowledge or production-based activities – this is because they will provide ‘good’ jobs for our residents. Sectors that present the greatest opportunities for our future economic success include the Digital, Creative, Professional, Health, Manufacturing and Construction sectors as they are growing and/or already have some presence locally. The Low Carbon sector also presents opportunities and this is addressed in the next theme on the Green Industrial Revolution.

We will work together to create both local and regional clusters of businesses in these sectors to boost productivity and generate agglomeration effects. Those that also present a regional opportunity, and will therefore benefit from additional targeted support from Surrey

County Council, include niche sub-sectors such as Video Gaming, Immersive Technology, Professional Services, Health, Film and Television Production.

To do this, we will work together to create a new ‘place brand’ for Waverley based on our unique selling points. We will use this to actively market our borough to entrepreneurs, small businesses and investors in our priority sectors. Using existing platforms as a basis (e.g. Invest in Surrey) we will undertake proactive inward investment promotion to communicate our ‘place brand’ and direct interested parties to local opportunities.

We will also work tirelessly to make sure that businesses and entrepreneurs that locate and/or start up in our borough are (a) aware of the different types of support provided by our partners, and (b) can access responsive and targeted support programmes commissioned by us. This will involve even closer engagement with the business community to raise awareness and build new connections between officers and businesses.

## 4.3 What is our gamechanger programme?

We will develop a programme (‘Creative Waverley’) to elevate our strong creative and cultural sector so our borough becomes one of the most prominent clusters of this type of activity in the county. Centred around Farnham, the focus will be on activating underutilised public assets and retail units to create a new network of workshops and makerspaces that encourage creative entrepreneurialism and attract inward investment. This network will wrap in complementary business support and acceleration programmes for creative and cultural businesses to boost entrepreneurialism and business survival across the sector.

This programme will be undertaken in close partnership with the University for the Creative Arts (UCA) as they are globally renowned for their research in this area and because they have ambitions to deliver complementary cutting-edge facilities in our area, including a new Video Games

<sup>3</sup> ONS Business Demography (2020).



Incubator Centre. We will also work with Farnham Maltings and Farnham Town Council to identify spaces specifically for makers to strengthen and enhance the area's status as a World Craft Town, and to build on the new Incubator Space coming forward at Farnham Maltings.

We will also liaise with and feed into UCA and Surrey County Council's emerging Createch Cluster ambitions. Working collectively will raise the scale of ambition of our borough projects and initiatives and support inward investment and grant funding applications.

#### 4.4 What other actions will we pursue?

We will pursue a wide range of other short, medium and long-term actions that align with our mission and context as identified in our Action Plan. Three high-impact examples include:

- Work with Guildford Borough Council to undertake an audit of the business support offer provided by both boroughs and use this as a basis to co-commission targeted services for businesses within our priority sectors.

- Engage with other boroughs that have implemented similar programmes to explore any lessons learned from their experience.
- Work with partners to create a new 'place brand' capturing Waverley's Unique Selling Points for businesses, entrepreneurs and other investors. Once created, explore options to market Waverley as one of the best rural areas in the South East to locate a small business or to set up a new enterprise.
- Our options range from placing advertisements in sector-specific publications to targeted social media campaigns.
- Actively signpost businesses in priority sectors to the support programmes already offered by the University for the Creative Arts, Surrey Chamber of Commerce, Surrey County Council and others, and help them to unlock the opportunities these present.
- Examples include the University for the Creative Arts Innovation Hub (UCAiHUB) and government's Innovate UK.

##### 4.4.1 Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Number of Jobs	52,000 (2021) <sup>4</sup>	55,000	60,000
Number of Businesses	8,000 (2021) <sup>5</sup>	9,000	10,000
Number of Business Births P/A	800 (2020) <sup>6</sup>	1,000	1,200
GVA Per Capita	£31k (2020) <sup>7</sup>	£35k	£40k

<sup>4</sup> ONS Business Register and Employment Survey (2021).

<sup>5</sup> ONS Business Register and Employment Survey (2021).

<sup>6</sup> ONS Business Demography (2020).

<sup>7</sup> ONS UK Small Area Gross Value Added (GVA) Estimates (2020).



## 5 Harnessing the Green Industrial Revolution

As a Council we declared a Climate Emergency in September 2019 and committed the organisation to become a carbon neutral council by 2030. Global temperatures are increasing which is having significant economic, social, and environmental impacts from the global to local level. Our borough specifically is facing challenges related to wildfires, heatwaves, droughts and flooding. We have published the *Waverley Climate Change and Sustainability Strategy (2020-2030)* and *Waverley Carbon Neutrality Action Plan (2020-2030)* which set out the actions we will take to mitigate and adapt to these challenges locally.

From an economic development perspective, we need to make our economy cleaner and greener than ever before. On one hand, we need to work with businesses in our area to reduce their environmental impacts by supporting them

to adopt new practices and technologies that reduce emissions. This is because economic activity in our borough, excluding transport, currently contributes over 50kt of carbon dioxide (CO<sub>2</sub>) to the atmosphere each year <sup>8</sup>.

On the other hand, we need to grasp opportunities presented by emerging low carbon sectors as these have the potential to not only provide 'good' jobs but also tackle the climate crisis. Recent evidence indicates that the country's low carbon economy could grow by +11% per annum between 2015-2030, which is four times faster than the rest of the economy is expected to grow <sup>9</sup>.

The Government identify the following sectors as presenting the main opportunities for a Green Industrial Revolution <sup>10</sup>:

Sector	New Jobs Created	By Year
offshore wind	60,000	2030
low carbon hydrogen	8,000	2030
delivering new and advanced nuclear power	10,000	per each new nuclear plant
zero emission vehicles	40,000	2030
green public transport/active travel	3,000	2025
jet zero and green ships	5,200	2030
greener buildings	50,000	2030
carbon capture, usage and storage	50,000	2030
flood defences	20,000	2027
Green finance	'hundreds of thousands'	2030

<sup>8</sup> Waverley Climate Change and Sustainability Strategy (2020-2030).  
<sup>9</sup> Enterprise M3 Strategic Economic Plan (2018-2030).  
<sup>10</sup> HM Government 10 Point Plan for a Green Industrial Revolution (2020).

Given our geographical characteristics and current sector mix, some of these do not present major opportunities for our borough, however, those opportunities related to greener buildings, public transport and active travel would appear the most accessible.

The major challenge to unlocking these opportunities locally, however, is that our population does not currently have the appropriate skills to support a green transition as highlighted in Enterprise M3's *Local Skills Report and Action Plan (2022)*. The skills we require range from heat pump and solar panel installers through to machine learning experts and data analysts. This is a national issue as the figures below illustrate:

- The Government project that construction sector will need 350,000 people to be re-trained or trained to retrofit buildings.
- Make UK estimate that a large proportion of the 1.2m additional jobs expected to be created in the manufacturing sector by 2050 will require green skills.
- The Chartered Institute of Waste Management estimate that the sector will require 300,000 new employees with green skills and 150,000 to be reskilled.



## 5.1 How will we respond?

We will respond to this context by putting core principles at the forefront of our approach. We understand that there are environmental and social limits to growth and will act responsibly, reflecting the principles underpinning the theory of doughnut economics.

We will achieve this by mitigating the environmental impacts of existing economic activity in our borough - this will involve directing our existing and new businesses to national, regional and local services that will support them to decarbonise their operations and supply chains. We will work together to identify and fill any gaps in the offer, particularly in relation to funding and advice, and to ensure as many businesses as possible in our borough are supported to improve their environmental performance.

We will also harness the opportunities presented by the Green Industrial Revolution by supporting businesses undertaking low carbon activities to set up, grow and scale within our borough. This will again involve directing businesses to support offered by partners, but we will also work with Guildford Borough Council to directly provide intensive support for businesses in green sectors. We will prioritise businesses undertaking activities related to sustainable food production, greener buildings, sustainable travel and renewable energy as we believe that they present strong opportunities for our borough.

To complement this, we will all use our role as an anchor institution to bring forward projects that deliver net zero ambitions *and* support the development of our green economy. As set out below, we will collectively use our spending power to create the demand needed to support these sectors to thrive locally and create a short, medium and long-term pipeline of green work across the district.

**Focus On: Waverley Borough's Council's Sustainability Investments**

- Delivering energy efficiency improvements to all council assets and leisure centres.
- Bringing forward the new Cranleigh Leisure Centre to a Passivhaus standard.
- Introducing new Electric Vehicle charging points, particularly in council-owned car parks.
- Developing and implementing the local cycling and walking infrastructure plans (LCWIP) for a network of routes across Waverley.
- Delivering new solar panels on council-owned car parks.
- Investigating and implementing renewable and community energy projects, including the potential for micro-hydro electricity generation on rivers.
- Ensuring that all new council homes are carbon neutral in operation.
- Working with partners to facilitate the retrofitting of our housing stock to be carbon neutral in operation.
- Reviewing the council's waste contract to explore opportunities to reduce emissions.

To ensure these projects deliver positive local economic impacts we will continue to ensure our newly agreed procurement practices encourage expenditure with local businesses and/or organisations that employ local people. We will undertake proactive supplier development programmes as part of this, to help local businesses better understand the type of green services we collectively require over the next few years and how to access the training they require to provide these. This will involve providing new webpages, similar to those provided for Greater Manchester, to signpost businesses to the different options available to them.

To support this activity we will also work with our training providers (e.g. Waverley Training Services, Godalming College, University for the Creative Arts etc) to highlight the need to offer the right courses and programmes to support our economic transition. This will involve ensuring the availability of training targeted at the next generation of green talent, but also offering courses that allow businesses to 'grow their own' and upskill members of their existing workforce. This will be undertaken closely with our supplier development programmes to make sure businesses have the skills we need locally to deliver sustainable projects coming forward.

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## 5.2 What is our gamechanger programme?

We will create a new programme ('Green Waverley') to help our business base to become one of the greenest and most environmentally sustainable in the South East. At its core this will position Waverley as the go to place for green business - this will involve building a peer-to-peer green network and signposting to grant and loan funding for businesses in our area to invest in tools, equipment, materials and retrofitting activities that help dramatically improve their long-term environmental performance. Investments will range from fitting buildings with solar panels to purchasing environmentally friendly vehicle fleets.

We will also offer consultancy vouchers to businesses to provide them with access to specialist and tailored support that will help them decarbonise their operations and improve the environmental sustainability of their supply chains. This will help businesses fundamentally change how they operate by putting environmental considerations at their heart. As part of this we will encourage and link up our business base with the B-Corp movement, and ensure our consultancy offer supports as many businesses as possible to become accredited B-corps through changing the way they do business.

## 5.3 What other actions will we pursue?

We will pursue a wide range of other short, medium and long-term actions that align with our

mission and context as identified in our Action Plan. Four high-impact examples include:

- Work with Guildford Borough Council to develop an incentive scheme to encourage businesses focused on green buildings, sustainable travel and/or renewable energy to locate in the area. This could involve incentives around Business Rates, loans and grants to enable a 'soft landing', alongside targeted support as provided via the gamechanger programme.
- Develop a costed long-term pipeline of green infrastructure investments that the council and its partners expect to procure over the short and medium-term and run sessions with local providers to inform them about future opportunities.
  - This should provide businesses with more confidence and certainty to invest in training and equipment that enables them to provide low-carbon services.
- Support Waverley's businesses to re-skill and up-skill their employees with relevant green skills.
  - This could involve directing local businesses to relevant courses provided by local skills providers; Collaborating with Waverley Training Services, Godalming College, University for the Creative Arts and other local providers to ensure that they provide the right range of courses to support learners of all ages to develop the skills they need to participate in the low carbon economy.
  - This will involve undertaking an audit of the existing offer alongside analysis of local skills demand.

### 5.3.1 Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Number of low-carbon businesses	N/A	250	500
Number of businesses accessing grant and loan funding to improve their long-term environmental performance	N/A	500	1000



## 6 Refining Our High Streets

### 6.1 Why is action needed?

We have four valued and historic urban centres that are anchored by a wide range of retail, leisure, cultural, and heritage assets:

Farnham was granted the acclaimed World Craft Town status in 2020. A thriving and historic market town located in the Surrey Hills and well known for its attractive Georgian streets, it is home to the University for the Creative Arts, Farnham Maltings centre for creativity, as well as the Craft Study Centre and The New Ashgate gallery. The town has a museum located in an elegant Georgian town house, as well as a magnificent deer park and castle. It is home to both world-renowned craft artists and to the next generation of emerging makers with craft continuing to sit at the heart of Farnham's distinctiveness.

Godalming is an ancient and picturesque market and coaching town situated on the River Wey with waterside meadows and a busy wharf popular with canal boats. Originally the heart of a thriving woollen industry, the town attracts many visitors to its historic centre, with independent shops, a weekly market and attractive architecture. It is home to Waverley Borough Council's headquarters, the Godalming Museum which celebrates the work of garden designer Gertrude Jekyll and one of its most famous landmarks is 'The Pepperpot' a distinctive octagonal building that was Godalming's old town hall. It was the first town in the world to have a public electricity supply.

Haslemere, situated on the borders of Hampshire and West Sussex, is an historic market town located in the Surrey Hills National Landscape with attractive timbered and tilehung houses and cottages. Its popular educational museum

has an extensive collection of natural history specimens and human history artefacts. Swan Barn Farm, a quiet retreat of woodland and pasture is only 30 seconds from Haslemere High Street and is located on the route of the 64 mile Serpent Trail. It is also colloquially known as the 'Gateway to the South Downs'.

Cranleigh, often claimed to be the largest village in England is set at the foot of the Surrey Hills and has a distinctive line of Norway maple trees which line an extensive common that extends along the majority of the busy High Street. It is home to a thriving arts centre which hosts a packed timetable of film and live events as well as exhibitions. Built in the 15th century, the old, listed part of the Village Community Hospital was the first cottage hospital in England.

Over the last decade, urban centres similar to ours have faced macro-economic challenges such as the growth in online shopping, the popularity of out-of-town retail, and disproportionately high Business Rates. While our town centres continue to perform relatively well, these shifts have had impacts as demonstrated by the loss of the majority of high street banks and vacant properties within our main centres. Our retail vacancy rates currently sit at <sup>11</sup>:

- Farnham 4%.
- Godalming 8%.
- Haslemere 6%.
- Cranleigh 10%.



<sup>11</sup> Waverley Borough Council, Vacancy Rate Counts (2023).

This is well below the current national vacancy average of 13.8%. To sustain our competitive position, we need to support our urban centres to continue evolving in line with emerging trends that present opportunities for town centres. Five prominent trends we will remain cognisant of include:

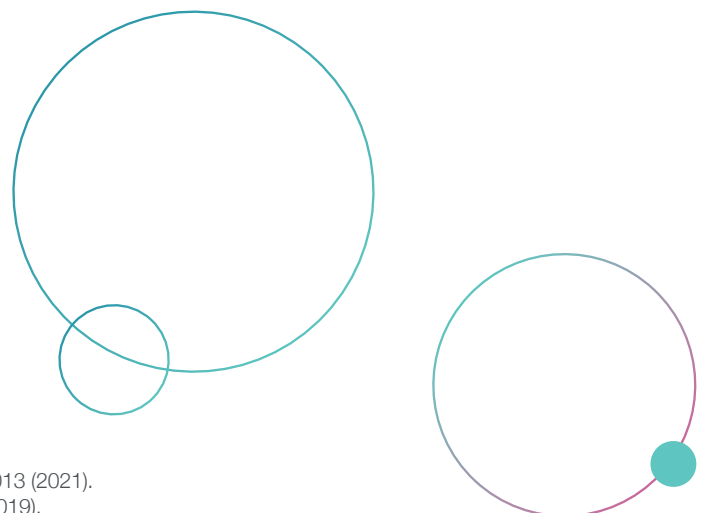
1. **Increasing expenditure on 'self':** Over the last decade consumer habits have shifted from buying products to spending money on personal services. Analysis from the Local Data Company (2021) shows that since 2013 the top ten high street growth sectors in terms of net store openings all offer services or experiences rather than physical products (Barbers, Beauty Salons, Vaping Stores, Cafes, Nail Salons, Restaurants/Bars, Coffee Shops, Pizza Takeaway, Hair/Beauty Salons and Health Clubs) <sup>12</sup>. These all offer services that are not readily available online making them more resilient to the digital shift.
2. **Rising demand for leisure activities:** The past five years has seen a significant growth in the leisure sector which now accounts for over 14% of consumer spending <sup>13</sup>. This was originally underpinned by the growth in casual and family friendly dining, but as this has declined other more experiential activities have come to the fore. Some, such as the growth in boutique cinemas and bowling alleys offer a wider dining experience than the more traditional offer. One of the most prominent opportunity sectors is competitive socialising which is characterised by games and activities for adults (e.g. urban mini golf, escape rooms, virtual reality and video gaming).
3. **Higher demand for independents:** Many 'clone' chain retailers have been retreating from high streets at pace. This is, in part, driven by failures and insolvencies but also a 'retreat to profit' by businesses that have withdrawn from marginal locations. The space being vacated by chain retailers is, however, being filled by independent businesses which appear to be in higher demand. Data from Experian shows that in 2020 the number of chain stores fell by -3% but the number of independents increased by +1%. This trend

has been happening in recent years but accelerated during the COVID-19 pandemic, and this is reflected by the comparative success of town centres that have more independent businesses and are considered more 'authentic'.

4. **Increasing consumer conscientiousness:** Consumers are increasingly reporting that they want to buy local products and that they care about the sustainability and ethical credentials of businesses they buy from. In a 2021 consumer survey, Deloitte found that 57% of respondents were more likely to spend money at businesses that offer locally produced goods and/or are independent. In a similar survey they also found that 1 in 3 consumers had stopped purchasing certain brands or products due to ethical or sustainability concerns. This is influencing the retail market as existing retailers have started to adapt (e.g. H&M's Garment Collection Programme), ethical brands grow in popularity (e.g. Patagonia) and new concepts enter the market (e.g. ReTuna, the world's first sustainable shopping mall).
5. **Rising remote working:** COVID-19 had a significant impact on footfall in town centres. While this has started to recover there is a clear opportunity to capitalise on the growth in people working from or close to home following the pandemic. Remote workers are typically looking for interesting places to work (from coffee shops to co-working spaces), places to eat, meet and socialise and services to fulfil their day-to-day needs.

<sup>12</sup> Local Data Company, Top Ten Growing and Declining Retail Since 2013 (2021).

<sup>13</sup> Savills, Competitive Socialising and Emerging Concepts in Leisure (2019).



Our urban centres are responding relatively well to these trends versus other town centres across the country, but also have other challenges that need to be addressed to increase their attractiveness to consumers. While each settlement has its own unique identity, there are shared challenges including a lack of public transport, workforce availability and high house prices. However, there are also shared opportunities presented by a more active evening economy and the visitor economy.

Addressing these challenges and increasing the resilience of our town centres is important from an economic development perspective as our high streets support a wide range of jobs, and because businesses tell us that improving our offer will attract more inward investment and workers to the area. We also know that our urban centres have comparatively little other employment and residential space mixed in with our retail offer, which is limiting footfall, expenditure and vibrancy during the working week.

## 6.2 What is our gamechanger programme?

We understand the challenges our urban centres face and have already started delivering projects that support their rejuvenation. These range from Business Improvement Districts (BIDs) in Farnham, Godalming and Cranleigh to regeneration schemes across the borough utilising our assets and land.

We do need a more concerted and strategic approach to delivering urban regeneration and to achieve this, we will develop a programme ('Regenerated Waverley') that will support town and parish councils, together with their business communities, to develop action-oriented plans for Farnham, Godalming, Haslemere and Cranleigh - we suggest calling these *'Place Strategies'*. We will develop a borough-wide framework that partners can use to structure these, focused on the identification of short, medium and long-term interventions to enhance the economic, social and environmental functioning of each centre.

There are many examples across the country which provide guidelines for action, transformative interventions and access public sector funding. Examples include:

- Sevenoaks District Council produced a single *District Town Centres Strategy* in 2022 which incorporated visual and action-oriented plans for its main urban settlements of Sevenoaks, Swanley, Edenbridge, Westerham and New Ash Green.
- Breckland Council supported town councils to produce separate *Market Town Delivery Plans* in 2022 for Swaffham, Dereham, Watton, Thetford and Attleborough as part of their *Future Breckland* programme. This is accompanied by an investment prospectus which ties all the documents together and makes a clear case for investing public sector funding into the projects identified.
- Fenland District Council produced Economic Masterplans as part of its *Growing Fenlands Programme* in 2020 for Chatteris, March, Whittlesey and Wisbech. Since publication they have been successful in securing over £30m of public sector funding for town centre projects across the district.



Based on the consultation undertaken as part of this strategy we envisage that these documents will focus on a range of themes that will help our urban centres adapt to the changing economic backdrop. These include, but are not limited to:

- Diversifying the high street offer.
- Introducing contemporary workspace.
- Enhancing active movement and tackling congestion.
- Improving public realm and air pollution.
- Activating high streets and public places.
- Providing housing on and next to the high street.
- Introducing measures to encourage and support sustainable and active travel.

These documents can build on and complement a wide range of place-specific strategies and action plans that have been developed by partners, including the *Farnham Infrastructure Programme* (Surrey County Council, Waverley Borough Council, Farnham Town Council), *Farnham Neighbourhood Plan*, *Godalming and Farncombe Neighbourhood Plan*, *Haslemere Neighbourhood Strategy*, *Cranleigh Neighbourhood Plan*.

### 6.3 What actions will we pursue?

Below we have identified example actions for each settlement that could be incorporated into these plans based on the consultation undertaken for this strategy. These can be expanded upon and explored in more detail as part of emerging *Place Strategies*. Our key partners in this will be the Town and Parish Councils.

#### 6.3.1 Farnham Place Strategy

- Work with Surrey County Council to drive forward priority initiatives identified in the *Farnham Infrastructure Programme*, most notably major infrastructure investments focused on reducing traffic in the town centre.
- Work with the University for the Creative Arts, Farnham Maltings and the World Craft Town initiative to promote their work and to identify opportunities to open new workshops and makerspaces. This will be undertaken partly as part of the gamechanger programme identified in the 'Turbocharging Our Small Business Economy' theme.
- Continue to work with the Business Improvement District (BID) Board to bring forward their business plan for the area.
- Develop a Public Assets Strategy to explore how underutilised assets can be better used to support economic development.



### 6.3.2 Godalming Place Strategy

- Continue to explore opportunities to create a new Civic Quarter on the site of The Burys, incorporating the delivery of commercial space tailored to target sectors and/or their supply chain.
- Work with Surrey County Council to identify funding and bring forward a new cycling greenway that connects eastern and western areas of the town.
- Renovate and repurpose 69 High Street to provide new high quality retail space and sustainable residential units on the high street.
- Continue to work with the Business Improvement District (BID) Board to bring forward their business plan for the area.

### 6.3.3 Haslemere Plan Strategy

- Explore opportunities to deliver a mixed-use regeneration scheme on allocated sites within the Local Plan, providing new community facilities, commercial offer and affordable homes.
- Enhance the public realm where the regular markets take place to provide a more attractive and better functioning public space.
- Identify opportunities to make the town centre public realm greener and more pedestrian and cycle friendly.
- Support the Haslemere Community Rail Partnership and encourage them to continue and expand their activities.



### 6.3.4 Cranleigh Place Strategy

- Provide a new Passivhaus leisure centre in Cranleigh to enhance provision and cater for a growing population. Deliver to carbon neutral operating standards and provide a rounded health and wellbeing offer.
- Continue to work with the Business Improvement District (BID) Board to bring forward their business plan for the area.
- Support Surrey County Council to drive forward the Cranleigh High Street, Highway and Public Realm Enhancement Scheme to help improve key junctions along the high street alongside enhanced public spaces, traffic management and cycling and pedestrian access.
- Continue to Work with Surrey Hills Enterprises CIC and Cranleigh Chamber of Commerce to run a regular Surrey Hills Artisan Market and enable a range of music, art, cultural and creative activities to take place as part of the offer.



## 7 Improving our Commercial Space Offer

### 7.1 Why is action needed?

We have some important employment sites across our borough – examples include the Godalming Business Park, Dunsfold Business Park, Littlemead and Manfield Park Industrial Estates (Cranleigh), Farnham Industrial Estate,

Coxbridge Business Park (Farnham), Birtley Court (Bramley) and Tanshire Park, (Elstead).

However, overall we have less commercial space compared to our neighbours <sup>14</sup> but we also have a high degree of protection for our countryside and a thriving visitor economy.

Council	Office Floorspace
Waverley	1.5m sq ft
Rushmoor	4.5m sq ft
Hart	3.8m sq ft
Guildford	3.6m sq ft
Mole Valley	2.9m sq ft
Horsham	1.7m sq ft.

We also only have 1m sq ft of industrial space which is significantly less than *all* our neighbours <sup>15</sup>. This means we have less capacity for this type of business activity limiting the size, scale, and breadth of our economy.

Compounding this we have seen a decline in our office and industrial floorspace over time. Between 2010 and 2022 we have lost 100,000 sq ft (6%) of office floorspace and 70,000 sq ft (6%) of industrial floorspace <sup>16</sup>, which is a worse picture than most of our neighbouring authorities, many of whom have seen gains <sup>17</sup>:

Borough	Gain / loss office floorspace	Gain/ loss industrial floorspace
Guildford	+5%	+9%
Chichester	+4%	+14%
Rushmoor	-1%	+5.5%
East Hampshire	+2%	0%
Horsham	-1.6%	+5.5%
Mole Valley	-3%	-7.5%
Waverley	-6%	-6%

<sup>14</sup> CoStar (2023).

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

Much of the traditional commercial space we have lost has been converted to housing, including the loss of Hewitts Industrial Estate (Cranleigh), Weyburn Works (Elstead), Belsize Court (Godalming) and Craven House (Godalming). Substantial areas of land around our employment sites have also been used for medium and large-scale housing developments preventing the future expansion of key employment sites in Farnham, Cranleigh and Godalming.

The nature of our existing commercial space offer could also better meet the changing demands of businesses in our priority growth sectors. Since the COVID-19 pandemic, and the rise in hybrid working, office-type occupiers are increasingly demanding high-quality and flexible space close to public transport nodes and vibrant urban centres. Industrial occupiers are also seeking flexible space particularly with high sustainability credentials given the increasing importance of environmental concerns to their customer base. Our commercial stock does not align with this:

- 100% of our office floorspace is classified as 'low-to-medium quality'.
- 95% of our industrial floorspace is classified as 'low-to-medium quality'.
- 88% of our office floorspace was built pre 1980s.
- 43% of our industrial floorspace was built before the 1980s <sup>18</sup>.

We also lack highly-flexible and lower-cost business space directly targeted at the entrepreneurs and smaller businesses we are looking to support through this strategy – this is likely to be influencing our declining levels of enterprise and our low business survival rates as these spaces allow businesses to scale up and down depending on their financial performance, and they also often offer wraparound business support services. These types of spaces are also often also used by hybrid, remote workers and freelancers looking to work 'closer to home' – we have more of these than ever following the COVID-19 pandemic.

<sup>18</sup> Ibid.

Many rural boroughs like ours have these flexible spaces in their town centres and rural settlements – examples include Flimwell Park in East Sussex, Snape Maltings in Suffolk, Hethel Innovation Centre in Norfolk, The Maidstone Business Terrace in Kent and Bordon Innovation Centre in Hampshire. These not only provide commercial space but also drive visitor numbers.

## 7.2 How will we respond?

We will respond to this by seeking to use our own sites and assets to provide the commercial space that businesses and, increasingly hybrid and remote workers, need. This will involve reviewing our existing landholdings and exploring whether they can be intensified or redeveloped to deliver more floorspace.

We will also explore options to better use council-owned employment land to support economic development, which will involve undertaking detailed feasibility, capacity and masterplan studies to explore possibilities for intensification.

It will also involve actively delivering appropriate mixed-use regeneration schemes that incorporate the commercial space that businesses in our priority sectors require. This includes exploring further emerging plans on Waverley Borough Council's sites in Godalming to provide a new Civic Quarter and affordable housing in the heart of the town centre.



Aligned to this we will consider how our existing assets could be better used to deliver greater economic output. We will explore whether opportunities exist to partially or fully repurpose any of our assets to provide space for high potential businesses, freelancers and remote workers. We will encourage our partners, including our town and parish councils, Surrey County Council, as well as our health providers, to do the same.

We will also actively explore opportunities to directly deliver new workspace concepts across the borough that align with the needs of our priority sectors. We will focus on using our existing portfolio of assets to do this, but we will not rule out scoping new opportunities to bring forward innovative workspace in privately owned assets or on privately owned land.

In helping to deliver new commercial space, we will ensure that we will consider concepts beyond 'generic' serviced office or industrial space – we will work carefully with businesses and operators to deliver concepts that align with the needs of our priority sectors ranging from maker spaces and artist studios to gaming and filming. We will also ensure that new space targeted at smaller businesses incorporates wraparound support to boost both entrepreneurship and business survival.

More broadly we will use our collective planning and legislative powers to encourage the right type of uses to come forward in the right places and to better protect the limited employment space that already exists across the borough. Among other things, this will include updating our *Employment Land Review* to reflect the changing macro and micro-economic context and to provide site specific guidance for opportunity sites particularly where guidance does not yet exist.

### **7.3 What is our gamechanger programme?**

We will develop the programme ('Rural Waverley') to re-invigorate and re-imagine our rural areas as places where small clusters of sensitive and sustainable business activity can thrive. It will involve the protection and retention of existing rural employment space through planning policy, a significant step will be to investigate the delivery of a high-profile rural business hub that will be an exemplar for other districts in our county.

Drawing on inspiration from Flimwell Park (East Sussex), Snape Maltings (Suffolk) and Hethel Innovation Centre (Norfolk) this will provide high-quality office, workshop and customer-facing space for businesses that prefer and are more appropriate to operate in rural areas. A mix of start-up and grow-on space will be provided to ensure it caters to and supports the full business lifecycle. A business support offer will also be offered to support businesses to survive and thrive.

This will be a long-term exercise and will need to start with a study to identify which sites and locations would be most suitable for a project of this nature. This will need to be followed by a feasibility study that covers design, costs, viability, operation and delivery considerations.

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### 7.4 What other actions will we pursue?

We will pursue a wide range of other short, medium and long-term actions that align with our vision and context as identified in our Action Plan. High-impact examples include:

- Proactively work with the developers of the Dunsfold Park Garden Village to ensure the right types of commercial space come forward to support the expansion of the existing Business Park and creation of new village centre. There is a separate [Supplementary Planning Document \(SPD\)](#) for this site which states that “Opportunities for signature projects such as a community based business hub with flexible spaces, meeting facilities, business support and excellent IT facilities will be encouraged.”. Detailed master planning and design proposals for the Business Park will be provided going forward. This will involve the review and development of proactive planning policies as part of our new Local Plan to support business growth and retention.
- This could include a mix of office and industrial-type space targeted at businesses of different sizes and types to support the expansion of the existing business park, and

- It could also include retail, hospitality and community uses within the new village centre.
- Review council-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs, micro-businesses, hybrid workers and remote workers.
- Our town centres and business base would benefit from new accelerator/incubator spaces, incorporating wraparound business support. These could focus on complementary priority sectors that are place specific.
- Explore how council-owned employment sites could be better utilised to meet employment and housing aspirations.
- This will involve undertaking masterplans and feasibility studies for sites that are the most deliverable and offer the greatest capacity for change.
- Advance plans to create a new Civic Quarter on the site of The Burys in Godalming.
- We will carefully consider how commercial space provision can be tailored to priority sectors and/or their supply chain to drive productivity growth.

#### 7.4.1 Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Quantum of office floorspace	1,533,000 sq ft <sup>19</sup> (2023)	TBC <sup>20</sup>	TBC
Quantum of industrial floorspace	1,000,000 sq ft <sup>21</sup> (2023)	TBC	TBC
Proportion of ‘high quality’ office floorspace	0% <sup>22</sup> (2023)	20%	30%
Proportion of ‘high quality’ of industrial floorspace	5% <sup>23</sup> (2023)	20%	30%
Number of flexible and start-up workspaces in town centres	6	8	10

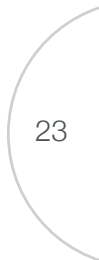
<sup>19</sup> CoStar (2023).

<sup>20</sup> Targets for office and industrial to be agreed following an update to the Employment Land Review.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.



## 8 Valuing Our People and Foundational Economy

### 8.1 Why is action needed?

Our borough is home to 130,000<sup>24</sup> residents, many of whom are highly qualified and have high-wage occupations:

- Average resident earnings are c£47,000 which is significantly higher than the national average of £33,000<sup>25</sup>.
- 54% of our residents have a degree-level qualification which is higher than the national average of 44%<sup>26</sup>.
- 20% of our population are classified as Managers, Directors and/or Senior Officials which is double the national average<sup>27</sup>.

While this is advantageous for attracting businesses and entrepreneurs in knowledge-based sectors, it does create challenges for employers that provide the goods and services we rely on to meet our day-to-day needs and support our quality of life (e.g. environment, health, food, housing, energy, leisure, construction, tourism and retail). This is because in comparison there is a comparatively small pool of people to take roles in these 'foundational' sectors.

This is particularly acute to the south of our borough which has fewer public transport connections to towns and villages in neighbouring areas and is further impacted by the high cost of accommodation in our borough – house prices are 16.5x higher than average workplace earnings, which is more than any of our neighbouring boroughs and most others across the country<sup>28</sup>.

Our relative prosperity also hides the fact that we have pockets of deprivation across the borough. As the map below shows we have a small number of areas that are classified as 'more deprived' than other parts of the country based on the Office for National Statistics'

Indices of Multiple Deprivation (2019) – these are mainly to the south of Godalming, the north of Farnham and the east of Cranleigh. The drivers of deprivation in these areas relate to access to housing and education, highlighting the need for more affordable housing and enhanced public transport connectivity.

While our employment figures are strong, it is worth noting that we have 1,500 residents that are unemployed and 14,900 who are economically inactive for a range of different reasons<sup>29</sup>. Not all these people will want or be able to participate in the workforce but there is a clear opportunity to support the economy better by linking those that do with economic opportunities in the borough.

As an important employer and part of our foundational economy, the Tourism sector generates around £200m in economic value each year. Visitors are attracted by our historic market towns and picturesque villages set in beautiful and accessible countryside with many miles of public rights of way. We have a wide range of visitor assets including the Surrey Hills National Landscape, Frensham Ponds, Winkworth Arboretum, the Sculpture Park, Farnham Park and Castle, Ramster Gardens, Museums in Farnham, Godalming and Haslemere, as well as a range of National Trust properties and land and attractions including Birdworld, GoApe, Farnham Maltings, Farncombe Boathouse and Cranleigh Arts.

Since 2020, the tourism sector has dealt with the pandemic and the cost of living crisis. In response to this households have been changing their spending habits, and businesses have seen huge rises in energy costs and higher borrowing rates.



<sup>24</sup> ONS Census (2021).

<sup>25</sup> ONS Annual Survey of Hours and Earnings (2022).

<sup>26</sup> ONS Annual Population Survey (2021).

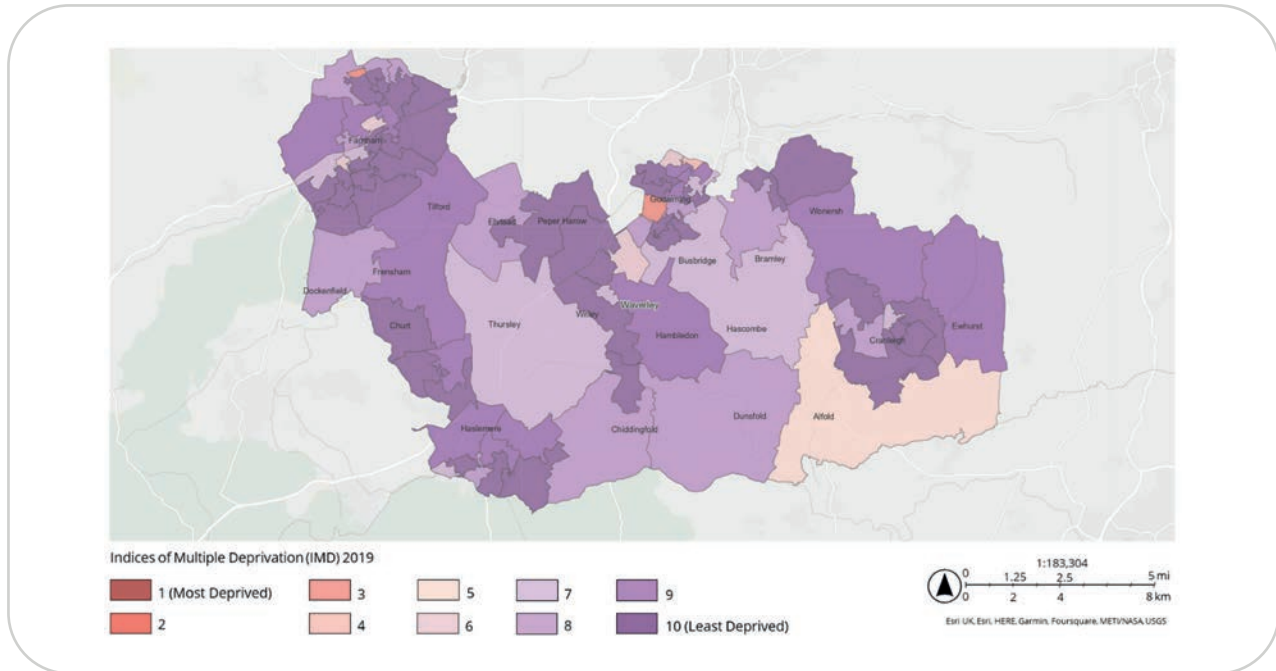
<sup>27</sup> Ibid.

<sup>28</sup> ONS House Price to Workplace-Based Earning Ratio (2021).

<sup>29</sup> ONS NOMIS (2023).

**Figure 2.2: Indices of Multiple Deprivation**

Source: ONS Indices of Multiple Deprivation (2019)



## 8.2 How will we respond?

We will respond to this context by helping to build a fairer and more inclusive economy in line with principles from Kate Raworth’s *Doughnut Economics*. We want to tackle inequality and ensure all our residents have opportunities to achieve at least the [real living wage](#).

We will achieve this by working closely with our disadvantaged, unemployed and economically inactive residents (including students) to make sure they have the right skills and experience to access employment opportunities in our borough, particularly within our ‘foundational’ sectors which are struggling to recruit.

We will also work with foundational employers, alongside other sectors, to encourage them to pay their staff a wage that reflects the cost of living in our borough. As an organisation that is already committed to paying the Real Living Wage (for outside London) we will champion the creation of a real living wage charter to ensure more people working in our borough are paid enough to support their financial, mental, and physical wellbeing.

Alongside this, we will also work closely with

partners to provide affordable housing to meet the needs of our residents and to make sure our ‘foundational’ economy has access to the talent it needs into the future. We will achieve this through the direct provision of social housing where possible, but also through our planning policies and negotiations which set high standards for securing affordable housing as part of new developments. This will start with the publication of our updated *Waverley Affordable Housing Supplementary Planning Document (2022)* which outlines clear expectations for the provision of affordable housing across the borough.

We will also continue to provide a wide range of community and support services to our most deprived communities to enhance their wellbeing and social mobility. Where new funds become available, we will prioritise these areas for interventions that tackle deprivation and help build social capital.

**Focus On: Our Visitor Economy**

Our ambition is to support our tourism assets and help them to thrive by improving access to a qualified workforce and boosting visitor numbers. We will achieve this through a set of targeted actions:

1. **Enhancing Destination Marketing:** We will continue to use our Waverley business website, as well as Visit Surrey and Visit South East England to promote our visitor economy and investigate what other channels and marketing materials we can use to promote both visitor attractions and hospitality venues through initiatives like our 'Taste of Waverley' produce map.
2. **Investigating New Initiatives:** We will investigate new initiatives, like the popular 'Restaurant Week' in Newcastle to raise the profile of dining opportunities across the borough.
3. **Improving Provision for Overnight Stays:** We will explore with our partners how we can help to improve the number of visitor overnight stays and how we can address the lack of visitor accommodation in both our urban and rural areas as outlined in the Surrey Hotels Future (2015) study.
4. **Supporting and Connecting Local Organisations:** We will continue our support of place specific organisations, including the Business Improvement Districts (BIDs) Boards in Farnham, Godalming and Cranleigh, that promote and support initiatives, events and visitor attractions in their areas and will actively seek opportunities to connect these across the borough to maximise their reach and impact.
5. **Developing New Partnerships:** We will identify and work with partners to scope out and create a new Local Visitor Economy Partnership for the borough to better support businesses and attractions that participate in the visitor economy.
6. **Promoting our Borough through Film:** Our borough is an exceptionally popular destination for filming and has been the backdrop to a wide range of blockbusters from Harry Potter to the Mummy. This brings significant direct economic value to the borough through expenditure with local businesses, but also helps to put our assets 'on the map' attracting tourists and visitors. We will therefore continue to market the borough to filmmakers through our 'Film Waverley' and offer best-in-class support to those looking to use our assets for their productions.



### 8.3 What is our gamechanger programme?

We will develop a programme ('Equal Waverley') to ensure our residents have the skills and opportunities they need to benefit from our thriving economy. Drawing inspiration from Westminster City Council's Westminster Employment Service, this will involve actively targeting unemployed people and providing individualised 1-1 coaching to help them enter the labour market. Working with our partners and stakeholders, the focus will be on supporting them to become 'job ready' through the provision of intensive training, work experience placements, CV workshops and interview practice among other things.

To take this one step further we will also investigate what 'barriers' unemployed people face in accessing employment – these primarily relate to the cost of training, transport, uniforms, and equipment. We will explore together with local partners what packages can be put in place to remove these and what support we can provide. This is particularly pertinent in the more rural areas of our borough which are remote and have been poorly connected.

