



Horsham
District
Council

Horsham District Economic Strategy 2017-2027



Think
Horsham
District

Foreword

Horsham district offers exceptional opportunities for business, making it the perfect choice for new investment and business growth. It has an excellent quality of life, with a highly skilled workforce and educational attainments amongst the highest in the country. We consistently have a high rate of new start-up businesses with healthy survival rates in the short and long term.

We do face economic challenges, such as the need to attract inward investment and provide new commercial floor space to support our existing businesses looking to grow. We must now move forward with a proactive new economic strategy to address these challenges, with the important message that Horsham district is 'open for business'.



Councillor Gordon Lindsay
Cabinet Member for Local Economy



Introduction

Horsham District Council has a key role in driving economic growth and is required by Government to set out a clear economic vision and strategy for our area which positively and proactively encourages sustainable economic growth. We must create the conditions that support the local economy and remove barriers that stop businesses creating jobs.

Looking back over the past three years, whilst the statistics relating to quality of life paint a positive picture, our economic performance has been poor. Our business rates for the District have remained static since 2013. In looking at the trend of changes in business rateable value, which is a measure of relative economic growth, Horsham District is ranked 288 out of the 353 English Authorities. We are the worst performing authority in West Sussex.

A review of our current situation reveals that there is a limited supply of space in both the office and industrial / warehouse sector. This is due to a modest increase in demand, loss of existing stock to alternative uses and the lack of new developments coming forward.

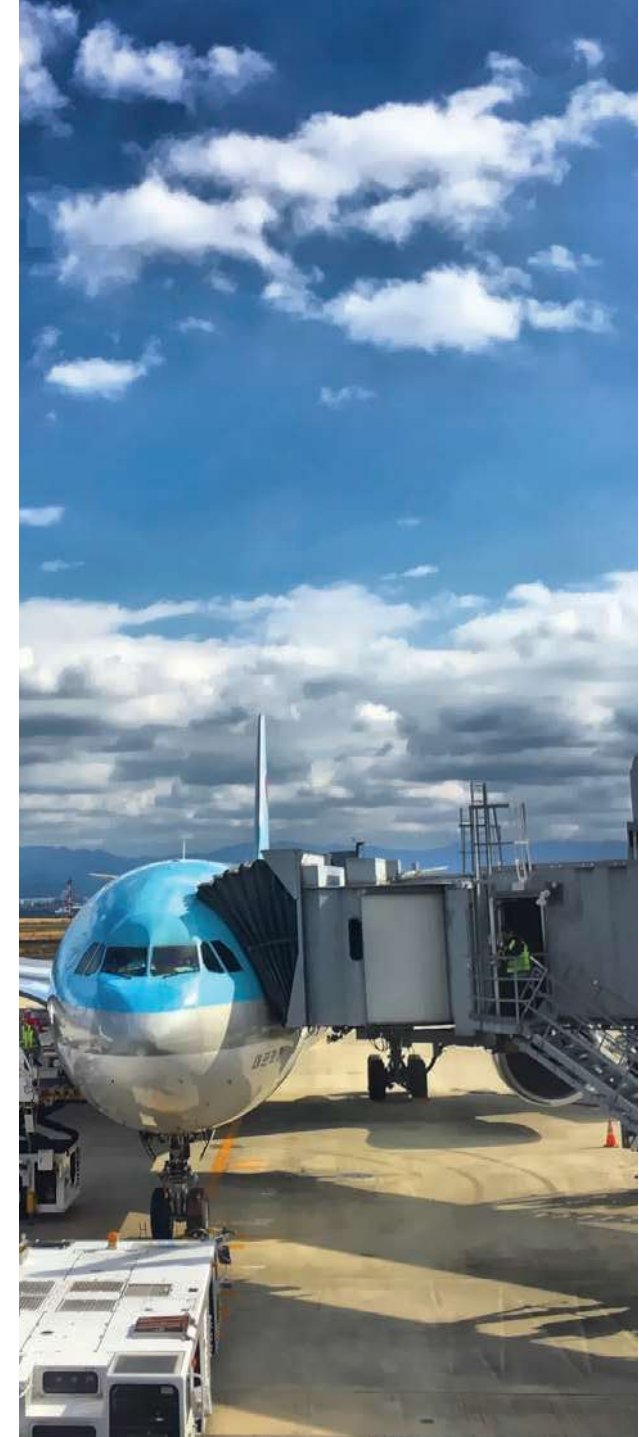
We have witnessed companies such as RSA downsizing and then losing the offices to residential. Alongside this we have seen the number of enquiries for office and commercial floorspace increase year on year. To retain and grow our business rates will require a positive focus on providing new commercial sites and premises and allowing existing businesses to expand.

