

## SEVENOAKS DISTRICT DRAFT ECONOMIC DEVELOPMENT STRATEGY

Committee - People & Places Committee - 14<sup>th</sup> June 2022

**Report of:** Strategic Head Property & Commercial

**Status:** For Decision

**Also considered by:**

- Improvement & Innovation Committee - 23<sup>rd</sup> June 2022
- Cabinet 7<sup>th</sup> July 2022

**Key Decision:** Yes

**Executive Summary:** The following report presents a new refreshed draft Economic Development Strategy for Sevenoaks District covering the period 2022-2027. This is a key period for economic recovery and the new strategy incorporates a strong vision and action plan to ensure that the local economy grows in a dynamic, sustainable and inclusive way.

Whilst a number of the strategic priorities identified in the previous strategy remain relevant, the exceptional economic environment and the importance of transitioning to Net Zero means some new priorities and projects are included.

The Strategy will be very closely aligned and integrated with the Council's UK Shared Prosperity Fund Investment Plan once agreed.

**Portfolio Holder:** Cllrs. Peter Fleming & Lesley Dyball

**Contact Officer:** Chris Burchell, Economic Development & Programmes Manager Ext 7136

**Recommendation to People and Places Advisory Committee:** That it be recommended to Cabinet that Cabinet agrees to adopt the Economic Development Strategy 2022-2027 included in this Report in Appendix A.

**Recommendation to Cabinet:** That the Cabinet agrees to adopt the Economic Development Strategy 2022-2027 included in this Report in Appendix A.

**Reason for recommendation:** Officers believe that The Economic Development Strategy 2022-2027 presented in the Report provides the right delivery framework for sustainable economic growth in the future. This has been endorsed by Members and takes account of an extensive consultation process with local businesses and town and parish councils.

## Introduction and Background

1. The Council's existing Economic Development Strategy covered the period 2018-2021. Members agreed that many of the key elements in that Strategy remained relevant, but with the considerable economic changes brought about by Covid-19, the opportunities emerging from the recently published Levelling Up White Paper and the need to plan for a transition to a green economy, a new refreshed and ambitious seven-year Strategy to meet these challenges is required.
2. In general, prior to the pandemic, the economy in Sevenoaks District has performed relatively well with high levels of productivity, good business survival rates, an increasing number of enterprises in the knowledge economy and a relatively resilient retail sector. However, Gross Value Added (GVA - which broadly measures the total value of goods and services in the economy) increased very little between 2018-2019. Future economic performance might be threatened by a limited supply of employment land, skills gaps and the availability of affordable housing.
3. The draft strategy is included in this report under Appendix A and provides a suggested framework to deliver sustainable economic growth for the future.

The Strategy includes the following overarching vision

***'Our vision is for Sevenoaks District to have a dynamic and inclusive growing economy for our businesses, communities and visitors that is kind to the environment, and contributes to the health and well-being of all our residents and supports our commitment to achieving Net Zero carbon emissions by the Council by 2030'***

4. In developing the Strategy, a number of key drivers were considered as providing the context for setting out our strategic priorities in 5 below and these include:
  - The challenges in recovering from the pandemic with economic uncertainty arising from high inflation, rising business costs, a tight labour market and the longer term impact of Brexit
  - The opportunities arising from new hybrid working practices and the potential to capture new spending patterns, new investment and business start-ups
  - The significant drivers transitioning to a Net Zero economy with opportunities to develop and harness new skills and technologies, create new jobs and enhance our natural environment
  - The challenges of operating in a highly competitive bidding environment, but also the opportunities emerging from the allocation to the District of the UK Shared Prosperity Fund ('UKSPF') and the importance of fully aligning the Strategy with the Investment Plan once agreed.