### 8.4 What other actions will we pursue?

We will pursue a wide range of other short, medium and long-term actions that align with our

mission and context as identified in our Action Plan. Four high-impact examples include:

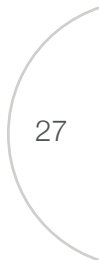
- Undertake a comprehensive review and audit of Waverley Training Service to ensure it continues to meet the needs of local people, employers and our priority sectors as identified in the 'Turbocharging our Small Business Economy' theme.
  - This could involve the creation of new online courses to reduce the need for people to travel.
- Continue to directly deliver homes that meet the needs of residents of all incomes across the borough as set out in our *Build More, Build Better, Build for Life: Affordable Homes Strategy (2022-2025)*.
  - In line with this we will bring forward 400 new affordable homes by 2025 and investigate more opportunities to deliver genuinely affordable homes on council-owned land.
- Use Shared Prosperity Funding to support a range of community initiatives targeted at those most in need across the borough including those supporting children and young adults and targeting health and wellbeing services.
  - This could involve the creation of wellbeing hubs in Farnham, Godalming, Haslemere and Cranleigh and the expansion of the Godalming Youth Service model.

#### 8.4.1 Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Number of neighbourhoods in the top 50% most deprived in the country	4 <sup>30</sup>	2	0
Number of unemployed people	1,500 <sup>31</sup>	1,100	800
Businesses signed up to Waverley Living Wage Accreditation	N/A	300	600

<sup>30</sup> ONS Indices of Multiple Deprivation (2019).

<sup>31</sup> ONS NOMIS (2023).



## 9 Enhancing Our Physical and Digital Infrastructure

### 9.1 Why is action needed?

We have a range of infrastructure constraints that impact the performance of our economy - they slow down businesses from undertaking their day-to-day activities and/or reduce the attractiveness of our borough for inward investment.

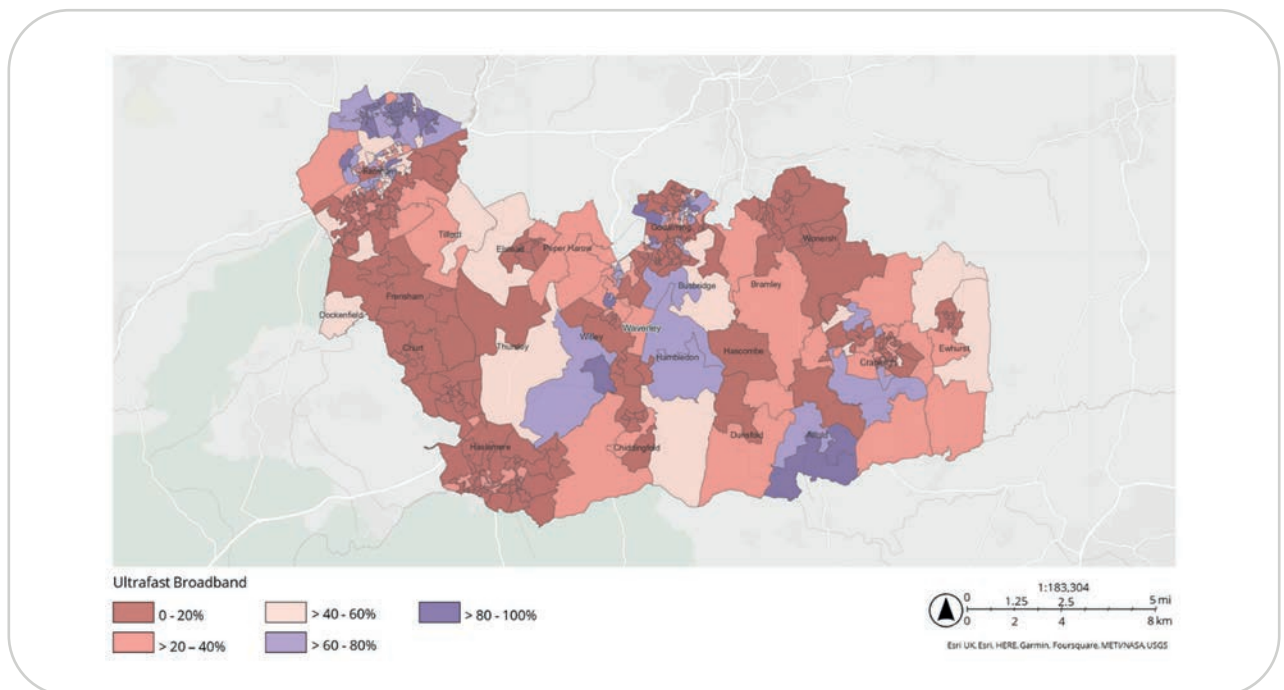
Digital connectivity is one of our biggest issues given its increasing importance for nearly all urban and rural businesses, as well as the growing number of remote and hybrid workers living in our borough. As the map below shows many parts of our borough are not able to access Ultrafast Broadband speeds (>100 Mbps), which is the minimum many businesses and workers now expect given the recent advent

of Gigabit Broadband (>1000 Mbps). Around 51% of our properties are connected to Ultrafast Broadband which is lower than many of our neighbours – Horsham, (53%), East Hampshire, (53%), Mole Valley, (65%), Guildford, (71%), Hart (71%) and Rushmoor (85%)<sup>32</sup>.

A lack of fast broadband speeds is an issue in both our rural and urban areas, many of which also suffer from poor 4G and 5G mobile connectivity. This impacts the ability of aspiring entrepreneurs to set up businesses in these locations and for workers in knowledge-based industries to work remotely. If we are to compete, attract businesses to the area and remain relevant in the future we need to address these gaps in provision as quickly as possible.

**Figure 4.3: Proportion of Households with Ultrafast Broadband Connectivity (2021)**

Source: Ofcom, Connected Nations 2021



<sup>32</sup> Ofcom, Connected Nations (2021).

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Alongside this we have other physical infrastructure challenges that are impacting our economy. These include:

- Public Transport:** We benefit from six train stations which provide direct services to central London and the south coast. The majority of the borough's road network consists of mainly rural roads with the A3 and A31 being our major routes. We have limited public transport options and east to west links which makes it difficult for people to travel between the main urban centres within our borough sustainably and encourages people to use private cars. It also means that people without a car find it difficult to access economic opportunities or to visit places where they might want to spend time and money.
- Active Travel:** We have a fragmented and disjointed cycle network which makes active travel unattractive to workers, residents and visitors. While we have a small number of dedicated cycle tracks, these are limited and isolated – they do not provide seamless connectivity between our towns and villages. While improvements have been made in recent years, we could do much more to capitalise on the growth in cycling post-COVID to promote active lifestyles, help ease congestion and improve air quality.

- Flooding:** Parts of our borough are highly vulnerable to flooding including areas of Farnham, Elstead, Godalming, Cranleigh, Chiddingfold, and Bramley among others. This is significant as some of these locations have high population densities and are include prime employment locations. With climate change this flood risk is predicted to become more acute over time and it is important that we continue to work with partners to provide appropriate flood alleviation and adaption measures to plan for flood resilient places over the long-term.
- Utilities:** Our research shows that the borough's water, sewerage and electricity infrastructure is ageing and has limited capacity to meet growing demand – interruptions in water supply and sewage overflows have been a particular challenge in recent years impacted by both population growth and climate change. Investigating these challenges will form part of the evidence base for the new Local Plan currently being undertaken.



## 9.2 How will we respond?

The council is embarking on the production of a new Local Plan that will set out a vision and objectives for the borough, and policies to deliver these over the next 20 years. One of the aims of the plan is to identify the infrastructure requirements of our borough that are essential to support increased housing provision, economic growth and mitigation of climate change, and to create thriving and sustainable communities.

The golden thread running through all our infrastructure decision-making will be to help build a thriving economy that is environmentally sustainable. We will prioritise infrastructure investments that encourage people to act, consume, travel and produce in a more sustainable way to reduce air pollution and tackle climate change.

One of our major focus areas will be improving our digital connectivity. Digital infrastructure is now recognised as the fourth utility, given its importance to modern life and the connectivity it provides to services and markets. The coronavirus pandemic has only served to reinforce the importance of digital connectivity for our residents and businesses. We know that improving our digital connectivity, especially in rural areas in the borough, will bring a multitude of benefits to small businesses and enterprises, as well as hybrid workers.

## 9.3 What is our gamechanger programme?

We will develop a programme ('Connected Waverley') to help our area become one of the most digitally connected rural areas in the country work. Access to public funding for delivery will be dependent on local areas having a clear plan to reduce and remove barriers to deployment and adoption of best practice. We know that delivery of infrastructure will require major effort from a wide range of local, regional and national partners and we are committed to working positively together to deliver the best outcomes for our borough and economy.

Working with Guildford Borough Council we will use the Local Government Authorities (LGA's) *Digital Connectivity Toolkit* to identify actions that will enhance both broadband and mobile connectivity.

This requires:

1. Mapping current levels of digital connectivity using data from Ofcom and other sources.
2. Undertaking engagement with businesses and residents to understand their lived experience in terms of digital connectivity.
3. Undertaking an Open Market Review to identify where new digital infrastructure is going to be delivered over the short and medium-term.
4. Pinpointing priority areas and 'not spots' where intervention is going to be required to enhance connectivity.
5. Agreeing and actioning specific interventions to enhance connectivity in priority locations.





One of the most impactful and ambitious activities will involve working with Surrey County Council and other partners to drive forward regional investment in a Gigabit Fibre Spine that is planned to run through both Farnham and Godalming. To seize the opportunity for businesses and residents outside these areas we will develop our own strategy and delivery plan to create spurs from the Fibre Spine to increase gigabit coverage.

Other elements of the Connected Waverley gamechanger programme will include:

- Pooling businesses in rural areas together and support them to access the National Gigabit Voucher Scheme. The scheme is offered by the Government to provide the finance that groups of rural businesses and residents need to access gigabit connectivity.
- Work with partners to make it easier and more cost effective for broadband providers to enhance connectivity across the borough. This could include a streamlined process for securing wayleaves on council owned land.
- Investigate opportunities to use the public realm (e.g. lampposts, toilet blocks, public assets, street furniture etc) in our historic

urban and village centres to provide wireless small cell networks without needing to dig up roads. This would help to introduce rapid and reliable connectivity to businesses and residents living in and close to our centres without significant disruption. It will require working with Surrey County Council given their ownership of much street furniture and assets who have recently entered into a non-exclusive agreement with Freshwave to bring forward this technology across the county.

- Explore opportunities to work with the University of Surrey to experiment and test their emerging mobile technology within our borough. Waverley and Guildford can be the testbed for new developments from their world-leading 5G/6G Innovation Centre, particularly in our rural 'not spot' areas.
- Lobby Government to use some of its Shared Rural Network Funding to address rural 'not spots' across the district.
- Work with Surrey County Council to ensure that less advantaged communities can access social tariffs.



## 9.4 What other actions will we pursue?

We will pursue a wide range of other short, medium and long-term actions that align with the 'Connected Waverley' Gamechanger programme and overarching Strategy vision. High-impact examples include:

- Explore opportunities for renewable and community power generation projects. For each opportunity we will have to consider a range of factors including appropriate locations, business models, energy sources, governance structures and funding sources.
- Work with Surrey County Council and National Highways to bring forward new active travel schemes across the borough, and capture these in our emerging Local Cycling and Walking Infrastructure Plan (LCWIP). We will use Shared Prosperity Funding to bring forward a pilot cycling scheme in Godalming that can act as a demonstrator for future investments.
- Work positively with Surrey County Council and National Highways to identify and bring forward new highway schemes that reduce congestion, creative attractive streetscapes and improve travel reliability across the borough. This includes the already-identified *Cranleigh High Street Highway and Public Realm Enhancement Scheme* which will improve key junctions along Cranleigh High Street alongside enhanced public spaces, traffic management, cycling and pedestrian access. It also includes the *Farnham Infrastructure Programme* which has an ambition to deliver attractive, well-integrated, future focused and high-quality infrastructure for Farnham that enables a more connected and vibrant town.

### 9.4.1 Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Proportion of households connected to gigabit broadband	49%	75%	95%
Km of new dedicated cycleway	N/A	20km	80km



## 10 Delivering a Step Change

### 10.1 Delivery Principles

This Economic Development Strategy articulates our new economic vision for Waverley and the steps that we are going to take to foster a green, creative and sustainable economy, harnessing the existing strengths of the borough and capturing opportunities to enhance these further.

The Strategy is designed to be flexible so we can respond to the changing economic, social and environmental landscape, and recognises that delivery of the gamechanger programmes will be incremental. The accompanying Action Plan identifies specific short, medium and long-term measures under each of the six programmes and considers which organisation or organisations are best placed to help Waverley to drive each forward.

The borough benefits from strong existing local stakeholder groups and partnerships and it is this collaborative working - drawing on the expertise, efforts and resources of different organisations - that will be crucial in the successful delivery of parts of this strategy.

We recognise that this strategy comes at a difficult time. The public sector has fewer resources than ever before and COVID-19, Brexit, the cost-of-living crisis and other macro-economic factors are having fundamental impacts on local businesses and residents.

However, we cannot adopt a business as usual approach if our businesses and our communities are to thrive. We therefore need to be innovative and agile in all that we do – this involves acting:

- **Progressively:** We will ensure that we deliver for everyone in our borough and provide direct support to our most disadvantaged communities.
- **Sustainably:** We will put environmental considerations at the heart of our decision making to ensure that economic growth does not come at the expense of our natural environment.
- **Collaboratively:** We will work collegiately with partners to respond to economic challenges and opportunities identified.
- **Determinedly:** We will hold ourselves, our partners and other actors in our borough to account in delivering positive economic, social and environmental outcomes.
- **Innovatively:** We will experiment with innovative project ideas and explore alternative approaches to leverage funding.
- **Rapidly:** We will deliver change at pace and will continuously review projects to ensure they respond to ever-changing needs.



## 10.2 Delivery Groups

The main part of this strategy will be delivered by Waverley Borough Council through its assets, projects and procurement. At all stages appropriate collaboration with Guildford Borough Council and Surrey County Council will be explored.

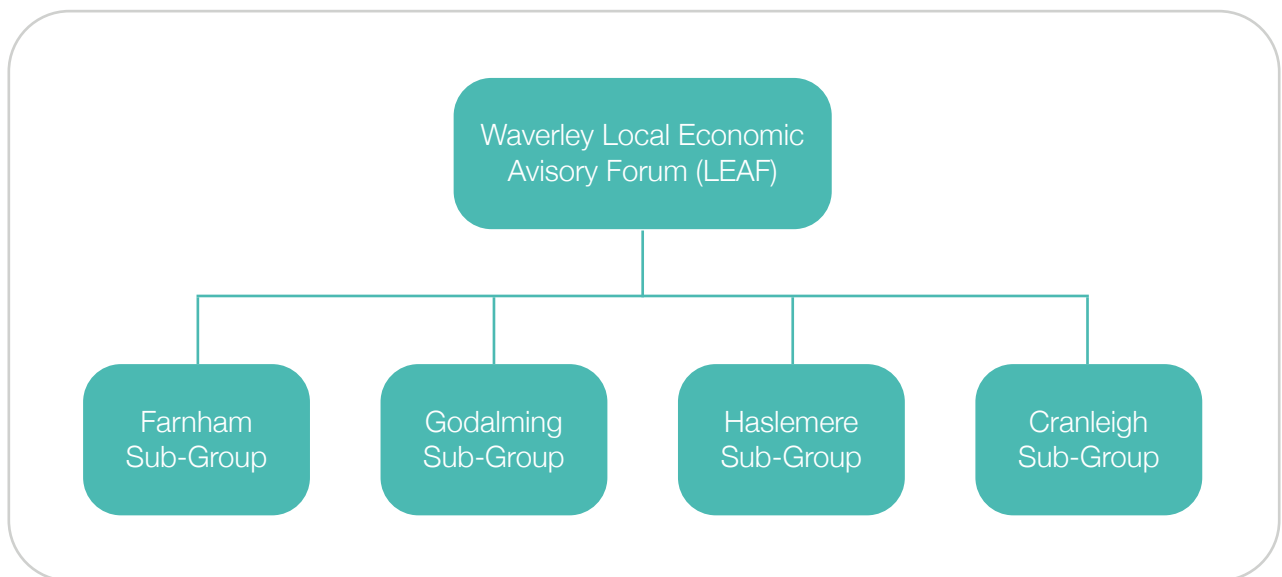
We will continue to engage with our current and important partnership groups, however we recognise that to deliver our strategy the current format will need to change and become more focused. These include:

- Surrey Chamber of Commerce.
- Haslemere Chamber of Trade & Commerce.
- Godalming Chamber of Commerce.
- Cranleigh Chamber of Commerce.
- Farnham Chamber of Commerce.
- Haslemere Town Council.
- Godalming Town Council.
- Cranleigh Parish Council.
- Business Improvement Districts (BIDs) in Godalming, Farnham and Cranleigh.

- Farnham Town Council.
- Visit Surrey.
- Commercial Agents.
- Surrey County Council Economy and Growth Team.
- National Farmers Union.
- IncuHive.
- LEAF (Local Economic Advisory Forum)
- NHS

We intend to widen the scope of the Local Economic Advisory Forum (LEAF) and invite key partners from major economic development partners (i.e. Surrey County Council, who have a leading role in delivering skills, transport, infrastructure and other economic development initiatives, University for the Creative Arts, Surrey Hills National Landscape Board) alongside local business representatives to assist in delivering selected parts of this strategy. The LEAF would then receive input from each of the major settlement-specific sub-groups.

**Figure 4.1 Proposed Delivery Groups**



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We think the LEAF should work as a multi-sector partnership that engages with and provides a more consistent voice for our business community, while also collaborating to help stimulate a more thriving economy for Waverley. The group should start with the Shared Prosperity Fund programme, as originally intended, but should expand to include a broader economic development focus.

As part of this evolution, it will be important to agree a clear set of 'functions' for the LEAF to ensure that it is focused on delivery - while these need to be agreed by representatives, we think that areas for consideration should include:

1. Engaging widely with the business community and ensuring their needs and concerns are understood by anchor institutions.
2. Reviewing public sector funding opportunities and agreeing which projects should be put forward for bids.
3. Identifying new opportunities or major concerns and agreeing positive and collaborative ways forward.
4. Reviewing and inputting into businesses cases for economic development projects coming forward locally.
5. Regularly reviewing and monitoring Waverley's economic position and competitiveness.
6. Monitoring and discussing the progress of this *Economic Development Strategy and Action Plan*, and agreeing priority actions to focus on at the start of each financial year.
7. Agreeing tweaks and updates that need to be made to this *Economic Development Strategy and Action Plan* every two years.
8. Developing new ideas and actions to consider in response to a changing macro-economic context.

Beneath this we suggest that settlement-specific groups are created which will include stakeholder representatives from each place (i.e. town councils, BIDs, chambers of commerce, education institutions, businesses etc). We do not have capacity to lead these groups but hope that the BIDs, town councils or parish councils will form specific 'Economic Development Forum' sub-groups to provide an open forum for stakeholders to discuss challenges facing their settlements, while also being as solution and action oriented as possible. The council will play a role in facilitating the establishment of these groups.

The first step for all groups, including the LEAF, will be to create or revise their Terms of Reference to reflect this *Economic Development Strategy and Action Plan* and, if members agree, the objectives set out in this chapter. While Waverley Borough Council and other anchor institutions will support these groups to convene, for example by organising dates, venues and agendas, it is our strong belief that they should be predominantly business-led to maximise buy-in and engagement from participants.



### 10.3 The Role of Waverley Borough Council

Alongside playing a convening role for these delivery groups, Waverley Borough Council will continue to play a pivotal role in shaping Waverley's economy by coordinating change, using the various levers it has to deliver this. We will be ultimately accountable for ensuring that as many as possible of the commitments set out in this document are delivered where resource can be identified.

We will adopt a "One Council" approach to delivering sustainable economic development, embedding the vision of this Strategy in our day-to-day work and ensuring that it forms a core part of the council's function. At the strategic level, we will use our planning powers to create an enabling environment that is responsive to the ambitions of this strategy and the borough's economic, social and environmental context. At the project level, we will directly deliver many of the interventions set out in this document. Project managers will work with partners to scope out and define projects, generate wider interest, leverage funding and bring them to fruition.

Our Assets and Property team will also use this strategy to deliver positive change, particularly in our town centres, on our industrial land and for our office assets which are distributed across the borough. We recognise the potential and power this gives us to deliver significant economic benefits.

We will also use our resources to strengthen our relationships with our key partners and support them where appropriate to deliver their initiatives, particularly where they focus on providing place-based solutions. This may be through project management support, external funding, political support or advice. Officers will also signpost stakeholders to funding opportunities.

The Executive and senior management team will spearhead this strategy and work with members and officers to ensure that principles set out in this document are adopted by other departments in their service specific strategies, plans and practices. We will ensure that:

- Procurement activity provides targeted and meaningful support to local progressive enterprises to access public sector tendering opportunities and increase social value.
- Housing uses local contractors wherever possible to build, manage and retrofit our council housing portfolio.
- Assets and Property delivers positive change in our town and village centres, on our industrial sites and across our office assets including providing more affordable housing and commercial space for our target sectors.
- Planning Policy drives sustainable residential and commercial development through the Local Plan alongside the allocation of land for other uses including renewable energy production, whilst protecting the environment and enhancing biodiversity.

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## 10.4 Delivery Funding

Where possible Waverley Borough Council will use its resources to bring actions identified in this document forward, but this is not realistic for some given the scale, breadth, and complexity of interventions identified. We will therefore work collectively to bring forward initiatives, while also seeking to secure funding from private sector developers, via S106 agreements and CIL monies, and from other public sector bodies.

The current public sector funding landscape for economic development is ever-changing, and generally oriented towards less prosperous parts of the country, but examples of recent funding sources that could be considered include:

- The UK Shared Prosperity Fund (prioritises investment in community, place, businesses and skills).
- The Rural England Prosperity Fund (dedicated funding for businesses and community initiatives in rural areas).
- Brownfield Land Release Fund (targeted at council-owned brownfield sites where viability issues have previously prevented development).
- Community Ownership Fund (focuses on supporting community groups to take ownership of assets and amenities at risk of being lost).
- Affordable Homes Programme (grant funding to support the capital costs of developing affordable housing for rent or sale).

We will continuously review the funding sources available to support the delivery of this strategy as the options available will invariably change over the short, medium and long-term. We will ensure that our officers actively monitor and oversee funding opportunities which may be an option for our borough, many of which require adhering to an extremely tight timeline.

Beyond this we will use this document, and our other strategic documents, to engage with and lobby Central Government departments to secure funding over the medium and longer-term for our most important interventions. We will collectively develop an engagement

and awareness raising programme to ensure the borough is in the best place possible to secure future funding. Important Government departments we will engage with include, but are not limited to:

- Department for Levelling Up Housing and Communities – Focus on development sites, public realm, movement, non-physical interventions and high street diversification interventions.
- Department for Transport – Focus on movement.
- Department for Business and Trade – Focus on movement.
- Department for Education – Focus on education and skills.
- Homes England – Focus on development sites, public realm, movement, non-physical interventions and high street diversification interventions, plus affordable homes delivery.
- Historic England – Focus on development sites and protection of town centre heritage.
- Natural England – Focus on public space.
- Environment Agency – Focus on flooding.
- National Lottery – Focus on non-physical interventions and high street diversification interventions.

We will also explore innovative funding mechanisms that could be used to bring forward schemes in our area. For example, we will research and consider the opportunities that Place Based Impact Investment could provide our borough over the medium and long-term. As set out in the Government's *Scaling Up Institutional Investment for Place Based Impact: White Paper* (2021), this refers to:

*“Investments made with the intention to yield appropriate risk-adjusted financial returns as well as positive local impact, with a focus on addressing the needs of specific places to enhance local economic resilience, prosperity and sustainable development”.*

For us, this would essentially involve working with our pension fund provider (i.e. Surrey Pension Fund), as well as institutional impact investors, to direct patient capital to local projects that could deliver a long-term return. Projects identified in this document that could benefit from this approach include the re-development of The Bury's and *69 High Street Scheme* in Godalming.

We believe that our pension funds could work much harder for our area, and provide significant opportunities, because as set out in the *White Paper* (2021):

- Only six Local Government Pension Scheme (LGPS) scheme currently make place-based investments. Greater Manchester has taken a lead on this and has committed to spending 5% of its capital locally.
- Only 1% of Local Government pension funds are invested in place-based impact investment sectors (i.e. housing, SME finance, clean energy, infrastructure and regeneration) in the UK.
- The average sector allocation by LGPS funds is £10m which means investments could be of a proportionate size.

We also know that Surrey Pension Fund are committed to responsible investing, as set out in its *Responsible Investment Policies*, so they should be open to a discussion about how our investments could be better used to deliver local impact.

### 10.5 Delivery Metrics

A robust and focused approach to tracking impact and performance will be a crucial part of delivering this strategy. This is because what is measured dictates what is done - if the wrong thing is measured, we will do the wrong thing, if something is not measured it may be ignored or neglected. Getting our approach right will allow us to:

- Ensure we balance economic, social and environmental concerns.
- Understand the evolution of our economy at an uncertain time.

- Assess the collective impact of delivery.
- Learn lessons for future intervention.
- Celebrate achievements and success.
- Tailor delivery to maximise impact and value.
- Support case making to leverage funding.

Given this strategy focuses on six thematic areas, we will focus on a range of key indicators that help us track how well we are addressing the 'blockers' or 'barriers' to our economic success. If we can move the dial on these, in line with the targets identified earlier in this report, we are confident that we can harness our opportunities and avoid becoming a 'dormitory' borough.

Some of these indicators will be factored into our collective business plans, project plans and Key Performance Indicators and will be considered on an annual basis by the council's Executive.

It is important to note, however, that given the long-term nature of many aspirations and interventions identified in this strategy, it will be important to take a long-term view to measuring 'success'. Appendix 2 outlines the key measures that will be used for monitoring the borough's economy and providing a comprehensive overview. This will also provide our economic baseline at the time the strategy is adopted.

Over the next ten years the indicators identified will be therefore used to shape decisions around future projects and interventions that emerge over time. Those that contribute most significantly to the economic, social and environmental ambitions identified will be prioritised and taken forward.



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**10.5.1 Table 4.1: Our Indicators of Success**

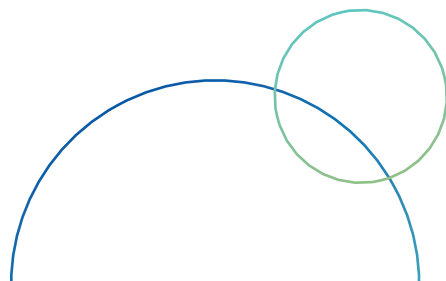
Indicator	Baseline Position	Five Year Target	Ten Year Target	Data Source
Number of Jobs	52,000 (2021)	55,000	60,000	ONS
Number of Businesses	8,000 (2021)	9,000	10,000	ONS
Number of Business Births P/A	800 (2020)	1,000	1,200	ONS
GVA Per Capita	£31k (2020)	£35k	£40k	ONS
Number of low-carbon businesses	N/A	250	500	KMatrix
Number of businesses accessing grant and loan funding to improve their long-term environmental performance	N/A	500	1000	Waverley Borough Council
Quantum of office floorspace	1,533,000 sq ft (2023)	TBC <sup>33</sup>	TBC	CoStar
Quantum of industrial floorspace	1,000,000 sq ft (2023)	TBC	TBC	CoStar
Proportion of 'high quality' office floorspace	0% (2023)	20%	30%	CoStar
Proportion of 'high quality' of industrial floorspace	5% (2023)	20%	30%	CoStar
Number of flexible and start-up workspaces in town centres	6	8	10	Waverley Borough Council
Number of neighbourhoods in the top 50% most deprived in the country	4 <sup>34</sup>	2	0	ONS
Number of unemployed people	1,500 <sup>35</sup>	1,100	800	ONS
Businesses signed up to Waverley Living Wage Accreditation	N/A	300	600	Waverley Borough Council
Proportion of households connected to gigabit broadband	49%	75%	95%	Ofcom
Km of new dedicated cycleway	N/A	20km	80km	Waverley Borough Council / Surrey County Council

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<sup>33</sup> Targets for office and industrial to be agreed following an update to the Employment Land Review.

<sup>34</sup> ONS Indices of Multiple Deprivation (2019).

<sup>35</sup> ONS NOMIS, 2023.



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DRAFT

# Waverley's Thriving and Green Economy

Our Economic Development Action Plan

January 2024



Our Economic Development Strategy sets out our ten-year ambition for Waverley's economy. It is based on detailed analysis of our economic position, and extensive and wide-ranging discussions between partners. actions the Council and its partners can undertake to facilitate economic development in the borough.

Our collective ambition is to attract more small businesses and entrepreneurs to the borough by promoting it as the best rural area in the South East to locate and/or start-up. We will do this by marketing our unique selling points, providing targeted business support and addressing any constraints that impact our attractiveness to businesses.

At the same time, we want our future economy to be more environmentally sustainable, productive and inclusive than ever before. We recognise that as a society we face major challenges around climate change, environmental degradation and inequality and we want to ensure our economy does not exacerbate and, where possible, tackles these issues.

This Action Plan is structured around our six THRIVE themes that represent our priority areas for intervention:

1. Turbocharging our small business community
2. Harnessing the green economy revolution
3. Refining our high streets and urban centres
4. Improving our commercial space offer
5. Valuing our people and foundational economy
6. Enhancing our physical and digital infrastructure

This Action Plan complements the full Strategy by providing more detail on the gamechanger programmes identified, as well as identifying actions that the Council and partners could pursue to realise our ambitions under each strand. Detail is provided in relation to timescales, delivery partners and resourcing requirements for each intervention.

The accompanying Appendix 1 captures activity already in delivery that aligns with delivery of the gamechanger programmes.



# 1. Turbocharging Our Small Business Economy

What?	When? <sup>1</sup>	Who?	Example	Resourcing
<p>We will develop a programme ('Creative Waverley') to elevate our strong creative and cultural sector so our district becomes one of the most prominent clusters of this type of activity in the county. Centred around Farnham, the focus will be on activating underutilised public assets and retail units to create a new network of workshops and makerspaces that encourage creative entrepreneurialism and attract inward investment. This network will wrap in complementary business support and acceleration programmes for creative and cultural businesses to boost entrepreneurialism and business survival across the sector.</p> <p>This programme will be undertaken in close partnership with the University for the Creative Arts (UCA) as they are globally renowned for their research in this area and because they have ambitions to deliver complementary cutting-edge facilities in our area, including a new Video Games Incubator Centre. We will also work with Farnham Maltings and Farnham Town Council to identify spaces specifically for makers to strengthen and enhance the area's status as a World Craft Town, and to build on the new Incubator Space coming forward at Farnham Maltings.</p> <p>We will work to support the UCA and Surrey County Council's emerging Createch Cluster ambitions. Working collaboratively will raise the scale of ambition and support inward investment and grant funding applications.</p>	<p>Medium term</p>	<p>Waverley Borough Council; University for the Creative Arts; Farnham Maltings; Farnham Town Council; Surrey County Council</p>	<p>Hounslow Creative Enterprise Zone; BIG South London Affordable Workspace Network</p>	<p>Officer time; Business cases required for maker spaces, work with partners to identify budget.</p>
<p>Work with Guildford Borough Council to undertake an audit of the business support offer provided by both boroughs and use this as a basis to identify efficiencies and potential co-commission different services to support businesses within our target sectors to set up, grow and survive.</p> <p>We will engage with other boroughs that have implemented similar programmes to explore any lessons learned from their experience. We will also take into account the results of the business survey underpinning this strategy.</p>	<p>Short term</p>	<p>Waverley Borough Council; Guildford Borough Council; Incuhive</p>	<p>Woking Works</p>	<p>Officer time</p>
<p>Work with partners to create a new 'place brand' capturing Waverley's Unique Selling Points for businesses, entrepreneurs and other investors. Once created explore options to market Waverley as the best rural area in the South East to locate a small business or to set up a new enterprise.</p> <p>Our options range from placing advertisements in sector-specific publications to targeted social media campaigns.</p> <p>While we will do this independently, we will also support Surrey County Council to set up a multi-partner inward investment service and ensure Waverley's interests are fully reflected in any new service.</p>	<p>Medium term</p>	<p>Waverley Borough Council; and Surrey County Council</p>	<p>Business in Maidstone</p>	<p>Officer time; Budget BAU</p>

<sup>1</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

# 1. Turbocharging Our Small Business Economy *(continued)*

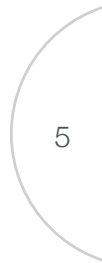
What?	When? <sup>1</sup>	Who?	Example	Resourcing
<p>Actively direct businesses in priority sectors to the support programmes already offered by the University for the Creative Arts, Surrey Chamber of Commerce, Surrey County Council and others, and help them to unlock the opportunities these present.</p> <p>Examples include the University for Creative Art's Innovation Hub (UCAIHUB).</p>	Short term	Waverley Borough Council	N/A	Officer time
<p>Work with Farnham Maltings to set up a new craft incubator to support makers in their early stages of development.</p> <p>This will involve offering consultations, training, skills workshops and peer-to-peer learning to help entrepreneurs set up and grow their businesses.</p>	Short term	Waverley Borough Council; Farnham Maltings; World Craft Town Initiative (i.e. Farnham Town Council)	University of the Arts London Business Incubator	Officer time; Shared Prosperity Fund
<p>Support the new Sustainable Procurement Policy (2022) by preparing a list of relevant local businesses that Waverley Borough Council and other anchor institutions could commission to support their day-to-day business functions.</p> <p>We will consult this list when procuring new contracts and ensure suitable businesses are aware of opportunities before they are published.</p>	Short term	Waverley Borough Council; Guildford Borough Council; Surrey County Council; University for Creative Arts; Royal Surrey NHS Foundation Trust	Blackpool Council Supplier Charter	Officer time
<p>Review our procurement policies and practices to reduce barriers to local businesses in accessing opportunities - use new guidance from the Federation of Small Businesses to guide this.</p> <p>This will involve a careful consideration of our contract terms, payment terms, insurance requirements and competition processes.</p>	Medium term	Waverley Borough Council; Guildford Borough Council; Federation of Small Businesses	East Suffolk Council's Procurement Concordat for SMEs	Officer time
<p>As part of the new Sustainable Procurement Policy (2022) work with relevant local business to help them understand how to access public sector tender opportunities.</p> <p>This will involve knowledge sharing, training and linking businesses with more established companies that they could collaborate with.</p>	Medium term	Waverley Borough Council; Guildford Borough Council; Local Chambers of Commerce	Essex County Council's Guidance for SMEs	Officer time

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<sup>1</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 2. Harnessing the Green Economy Revolution

What?	When? <sup>2</sup>	Who?	Example	Resourcing
<p>Create a new programme ("Green Waverley") to help our business base to become one of the greenest and most environmentally sustainable in the country. At its core this will involve providing grant and loan funding to businesses in our area to invest in tools, equipment, materials and retrofitting activities that help dramatically improve their long-term environmental performance. Investments will range from fitting buildings with solar panels to purchasing environmentally friendly vehicle fleets.</p> <p>We will also offer consultancy vouchers to businesses to provide them with access to specialist and tailored support that will help them decarbonise their operations and improve the environmental sustainability of their supply chains. This will help businesses fundamentally change how they operate by putting environmental considerations at their heart. As part of this we will encourage and link up our business base with the B-Corp movement and ensure our consultancy offer supports as many businesses as possible to become accredited B-corps through changing the way they do business.</p> <p>This programme reflects Waverley Borough Council's determination to apply a 'green filter' to all our decision making, including in relation to economic development.</p>	Medium term	Waverley Borough Council; Local Chambers of Commerce; BIDs; Town Councils; Parish Councils	West of England Combined Authority Green Business Grants	Officer time; Funding to be identified
<p>Work with Guildford Borough Council to develop an incentive scheme to encourage businesses focused on green buildings, sustainable travel and/ or renewable energy to locate in the area. This could involve incentives around business rates, loans and grants to enable a 'soft landing', alongside targeted support as provided via the gamechanger programme.</p>	Short term	Waverley Borough Council; Guildford Borough Council	N/A	Officer time; sustainability teams across councils resource required
<p>Develop a costed long-term pipeline of green infrastructure investments that the Council and its partners expect to procure and run sessions with local providers to inform them about future opportunities.</p> <p>This should provide businesses with more confidence and certainty to invest in training and equipment that enables to provide low-carbon services.</p>	Medium term	Waverley Borough Council; Guildford Borough Council; Surrey County Council	N/A	Officer time
<p>Support Waverley's businesses to re-skill and up-skill their employees with relevant green skills.</p> <p>This could involve directing local businesses to: (a) relevant courses provided by local skills providers such as Zero Carbon Guildford; and (b) the specialist support available at the Future Skills Hub that advises businesses on the development of skills for emerging low carbon industries.</p>	Medium term	Waverley Borough Council; University for Creative Arts; Waverley Training Services; Godalming College; Surrey County Council	N/A	Officer time



<sup>2</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 2. Harnessing the Green Economy Revolution *(continued)*

What?	When? <sup>2</sup>	Who?	Example	Resourcing
<p>Collaborate with Waverley Training Services, Godalming College, University for the Creative Arts and other local providers to ensure that they provide the right range of courses to support learners of all ages develop the skills they need to participate in the low carbon economy.</p> <p>This will involve undertaking an audit of the existing offer alongside an analysis of local skills demand.</p>	Medium term	Waverley Borough Council; University for Creative Arts; Waverley Training Services; Godalming College; Surrey County Council	Hounslow Green Skills Bootcamp	Officer time
<p>Proactively engage with businesses to encourage them to access programmes offered by partners that help them reduce their carbon emissions and adopt circular economy practices throughout their operations and supply chain.</p> <p>Example programmes include Surrey Chamber of Commerce's Climate Change Hub.</p>	Short term	Waverley Borough Council; Surrey Chamber of Commerce; Local Chambers of Commerce; BIDs	EM3 Net Zero Support Service	Officer time
<p>Work with the Surrey Crest Business Awards Scheme, which celebrates success in sustainability, to create a specific award for Waverley that recognises local businesses that have significantly reduced the carbon emissions arising from their operations and supply chain.</p> <p>Use this as an incentive to encourage local businesses to participate in programmes that support decarbonisation.</p>	Short term	Waverley Borough Council; Local Chambers of Commerce; Town Council; Parish Councils	Camden Climate Alliance Carbon Certification Scheme	Officer time
<p>Continue to provide training for construction businesses via Beatty Passive to help build a stronger green skills base in the borough.</p>	Short term	Waverley Borough Council; Beatty Passive; Construction businesses	N/A	Office time; work with partners

<sup>2</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+



### 3. Refining Our High Streets and Urban Centres

What?	When?	Who?	Example	Resourcing
Support town and parish councils to develop Place Strategies to drive forward more concerted and strategic regeneration activity in Farnham, Godalming, Haslemere and Cranleigh. Start with Godalming Town Centre as the pilot, which will involve working with the community to conceptualise an ambitious re-development scheme for the Bury's which presents a significant opportunity to deliver meaningful and impactful change in the town centre.	Short term	Waverley Borough Council; Town Councils; Parish Councils	Sevenoaks District Centres Strategy	Officer time; business cases required to identify funding
Farnham: Work with Surrey County Council to drive forward priority initiatives identified in the Farnham Infrastructure Plan, most notably major infrastructure investments focused on reducing traffic in the town centre.	Long term	Waverley Borough Council; Surrey County Council; Farnham Town Council	N/A	Officer time; Funding required via CIL and National Government
Farnham: Work with the University for the Creative Arts, Farnham Maltings and the World Craft Town initiative to identify opportunities to open new workshops and makerspaces for university alumni to set up new creative businesses locally. This will be undertaken as part of the Gamechanger Programme identified in the 'Turbocharging Our Small Business Economy' theme.	Medium term	Waverley Borough Council; University for the Creative Arts; Farnham Town Council; World Craft Town Initiative	Flimwell Park	Officer time; working with partners to identify funding opportunities
Farnham: Develop a Public Assets Strategy to explore how underutilised assets can be better used to support economic development.	Medium term	Waverley Borough Council; Surrey County Council; UCA; NHS; Farnham Town Council	International House Brixton	Officer time; Feasibility funding required
Godalming: Continue to explore opportunities to create a new Civic Quarter on the site of The Bury's, incorporating commercial space targeted at priority sectors.	Long term	Waverley Borough Council; Godalming Town Council; Godalming Chamber of Commerce	1887 Pantiles	Officer time; working with partners to identify funding options
Haslemere: Explore opportunities to deliver a mixed-use regeneration scheme in the town centre with a focus on providing new services, amenities and homes.	Long term	Waverley Borough Council; Haslemere Town Council; Landowners	Brightwells Yard Farnham	Officer time; Funding source options to be identified



### 3. Refining Our High Streets and Urban Centres *(continued)*

What?	When?	Who?	Example	Resourcing
Haslemere: Enhance the public realm where the regular markets take place to provide a more attractive and better functioning public space.	Medium term	Waverley Borough Council; Haslemere Town Council; Surrey County Council	Market Square, Dover	Officer time;
Haslemere: Identify opportunities to make the town centre public realm greener and more pedestrian and cycle friendly.	Medium term	Waverley Borough Council; Haslemere Town Council; Surrey County Council	Grey to Green, Sheffield	Office time; business case required to source funding
Haslemere: Support the Haslemere Community Rail Partnership and encourage them to continue and expand their activities.	Short term	Waverley Borough Council; Haslemere Town Council; Haslemere Community Rail Partnership	N/A	Officer time
Cranleigh: Work with Surrey County Council to scope out opportunities for new workspace provision as part of developments on land owned by the public sector (e.g. Longfield).	Long term	Surrey County Council; Cranleigh Parish Council; Waverley Borough Council	Deptford Studios	Officer time; Funding require. Identification of sources working with partners.