The second pressing issue is the continuing rise in out commuting from the district. To be able to afford to live in this area, a large

proportion of our residents find higher paid jobs in areas such as London, Gatwick and Croydon.

The danger here is in creating a dormitory district where new business floorspace continues to decline, with a knock-on impact on the support for the market towns and town centre. To increase the number of higher paid, higher skilled job opportunities relies on attracting new businesses and retaining the high growth existing businesses

This strategy aims to achieve long term prosperity and resilience with a need in the short term to establish a strong basis for growth and intervention. It is important that the strategy is iterative, with an ability to respond to future challenges and opportunities.



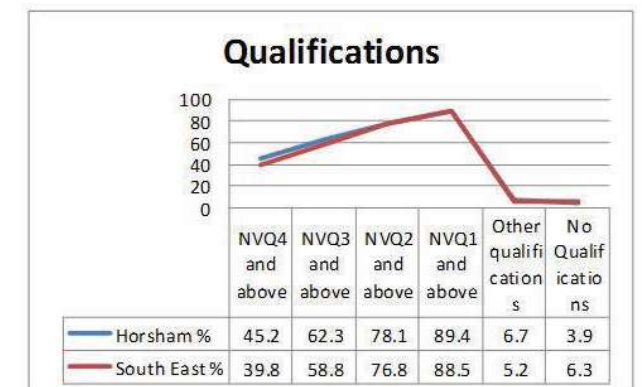
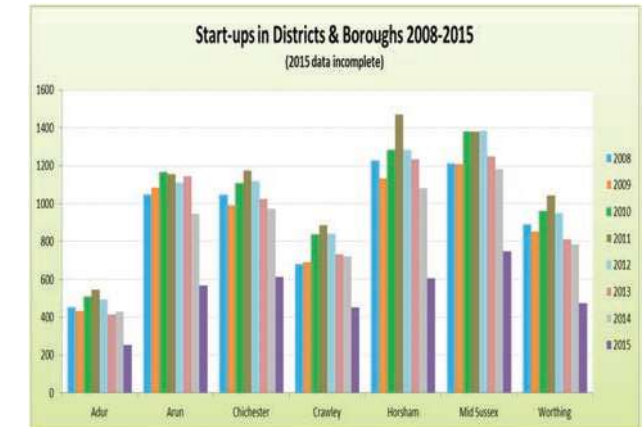
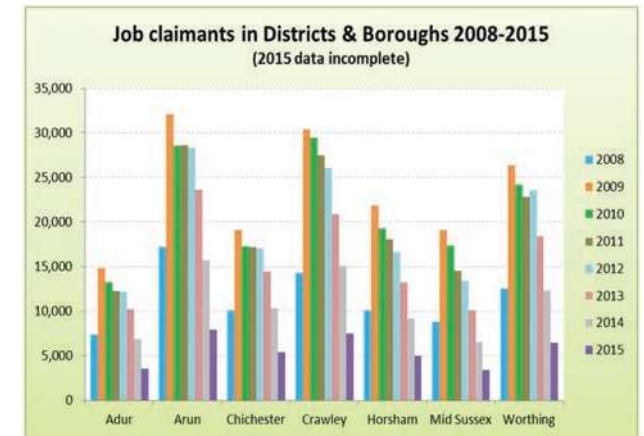
Economic overview