- Opportunities in a new fresh approach to the West Kent Partnership
5. The five Strategic priorities highlighted below were also informed by reference to the promises made in the Council's Plan and an updated SWOT analysis.
- **Environmental sustainability** - with key objectives covering: economic opportunities transitioning to a green economy; securing health and well-being for residents; enhancing the ecological health of our natural environment and embracing the 15-minute community concept
  - **Skills Resilience and job opportunities** - with objectives covering: the delivery of a skilled workforce meeting the key drivers of digitisation; decarbonisation, demographic change and new working practices; providing residents with lifelong learning opportunities; a skills landscape that meets the needs of employers and one that fosters equality of opportunity.
  - **Business Resilience and growth objectives** - with objectives covering: business start-up and scale up support, increased research & development investment, inward investment, international trade and a local procurement programme.
  - **Infrastructure first** - with objectives covering: the support and facilitation of enhanced full fibre broadband investment, 5G networks and modal shift through the adoption of our Movement Strategy.
  - **West Kent Partnership** - with objectives covering: working in partnership to increase the amount of external funding secured, the delivery of local skills projects, increasing the level of business communications and supporting the rural economy

### Economic Development Delivery Plan

6. To ensure our strategic priorities are met, we have identified four key focus areas that provide the key actions within our delivery plan. This is likely to be adapted and modified as we finalise our UKSPF Investment Plan. Also included are our key performance indicators and the key partners who will be essential in helping us meet these objectives. The project delivery areas are:

#### Focus Area One - Business & Enterprise

7. We have a key aim in '**getting to know our businesses better and understanding their needs**'. Whilst Sevenoaks District has one of the highest GVA per Job indicators in Kent (a key measure of productivity in the economy), we hope to see more enterprises engage with business support, to celebrate their successes and provide an attractive environment for new company start-ups. The successful launch of the Swanley Business Hub in the autumn of 2022 will support a wider initiative to connect a number of private and public sector hubs across the West Kent region.

8. There will also be a strong emphasis on inward investment promotion and export development and increasing the opportunities for local companies to bid for Council business as part of a local procurement programme.
9. Through the Strategy, we will support the wider ambitions for Net Zero within the Council with an emphasis on helping local businesses to access funding and advice to de-carbonise and therefore contributing to reducing those emissions caused by commercial operations.

### **Focus Area Two - Tourism and Rural**

10. These remain key sectors for the District. We will focus on increasing the opportunities for rural diversification supported by more affordable housing, improved local infrastructure, better broadband and telephony coverage, and where possible supporting the conversion of rural buildings for alternative uses. We also hope to facilitate and encourage nature recovery and biodiversity enhancements through planning policy and in collaboration with our local network of landowners.
11. We will build on an already successful visitor economy through maximising the promotion and exposure of the District through our Place Campaign (which it must be stressed is not limited to this sector but will positively impact the whole Strategy). We will facilitate familiarisation trips for key influencers and support the delivery of niche visitor products to meet the needs of specific demographic groups. There is an excellent opportunity to work with the Visitor Economy Forum on increasing the accommodation offer and resilience of local tourism businesses.

### **Focus Area Three - Town Centres**

12. There have been substantial shifts in the nature and functioning of high streets. We will consider the results of the recently published Town Centre Strategy and in combination with new planning rules, there is the opportunity to bring a more diverse range of uses in our key centres. The Council will seek to secure funding for a number of suggested public realm enhancements and a suitable model such as a town steering group to co-ordinate and help expand the cultural and arts offer for the District to build on the legacy of the Welcome Back Fund. As part of the Place Campaign, we will encourage local residents to buy local and explore the potential of a Sevenoaks Trade Mark for local provenance.

### **Focus Area Four - Skills & Employment**

13. Improving local skills provision will be a key instrument for levelling up and improving equalities across the District. Priority will be given to working with colleagues in the Department for Work & Pensions on supporting events and initiatives to assist job seekers through careers fairs, apprenticeships and trainee programmes. We also have a number of outline proposals to deliver local innovative skills projects including the Growth Gurus Community Hub

initiative alongside lifelong learning, intergenerational knowledge sharing and retrofitting training.

The delivery of the Enterprise Adviser Network will transfer to The Education People ('TEP') from September, so schools' engagement work will continue, but we are also exploring opportunities to support enterprise for young people such as through the Children's Business Fair organisation.