## 4. Improving Our Commercial Space Offer

What?	When? <sup>3</sup>	Who?	Example	Resourcing
<p>Develop a programme ('Rural Waverley') to re-invigorate and re-imagine our rural areas as places where small clusters of sensitive and sustainable business activity can thrive. It will involve the protection and retention of existing rural employment space through planning policy, but the biggest move will be the delivery of a high-profile rural business hub that will be an exemplar for other districts in our county. Drawing on inspiration from Flimwell Park (East Sussex), Snape Maltings (Suffolk) and Hethel Innovation Centre (Norfolk) this will provide high-quality office, workshop and customer-facing space for businesses that prefer to be in rural areas. A mix of start-up and grow-on space will be provided to ensure it caters to and supports the full business lifecycle. A business support offer will also be provided to support rural businesses to survive and thrive, which will include signposting to funding opportunities that might be available for business expansion and diversification.</p> <p>This will be a long-term exercise and will need to start with a study to identify which sites and locations might be most suitable for a project of this nature. This will need to be followed by a feasibility study that covers design, costs, viability, operation and delivery considerations. It is likely that some non-commercial uses (e.g. hotel, restaurant and/or F&amp;B) may be required for commercial sustainability reasons).</p>	Medium Term	Waverley Borough Council	Flimwell Park East Sussex	Office time; working with private sector partners, funding required
<b>NEW INTERVENTIONS</b>				
<p>Advance plans to create a new Civic Quarter on the site of The Burys in Godalming.</p> <p>We will carefully consider how commercial space provision can be tailored to priority sectors and/or their supply chain to drive productivity growth.</p>	Long term	Waverley Borough Council; Godalming Town Council; Godalming Chamber of Commerce	1887 Pantiles	Officer time; Funding required
<p>Proactively work with the developers of the Dunsfold Park Garden Village to ensure the right types of commercial space come forward to support the expansion of the existing Dunsfold Business Park.</p> <p>This will include a mix of office and industrial-type space targeted at businesses of different sizes and types. We will undertake a demand and land use assessment to support this.</p>	Long term	Waverley Borough Council; The Rutland Group; Trinity College Cambridge	Kings Hill Business District	Officer time

<sup>3</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+



## 4. Improving Our Commercial Space Offer *(continued)*

What?	When? <sup>3</sup>	Who?	Example	Resourcing
<p>Review council-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs and micro-businesses.</p> <p>Our town centres and business base would benefit from new accelerator/incubator spaces, incorporating wraparound business support. These could focus on complementary priority sectors that are suitable for each place.</p>	Medium term	Waverley Borough Council; Town Councils; Parish Councils	Tripod Brixton	Officer time; Funding required for additional resources
<p>Explore how council-owned employment sites could be better utilised to meet employment and housing aspirations.</p> <p>This will involve undertaking masterplans and feasibility studies for sites that are the most deliverable and offer the greatest capacity for change.</p>	Medium term	Waverley Borough Council	Purley Way Masterplan SPD	Officer time; business cases to identify priority projects and possible funding
<p>In line with the gamechanger programme for the 'Turbocharging our Small Business Base' theme, work with the University for the Creative Arts, Farnham Maltings and the World Craft Town initiative to identify opportunities to open new workshops and makerspaces for university alumni to set up new creative businesses locally.</p>	Medium term	Waverley Borough Council; University for the Creative Arts; Farnham Town Council; World Craft Town Initiative	Flimwell Park	Officer time; Funding required via private/ public collaboration
<p>Update our existing Employment Land Review (2016) to reflect our changing economic context and ambitions for new Local Plan 2024.</p> <p>Our existing Employment Land Review is based on our previous Economic Strategy (2018-2032) which focused more on sustaining and maintaining the borough's economy than catalysing its growth. This updated Economic Strategy (2023-2033) is more ambitious than the previous one, and the macro-economic context has shifted significantly over the last seven years, so the Employment Land Review therefore needs updating.</p>	Short term	Waverley Borough Council	Waltham Forest Employment Land Review and Industrial Intensification Audit	Officer time; Funding required
<p>Set up a vacant commercial property grant scheme to encourage asset owners to upgrade commercial assets to provide better quality and more environmentally sustainable businesses space.</p>	Medium term	Waverley Borough Council	Bristol Vacant Unit Grant Scheme	Officer time; suitable funding to be identified with partners.

<sup>3</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 5. Valuing Our People and Foundational Economy

What?	When? <sup>4</sup>	Who?	Example	Resourcing
<p>Develop a programme ('Equal Waverley') to ensure that our residents have the skills and opportunities they need to benefit from our thriving economy. Drawing inspiration from Westminster City Council's Westminster Employment Service, this will involve actively targeting unemployed people and providing individualised 1-1 coaching to help them enter the labour market. The focus will be on supporting them to become 'job ready' through the provision of intensive training, work experience placements, CV workshops and interview practice among other things.</p> <p>To take this one step further we will also put packages in place to help reduce the 'barriers' some unemployed people face in accessing employment – these primarily relate to the cost of training, transport, uniforms and equipment. This is particularly important in our borough as many people are cut off from opportunities given how poorly connected and remote some areas are.</p>	Medium term	Waverley Borough Council; Third Sector; Service Provider; Farnham College; Godalming College;	Westminster Employment Service	Officer time; work with partners such as DWP, NHS
<b>NEW INITIATIVES</b>				
<p>Undertake a comprehensive review and audit of Waverley Training Service to ensure it continues to meet the needs of local people, employers and our priority sectors as identified in the 'Turbocharging our Small Business Economy' theme.</p> <p>This could involve the creation of new online courses to reduce the need for people living outside Farnham and Godalming to travel.</p>	Medium term	Waverley Borough Council; Waverley Training Services	N/A	Officer time
<p>Encourage local employers to pay workers a salary that allows them to live a meaningful and fulfilling life in our borough. This will involve calculating a specific 'Waverley Living Wage' based on the cost of living locally.</p>	Medium term	Waverley Borough Council	Oxford Living Wage	Officer time
<p>Use Shared Prosperity Funding to support a range of community initiatives targeted at those most in need.</p> <ul style="list-style-type: none"> <li>• Set up an Ockford Youth and Community Service to offer informal education (e.g. via arts, music, sports, cooking) to 'at-risk' young people to provide them with important life skills.</li> <li>• Extend the opening hours of the Haslemere Youth Hub to support children and young adults from minority ethnic groups or the LGBTQ+ community.</li> <li>• Increase the services and programmes on offer at the Hale Community Centre to support less advantaged adults and to address inequality through the Sandy Hill Inclusive Partnership.</li> </ul>	Short term	Waverley Borough Council; Haslemere Youth Club; Waverley Citizens Advice; Hale Community Centre; Royal Surrey NHS Foundation Trust	N/A	Officer time; Shared Prosperity Fund

<sup>4</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 5. Valuing Our People and Foundational Economy *(continued)*

What?	When? <sup>4</sup>	Who?	Example	Resourcing
<ul style="list-style-type: none"> <li>• Create a Crisis Support Project with Waverley Citizens Advice to help residents in less advantaged communities to improve their standards of living through a combination of public, private and third sector resources.</li> <li>• Create wellbeing hubs in Farnham, Cranleigh, Godalming and Haslemere to help improve health and wellbeing services across the borough.</li> </ul>	Short term	Waverley Borough Council; Haslemere Youth Club; Waverley Citizens Advice; Hale Community Centre; Royal Surrey NHS Foundation Trust	N/A	Officer time; Shared Prosperity Fund
<p>Work with Guildford Borough Council to explore the potential for both councils to adopt principles of Community Wealth Building within their current structures.</p> <p>Initiatives will include exploring whether it is possible for both councils to work towards becoming accredited Living Wage Employers for all staff and contactors and exploring opportunities to develop apprenticeship positions for people in less advantaged communities.</p>	Short term	Waverley Borough Council; Guildford Borough Council	Preston Inclusive Economy Programme	Officer time
<b>VISITOR ECONOMY INTERVENTIONS</b>				
<p><b>Improving Provision for Overnight Stays:</b> Most of our visitors only come for the day rather than stay the night which is a concern as overnight stays generate significantly more local expenditure. This links to a lack of visitor accommodation in both our urban and rural areas as set out in the Surrey Hotels Future (2015) study. We will therefore use our planning policy levers (see Policy EE1 of our new Local Plan) to encourage the provision and protection of accommodation for overnight stays (i.e. through hotels and rented temporary accommodation close to tourism assets).</p>	Medium Term	Waverley Borough Council	N/A	Officer time
<p><b>Curating Events Programme:</b> Work with Business Improvement Districts (BIDs) in Farnham, Godalming and Cranleigh to curate a diverse mix of events and activities to attract people to visit our urban centres. A crucial part of this will involve working with Surrey County Council to make it as easy as possible for event organisers to host activities in our urban centres.</p>	Medium term	Waverley Borough Council; Town Councils; Parish Council; Business Improvement Districts; Local Visitor Economy Assets	Canterbury Events Calendar	Officer time
<p><b>Local Visitor Economy Partnership (LVEP):</b> Work with partners to scope out and create a new Local Visitor Economy Partnership for the county to better support businesses and attractions that participate in the visitor economy. This should include the Rail to Ramble partnership given the importance of our natural assets to our visitor economy.</p>	Medium Term	Waverley Borough Council; Guildford Borough Council; Surrey County Council; BIDs; private sector	N/A	Officer time, working with partners

<sup>4</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 6. Enhancing Our Physical and Digital Infrastructure

What?	When? <sup>5</sup>	Who?	Example	Resourcing
<p>Develop a programme ('Connected Waverley') to help our area become one of the most digitally connected rural areas in the country. It will involve the delivery of a package of complementary interventions to enhance both the speed and depth of digital connectivity across the district.</p> <p>One of the most impactful and ambitious activities will involve working with partners to drive forward regional investment in a Gigabit Fibre Spine that is expected to run through both Farnham and Godalming. To seize the opportunity for businesses and residents outside these areas we will develop our own strategy and delivery plan to create spurs from the Fibre Spine to increase gigabit coverage.</p> <p>Other elements of the programme will include:</p> <ul style="list-style-type: none"> <li>• Support Surrey County Council to bring forward regional procurement 'lots' to encourage suppliers to bring forward infrastructure projects locally.</li> <li>• Pool businesses in rural areas together and support them to access the National Gigabit Voucher Scheme.</li> <li>• Work with Guildford Borough Council to explore funding opportunities to create a local version of the National Gigabit Voucher scheme for businesses and homes in our more urban settlements that are unable to access the national scheme.</li> <li>• Work with partners to make it easier and more cost effective for broadband providers to enhance connectivity across the borough (e.g. reduced fees for road closures and parking suspensions).</li> <li>• Create a webpage for fibre suppliers that includes guidance for installing new infrastructure locally, as well contact details for relevant departments.</li> <li>• Investigate opportunities to use the public realm (e.g. lampposts, toilet blocks, public assets, street furniture etc) in our historic urban and village centres to provide wireless small cell networks without needing to dig up roads.</li> <li>• Work with Waverley Housing and other partners to group our social houses and commercial stock into a single wayleave to incentivise providers to invest time and money in improving infrastructure to the stock.</li> <li>• Work with the University of Surrey to experiment and test their emerging mobile technology within our borough.</li> <li>• Lobby Government to use some of its Shared Rural Network Funding to address rural 'not spots' across the district.</li> <li>• Work with Surrey County Council to ensure that less advantaged communities can access social tariffs.</li> </ul>	<p>Short term</p>	<p>Waverley Borough Council; Surrey County Council; Town Councils; Parish Councils; BIDs; Local Chambers of Commerce</p>	<p>Woking Digital Strategy</p>	<p>Officer time; work with partners and private sector</p>

<sup>5</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

## 6. Enhancing Our Physical and Digital Infrastructure *(continued)*

What?	When? <sup>4</sup>	Who?	Example	Resourcing
<b>NEW INTERVENTIONS</b>				
<p>Explore opportunities for renewable and community power generation projects including as part of the Dunsfold Garden Village development.</p> <p>For each opportunity we will have to consider a range of factors including appropriate locations, business models, energy sources, governance structures and funding sources.</p>	Long term	Waverley Borough Council; The Rutland Group; Trinity College Cambridge; Community Groups; Town Councils; Parish Councils	Dorking Solar Group	Officer time
<p>Work proactively with Surrey County Council and National Highways to bring forward new active travel schemes across the borough, and capture these in our emerging Local Cycling and Walking Infrastructure Plan.</p> <p>Use Shared Prosperity Funding to bring forward a pilot cycling scheme in Godalming that can act as a demonstrator for future investments.</p>	Long term	Waverley Borough Council; Surrey County Council; National Highways; Town Councils; Parish Councils	Tunbridge Wells to Tonbridge Cycling Path	Officer time; Shared Prosperity Funding; Further funding required
<p>Work positively with Surrey County Council and National Highways to identify and bring forward new highway schemes that reduce congestion, create attractive streetscapes and improve travel reliability across the borough.</p> <p>This includes the Cranleigh High Street, Highway and Public Realm Enhancement Scheme which will improve key junctions along Cranleigh High Street alongside enhanced public spaces, traffic management and cycling and pedestrian access. It also includes the Farnham Infrastructure Programme which has an ambition to deliver attractive, well-integrated, future focused and high quality infrastructure for Farnham that enables a more connected and vibrant town.</p>	Long term	Waverley Borough Council; Surrey County Council; National Highways; Town Councils; Parish Councils	N/A	Officer time

<sup>5</sup> Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+



## Appendix 1: Ongoing Interventions

TURBOCHARGING OUR SMALL BUSINESS ECONOMY - ONGOING INTERVENIONS				
<p>Continue to work with Guildford Borough Council to produce collateral to signpost businesses to the support, advice and/or opportunities they need to prosper.</p> <p>We will continue to work with partners to ensure the current offer is available on our Business Waverley website.</p>	Short term	Waverley Borough Council; Guildford Borough Council; Surrey County Council; Surrey Chamber of Commerce; BIDs; University for the Creative Arts; Local Chambers of Commerce	Bromley Business Hub	Officer time
<p>Work with Guildford Borough Council and other local authorities in the county to use Rural Prosperity Funding to ensure that rural businesses continue to have access to funding that they can use to grow, adapt and evolve.</p> <p>This will focus on SMEs and will be a continuation of the EU-funded Surrey LEADER programme that has previously supported rural business expansion.</p>	Short term	Waverley Borough Council; Guildford Borough Council; Surrey County Council; Surrey Local Authorities	Surrey LEADER	Officer time; Rural Prosperity Fund
<p>Organise bi-annual 'Business Question Time' events with Guildford Borough Council to connect local businesses with one another and to encourage knowledge transfer.</p> <p>This will build on our first successful Business Question Time event held in December 2022 at Charterhouse School.</p>	Short term	Waverley Borough Council; Guildford Borough Council; Local Chambers of Commerce; Town Councils; Parish Councils	N/A	Officer time
<p>Work with the business community to select a rural business champion to ensure that rural business interests are represented on relevant boards and interest groups.</p> <p>This individual will also work with the council to ensure initiatives are appropriately tailored to the needs of rural enterprises.</p>	Short term	Waverley Borough Council	N/A	Officer time; LEAF
<p>Continue to use the Business Waverley website to capture relevant information for businesses and to communicate important information about events, grants, support, advice and news.</p>	Long term	Waverley Borough Council; Guildford Borough Council; Chambers of Commerce; Town Council	N/A	Officer time, BAU

## Appendix 1: Ongoing Interventions *(continued)*

HARNESSING THE GREEN ECONOMY REVOLUTION - ONGOING INTERVENIONS				
Continue to provide Carbon Literacy Training to local businesses to raise awareness of the issues associated with climate change and air pollution. Use this as an opportunity to signpost participants to programmes and initiatives offered by partners focused on decarbonisation.	Short term	Waverley Borough Council; Local Chambers of Commerce; BIDs; Town Councils; Parish Councils	Stoke-on-Trent & Staffordshire Enterprise Partnership Carbon Literacy Training	Officer time
Work with entrepreneurs and businesses to identify opportunities to access any programmes that support net zero and green skills initiatives.	Short term	Waverley Borough Council	N/A	Officer time
Continue to procure goods and services in line with the Waverley Sustainable Procurement Policy (2023). This will not only reduce the environmental impact of Waverley Borough Council but also support local businesses.	Short term	Waverley Borough Council	Westminster Responsible Procurement and Commissioning Strategy	Officer time
Use the existing and new Local Plan to continue to protect our beautiful natural assets and promote sustainable development practices across the borough. Engage with new national planning policies (e.g. the forthcoming Levelling Up and Regeneration Bill) and explore any new opportunities this provides to support sustainable economic growth.	Short term	Waverley Borough Council	N/A	Officer time
Engage positively with Natural England's review of the proposals to extend the Surrey Hills National Landscape Board. Advocate for a balanced approach that protects our natural environment but also allows our rural businesses the flexibility they need to grow and expand their operations sustainably.	Short term	Waverley Borough Council; Natural England; Chambers of Commerce; Business Community; Local Groups	N/A	Officer time

## Appendix 1: Ongoing Interventions *(continued)*

REFINING OUR HIGH STREETS AND URBAN CENTRES - ONGOING INTERVENTIONS				
Farnham: Work with the new Business Improvement District (BID) Board and business plan for the town.	Short term	Waverley Borough Council; Farnham Town Council	Royal Tunbridge Wells Together	Officer time
Godalming: Work with the new Business Improvement District (BID) Board to support their business plan for the town.	Short term	Waverley Borough Council; Godalming Town Council	Royal Tunbridge Wells Together	Officer time
Godalming: Renovate and repurpose 69 High Street to provide new high quality workspace and residential units on the high street.	Medium term	Waverley Borough Council	Oru Space Sutton	Officer time; Funding required
Godalming: Work with Surrey County Council to use Shared Prosperity Funding and Community Infrastructure Levy (CIL) funds to bring forward a new cycling greenway that connects eastern and western areas of the town.	Long term	Waverley Borough Council; Surrey County Council; National Highways; Town Councils; Parish Councils	Tunbridge Wells to Tonbridge Cycling Path	Officer time; Shared Prosperity Funding; Further funding required
Cranleigh: Work with Surrey Hills Enterprises CIC and Cranleigh Chamber of Commerce to run a regular Surrey Hills Artisan Market and use Shared Prosperity Funding to enable a range of music, art, cultural and creative activities to take place as part of the offer.	Short term	Waverley Borough Council; Surrey Hills Enterprises CIC; Cranleigh Chamber of Commerce	N/A	Officer time
Cranleigh: Support the Cranleigh BID Board deliver their business plan for the village.	Short term	Waverley Borough Council; Cranleigh Parish Council	Royal Tunbridge Wells Together	Officer time
Cranleigh: Provide a new Passivhaus leisure centre in Cranleigh to enhance provision and cater for a growing population. Deliver to carbon neutral standards and provide a rounded health and wellbeing offer.	Medium term	Waverley Borough Council; Royal Surrey NHS Foundation Trust; Cranleigh Parish Council	St Sidwells Exeter	Officer time; Funding required
Cranleigh: Support Surrey County Council and BID to drive forward the Cranleigh High Street, Highway and Public Realm Enhancement Scheme to help improve key junctions along the High Street alongside enhanced public spaces, traffic management and cycling and pedestrian access.	Long term	Waverley Borough Council; Surrey County Council; National Highways; Cranleigh Parish Council	N/A	Officer time; CIL Funds

## Appendix 1: Ongoing Interventions *(continued)*

IMPROVING OUR COMMERCIAL SPACE OFFER - ONGOING INTERVENTIONS				
Continue to improve the speed at which planning decisions for commercial schemes are made to enable businesses that contribute to the ambitions of this strategy to set up locally.	Short term	Waverley Borough Council	N/A	Officer time
Work with rural landowners to raise awareness of the opportunities that Permitted Development Rights present to convert existing assets to new commercial uses that help diversify their income streams.	Short term	Waverley Borough Council; Chambers of Commerce	N/A	Officer time
Continue to use our Investment Strategy to work with partners to bring niche workspace typologies on our high streets focused on local MSEs and flexible workers, starting with 69 High Street in Godalming.	Medium term	Waverley Borough Council	Oru Space Sutton	Officer time; Funding required

## Appendix 1: Ongoing Interventions *(continued)*

VALUING OUR PEOPLE AND FOUNDATIONAL ECONOMY - ONGOING INTERVENTIONS				
<p>Continue to support 'Job Clubs' in Godalming, Farnham, Haslemere and Cranleigh and ensure that they are appropriately linked into the University for the Creative Arts, Godalming College and Farnham College as well as the local business base.</p> <p>We need to ensure that the clubs support our student population to fill entry level, part-time and/or temporary positions in catering, retail and other foundational economy businesses that are struggling to fill positions.</p>	Medium term	Waverley Borough Council; University for the Creative Arts; Godalming College; Farnham College; Local Chambers of Commerce; BIDs	N/A	Officer time
<p>Continue to support refugees to access the housing, employment, training, clothing, food and services they require to prosper in our borough. Work with the 'foundational' businesses to provide specific opportunities to support displaced communities.</p>	Short term	Waverley Borough Council; Community Organisations	N/A	Officer time
<p>Continue to support the borough's community and voluntary sector, particularly where organisations are involved in supporting employability, training entrepreneurship. This includes continuing to offer the Thriving Communities Commissioning Fund to local organisations engaged in these activities.</p>	Short term	Waverley Borough Council; Community Organisations	N/A	Officer time
<p>Encourage businesses to engage with the development of both the Surrey Skills Demand Framework (Surrey County Council) and Local Skills Improvement Plan (Surrey Chambers of Commerce) to better understand the skills gaps and occupational shortages facing our borough's businesses.</p> <p>This could also include exploring opportunities to improve our in-house knowledge of the local skills landscape through purchasing of local job board insights and through knowledge-sharing with Surrey County Council and Surrey Chambers of Commerce.</p>	Short term	Waverley Borough Council; Surrey Chambers of Commerce; Local Chambers of Commerce; Town Councils; Parish Councils; Surrey County Council	N/A	Officer time
<p>Continue to directly deliver homes that meet the needs of residents of all incomes across the borough as set out in our Build More, Build Better, Build for Life: Affordable Homes Strategy (2022-2025).</p> <p>In line with this we will bring forward 400 new affordable homes by 2025 and investigate more opportunities to deliver genuinely affordable homes on council-owned land.</p>	Medium term	Waverley Borough Council; Waverley Housing	300 Harrow Road	Officer time; Funding required
<p>Continue to work collegiately with developers to make sure they deliver affordable homes where required as per our Affordable Housing Supplementary Planning Document (2021).</p> <p>We will challenge every planning application that makes a viability case to reduce or change the tenure mix of affordable housing.</p>	Short term	Waverley Borough Council	Richmond Affordable Housing SPD	Officer time

## Appendix 1: Ongoing Interventions *(continued)*

VALUING OUR PEOPLE AND FOUNDATIONAL ECONOMY - ONGOING INTERVENTIONS <i>(continued)</i>				
Support the Surrey Community Housing Partnership to bring forward affordable homes in rural areas. We will provide advice, expertise, time and links to funding opportunities to help the organisation succeed in our borough.	Long term	Waverley Borough Council; Surrey Community Housing Partnership	Lancaster Cohousing	Officer time
<b>Enhancing Destination Marketing:</b> We will continue to work with Visit Surrey and Visit South East England to promote our borough through a range of different channels, and will regularly review our approach to ensure that we are delivering the best possible outcomes for our visitor economy. As part of this we will continue to offer a small number of businesses free membership to Visit Surrey to maximise their exposure to a broad audience.	Short term	Waverley Borough Council, Visit Surrey, Visit South East England, Local Visitor Economy Businesses	N/A	Officer time; work with BID partners
<b>Improving Marketing Materials:</b> We will work with local attractions, hotels, B&Bs, cafes, restaurants, pubs and bars to create a new destination brochure promoting the different activities available across the borough. We will make this available in both analogue and digital formats and ensure it is distributed strategically to maximise exposure with visitors to our borough. We will also continue to create high-quality videos and social media content to promote the area.	Short term	Waverley Borough Council, BIDs; Local Chambers, Town Councils, Parish Councils, Local Visitor Economy Businesses	Visit Windsor Guides	Officer time; work with private sector partners
<b>Supporting and Connecting Local Organisations:</b> We currently support the Farnham Visitors' Forum, Haslemere Museum, Surrey Hills National Landscape Board and other local partners to undertake their work in promoting the borough and its visitor economy assets. We will continue to do so and will actively seek opportunities to connect initiatives being undertaken by different organisations to maximise the reach and impact of their work.	Short term	Waverley Borough Council; Town Councils; Parish Councils; Chambers of Commerce; Surrey Hills National Landscape Board	N/A	Officer time
<b>Strengthening Active Travel:</b> Pedestrian and active travel routes around our urban and rural areas need to be improved to facilitate movement between visitor economy attractions and to encourage linked trips and extended stays. We will explore opportunities to improve connections as part of our emerging Walking and Cycling Infrastructure Plan (LCWIP), in particular active travel links between our historic urban centres to the Surrey Hills National Landscape Board.	Long term	Waverley Borough Council; Surrey County Council; National Highways; Town Councils; Parish Councils	Bristol and Bath Railway Path	Officer time; identify possible funding sources
<b>Promoting our Borough Through Media:</b> Our borough is an exceptionally popular destination for filming and has been the backdrop to a wide range of blockbusters from Harry Potter to the Mummy. This brings significant direct economic value to the borough through expenditure with local businesses, but also helps to put our assets 'on the map' attracting tourists and visitors. We will therefore continue to market the borough to filmmakers and offer best-in-class support to those looking to use our assets for their productions.	Short term	Waverley Borough Council; Forestry England; National Trust; English Heritage; Rutland; Surrey Films Office; Creative England	N/A	Officer time

## Appendix 1: Ongoing Interventions *(continued)*

ENHANCING OUR PHYSICAL AND DIGITAL INFRASTRUCTURE - ONGOING INTERVENTIONS				
<p>Continue to support our 'dial-a-ride' Hoppa Community Transport scheme and explore funding opportunities to expand the scale and reach of the service.</p> <p>Use Shared Prosperity Funding to create a specific offer for young people with no access to transport to help them attend sports clubs and other extracurricular activities in Farnham, Haslemere, Godalming and Cranleigh.</p>	Short term	Waverley Borough Council; Hoppa Bus	Katch Suffolk	Officer time; work with partners to deliver
<p>Work with and influence Surrey County Council to ensure we maintain and improve public transport services where possible to enhance connectivity across our borough.</p> <p>This will involve supporting and inputting into forthcoming Bus Service Improvement Plans as much as possible.</p>	Medium term	Waverley Borough Council; Surrey County Council	N/A	Officer time
<p>Drive forward the adopted Waverley Electric Vehicle Strategy (2021-2026) to continue the roll out electric vehicle charging infrastructure across the borough to encourage local residents, visitors and businesses to adopt more sustainable modes of private transport.</p>	Medium term	Waverley Borough Council	Oxford City Council Electric Vehicle Strategy	Officer time
<p>Continue to work with partners to source funding for, commit resources to (including from the Community Infrastructure Levy) and bring forward relevant infrastructure commitments set out in the Waverley Infrastructure Delivery Plan (2021), Surrey Local Transport Plan (2022), Surrey Local Strategic Statement (2016-2031) and other strategic documents.</p> <p>Infrastructure commitments related to roads, active travel, utilities and flooding will be prioritised for delivery over the short-to-medium term.</p>	Long term	Waverley Borough Council; Surrey County Council; National Highways; National Grid; Southern Water	N/A	Officer time

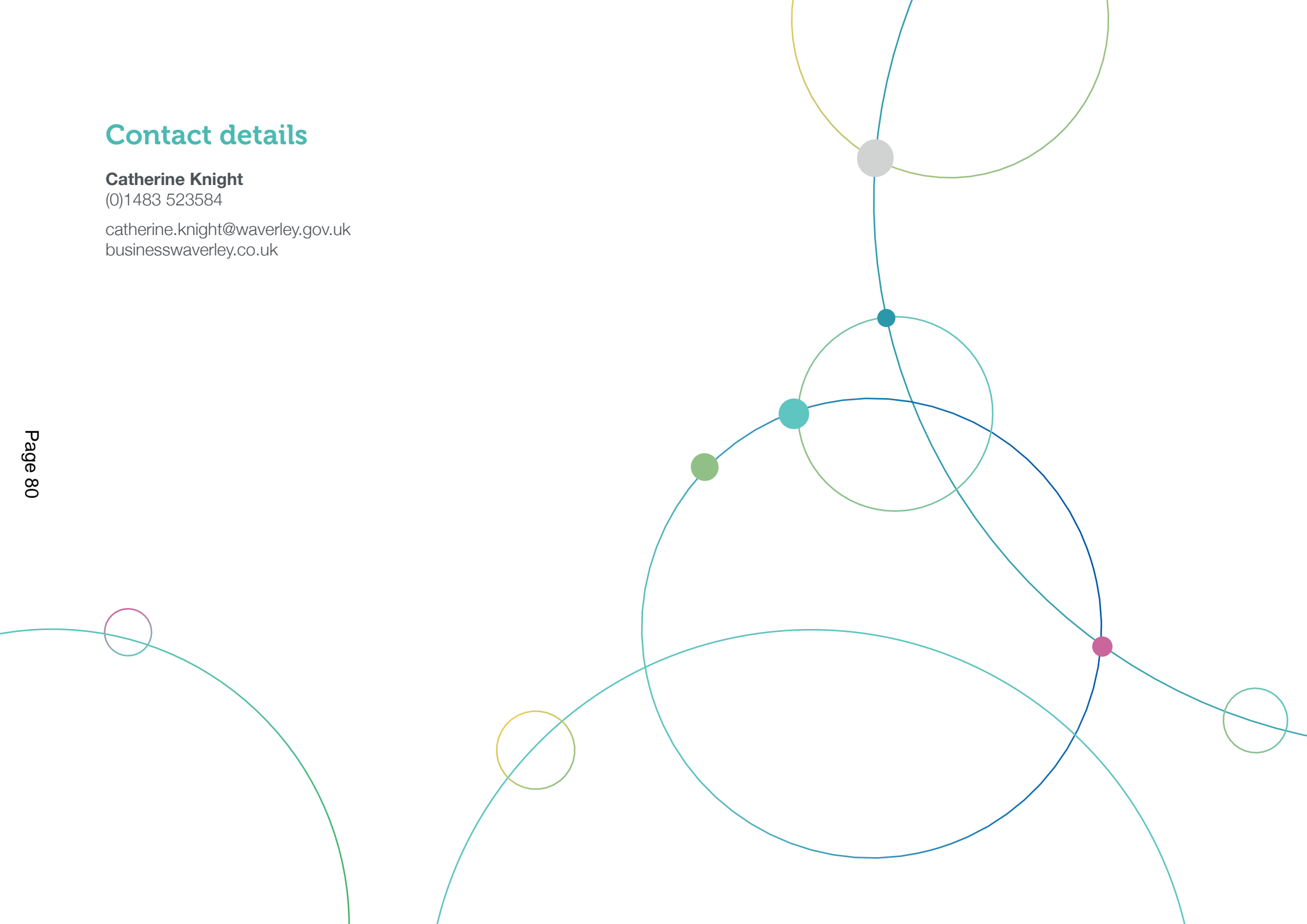
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# Economic Growth Management

## Waverley Economic Development Strategy Review 2022

# Evidence Base

Prepared for

Waverley Borough Council

By

Economic Growth Management Ltd

October 2022



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## KEY HIGHLIGHTS FROM THE EVIDENCE BASE

	Evidence Base Section
<b>Recent Economic Performance</b>	
<p><b>Resident Qualifications</b> Waverley has the highest proportion of residents in employment who are in professional or technical occupations amongst immediately surrounding boroughs. 56% of Waverley residents in employment hold qualifications of NVQ 4 or above and 75% of NVQ 3 and above.</p>	<b>1.1</b>
<p><b>Business Sectors and Trends</b> Waverley has a very strong base of information and communications businesses and professional, scientific, and technical services sector businesses, though a number of these have closed in recent years. Against this, 750 manufacturing and 500 construction jobs were created between 2015-20. There were net reductions in number of businesses in Waverley and 2019 and 2020, but a healthy rate of alternative business creation during 2020-21.</p>	<b>1.3</b>
<b>Current Issues</b>	
<p><b>Impact of Brexit</b> Trade in services, manufactured goods and agriculture has suffered since the introduction of Brexit and difficulties in employing EU citizens present new challenges in each sector. Both imports and exports from the UK to the EU have decreased by 15% each. It is not clear when these constraints will be fully resolved.</p>	<b>3.1</b>
<p><b>Cost of Living</b> A cost-of-living crisis involving a fall in real disposable income in the UK has been experienced since late 2021 and is now exacerbated by high inflation outstripping wage and benefit increases and recent tax increases. Further pain is expected in the UK economy.</p>	<b>3.2</b>
<p><b>Recession Prospects</b> A global slowdown is looming as countries try to recover from the COVID-19 pandemic, due to the current draconian lockdown in China, rising US interest rates and a cost-of-living crisis in Europe amid the ongoing conflict in Ukraine.</p>	<b>3.3</b>
<p><b>Local and Sub Regional Job Losses</b> Over the past seven years within Waverley 4000 jobs been lost in sectors such as business services and professional technical services and several major employers have left. Within the Enterprise M3 region, job growth has been stagnant since 2016 with 12,200 net job losses.</p>	<b>3.4</b>

	Evidence Base Section
<b>Issues on the Horizon</b>	
<p><b>Growth Sector Prospects</b></p> <p>Low carbon, gaming, creative immersive and health technologies have scope to be the main focus for growth in Waverley. Food and beverage, small, localised freight transport and construction driven by demand for retrofitting are also likely to grow.</p>	<b>4.1</b>
<p><b>Future of Work</b></p> <p>Digital transformation and artificial intelligence is one the rise. By the middle of the 2020s, analytical thinking, creativity, and flexibility will be among the most sought-after skills. The number of such jobs will increase whilst that for repetitive, administrative and middle management jobs were shrink. For workers set to remain in their roles over the next five years, nearly half will need retraining for their core skills.</p>	<b>4.2</b>
<p><b>Future of Mobility</b></p> <p>A move to connected, automated and zero emission mobility has the potential, if poorly managed, to worsen congestion and public health. But if it is well managed, it could help tackle predominantly urban challenges such as congestion and air pollution, improve connectivity within urban areas, and boost productivity.</p>	<b>4.3</b>
<p><b>Changing Landscape of Town Centres</b></p> <p>The COVID-19 pandemic, e-commerce and increased home working have led to many changes to how people use and visit town centres. Key requirements are good local shops, faster reliable internet access, supportive communities. pleasant streets, places to go out, workspace to support local businesses and jobs, housing that meets needs, fresh air, exercise and sports facilities and good transport services.</p>	<b>4.5</b>
<p><b>Housing and Employment</b></p> <p>A proportion of the new 590 homes planned each year will bring new residents into the area. To encourage as many of these to work in the area as possible rather than out-commuting, well-paid employment opportunities need to be created.</p>	<b>4.6</b>
<b>Climate Change and Meeting Net Zero Targets</b>	
<p>The Government’s net zero carbon sectoral strategies have scope to create significant numbers of new jobs. For example, retrofitting buildings to meet government energy efficiency targets requires an additional 350,000 skilled construction workers in Britain by 2028.</p>	<b>5.3</b>



	<b>Evidence Base Section</b>
Planned retrofit initiatives for Council owned housing stock will require a firm local base of competence for zero carbon construction. Waverley’s zero carbon policy and housing delivery and procurement strategies are driving local employment and training by contractors in the use of low carbon and modern methods of construction.	<b>5.5</b>
A green skilled job can range from civil mechanical, electrical, electrical engineers, data analysts, machine learning experts to skilled trades people, as well many others.  There is a key role for education institutions, especially further education, to make more flexible and more modular courses related to zero carbon available for those currently in work.	<b>5.6</b>
<b>Labour Force</b>	
Early retirement of many workers over the age of 50 has caused problems across the UK labour market. Many employers who used to rely on EU workers have had to adjust by either reducing their need for workers by turning to automation or simply producing less. Around 60 per cent of companies surveyed by the British Chamber of Commerce have been experiencing recruitment difficulties.	<b>6.1</b>
The hardest to fill local vacancies are in nursing, sales, software, gaming and immersive technologies, social care workers, logistics workers, chefs, kitchen and catering assistants.	<b>6.2</b>
There is a low take-up of vocational provision, including apprenticeships, in the Enterprise M3 area.	<b>6.4</b>
Identified skills priorities for the Enterprise M3 area are high level digital skills for workers in specialist roles; supporting retrofitting activity to decarbonise homes and buildings; and technical jobs in low carbon sectors.	<b>6.5</b>
The biggest barrier to local people accessing low paid jobs is inadequate public transport. Housing costs also are prohibitive to people working in the area.	<b>6.7</b>
<b>Spatial Development</b>	
Commercial property in highest demand is for industrial uses, given demand from activities such as storage, standard and high-tech motor activity and various mechanical or electrical industries.	<b>7.1</b>



	<b>Evidence Base Section</b>
Office demand is currently subdued due to uncertainty about possible recession. Office workers now expect nicer, more modern buildings with air conditioning conducive to wellbeing.	<b>7.1</b>
Demand for retail is now mainly for small units from independents which are beginning to grow, not multiples. Farnham now has a low town centre vacancy rate.	<b>7.1</b>
For any business type, mostly the demand is from within the Borough. There has not been much movement of businesses into the Borough in recent years, apart from a few businesses who have gone into Dunsfold	<b>7.1</b>
Much of the commercial space formerly available has been lost as permitted development rights have enabled such buildings to go to housing uses. Article 4 agreements have been put together to protect a number of office buildings, but these need to be renewed and this is subject to consultation and there is a risk of such buildings being lost.	<b>7.5</b>
Within the Local Plan two main sites have been allocated for development: land off Water Lane, Farnham where 16,000 m <sup>2</sup> of offices and R&D space has been allocated and Dunsfold Aerodrome where 28,000 sqm has been allocated. New employment development is set out to be mainly focused on the settlements of Cranleigh, Farnham, Godalming and Haslemere, where services, connectivity and labour are strongest. Outside the settlements, the appropriate expansion and growth of existing business premises and the conversion of rural buildings is also supported where there is no detrimental impact.	<b>7.3</b>
Economic growth needs to be balanced against the need to protect the unique character and environment of Waverley and respond to climate change. A major concern has been to preserve the character of the area and protecting the green belt. Waverley’s natural beauty and ecological importance are key assets and the desire is to discourage putting pressure on sensitive areas. Too much growth would result in additional housing numbers being required. A review of the current Local Plan is due in February 2023. The Economic Development Strategy will need to align with the Local Plan.	<b>7.5</b>
<b>Digital Connectivity</b>	
Waverley needs to accelerate the roll out of high-performance digital connectivity across the borough due to: intensified work patterns across a high proportion of knowledge-based occupations; digitised and data-driven industries replacing many traditional work roles, intensively dependent on high-performance digital connectivity; the need for Waverley to compete for	<b>8.1</b>



	Evidence Base Section
investment delivering high-quality, well-paid jobs; to reduce the need to travel; and to support more people who now work from home.	
The government has stimulated a sharp increase in the pace of investment in full fibre roll out by promoting competition and investment by commercial operators where possible, then intervening where necessary to address gaps.	<b>8.4</b>
Virgin Media O2 have now completed the internal upgrade of their existing network across the UK. In Waverley, Openreach will upgrading premises across the main urban areas to full fibre by 2026. In the meantime, a number of smaller providers have announced plans to install fibre connections to the larger villages.	<b>8.5</b>
Despite this, there will be gaps in the smaller urban locations and rural areas and where premises are hard to reach. Support for hard-to-reach areas is being provided by the Government's Project Gigabit programme. Business or residential communities can get together to apply for vouchers which can fund Gigabit capability fibre connections in their localities. It is estimated that 9,600 premises in Waverley will be eligible for this support.	<b>8.6</b> <b>8.7</b>
Waverley Borough Council needs to establish a coordination resource to mobilise businesses and residential communities in the hard-to-reach areas to marshal demand for Government assisted provision. In parallel, much can be done by the Council to streamline procedures and remove constraints which would otherwise delay accelerated installation of fibre connectivity and 5G mobile provision.	<b>8.10</b>
<b>Place Making in the Settlements</b>	
The four settlements of Farnham, Godalming, Haslemere and Cranleigh share the need to deliver an adequate good mix of housing to meet needs, for measures to diversify, enliven but also protect the character of the town centres.	<b>9.1</b>
Waverley Borough Council is seizing the initiative through an investment strategy in the four main high streets. The Council is acquiring key vacant sites in each town and bringing in more market and social housing, retaining frontages and attracting more food and beverage operators.	<b>9.1</b>
Each settlement has identified priorities as set out in their respective neighbourhood plans and according to their unique ambitions, factors driving change, opportunities being created through Council initiatives and other required interventions.	<b>9.2</b> <b>9.3</b> <b>9.4</b> <b>9.5</b>



	<b>Evidence Base Section</b>
<b>Strategic Alignment</b>	
Common themes of the LEP and County strategic policies for the economy with which Waverley will need to align are: stimulating and supporting leading edge industries, high quality place making, balanced skills provision and developing the green economy. Sustainable movement, connectivity and increased productivity are also key threads.	<b>10.</b>
<b>Stakeholders Aspirations for the Evolution of The Borough</b>	
Following extensive consultation, wide range of views has been captured about the future of the borough related to innovation, enterprise and investment, net zero carbon and green economy, creating new jobs, environment. labour force, town centres, built environment, living and working patterns. quality of life and leadership.	<b>11.</b>
<b>Challenges and Opportunities</b>	
Based on the above evidence, the major challenges and opportunities facing the borough have been summarised.	<b>12.</b>

## **1. Borough Economic Profile**

### **1.1 Recent Economic Performance**

A summary of the borough's economic structure and trends is provided below, with reference to its ranking against each of the immediately surrounding boroughs. Appendix 1 sets out supporting key statistical datasets.

#### **Enterprises by Size**

Waverley had 8,310 businesses in 2021, of which 92% are of less than 10 employees. Waverley's stock of businesses of all sizes increased by 2.3% between 2016 and 2021, but in some years more businesses have closed than opened.

Source: UK Business Counts – Enterprises

#### **Growth of Business Stock Beyond Micro Businesses**

However, Waverley's stock of businesses of between 10 to 49 employees reduced by 7.6% during the small period. Compared to the immediately surrounding boroughs (see Appendix), it has proved to be the least successful at transitioning micro businesses to growth mode and moving more of them into higher employment size bands.

Source: ONS; UK Business Counts – Enterprises

#### **Comparative Business Survival**

Of businesses that were started in 2014, in Waverley, only 45.5% had survived after five years; this is the lowest survival rate of all the eight boroughs compared.

Source: ONS Business Demography

In 2020, 25 more businesses closed than were created in Waverley. Similar reverses were experienced in Hart and Mole Valley and to a small extent in Guildford, but with net gains in East Hants, Horsham and Rushmoor.

Source: ONS Business Demography

#### **Growth Performance of Key Sectors**

Waverley has under-performed in terms of business creation and growth across Information and Communications and Professional, Scientific and Technical Services, each losing 65 businesses between 2020 and 2021. Against this, 130 firms have opened in manufacturing, construction, and some service sectors.