Residents of Horsham District

- 135,900 population in 2015
- Workforce of 67,300 (economically active)
- In 2015 14.6 % of the District's residents were aged 16-29 years old
- In 2015 21.1% of the residents were over 65 years of age
- Education – 45.2% of residents are qualified to NVQ4 or above
- Residents earning higher than county average
- High cost of living – high and rising house prices

Horsham District Economy in Numbers

- Estimated 7,160 businesses
- 49,900 jobs in total
- £2.6 billion Gross Value Added (GVA) in 2014
- An entrepreneurial district – the second highest business start-up rate in the County
- 72% of businesses are rurally based
- High employment rate – low jobseeker's allowance claimant rate (0.7 % of the working age population October 2016)
- 90.7% of Horsham businesses employ less than 10 people
- Concentration of Professional, Scientific and Technical businesses
- 2.8 million day visitors
- Day visitors spend circa £88.4 million, supporting 2,224 jobs



Strengths

Demographics

- Has a higher percentage of residents in higher and intermediate occupations
- A very low percentage of benefits claimants
- Educational achievement is well above average
- High proportion of economically active residents

Business

- 27.1% of businesses are knowledge based, higher than the national figure of 21.8%
- Second highest average rate of start-ups out of the West Sussex Districts and greater short-term and long term survival rates
- Significant number of home based and micro businesses
- Increasing demand from companies not in the area seeking to relocate to Horsham

Place

- A desirable place to live
- Crime rates are amongst the lowest in the country

Weaknesses

Demographic

- Migration characterised by young adults moving away
- Average earnings for residents are significantly higher than those working but living outside the District
- Large number of out commuters
- Increasing older population

Business

- 69% of commercial space built before 1980
- Lack of freehold and leasehold employment land
- Business rates for the district have remained static since 2013

Place

- High house prices
- Poor infrastructure with inadequate broadband speeds, mobile phone coverage and road congestion

Opportunities

- High concentration of Professional, Scientific and Technical businesses
- A desirable place to live in a central location, partially within the South Downs National Park
- Proactive communications with the business community
- Promotion of the District offer to attract new businesses
- First class schools with high levels of attainment
- New strategic sites providing employment floorspace

Threats

- Loss of existing businesses due to the shortage of commercial space and outdated employment accommodation
- Failure to secure inward investment and generate new business rates
- Decline in the number of start-up businesses
- Government legislation and changes to PD rights, with the subsequent impact on the supply of employment land
- Continuation of the growth in out-commuting to secure higher paid jobs
- Increasing pressure on infrastructure with negative impact on the Horsham District offer e.g. schools, traffic congestion

Horsham Economic Strategy Vision Statement:

Think Horsham – a first choice business and visitor destination

The objectives for the strategy are as follows:

- Promoting diversification within the local business base
- Building on the digital sector business base to support a more buoyant and resilient economy
- Valuing places within Horsham and ensuring that they are able to evolve as modern and effective economic locations
- Targeting growth locations – intervening in locations where the potential for growth is highest and there is a strong case for intervention
- Targeting growth sectors – focussing activity on the sectors which are most important not only to Horsham but also to West Sussex
- Ensure residents have the skills and information to access opportunities in Horsham
- Improve the quality of Horsham's offer as a business and visitor location
- Increase the proportion of high-growth businesses
- Enhance connectivity and accessibility for businesses
- Think Horsham – Open for Business – to ensure that Horsham District Council's policies and services support the growth of existing businesses and do not present barriers to attracting new businesses

Think Horsham – a first choice business and visitor destination

To address the objectives and deliver the overall vision, the strategy focuses on five priorities:

Inward investment

Enterprise

Skills and employment

Infrastructure

Promoting the District Offer

What are our priorities?