## **Partnerships**

14. Sevenoaks District does not work in isolation so in order to deliver the Strategy, we will harness the strong relationships we have in our partner network and develop new ones to:
  - Collaborate on bids and funding opportunities through sharing expertise and best practice
  - Providing referrals to business support partners
  - Joint events to maximise opportunities and to make them viable
  - To co-ordinate promotional activities
15. The Strategy provides a range of partners that can contribute to our ambition, and include the following organisations:
  - Kent County Council
  - The Parish and Town councils
  - Sevenoaks District Chamber of Commerce
  - The West Kent Partnership
  - Kent & Medway Economic Partnership/South East LEP
  - Locate in Kent
  - Invicta Chamber of Commerce
  - Kent & Medway Growth Hub
  - Federation of Small Businesses
  - Visit Kent
  - Produced In Kent

## **Measuring and Monitoring**

16. The Strategy includes a dashboard of measures that will help us to monitor on-going trends in the economy and our performance against the Delivery Plan. Some of these measures are only available yearly, so we will produce an annual Sevenoaks economic report that will report on these measures and other developments in the local economy. We will also ensure we meet the reporting needs of the UKSPF Investment Plan.

## **Consultation**

17. It was agreed with the Leader of the Council and Lead Member for People & Places, that we would consult on the Strategy with the local business community via a series of focus groups prior to the Strategy going through the

Committee cycle (these meetings also provided an opportunity to discuss potential UKSPF projects). Three successful focus groups took place on March 30 and 31<sup>st</sup> March and a special Sevenoaks Business Board meeting on the 13<sup>th</sup> April. A further focus group took place with the Town and Parish Councils on Thursday 28<sup>th</sup> April. In addition, individual meetings took place with the CEO of Heaver Castle and General Manager of Peshurst Place to gain their views.

18. The focus groups included a very broad range of businesses across a spectrum of sectors that ensured that a number of different views and perspectives were captured. Officers were encouraged that in general businesses were very supportive and in agreement with the vision in the Strategy, our strategic objectives and our key areas of focus. A number commented that they saw Sevenoaks District Council as being pro-business, having provided valuable support and signposting, but felt that we needed to 'shout about' this more so that more businesses benefit (the Place Campaign was highlighted as a good opportunity to do this)
19. In summary the key points raised by the groups were as follows and although officers are confident that a number of these are already addressed in the Strategy, some changes or increased emphasis resulting from these points is now included:
  - a. Economic growth must be inclusive so that all our residents benefit and there was particular emphasis on the importance of health & well-being of employees within businesses and within the wider community that they are a part of. Sporting activity and local sports organisations were highlighted as a real asset to the District, but one that is not fully appreciated.
  - b. Although inward investment activity was encouraged, priority should be given to supporting existing businesses to grow and scale up particularly as they are in a process of recovery with increasing challenges in the costs of doing business. Comments were made on the importance of the right kind of employment space (and protecting that space) to meet their current and future needs.
  - c. We need to celebrate the diversity and achievements of our local businesses more regularly and more widely.
  - d. For a number of sectors present recruitment and skills shortages are acute, so helping to match local people with jobs and to support up-skilling initiatives needs to be a priority
  - e. The future of our town centres was discussed and it was important that the Strategy did not appear 'Sevenoaks' centric. Projects to increase footfall and maximise dwell time were encouraged and it was recognised that there was an opportunity to develop more non-traditional uses for retail units through the planning system. Importance was also given to the role of culture and creative industries in our key centres and an opportunity was identified to capitalise on the relocation of a number of London artists locally and raising the profile of cultural activities significantly.
  - f. The Rural Economy needed to be clearly defined and understood. A number of representatives from the sector stressed how vital affordable housing and adequate rural transport infrastructure is to the future resilience and

vibrancy of rural communities and to support new revenue streams for landowners.

- g. All recognised the huge advantages the district has in its natural environment and this needs to be capitalised on for well-being, boosting biodiversity and place promotion
- h. The Strategy needs to be clear 'why we are doing what we are doing'.

#### **Other options Considered and/or rejected**

- 20. Consideration was given to refreshing and re-framing the existing strategy, but given reasons outlined in paragraph 1, it was considered necessary to undertake a "deeper" refresh.
- 21. A further option considered was to delay the preparation of the Strategy once the UKSPF Investment Plan is completed, but this would cause significant delays. It was decided to run these in parallel but to ensure they are fully connected and in alignment.