Source: ONS; UK Business Counts – Enterprises

#### **Employment Trends**

The latest available employment data is for 2021. The main increases in employment from 2016-21 by sector have been 1000 new jobs in retail, 500 in construction and 100 in agriculture, forestry & fishing.

Between 2016 and 2021, Waverley has seen a net decrease of 2,750 jobs, with losses across the following sectors.

Wholesale	-750
Transport & storage (inc postal)	-250
Accommodation & food services	-500
Information & communication	-500
Financial & insurance	-100
Property	-250
Business administration & support services	-1,500
Arts, entertainment, recreation & other services	-500

Source: ONS; Business Register and Employment Survey

This compares with job losses of 1075 in Chichester, 2,300 in East Hants, 4875 in Hart, 200 in Horsham, 325 in Mole Valley and 175 Rushmoor, with no change in the number of jobs Guildford. There has been a net loss of 14,450 jobs across all eight districts.

Source: ONS; Business Register and Employment Survey

## 1.2 Workforce

### Economic Activity

Across the immediately surrounding boroughs, Waverley has the fifth highest proportion of economically active persons and the third highest employment rate. Waverley has the highest proportion of self-employed amongst the immediately surrounding boroughs. In terms of the proportion of unemployed, all districts are around 2-4% with Waverley 3.1%, Waverley's rate of economically inactive is the fourth lowest at 19.5% after East Hampshire Hart and Rushmoor.

Source: ONS Annual Population Survey

### Higher Level Workforce Occupations

At 38% and 21% respectively, Waverley has the highest proportion of employed residents in professional and associate professional and technical occupations than any of the immediately surrounding districts, though a moderate proportion in senior management occupations. (See Appendix for other occupations).

Source: ONS Annual Population Survey

### Workforce Qualifications Above NVQ 1

In Waverley, 56% residents aged 16-64 have NVQ 4 and above qualifications exceeded only by Guildford at 59%.

Source: ONS Annual Population Survey

## 1.3 Key Sector Trends

## Growth Performance of Key Sectors

Waverley has under-performed in terms of business creation and growth across two key knowledge-based sectors – Information and Communications and Professional, Scientific and Technical Services, each losing 65 businesses between 2020 and 2021. Against this, 130 firms have opened in manufacturing, construction, and some service sectors.

Sector	No. Enterprises 2021	Changes 2016-21	Employment 2020	Change 2015-20
1 : Agriculture, forestry & fishing	175	-15	400	-100
2 : Mining, quarrying & utilities	40	15	350	50
3 : Manufacturing *	290	0	2,500	750
4 : Construction	895	65	3,000	500
5 : Motor trades	155	0	1,250	0
6 : Wholesale	220	-20	1,250	-500
7 : Retail	440	-10	5,000	-1,000
8 : Transport & storage (inc. postal)	100	0	1,000	100
9 : Accommodation & food services	255	-35	3,500	-500
10 : Information & communication	915	-5	3,500	0
11 : Financial & insurance	740	290	1,250	250
12 : Property	390	20	1,250	0
13 : Professional, scientific & technical	1,960	-135	5,000	-2,000
14 : Business administration & support	755	45	4,000	-2,000
15 : Public administration & defence	20	0	600	100
16 : Education	165	15	8,000	1,000
17 : Health	220	-5	6,000	0
18 : Arts, entertainment, recreation etc.	570	-25	3,500	0
<b>Column Total</b>	<b>8,310</b>	<b>190</b>	<b>52,000</b>	<b>-3,000</b>

Source: ONS; UK Business Counts & Business Register and Employment Survey

- Waverley has 915 information and communication businesses, and despite an increase since then, the number of businesses fell by 65 between 2019 and 2020. There was no net employment change from 2015 to 2020.
- The number of professional, scientific and technical businesses in Waverley has declined by 135 businesses since 2016 (including by 65 businesses since 2020). Waverley had 6000 employees in the sector in 2020, the third highest amongst the four boroughs, but saw a reduction of 2,000 jobs in the sector between 2015 and 2020, (including 1,000 from 2019-20).
- The number of financial and insurance businesses is 740 and this has grown by 290 businesses since 2016; employment grew by 250 from 2015 to 2020.
- Waverley has 755 business administration and support services firms, 45 having appeared between 2016 and 2021. However, employment had reduced by 2,000 from 6,000 to 4,000 between 2015 and 2020.

- Waverley has the highest number of education businesses (165) having increased by 15 from 2016-21. Employment in the sector rose by 1,000 to 8,000 jobs between 2015-2020.
- The borough has 250 manufacturing businesses. There has been no net change since 2016 but manufacturing of food and beverages has increased by 20 businesses and with a further increase of 20 more accounted for by increases in textiles, paper products, computer and electronic products and repair and installation. In the same period, 40 manufacturing businesses have been lost in wood products, recorded media, non-metallic mineral products, machinery, motor vehicles, other transport equipment and other manufacturing. An additional 750 manufacturing jobs have been generated during this period.

Changes in No. of Manufacturing Enterprises, Waverley 2016-21	No.
10 : Manufacture of food products	10
11 : Manufacture of beverages	10
13 : Manufacture of textiles	5
16 : Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	-5
17 : Manufacture of paper and paper products	5
18 : Printing and reproduction of recorded media	-10
23 : Manufacture of other non-metallic mineral products	-5
26 : Manufacture of computer, electronic and optical products	5
28 : Manufacture of machinery and equipment n.e.c.	-5
29 : Manufacture of motor vehicles, trailers and semi-trailers	-5
30 : Manufacture of other transport equipment	-5
32 : Other manufacturing	-5
33 : Repair and installation of machinery and equipment	5
<b>Column Total</b>	<b>0</b>

Source: ONS; UK Business Counts

Construction has also proved resilient with an increase of 65 additional enterprises and 500 new jobs.

### 1.4 Supporting Statistical Evidence

Datasets supporting the above narrative, along with details of data sources and statistics on income, productivity comparative business density, housing costs and sector profiles can be found in Appendix 1.

### 1.5 Economic Health Check

A summary economic health check is provided below.

Factor	RAG	Issues
Business growth performance	Red	Losses of businesses in 10-49 employment size band have occurred.
Business survival	Red	Net reductions in number of businesses in 2019 and 2020. Waverley's business survival rate outperformed by immediately surrounding boroughs.
Performance of key sectors	Red	130 firms in information and communications and professional and technical services lost during 2020-21.
Performance of other sectors	Green	Healthy rate of alternative business creation during 2020-21, with 130 firms opening in other sectors.
Service sector employment	Red	4,350 jobs disappeared across white collar sectors, accommodation & food services, arts and entertainment and distribution during 2016-2021.
Retail and construction	Green	1000 retail and 500 construction jobs created 2016-21
Economic activity and inactivity	Green	Waverley compares favourably with immediately surrounding boroughs.
Occupational structure	Green	Waverley has the highest proportion of residents in employment who are in professional or technical occupations amongst immediately surrounding boroughs
Qualification Levels	Green	56% of Waverley residents in employment hold qualifications of NVQ 4 or above and 75% of NVQ 3 and above.
Earnings by Place of Residence	Green	At an average of £719, Waverley's weekly earnings by place of residence exceed most immediately surrounding boroughs
Earnings by Place of Work	Red	At an average of £549, Waverley's weekly earnings are significantly lower than the immediately surrounding boroughs.
GVA £ per head	Yellow	GVA per head in Waverley is lower than that of Rushmoor, Mole Valley and Waverley but higher than the other surrounding districts.
Average Price of a Home	Yellow	The average price of a home in Waverley is higher than that for immediately surrounding boroughs except Mole Valley, but the latest price increases have been moderate.

## 2. Economic Profile of the Settlements and Rural Areas

### 2.1 Business and Employment Structure of the Settlements

#### Business Structure

Table 1 below provides an analysis of the number of enterprises bisector across each of the gravely urban settlements and the rural areas. Ask can be seen, 30% of the districts businesses are located in Farnham, 23% in Godalming, 9% in Haslemere and 7% in Cranleigh. Collectively call mom the settlements account for 69% of all enterprises across the borough.

Across the sectors, Farnham exceeds all other urban settlements, except in the case of Finance and Insurance, where the highest concentration is in Godalming.

**Table 1**

<b>No. Enterprises by Settlement and Rural, Waverley 2021</b>	<b>Rural Areas</b>	<b>Farnham</b>	<b>Godalming</b>	<b>Haslemere</b>	<b>Cranleigh</b>	<b>Total Urban</b>	<b>Total Urban %</b>	<b>Total Borough</b>
1 : Agriculture, forestry & fishing (A)	140	15	5	10	5	50	29%	<b>175</b>
2 : Mining, quarrying & utilities (B,D and E)	5	5	20	0	0	20	67%	<b>30</b>
3 : Manufacturing (C)	105	90	30	30	25	195	70%	<b>280</b>
4 : Construction (F)	315	285	135	70	95	585	65%	<b>900</b>
5 : Motor trades (Part G)	70	40	15	20	20	105	64%	<b>165</b>
6 : Wholesale (Part G)	80	75	30	15	20	165	75%	<b>220</b>
7 : Retail (Part G)	115	135	80	70	40	310	70%	<b>440</b>
8 : Transport & storage (inc postal) (H)	35	35	15	5	15	60	57%	<b>105</b>
9 : Accommodation & food services (I)	90	90	45	25	20	200	74%	<b>270</b>
10 : Information & communication (J)	245	350	190	70	55	720	79%	<b>910</b>
11 : Financial & insurance (K)	45	55	615	10	10	420	57%	<b>735</b>
12 : Property (L)	120	115	90	45	20	245	63%	<b>390</b>
13 : Professional, scientific & technical (M)	645	630	330	230	115	1,495	77%	<b>1,950</b>
14 : Business administration & support services (N)	245	265	130	70	45	510	68%	<b>755</b>
15 : Public administration & defence (O)	15	0	5	0	0	5	25%	<b>20</b>
16 : Education (P)	55	60	25	15	15	110	65%	<b>170</b>
17 : Health (Q)	60	85	30	20	15	165	79%	<b>210</b>
18 : Arts, entertainment, recreation & other services (R,S,T and U)	190	175	100	75	35	410	71%	<b>575</b>
Column Total	<b>2,575</b>	<b>2,505</b>	<b>1,890</b>	<b>780</b>	<b>550</b>	<b>5,770</b>	<b>69%</b>	<b>8,300</b>
% Total	31%	30%	23%	9%	7%			100%

Source: ONS; UK Business Counts

As can be seen from Table 2 Farnham and Godalming experienced an increase in the number of enterprises between 2016 and 2021 whereas Haslemere in Cranleigh experienced net losses.

# Waverley Economic Development Strategy Review 2022: Evidence Base

It should be noted below that employment levels in finance and insurance in Godalming has not changed in proportion to the increase in enterprises suggesting that not all of these companies were employers.

**Table 2**

Change in No. Enterprises by Settlement and Rural 2016-2021	Rural	Farnham	Godalming	Haslemere	Cranleigh	Total Urban	Total Borough
1 : Agriculture, forestry & fishing (A)	-5	0	0	0	-5	-5	-10
2 : Mining, quarrying & utilities (B,D and E)	0	0	5	0	0	5	5
3 : Manufacturing (C)	10	-5	-10	0	-5	-20	-10
4 : Construction (F)	0	30	25	-5	15	65	65
5 : Motor trades (Part G)	10	0	-5	5	-5	-5	5
6 : Wholesale (Part G)	5	-10	-5	-15	0	-30	-25
7 : Retail (Part G)	-15	-10	10	0	0	0	-15
8 : Transport & storage (inc postal) (H)	-5	10	5	0	0	15	10
9 : Accommodation & food services (I)	-5	0	-10	0	0	-10	-15
10 : Information & communication (J)	-5	40	-25	-20	0	-5	-10
11 : Financial & insurance (K)	5	10	275	0	-5	280	285
12 : Property (L)	0	10	0	0	5	15	15
13 : Professional, scientific & technical (M)	-30	-45	-35	-20	-5	-105	-135
14 : Business administration & support services (N)	10	15	15	-5	10	35	45
15 : Public administration & defence (O)	5	0	0	0	0	0	5
16 : Education (P)	5	10	10	-5	-5	10	15
17 : Health (Q)	-10	0	0	-10	0	-10	-20
18 : Arts, entertainment, recreation & other services (R,S,T and U)	5	-15	-10	10	-10	-25	-20
<b>Column Total</b>	<b>-20</b>	<b>40</b>	<b>245</b>	<b>-65</b>	<b>-10</b>	<b>210</b>	<b>190</b>

Source: ONS; UK Business Counts

## Employment Structure

As can be seen from Table 3, the four settlements account for 79% of all Borough employment in 2020. 20,050 of jobs, 38% of borough employment were in Farnham, with 11,100 jobs, 21% of borough jobs in Godalming, 6,500 jobs, 12% of borough employment in Haslemere and 3,300 jobs, 6%, in Cranleigh.

**Table 3**

Employment Structure of the Settlements 2020	Rural Areas	Farnham	Godalming	Haslemere	Cranleigh	All urban	Total	% Total
1 : Agriculture, forestry & fishing (A)	110	5	20	20	20	65	175	0.3%
2 : Mining, quarrying & utilities (B,D and E)	40	245	35	0	0	280	320	0.6%
3 : Manufacturing (C)	495	1,480	110	220	135	1,945	2,440	4.7%
4 : Construction (F)	890	1,090	395	250	300	2,035	2,925	5.6%
5 : Motor trades (Part G)	250	765	85	195	85	1,130	1,380	2.6%





Employment Structure of the Settlements 2020	Rural Areas	Farnham	Godalming	Haslemere	Cranleigh	All urban	Total	% Total
6 : Wholesale (Part G)	215	495	210	155	105	965	1,180	2.3%
7 : Retail (Part G)	735	2,010	1,385	775	500	4,670	5,405	10.4%
8 : Transport & storage (inc postal) (H)	245	480	110	80	70	740	985	1.9%
9 : Accommodation & food services (I)	960	1,305	555	400	250	2,510	3,470	6.7%
10 : Information & communication (J)	785	1,285	1,060	250	165	2,760	3,545	6.8%
11 : Financial & insurance (K)	150	390	460	75	55	980	1,130	2.2%
12 : Property (L)	275	500	245	155	55	955	1,230	2.4%
13 : Professional, scientific & technical (M)	1,190	2,175	1,125	525	250	4,075	5,265	10.1%
14 : Business administration & support services (N)	635	1,760	1,440	250	75	3,525	4,160	8.0%
15 : Public administration & defence (O)	15	30	610	0	0	640	655	1.3%
16 : Education (P)	2,195	2,800	1,225	1,025	650	5,700	7,895	15.1%
17 : Health (Q)	1,135	2,085	1,135	1,350	325	4,895	6,030	11.6%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	710	1,315	675	675	275	2,940	3,650	7.0%
Total	11,200	20,050	11,100	6,500	3,300	40,950	52,150	100.0%
Total %	21%	38%	21%	12%	6%	79%	100%	0%

Source: ONS; Business Register and Employment Survey

## 2.2 Status of the Rural Economy

### Significance of the Rural Business and Employment Base

An analysis of businesses enterprises by Super Output Area across Waverley indicates the following patterns.

- There are 2585 businesses in the rural areas and 5720 in the urban areas indicating that rural businesses account for 31% of the borough total.
- 31% of Waverley businesses are rural-based in sectors such as construction, transport and storage, accommodation and food services, property and professional, scientific and technical services, business administration, education and arts, entertainment and recreation.
- Sectors showing above average predominance in the number of businesses in the rural areas include Agriculture (74% of the borough total) manufacturing (38%) motor trades (42%) and public administration and defence brackets (75%).
- Sectors which are represented less than the average within the rural areas include utilities, retail information and communication, finance and insurance and health.

Trends In Rural Industries

Sectors which have shown an increase in the number of businesses in the rural areas have included manufacturing, motor trades, wholesale, finance and insurance, business administration, and public administration and defence and education.

Declines in employment between 2015-20 have been seen in agriculture (90 jobs), retail (55 jobs), and accommodation and food services (185 jobs) and in transport and storage. Declines in professional scientific and business administration have also led to significant losses in the rural areas.

### **3. Current Issues**

#### **3.1 Brexit Impact on Trade Levels**

##### **Brexit Impact on the Service Sector**

The service sector makes up 80% of the UK economy. 40% of exports from the sector went to the EU pre-pandemic. Trade in services has become more difficult between the two unions since the signing of the 2020 Brexit deal. The trade deal signed provided agreements and a framework for dialogue between the UK and EU in regard to financial services and greater trade opportunities. However, progress in this area has been limited.

While the UK is free to make its own trade deals with other countries, this does not necessarily mean that barriers to trade will be liberalised as it is often easier to trade with geographically proximate partners. As a result, it means regaining the loss from EU trade with new trading partners presents a significant challenge to the UK economy.

It is important for the government develops a clear and concise strategy for the service sector post-Brexit that is realistic about the prospects and risks associated with deepening services with non-EU partners.

Source: Professor Sarah Hall; UK in a Changing Europe

##### **Brexit Impact on the Manufacturing Sector**

The Trade and Cooperation Act signed on 30<sup>th</sup> December between the UK, EU and European Atomic Energy Community (TCA) helped to avoid tariff-barriers but non-tariff barriers have returned since the end of the transition period and has brought adverse effects onto the UK economy. TCA does not replace the frictionless trade that occurred prior to the UK's departure from the EU. Administrative barriers to trade and Disruption to labour flows have indirectly damaged service sectors that support it. Both imports and exports from the UK to the EU have decreased by 15% each. Production disruptions have been reported. The volatile Northern Ireland situation risks worsening relations between the UK and EU, which can put the current TCA in jeopardy.

The potential benefits to Brexit have not materialised and for those that have, they do not make up the loss in trade that the UK previously had with the EU. More regulatory divergence from the EU could either bring further benefits or disruption and is yet to be confirmed in either case.

Although no-deal has been avoided, the TCA is still considered a 'thin' deal and UK manufacturing may not be wiped out, it will suffer greatly without some government intervention. The government needs to accept that the sector is going through problems far beyond 'teething trouble'. Measures such as postponed accounting for VAT and custom easements have been welcomed short-term measures but more options must be considered.

Any benefit to Brexit will not happen automatically and will require a well-funded industrial policy if UK manufacturing is to benefit from further growth opportunities. This strategy will also need to take the move to net-zero, industrial 4.0 and levelling up all into account.

Source: Professor David Bailey and Dr. Ivan Rajic; *Brexit's Effect on the UK's Manufacturing Sector*; January 2022

### Other Brexit Impacts

According to Agricultural Recruitment Services' report from July 2021, impacts of Brexit have been<sup>1</sup> increased red tape and uncertainty about farm payments.

Source: *Agricultural Recruitment Services' Report, July 2021*

UK's new migration policy and restrictions on freedom of movement make it difficult for British companies to employ EU citizens and for UK service providers to travel to the EU for work. These new travel difficulties present new challenges where travel and frictionless trade is important.

Managing these uncertainties requires cooperation with the EU. Without this cooperation, there is a risk that ongoing disputes and further changes to the volatile post-Brexit relationship could lead to a reduction in confidence in the UK economy, limiting investment and productivity improvement that can hamper development of the UK's services sector.

## 3.2 Cost of Living Crisis

The 'cost of living crisis' refers to the fall in 'real' disposable income that the UK has experienced since late 2021. The current crisis has been predominantly caused by high inflation outstripping wage and benefit increases and made worse by recent tax increases. Packages announced by former chancellor Rishi Sunak in both February and May of this year were set to protect lower income households from the increase in inflation, but inflation is still expected to increase faster than post-tax and benefits incomes this year.

According to the Office of National Statistics, the current Consumer Price Index is at 10.1% to the 12 months to July 2022, with the Bank of England planning to keep the CPI rate of inflation between 1% and 3% and adjust interest rates to achieve this. Since the CPI excludes the cost of housing, the ONS has its own measure for CPI that includes housing known as the Consumer Price Index with Housing, which is currently measured at 8.8%.<sup>2</sup>

The latest Bank of England forecast has inflation peaking at 13.1% in the fourth quarter of 2022, driven largely by the 54% increase from 1<sup>st</sup> April of the energy price cap and a forecasted further increase of 75% in October.<sup>3</sup> Households are expected to undergo further strain as energy bills with Ofgem stating that their previous price cap of £1,971 will increase to £3,549 in October.<sup>4</sup> Inflation is expected to remain high, with the Bank expecting that inflation will

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<sup>1</sup>*The Early Impact of Brexit on UK Agriculture*- Agriculture Recruitment Services (Jul 2021)

<sup>2</sup> 'Cost of living crisis' *Institute of Government*. Explainer. Updated Aug 17<sup>th</sup>, 2022

<sup>3</sup> Bank of England, Monetary Policy Report - August 2022, 4 August 2022

<sup>4</sup> 'Ofgem raises energy price cap by 80% to £3,549 from October' Alex Lawson. *The Guardian*. Aug 26<sup>th</sup> 2022

not reach its 2% target until the third quarter of 2024.<sup>5</sup> The rise of inflation has put the BoE under the line of fire from the Conservative Party, with Suella Braverman stating in a coming review of the BoE that the government would assess if it were still ‘fit for purpose’.

Criticism of the bank lies on its handling of the economy during the coronavirus pandemic and allowed spending to rise too quickly, resulting in excess demand and inflation.<sup>6</sup> The crisis has been exacerbated by a variety of factors such as the disruption to global supply chains from pandemic shutdowns in Asian countries and the Russian invasion of Ukraine causing knock-on effect on the gas and agricultural exports.<sup>7</sup>

The ONS reports that around 9 in 10 (89%) of adults in Great Britain have seen an increase in their cost of living, an increase from 62% in November 2021. The most common reported increases were people finding an increase in the price of food (94%), an increase in gas or electricity bills (82%) and an increase in the price of fuel (77%).<sup>8</sup>

This has prompted many people to take measures such as cutting back on non-essential items (57%), using less gas and electricity at home (51%) and cutting back on non-essential trips on a vehicle (42%). The report also found that 35% cut back on spending on food and other essentials, 23% using savings to cover costs and 13% using more credit than usual.<sup>9</sup> Businesses have also reported to be heavily effected, with 26% of businesses polled by YouGov stating that their energy costs could be unsustainable in the coming months and 75% stating that they will have to pass the cost onto their customers. In an interview with the Daily Telegraph, Chancellor Nadhim Zahawi said Britons on an income of £45,000 will need help paying energy bills<sup>10</sup> as consultancy firm Auxilione have issued a forecast stating that they believe that the energy price cap may go as high as £5,600 by the start of next year and going as high as £7,700 from April 2023.

Another poll commissioned by the Liberal Democrats and conducted by polling firm Savanta ComRes found that many families and households will take drastic measures to reduce their cost of heating, with many 23% saying that they will do without heating during the winter months and 27% of those with children doing the same. 70% said they will use the heating less and 11% stated that they are considering taking loans to cover extra costs, with the figuring rising to 17% again for those with children.<sup>11</sup>

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5 *ibid*

6 ‘Bank of England in line of fire over UK’s double-digit inflation’ Chris Giles. *Financial Times*. Aug 17<sup>th</sup>, 2022

7 ‘Cost of living crisis’ *Institute of Government*. Explainer. Updated Aug 17<sup>th</sup>, 2022

8 ‘What actions are people taking because of the rising cost of living?’ Office of National Statistics. Explainer. Aug 5<sup>th</sup>, 2022

9 *ibid*

10 ‘Cost of living crisis: Britons on £45,000 will need help paying energy bills, chancellor says - as experts warn price cap could rise to £7,700’ Conor Stepson. *Sky News*. 27<sup>th</sup> August 2022

11 ‘Nearly a quarter of UK adults plan to keep heating off this winter, poll finds’ Kalyeena Makortoff. *The Guardian*. 29<sup>th</sup> August 2022

The crisis remains ongoing and further pain is expected to affect the UK economy. The Office of Budget Responsibility is due to publish an up to date forecast on the UK economy and public finances, in time for an emergency budget.<sup>12</sup>

### 3.3 Prospects of a Global Slowdown

Worries about a global slowdown or a recession are looming due to a series of unprecedented events as countries try to recover from the COVID-19 pandemic. These include the current draconian lockdown in China, rising US interest rates and a cost-of-living crisis in Europe amid the ongoing conflict in Ukraine. Brooks, chief economist of the Institute of International Finance has said “We’re in another global recession scare, except this time we think it’s for real.”<sup>13</sup>

In an interview with CNN’s Fareed Zakaria, Bill Gates was added to the list of voices who believe a global slowdown may happen in the next year stating: “It comes on top of the pandemic where government debt levels were already very, very high, and there were already supply chain problems,” Gates said. “It’s likely to accelerate the inflationary problems that rich world economies have and force an increase in interest rates that eventually will result in an economic slowdown.” whilst also pointing towards the economic fallout of the pandemic and the Russia-Ukraine war as strains for the global economy.<sup>14</sup> The mood at this year’s World Economic Forum at Davos was noted to be ‘dark’,<sup>15</sup> as the original IMF forecast of global growth in 2022 to be at 4.4% is currently being revised amidst due to the conflict and fallout from sanctions on Russia.<sup>16</sup> During the Global Economic Outlook panel discussion, Kristalina Georgieva, Managing Director of the International Monetary Fund believed that the horizon has ‘darkened’ due to global supply chain crisis, food price shocks, stalling on addressing the climate crisis and the slump in digital money assets.<sup>17</sup>

The summit of Davos was also marked by many business leaders that we are currently facing the end of globalisation, with Jose Manuel Barroso, chair of Goldman Sachs International, believing the invasion of Ukraine and tension between US and China as signs of a decoupling world. Onshoring, renationalisation and regionalisation had become the latest trends for companies, slowing the pace of globalisation. Industries have begun to act more local and less global, which on such a large scale can indicate larger risks for the wider economy. Dominic Asin, chief financial officer of Airbus believes that de-globalisation will happen in a short period of time that inflation will drive up and result in a major protracted recession.<sup>18</sup>

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<sup>12</sup> ‘Treasury watchdog readies UK economic forecast for emergency budget’ Chris Giles. *Financial Times*. 26<sup>th</sup> August 2022

<sup>13</sup> ‘Is the global economy heading for a recession?’ Chris Giles, *Financial Times* (22 May 2022)

<sup>14</sup> ‘Bill Gates sees a ‘pretty strong argument’ for a global economic slowdown hitting this year — here’s why’ Tom Huddleston Jr, *CNBC*. (10 May 2022)

<sup>15</sup> ‘Davos is dead’- Jenny Ricks, *Al Jazeera* (23 May 2022)

<sup>16</sup> ‘Are we heading for a global recession and if so how concerned should we be?’ Amy White, *World Economic Forum*. (24 May 2022)

<sup>17</sup> Ibid

<sup>18</sup> ‘Business leaders warn that three-decade era of globalisation is ending’- Kaye Wiggins and Antonie Gara, *Financial Times*. (22<sup>nd</sup> May 2022)

Accounting for 19% of the world's total output, China is the country most economists are worried about as when China experiences economic hardship, its impact on the global supply chain is monumental.<sup>19</sup> Retail sales fell 11 per cent year on year in April, while industrial production was down 3 per cent and housing sales dropped in spite of the People's Bank of China loosening monetary policy to encourage borrowing and spending. On top of this, unemployment is rising.<sup>20</sup>

The situation in America is also of concern, as Fed chair Jay Powell made it clear that interest rates will continue to rise until it saw "clear and convincing" evidence would return to the 2 per cent target. While being unconcerned of unemployment rising, Powell did state he believes that avoiding recession would cause 'some pain' and that it may rely on factors beyond 'the fed's control'.<sup>21</sup> Krishna Guha, vice-chair of Evercore ISI, has said he does not believe a recession is likely but that Powell's self-described 'soft-landing' for the US economy will be difficult to achieve.<sup>22</sup>

The situation in Europe is slightly different but equally challenging, as inflation stems from higher energy prices that can be traced from the situation in Ukraine. Inflation was at 7.4% cent in April with eurozone prices rising faster than most citizen's incomes. Forecasts from the European Commission that previously predicted an expansion of 4 per cent, now have the current number at 2.7 per cent for this year and 2.3 per cent for 2023. Energy prices were up 38 per cent year-on-year in April, with food costs rising more than 6 per cent in the same period. In spite of this, the commission believes that unemployment will continue to fall from 7.7 per cent last year to 7.3 per cent this year. Budget balances are expected to also improve, with overall euro area to drop to 3.7 per cent of GDP from 5.1 last year and to further decline to 2.5 in 2023.<sup>23</sup>

Despite all these concerns and troubling situations, many economists believe a recession can be avoided. Inness McFee, chief global economist of Oxford Economics, says that global economic expansion has reached its peak and a tightening needs to occur but that recession is unlikely as policymakers still have the means to back away from worsening the situation.<sup>24</sup>

However, at Davos figures such as David M. Rubenstein of The Carlyle Group and Jane Fraser of Citi believed a recession could be close due to Russia and interest rates. François Villeroy de Galhau, Governor of the Central Bank of France reiterated the point of bringing inflation back down to 2 per cent. Rubenstein ended the Global Economic Outlook panel on a positive note stating that compared to previous economic shocks such as the 2008 recession and dotcom bubble, that this potential recession could be 'mild' in comparison and Georgieva

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<sup>19</sup>'Shanghai lockdown exposes global supply chain strains' Peggy Hollinger, Gloria Li, Andrew Edgecliffe-Johnson, and Primrose Riordan (17<sup>th</sup> May 2022)

<sup>20</sup>'China's Lockdowns Hammer Consumer Spending To Reveal Zero Covid Toll' Thomas Hale and Andy Lin. *Financial Times* (18<sup>th</sup> May 2022)

<sup>21</sup>'Jay Powell warns that taming US inflation will cause 'some pain'', Colby Smith. *Financial Times* (12<sup>th</sup> May 2022)

<sup>22</sup>Ibid 'Is the global economy heading for a recession?'

<sup>23</sup>'Outlooks for EU growth and inflation worsen as energy crisis hits'- Sam Flemming, *Financial Times*. (16<sup>th</sup> May 2022)

<sup>24</sup>Ibid 'Is the global economy heading for a recession?'

stated we can build resilience through hard times by investing in education, health and social protection.<sup>25</sup>

### 3.4 Loss of Local Employers and Jobs

Over the past seven years within Waverley 4000 jobs been lost in sectors such as business services and professional technical services. (See Appendix 1). These are activities that offer well-paid jobs with a degree of long-term job to security and attractive ongoing career prospects. Waverley has lost several large employers and 45 SMEs between 10 and 50 employees since 2015. It would appear that most of Waverley 's small businesses have been struggling to scale up. **Source: ONS; UK Business Counts**

Enterprise M3 reports that over recent years there has been a marked loss of jobs across much of the area in some of the frontier sectors that are most significant for the economy.

Within the Enterprise M3 region, job growth has been stagnant since 2016 with 12,200 net job losses. This is equivalent to an employment shrinkage of -1.6% compared to an increase of 2.8% jobs growth in England in the same period: the second lowest in employment growth across LEPs between 2016-19. Many of these jobs have been shed from EM3's most productive, specialist sectors, at a time when those sectors are growing rapidly in other parts of the country. Similarly, the net business birth rate has slowed since 2015.

**Source: Enterprise M3; Revive and Renew: Skills and People**

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<sup>25</sup>Ibid Are we heading for a global recession and if so how concerned should we be?



## **4. Issues on the Horizon**

### **4.1 Emerging Industries and Future Growth Sectors**

#### **Sub-regional Growth Sectors**

Enterprise M3 has highlighted the following high innovation, knowledge-based sectors as a focus for growth:

- Clean growth manufacturing/technology
- Games and creative immersive technology
- Space and satellite especially earth observation
- Aerospace and aviation & defence
- Health, including animal health

Source: Enterprise M3; Revive and Renew: Supporting Business-Led Innovation, Diversification, Entrepreneurship And Our High-Tech Sectors

#### **Local Growth Sectors**

Of the above, clean growth technologies, particularly as relate to construction with the demand for retrofitting and with the introduction of modern methods of construction such as modular housing and the games and creative industry immersive technology, given the graduate output of UCA Farnham are likely to be the most relevant to Waverley.

In addition to the above sectors food and beverage manufacturing is emerging as a local growth sector (see Section 1.3 above). Food and beverage hospitality outlets can also be expected to increase with the diversification of the town centres. Small, localised freight transport is likely to see further increases in activity with the growth of e-commerce, evidenced by the surge in demand for small industrial premises (see Section 7.1 below).

#### **Major Emerging Industries**

The following sectors are projected to be the fastest growing new industries during the 2020s. Most of these are projected to experience global growth rates for between 11% and 25% over most of the decade.

<ul style="list-style-type: none"> <li>• Data Science</li> <li>• Cloud Computing</li> <li>• Artificial Intelligence (AI)</li> <li>• Internet of Things (IoT)</li> <li>• Cyber Security</li> </ul>	<ul style="list-style-type: none"> <li>• Blockchain Technology</li> <li>• Robotics</li> <li>• Drones</li> <li>• Virtual Reality</li> <li>• Genomics</li> </ul>	<ul style="list-style-type: none"> <li>• Nano Technology</li> <li>• Renewable Energy</li> <li>• E-learning</li> <li>• 3D Printing</li> <li>• Sharing Economy</li> <li>• Care Economy</li> </ul>
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Source: Debiprasad Bandopadhyay; The 16 Fastest Growing Industries of The Future (2021); blog post published on June 12, 2021

These activities not only have scope to create large numbers of well-paid jobs but will also be having a disruptive effect on wide range of other industry sectors. One common theme across each of these activities is the reliance on advanced digital technologies.

## 4.2 The Future of Work

### The Future of Work

As reported by the OECD, digitalisation and globalisation have sparked radical shifts in how populations live and work and the coronavirus crisis has accelerated these beyond anything that could have been anticipated.

Source: <https://www.oecd.org/future-of-work/>

Shifts in work patterns are occurring with the adaption of technology such as artificial intelligence, machine learning and robotics in the workplace, changing physical distribution of the workforce enabled by the internet and mobile communications and rising hybrid workforce models. Even the caring economy will require extensive amounts of innovation to make the service more productive given constant labour shortages and to enable members of the ageing population to become more independent and self-sufficient.

Major in trends include accelerated adoption of AI in the workplace, the rise in the number of gig workers. Mobile devices enable workforces to become considerably more distributed due to more sophisticated software and data management tools. This frees up people to work wherever they are enter fixing minds on solutions and innovation rather than repetitive tasks.

The introduction of AI in the workplace has boosted demand for logic based and cognitive roles.

The digital workplace reduces the need for on-site workforce and increases the need for knowledge intensive tasks including complex problem-solving and innovative thinking based on a sophisticated level of computer and software literacy. In addition, the multi generation workforce introduces new cultures and shifts in and out of the workforce. The management of these new trends such as the adoption of the new technologies and working with remote workforces are also need to be learned in applied.

Source: <https://www.sap.com/insights/what-is-future-of-work.html>

### Emerging and Declining Professions

World Economic Forum's Future of Jobs Report 2020 which maps the jobs and skills of the future, tracking the pace of change based on surveys of business leaders and human resource strategists from around the world Highlights the following five trends.

The workforce is automating faster than expected, displacing million jobs worldwide in the next five years, which in tandem with the COVID-19 recession, is creating a "double-disruption" scenario for workers. Companies' adoption of technology will transform tasks, jobs, and skills by 2025. Some 43 percent of businesses surveyed by the Forum indicate that

they are set to reduce their workforce because of technology integration, 41 percent plan to expand their use of contractors for task-specialized work, and 34 percent plan to expand their workforce as a result of technology integration. By the middle of the decade, employers will divide work between humans and machines roughly equally. The demand for a number of jobs will increase whilst that for other traditional jobs were shrink as indicated in the table below.

Increasing Demand	Decreasing Demand
Data analysts and scientists	Data input clerks
Artificial intelligence and machine learning specialists	Administrative and executive secretaries
Big data specialists	Accounting, bookkeeping and payroll clerks
Digital marketing and strategy specialists	Accountants and auditors
Process automation specialists	Assembly and factory workers
Business development professionals	Customer services workers
Digital transformation specialists	General and operations managers
Information security analysts	Stock keeping clerks
Software and applications developers	Financial analysts
Internet of Things specialists	Postal services clerks
Project managers	Sales representatives for products
Database and network professionals	Relationship managers
Robotics engineers and strategic advisors	Bank tellers uncloaks and clerks
Management and organisation analysts	Electronics and telecoms installers and repairers
Fintech engineers	Human resources specialists
Mechanics and machinery repairers	Training and development specialists
Organisation development specialists	Construction labourers
Risk management specialists	

<https://www.weforum.org/reports/the-future-of-jobs-report-2020>

### Shifts in the Profile of Skills Demand

The world of work is therefore changing. Digitalisation, globalisation, population ageing and the transition to a low-carbon economy are affecting the jobs available and the skills required to perform them. By the middle of the 2020s, analytical thinking, creativity, and flexibility will be among the most sought-after skills and critical thinking, analysis, and problem solving will grow in importance in the coming years. The most competitive businesses will focus on upgrading their workers’ skills. For workers set to remain in their roles over the next five years, nearly half will need retraining for their core skills.

### Shift to Remote Working

Remote work is here to stay. Some 84 percent of employers are set to rapidly digitalize work processes, including a significant expansion of remote working. Employers say there is the potential to move 44 percent of their workforce to operate remotely. However, 78 percent of business leaders expect some negative impact on worker productivity, and many businesses are taking steps to help their employees adapt.



### **How the Public Sector Needs to Respond**

The World Economic Forum also found that the public sector needs to provide stronger support for reskilling and upskilling of at-risk or displaced workers. Currently, only 21 percent of businesses report being able to make use of public funds to support their employees through retraining initiatives. The public sector must provide incentives for investment in the markets and jobs of tomorrow, offer stronger safety nets for displaced workers during job transitions, and tackle long-delayed improvements of education and training systems.

Bodies such as the OECD have prioritised the providing of information on future skills evolutions and requirements, measuring the actual skills of adults and support in improving adult learning systems as priorities.

Digital transformation is on the rise and affecting every industry imaginable. Farmers are no longer merely sowing seeds and harvesting a crop; they're using sensors and information technology to automate, monitor, and regulate their systems to become more profitable, efficient, and sustainable. Food delivery apps are helping restaurants provide their menu options to hungry patrons without them having to leave their homes. This adds a complex layer of responsibilities for restaurant workers who now must manage orders through digital devices, as well as any in-person interactions. Even real estate, a traditionally face-to-face industry, relies on digital skills. Virtual walk-throughs are available to prospects looking to relocate, and signing documents remotely with services like DocuSign is a quick and convenient way to finalize an agreement. Source: University of Nevada Las Vegas

## **4.3 The Future of Mobility**

### **Drivers of Change**

Several key drivers are about to significantly disrupt existing mobility modes and choices.

- The most current driver is the UK government's decision to achieve net zero carbon by 2050 along with associated measures such as banning the sale and eventual use of fossil fuel vehicles.
- Major developments in data, connectivity, artificial intelligence, automation and battery and electrical vehicle technology are creating conditions for a disruptive impact on existing availability systems.
- Enhancing digital connectivity will develop smarter ways of working and reduce the need to travel.
- The demand for travel will increase with population growth.

- Younger people are less likely to travel by car than before and therefore active travel infrastructure and very high quality, frequent mass transit services will be the way forward.

#### **The Government's Move Towards Clean Transportation**

In 2015, the Government set a target to “ensure almost every car and van is a zero-emission vehicle by 2050” and in 2017, the Government announced that it will end the sale of all new conventional petrol and diesel cars and vans by 2040 and in 2018 that all new cars and vans should be effectively zero emission. In the Road to Zero strategy, the Government set an ambition for between 50% to 70% of new car sales to be ultra-low emission by 2030, alongside up to 40% of new vans. Electric vehicles will require locations for short term hire and charging points. There is no overarching strategy across all the arms of government, organisations and bodies for an EV charging network to be rolled out in the way the policy makers have envisaged and to facilitate a totally electric UK vehicle fleet. This project will accelerate the adoption of EV's by providing copious charging points adjacent to a central urban transport hub and enable approaches to for the management and pricing of charging facilities to be tested, evaluated and optimised.

In May 2020, the Transport Minister, Grant Shapps announced an ambitious programme to be published in early June with the aim of doubling cycling and increasing walking to work by 2025. Measures will include pop-up bike lanes and wider pavements as well as cycle and bus-only streets.

The minister has indicated that outside London, half of all journeys are under three miles and that if cycling increased by 5%, it would mean eight million fewer car journeys, nine million fewer rail journeys and 13 million fewer bus journeys.

#### **Potential Benefits of Net Zero Mobility**

A wide range of benefits for can stem from a Net Zero mobility strategy.

- Zero emission vehicles have no greenhouse gas or air pollutant tailpipe emissions. Making the transition to these types of vehicles will help tackle climate change and improve air quality in urban areas.
- The promotion of active travel within urban areas Improving health Leading to longer and happier lives and reducing the need for car travel.
- Smoother journeys and less wasted time on travelling brought about by better and more integrated transport choices and eventually self-driving cars can have a massive impact on productivity and enhanced economic performance and wealth creation
- The existence of a state of the art urban and rural mobility system will be an important factor in raising quality of life in Waverley.
- Reduction of congestion, increased convenience and lower cost of travel.

- Widening accessibility for disabled and older people.
- These benefits address a number of three grand challenges set out in the government's industrial strategy, not only the future of mobility but in meeting the needs of an ageing society, capitalising on UK strengths in artificial intelligence and data and policies for clean growth.

### Managing the Transition

The Department of Transport report Future of Mobility: Urban Strategy, March 2019, states that, if appropriately harnessed and managed such measures can transform urban and rural mobility significantly. But if it is inadequately managed this could worsen congestion and public health. For example, existing pinch points could be replaced by excessive congestion from the bunching up of driverless electric vehicles. A holistic and integrated approach, supported by a viable economic rationale will be key to successful transition to net zero mobility.