The strategy focuses on five priority areas:

Priority 1: Inward Investment

Securing economic growth and inward investment will, in part, be dependent on businesses and investors believing in the potential of Horsham's economic locations. In the short term this will focus on the offer provided by North Horsham and Novartis.

Priority 2: Enterprise

It is essential that the district offers a range of quality commercial floorspace to ensure that these businesses have the opportunity to grow and remain here.

Priority 3: Skills and Employment

Horsham's priority for Skills and Employment – is to develop the skills that will be needed in the future and find supportive ways of providing skills and employment opportunities to those who are finding it difficult to get jobs.

Priority 4: Infrastructure – to address the barriers to economic growth

Infrastructure is vital to the continuing economic growth of the district. There needs to be active support to enable improved access to higher speed broadband and mobile coverage.

Priority 5: Promoting the District Offer

It is important that not only should we celebrate and promote the distinctiveness of the area but we should also build on our current strengths and ensure that we secure a vibrant visitor economy.





Priority 1: Inward Investment



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Securing economic growth will, in part, be dependent on businesses and investors believing in the potential of Horsham's economic locations. In the short term this will focus on the offer provided by North Horsham and Novartis.

- Attract new companies as part of the strategic sites developments
- Promote the district as a place to invest in.

Why is this a priority?

The issue is the continuing increase in out commuting to secure higher paid jobs, with limited business growth and opportunity for residents to work within the district. We now have a number of strategic sites in the pipeline which offer an excellent opportunity to attract new companies into the district. The identified need is to increase the number of skilled, higher paid jobs within the district. This not only achieves a key objective of economic growth, it also helps to address the increasing number of residents forced to commute out of the district to find the higher paid job opportunities.

The district does not perform well in growing its business rates base and has the lowest business rate growth in West Sussex. It is essential to focus resources on attracting new businesses into the district if we are to improve our performance.



What we will do

It is critical that we invest resources into the promotion of the strategic sites to secure inward investment from companies outside the District. It is important to target companies with high growth potential, offering higher paid and higher skilled job opportunities. Part of this work is ensuring that we promote the significant assets already here and present a compelling argument as to why businesses would relocate to Horsham.

Think Horsham: Open for Business

We have already established the Think Horsham brand and can use this to demonstrate the competitive advantages the District has to offer. Our key assets include proximity to Gatwick and London, the outstanding quality of life, and the strength of our business base in our priority growth sectors. To attract the inward investment we need to ensure our economic growth, we need to understand the needs of companies we want to attract into the area and ensure we offer genuine competitive advantage.

- We will promote Horsham as an outstanding business destination through the Think Horsham brand. We also need to ensure that businesses understand that Horsham is 'open for business' with a co-ordinated offer in terms of location, skilled workforce, supply chains and knowledge base.
- We will need to focus our resources on attracting inward investment and to do this we will put in place an Account Management programme. This will ensure that businesses have direct access to senior management within HDC to provide excellent support and develop specific solutions to address their requirements.
- We will target high growth companies and through contacts at UKTI, Gatwick Diamond, establish direct links to companies in the CDIT sector.
- We will ensure that the companies are aware of the Horsham District offer.
- Establish our priority sectors and what their needs are: CDIT, Biosciences.
- Use of existing companies as ambassadors.



Priority 2: Enterprise

Priority 2: Enterprise

Support our local businesses to become more productive and resilient to support long-term economic growth

The business survey revealed that businesses want to stay within the District and are anticipating growth in the future. It is essential that the District offers a range of quality commercial floorspace to ensure that these businesses have the opportunity to grow and remain here.

Why this is a priority

Businesses need space to start up, move to and grow. Providing a range of business premises is important, with calls for small units in rural areas, high-tech business parks, industrial units, serviced sites and Grade A offices. The council, as local planning authority, has a key role in this work area. Local companies and business organisations have highlighted the importance of identifying further employment sites, and protecting existing premises. Over two thirds of businesses are rurally based. The rural economy is growing with important specialist industries such as fresh

produce, food production and viticulture. Both employment and number of businesses have grown in the last three years and there is scope for further development through supporting business growth.