## Key Implications

### Financial

22. The expectation is that the delivery of the Strategy will be funded predominately as part of the UKSPF Investment Plan once agreed (supplemented by existing Economic Development budgets including those from The West Kent Partnership budgets). Each local authority in the UK has been allocated UKSPF funding covering the period 2022/23-2024/25 to support the Government's twelve missions contained within the Levelling up White Paper. Sevenoaks has been funded a £1million allocation over the three years plus an additional £20,000 to cover costs associated with developing the Investment Plan and 4% of the allocation can be used for associated administration costs. The funding covers both revenue and capital, but there is a set formula on the split between the two over the funding period.
23. The funding has been provided to support an overarching objective to 'Build Pride in Place and Increasing Life Chances' and to fund projects and initiatives around three pillars: COMMUNITY & PLACE, SUPPORTING LOCAL BUSINESS and PEOPLE & SKILLS. Work is underway to develop the Investment Plan that needs to be submitted to the Government for approval over the summer (submission window 30<sup>th</sup> June - 1<sup>st</sup> August). Our current suggested priorities for the plan are 1) Supporting the rural economy; 2) improving employment opportunities for young people (via the Growth Gurus Community Hub project); 3) Skills and community opportunities from Net Zero; 4) Supporting the recovery of our town centres and 5) Business support and skills projects across the West Kent Partnership.

A link to the UKSPF Prospectus is included here:

[UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/92222/ukspfprospectus.pdf)

### Legal Implications and Risk Assessment Statement

24. There are no legal implications in relation to the Report
25. RISK ASSESSMENT. THERE ARE MORE RISKS ASSOCIATED IN NOT ADOPTING THE NEW ECONOMIC STRATEGY THAN IT BEING ADOPTED BY THE COUNCIL
- If the District Council does not proceed to adopt the Economic Development Strategy, this could result in:-
- (a) A missed opportunity to provide vital leadership and action in ensuring that the District's economy recovers and delivers inclusive growth that benefits all our residents
  - (b) A failure to deliver skills and employment projects that support those in our community who are either unemployed or underemployed.



- (c) A failure to support our local businesses as they continue to recover from the pandemic and deal with the rising costs of doing business. The Strategy will be largely funded from our UK Shared Prosperity Fund allocation including supporting local businesses and this provides the framework for 1:1 advice, coaching and mentoring and networking opportunities to help companies build resilience and boost their productivity
- (d) Failure to help the recovery and rejuvenation of our high streets and other key centres and to support the rural and visitor economy as it goes through a time of change

### Equality Assessment

- 26. Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this report directly impact on end users. The impact has been analysed and does not vary between groups of people. The summary results of this analysis are set out immediately below.
- 27. The vision for the Economic Strategy emphasises the importance of a growing, inclusive economy. A number of initiatives are targeted at specific groups in particular need in our community such as the unemployed or those experiencing barriers to employment, and the Strategy more widely has been put together to ensure all our businesses and residents benefit. Therefore, the decision being made and recommended through this paper does not have the potential to discriminate against different groups in Sevenoaks District.

### Net Zero Implications

- 28. Members are reminded of the Council's stated ambition to be Net Zero with regards to carbon emissions by 2030. The decisions recommended in this paper directly impact on this ambition. An impact assessment has been carried out and a summary of the results is given below
- 29. The Strategy does not focus primarily on the Council's own emissions, however in supporting local infrastructure investment and the Council's recently published Movement Strategy this could provide more sustainable travel opportunities for staff. The Strategy also plans a local procurement project to increase the number and range of suppliers supplying the Council with goods and services. As well as helping to grow the local economy, this will directly support a reduction of the carbon footprint in our supply chain.

30. The Economic Strategy has a vision to grow the economy in a sustainable way and gives due regard to the Councils commitment to Net Zero. With any economic growth comes the risk of increased emissions, however, there are a range of initiatives in the delivery plan that focus on helping to offset the harmful aspects of climate change

- We will help local businesses access advice and share best practice on how to de-carbonise and become more energy efficient
- We will promote Sevenoaks District as a centre for the adoption of new green technologies
- We will seek to maximise the opportunities for new job creation in the green economy particularly upskilling for retrofit
- We will work with our attractions in the Visitor Economy on making Sevenoaks a centre for sustainable tourism
- We will encourage nature recovery and improvements in biodiversity in both rural and urban areas through sharing best practice in our Rural Economic Forum and helping organisations to access grants such as the Nature Recovery Grant.

## Conclusions

31. This Report presents the draft refreshed Economic Development Strategy for eventual agreement and adoption by Cabinet. Sevenoaks District has the potential to continue to build an economy that is sustainable, inclusive and dynamic, but importantly one that benefits all our residents.

### Appendices

Appendix A - Draft Economic Development Strategy

### Background Papers

None included