The Future of Mobility: Urban Strategy states that:

- a) New mobility services must lead the transition to zero emissions and be safe and secure by design, able to operate as part of an integrated transport system combining public, private and multiple modes for transport users.
- b) The marketplace for mobility must be open to stimulate innovation and give the best deal to consumers.
- c) Mobility innovation must help to reduce congestion through more efficient use of limited road space, for example through sharing rides, increasing occupancy or consolidating freight.
- d) Data from new mobility services must be shared where appropriate to improve choice and the operation of the transport system.
- e) Walking, cycling and active travel must remain the best options for short urban journeys and mass transit must remain fundamental to an efficient transport system. *(Findings from a recent policy conference webinar are summarised in the Annexe below).*

### Regional Priorities

Enterprise M3 recognises the need for smarter approaches to transportation is focused on promoting decarbonisation and innovation in transport systems to achieve cleaner, smarter mobility. This is because: transport represents around 50% of emissions in the region; EM3 and neighbouring areas are losing jobs due to issues with mobility and connectivity; and growth and development depend on suitable connectivity and mobility. The LEP supports the priorities in the TfSE strategy. Local action also needs to be shaped by factors such as there

being low levels of investment in east-west routes and the congestion on radial routes, particularly around Guildford on the A3 and the M3.

In conjunction with TfSE, Enterprise M3 LEP proposes that it and other partners bring forward the low carbon transport agenda and necessary transport infrastructure, actions to minimise “unclean” transport to reduce the need to travel beyond the local area and promote active travel for individuals and other low emission forms of mobility. This will include advancing the digitalisation of the economy and projects such as “Gigabit EM3: Town & Rural” for ultra-fast broadband; and the renewal of town centres with more local “casual” office spaces to blend home and office working, as an alternative to commuting long distances.

Source: Enterprise M3; Revive and Renew: Actions To Support A Low Carbon Economy

## 4.4 Changing Landscape of Urban Centres

### What is Considered Likely to Happen to Town Centre Activities

The COVID-19 pandemic has led to many changes to how people use and visit high streets. Data from November 2020 shows that footfall was at 45% compared the same time as the year before. Meanwhile, internet sales had risen to 33% of all sales by the start of the pandemic.<sup>26</sup>

Overall, data from IMRG states that online sales grew by 36% in 2020, which is the highest growth seen in 13 years. This is in contrast to overall retail sales, which fell by 0.13% marking the lowest annual growth figure for 25 years.

Research done by e-commerce quarterly shows that most of 2020’s retail growth was driven by multichannel retailers, who were the ones most easily able to make a shift to online retail. Grocery is shown to have had the biggest surge of online retail at 128%.

However, research has shown that many consider this a temporary measure for groceries once retail commences after lock down is over. The retail sector is preparing for a series of innovations that have ripened during the course of the pandemic, including things such as; reactive digital sales, investment in delivery, new ‘brand experiences’ to bring customers into stores and innovations in online and offline customer service.<sup>27</sup>

These raise a lot of questions for the future of city centres, especially with the permanent closure of many businesses on high streets. 57 of 264 stores in Oxford Street have permanently closed since the start of the pandemic and major landlords are receiving only half of their usual income from renting out commercial spaces.<sup>28</sup>

Research from KPMG says that that it is clear things won’t return to the way things were before the pandemic. With the reduction in commuter footfall and reduction in commercial rent, city centres may now have to consider serving their inhabitants in a different way. According to the same report, high streets could lose anywhere from 20-40% and end up affecting 1-5% of the local labour force. Basingstoke and Bracknell are said to be the most

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26 *The future of the high-street, House of Commons, 10<sup>th</sup> December 2020.* Local Government Association

27 ‘Covid-19 impact on retail: what trends are emerging in 2021?’ Nikki Gilliland. *Econsultancy* (20<sup>th</sup> January 2021)

28 ‘What will city centres look like post COVID?’ George Arnett, *Vogue Business*. (15<sup>th</sup> February 2021)

affected, with 39% of retail jobs said to be in jeopardy with the move to online commerce. Some reports are expecting up to 400,000 job losses on high streets nationwide.

New models could be emerging from the shift to online, with consumers buying online and getting a better price whilst some stores may adopt a hybrid model where they have their stores as a showroom before the customer buys the product on their website. However, some speciality stores may keep their physical locations intact.<sup>29</sup>

Suggestions in the KPMG report include:

- office spaces for start-ups, pop ups or incubators who will now be able to afford rent in the city centre whilst businesses provide support and mentoring
- community centres can be opened with focuses ranging from children’s recreation to adult art courses
- residential property is also said to play a key role in the revitalisation of city and town centres.<sup>30</sup>

#### **New Concepts Being Planned for Revitalisation and Diversification of Town Centres**

Hybrid and remote-working will create a new set of benefits but also challenges to local economies with its wide-spread adoption. Research by Legal and General and Demos showed that the new working model will provide opportunities for parts of the country such as rural areas and neighbourhoods that were previously ignored. The survey identified the following factors as being more important to between 50% and 70% individuals if working from home:

- Access to fresh air
- Good local shops
- Faster reliable Internet access
- Supportive communities and pleasant streets
- Places to go out
- Premises to support local jobs
- Housing that meets needs
- Exercise and sports facilities
- Good transport services

However, this also runs the risk of creating regional inequalities as city centres are left in the dust in a post-COVID world. 35% of respondents stated that they planned to spend more money at their local neighbourhoods, whilst 25% said they wanted to do so in local high streets and town centres. In his article on the same report for *The Times*, Gurpreet Narwan states that:

“The findings underscore the need for thriving local high streets, which could require a rethink of town planning. It presents a challenge to the concept of high population density urban accommodation. The report called for a renewed focus on “15-minute

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29 *The future of towns and cities* (January 2021) KPMG

30 *ibid*



neighbourhoods”, with places close by to meet and work, as well as outdoor public spaces for leisure and recreation.”<sup>31</sup>

The same report found that 2.5 million people (5% of the population) had moved from their previous homes with a further 5.5 million considering moving. This in part due to wanting access to more outdoor spaces but also due to wanting more suitable living arrangements. This impacts on some major cities where housing is on average less spacious than non-urban areas. However, the report concludes that the previously predicted and reported mass exodus from cities is overblown as young people and those with jobs that cannot be done remotely make up the majority of those that moved last year and that they moved within larger cities.

The ‘15 minute cities’ concept was developed by Carlos Moreno, scientific director and professor specialising in complex systems at University of Paris Panthéon-Sorbonne, who believes that city-life as we knew it before the pandemic won’t make a return. Instead, he proposes the creation of cities where everything an individual needs can be reached within a quarter of an hour by foot or by bike. In an article on BBC Work life, the 15 minute city is quoted as requiring minimal travel between housing, offices, restaurants, parks, hospitals and cultural venues. Each neighbourhood is also quoted as needing to fulfil six functions: living, working, supplying, caring, learning and enjoying.<sup>32</sup>

The concept has proved popular, with Paris Mayor Anne Hidalgo putting it at the centre of her successful 2020 re-election bid and hiring a commissioner to make the concept a reality.

#### Latest Thinking on Town Centres

Set out below is a selection of points recorded from the Westminster Social Policy Forum webinar on the Next Steps For High Streets and Town Centres in England which took place on the 7<sup>th</sup> September 2022. (Speakers’ names are indicated in each case).

- Every high street should have a Hub and High Street Coordinator. 80% of businesses fail and the Government needs to take into account the impact on mental health of high streets with more empty buildings. More businesses owners need education on how to manage a business and know their full potential. **Samantha Poole (Ask GoTo)**
- Government is giving business relief to businesses of 15% for retail, hospitality and leisure industries. A tax cut of about £1,000 has been given to struggling small businesses. More measures will shortly be announced. Low tax and a competitive economy will help businesses under the new government. Getting people back to shopping on the high streets are only a small part of the plan. For the high streets to grow, investment and infrastructure is needed. Class E gives businesses breathing room to experiment without planning permission. Government is looking into a reworking of the landlord and tenant relationship. A new retail strategy developed by the new Truss government will focus on seven points to help revitalize the high street. **Paul Scully (MP, Minister for Local Governments and Communities)**

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31 ‘Hybrid working could be right up your street’, Gurpreet Narwan, *The Times* (March 22<sup>nd</sup>, 2021)

32 ‘How 15 minute cities will change the way we socialise’ Peter Yeung, *BBC Worklife* (January 4<sup>th</sup> 2021)

- Government policy is needed fast and planning policy must take changes into account. Planning processes are too slow at the moment. Due to taxation and business rates, 4 in 5 retailers could close their shops if the rates are not put down. The system is too slow to reflect market values. Local leadership is important for town centres. Retail and the High Street are not the same thing. Roles of shops could be expanding, becoming more like experiences rather than strictly shops. The green economy and sustainable public transport are needed so that everything is easy to get to. **Helen Dickinson, British Retail Forum**
- The night time economy brings a cultural and economic factory, generates £4.6 billion annually and 425,000 jobs and attracts 3 million tourists per year. Cities often attract students depending on vibrant nightlife. Fintech companies are often attracted to areas with vibrant nightlife and huge cultural output. It is vital for work life balance. Discussion of renovating centres rarely takes into account people's social and mental health. Cities and towns with less vibrant nightlife and low cultural output have more cases of depression in those aged 20-39. The industry is aspirational to youth culture and has helped stem crime rates. A case study has shown no rise in criminal activity with the rise of nightlife economy. **Michael Kill, Chief Executive Night Time Industries Association**
- Digital placemaking (enhancing people's experience of places through location-specific digital technology), community engagement and innovation are all important for maintaining healthy high streets. **Jo Morrison (Calvium)**
- We to instil some magic onto the high streets. Children and young people need to be consulted and interviewed on what they want from a high street and we need artists and creatives and youth workers need to be involved. Community cafes and toy libraries are also ways to integrate and interact with communities to bring life back into the high street. **Helen Dewdney (The Complaining Company)**
- Class E gives greater flexibility on floor plans and how to use new or old buildings to create new market places or community areas and allows for creativity and more businesses to occupy a certain space. **Lizzie Le Mare (Tibbalds)**
- The digital revolution has been accelerated by Covid and any initiative or plan must bring it into the centre of the holistic approach to town centres. Culture, arts and leisure are important in any plan for any new high street strategy. Experimentation with commercial and public spaces must be allowed as strictly bureaucratic practices do not allow for completely holistic approaches and do not take certain aspects of creativity into account. Leveling up must remain a core part of the government's strategy and cannot change course or risk further chaos in trying to revitalise town centres. **Baroness Valentine (summing up)**

## 5. Climate Change and Meeting Net Zero Targets

### 5.1 Climate Change Legislation

In 2008 the UK passed the Climate Change Act which committed the UK to lower their net UK carbon account for greenhouse gases by at least 80% of the 1990 baseline by 2050. In 2019 the Climate Change Act’s targets were revised setting a new target of net-zero emissions by 2050.

### 5.2 Emerging Government Strategies

On a wider front, more recently the Government has been working on a whole variety of sectoral strategies related to net zero carbon targets, brought together with the Prime Minister’s 10 Point Plan for the green industrial revolution which came out in the autumn of 2020 and addressing the following aspects.

- Advancing Offshore Wind
- Driving the Growth of Low Carbon Hydrogen
- Delivering New and Advanced Nuclear Power
- Accelerating the Shift to Zero Emission Vehicles
- Green Public Transport, Cycling and Walking
- Jet Zero and Green Ships
- Greener Buildings
- Investing in Carbon Capture, Usage and Storage
- Protecting Our Natural Environment
- Green Finance and Innovation

The UK is to reduce its emissions by 77% by 2035, compared to a 1990 base level. The plan sets out a commitment to bringing a greater degree of renewables and systems, as well as more offshore wind as well as nuclear, to phase out the sale of conventional petrol diesel cars by 2030 and for all heating in homes and workplaces to be low carbon by 2035. This has the potential to deliver up to an estimated £42 billion of private investment by 2030 across energy, buildings, transport, innovation and the natural environment. In doing so, the aim is to position the UK to take advantage of export opportunities presented by low carbon technologies and services into new, global emerging markets. Skills requirements will need to be defined and set out to make the transition.

Source: HM Government: *The Ten Point Plan for a Green Industrial Revolution; Building back better, supporting green jobs, and accelerating our path to net zero; November 2020*

### 5.3 Job Creation Prospects

The Government’s Ten Point Plan to get there will mobilise £12 billion of government investment, and potentially three times as much from the private sector, to create and support up to 250,000 green jobs.

Sector	Key Interventions	No. Jobs Created or Supported
Advancing Offshore Wind	£160 million into modern ports and manufacturing infrastructure and delivery of 60% UK content in offshore wind projects	Up to 60,000 jobs in 2030



Driving the Growth of Low Carbon Hydrogen	£240 million Net Zero Hydrogen Fund	8,000 jobs by 2030, potentially 100,000 jobs by 2050
Delivering New and Advanced Nuclear Power	£385 million in an Advanced Nuclear Fund enable up to £215 million into Small Modular Reactors and unlocking up to £300 million private sector match-funding. £170 million for a research and development on Advanced Modular Reactors	10,000 jobs during construction of each large nuclear plant
Accelerating the Shift to Zero Emission Vehicles	All vehicles being required to have a significant zero emissions capability (e.g. Plug-in and full hybrids) from 2030 and be 100% zero emissions from 2035 £1 billion to support the electrification of UK vehicles and their supply chains, including developing “gigafactories” in the UK £1.3 billion to accelerate the roll out of charging infrastructure £582 million to extend the plug-in car, van, taxi and motorcycle grants to 2022–23 Date and freight trails for phasing out the sale of new diesel heavy goods vehicles	40,000 new jobs in 2030
Green Public Transport, Cycling and Walking	Electrify more railway lines Introduction of at least 4,000 more British built zero emission buses National bus strategy Hundreds, then thousands, of miles of segregated cycle lane and Create more low-traffic neighbourhoods A new body, Active Travel England, will hold the budget, inspect schemes, and assess local authorities for their performance on active travel	Up to 3,000 jobs by 2025
Jet Zero and Green Ships	£15 million competition to support the production of Sustainable Aviation Fuels Invest £20 million into the Clean Maritime Demonstration Programme	5,200 jobs supported by a domestic SAF industry
Greener Buildings	Implement the Future Home Standard Consult shortly on increased standards for non-domestic buildings 600,000 heat pump installations per year by 2028 Strengthen energy efficiency requirements for Private sector landlords Various grant schemes to support transition to higher EPC standards	50,000 jobs in 2030
Investing in Carbon Capture, Usage and Storage	CCUS in four industrial clusters by 2030, capturing up to 10 Mt of carbon dioxide per year	50,000 jobs by 2030
Protecting Our Natural Environment	New National Parks and Areas of Outstanding Natural Beauty Environmental Land Management pilots A six-year programme for flood and coastal defences	Up to 20,000 jobs from improving flood defences by 2027
Green Finance and Innovation	£1 billion Net Zero Innovation Portfolio	The potential for hundreds of thousands of jobs by 2030

## 5.4 LEP Support Proposals

Proposed actions by the EM3 LEP will be to support a low carbon economy through a number of initiatives.

- Prioritising the decarbonisation of transport and buildings.
- Investment in capacity to deliver a Clean Growth Business Support Service
- Establishing a Clean Growth Forum to help raise awareness of appropriate funding opportunities

- Work with the Skills Advisory Panel to advance skills supply for clean growth industries especially at technical levels 4 & 5 and at from degree to PhD levels to address the priority of creating jobs and skills supply in low carbon sectors.
- Supporting development of marketable low carbon innovations.
- Supporting partners in developing new economic opportunities, jobs and skills in the restoration sector.
- Communication and sign posting to the Government's substantial investment in careers and employment support which includes a £3bn green investment package that could help support 140,000 green jobs.

Source: Enterprise M3: Revive and Renew: Clean Growth

Within the EM3 region, analysis shows that the low carbon and environmental goods and services sector (LCEGS) has a 9.8% share in the national overall market; with 49% in low carbon, 35% in renewable energy and 17% in environmental services with total value by sales of £18.2bn in 2017/8. There is a core speciality in high-end mechanical, electrical, electronic engineering and associated design, computing and software and five main sub-sector specialisms account for 64% of activity: alternative fuels, building technologies, wind, alternative fuel vehicles and geothermal.

Pre-pandemic the low carbon and environmental goods and services sectors (LCEGS) in EM3 supported over 126,800 employees with core specialties in technologies including electrical and electronic engineering and the associated design, computing and software.

Source: Enterprise M3; Revive and Renew: Low Carbon

## 5.5 Waverley Borough Council Initiatives

### Carbon Neutrality Plan

Waverley Borough Council has brought forward a carbon neutrality plan aimed at making the Council fully carbon neutral which aims to:

- a) Identify pathways to reducing emission from its own buildings to net zero carbon by 2030
- b) Develop a plan to reduce emissions from travel by converting our fleet to 100% zero emissions
- c) Reduce car journeys
- d) Promote reduction, re-use and recycling, so as to become a zero waste organisation by 2030.
- e) Adopt sustainable procurement practices throughout the Council.

In parallel, Waverley Borough Council will:

- a) Work with Surrey County Council to reduce volume of traffic on the roads and encourage a radical transformation of our transport infrastructure in favour of active transport.

- b) Work with partners to deliver a greenway network, connecting the main centres across the Borough by 2030.
- c) Identify funding models for renewable energy generation projects in the Borough.
- d) In its role as an active developer building new Council homes, lead by example and show the local development industry what is possible and show the public what they can demand from private developers.
- e) Promote waste reduction, re-use and recycling, so as to become a zero-waste organisation by 2030.
- f) Maximise sequestering potential, improving land and woodland management practices and rewilding.
- g) Support development of a green economy, providing incentives and support for local businesses to operate on a sustainable model and commit to becoming carbon neutral by 2030 and encouraging the development of small, local sustainable businesses in the borough as well as a culture for shopping locally.

#### Climate Change and Sustainability Strategy

The Borough Council's Climate Change and Sustainability Strategy is an overarching framework bringing together existing areas of work including its policies and strategies for biodiversity, electric vehicles, tree planting, green spaces, air quality, contaminated land, pesticides, local cycling & walking infrastructure, the Waverley Borough Council cycle plan supplementary planning document and its single use plastic policy.

Members have stipulated achievement of carbon neutrality in Council owned housing stock by 2030. This creates a major driver for establishing firm supply chains and skill sets within the borough. An action plan will be coming forward with this in mind out of the Council's asset management strategy.

#### Housing Delivery Net Zero Initiatives

Waverley's housing development function endeavours to promote sustainable economic growth by encouraging contractors to use local people and use of modern construction techniques requiring new skill sets. It is engaged with Beatty Passive who will work with contractors to train them in passive construction. This initiative is in compliance with the Council's sustainably sustainability and carbon neutral strategies.

A pilot retrofit initiative has been mounted involving taking the interiors back to the brick then insulating walls and ceilings and installing floor insulation as well as applying external insulating render, replacing boilers with heat pumps or possibly infrared heat applications. Photo voltaic will be installed on rooftops along with the installation of double glazing windows. The aim is to future proof the housing as much as possible creating air tightness for doors and installing mechanical heat recovery mechanisms and equipment for constant ventilation to dissipate heat from kitchens and bathrooms to cooler areas of the home lost taking out pollutants.

There is a big requirement for education in how to install these enhancements and to get a firm based of competence within the area for these new technologies. There is also a need to educate local people into how to use these new installations as well.

Separate narratives have been prepared for green economy skills and for the future of mobility.

### 5.6 Green Economy Skills

The Enterprise M3 Local Skills Report points out that retrofitting buildings to meet government energy efficiency targets requires an additional 350,000 skilled construction workers in Britain by 2028 and that construction companies in EM3 have reported a need to reskill and upskill the existing workforce to make existing and new buildings more energy efficient and low carbon. Skills required include retrofitting, project coordination and heat pump and solar panel installation. With a population of over 1.5m residents and 80,000 businesses in the EM3 area, there is a need but until there is increased consumer demand for retrofitting, employers are reluctant to invest in training. The introduction of the Government's Clean Heat Grant from April 2022 should help further stimulate this demand. As regards manufacturing, the Government's Industrial Decarbonisation Strategy highlights the sector as a key industry in working towards net zero. This activity will require skills and innovation. In 2020, 6% of employment in EM3 was in the manufacturing sector, and the sector has shown growth in business units and employment in recent years.

A Westminster Employment Forum webinar conference which took place on Thursday, 10th March 2022, on green skills, apprenticeships, and employment, policy, implementation, and related priorities for education and training, businesses and the workforce. Key findings from are summarised below.

Amy Jenkins (Deputy Director for Green Finance Jobs and Investment for net zero in the Department for Business, Energy and Industrial Strategy) stated that 430,000 is the current base level of low carbon jobs across the UK. Retrofitting buildings to meet government energy efficiency targets requires an additional 350,000 skilled construction workers in Britain by 2028. A green skilled job can range from civil mechanical, electrical, electrical engineers, data analysts, machine learning experts skilled tradespeople, as well many others.

The government predicts the manufacturing sector will create 1.2 million additional jobs in the sector by 2050. In a survey by Make UK, 45% of manufacturers said that green skills needed are in fact at level four or five at the higher level and 30% saying it degree level. There is a major requirement for reskilling and retraining the existing workforce, but there are major gaps. Level 3 and 4 programmes that do not properly equip many of those engineers for the digital technologies that are used in manufacturing at the moment.

Dr Adam Read President of the Chartered Institute of Waste Management maintains that collaboration is needed to get the 300,000 new waste management employees with the right skills are needed as well as reskilling the 150,000 and take them on a transition. Green skills in the sector will encompass engineers, communications experts, designers technologists,

data scientists. Science, technology, engineering and maths will be particularly important in many low carbon jobs across different sectors, whether in renewables, electric vehicles or heavy industry and so on. The UK has a skills gap in this area.

By 2040, all jobs will be green jobs. The conclusion of the Green Skills Taskforce set up towards the end of 2019 was that a modular upskilling approach breaking the training down into modular courses would be necessary. There is a key role for education institutions, especially further education, to make more flexible and more modular courses available for those currently in work. Awareness of climate change needs to be mainstreamed, allowing the next generation of the workforce to understand the world of business that is carbon and resourced constrained.



## 6. Labour Force

### 6.1 Causes of Current National Labour Shortages

A major report from reWage and the Migration Observatory at Oxford University has concluded that Brexit has exacerbated recruitment issues faced by UK employers. Many employers who used to rely on EU workers and are now ineligible to recruit from overseas have had to adjust by either reducing their need for workers by turning to automation or simply producing less.

Employers from some industries, such as agriculture, have been able to recruit from non-EU countries, however most companies in low-wage industries are not permitted to do this under the current immigration system.<sup>33</sup>

The authors of the report were careful not to pin all of the current labour shortages solely on Brexit; pointing out that many countries in Europe have had difficulty in recruiting in the travel sector after the pandemic,<sup>34</sup> as well as the early retirement of many workers over the age of 50 that has caused problems across the UK labour market.<sup>35</sup>

Still, labour shortages were worse in sectors that were heavily dependent on the EU - such as hospitality and warehouse and security work- employers were not able to use new visa routes due to the wage rates being too low while sectors such as health and agriculture have been able to bring in workers from non-EU countries.

Contrary to the belief of many Brexit supporters, the fall in immigration has not resulted in higher wages and employers have simply cut output instead.<sup>36</sup>

Professor Madeline Sumption cautioned against increasing the number of low-wage work visa schemes as they are notoriously difficult to police and often open workers to exploitation and abuse. The report concluded that government may want to 'wait it out' as the economy slowly adapts and shortages disappear over time.<sup>37</sup> The Home Office said it has reduced the time it took for employers to recruit overseas for those eligible for visas but stressed that employers should look to the domestic labour market."<sup>38</sup>

In July 2022, the British Chambers of Commerce urged the UK government to overhaul the post-Brexit list of occupational shortages, after warning that many companies were struggling

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33 *How is the End of Free Movement Affecting the Low-wage Labour Force in the UK?* (Aug, 2022) ReWage and the Migration Observatory

34 'Europe's stretched tourist workforce struggles to meet surge in demand' Peter Wise, Eleni Varvitsioti and Amy Kazmin. *Financial Times* July 24<sup>th</sup>, 2022

35 'Sharp rise in early retirements drives contraction of UK workforce' Delphine Strauss. *Financial Times* July 16<sup>th</sup> 2022

36 *How is the End of Free Movement Affecting the Low-wage Labour Force in the UK?* (Aug, 2022) ReWage and the Migration Observatory

37 ibid

38 'Brexit intensifies labour shortages as companies struggle to hire' Chris Giles. *Financial Times*. August 15<sup>th</sup> 2022

to recruit workers. <sup>39</sup>According to a survey conducted by the BCC, more than 60 per cent of companies told the BCC that they were experiencing recruitment difficulties.

According to the report, three quarters of firms (76%) continue to experience recruitment difficulties, dropping only two percentage points from the first quarter (78%). The report found that the construction sector is facing the most severe recruitment challenges with 83% reporting difficulties, followed by production and manufacturing on 79%, logistics on 79% and hospitality on 78%. The report also found that only 28% of employers have increased their investment in the last three months, with only 19% of smaller firms likely to report an increase. <sup>40</sup> In response to these challenges, the BCC has recommended a three-point plan:

- Firms must be encouraged to find new ways of unlocking pools of talent – by investing more in training their workforce, adopting more flexible working practises and expanding use of apprenticeships;
- Government must help employers invest in training by reducing the upfront costs on business and providing training related tax breaks; and
- The Shortage Occupation List (SOL) must be reformed to allow sectors facing urgent demand for skills to get what they need.<sup>41</sup>

Enterprise M3 has reported that the South East economy more generally faces labour supply constraints that make the creation of new jobs in frontier industries increasingly tough.

## 6.2 Local Hard to Fill Vacancies

The Enterprise M3 Local Skills Report and Skills Action Plan 2022 has reported the highest persistent vacancies to be for:

- Nurses
- Sales and business development managers
- Programmers and software development professionals
- Gaming and immersive technologies professionals
- Social care workers
- Haulage and Logistics workers, particularly due to the rise in internet shopping
- Hospitality roles such as Chefs, Kitchen and catering assistants.

Many of the hard to fill job roles highlighted are reflective of the types of clients the Job Centres and DWP support, which tends to be those who are less highly skilled. They are hard to fill due to the lower pay, anti-social hours, how physically hard the work is and the expense

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39 'UK business lobby group calls for government help over labour shortages' Daniel Thomas, *Financial Times*. July 14<sup>th</sup> 2022

40 'Rapid reform needed to tackle crippling staff shortages - Quarterly Recruitment Outlook' Press Release, British Chamber of Commerce. July 14<sup>th</sup> 2022

41 *ibid*

of childcare. Covid has also had a negative impact on the appeal of health and social care opportunities.

Source: Enterprise M3 Local Skills Report and Skills Action Plan 2022

## 6.3 Regional Skills Strengths

The Enterprise M3 area and Waverley in particular exhibits high productivity, high employment and high incomes, due to:

- A higher concentration of high skilled jobs compared to national levels
- More highly skilled workers compared to national levels
- High progression rates of young people into higher education; Resilience to economic shock of Covid19.

Analysis has shown that there is a very high rate of employment and growing resident workforce, very low rate of economic activity, highly skilled workforce and very diverse skills base, very high in and out commuting with out of area jobs being critical to overall prosperity and high incomes, high skills and employment in frontier sectors.

Source: Enterprise M3 Local Industrial Strategy: Skills and People

## 6.4 Take Up of Vocational Provision

The Enterprise M3 Local Skills Report highlights a low take-up of vocational provision – including apprenticeships – which could offer routes to employment and address skills needs. Demand for Apprenticeships continues to wane both nationally and in EM3. Nationally, apprenticeship starts in 2019/20 fell to their lowest level in ten years. The EM3 area has strengths in the academic route to employment and high university-level participation which arguably accounts for the low demand, supply and uptake of vocational routes including apprenticeships.

Source: Enterprise M3 Local Skills Report and Skills Action Plan 2022

## 6.5 Responding to the Move to Digitisation

Digital technologies already make a significant contribution to Enterprise M3's productivity advantage through large numbers of high value jobs, for example in computer consultancy and programming, and a rapid growth in computer games publishing, wired telecommunications and computer facilities management. In 2020, EM3 hosted 45,973 jobs in the Digital sector with 1.7% growth compared to 1.3% nationwide.

The gaming, visual effects and immersive technologies sector accounted for over 1,000 jobs in 2020 – mainly in the production and publishing of gaming software which have seen high growth and concentration of jobs in/around Guildford. The skills in these sectors are also likely to see increasing demand due to the recent growth of other creative industries in the EM3 area.

For example, film and TV production with the announcement of Netflix expanding their production facilities at the EM3 Enterprise Zone site at Longcross in Surrey. Significant

additional pressure on the local skills pipeline is expected to arrive in 2022 as a result of inward investment in the region from large international studios such as Amazon, Disney and Netflix.

In healthcare, the NHS is committed to digitise the entire service by 2024.

Integrating more sophisticated digital solutions into workforce requires specialist training with implications for continuous reskilling and recycling of work forces.

As part of the actions to support digitalisation, the LEP team and Growth Hub and other partners will need to continue to support digitalisation of the economy especially as a contribution to clean growth and innovation, and this will include helping businesses and organisations to improve their digital facilities and skills.

Examples are the EM3's investment of Getting Building Funds in 'Digital Skills Work' for FE Colleges and the 'Creative Tech Growth Booster' and, funded by EM3, regional colleges and universities, the Innovation South Virtual Campus hosts a range of 15 bite sized online programmes in digital skills designed to upskill and reskill.

Source: Enterprise M3: Revive and Renew: Actions To Support Digitalisation

## 6.6 Identified Priorities

Key priorities for the sub-region are therefore to help employers to fill persistent vacancies, address the low take-up of vocational provision, widen participation in higher education in parts of the Enterprise M3 area and meet the need for training at higher technical skill levels to address urgent skills needs.

The skills priorities included in the 2020/21 Skills Action Plan include the three big ambitions for the EM3 area, prioritising accelerating and expanding education and training in:

- High level digital skills for workers in specialist roles
- Supporting retrofitting activity to decarbonise homes and buildings
- Technical jobs in low carbon sectors

Action priorities are to:

- Establish a local Digital Skills Partnership; led by employers, this would bring together public, private and charity sector to innovative delivery of high-level digital skills in AI and cyber security.
- Establish a network of training provision for retrofitting.
- Support the Apprenticeship and Skills Hub as a specialist in technical skills for emerging low carbon sectors.

Source: EM3 Local Skills Report January 2022

## 6.7 Employment Development Issues

### Organisations interviewed

The findings below are drawn from interviews with the Farnham, Godalming and Haslemere Job Clubs were interviewed as well as two local DWP Partnership Managers.

The Job Clubs are largely run by volunteers and give support on CV writing, applications and job searching. A couple of the job clubs said they are currently supporting more Ukrainians than British people.

The local delivery arm of DWP spans two districts - Surrey and Sussex, and Dorset, Wiltshire, Hampshire and the Isle of Wight and supports working age people into work. Work coaches from Job Centre Plus meet with job seekers, get them onto benefits if needed and help them to look for employment.

Employment Advisors bring employers into Job Centres and get claimants in front of them so there is face to face interaction. There are various programmes, for example JET - Job Entry Target – which provides intensive support if someone is out of work longer than 13 weeks, and the Restart programme is if someone out of work for 9 months or more.

National Careers Service and Job Centre Work Coaches collaborate to deliver outreach services to local people. They also made the comment that they are seeing and helping a lot of Ukrainians.

A job fair was recently held in Farnham for Ukrainians, organised in conjunction with Waverley Borough Council and was extremely well attended. DWP runs sector specific job fairs, but wasn't sure whether there had been any in Waverley - possibly there had been a care related one.

#### **Barriers For Local People Accessing Local Jobs**

Transport is cited as the biggest barrier to local people accessing local jobs. Buses do not run often enough or across as much as the Borough as is needed and aren't conducive to 9-5 or other shift patterns. Farnham station is cited as being hard to get to.

The concept of a Job Bus is raised, something similar to the bus that goes out to the hospital; could something be started up which picked up from outlying villages and took people to employment areas? It is highlighted that people without a car stand a far higher risk of being unemployed.

Housing costs also are prohibitive to people working in the area; people working in the town live well outside of the area as it isn't possible to take on the lower income jobs and live nearby. DWP said, 'We have ended up with a highly affluent area but with no one able to work locally'.

Another barrier is the fact there is no central point of information for finding work; there are now too many channels and information gets lost.

DWP commented that engagement is also a barrier and how difficult it can be to get local people to attend events focused on finding work.

#### Choice Of Jobs In The Area

Those interviewed stated they mainly support people who are in the lower paid end of the job market, so would find it hard to comment on highly skilled job availability.

One of the Job Clubs said they recently helped a Pharma Engineer but could not find them anything and that it is unusual for an employment agency to have a job on the books over £50-60k.

General opinion is that there does not seem to be many highly skilled jobs locally, yet there are plenty in the service industry, for example, cafes, restaurants, nail bars etc.

DWP, however, commented that the labour market in the South East is buoyant and there is a wide range of jobs available. They give the example of Frimley Park Hospital which always has a number of job vacancies, skilled and unskilled, but who seem to have huge issues recruiting.

#### Links Between Local Skills Provision And Job Placement Services

With regard to how good links are between skills providers and job placement services locally, only a few opinions were offered:

- There are not nearly enough adult education classes locally in Haslemere and it doesn't help that there is no job centre in the area, except for Guildford.
- One of the DWP Partnership Manager's commented that Waverley Borough Council's training arm - Waverley Training – is excellent. However, also says that DWP works closely with other Council's Economic Development Teams and meets with them regularly, along with the Job Centre, to look at local needs, opportunities and skills gaps and that it would be good to work similarly with Waverley. At the moment the dialogue is occasional, and it would have more impact if it were regular and frequent.
- DWP talked about various programmes they run such as 'Swap' which gives someone pre-employment training and a bit of work experience and then a guaranteed interview at the end of it. It is commented that it makes such a difference for job-seekers able to speak to the employers face to face and any intervention that can encourage that is welcomed.

#### How Local Authorities And Educational Institutions Can Help People Prepare For Local Jobs

The main response is for there to be more joined up conversations, between all organisations, for example between school career departments and local employers.

It is emphasised that young people need to be inspired and to see for themselves what is on offer. Can schools and colleges take them to employers locally; for example, to Farnborough to see all the innovation and opportunity there?

Waverley Borough Council needs to have regular meetings with DWP and Job Centre Plus. DWP point out that they need to know what is available in the area, and what courses are out there for claimants. The DWP Managers interviewed say they have not done much work in Waverley and this is probably partly due to not having a close relationship with the Council.

An example is given of how DWP had sought engagement from Waverley Borough Council, which was not taken up. During Covid, the number of claimants aged 18-24 years went up considerably and DWP started up a series of Youth Clubs in response. DWP approached Borough Councils and presented the case that they would fund them, if the Council was able to run them. Woking took it on and contracted it out to Surrey Care Trust who now run it; Surrey Heath took it up; Runnymede and Elmbridge went in together and ran it. However, Waverley never got involved and Guildford said the timing wasn't right as their Economic Development lead had just left. This is considered to be a missed opportunity; DWP states it is more than happy to do outreach work in the area but that it needs engagement with the Council to do so.

The other point made is that schools need to focus less wholeheartedly on academic pursuits and ensure young people who are not academic still have options. SkillWay, a local organisation teaching young people woodwork, plumbing, etc, is highlighted as a positive move in this direction.

## 6.8 Strengths In Higher Education

The findings below are from interviews with representatives of UCA and University of Surrey.

### University of Creative Arts

#### UCA's Farnham Campus

UCA Farnham is one of four campuses along with Rochester, Epsom and Canterbury. The Rochester campus will be closing and consolidating into Epsom.

#### Plans for Development of the Farnham Campus

UCA Farnham will now concentrate on film and media, a new school of games and creative technologies, and fine arts and crafts. Courses will be provided at undergraduate, graduate and post graduate levels.

The university is to expand from 3000 to 5000 students of which 50% will be national and 50% international. UCA has 18,000 applications annually but is unable to accommodate them all but there is considerable scope for further expansion.

### University of Surrey

Taken together with the University's own GVA of £1bn and 6,500 jobs, the University and the Research Park together make a substantial contribution to the local economy, generating one eighth of Guildford's employment.

Subject rankings the Complete University Guide 2023 rank the University of Surrey as first in Information Technology Systems and Tourism, Transport, Travel and Heritage Studies, second in Food Science and Paramedic Science, and third in Nursing and Veterinary Medicine. Other subject rankings within the top ten include Aeronautical and Aerospace Engineering, Manufacturing and Production Engineering, Sports Science and Medical Technology and Biomedical Engineering.

The University of Surrey offers a very wide range of services to businesses, borough councils, and range of other organisations in the surrounding region.

- Incubation services for technology start-ups - virtual and physical
- Support to businesses seeking to scale up, e.g. from 4 employees upwards
- Support from the health tech accelerator
- Facilitating access to fast start grants from Innovate 2
- Support and advice to start up technology businesses and SMEs
- Student engagement, placements and recruitment
- Projects to find solutions to a wide range of problems
- Joint funded research projects with partner organisations

The People Centred AI Awareness Centre, part of the 5G Innovation Centre, is a key resource for enabling businesses to identify related opportunities for their businesses and measures to adapt to the going impact of digitisation on their business operations and with their customers.

There is wide potential for Waverley Borough Council and its local partners and businesses clients to work together with University of Surrey.

There is a wide range of expertise available from professors, research fellows and students. There are a number of funded work placements that could be offered enabling businesses to benefit from knowledge introduced from students who could potentially end up as employees. The university's participation in Waverley could be promoted through joint events for businesses or other special interest groups, involvement in town centre diversification and improvement initiatives or other projects that are relevant to Waverley's ongoing development.

## 7. Spatial Development

### 7.1 Commercial Property Market Trends

The findings below are based on Interviews with local Commercial Property Agents.



### Agents Interviewed

A number of commercial property agents serving the Waverley area have been contacted for their experience of business demand, opinion on the suitability of available accommodation, attraction and constraints of doing business in the Borough and key priorities for infrastructure and other improvements.

Agents from Owen Isherwood, Park Steele and Curchod & Co have been interviewed and the findings are summarised below.

### Types of Businesses Making Enquiries

The busiest sector is industrial, whether it is leasehold, freehold or freehold investor, there is a lot of interest and demand. It is for a range of uses, including storage, standard motor industry activity or more high-tech motor activity, various mechanical or electrical industries. In one agent's experience, for every industrial requirement there are 8-9 warehouse enquiries.

More surprising is the high demand for retail, and the interest and demand is across the sector; cafe, hairdresser, beauty, household goods. Farnham is very 'buzzy', with lots of independent outlets; no enquiries from the big multiples however, the demand is mainly for small retail units.

The smaller independents are beginning to grow and expand, opening shops in other places outside the Borough. Farnham especially tends to be an incubator town; little businesses start here and then open up second place elsewhere.

No comment was made about office-based businesses; the demand being generally much less than within industrial and retail. For any business type, mostly the demand is from within the Borough.

### Changes Since Covid 19

One agent said that the office market had been expected to drop off but instead enquiries have increased and there is a demand for good quality office space, although it has recently got quieter due to concern over a potential recession. Another agent said they were finding the office market very quiet and they couldn't remember the last office enquiry they had.

One of the other agents commented that demand for office space has been steady but that the market 'still doesn't know what it is doing'. Often senior management are going into the office, as well as the younger employees, but those in the middle are still working from home so businesses don't know how much space they need. Flexi working means the environment is changing; traditional office spaces are not in demand anymore and businesses are either reducing space or creating more 'wellbeing' space within their premises. Employees now expect a nicer, more modern building with air conditioning.

It is noted that the office market is starting to be more active in London which should filter down to Waverley over time.

Industrial has been positively impacted by Covid; the demand has increased significantly and is mostly for small units. This is being driven by online retail and storage requirements; lots of retailers are downsizing and taking up warehouse space due to the cheaper business rates.

In retail, it is busy but much more among the independents than multiples. The cheaper end of retail is buoyant.

Before Covid, there were a lot of enquiries for leisure spaces such as yoga, Pilates and gyms etc, and these businesses have been hit hard through covid, and haven't been able to go back to previous class numbers, meaning they have to make careful decisions about how much space they can afford.

#### **Attributes of the Borough**

The aesthetic appeal of the area is emphasised over and above anything else, which is a comment on the area's appeal generally, but not necessarily in relation to business. Farnham and Godalming are both attractive towns and the surrounding area is also appealing with pretty villages and good access to the A3 and M3.

There is a strong sense of lifestyle, however, there is little association with it as a place to do business or as a centre of employment.

Retail is attracted to Farnham as a buoyant town, with significant footfall and affluence. Godalming also has a smart, upmarket image; not that it necessarily attracts business but they tend to want to stay once there.

#### **Movement in and out of the Borough**

All agents commented that there has not been much relocation into the Borough in recent years. A few businesses have gone into Dunsfold, but mainly any activity has been local.

Agents instead highlighted the notable departures from the Borough such as M&Co and Lorimers having left Godalming, and British Car Auctions who is moving to Hook.

A big furniture shop came out of Cranleigh as they did not need larger size of building anymore. Parsons Brinckerhoff, previously in a 60,000 sq ft premises, was also a loss to the area, with one agent feeling that they were 'allowed to leave'.

Gordon Murray Racing could have come to Waverley however no available space was found for them. The departure of the WWF, who were located in a 25,000 sq ft building, was cited by all agents as something that could have been avoided, despite the organisation approaching Waverley Borough Council to discuss expansion opportunities. Woking Borough Council's enthusiasm and efforts to accommodate the organisation are also emphasised.

Other departures are Sita (20,000 sq ft), Scotts (12,000 sq ft) and Hotel Plan (20,000 sq ft).

One agent said, *'Businesses leave as they can't get what they need here; they often have to relocate to the Blackwater Valley or Guildford when they want to grow'*.

#### **Waverley's Main Competitors**

Guildford and Farnborough are two of the big competitors with better quality and style of buildings, and bigger spaces available for when businesses want to expand.

Camberley, Horsham and Petersfield are also noted as being towns businesses will consider over Waverley. Horsham is considered to have a better retail offering, a Waitrose and a good train station.

#### **Adequacy of Commercial and Industrial Property in the Area**

There is a substantial shortage in the industrial warehouse market and a lack of new build in this sector, which is a great shame as the demand is there, it goes quickly and for a high rent. Much more of this type of space is needed, not the Amazon size of premises, but for smaller occupiers.

With retail there is not a lot of stock, but lots of enquiries.