The market towns provide a network of attractive places to visit and underpin the wider rural economy. They face significant economic challenges, in particular the retail sector. A priority must be to support the market town businesses and enhance the vitality of their high streets.

The district has above average rates of business start-ups. We want to make it easier for people starting a business to access information and advice to support them in their early stages. Start-up businesses sometimes do not have the resources to pay for business advice, and yet this is a time when they can benefit from impartial and professional advice. There is a lot of information available for start-up businesses but it can be time consuming and confusing for people to try and find out about everything they need to know. Businesses have told us they value the council's role in providing information, but that this service could be improved.

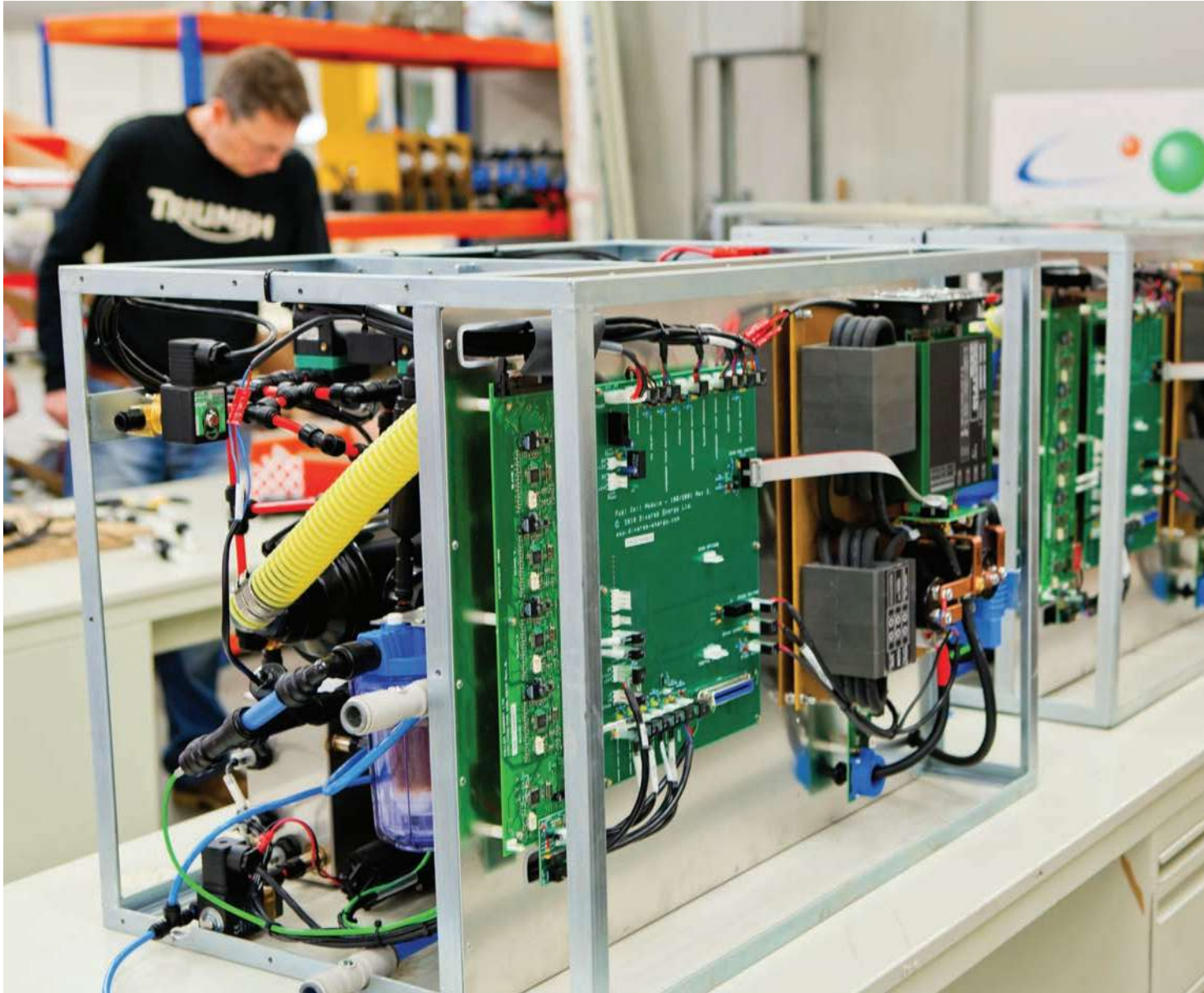


What we will do

- Think Horsham: Open for Business – we will work with colleagues in Strategic Planning and Development Management to ensure that our planning policies are supportive of the local economy.
- Maintain statistical evidence on demand and supply of commercial land and premises, to inform the planning process and investment decisions.
- Establish and maintain a regular dialogue with private sector developers and commercial property agents, to inform decision making and assist the delivery of employment sites.
- Identify and promote funding opportunities for employment land/ premises development (when available) to encourage investment in sites and premises.
- Raise awareness of business support for start-ups and new businesses by providing tailored information at locations across the district, including Business Information Points
- Programme of events under the Microbiz brand to provide training and support for start-ups and small businesses
- The provision of a free, online database of commercial sites and premises, including the availability of council owned workspace and offices, through our liaison with property agents.
- Continue the Business Newsletter to keep businesses up-to-date with information on council services, events and other sources of support.
