

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

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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- 1.1 Waverley Borough Council has an existing economic development strategy that is out-of-date and no longer relevant.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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