Generally, as mentioned previously, the office market is in limbo, but there is not enough there if the demand picks up, for example there is nothing in Farnham if an enquirer wants something a bit bigger. There is not much modern office space in the Borough and lots of office buildings are now residential.

Currently, the demand is not there to warrant building more office space; the rent prices don't stack up against construction costs. However, if that changes, more appealing, modern, sexy office space is needed, not the traditional old buildings of years gone by.

With bigger businesses having vacated premises, it is seen as an opportunity to get several smaller businesses into one 60,000 sq ft building; which many smaller businesses like as they end up in an HQ building without having to pay the price of it.

One agent said that the Council's policy seems to be entirely centred on Dunsfold, even though the road network there is not that good.

#### **Constraints on businesses being attracted to or growing in Waverley**

There are some other factors that can prevent businesses choosing to locate or expand in the area.

- The lack of available premises as outlined above.

- The small size of the towns can discourage some; it is part of their charm in some ways but it doesn't represent an appealing prospect for many.
- The rail service is said to have gone downhill, with regular delays, cancellations and diversions. Farnham doesn't have a good train line, Cranleigh has nothing, Godalming's line is okay.
- The fact that Waverley Borough Council seems to have no register of land available for potential investors to see; a couple of the agents said 'they might have the land, but they don't seem to want to share information on it'.
- Similarly, there seems to be no marketing of the area and the opportunities; not even the online marketing which other Boroughs do to attract inward investment. It is very easy and cost effective and Waverley don't seem to do it at all.
- The Council seems over-focused on the supply of housing to the detriment of business and PDR has reduced the amount of commercial opportunities. For example, when WWF left, the premises were turned into flats, some of which, it is said, went to 'less desirable tenants' which has reduced the commercial appeal of the area. Cranleigh has lost a lot of industrial to housing.
- The collective impression is that the Council seeks to convey the message that they are 'happy to chat', but doesn't follow it up with discussions and decisions. An agent said, *'the most important thing for economic development is the courage to make a decision and to make it quickly. Inward Investment opportunities don't hang around and need quicker decision making'*.
- An example is given of a major investor seeking 80,000 sq ft of space and arriving for an appointment with the Planning Department. However, due to the investor parking in the wrong space at the Council car park, they were asked to move. The handling of the situation is believed to be integral to them deciding to go elsewhere.
- It can be hard for some businesses to recruit, due to bad connectivity and expensive housing. The main constraint is the cost of living in the area; residential and commercial used to be on a par, now residential prices are twice as high as office space.

#### Potential For Attracting Larger Businesses

The main response here is to question whether the area is the right place to try and attract big business, and whether it is better to remain a nice place to live and work on the scale it is already achieving.

There are smart business parks in Camberley, Farnborough, Fleet, but it is doubted that they could be successfully replicated here.

This is largely due to the factors outlined in the previous section.

Godalming has lost a lot of its bigger buildings. The biggest in Farnham is 22,000 sq ft and there have been virtually no enquiries for it. Surveying activity in London does not have Waverley on its radar; the towns are too small and Guildford has more to offer. Farnham is a bit 'crafty and twee' and is unlikely to appeal to big business.

### Conditions for Waverley to Retain Key Businesses

The main point made is how the local authority needs to make every effort to make sure businesses feel valued and cared about, and that this is often an area where the local authority falls down. They should seek opportunities to make a business's life as easy as possible and ensure they have an easy, direct channel to ask for help and planning advice. It is all about attitude and the local authority needs to demonstrate a proactive and supportive one.

Having one nominated person within Waverley Borough Council who can bridge the gap between planning regulators and businesses will help. Councillors have their own agenda, and it requires someone who has the overview of it all to understand what is needed.

The team at Waverley are well regarded, however more proactivity and engagement are considered to be needed. Officers picking up the phone regularly to commercial agents to find out what is happening in the market, would have a positive knock-on impact to local business as they will benefit from that dialogue.

As mentioned in other sections, infrastructure improvements, such as to public transport, traffic and broadband are also key to retaining businesses in the area.

### 10-Year Vision Of Key Sectors And Economic Profile

Agents struggled to think of a 10-year vision or to identify key sectors. One agent stated:

*'I suspect not a lot will change as I'm not sure the members genuinely want it to. I suppose it is good for the environment if there are not loads of developments!'*

Comment is made instead about how Waverley Borough Council could change this. For example, by making land available, and if that is not possible, then making better what is already there, and doing so quickly, cutting through some of the planning and policy that is the 'bane of agents' lives'.

It is commented that *'buildings stay empty because of policy; it holds back growth. Look at Woking - the Chief Executive brushed away all obstructions and made things happen. Some might not like it, but at least he has made changes. Look at Woking and do it better'*.

The question is asked about where the new population and new housing residents are going to work, and that there is a need to focus on building business not just housing.

In terms of sectors, a couple of areas are highlighted as possibilities, such as filming and the computer games industry. For the latter, UCA has courses in this area and a couple of gaming companies have come to Farnham, although Guildford is clearly the main hub. It is emphasised that both these sectors would need encouragement to gain traction.

#### **Development Needs And Potential Of Town Centres**

All the agents agree that local commercial rents are not that high, especially compared to Guildford. One agent also refuted that there are many long-term voids in the town centres, especially in Farnham where currently there are only 2-3 empty shops, one of which in the process of being fitted and the landlord has strict criteria as to who takes the other one.

It is felt that the strong, appealing character of the towns is a big asset and that more pragmatic planning is needed to maximise their success. For example, relaxing the rules around having to cook off-site in some premises.

Although business rates are not within the Council's control, they somehow need to be made more conducive to business as often they are based on historic rents.

The Council is urged to respond quickly to commercial demands; for example, if A2 brings in footfall, let it be A2. Don't be overly prescriptive; look at where the footfall is likely to be and go for that.

The Council car park in Godalming is considered to be under-utilised and therefore could be a site for some development. There is also a need for a good hotel to be brought into the town.

In Cranleigh retail is hugely outweighed by housing stock; there needs to be some thought around new uses and occupiers, perhaps more entertainment and leisure facilities.

Landlords locked in to higher rents from previous big-name stores need to be persuaded to adjust their expectations in order to attract smaller names.

Rents in the West Street Castle Street area used to be £110 sq ft but now have come down and are the same as the secondary rents in places like the other end of West Street and Downing Street, closer to £70 sq ft.

#### **Key Commercial Sites and Their Potential Uses**

Agents stated they could not think of many, or even any, commercial sites with potential for development. One agent said they have asked Waverley Borough Council for a list of development sites and not received anything in response.

Dunsfold is the main area of potential, with a quarter of a million sq ft to be developed. It is highlighted that it will take time to let it out but it has potential, even though a lot of it is now housing.

Mansfield Park in Cranleigh is also mentioned, and the fact that, as Cranleigh is expanding with housing stock, there needs to be the jobs and businesses in line with this. However, its lack of connectivity is a drawback.

One of the agents said if there were a development of small industrial units, they could be let off plan, but that developers would have to be really quick as the market is at its peak. With a forthcoming rent re-evaluation and the fact small business rates will be coming to an end, this will be likely to lead to a drop in demand.

One site highlighted as having potential is a redundant golf course outside Cranleigh, called Wild Wood. An agent said it did have planning for a hotel spa but didn't go through and that it could be used for a mix of leisure and business, office and industrial, as an alternative to Dunsfold. It is thought to be around 248 acres.

### Key Priorities For Infrastructure and Other Improvements

Internet speed is key; it needs to be a minimum of 100 megabytes. Generally, it is fine across the Borough but the local authority needs to make sure it remains in line with other areas and with demand.

In terms of traffic, congestion around Farnham is highlighted and, whilst no specific suggestions are made, any improvements would be welcome.

One agent commented that building new roads would only serve to increase the volume of traffic, and another agent suggested that giving more roads a 20mph speed restriction would make it a safer and nicer place.

Improvements to public transport are considered to be crucial, as it is so fragmented and travel to work around the area is generally very difficult. It is recognised it will require a mindset change for many, as there was at one point a shuttle bus to Coxbridge Business Park but not many people used it.

In the knowledge it would be almost impossible, one agent suggested opening up the railway line from Cranleigh to other towns would help Cranleigh grow.

## 7.2 Commercial Property Availability

### Currently Available Employment Space

An analysis undertaken in April 2022 of office, industrial and warehouse space available in and around the main settlements is summarised below.

Advertised Employment Space, Waverley Borough, April 2022	Flexible Workspace/ Serviced Office	Offices	Office or Retail, Leisure	Office, Distribution Warehouse,	Warehouse, Industrial	General Industrial

			and Other Types	Offices, Industrial		
Area						
	Sqft	Sqft	Sqft	Sqft	Sqft	Sqft
<b>Farnham GU 9&amp;10</b>	4,670	77,566	6,050	6,962	108,488	21,000
<b>Godalming GU 7&amp;8</b>	2,310	57,555	2,318	3,365	0	2,276
<b>Haslemere GU27</b>	1,980	924	0	0	0	0
<b>Cranleigh GU6</b>	0	600	0	0	27,282	5,600
<b>Total</b>	<b>8,960</b>	<b>136,645</b>	<b>8,368</b>	<b>10,327</b>	<b>135,770</b>	<b>28,876</b>

Source: EG Property Link. Vacant Office and Industrial Space Waverley 21st April 2022

As can be seen there is ample provision of office space currently available at around 137,000 sqft, the vast majority concentrated in Farnham and Godalming. A further 19,000 ft.<sup>2</sup> in the form of mixed office and retail office and distribution space is also available. However, there is only just under 9000 ft.<sup>2</sup> of all-inclusive flexible workspace and/or service offices currently advertised. As regards warehouse and industrial space there is around 174,000 sqft mostly located in the Farnham area although there is 34,000 ft.<sup>2</sup> of warehouse in industrial space around the Cranleigh area.

### Workspace Centres

The borough has a number of workspace centres. These are mostly serviced offices as opposed to shared space communities. The above analysis suggests that around 9,000 sqft was available amongst these developments.

Eastgate  
 St Paul's House  
 Clockhouse, Dogflud Way  
 20 Riverside, Riverside Industrial Estate, Dogflud Way  
 Alexandra House, 1 Waverley Lane  
 No 11, Riverside Park Industrial Estate  
 6 Riverside Park  
 The Granary, 1 Waverley Lane  
 Coltwood House, 2 Tongham Road, Farnham, Surrey  
 The Space Coworking Farnham  
 Regus Business Centres  
 Source: EG Property Link

## 7.3 Planning Policy Framework

### Employment and the Economy

Economic growth needs to be balanced against the need to protect the unique character and environment of Waverley and respond to climate change.



The Council is mindful of the need to deliver new housing and that it also contributes to economic growth. Employment land that is no longer suitable for employment is therefore a source of housing land.

The EM3 LEP's objective is to achieve economic growth and create jobs through a number of interlinking interventions, such as: enterprise development and competitiveness; the generation and commercialisation of innovation; the growth of high value industries; the development of skills needed by employers.

EM3 LEP's Strategic Economic Plan recognises the significance of the area to the growth of SciTech and the importance of SMEs, and the rural economy. However the priority for intervention is on Growth Towns which deliver a high proportion of jobs, such as Basingstoke, Guildford, Farnborough, Woking, and on Step-up towns with economic potential, such as Camberley, Aldershot, Andover, Whitehill/Bordon and Staines. Waverley is not identified as a strategic location for employment, nor is any of its settlements identified as Growth Towns or Step-up towns.

Surrey's Local Economic Assessment shows that Waverley is the 22<sup>nd</sup> most competitive borough in the country; with a business density of 72 businesses per 1,000 adults in 2007, the highest in the county.

Most of the Borough's employment development is concentrated within Waverley's four main settlements: Farnham, Godalming, Cranleigh, Haslemere. However there are also a significant number of premises or land in employment in the smaller settlements and the rural area. Dunsfold Aerodrome has approximately 17.5 ha of commercial land.

Waverley's Economic Strategy 2015-2020 set out the Borough's characteristics, including a higher than average economic activity rate. One objective was to make the best use of Waverley's existing supply of employment land, to accommodate small levels of employment growth in key growth sectors, and explore opportunities for higher levels of mixed use development and growth. The accommodation needs of SMEs was also a priority.

The Waverley Employment Land Review 2016 showed that the surplus in B1c/B2 and B8 up to 2033 is forecast to be more than enough to meet the shortfall in B1a/b forecast in the same period. However it also states that, although it should be sufficient quantitatively, qualitative factors such as location, quality, type, size and accessibility do not mean that all surplus B1c/B2 (light/general industrial) and B8 (storage and distribution) sites will be suitable for meeting future need for B1a/b (office and R&D).

Market analysis for the ELR suggests that Waverley's market is constrained by a lack of flexible industrial premises that can accommodate SMEs. The Borough has lost all or part of 90 employment B1a premises since the amendment of PDR to allow for change without planning permission.

As limited supply is likely to constrain business growth and investment, the ELR recommends that as well as providing additional B1a/b floorspace, it is also important that the Borough

provides a continuing supply of land suitable for B2 and B8 use as well as premises for a wide range of business sizes.

Tourism in Waverley supports over 2,600 jobs and there is potential for the creation of luxury, boutique and budget hotels in Waverley, with Farnham and Godalming being the main areas of interest.

In order to meet the demands of the economy and businesses flexibility, the ELR recommends that the Council safeguards its existing sites for B1a/b and explore opportunities to provide additional B1a/b floorspace from B1c, B2 and B8 uses.

It also recommends the Council safeguards good quality, fit for purpose, B1c, B2 and B8 sites to maintain a diverse business base.

In order to protect existing employment sites, the Council will permit the change of use of existing employment sites to residential and other uses, where it is clearly demonstrated that there is no prospect of employment use.

Source: Local Plan Section 10

#### Current Provision of Employment Sites

The Local Plan sets out that the provision of development for economic growth to meet the needs of the economy, including at least 16,000 sq m of new Use Classes B1a/b (offices/D&D) floorspace, will be delivered through:

- The allocation of sites for additional employment floorspace: on land off Water Lane, Farnham; on land at Dunsfold Aerodrome; and in accordance with relevant saved policies of the Waverley Borough Local Plan 2022 and in Local Plan Part 2.
- Permitting new employment and development within defined settlements that meets the criteria set out in relevant saved policies.
- Permitting the sustainable redevelopment, intensification and/or expansion of sites presently used for employment uses that meets the criteria set out in relevant saved policies.
- Promoting a strong rural economy through the re-use and conversion of existing buildings and well-designed buildings for economic development and promoting the development and diversification of agricultural and other land based rural businesses.
- Making provision for accommodation for visitors to the Borough.

The Council's LAA 2016 identified one new site off Water Lane, Farnham that is solely suitable for employment use, and employment development has also been promoted as part of mixed use development on a number of other sites. New employment development is set out to be mainly focused on the settlements of Cranleigh, Farnham, Godalming and Haslemere, where services, connectivity and labour are strongest.

Outside the settlements, the appropriate expansion and growth of existing business premises and the conversion of rural buildings is also supported where there is no detrimental impact.

The redevelopment of Dunsfold Aerodrome also presents an opportunity for employment development, with a projected increase of approx. 26,000 sq m.

In some cases, uses outside the Use Class B land may be appropriate for the reuse of existing employment premises or the reuse of rural buildings.

As well as the provision of new employment land, there is also merit in encouraging SMART economic growth and the ELR has identified a number of existing employment sites that provide the opportunity for this in the short and longer term. SMART economic growth includes measures such as changing working practices to support live/home working and developing ICT.

**Source: Waverley Local Plan Part 1: Strategic Policies and Sites February 2018 p85**

### **Housing Development**

The Local Plan sets out that the Council will make provision for at least 11,210 net additional homes between 2013 and 2032, or 590 dwellings a year. The following numbers of new homes are planned:

Main settlements:

Farnham 2,780; Godalming 1,520; Haslemere 990; Cranleigh 1,700; Dunsfold Aerodrome new settlement 2,600.

Large villages:

Bramley 90; Chiddingsfold 130; Elstead and Weyburn Neighbourhood Plan area 160; Witley, including Milford 480.

Smaller villages:

Alfold (not including Dunsfold Aerodrome) 125; Churt 15; Dunsfold (not including Aerodrome) 100; Ewhurst 100; Frensham 20; Tilford 20; Womersley and Shamley Green 30.

In addition, 188 dwellings are set out in the Local Plan to be delivered on windfall sites in the large and smaller villages, based on past trends.

**Source: Waverley Local Plan Part 1: Strategic Policies and Sites February 2018 p48**

## **7.4 Key Development Sites and Locations**

### **Allocations for Additional Employment Space**

The Waverley Employment Land Review, April 2016 has projected an overall shortfall of offices of 4659 sqm (50, 135 sqft) but with a surplus of 86,000 sqm (92,500 sqft) of light industrial and storage and distribution space.

As regards new employment development, within the Local Plan two main sites have been allocated for development:

- Land off Water Lane, Farnham where 16,000 m<sup>2</sup> of offices and R&D space has been allocated
- Dunsfold Aerodrome where 28,000 sqm has been allocated

New employment development will be permitted within defined settlements subject to meeting the criteria of existing policies for non-strategic sites. Within the rural areas the local plan provides for permitted reuse and conversion of buildings and provision is also made for accommodation for visitors to the borough for business or tourism related purposes.

Source: Waverley Employment Land Review, April 2016

## 7.5 Planning and Development Issues

The findings below are drawn from an interview with the Council's planning policy team.

### Protecting the Borough's Character

A major concern has been to preserve the character of the area and protecting the green belt. Waverley's natural beauty and ecological importance are key assets and the desire is to discourage putting pressure on sensitive areas.

### Housing

Housing to meet demographic needs is a major policy focus. There are affordable housing targets oriented to the need to meet demand for key workers as well as for accommodating small levels of growth as informed by the parish Councils and the way in which housing needs to meet the needs of these local communities.

A main concern is about pushing for too much growth which would result in additional housing numbers being required. Therefore, the borough's planning policies are not oriented towards major office or industrial development and are concerned with guarding against the potential consequential impact of economic development if this were to result in high housing numbers. Moreover, with 50% of the local workforce commuting outwards and given the difficulties to attract key workers a push for further employment is not considered justified.

Key areas that the Council would like to support are:

- Encouraging less outward and inward commuting, encouraging high income residents working out of the borough to work in Waverley
- Attracting high spending visitors
- Addressing climate change and related economic opportunities
- Provision of facilities to support small businesses and working from home

### Development in the Urban Settlements

New employment development is set out to be mainly focused on the settlements of Cranleigh, Farnham, Godalming and Haslemere, where services, connectivity and labour are strongest.

Much of the commercial space formerly available has been lost as permitted development rights enable such buildings to go to housing uses. Article 4 agreements have been put together to protect a number of office buildings, but these need to be renewed and this is subject to consultation so there is a risk of such buildings being lost. In Catteshall most of the former commercial premises have been converted to housing. Currently the borough is losing a number of industrial premises around the station the situation is therefore under review.

The stance on town centres is to reflect the changing economy, the impact of online retailing and the effects of larger centres outside competing with local provision. However current planning policies are based on retail studies dating back to 2013, since which there have been major shifts.

The Economic Development Strategy will need to align with and not conflict with the Local Plan. The review of the current Local Plan due in February 2023 will therefore need to go hand in hand with the Economic Development Strategy.

### **Industrial Development**

As regards industrial development, the policy is not to promote development of large industrial premises though the policy is flexible. The employment land review commented that Waverley was not a suitable location for such activity.

### **Scope for Large Scale Projects**

Nothing in the Local Plan includes policies for large scale projects. There are no other major sites apart the from the allocations in Water Lane and Dunsfold but some sites could be looked at throughout the borough if further employment space were needed.

However, if a major opportunity such as a significant film studio were to come forward then due consideration would be given too accommodating it somewhere within the borough subject to protecting the environment and making full use of the existing built environment.

There is no prospect of developments being proposed on the green belt. Any specific targeted initiatives need to be evidence based and until a firm grip on the circumstances and changes the borough has to deal with is achieved it is not possible to formulate such initiatives.

The Dunsfold aerodrome site will incorporate current uses, mixed commercial development and mixed housing. There is a strategic policy in the local plan along with a separate strategic policy document for it, though much is still open to interpretation.

### 7.6 Infrastructure Priorities

#### Key Transport Policies

There are four key cross-cutting pillars within the Surrey Transport Plan LTP 4

##### Active Travel and Personal Mobility

This is to prioritise walking and cycling. Currently in Waverley, a local cycling and walking improvement plan is being drawn up for the entire borough. The improvement plan defines the network of routes for cycling and walking that will be typically developed within 2-5 miles of each of the town centres. These will include some have fast routes into the town centre and stations which will link in with the liveable areas through distribution routes. The local walking and cycling plan may link towns, for example between Godalming and Guildford. For this type of initiative there are now subject one or two rounds per year. To be successful, detailed plans need to be in place well in advance.

##### Public and Shared Transport

This is focused currently on buses and strategies will vary according to the different priorities within different places. There is scope for developing high quality bus corridors but in the short term the tendency is to prioritise the hinterland areas of around the settlements, linking the extremities into the town centres and providing good access to schools and hospitals. Creating high quality bus corridors depends on the commercial operators and has to be on discrete routes where the population and demand is big enough to generate high use of the services that make them viable.

In the long-term, people will dial up an autonomous vehicle to pick them up once these are seen as safe and are accepted, in which case there would not be much appeal for getting on a bus, though this would be a radically different model and unlikely to appear for some considerable time.

##### Electric Vehicle Charging

This relates to on-street parking and residents and the aim is to run a concession for the private sector to roll out installations. Transport for the South East has not developed appropriate models for electric vehicles use by the disabled and this needs to be rectified so that appropriate guidance can be put forward before the programme can be fully rolled out.

##### Planning for Place

This centres around the creation of liveable neighbourhoods involving the community in planning how to make peoples' residential areas quieter by creating places where people can

walk and play. The liveable neighbourhoods initiative involves reducing speeds, closing off roads then creating amenities like small open space, play areas or community amenities such as coffee concessions at closed off ends of roads. This initiative does not involve any dedicated routes but more greening of the streets and reducing speeds.

#### Strategic Highway Programmes

Alongside these pillars are the high impact strategic programmes, which account for 85% of all expenditure County-level expenditure.

Amongst these, the major priority for the Waverley areas is improving the A31 Farnham corridor, a major scheme being push forward along with in conjunction with the Department for Transport, for which an outline business case has been submitted and is awaiting approval. The mainstream programmes also involve improvements to the general road network, mainly small-scale junction improvements. Surrey County Council deploys a prioritisation tool to rank such transport improvement schemes.

Source: Surrey Transport Plan LTP 4

## **8. Digital Connectivity**

### **8.1 Why Digital Connectivity Matters**

Waverley needs to accelerate the roll out of high-performance digital connectivity across the borough for a number of reasons.

- The drive towards net zero, measures to reduce the need to travel combined with constraints in the supply of commercial property and the after effects of the pandemic have intensified the need for alternative work patterns.
- Working from home and/or in shared workspace communities along with hybrid working is becoming increasingly the norm across a high proportion of knowledge-based occupations. High broadband speeds are essential to enabling and maintaining these newly emerged work patterns.
- Tomorrow's industries will be predominantly digitised and data-driven replacing many traditional work roles. These will be intensively dependent on high-performance digital connectivity and key to boosting productivity and value-added wealth creation.
- Waverley needs to be ahead of the game in this regard in order to compete for the types of investment that can deliver high-quality, well-paid jobs. The promise of an ultra-fast broadband infrastructure would be a powerful asset to add to the list of persuasive selling points.
- Before the pandemic, slow broadband speeds were holding business development back. Post Covid, it is putting business livelihood at stake. The impact of Covid19 has magnified the need and urgency to deliver a step change in digital connectivity.
- In a typical family household, parents working from home, and children dependent on the internet for their homework as well as for gaming and entertainment require high speed connectivity.
- High speed connectivity can make Waverley's rural areas, which already accounts for 32% of all businesses and 21% of employment in the borough fully viable for modern day businesses.

Currently the local economy is hindered by slow speeds and lack of consistent coverage, and practical constraints are being felt by some frontier sectors, particularly virtual reality gaming, big data and machine learning, with many examples of how these businesses are being held back.

### **8.2 Growth of Digitisation**

The EM3 Local Industrial Strategy highlighted the need for a step change in digital broadband and mobile connectivity. It found a significant gap between maximum speeds in any area and the average speeds and that businesses are less well served by broadband operators who favour domestic users.



The digital sector is an increasingly important part of the modern business base and is extremely diverse.

Waverley's best opportunity for creating a dynamic growth cluster lies in film, electronic games and immersive technologies activity for which the University of Creative Arts is a major generator of relevant skills. High-capacity digital connectivity will be essential for these activities to grow.

Source: EM3 Local Industrial Strategy

### 8.3 Evolution of fast Broadband in Surrey

Up until the early years of this century, most premises relied on ADSL which was based on copper wire technology. Openreach and Virgin Media O2 then upgraded the infrastructure to Superfast.

In the case of Openreach, they started to upgrade their network to Fibre to the Cabinet (FTTC) which provided superfast download speeds of up to 80Mbps. In the case of Virgin Media O2, more than 60% of Surrey premises could already access their network which was a copper-based co-axial technology.

In 2011, Surrey County Council undertook an Open Market Review (OMR) to understand the broadband landscape of Surrey. This identified that more than 84,000 homes and businesses (approximately 20%) were not included in any commercial plans.

SCC subsequently signed a contract with Openreach to connect as many of these premises to faster speeds. More than 84,000 premises were upgraded as part of the Superfast Surrey Broadband Programme to speeds of more than 24Mbps.

With the need to access ever faster speeds, Fibre to the Cabinet (FTTC) technology which provided superfast speeds is no longer being deployed and all network operators are now installing gigabit-capable infrastructure (1000Mbps) via full fibre (Fibre to the Home or FTTP) or 5G.

Source: SCC Digital Connectivity Office

The government's aim is for 85% of all UK premises to benefit from gigabit-capable speeds by 2025.

Early initiatives have been instigated by Enterprise M3 including: Gigabit EM3 Town & Rural, a £4.5m programme to employ gigabit capable fibre along an initial route between Guildford and Basingstoke. (Source: Enterprise M3 Revive and Renew P38, 39).

### 8.4 The Government's Policy

The Government has set clear, ambitious targets for the availability of full fibre gigabit capability and 5G networks and wants to see 15 million premises connected to full fibre by 2025, with coverage across all parts of the country by 2033 and for the majority of the population to have 5G coverage by 2027.

To meet its ambitions, there must be a sharp increase in the pace of full fibre roll out for the Government to recoup the level of investment required for the national roll out of full fibre, and to stimulate the delivery of more valuable services to help pay for this investment. This large-scale investment will require the mass take-up of full fibre services to recover the costs of the new networks. To meet the ambition of world class digital connectivity for the UK, no part of the country being left behind.

To deliver nationwide full fibre connectivity at pace, the Government is promoting competition and commercial investment where possible, then intervening where necessary to address gaps.

The DCMS Future Telecoms Infrastructure Review stated that the Government estimated that:

- At least a third (with the potential to be substantially higher) of UK premises are likely to be able to support three or more competing gigabit-capable networks
- Up to half (or lower if there are more than three network areas) of premises are likely to be in areas that can support competition between two gigabit-capable networks
- Around 10% of premises are in areas that, while commercially viable for at least one operator, may not benefit from investment. The Government will use 'competition for the market' mechanisms to secure investment in areas.
- In the final c.10% of premises, the market alone is unlikely to support network deployment and additional funding of some description will be required to ensure national coverage.

The Government is therefore relying on the market to get up to 90% of gigabit capability connectivity nationally.

Those areas that are likely to be unviable commercially for full fibre deployment will require additional funding of some kind.

By way of the Project Gigabit programme, it has identified additional funding of around £5 billion to make sure that fibre delivery in these areas starts early -see further details below.

There are alternative solutions that may also deliver ultrafast connectivity in harder to reach areas, so in areas where it may not be cost effective to get fibre all the way to the home, even with additional funding, other technologies like hybrid fibre-wireless solutions would be deployed to deliver gigabit connectivity.

Source: DCMS; Future Telecoms Infrastructure Review

### 8.5 Progress in Delivering Full Fibre Connectivity in Waverley

Openreach and Virgin Media O2 are the two major providers, but the government has been keen to open up the market to the smaller providers. These smaller suppliers, known as Alt Nets, are ramping up their installation programmes to get their infrastructure in place before Openreach and Virgin Media O2.

# Waverley Economic Development Strategy Review 2022:

## Evidence Base

There are a number of whom are already investing in Surrey and 75% of Surrey premises already have this gigabit capability.

Only 4.89% of coverage in Surrey is by the Alt Nets. The rest of the 74.8% coverage by 2026 is by Openreach (FTTP) and Virgin Media O2 (FTTP or DocSIS 3.1). In Waverley, gigabit-capable coverage is 45.69% and of this Alt-Net coverage is 16.7%, so a higher percentage of Alt Net coverage is already taking place in Waverley.

There has therefore been positive progress in Waverley in achieving gigabit-capable coverage not least of all through the interest shown by the smaller providers, in Waverley. Swish Fibre, Fibre & Wireless and Grayshott Gigabit are all providing full fibre connections to Farnham, Godalming, Haslemere and Hindhead. Box Broadband is doing a considerable amount of full fibre installation in Cranleigh, Ewhurst, Ellen's Cross and Chiddingsfold.

Broadband for Surrey Hills (B4SH) are also providing full fibre connections in the south and west of the County to hard to reach premises, including areas close to the Guildford-Waverley border, such as Wonersh, then working down through Shanley Green, Stroud Green and Willinghurst towards the outskirts of Cranleigh.

STATUS	Already Connecting Homes and Businesses		Plans Announced to Deploy				
	Box Broadband	F&W and Hey Broadband	Grayshott Gigabit	Swiss Fibre	Basingstoke-Guildford Spine	Virgin Media O2 See note below	Openreach: where upgrading premises to FTTP by 2026
<b>AREA</b>							
Beacon Hill			√				
Chiddingsfold	√						
Churt			√				
Cranleigh	√			√			√
Ellens Green	√						
Elstead		√	√				
Ewhurst	√						
Farnham				√	√		
Frensham			√				√
Godalming		√		√	√		√
Grayshott			√				
Haslemere				√			√
Hindhead			√				√
Tilford			√				
Wormley							√

Source: <https://www.surreycc.gov.uk/business/digital-infrastructure-coverage>



In addition to these developments a proposed fibre spine between Basingstoke and Guildford funded by Enterprise M3 is planned. This will run in an S shaped loop and will pass through Godalming and Farnham. No decisions have been made so far about where the spurs will run off from this spine. This will depend on decisions by Enterprise M3.

In December 2021, Virgin Media O2 undertook an internal reconfiguration of their existing network across the UK. This means that residents or businesses in Surrey who can connect to the Virgin Media O2 network can now access the Gig1 service with gigabit-capable speeds. They have also announced plans to upgrade their whole existing network to Fibre to the Premises (FTTP) by 2028.

Large new commercial developments in Waverley are expected to be engaging with the fibre providers at an early stage. This is because no businesses are now likely to rent premises unless there is full fibre connectivity. These and new housing schemes are being targeted by the providers.

#### **8.6 Government Support for Hard-to-Reach Areas**

The main area of support provided by the Government is Project Gigabit. This is a £5 billion programme consisting of a series of demand-side (Gigabit Voucher Scheme, GigaHubs) and supplier-side procurements.

In terms of the supplier procurements, the Government is undertaking a series of phased procurements across the country to connect as many homes and businesses that are not included in any commercial gigabit (1000mbps) plans. Most Surrey premises are included in procurement 'lots' in phase 2 and over the past year several market engagement activities have taken place with suppliers to determine which premises may be eligible for public subsidy. In April 2022 this included a market review of Surrey. Procurement is due to start late 2022 with the contract commencing in late 2023.

The Gigabit Voucher Scheme enables businesses and/or residential communities to get together to apply for vouchers which can fund Gigabit capability fibre connections in their localities. Vouchers are worth £1500 for homes and for businesses £3500. Currently the voucher scheme is paused for between 4-9 months while the procurement activities take place.

#### **8.7 Fibre Delivery Support Requirements for Waverley Premises**

A huge amount of data work has been gathered nationally including across Surrey to map and classify the likelihood or otherwise of premises receiving Gigabit capability connections through market driven activity in the next 3 years, as a means of distinguishing those that could be eligible for public subsidy. The government has published its findings and provided these to analyse with a view to addressing gaps. Premises have been classified as follows.

## Evidence Base

- **Black and Grey** - indicates premises with one or more qualifying gigabit infrastructures from different suppliers being available or will be deployed in the coming 3 years. These premises are not eligible for public subsidy.
- **Blue** – Under Review – indicates premises where suppliers have reported planned commercial broadband coverage, but where those plans have been judged through the Open Market Review as potentially being at risk of not being completed. These premises won't be included in any initial procurement but will be subject to on-going monitoring.
- **White** - indicates premises with no gigabit network infrastructure and none is likely to be developed within 3 years by commercial providers. These premises will be considered for inclusion in any initial procurement but it should be noted that not all white premises will be included in the initial deployment

Source: SCC RSPC Update on the roll out of digital infrastructure in Surrey 13 July 2022

The table below shows the number of premises falling into each of these categories by main postcode area.

Post Code	Locality	Black	Grey	Blue	White	Total
GU5 0	Bramley	2	217	2177	722	3118
GU6 7	Cranleigh East	83	1621	2021	274	3999
GU6 8	Dunsfold Aerodrome -Elstead	33	921	1964	893	3811
GU6 9	Cranleigh West	0	0	0	10	10
GU7 1	Central Godalming	0	452	3892	234	4578
GU7 2	Central Godalming	76	801	1801	516	3194
GU7 3	Farncombe	1334	1761	936	110	4141
GU7 9	Godalming West	0	0	0	31	0
GU8 4	Dunsfold-Chiddingsfold	0	468	967	998	2433
GU8 5	Deerlans Lane	0	1071	2294	321	3686
GU8 6	Chiddingsfold Road	0	213	23	1649	1885
GU9 0	Farnham	0	2526	1	648	3175
GU9 1	Farnham	0	0	0	50	50
GU9 7	Farnham	83	3271	87	518	3959
GU9 8	Wrecclesham	28	3996	363	73	4460
GU9 9	Farnham	221	2980	3	679	3883
GU 10 1	North West	0	1367	629	745	2741
GU10 2	Outer Farnham	0	142	211	549	902
GU10 3	Outer Farnham	70	1259	328	95	1752
GU10 4	Outer Farnham	102	2446	105	142	2795
GU10 5	Outer Farnham	0	77	12	96	185
GU26 6	Hindhead	0	71	3332	272	3675
GU 27	Haslemere	0	43	9	18	70
<b>Total</b>		<b>2032</b>	<b>25703</b>	<b>21155</b>	<b>9643</b>	<b>58502</b>

Source: Building Digital UK: Surrey OMR outcome postcode list N.B. These OMR reviews took place in 2021 and data is likely to change once the Government have completed its analysis of the Public Review responses. Also, there are also some Waverley premises in Lot 1 (West Sussex) and Lot 27 (Hampshire) not covered here.



As can be seen some 28,000 Waverley premises appear to be assured of a choice of provision over the next 3 years, with 21,000 at risk of connections not being completed. Some 9,600 premises are considered likely to require Government subsidy.

#### **8.8 Measures to Address Gaps**

There will be gaps in the smaller urban locations and rural areas where premises are hard to reach.

In parallel, mobile connectivity is being upgraded, with more than 50% of the UK now covered by 5G both on the EE network and also on the Three network. Wi-Fi can get to even more premises subject to masts being installed to fill in gaps. This is an important factor as 5G only works with newer technologies so those with older devices may have inadequate coverage. In hard-to-reach areas, extremities in the rural areas are unlikely to get 5G coverage due to the considerable expense involved and other technologies and approaches will need to be considered such as satellite.

Intervention will therefore be needed to get Gigabit connectivity to as many of these hard-to-reach premises as possible.

#### **8.9 Case Study: F&W Networks**

##### **Progress in Deployment of Full Fibre**

In Surrey F&W Networks is deploying gigabit capability fibre in several market towns in Surrey and in Waverley in Godalming Cranleigh and Elstead, the Elstead deployment being funded by the Project Gigabit voucher scheme. The company is also planning to deploy in Farnham and has already completed its design phase involving around 10,000 connections.

##### **Approach to Network Penetration**

F&W Network's focus is on targeting towns and generating demand within communities. Their aim is to get as close to 100% fibre connection as possible across the areas targeted. F&W Networks will design as much as possible in each town if the demand is there other than where there is already competition or are significant technical constraints. The company is there for the long term and will work on filling out the gaps over the course of time.

The company will deploy where a return on investment can be achieved, but not if the cost is prohibitive. However, they are willing to provide installations on the basis of direct contributions from customers or the voucher scheme.

As far as hard to reach areas are concerned, they will try to find solutions such as through self-dig approaches, working through the voucher scheme and erecting masts and poles from which line of sight connections can be made to the surrounding buildings.

##### **Marshalling Demand from the Communities**

The company set out with a project plan for collaboration based on engaging with identified champions. The champions are often people like parish councillors. These are encouraged to work together to promote the connections amongst premises owners by distributing flyers organising meetings and explaining what groups of owners need to do to apply call my receive and redeem vouchers.

#### Ways in Which Progress Can Be Accelerated

Ways in which boroughs and districts can help accelerate progress are to:

- Have a general strategy and road map for the next two to three years for gigabit capability network development.
- Define the coordination measures for attracting private sector investment and for getting funding.
- Develop intelligence of which areas are being covered with fibre networks and by whom.
- Facilitate and enable the process by opening up details of assets, wayleaves and major development schemes in the planning system.
- Identifying and working with giga hubs such as halls, schools and other public buildings.
- Adopting planning policies require any new housing developments to have full fibre connections provided either by developers or via Section 106.
- Facilitation and barrier busting liaising with mobile providers, and mapping provision via the Ofcom tool.

Highway departments are strict but if they can be encouraged to cooperate more closely, network operators would feel more confident about developing their network coverage.

#### Future Support by F&W Networks

Fibre And Wireless will get more involved in addressing digital inclusion requirements such as through online tuition, measures to help the elderly and other initiatives to assist economic growth. Fibre and wireless is keen to add value to Waverley.

#### 8.10 Case Study: Broadband for Surrey Hills

Broadband for Surrey Hills (B4SH) is unique among fibre providers in that it is a not-for-profit Community Benefit Society. All of its directors are volunteers. Its mission is to set up services to those areas within the Surrey Hills area and its hinterland where there is poor internet.. B4SH has so far installed 90 kilometres of ducts in the ground and is spreading out from this installed base. Broadband speeds are 950 megabits per second upload and download. A charge of £37.50 pence is made per month which can be cancelled at any time.

The organisation aims to get internet fibre installed to remote premises by way of the Gigabit voucher scheme. To receive the Gigabit voucher scheme benefits, the required investment to

meet hard to reach properties must already have taken place, so there is therefore a need for upfront cash. To cover this, investments are made by private individuals by way of shares or in the case of Guildford a large contribution. The organisation currently holds some £750,000 in reserves.

Point to point connections are made so B4SH retains the fibre connections infrastructure from homes to the cabinet. The core of the B4SH network is at Silent Pool where the connections are agglomerated then go to a direct connection at Telehouse North in Docklands. As this is B4SH's own kit it does not have to buy expensive capacity from mainstream providers. Their connections have to spread out like a daisy chain, i.e. once an area is connected, B4SH progresses to an adjacent rather than to a new local area in isolation.

Within Waverley B4SH has been making connections in Wonersh, Shamley Green, Willinghurst Estate and Stroud Common and part of Peaslake then down to the outskirts of Cranleigh. The natural route from there would be towards Dorking in the Surrey Hills area so the easternmost part of the borough could be where the next groups connections could take place.

#### 8.11 Case Study: Openreach

##### National Role

Openreach is the national broadband infrastructure provider. It manages a network of 600 providers all sizes and specialisms. Its network has been undergoing a transformation from FTTC (fibre to the cabinet) copper hybrid infrastructure to full fibre across the UK, with a view to delivering Openreach coverage to 80% of the country, covering 25m homes and businesses. Those areas that are hard to reach will be covered by government schemes such as Project Gigabit.

##### Progress in Waverley

The aim is to complete provision across a large proportion of the estimated 48,000 premises in Waverley. Openreach works through area exchanges rather than borough boundaries. Parts of the borough have already received Openreach connections are the borders with Guildford and parts of Godalming. Further announcements are due to be made in October four other exchanges within the Waverley area.

The next phase will include the rest of Godalming and Haslemere, followed by a number of the smaller urban areas, aiming for 75% coverage in each. Outlying premises will be eligible for government intervention or alt net solutions.

##### How to Check Coverage

It is not possible to project in advance which premises will not be covered, but Openreach makes it possible to clarify progress via the online checker, entering the post code then checking colour coding indication to show what has been built where.



country.<https://www.openreach.com/fibre-broadband/where-when-building-ultrafast-full-fibre-broadband>

#### **How Full Fibre Connections Could be Accelerated**

Waverley accelerate the move towards 100% Gigabit capability through number of approaches.

Having a local coordinator is useful because the providers do not have enough of their own people to carry out the engagement with all of the different parties involved.

- The key role is encouraging the formation of community partnerships amongst groupings of homes and businesses. Education and awareness sessions about Project Gigabit would be useful in preparation for when the scheme resumes.
- Access to the borough council's own housing can help accelerate installation.
- Some councils have distributed leaflets to inform households and businesses that the connections have now been completed, because often property owners don't know they are connected and take up does not happen automatically.
- If there is a difficulty with private landlords, it is useful for there to be a contact within the council who can make introductions or act as a mediator in the case of any disputes between neighbours.
- Generally keeping red tape to a minimum.

#### **8.12 Local Measures that to Accelerate Full Gigabit Coverage**

##### **Key Aims**

- Acceleration of gigabit capability fibre connections to all towns and villages all homes and business premises within the borough and to all homes and business premises.
- Maximum take of the Project Gigabit support by the premises in the borough not eligible for the Government's procurement scheme but eligible for the voucher scheme.
- Identified solutions for Gigabit capability where fibre connections are not viable.

##### **Key Roles for Waverley Borough Council**

Waverley Borough Council and its partners have a key role to play in facilitating accelerated provision of Gigabit capability.