- a 'joined-up' council wide approach on providing information and support for new businesses
- Identify new sites and premises through the HDPF review
- Prioritise the provision of supported, affordable commercial units to support start-ups and small businesses
- Develop a robust business engagement strategy – establish regular liaison with the district's most significant employers and growth businesses. This should provide regular access to senior officers and members, giving them a prominent role in the development of the business support offer.



Priority 3: Skills and Employment



Priority 3: Skills and Employment

Horsham's priority for Skills and Employment – is to develop the skills that will be needed in the future and find supportive ways of providing skills and employment opportunities to those who are finding it difficult to get jobs.

Why is this a Priority?

There is a growing demand for skilled workers in innovative and emerging sectors. The district has low numbers of full- time students with migration characterised by young adults moving away. The business survey identified recruitment issues and a requirement for STEM skills.

Some businesses identify skills and recruitment difficulties as a 'barrier to growth'. Investment in workforce development will bring benefits to local businesses and the people who work in those businesses, helping the wider economy to grow.

What we will do

The challenge is to identify skills needs in advance. We need to develop a relationship with local employers to gather skills intelligence from them to inform training providers from the local universities, colleges and schools. This will help to improve the supply of talented people with the right skills needed by businesses. Having good information on the local skills needed by businesses will help to target training for those people who have found it difficult to get jobs in the past.

We need to encourage businesses to invest in skills and workforce development, including:

- Developing links with training providers
- Offering traineeships and apprenticeships
- Offering work placements
- Identify and promote funding opportunities for skills and workforce development (when

available) to encourage local businesses to invest in their staff.

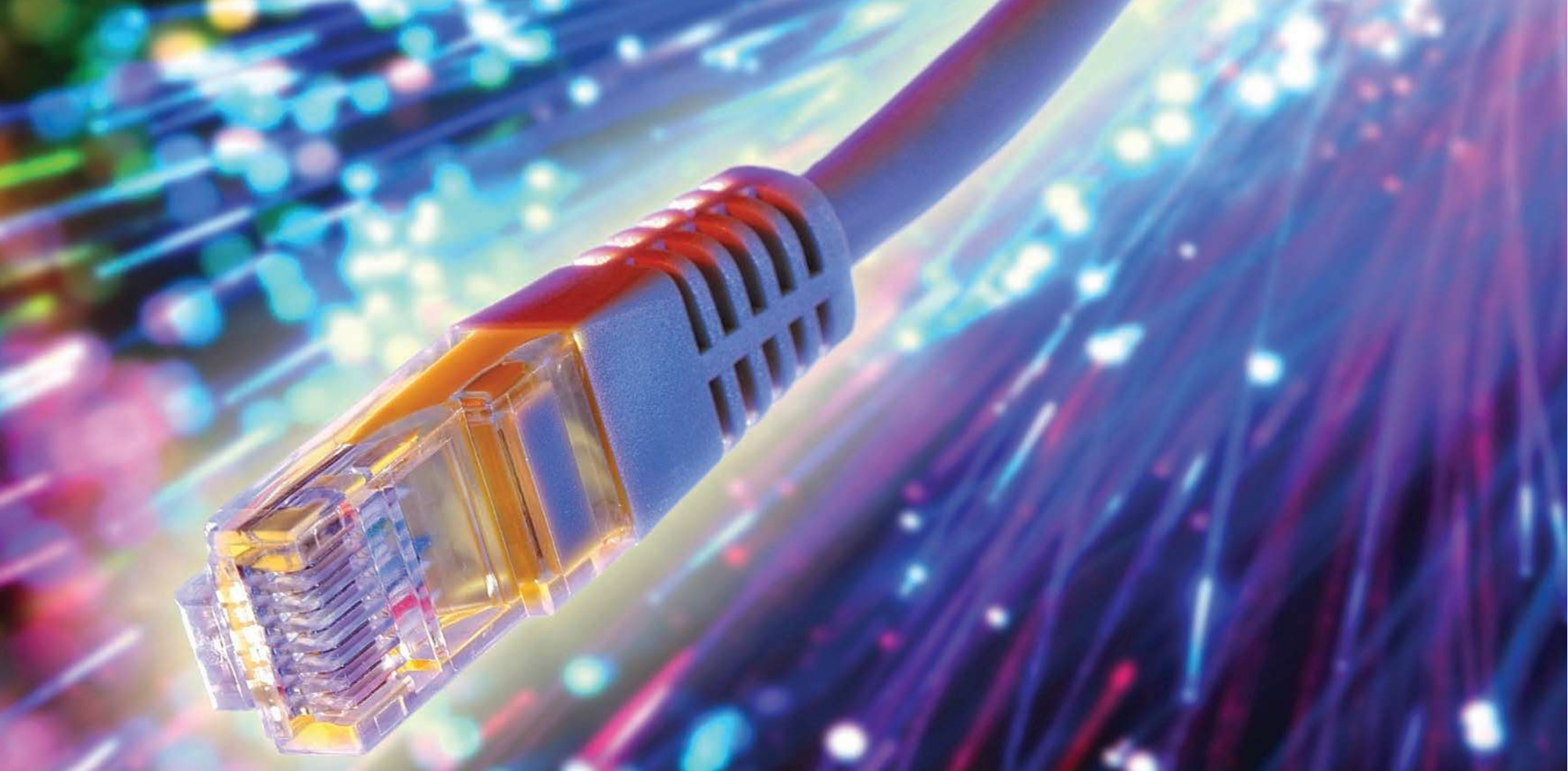
We will further develop a programme of events to foster the links between education and employers including:

- Jobs/recruitment fair
- Careers fair/STEM sector promotion
- Education and employer Engagement (event/programme) including
 - CPD training for Careers teachers at Horsham District Schools
 - Apprenticeship Week events
 - C2C Enterprise Advisor Programme roll out
 - Young Enterprise

STEM promotion:

- STEM FEST type activity working with STEM Sussex and FSB
- work with schools and employers
- network of STEM sector employers acting as mentors





Priority 4: Infrastructure

Priority 4: Infrastructure – to address the barriers to economic growth

Infrastructure is vital to the continuing economic growth of the district. There needs to be active support to enable improved access to higher speed broadband and mobile coverage. This priority links to priorities 1 and 2 in ensuring that the infrastructure improvements needed to deliver the strategic sites is secured.