- Setting up a coordination resource, as per the roles described below.

- Facilitating FTTP connections to the Council's housing stock, operational centres and administrative offices.
- A streamlined process to wayleave applications, particularly where there is land owned by the Council.
- Having fast track systems and administrative procedures in place so that there is no delay regarding installation of new ducting, poles and cabinets installed through permitted development rights.
- Liaison if necessary with Surrey County Council on removal of any constraints and obstructions to civil works which could delay the laying passive infrastructure like ducts and poles and reducing red tape when digging across roads.
- Interventions with railways where it is necessary to cross their lands.
- Possible investment in commissioning of fibre links where upfront investment is needed for voucher funded or where or when voucher schemes are not eligible.

#### Key Coordination and Facilitation Roles

A Council appointed coordinator would bring key parties together to increase the rate at which FTTP connections and alternative solutions are delivered, with the following key roles:

- Close relationship building with private sector Gigabit capability providers in order to track progress in the penetration of FTTP connections within commercially viable urbanised and rural areas.
- Continual mapping and monitoring to find out which homes and businesses still have slow speeds, possibly working with the town councils.
- Tracking the existence of premises that have been missed in viable FTTP provision and promoting gap filling by providers.
- Spreading the word about the about the Project Gigabit voucher scheme.
- Mobilising eligible business and residential communities in the hard-to-reach areas and advising and assisting them to plan and deliver the solutions and secure voucher funding from Project Gigabit.
- Acting as a go-between between communities, providers and public bodies to get constraints to full connectivity removed.
- Pressure and influence that can be applied on commercial providers where essential cooperation, such as access to ducting into urban areas is required.



## **9. Place Making in the Settlements**

### **9.1 Overview**

The four settlements of Farnham, Godalming, Haslemere and Cranleigh share a number of common place making issues.

- The need to deliver an adequate good mix of housing to meet needs
- Measures to diversify and enliven and at the same time protect the character of the town centres
- The delivery of high-capacity digital connectivity.

Each has a Neighbourhood Plan which defines a vision, ambitions and objectives and policies for the future development of each town.

The Government's Levelling Up department has been discussing the possibility of local authorities taking over properties which have been empty for a long time due to landlords not being able to agree terms with prospective tenants.

Waverley Borough Council is seizing the initiative through an investment strategy focused on investing in the four main high streets and bringing in more market and social housing and preserving the high streets. The aim is to retain frontage on the high streets in parallel with housing provision following the decline of physical retail. The Council now has acquired or is in the process of acquiring key sites in each town. Details are provided below.

### **9.2 Farnham**

#### Local Policies and Ambitions

The Neighbourhood Plan states the aims of retaining and enhancing the attractive historic market town centre as the economic and social hub of Farnham, retaining a range of retail sizes, promoting a variety of retailer and a thriving evening economy and protecting the clusters of shops and services at the neighbourhood centres. It acknowledge the need for locally appropriate housing mix to meet identified need and the demand for student accommodation within the town.

A perceived shortage of high quality modern accommodation for light industrial uses within Farnham is highlighted and for a possible need to identify further land for modern workshop space as well as through the regeneration of existing sites. The Neighbourhood Plan allocates an additional business site for development.

The Plan supports proposals for a Games Design and Creative Media Enterprise and Incubation Hub at the University for the Creative Arts (UCA) campus compliant with other Neighbourhood Plan policies and favours graduate retention.

## Factors Driving Change

- Planned increase in UCA student numbers from 3,000 to 5,000 intensifies demand for student accommodation and vibrant evening economy.
- Intensified Focus on film and immersive technologies as well as arts and crafts.
- 18% business start up rate by graduating students driving demand for characterful shared accommodation.
- Basingstoke-Guildford ultrafast internet to pass through Farnham.

## Current Council Led Interventions

Brightwells, a regeneration project of 18 to 20 commercial units, a cinema, restaurants and other elements together with leisure activities. It has scope to become high end. It will bring jobs into the centre of Farnham and will open in 2023. The scheme will provide a night life option for students in them Farnham as well as job opportunities for them.

Weydon Lane, an ex-landfill disused green space could become possible a bike park, and bowls club with some sports pitches. It is some way out from the town centre.

Waggon Yard Garages, a scheme involving 10 garages on leases to residents in a car park in the town centre with scope for development into workspace for designer makers, hopefully in conjunction with UCA.

Other schemes under consideration include the possible extension of Farnham leisure centre, situated next to Brightwell's, development of a site for student accommodation and repurposing of former office space at the Pump House.

## Other Interventions Required

Other sites for UCA student housing which is difficult to resolve, though the Council is taking a proactive stance.

Widening the start-up accommodation for young businesses: workshop style spaces for designer makers; interactive shared spaces for digital technology ventures; support for general start-ups and home workers.

## **9.3 Godalming**

### Local Policies and Ambitions

Stated objectives in the Neighbourhood Plan reflect an ambition for:

- a) Protecting the considerable heritage of Godalming and Farncombe and the sensitive natural environment by the River Wey and the Lammas Lands, along with the hillsides that rise up and provide a very visible setting for the town.
- b) Ensuring development enhances the character of the town

- c) Retaining and enhancing the vitality and retail offer of the High Street and Farncombe
- d) Making use of sustainable modes of transport more attractive by improving the provision for walking and cycling as alternatives to the private car
- e) Addressing the impact that strategic scale development at Dunsfold Park will have on Godalming and Farncombe and the railway stations and road infrastructure
- f) Improving accessibility for alternative modes of travel at the railway stations
- g) Addressing the loss of employment and employment sites to housing, by providing modern, flexible employment space for start-ups and growing micro-businesses
- h) Safeguarding and enhancing community infrastructure and facilities
- i) Addressing the needs of an ageing population and related residential and social care provision.
- j) Enhancing accommodation for the elderly, to make way for reasonably priced accommodation for growing families and young people.
- k) Providing affordable housing for key workers.

#### Factors Driving Change

The town council reports that the High Street is going through a transition from retail to experiential services and socialising. This has been going on for a number of years but accelerated during lockdown. Private landlords and pension funds owning the commercial units expecting unrealistic rents, unattractive to new physical ventures, with limited interest in the future of the town centre, only preserving value which can be more valuable empty than if let on a lower rent. Large scale development at Dunsfold Park driving footfall but threatening major increase in congestion.

#### Current and Planned Council Interventions

- 69 High Street, the former M and Co store has been acquired with a view to creating eight dwellings and 1 food and beverage outlet.
- The Council is looking at two more sites in Godalming for food and beverage and for shared workspace.
- Consideration is being given to the creation or enhancement of an undercover marketplace, comprising food and stalls such as the walkthrough from the Crown Court car park.
- The Council is looking at how best to utilise the Berries where there is scope for reducing office space and the residual space sustainably and viably.
- Another scheme may include housing in the town centre and may offer workspace.

#### Other Interventions Required

A coherent planning policy on the siting of telecommunications masts, as this is impeding upgraded provision of tactical provision of high capacity internet and wifi across the town. Widening the start-up accommodation for young businesses: interactive shared spaces for digital technology ventures; support for general start-ups and home workers.

## **9.4 Haslemere**

### Local Policies and Ambitions

The priorities of the Neighbourhood Plan are:

- To encourage development of high quality socially and environmentally conscious housing that meets the needs of the community and respects the character of the area. In particular to encourage development of more homes for young people, local workers and homes suitable for downsizers
- To protect and enrich our green spaces, biodiversity and the natural environment
- To re-balance road use, limiting the adverse impact of motor vehicles by improving provision for off-street parking and improving facilities for alternative forms of transport
- To protect existing employment and to encourage the development of a more diverse range of local employment opportunities to create an increasingly vibrant and sustainable local economy

### Factors Driving Change

The area needs to diversify sources of employment (e.g. through tourism) to replace lost jobs, support current employers by preserving employment sites (where possible) and provide affordable housing for local workers. There is a thriving town centre and lively base of cultural and community activity.

### Current and Planned Initiatives

The Council is looking at extending the high street strategy with the provision of a surgery, pharmacy and community uses together with boutique type shops and housing, with a view to helping the town become a destination to attract visitors and spending. Consideration is being given to a mixed-use development in Haslemere with food and beverage retail and housing and community space to meet local plan targets. In Wey Hill there is scope for a scheme for new community facilities, housing and commercial development. This could act as a driver to bring more commercial activity there.

### Other Interventions Required

The Haslemere Neighbourhood Plan states that Haslemere should:

encourage the development and siting of SME commercial office space in the town to take advantage of the excellent railway connections  
increase the number of residents working in the town and improve economic activity.  
Retain, enhance and manage changes to retail shop frontages  
Support developments for recreational and leisure purposes including hostels, camping and glamping aimed at attracting more visitors provided that such development is sustainable.

## **9.5 Cranleigh**

### Local Policies and Ambitions

The Neighbourhood Plan has proposals for:

- Retaining the village feel of Cranleigh
- Providing for a mix of housing with a variety of social, affordable and market tenures to meet local need
- New development only to be located on brownfield land
- Adequate off-road car parking
- New housing located near to the village centre to encourage walking and cycling
- Protection and enhancement of sufficient green spaces alongside new development
- Encouragement of local employment and businesses including rural enterprises.

### Factors Driving Change

Large scale development at Dunsfold Park may drive footfall but increase in congestion.

### Current and Planned Initiatives

A new leisure centre is planned in Cranleigh. The aim is to develop this is a net zero building, but the centre will have high energy demands. The Council would like to collaborate with the University of Surrey on finding a comprehensive net zero solution. This will be a big challenge. The scheme is in the town centre so will have a regenerative impact. This was start on site in the summer of 2023.

Negotiations are in hand for the Hamleys store which has a plaza at the front which would be ideal for food and beverage. The Council is also redeveloping the leisure centre close by so that will be a parallel focus.

### Other Interventions Required

The intention is to promote similar schemes in Cranleigh along with a possible cinema. Continual monitoring of ultrafast internet provision.

## **General**

### Attraction of Low Cost Food Retail Operators

Estates has a role in attracting operators and is talking to ALDI and Lidl to encourage them to come into the towns.

### Parks



In Broadwater Park there is an old barn which has become disused. This could be regenerated to become a cafe and events venue. Designs have been done to show off the opportunity. The Council owns several parks with similar buildings which could be extended and made into commercial venues.

### 9.6 Godalming Business Improvement District

This would cover the primary retail area as per the local plan with a future programme bringing in £2.1m of funding. For this to be achieved the project must be worked up and presented. However the Chambers of Commerce lack capacity to bring their BID proposals forward.

The scope so far is to boost retail and hospitality through promotion of the town. Godalming has the disadvantage by being five miles from Guildford, where local residents are tempted to go to shop and young people to visit for night life. A previous promotion campaign on the buses and on the radio worked well.

When Dunsfold is developed the choice for shopping and food and beverage will be between Guildford and Godalming. The main role of the BID is therefore to promote Godalming as a desirable and attractive town centre location as opposed to the current perception of a location with a one-way road with a bypass around it.

Godalming has no open air areas or main town square, just narrow pavements and a one way road. However, a number of things could be done to encourage more footfall. There is a park with the bandstand where music is played on Sundays and Fridays from 6:00 to 8:00 pm. This could be funded by selling tables to businesses as sponsors with visitors being able to order a drink and a burger.

The older town centre residents tend to go to the restaurants whilst the younger ones are there to support the night time economy. Instead of going on a train to Guildford there is a need to get the message across that Godalming can provide what the young people need.

There are plans both in Godalming and Farncombe. It is uncertain whether the Chambers of Commerce have the capacity to bring them forward given that they must be business led. This needs a support and capacity from economic development as the Chamber of Commerce capacity is comprised of people running their own businesses in difficult times.

The links to Farnham by bus are not very frequent and there is no train link directly. North-South links are however good.

Data awaited on Farnham and Cranleigh BIDs.

## **10. Regional and Sub-Regional Strategic Policies and Ambitions**

### **10.1 EM3 LEP Strategic Economic Strategies**

#### **Strategic Economic Plan**

Enterprise M3's Strategic Economic Plan 2018-30 set out a vision to transform Enterprise M3 into a globally competitive region, unique for its knowledge, digital and design-based economy and an already-established national asset and economic powerhouse. It identifies two 'stimulants' that will generate economic expansion:

- Digital and Data Technologies – incorporating the ground-breaking 5G Innovation Centre based at the University of Surrey which includes Vodafone, Huawei, O<sub>2</sub> and EE as corporate members, and also the National Cyber Security Centre at Royal Holloway University.
- The Clean Growth Economy – Siemens is working on an Energy Strategy for our region and there are plans to create an energy hub.

These would underpin Enterprise M3's five priorities for economic expansion:

- 1) High value sectors for a globally facing economy.
- 2) Enterprise and innovation for scaling up high productivity SMEs.
- 3) Skills for a high value, high growth economy.
- 4) Connectivity for a 21st century advanced digital and low carbon economy.
- 5) Dynamic communities and sustainable growth corridors.

The plan also highlights how the Government's four 'Grand Challenges' - The Ageing Society; Clean Growth; Future of Mobility; Artificial Intelligence and Big Data - from in the National Industrial Strategy are 'Grand Opportunities' for Enterprise M3.

The Enterprise M3 Local Industrial Strategy is comprised of strategic narratives with a particular focus on digital infrastructure.

- Growth, innovation and productivity in the frontier sectors supported with digital infrastructure, which will attract prospective employees to the area.
- Towns have the digital and other infrastructure needed to support an increasingly multi-functional mix of flexible workspaces, housing, leisure, culture, public and local services, attracting more people in the middle part of their careers to live and work in the area.
- Rural areas benefitting from high-speed broadband and mobile connectivity, and smart mobility, affordable housing and flexible workspaces better distributed across the area to enable more people to work closer to home.

- Investment in infrastructure focused on an agreed view of future spatial growth and economic activity, smart energy systems, maximum access to global markets and improved orbital and east-west movement across the EM3 area
- Health and well-being as a central focus for economy and society and recognising the reciprocal relationship between them.

Digital connectivity needs to match aspirations for clean, economic growth and activity; fast reliable digital connectivity is now fundamental to everyday economy and society. Modern digital infrastructure is required for frontier sectors to operate at full capacity. Currently the economy is hindered by slow speeds and lack of consistent coverage, and practical constraints are being felt by some frontier sectors, particularly VR/AR gaming, big data and machine learning, with many examples of how these businesses are being held back.

This market failure requires an intervention mainly concerning the provision of new fibre, requiring local authorities and public bodies to engage via a clear governance and delivery models. Patient investment is required as payback and income will not be immediate.

### Enterprise M3 Revive and Renew

Prepared in response to Covid 19, Revive and Renew updates EM3's priorities as follows.

EM3 priorities for recovery and renewal are:

- jobs and skills for employment;
- digitisation for new ways of working; growing our low carbon economy;
- supporting business-led innovation and diversification
- entrepreneurship and our high-tech sectors;
- practical and sustainable transport;
- town centres fit for the future and
- convening people and organisations in shared projects.

Source: Revive and Renew p32,36

It also advocates a number of key approaches.

#### Town Centres

Responding to a potential growth in the market for co-working space outside of city centres, by researching interest and identifying sites and intensified challenges for high streets, helping retail to move its offer online.

#### Mobility

Supporting, active travel, transport innovations good connectivity and lower emissions through investment, policy and leadership, building on Sustainable Travel Plans through Local Cycling and Walking Implementation Plans.

## Transition to the Green Economy

Prioritising the decarbonisation of transport and buildings and supporting the partners in developing new economic opportunities and the associated skills and jobs in the restoration sector. Investment in the Future Towns Innovation Hub at Chilworth.

## Attracting High Value Activities

Consider the most appropriate way of supporting the growth of entrepreneurial start up success through advancing the area's reputation as a great place to do business and facilitating the necessary conditions for attracting scale-ups, high innovation companies and entrepreneurs to the area.

## Digitisation

Building of the Covid driven accelerated shift to digitisation and demand spike for networking and capacity services, collaboration software and cybersecurity. Bringing forward the Gigabit EM3 Town & Rural: £4.5m programme to employ gigabit capable fibre along an initial route between Guildford and Basingstoke. The need for a skills programme as well as an infrastructure programme, in order to stimulate employment and progression within the sector, particularly as redundant employees looking to enter the Digital sector.

## Economic Growth Sectors, Drivers and Inward Investment Opportunities

A priority is to attract scale-ups and innovation-led, high productivity sectors to the area, and provision of local workspaces with integrated business support, focusing on the following high innovation, knowledge-based sectors:

- Clean Growth manufacturing/technology
- Games and Creative Immersive Technology
- Space and Satellite especially Earth Observation
- Aerospace and Aviation & Defence
- Health, including Animal Health
- Enabling Technologies including Robotics/AI, Cybersecurity.

## Transport

Working with smart mobility and transport action groups, local and regional transport bodies and TfSE to advance the low carbon transport agenda and necessary transport infrastructure, active travel for individuals and other low emission forms of mobility.

## Enterprise M3 High Growth, Low Carbon

This is the latest Vision document launched by Enterprise M3 expressing its aim to continue nurturing high productivity sectors, driving inward investment and seeing businesses through

Brexit, the after effects of the pandemic, labour shortages, skills needs and ongoing challenges and providing tailored support to businesses through our Growth Hub.

A key focus will be helping businesses to achieve carbon-friendly growth and to compete in international markets, whilst supporting high potential sector clusters, and enhancing the conditions where innovation and enterprise flourish.

The LEP will maintain its independent voice in bringing the private, public and not-for-profit sector organisations together focussing on a high performance, high skill economy, driving economic growth and prosperity for the future.

LEPs will in the future integrate with local authorities and will move forward bringing an independent business voice with the prospect of devolving certain freedoms and powers to local areas.

## 10.2 Surrey's Plan for Growth: Surrey's Economic Future

### Surrey's Plan for Growth

Surrey's Economic Future, One Surrey Growth Board's Plan for Growth, sets out four priority areas of focus. These are:

1. Growing Surrey's leading edge, maximising opportunities within the county's knowledge economy
2. A 'whole Surrey' approach to growing and sustaining quality places, addressing infrastructure constraints to the provision of housing and reinvigorating the county's town centres
3. Maximising opportunities within a balanced and inclusive economy, better aligning skills demand and supply
4. Capturing the potential of a greener economy, delivering the objectives of Surrey's Greener Future.

A series of interventions has been defined under each of these themes.

1. Growing Surrey's Leading Edge

Intervention Area 1-1: Build stronger business-to-business and business-to knowledge base links. *Types of outcome sought:*

- *Businesses engaging with the knowledge base*
- *University/ business research collaborations*
- *University spin-outs/ university-related start-ups*
- *Intervention Area 1-2: Ensure capacity for innovative businesses to expand*

Intervention Area 1-2: Ensure capacity for innovative businesses to expand. *Types of outcome sought:*

- *Additional commercial floorspace delivered*
- *Jobs created and/or safeguarded*

Intervention Area 1-3: Develop a stronger investment 'brand' and offer. *Types of outcome sought:*

- Increased jobs, workforce pay and skills demand within target technology or sector propositions

Intervention Area 1-4: Build a targeted innovation support system. *Types of outcome sought:*

- Increased turnover, access to and take up of specialist support

#### 2. A 'Whole Place' Approach to Creating and Sustaining Quality Places

Intervention Area 2-1: Drive the development of the Surrey Infrastructure Plan

*Types of outcome sought:*

- Delivery of planned growth through housing and commercial developments enabled as a result of infrastructure schemes coming forward
- Additional infrastructure investment secured

Intervention Area 2-2: Improve digital connectivity. *Types of outcome sought:*

- Pending

Intervention Area 2-3: Reimagining the future of the town centre. *Types of outcome sought:*

- Additional investment in town centre locations
- Reduced vacancy rates
- Transport modal shift
- Physical output measures (sq m green space, buildings refurbished, etc.)
- Resident satisfaction

#### 3. Maximising Opportunities Within a Balanced, Inclusive Economy

Intervention Area 3-1: Strengthen the employer voice in skills planning. *Types of outcome sought:*

- Increased supply of new entrants to the labour market (and existing workers) with technical skills that meet employer demand
- Reductions in 'hard to fill' vacancies

Intervention Area 3-2: Promote retraining. *Types of outcome sought:*

- Increased take-up of adult skills/ retraining opportunities
- Increased business resilience as access to skills to respond to technology change increases
- Reductions in 'hard to fill' vacancies

Intervention Area 3-3: Maximise inclusion within the labour market. *Types of outcome sought:*

- Reduced economic inactivity and increased participation in employment and learning
- Greater employer engagement

Intervention Area 3-4: Drive a jobs recovery that works for businesses and employees

*Types of outcome sought:*

- Reduced claimant count numbers (including pace of return to pre-Covid levels)

- Increased take up of existing Government schemes
- Increased entry to employment within identified target groups

#### 4. Capturing the Potential of a Greener Economy

Intervention Area 4-1: Deliver the Surrey Climate Change Strategy. *Types of outcome sought:*

- Achieving Surrey’s ambitious climate change targets
- Generate energy from renewable sources
- More sustainable, lower carbon homes, which are cheaper to run and more resilient
- 60% reduction in carbon emissions from the transport sector by 2035
- Rollout of electric vehicle infrastructure at scale using public highways
- Reduced overall transport use through the promotion of active travel
- Reduced congestion; and reducing carbon emissions from within the transport sector
- 56% reduction in industrial emissions by 2035
- 61% reduction in emissions across the commercial and public building stock by 2035 and a 65% reduction for the housing stock

Source: Surrey’s Economic Future: Towards 2030: One Surrey Growth Board’s Plan for Growth; Part B: Delivery Plan

### **10.3 Regional and Sub-regional Transport Policies**

#### **Transport for the South East**

Transport for the South East vision is that by 2050, the South East of England will be a leading global region for net-zero carbon, sustainable economic growth where integrated transport, digital and energy networks have delivered a step-change in connectivity and environmental quality. A high-quality, reliable, safe and accessible transport network will offer seamless door-to-door journeys enabling our businesses to compete and trade more effectively in the global marketplace and giving our residents and visitors the highest quality of life.

#### Strategic Goals

The regional transport strategy sets out three Strategic Goals

- Economic. Improve productivity and attract investment to grow our economy and better compete in the global marketplace.
- Social. Improve health, safety, wellbeing, quality of life, and access to opportunities for everyone.
- Environmental. Protect and enhance the South East’s unique natural and historic environment.

The following strategic priorities have been defined to address the above economic objective are.

- Better connectivity between our major economic hubs, international gateways (ports, airports and rail terminals) and their markets.
- More reliable journeys for people and goods travelling between the South East's major economic hubs and to and from international gateways.
- A transport network that is more resilient to incidents, extreme weather and the impacts of a changing climate.
- A more integrated approach to land use and transport planning that helps our partners across the South East meet future housing, employment and regeneration needs sustainably.
- A 'smart' transport network that uses digital technology to manage transport demand, encourage shared transport and make more efficient use of our roads and railways.

Notable priorities in support of the other two objectives are:

- A network that promotes active travel and active lifestyles to improve our health and wellbeing.
- An affordable, accessible transport network for all that promotes social inclusion and reduces barriers to employment, learning, social, leisure, physical and cultural activity.
- A seamless, integrated transport network with passengers at its heart, making it simpler and easier to plan and pay for journeys and to interchange between different forms of transport.
- A reduction in carbon emissions to net zero by 2050, at the latest, and minimise the contribution of transport and travel to climate change.
- A reduction in the need to travel, particularly by private car, to reduce the impact of transport on people and the environment.
- Minimisation of transport's consumption of resources and energy.

### Surrey Transport Plan

The Surrey Transport Plan sets out a vision for a future-ready transport system that allows Surrey to lead the UK in achieving a low-carbon, economically prosperous, healthy and inclusive county with excellent quality of life for all residents, whilst seeking to enhance both the built and natural environments. The following objectives are defined.

1. To rapidly reduce carbon emissions, ensuring Surrey is on track for net zero emissions by 2050.
2. To support Surrey's growth ambitions and enable businesses and people to prosper sustainably.
3. To provide well connected communities that encourage equal access to travel to ensure no one is left behind.



4. To create thriving communities with clean air, excellent health, wellbeing and quality of life.

Key policies are summarised as follows.

- Planning for Place. Plan, design and improve local neighbourhoods to reduce the number and length of car trips.
- Digital connectivity. Promoting and encouraging access to high-quality digital connectivity for all the people of Surrey.
- Active travel and personal mobility. Prioritising walking and cycling to improve the health of the county.
- Public and shared transport. Working with operators to improve journeys on public and shared transport.
- Demand management for cars: Introducing measures to shift the priority from vehicles to active travel.
- Demand management for goods vehicles. Measures to reduce pollution in Surrey caused by delivery vehicles.
- Efficient network management. Managing the efficiency of the highway network to minimise the impact on people and places.
- Promoting Zero Emissions Vehicles (ZEVs). Raising awareness of the benefits of Electric Vehicles to increase uptake.
- Supporting behaviour change. Raising awareness to encourage more walking, cycling and use of public transport and electric vehicles.
- Protecting the environment. Identifying and avoiding the impacts our proposals may have on the environment wherever possible.

## **11. Stakeholders Aspirations for Evolution of The Borough**

### **Stakeholders Aspirations for the Evolution of The Borough**

An extensive programme of consultation has taken place amongst the heads of specialist Council departments and a wide range of external stakeholders. These have been asked to define their future aspirations for the borough and what it would look like in 10 years' time.

A wide range of views has been captured which are summarised below under a number of thematic headings.

#### **Innovation, Enterprise and Investment**

- A strong focus, culture and support infrastructure on innovation, investment and enterprise.
- More investment Waverley from the most successful sectors of the wider region and surrounding districts creating high quality and well-paid jobs
- Waverley as the first choice for the creative arts of filming

#### **Net Zero Carbon and Green Economy**

- A firm base of competence within the area for the application and use of zero carbon building technologies modular building techniques
- A thriving base of green economy businesses creating new jobs

#### **Environment**

- Preserving and protecting the character and beauty of the area
- No major office or industrial development

#### **Labour Force**

- Higher rate of graduate retention in the borough
- Well developed base of skills supporting the green economy

#### **Town Centres**

- Strong base of demand from high spenders in the high streets and at cultural venues and visitor attractions
- Farnham and to a lesser degree Godalming more orientated to catering for student needs

#### **Built Environment**

- Proliferation of attractive and characterful co-working spaces for small scale fabrication and computer-based work and for supporting small business and home working
- Successful mix of housing to meet demographic needs and for accommodating essential and low paid workers
- Maintaining and enhancing the light industrial areas in Farnham and Cranleigh
- Guarding against the potential consequential impact of economic development if this were to result in high housing numbers

### Living and Working Patterns

- A marked reduction of outward and inward commuting
- More high-income residents working and living in Waverley
- Strong support facilities for people working from home
- Clarity on where the new housing residents are going to work
- Adequate and affordable solutions to transporting low paid or unemployed people to work locations in the towns

### Quality of Life

- Wide access to leisure schemes that people want and promoting high quality as widely and affordably as possible.
- An area with an increasingly high-quality visitor economy and hospitality
- A strong performing arts scene and more performance spaces

### Leadership

- A stronger focus on brushing away all obstructions and making things happen
- No initiatives receiving resources unless they are fully sustainable and viable
- Maximising resources by exploiting the economic development and net zero impacts of all functions within the Council
- Valuable synergies realised by people working together, through successful partnerships and leadership

## **12. Main Challenges and Opportunities**

### **12.1 Challenges**

#### **Challenge No. 1: Digital Connectivity**

Waverley needs to accelerate the roll out of high-performance digital connectivity across the borough due to support intensified work patterns across a high proportion of knowledge-based occupations and in view of digitised and data-driven functions and industries replacing many traditional work roles which are intensively dependent on high-performance digital connectivity. High speed connectivity can reduce the need to travel and support more people who now work from home.

Useful progress is already being made by the private sector in laying down full fibre infrastructure which will provide Gigabit capability to increasing numbers of premises in various locations within the borough.

However, this will take several years to roll out and that there will be gaps in this high-capacity provision requiring further intervention to accelerate the levelling up areas and subject to gaps so that they can become fully productive and competitive as early as possible. The collaboration of the borough local businesses residential communities will be necessary to identify where gaps remain and to assemble the necessary funding and solutions to bring them up to full Gigabit capability.

#### **Challenge No. 2: Transition to Net Zero Carbon**

The UK is to reduce its emissions by 77% by 2035, compared to a 1990 base level and to achieve the 2019 Climate Change Act's target of net-zero emissions by 2050. Major strides need to be made in reducing and removing the carbon impact associated with travel, buildings, power generation and the consumption of resources. Transition to the net zero necessitates prioritising the decarbonisation of transport and buildings and developing new economic opportunities and the associated skills and jobs in the low carbon goods and services sector.

Waverley Borough Council has brought forward an exemplary plan to make it fully carbon neutral by identifying pathways to reducing emissions from its own buildings, vehicles, work journeys, waste and procurement to achieve net zero carbon by 2030. The challenge now is to get the rest of the local economy on board with comparable practices.

Key to achieving the required targets will be the removal of constraints in the supply base to providing the goods, services and required skills to help both public and private sector complete the transition to net zero.

### Challenge No. 3: Enlivening the Town Centres

The growth of online retailing coupled with the after effects of the Covid pandemic, the current cost of living crisis and the crisis and the prospective growth and the student population are creating major drivers for change. These are changing how people expect to use and visit high streets and town centres.

Research during the Covid period has shown that factors which are now more important to individuals working from home are access to fresh air, good local shops, faster reliable internet access, supportive communities and pleasant streets, places to go out, premises to support local jobs, housing that meets needs, exercise and sports facilities and good transport services.

Waverley needs to create diverse town centre economies in the urban settlements, which utilise retail, leisure, culture and experience as part of a high-quality environment to attract sufficient footfall to ensure that new and existing businesses can thrive, and provide the amenities that residents, businesses and visitors need to make Waverley's town centres attractive and vibrant places to live, work and play.

Provision needs to be made for more housing provision in the town centres, along with allocated areas for al fresco dining, improved visual quality, enhancements of gardens and open spaces and other high-quality public realm enhancements and intensification of heritage interpretation. Creating these conditions will be conducive to getting more local people to use town centre facilities on their doorstep rather than travelling to Guildford end to attracting height spending visits which will enhance the spending on, investment in and quality of the retail, food and beverage and other amenities on offer.

### Challenge No. 4: Bringing More Highly Paid Jobs to Waverley

There is a need to generate a significant number of high-quality, well-paid jobs in Waverley for a number of reasons.

Getting well qualified residents to work locally will reduced levels of out commuting, helping to protect the environment. More spending will take place within the town sentence, making them and their component business is more viable.

Waverley has for some time underperformed in terms of local workplace earnings. A wider choice of well-paid jobs is required if this weakness is to be addressed. The low workplace earnings is partly explained by the fact that since 2015 within Waverley 4000 jobs have been lost predominantly in high earning sectors such as business services and professional technical services. Moreover, Waverley has lost a significant number of its SMEs between 10 and 50 employees and many of its small businesses have been struggling to scale up.

In addition to replacing lost high value jobs, Waverley needs is an infusion of fresh blood amongst its entrepreneurial base; to attract dynamic entrepreneurs with robust, business concepts with high growth potential aim with good access to investors who can establish new industries with accelerated growth potential. Enterprise M3 considers it a priority to attract

scale-ups and innovation-led, high productivity sectors to the area focusing on high innovation, knowledge-based sectors for which the borough and surrounding sub-region has major competitive strengths. The priority is to attract scale-ups and innovation-led, high productivity sectors to the area, and provision of local workspaces with integrated business support.

#### **Challenge No. 5: Addressing Constraints on Commercial Property Availability**

If Waverley is to attract in businesses and entrepreneurs of the required calibre, to adequately support the newly emerging working patterns such as working from home and to create the conditions for small business with scope to expand, it will need to have a strong offer in terms of the business accommodation it can provide.

There is a strong demand for small business accommodation and support facilities given that UCA has a start-up rate of 18%, amongst the highest in the country add in view of the strong entrepreneurial culture which already exists within the borough.

The scope for attracting in major headquarters in office users which have previously being a prominent feature of Waverley's local economy is now limited.

However, the borough will require an ongoing choice of characterful shared community workspace to support start-ups, gaming and immersive technologies and arts and crafts businesses and employed home workers, small expansion units and scale up premises to accommodate those businesses which are becoming team managed of between 10 and 50 FTE workers.

Much of the commercial space formerly available has been lost as permitted development rights have enabled such buildings to go to housing uses. Article 4 agreements have been put together to protect a number of office buildings, but these need to be renewed and this is subject to consultation so there is a risk of such buildings being lost.

The Local Plan requires commercial development to prioritise the urban settlements. Clear policies and supporting initiatives are required to identify sites where existing employment uses can be intensified such as the re-use and recycling and possible densification of vacant office and industrial buildings. This will require the preparation development briefs and possible acquisition and direct development by the council if the private sector is not delivering the built products required.

Any such development must be mindful of the need to preserve the character of the area, protect the green belt, Waverley's natural beauty and ecological importance and would need to be planned with due sensitivity.

#### **Challenge No. 6: Addressing Labour and Skills Shortages**

Notwithstanding the large number of professional job losses in recent years, there are other types of worker in short supply in Waverley. The local DWP has reported particularly acute

shortages of people to fill job roles that are less highly skilled. Jobs in the NHS, health and social care, delivery driving and hospitality are hard to fill due to the lower pay, anti-social hours and how physically hard the work is.

A comprehensive approach is needed to address these difficulties, embracing more affordable housing will help increase the supply of workers providing key services, better transport from the rural areas and villages and encouragement of technology-based labour-saving approaches to people intensive activities such as hospitality and care of the elderly.

Attention needs to be directed to the need for retraining of middle level white collar workers who may be displaced by emerging digital technology business models and for the training of workers in skills to support the green economy.

## 12.2 Opportunities

### Opportunity No. 1: Potential of the High Value Creative Industries

The University of Creative Arts Farnham campus will now concentrate on film and media, a new school of games and creative technologies, and fine arts and crafts, offering courses will be provided at undergraduate, graduate and post graduate levels. The university is to expand from 3000 to 5000 students of which 50% will be national and 50% international but there is considerable scope for further expansion.

The university is a major driver for the growth and development of a substantial base of high value creative industries. The rate of business start-up amongst UCA graduates in Farnham is within the top ten nationally at 18%. As students graduate, there will be an increasing demand for small business start-up spaces around Farnham offering attractive co-working space in characterful environments some for small scale fabrication as well as computer-based work.

UCA want to see inward investment in the area from major film production and video streaming services as a number the international partners that UCA works with in these sectors, who have said that if they can find the appropriate sites they would be very keen to set-up anywhere within a 20 minute radius of Farnham. The attraction of a major film or TV studio could create significant demand for the skills and talents of local graduates and downstream services from a range of existing creative businesses if this could be suitably accommodated.

Were such site opportunities to be brought forward it would be possible to create a thriving film and media cluster with potential for the creation of significant numbers of high-quality jobs and downstream supply chain opportunities.

### Opportunity No. 2: Opportunities in The Green Economy

Waverley has scope to capitalise on the business opportunities that will be brought about through the transition to the green economy, but this will only come together comprehensively once the demand for low carbon goods and services materialises significantly.

Waverley Borough Council has been pursuing an aggressive programme to decarbonize its assets and its activities. A major demand stimulus can come about from its plan for a comprehensive programme of retrofit to convert its housing stock zero carbon. To achieve this, a parallel requirement will be a firm base competence within the area in the installation and use these of zero carbon products and applications. Attracting building technologies businesses and a modular house factory to within or close to the borough would be also useful.

If this were to be brought about it would kick start Waverley's transition to the green economy significantly.

#### **Opportunity No. 3: Exploiting Subregional Strengths and Opportunities**

Waverley has scope to attract businesses and job opportunities from high value growth sectors within the wider region through a focus on innovation, investment and enterprise. There are high concentrations of businesses investing in R&D with scope for growth through international models throughout the Enterprise M3 area; for example, it already accounts for 10% of UK turnover in low carbon and environmental goods and services.

Waverley has existing strengths to build on in games and creative immersive technology, clean growth technology, human and animal health and aviation as a basis for such a strategy. Defining a clear offer in terms of touch down and expansion space, business support oriented to innovation and business growth and relevant business networks will be a key step forward.

#### **Opportunity No. 4: Commercial Development at Dunsfold**

Waverley needs to raise its game by attracting new types of high value businesses that will employ the type of people who will earn enough to live in the area and generate local supply opportunities, such as a film studio or technology scale ups moving in form elsewhere in the Enterprise M3 area.

However, due to constrained supply of employment sites and buildings and housing constraints, only a limited number of large and intermediate sized operations could be attracted to Waverley.

Dunsfold has an additional 28,000sqm allocated for employment development and could provide this opportunity. The provision of high-quality housing alongside could prove highly attractive to prospective occupiers.



Dunsfold could be tailored to technology and science entrepreneurship but so far it has grown up organically and needs a vision and clear offer be formulated, based on securing the required digital connectivity.

However, this requires a defined strategy for its intended uses and required accessibility improvements and infrastructure enhancements need to be articulated.

#### **Opportunity No. 5: Hospitality Sector and the Visitor Economy**

A number of key drivers such as increase in the student population, and drive for high value business activities to improve earnings and planned town centre placemaking initiatives have scope to boost the demand and prospects for the hospitality sector. At present there is a need to attract investment in high quality hotels if the types of incoming business investment Waverley dates is to be successful. Food and beverage outlets will play a major part in the diversification and enlivening of the boroughs town centres.

The visitor economy sector presents a major opportunity for the rural areas. A number of food and beverage outlets have suffered during the pandemic and their recovery can be boosted find counting an influx of higher spending.

The proposed set up a business improvement districts can play a major part in communicating what the town centre and rural areas have to offer and what visitors can spend their money on. Initiatives to stimulate investment in the types of upgraded facilities for the visitor economy and hospitality sector need to run in parallel.

#### **Opportunity No. 6: Guildford Waverley Joint Strategy**

A more intense working relationship between Waverley and Guildford is being initiated, driven by the need for the boroughs to become more strategic and more partnership orientated to achieving efficiencies and maximising impacts from available resources. This is to be achieved through leadership and bringing people together at town, borough and county council levels and close working with the chambers of commerce and other partners.

Key areas for collaboration will be on sustainable and net zero business activity, business support, cluster engagement, business retention and inward investment delivery, development of the visitor economy, skills and employability and developing opportunities in the rural economy.

Everything the Council does has an economic development and climate change perspective which must be embedded across all functions.

Sharing best practice and collaboration on the Shared Prosperity Fund, the next round of the Levelling Up Fund and future funding opportunities will be a key focus. This new strategic relationship will provide a powerful means for tackling current challenges and taking forward more ambitious initiatives to realise major opportunities.

### **13. Economic Development Contributions of Council Functions**

From interviews with service heads throughout the Council, the following roles contributing to economic development have been identified.

<b>Function</b>	<b>Contribution to Economic Development</b>
Assets	Formulation of a targeted investment strategy for the four main high streets focused on bringing in more market and social housing and preserving the retail frontages and acquiring key sites for this purpose in each town.
Major Projects	Delivery of projects with a catalytic impact on urban transformation and regeneration, particularly in the town centres.
Housing Strategy	Bringing forward homes to enable low paid and essential workers to live in the borough and keep the local economy running
Housing Delivery	Encouraging contractors to use local people and use modern construction techniques requiring new skill sets. Accelerating a major social housing retrofit which will marshal demand for important green economy suppliers and skilled workers.
Sustainability	Developing the climate change and net zero strategies which provide an exemplar for local businesses to adopt similar approaches for achieving net zero. Coordinating schemes to support and enable local businesses such as opportunities for funding and carbon literacy training.
Building Control	Enabling competent and experienced resources to be applied to specialist technical functions thus avoiding bottlenecks to planning, land charges, housing, surveying, Council tax and installation of utilities.
Estates	Bringing in affordable supermarket operators.
Planning	Allocation of employment sites and protection through Article 4. Assessing infrastructure needs. Protecting the character of the area.
Leisure	Bringing more footfall to each of the urban settlements, providing an important source of employment for local people and delivering wider health benefits, by delivering and maintaining local leisure centres.
Community Services	Helping the low paid, disadvantaged and unemployed to progress towards sustained employment.
Business rates	benefits and help towards rent and Council tax can try to extract any data that may be needed.

## Appendix

### Waverley Economic and Sector Profiles

Incorporating Comparisons with all Neighbouring Boroughs and Districts

#### 1. Make Up of the Waverley Economy

##### 1.1 Enterprises by Employment Size Band Waverley, 2021

Employment Size Band	No. 2021	% Total	Change 2016-21	% Change
<b>Waverley</b>				
<b>Total</b>	<b>8,310</b>	<b>100%</b>	<b>190</b>	<b>2.3%</b>
<b>Micro (0 To 9)</b>	<b>7,645</b>	92.0%	<b>230</b>	<b>3.1%</b>
<b>Small (10 To 49)</b>	<b>550</b>	6.6%	<b>-45</b>	<b>-7.6%</b>
<b>Medium (50 To 249)</b>	<b>95</b>	1.1%	<b>0</b>	<b>0.0%</b>
<b>Large (250+)</b>	<b>20</b>	0.2%	<b>5</b>	<b>33.3%</b>
<b>Chichester</b>				
Total	6,680		180	2.8%
Micro (0 To 9)	6,020	90.1%	170	2.9%
Small (10 To 49)	550	8.2%	5	0.9%
Medium (50 To 249)	90	1.3%	0	0.0%
Large (250+)	20	0.3%	5	33.3%
<b>East Hants</b>				
Total	6,475	90.7%	155	2.5%
Micro (0 To 9)	5,875	8.0%	160	2.8%
Small (10 To 49)	520	1.1%	-5	-1.0%
Medium (50 To 249)	70	0.2%	0	0.0%
Large (250+)	10		0	0.0%
<b>Guildford</b>				
Total	7,360		45	0.6%
Micro (0 To 9)	6,590	89.5%	25	0.4%
Small (10 To 49)	630	8.6%	20	3.3%
Medium (50 To 249)	115	1.6%	-5	-4.2%
Large (250+)	25	0.3%	0	0.0%
<b>Hart</b>				
Total	4,820		-30	-0.6%
Micro (0 To 9)	4,400	91.3%	-35	-0.8%
Small (10 To 49)	340	7.1%	0	0.0%
Medium (50 To 249)	65	1.3%	5	8.3%

## Waverley Economic Development Strategy Review 2022: Evidence Base

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Employment Size Band	No. 2021	% Total	Change 2016-21	% Change
Large (250+)	15	0.3%	-5	-25.0%
<b>Horsham</b>				
Total	7,905		565	7.7%
Micro (0 To 9)	7,185	90.9%	530	8.0%
Small (10 To 49)	605	7.7%	15	2.5%
Medium (50 To 249)	100	1.3%	25	33.3%
Large (250+)	15	0.2%	0	0.0%
<b>Mole Valley</b>				
Total	5,400		50	0.9%
Micro (0 To 9)	4,915	91.0%	60	1.2%
Small (10 To 49)	395	7.3%	0	0.0%
Medium (50 To 249)	65	1.2%	-10	-13.3%
Large (250+)	25	0.5%	0	0.0%
<b>Rushmoor</b>				
Total	3,445		260	8.2%
Micro (0 To 9)	2,990	86.8%	230	8.3%
Small (10 To 49)	345	10.0%	15	4.5%
Medium (50 To 249)	85	2.5%	15	21.4%
Large (250+)	25	0.7%	5	25.0%

**Source: UK Business Counts – Enterprises** Note: All figures are rounded ONS to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology. See **Annexe A** for year on year further breakdown.