Why this is a priority

While one of the key advantages of the area is its proximity to Gatwick and London, there is concern that congestion is now impacting on the district's potential of continued economic growth. Some parts of the district have slow, or no broadband coverage and limited mobile coverage, particularly the rural areas. Access to higher broadband speeds and better use of IT can make businesses more

competitive and help create more employment opportunities in rural areas.

Broadband and the need for higher internet speeds has been raised as a key priority for businesses across the District, where access to increased speeds is necessary to perform at the cutting edge of business innovation. Lobbying for additional funding for 5G approaches and piloting new solutions will be key to future economic success.

Superfast broadband can help improve business performance by providing access to new markets, improving customer relationships and delivering operational savings. Broadband connectivity is particularly important in rural areas given the physical remoteness from markets. However, the rural nature of the district also makes it costly to invest in superfast coverage. Many businesses in the district have highlighted inadequate broadband provision as a significant barrier to growth.

What we will do

- Work with partners to deliver significant transport and digital infrastructure improvements.
- Working with providers to deliver wireless solutions to communities/businesses in “not-spot” areas.
- Through the planning process, ensure that new homes and workplaces include the provision of high speed broadband access.
- Develop a programme of digital inclusion with partners to ensure that all residents and businesses have the skills to embrace new technology and connectivity
- Develop business cases for investment in transport infrastructure improvements and pursue external funding to deliver the priority schemes
- Work with WSCC in supporting and promoting Better Connected to bring better, faster broadband to West Sussex.
- Lobby Central Government to deliver on its promise of 95% superfast coverage by 2017



Image: Toby Phillips Photography

Priority 5: Promoting the district offer

Priority 5: Promoting the District Offer

The priority is to develop, strengthen and promote the visitor economy. We need to focus on all elements of the District offer, including our built, natural and cultural assets to provide the best possible experience for all visitors to Horsham.

Why is this a priority?

A key strength of the district is the quality of the things that attract people to the place, such as the natural environment, our heritage and culture, food, gardens, parks, events and scenery.

It is important that not only should we celebrate and promote the distinctiveness of the area but we should also build on our current strengths and ensure that we secure a vibrant visitor economy. The visitor economy is the UK's sixth largest industry and is one of the few

sectors seeing substantial growth, contributing around £115 billion to the UK economy and responsible for one third of all new jobs created between 2009 and 2011.

The visitor economy generates economic and social activity for visitors and residents alike. It not only supports jobs and economic well-being, but it helps to support facilities and amenities for local communities, encourages residents to stay and spend leisure time in the local area. It also enhances the image of an area, thereby attracting commercial investment by demonstrating to potential investors that the area is good to locate in.

The Horsham District Hotel & Visitor Accommodation Study shows good potential for tourist accommodation development in the Horsham District. The district is well placed to capitalise on the projected growth in the domestic short break and overseas tourist markets, building on its attractive countryside and the pulling power of the South Downs National Park.

What we will do

- Provide additional support, networking and skills workshops for tourism businesses
- Work with tourism partners to develop a new destination management plan for the District
- Work with the Council's Planning Department to bring forward site allocations for new hotel and larger scale visitor accommodation development
- Engage with pub landlords and tenants and restaurant owners to make them aware of the potential for them to provide accommodation
- Promote accommodation to service active tourism
- Develop a programme of campaigns to promote the District offer
- Develop a year round programme of events that supports a year round visitor offer
- Work with partners to increase their confidence and capacity to put on quality events
- Position Horsham District as a convenient and desirable business tourism destination
- Encourage the development of major visitor attractions through engagement and support for their strategic plans.
- Build on and support our local arts, culture and heritage sectors to maximise their positive cultural, social and economic contribution
- Raise the profile of Arts and Heritage in the District and put the District on the regional map, securing long term benefits from an economic, cultural and community perspective.



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