# Waverley Economic Development Strategy Review 2022: Evidence Base

## 1.2 Businesses by Sector 2016 – 2021

Sector	Waverley		Chichester		East Hampshire		Guildford		Hart		Horsham		Mole Valley		Rushmoor	
	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21	No. Enterp rises 2021	Changes 2016-21
1 : Agriculture, forestry & fishing	175	-15	470	-60	280	-35	125	0	95	-5	395	-30	140	10	10	0
2 : Mining, quarrying & utilities	40	15	20	0	30	5	50	5	10	0	40	-10	25	10	15	-5
3 : Manufacturing *	290	0	365	15	345	5	225	-5	190	-5	420	-5	200	10	185	0
4 : Construction	895	65	880	90	920	75	890	0	630	70	1,035	200	735	95	540	80
5 : Motor trades	155	0	195	25	220	30	165	-5	150	5	235	15	130	-20	115	5
6 : Wholesale	220	-20	250	5	235	-25	250	-20	145	-15	305	-30	195	-10	110	5
7 : Retail	440	-10	475	0	380	5	370	0	220	-5	425	0	320	5	250	35
8 : Transport & storage (inc postal)	100	0	145	25	155	30	140	35	115	15	400	255	90	5	215	100
9 : Accommodation & food services	255	-35	330	-15	225	15	245	-5	165	-5	330	60	180	0	210	50
10 : Information & communication	915	-5	425	-20	620	-25	965	15	695	-85	695	-50	545	-85	415	-5
11 : Financial & insurance	740	290	105	20	130	30	175	15	90	25	175	35	165	30	65	15
12 : Property	390	20	320	55	230	20	295	45	165	25	275	40	205	20	85	0
13 : Professional, scientific & technical	1,960	-135	1,300	45	1,390	-5	1,860	-45	1,145	-90	1,540	5	1,265	-70	545	-50
14 : Business administration & support services	755	45	580	25	565	60	700	45	450	60	765	105	540	60	340	30
15 : Public administration & defence	20	0	30	-5	35	10	20	0	20	0	25	0	10	0	5	0
16 : Education	165	15	115	-5	110	-10	150	0	90	5	125	-5	110	30	50	-10
17 : Health	220	-5	205	-20	230	-10	260	0	140	-15	235	5	180	-15	110	0
18 : Arts, entertainment, recreation etc.	570	-25	475	-5	385	-15	480	-35	305	-15	490	-15	365	-30	175	0
<b>Column Total</b>	<b>8,310</b>	<b>190</b>	<b>6,680</b>	<b>180</b>	<b>6,475</b>	<b>155</b>	<b>7,360</b>	<b>45</b>	<b>4,820</b>	<b>-30</b>	<b>7,905</b>	<b>565</b>	<b>5,400</b>	<b>50</b>	<b>3,445</b>	<b>260</b>

\*See Annexe A B for further breakdown

**Source: UK Business Counts – Enterprises** Note: All figures are rounded ONS to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.



# Waverley Economic Development Strategy Review 2022: Evidence Base

## 1.3 Changes to Numbers of Businesses by Sector, Waverley, 2020 to 2021

Industry	Waverley 2020	Waverley 2021	Change Change 2020-21
1 : Agriculture, forestry & fishing (A)	185	175	-10
2 : Mining, quarrying & utilities (B,D and E)	40	40	0
3 : Manufacturing (C)	280	290	10
4 : Construction (F)	875	895	20
5 : Motor trades (Part G)	155	155	0
6 : Wholesale (Part G)	220	220	0
7 : Retail (Part G)	415	440	25
8 : Transport & storage (inc postal) (H)	85	100	15
9 : Accommodation & food services (I)	255	255	0
10 : Information & communication (J)	980	915	-65
11 : Financial & insurance (K)	710	740	30
12 : Property (L)	380	390	10
13 : Professional, scientific & technical (M)	2,025	1,960	-65
14 : Business administration & support services (N)	745	755	10
15 : Public administration & defence (O)	20	20	0
16 : Education (P)	165	165	0
17 : Health (Q)	220	220	0
18 : Arts, entertainment, recreation & other services	560	570	10
Column Total	<b>8,320</b>	<b>8,310</b>	<b>-10</b>



**1.4 Births and Deaths of Waverley Enterprises 2015 to 2020**

	2015	2016	2017	2018	2019	2020
<b>Waverley</b>						
Births of New Enterprises	1,020	930	920	880	825	775
Deaths of Enterprises	765	755	955	775	865	800
Births less Deaths	255	175	-35	105	-40	-25
<b>Chichester</b>						
Births of New Enterprises	735	745	700	675	645	635
Deaths of Enterprises	600	615	655	610	655	635
Births less Deaths	135	130	45	65	-10	0
<b>East Hants</b>						
Births of New Enterprises	740	660	685	660	675	690
Deaths of Enterprises	555	595	600	600	680	665
Births less Deaths	185	65	85	60	-5	25
<b>Guildford</b>						
Births of New Enterprises	970	955	895	790	895	755
Deaths of Enterprises	755	750	825	735	880	760
Births less Deaths	215	205	70	55	15	-5
<b>Hart</b>						
Births of New Enterprises	600	605	560	520	560	460
Deaths of Enterprises	500	525	555	500	490	525
Births less Deaths	100	80	5	20	70	-65
<b>Horsham</b>						
Births of New Enterprises	830	900	745	775	760	865
Deaths of Enterprises	655	665	740	685	725	690
Births less Deaths	175	235	5	90	35	175
<b>Mole Valley</b>						
Births of New Enterprises	635	590	600	545	570	465
Deaths of Enterprises	545	505	585	490	725	530
Births less Deaths	90	85	15	55	-155	-65
<b>Rushmoor</b>						
Births of New Enterprises	500	515	420	400	525	470
Deaths of Enterprises	325	345	435	345	445	400
Births less Deaths	175	170	-15	55	80	70

Source: ONS Business Demography

**1.5 Business Survival Rates**

Source: ONS Business Demography	Births in 2014	1-year per cent	2-year per cent	3-year per cent	4-year per cent	5-year per cent
<b>Waverley</b>	1,020	89.2	70.6	56.4	49.5	42.6
<b>Chichester</b>	735	89.8	72.8	58.5	51.7	46.3
<b>East Hampshire</b>	740	91.2	73.6	60.1	51.4	44.6
<b>Guildford</b>	970	88.7	73.2	61.9	52.6	44.3
<b>Hart</b>	600	92.5	76.7	60.8	51.7	44.2
<b>Horsham</b>	830	92.8	77.1	64.5	56.0	48.2
<b>Mole Valley</b>	635	87.4	73.2	60.6	51.2	44.9
<b>Rushmoor</b>	500	88.0	69.0	55.0	47.0	39.0



# Waverley Economic Development Strategy Review 2022: Evidence Base

## 2. Employment

### 2.1 Employment by Industry Sector, 2020 and Change 2015-20

Industry	Waverley		Chichester		East Hants		Guildford		Hart		Horsham		Mole Valley		Rushmoor	
	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21	2021	Change 2016-21
Agriculture, forestry & fishing	400	100	2,250	250	800	100	300	100	125	-25	800	-200	350	125	75	75
Mining, quarrying & utilities	350	0	150	-75	450	-150	600	-100	1,000	750	700	100	1,000	700	1,250	800
Manufacturing	1,750	0	6,000	1,000	4,500	1,000	4,000	-500	1,250	-750	3,500	-500	1,750	-750	2,500	-500
Construction	3,000	500	3,000	500	2,500	0	4,000	500	2,250	250	4,000	500	3,000	0	2,000	250
Motor trades	1,500	0	900	0	800	0	1,500	-250	800	0	1,000	0	600	0	1,500	250
Wholesale	1,250	-750	1,750	-500	2,000	-500	2,250	-1,750	900	-850	2,500	-2,000	1,750	0	2,250	500
Retail	6,000	1,000	6,000	0	4,500	0	7,000	0	3,000	500	6,000	0	3,500	0	4,500	500
Transport & storage (inc postal)	1,000	-250	1,000	-500	1,500	0	1,750	-750	600	-300	2,250	750	700	-100	2,250	500
Accommodation & food services	3,500	-500	5,000	-1,000	3,000	0	5,000	0	5,000	0	3,500	500	2,500	0	3,000	0
Information & communication	3,000	-500	1,500	-250	1,750	-250	5,000	500	3,000	-1,000	2,500	-1,000	3,500	-500	6,000	-1,000
Financial & insurance	900	-100	1,250	0	600	-900	3,500	1,000	600	150	1,750	250	2,000	0	2,000	-500
Property	1,250	-250	1,500	-1,000	700	0	1,250	-250	600	-100	1,500	0	800	-450	700	-300
Professional, scientific & technical	6,000	0	4,500	500	4,000	0	10,000	-1,000	3,500	-1,000	5,000	0	7,000	-1,000	7,000	1,000
Business administration & support services	4,500	-1,500	4,000	0	3,000	-500	4,000	-500	3,000	-1,500	6,000	1,000	5,000	500	4,500	-1,500
Public administration & defence	500	0	2,500	-1,000	800	-100	4,000	0	400	0	800	-100	600	-100	1,250	0
Education	8,000	0	6,000	0	4,500	-500	10,000	1,000	3,000	-500	5,000	0	3,500	0	3,500	0
Health	6,000	0	9,000	1,000	5,000	0	12,000	3,000	3,000	500	5,000	500	6,000	1,000	3,500	0
Arts, entertainment, recreation & other services	3,000	-500	3,500	0	1,750	-500	4,000	-1,000	1,250	-1,000	3,500	0	2,250	250	1,500	-250
Column Total	51,900	-2,750	59,800	-1,075	42,150	-2,300	80,150	0	33,275	-4,875	55,300	-200	45,800	-325	49,275	-175

Source: ONS; Business Register and Employment Survey



## Waverley Economic Development Strategy Review 2022: Evidence Base

### 2.2 Employment Change by Sector, Waverley, 2019 to 2020

Industry	Waverley	
	2021	Change
		2020-21
Agriculture, forestry & fishing	400	0
Mining, quarrying & utilities	350	0
Manufacturing	1,750	-750
Construction	3,000	0
Motor trades	1,500	250
Wholesale	1,250	0
Retail	6,000	1,000
Transport & storage (inc postal)	1,000	0
Accommodation & food services	3,500	0
Information & communication	3,000	-500
Financial & insurance	900	-350
Property	1,250	0
Professional, scientific & technical	6,000	1,000
Business administration & support services	4,500	500
Public administration & defence	500	-100
Education	8,000	0
Health	6,000	0
Arts, entertainment, recreation & other services	3,000	-500
Column Total	51,900	550

## 3. Workforce

### 3.1 Population, 2020

	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
All People	126,600	121,500	123,800	150,400	97,600	145,500	87,500	94,400
People Aged 16-64 %	57.7%	55.8%	58.4%	65.8%	60.1%	59%	58.6%	64.7%

Source: ONS Population Estimates

### 3.2 Economic Activity, Waverley, Oct 2020 – Sep 2021

	Waverley %	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
	%	%	%	%	%	%	%	%

## Waverley Economic Development Strategy Review 2022:

### Evidence Base

Economic activity rate - aged 16-64	80.5	69.2	85.2	79.1	82.6	76.7	79.2	85.4
Employment rate - aged 16-64	79.2	67.4	82.3	77.6	78.7	73.9	78.0	83.4
% aged 16-64 who are employees	64.9	53.7	69.5	65.0	75.4	63.0	66.1	74.4
% aged 16-64 who are self employed	14.3	13.8	11.3	10.9	3.3	10.9	11.6	9.0
Unemployment rate - aged 16+ (Jul 20 to Jun 21 only)	3.1%	4.2%	3.7%	3.1%	4.3%	3.4%	3.0%	3.6%

Source: ONS Annual Population Survey

Numbers are for those aged 16 and over, % are for those aged 16-64

### 3.3 Economic Inactivity (Oct 2020- Sep 2021)

	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Economically inactive - aged 16-64 %	19.5	30.8	14.8	20.9	17.4	23.3	20.8	14.6

Source: ONS Annual Population Survey

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#### 3.4 Occupational Structure, Waverley Residents, Oct 2020-Sep 2021

	Waverley	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
	(No.)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
1 Managers, Directors and Senior Officials	7,200	11.9	17.2	13.1	20.9	14.5	7.9	12.7	9.4
2 Professional Occupations	22,800	37.6	21.6	23.8	26.6	27.2	27.5	20.1	17.2
3 Associate Professional & Technical	12,900	21.3	21.2	12.3	16.7	17.0	14.8	13.7	19.4
4 Administrative & Secretarial	9,100	15.0	7.8	10.9	11.2	10.6	17.3	10.9	7.6
5 Skilled Trades Occupations	2,600	4.2	10.4	11.0	6.9	7.9	6.8	9.1	10.9
6 Caring, Leisure & Other Service Occs	2,600	4.3	9.5	10.5	5.1	5.4	6.6	12.2	12.7
7 Sales And Customer Service Occs	1,500	2.5	4.7	8.9	6.2	9.0	7.5	8.9	8.9
8 Process Plant & Machine Operatives	!	!	2.2	2.5	2.0	!	!	!	!
9 Elementary Occupations	!	!	5.4	4.7	4.6	6.6	10.6	10.6	10.9

**Source: ONS Annual Population Survey**

# Sample size too small for reliable estimate

Numbers and % are for those of 16+; % is a proportion of all persons in employment

#### 3.5 Qualification Levels, Waverley Residents, Jan-Dec 2020

Qualifications (Jan 2018-Dec 2018) (Level)	Waverley	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
	No.	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
NVQ4+	38,800	55.9	38.9	49.8	59.6	50.2	45.8	42.7	38.4
NVQ3+	51,800	74.5	56.5	68.7	69.3	74.5	68.6	65.7	58.6
NVQ2+	56,300	81.0	71.0	90.8	79.8	88.1	84.5	79.0	76.6
NVQ1+	61,800	88.9	85.8	96.3	87.6	94.9	91.3	91.1	90.3

**Source: ONS annual population survey**

Numbers and % are for those of aged 16-64; % is a proportion of resident population of area aged 16-64

# Waverley Economic Development Strategy Review 2022:

## Evidence Base

### 4. Income and Productivity

#### 4.1 Average Earnings, 2021

Average Gross Pay, Full Time Workers	Waverley	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
	2020	2021	2021	2021	2021	2021	2021	2021	2021
Earnings by Place of Residence	£	£	£	£	£				£
Weekly pay - gross	777.9	719.3	651.5	633.4	753.7	769.8	670.0	708.0	679.4
Earnings by Place of Work									
Weekly pay - gross	548.8	552.7	574.9	548.2	712.5	744.4	599.0	764.2	678.7

Source: ONS Annual Survey of Hours and Earnings - resident analysis and workplace analysis

#### 4.2 Gross Value Added (GVA)

	2011	2012	2013	2014	2015	2016
GVA Total £m	£m	£m	£m	£m	£m	£m
Waverley	3171	3295	3448	3590	3716	3809
Chichester	2897	2909	3003	3000	3098	3132
East Hampshire	2686	2753	2639	2679	2751	2845
Guildford	4524	4798	4964	5303	5243	5505
Hart	2475	2518	2694	2944	2901	2842
Horsham	3017	3033	3176	3382	3531	3573
Mole Valley	2937	3133	3163	3089	3408	3503
Rushmoor	2553	2682	2679	2971	3101	3097
GVA £ per head	£s	£s	£s	£s	£s	£s
Waverley	26040	27036	28162	29233	30318	30744
Chichester	25413	25398	26049	25967	26487	26504
East Hampshire	23157	23650	22540	22804	23295	24115
Guildford	32855	34340	35206	37098	35890	37193
Hart	26997	27325	29059	31545	30886	30152
Horsham	22937	22946	23902	25207	25985	25889
Mole Valley	34293	36493	36651	35821	39576	40624
Rushmoor	27062	28265	28208	31180	32528	32147

Source: Regional Gross Value Added (Balanced) by Local Authority in the UK, Regional Accounts, Office for National Statistics

#### 4.3 Comparative Turnover Profile Amongst Waverley Settlements

Settlement	Farnham	Godalming	Cranleigh	Haslemere	Rural
Annual Turnover Band	% Businesses in Turnover Band				
£0-50,000	33%	25%	33%	34%	36%
£51,000 - 100,000	20%	20%	29%	25%	20%
£101,000 - 200,000	12%	12%	9%	12%	12%
£201,000 - 500,000	9%	14%	15%	12%	14%
£501,000 - 1,000,000	7%	9%	5%	6%	5%

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£1,000,001 - 10,000,000	10%	13%	7%	8%	10%
£10,000,000 - 100,000,000	7%	8%	2%	4%	3%
£100,000,000+	1%	1%	0%	0%	1%
Total	100%	100%	100%	100%	100%

Source: FAME Database

### 5. Business Density

#### Waverley Business Density Against Surrey Comparators

Surrey District	Business Density*
Elmbridge	719
Epsom and Ewell	529
Guildford	585
Mole Valley	696
Reigate and Banstead	552
Runnymede	558
Spelthorne	543
Surrey Heath	590
Tandridge	622
Waverley	721
Woking	601

Source: ONS Business Counts

\*Defined as numbers of local business units per 10,000 population.

### 6. Housing Costs

#### 6.1 Average Annual of a Home and Price Change 2020-21

	Waverley	Chichester	East Hampshire	Guildford	Hart	Horsham	Mole Valley	Rushmoor
Average Price of a Home 2021	£499,608	£433,554	£406,692	£472,649	£441,110	£424,512	£532,468	£314,978
Increase in average house prices 2020 to 2021	7.1%	10.5%	6.7%	6.2%	7.5%	14.1%	11.6%	10.2%

Source: ONS; UK House Price Index England: August 2021

#### 6.2 Achieved House Prices, Waverley Urban Areas, June 2021

	Farnham	Godalming	Cranleigh	Haslemere
Detached	£725,600	£830,833	£865,000	£1,071,375
Semi Detached	£473,100	£469,286	£0	£403,500
Terraced	£513,750	£399,700	£380,000	£0
Flat	£278,975	£285,000	£285,000	£282,500
<b>All</b>	<b>£582,592</b>	<b>£529,690</b>	<b>£712,857</b>	<b>£878,227</b>

Source: Rightmove (Source acknowledgement: House price data produced by Land Registry)

#### 6.3 Private Rental Levels, Waverley, 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021

	Mean	Lower Quartile	Median	Upper Quartile
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Room	£685	£650	£650	£725
1 Bedroom	£830	£775	£825	£895
2 Bedrooms	£1104	£950	£1075	£1200
3 Bedrooms	£1430	£1250	£1395	£1595
4 or more Bedroom	£2212	£1700	£1950	£2500
Source: ONS Private Rental Market Statistics				

## 7. Profile of Waverley's Key Sectors

### 7.1 Overview

Profiles are set out below of the following key sectors in Waverley.

- ICT
- Property
- Finance
- Professional Scientific & Technical
- Education Sector
- Creative Industries
- Tourism, Culture and Leisure
- High Tech Manufacturing

### Information and Communication

There are a total of 700 businesses in Waverley in the Information and Communication sector. The changes in the sector as a whole saw an overall decrease of 40 businesses between 2016 and 2021. The overwhelming majority of businesses in this sector are micro-sized as 650 businesses are listed as having fewer than 10 employees and 615 of these having less than 5 employees.

There are 15 businesses of less than 50 employees and only 10 medium-sized businesses from 50-249 employees, 5 of which have appeared since 2016. There were no businesses listed as having more than 100 employees.

The three largest sub-sectors were: computer consultancy activities with 420 businesses, computer programming activities with 135, and other information technology and computer service activities with 85 businesses.

Since 2016, computer consultancy activities has seen an decrease of 30 businesses in Waverley, other information technology and computer service activities has decreased by up to 25 businesses, and wired telecommunications activities and new agency activities has decreased by 5 businesses.

Other information service activities is the only area to have seen an increase, by up to 5 businesses.

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Information & Communication No. of Enterprises 2021	Total	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	Change 2016- 2021
6110 : Wired telecommunications activities	5	5	0	0	0	0	-5
6120 : Wireless telecommunications activities	5	5	0	0	0	0	0
6130 : Satellite telecommunications activities	0	0	0	0	0	0	0
6190 : Other telecommunications activities	10	5	0	0	0	0	0
6201 : Computer programming activities	135	115	5	5	0	5	0
6202 : Computer consultancy activities	420	390	10	10	5	5	-30
6203 : Computer facilities management activities	5	5	0	0	0	0	0
6209 : Other information technology and computer service activities	85	60	10	5	5	0	-25
6311 : Data processing, hosting and related activities	10	10	0	0	0	0	5
6312 : Web portals	5	5	0	0	0	0	0
6391 : News agency activities	0	0	0	0	0	0	-5
6399 : Other information service activities n.e.c.	15	10	0	0	0	0	5
Column Total	<b>700</b>	<b>615</b>	<b>35</b>	<b>20</b>	<b>15</b>	<b>10</b>	<b>-40</b>

**Source: ONS** All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.

### Finance and Insurance

There are 7410 businesses in the Finance and insurance sector, which has seen an increase of 2905 businesses up in the area since 2016. The vast majority of these firms are micro-sized as 725 of these are listed as having fewer than 9 employees with 715 having less than 4. There are only 10 small-sized businesses of between 10 and 19 employees and no businesses in this sector being listed as being any larger than this.

The largest sub-sectors were 'Pension funding' and those listed under 'Other activities auxiliary to financial services except pension funding and insurance'. Since 2016, there have been increases of 155 and 185 businesses respectively in these sub-sectors.

Financial & Insurance No. of Enterprises 2021	Total	0 to 4	5 to 9	10 to 19	Change 2015-20
6420 : Activities of holding companies	15	15	0	0	5
6430 : Trusts, funds and similar financial entities	5	5	0	0	5
6499 : Other financial service activities, except insurance and pension funding, n.e.c.	20	15	0	0	10
6530 : Pension funding	255	255	0	0	155
6611 : Administration of financial markets	0	0	0	0	0
6612 : Security and commodity contracts brokerage	5	5	0	0	-10
6619 : Other activities auxiliary to financial services, except insurance and pension funding	395	385	5	5	185
6621 : Risk and damage evaluation	5	0	0	0	0
6622 : Activities of insurance agents and brokers	15	10	0	0	-5
6629 : Other activities auxiliary to insurance and pension funding	20	15	0	0	-40
6630 : Fund management activities	5	5	0	0	0
Column Total	<b>740</b>	<b>715</b>	<b>10</b>	<b>10</b>	<b>290</b>

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#### Property

There are around 390 businesses in the Property sector in Waverley, which has seen an increase of 20 businesses setting up in the area since 2016. The Property sector seems to be majority micro-sized businesses with 335 of the total 390 having zero to four employees. There are only 10 small sized businesses of 10 to 19 employees, with no evidence to suggest there are any businesses in this sector having more than twenty employees.

The largest sub-sector is renting and operating of own or leased real estate has 225 businesses listed under it. It is followed by those listed under 'Real estate agencies' and 'Management of Real estate on a fee or contract basis with 80 and 60 businesses respectively. Between 2016 and 2021, there have been increases of 15 businesses in real estate agencies and 10 businesses in buying and selling of own real estate. Renting and operating of own or leased real estate and management of real state on a fee or contract basis have seen a decrease of up to 5 businesses each in the same time period.

Property No. of Enterprises 2021	Total	0 - 4	5 - 9	10 - 19	Change 2016- 2021
6810: Buying and selling of own real estate	20	20	0	0	10
6820: Renting and operating of own or leased real estate	225	200	20	5	-5
6831: Real estate agencies	80	60	10	5	15
6832: Management of real estate on a fee or contract basis	60	55	10	0	-5
<b>Total</b>	<b>390</b>	<b>335</b>	<b>40</b>	<b>10</b>	<b>20</b>

**Source: ONS** All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.

#### Professional, Scientific and Technical

There are 1,960 businesses in the Professional, scientific, and technical sector in Waverley, a decrease of 135 since 2016. As before, the majority of these businesses are micro sized with 1,775 having up to four employees and 95 having between five and nine. There are around 55 businesses which have from 10 to 19 employees, 20 which have between 20-49, and 5 which have 50-99 employees.

There are also five medium-sized businesses in this sector between 100 and 249 employees, all within 'Accounting, and Auditing activities'.

The largest sub-sector was listed as those under 'Business and other management consultancy activities' with 915 businesses, albeit a decrease of 70 businesses since 2016. This was followed by 'Engineering activities and related technical consultancy' with 220 businesses, which have decreased by 40 businesses since 2016.



## Waverley Economic Development Strategy Review 2022: Evidence Base

The next highest concentrations are in ‘accounting, bookkeeping and auditing activities’, and ‘other professional, scientific and technical activities’, with 165 and 145 businesses, and a decrease of 10 and 20 businesses respectively.

Other notable concentrations are in specialised design activities, which has 110 businesses, an increase of 5 since 2016, and legal activities and advertising agencies, each of which have 80 businesses, although those in legal activities have decreased by 10 since 2016.

Professional, Scientific & Technical Services No. of Enterprises 2021	Total	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	Change 2016-2021
6910 : Legal activities	80	60	5	10	0	0	0	-10
6920 : Accounting, bookkeeping and auditing activities; tax consultancy	165	135	20	10	0	0	5	-10
7010 : Activities of head offices	25	10	5	5	0	0	0	15
7021 : Public relations and communication activities	45	45	0	0	0	0	0	15
7022 : Business and other management consultancy activities	915	880	20	10	5	0	0	-70
7111 : Architectural activities	70	55	10	5	0	0	0	0
7112 : Engineering activities and related technical consultancy	220	195	10	5	5	0	0	-40
7120 : Technical testing and analysis	5	0	0	0	0	0	0	0
7211 : Research and experimental development on biotechnology	5	5	0	0	0	0	0	5
7219 : Other research and experimental development on natural sciences and engineering	15	10	0	0	0	0	0	0
7220 : Research and experimental development on social sciences and humanities	0	0	0	0	0	0	0	0
7311 : Advertising agencies	80	70	5	0	0	0	0	0
7312 : Media representation	10	10	0	0	0	0	0	0
7320 : Market research and public opinion polling	20	20	0	0	0	0	0	-5
7410 : Specialised design activities	110	95	10	0	0	0	0	5
7420 : Photographic activities	30	30	0	0	0	0	0	-10
7430 : Translation and interpretation activities	10	10	0	0	0	0	0	0
7490 : Other professional, scientific and technical activities n.e.c.	145	135	5	5	0	0	0	-20
7500 : Veterinary activities	15	10	5	5	0	0	0	-5
Column Total	1,960	1,775	95	55	20	5	5	-135

**Source:** ONS All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.

### Business Administration and Support Services

There are 755 total businesses in this sector, with an increase of 45 since 2016. The majority of these businesses are micro-sized, with 630 having up to four employees and 65 between five and nine. 35 businesses have 10-19 employees and 15 small sized businesses have between 20 and 49 employees. There are 5 businesses that employ 100-249 and 5 that employ 250+.

The largest sub-sector were businesses listed under ‘Other business support service activities’ which had 310 listed, and which saw an increase of 5 businesses since 2016. This was followed

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by 'Landscape service activities' at 145, which had increased by 30 businesses, and 'Activities of employment placement agencies at 60, which had seen an increase of 5.

Business Administration & Support Services No. of Enterprises 2021	Total	0 - 4	5 - 9	10 - 19	20 - 49	50- 99	100- 249	250+	Change 2016- 2021
7711 : Renting and leasing of cars and light motor vehicles	5	0	0	0	0	0	0	0	0
7712 : Renting and leasing of trucks	5	0	0	0	0	0	0	0	0
7721 : Renting and leasing of recreational and sports goods	5	0	0	0	0	0	0	0	0
7729 : Renting and leasing of other personal and household goods	5	5	0	0	0	0	0	0	0
7732 : Renting and leasing of construction and civil engineering machinery and equipment	10	10	0	0	0	0	0	0	0
7739 : Renting and leasing of other machinery, equipment and tangible goods n.e.c.	10	10	0	0	0	0	0	0	0
7740 : Leasing of intellectual property and similar products, except copyrighted works	5	5	0	0	0	0	0	0	0
7810 : Activities of employment placement agencies	60	50	5	5	0	0	0	0	5
7820 : Temporary employment agency activities	35	25	5	0	5	0	0	0	-5
7830 : Other human resources provision	5	5	0	0	0	0	0	0	-5
7911 : Travel agency activities	15	15	0	0	0	0	0	0	5
7912 : Tour operator activities	10	5	0	0	0	0	0	0	0
7990 : Other reservation service and related activities	5	5	0	0	0	0	0	0	-5
8010 : Private security activities	10	5	0	0	0	0	0	0	0
8020 : Security systems service activities	5	5	5	0	0	0	0	0	0
8030 : Investigation activities	0	0	0	0	0	0	0	0	-5
8110 : Combined facilities support activities	10	10	0	0	0	0	0	0	0
8121 : General cleaning of buildings	30	15	5	5	0	0	0	0	5
8122 : Other building and industrial cleaning activities	10	5	5	0	0	0	0	0	0
8129 : Other cleaning activities	10	10	0	0	0	0	0	0	0
8130 : Landscape service activities	145	120	15	5	0	0	0	0	30
8211 : Combined office administrative service activities	10	10	0	0	0	0	0	0	0
8219 : Photocopying, document preparation and other specialised office support activities	5	5	0	0	0	0	0	0	0
8220 : Activities of call centres	5	0	0	0	0	0	0	0	0
8230 : Convention and trade show organizers	20	20	0	0	0	0	0	0	5
8291 : Activities of collection agencies and credit bureaus	5	5	0	0	0	0	0	0	0
8299 : Other business support service activities n.e.c.	310	280	15	10	5	0	0	0	5
Column Total	755	630	65	35	15	0	5	5	45

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### Education Sector

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There are a total of 165 businesses in this sector, which saw an increase of 15 since 2016. The number of micro businesses with zero to four employees is 105, with 25 having between 5 and 9 employees. There are 5 businesses of between 10 and 19 employees, 5 of between 20 to 49 and 5 of between 50 to 99 employees. There are 15 of between 100 and 249 employees and five large businesses of over 250 employees in this sector.

Businesses listed under 'Other education' make up the largest sub-sector, with 75 businesses being listed under it. This sub-sector has seen an increase of five businesses since 2016.

Educational support activities are the next largest sub-sector with 20 businesses, having increased by 15 since 2016.

The sub-sectors listed under Pre-Primary Education, Technical and Vocational Secondary Education and Sports and Recreational Education are the next largest sub-sectors as they all comprise 15 businesses under their sub-sector. Primary Education has seen a decrease of five businesses since 2016, whilst Cultural Education, Sports and Recreational Education have seen an increase of five.

Waverley is notable for the number of independent schools within its boundaries which include Caldicott in Farnham, Charterhouse, Prior's Field, Aldro, King Edward's Witley, The Royal School, and St Ives School, Haslemere.

Education No. of Enterprises 2021	Total	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	250 - 499	Change 2015-20
8510 : Pre-primary education	15	5	5	0	0	0	0	0	0
8520 : Primary education	10	0	0	0	0	5	5	0	-5
8531 : General secondary education	5	0	0	0	0	0	5	5	-5
8532 : Technical and vocational secondary education	15	10	0	0	0	0	0	0	5
8541 : Post-secondary non-tertiary education	0	0	0	0	0	0	0	0	-5
8542 : Tertiary education	5	0	0	0	0	0	0	0	0
8551 : Sports and recreation education	15	10	5	0	0	0	0	0	5
8552 : Cultural education	5	5	0	0	0	0	0	0	5
8553 : Driving school activities	0	0	0	0	0	0	0	0	0
8559 : Other education n.e.c.	75	60	10	0	0	0	5	0	5
8560 : Educational support activities	20	15	0	0	0	0	0	0	15
Column Total	<b>165</b>	<b>105</b>	<b>25</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>15</b>	<b>5</b>	<b>15</b>

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## Creative Industries

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#### Definitions

The creative industries definition from the UK Government’s Department for Culture, Media and Sport is: ‘Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.’

There are thirteen **sub-sectors** under the term ‘creative industries’ and these are:

- Advertising
- Architecture
- The Art and Antiques Market
- Crafts
- Design
- Designer Fashion
- Film and Video
- Interactive Leisure Software
- Music
- The Performing Arts
- Publishing
- Software and Computer games
- Television and radio.

#### Sector Analysis

There were 790 enterprises in the Creative Industries sector in 2021 in Waverley. The sector has seen a net increase of 30 enterprises in Waverley since 2016, taking account of increases and decreases of various sub-sectors.

There are 695 of those with fewer than 5 employees, with 55 between 5 and 9; 20 of between 10 and 19; 15 of between 20 and 49, and 5 of 50-99. No businesses in this sector being listed as being any larger than this. The largest sub-sectors are as listed below.

Activities	No. Enterprises	Change 2016-2021
Computer programming activities	135	0
Motion picture, video and television programme production activities	110	50
Specialised design activities	110	5
Advertising agencies	80	0
Artistic creation	75	-20
Architectural activities	70	0

Increases in the number of enterprises have occurred in publishing of newspapers, motion picture, video and television programme production activities, motion picture, video and

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television programme distribution activities, television programming and broadcasting activities, performing arts, support activities to performing arts and specialised design activities.

There have been decreases of up to 5 enterprises in book publishing, publishing of journals and periodicals, other publishing activities and radio broadcasting; up to 10 enterprises in photographic activities and up to 20 enterprises in artistic creation.

Industry	Total*	0 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	Large (250+)	Change 2016-2021
5811 : Book publishing	15	10	0	0	0	0	0	0	-5
5813 : Publishing of newspapers	10	5	5	0	0	0	0	0	5
5814 : Publishing of journals and periodicals	15	10	5	0	5	0	0	0	-5
5819 : Other publishing activities	15	10	0	0	0	0	0	0	-5
5821 : Publishing of computer games	5	5	0	0	0	0	0	0	0
5829 : Other software publishing	10	10	0	0	0	0	0	0	0
5911 : Motion picture, video and television programme production activities	110	100	5	0	0	0	0	0	50
5912 : Motion picture, video and television programme post-production activities	15	15	0	0	0	0	0	0	0
5913 : Motion picture, video and television programme distribution activities	5	5	0	0	0	0	0	0	5
5920 : Sound recording and music publishing activities	15	15	0	0	0	0	0	0	0
6010 : Radio broadcasting	5	5	0	0	0	0	0	0	-5
6020 : Television programming and broadcasting activities	10	10	0	0	0	0	0	0	5
6201 : Computer programming activities	135	115	5	5	0	5	0	0	0
7311 : Advertising agencies	80	70	5	0	0	0	0	0	0
7312 : Media representation	10	10	0	0	0	0	0	0	0
7111 : Architectural activities	70	55	10	5	0	0	0	0	0
9001 : Performing arts	40	40	0	0	0	0	0	0	5
9002 : Support activities to performing arts	20	20	0	0	0	0	0	0	10
9003 : Artistic creation	75	65	5	0	0	0	0	0	-20
9004 : Operation of arts facilities	0	0	0	0	0	0	0	0	0
7410 : Specialised design activities	110	95	10	0	0	0	0	0	5
7420 : Photographic activities	30	30	0	0	0	0	0	0	-10
Column Total	<b>790</b>	<b>695</b>	<b>55</b>	<b>20</b>	<b>15</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>30</b>

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### 3.5 Tourism, Culture and Leisure

#### Definition

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### Evidence Base

There are various definitions of Tourism as a sector activity. The simplest of these specified the five industries of tourism as being: accommodations, food and beverage services, recreation and entertainment, transportation, and travel services. Other definitions include adventure tourism and recreation, events and conferences and tourism services. However, these are not included in standard industrial classifications so are not adopted here, but would be covered by the sub-sectors listed below.

#### Sector Analysis

There were 415 businesses in the Tourism sector in Waverley as defined above in 2021, which has seen a decrease of 15 businesses since 2016. There are 245 of those with fewer than 5 employees, with 75 between 5 and 9, 65 between 10 and 19 employees, 25 businesses of between 20 and 49, 5 of 50 to 100 and 5 of 100 to 249. No businesses in this sector are listed as being any larger than this.

The largest number of businesses are in the food and beverage sector, within which there are 125 restaurants and mobile service activities, 80 beverage serving activities and 25 event catering activities. Since 2016, there are 25 fewer beverage serving activities and 10 fewer restaurants and mobile service activities and 5 fewer event catering activities.

There are 15 hotels and similar accommodation and 5 other holiday and other short-stay accommodation businesses but no camping grounds, recreational vehicle parks and trailer parks, or other accommodation defined as being in the tourism sector. There has been no change in the number of these businesses since 2016.

There are 30 travel services businesses.

In the area of entertainment activities, there are 40 businesses in performing arts and 20 businesses in support activities to performing arts; these businesses have seen an increase of 5 and 10 respectively since 2016. There are 20 businesses in amusement and recreation activities and these have also increased, by 5 businesses, since 2016.

Industry	Total*	0 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	Large (250+)	Change 2016-21
<b>Accommodation</b>									
5510 : Hotels and similar accommodation	15	5	0	5	0	0	0	0	0
5520 : Holiday and other short stay accommodation	5	5	0	0	0	0	0	0	0
<b>Food and Beverage</b>									
5610 : Restaurants and mobile food service activities	125	60	35	25	5	0	0	0	-10
5621 : Event catering activities	25	15	5	5	0	0	0	0	-5
5629 : Other food service activities	5	5	0	0	0	0	0	0	0
5630 : Beverage serving activities	80	25	20	20	10	0	0	0	-25
<b>Transportation</b>									
4931 : Urban and suburban passenger land transport	5	5	0	0	0	0	0	0	0

## Waverley Economic Development Strategy Review 2022: Evidence Base

Industry	Total*	0 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	Large (250+)	Change 2016-21
4932 : Taxi operation	10	5	0	0	0	0	0	0	0
4939 : Other passenger land transport n.e.c.	5	5	0	0	0	0	0	0	0
5030 : Inland passenger water transport	0	0	0	0	0	0	0	0	0
5110 : Passenger air transport	5	5	0	0	0	0	0	0	5
<b>Travel services</b>									
7911 : Travel agency activities	15	15	0	0	0	0	0	0	5
7912 : Tour operator activities	10	5	0	0	0	0	0	0	0
7990 : Other reservation service and related activities	5	5	0	0	0	0	0	0	-5
<b>Visitor Attractions, Recreation and Entertainment Activities</b>									
9001 : Performing arts	40	40	0	0	0	0	0	0	5
9002 : Support activities to performing arts	20	20	0	0	0	0	0	0	10
9004 : Operation of arts facilities	0	0	0	0	0	0	0	0	0
9102 : Museum activities	0	0	0	0	0	0	0	0	0
9103 : Operation of historical sites and buildings and similar visitor attractions	5	0	0	0	0	0	0	0	5
9311 : Operation of sports facilities	15	10	5	0	0	0	0	0	0
9321 : Activities of amusement parks and theme parks	0	0	0	0	0	0	0	0	0
9329 : Other amusement and recreation activities	20	15	5	0	0	0	0	0	5
<b>Column Total</b>	<b>415</b>	<b>245</b>	<b>75</b>	<b>65</b>	<b>25</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>-15</b>

### High Tech Manufacturing

There are a total of 25 businesses in high-tech manufacturing, with no net changes in the total number since 2015. The majority of these businesses are micro-sized, with 15 businesses having less than five employees in this sector. There are approximately five small businesses in the area with between 20 and 49 employees. The remainder ten are spread across other size bands but are not shown in the available data due to rounding.

The largest sub-sector is 'Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment' which has 15 businesses listed under it, having increased by 5 businesses since 2016. The sub-sectors under both 'Manufacture of computers and peripheral equipment' and 'Manufacture of consumer electronics' have seen a decrease of five businesses in their respective sub-sectors in the same time-span. The number businesses in Manufacture of electronic components has increased by 5.

High-tech Manufacturing No. of Enterprises 2021	Total	0 to 4	5 to 9	10 to 19	20 to 49	Change
2120 : Manufacture of pharmaceutical preparations	5	0	0	0	0	0
2611 : Manufacture of electronic components	5	5	0	0	0	5
2612 : Manufacture of loaded electronic boards	0	0	0	0	0	0
2620 : Manufacture of computers and peripheral equipment	0	0	0	0	0	-5

## Waverley Economic Development Strategy Review 2022: Evidence Base

High-tech Manufacturing No. of Enterprises 2021	Total	0 to 4	5 to 9	10 to 19	20 to 49	Change
2630 : Manufacture of communication equipment	0	0	0	0	0	-5
2640 : Manufacture of consumer electronics	0	0	0	0	0	-5
2651 : Manufacture of instruments and appliances for measuring, testing and navigation	15	5	0	0	5	5
Column Total	<b>25</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>

**Source: ONS** All figures are rounded to avoid disclosure. Values may be rounded down to zero and so all zeros are not necessarily true zeros. Totals across tables may differ by minor amounts due to the disclosure methods used. Furthermore, figures may differ by small amounts from those published in ONS outputs due to the application of a different rounding methodology.