# **A Prosperous and Sustainable Economy**

# **Economic Development Strategy for Chichester District**

# **2022 - 2024**

## **Foreword by Cabinet member for Growth & Place, Regeneration**

Chichester District Council is committed to supporting local businesses. We recognise that our businesses are the core contributors to the prosperity of our District.

Chichester is an affluent district with a rich cultural heritage, a positive 'feel-good'

atmosphere, high quality recreational facilities and an outstanding natural environment. It is

a district that people aspire to belong and to, with a progressive District Council committed to supporting business, it has all the ingredients to be one of the most desirable locations in the UK for business.

However, along with the rest of the country, our businesses are dealing with the varied impacts of Covid. As a result we are seeing considerable changes to our high streets.

Through the focused plans we have been developing in Chichester City and in the rural towns, we hope to be well placed to ensure the ongoing vibrancy of these centres.

We also have yet to see the full impact of Brexit so we need to ensure that we remain able to adapt our strategies to the realities of the local economy.

We have therefore reviewed this strategy bearing in mind the current challenges and

consider that the principle aims remain sound. Through our annual Service Action Plans we

will establish the detailed plans to support the strategy and ensure that it is effective for these challenging times making our district a place in which businesses thrive and prosper.

The priority areas of focus will be on the ongoing delivery of Inward Investment Delivery Plans to promote the district as open for business and on supporting the high street, horticulture, viticulture and the visitor economy. Additionally it specifically seeks to support sustainable businesses.

This economic development strategy also recommends a targeted approach to supporting indigenous businesses to grow, whilst encouraging inward investment.

It sets out that we need to attract and retain younger people; stresses the importance of

education and training in raising aspirations and developing skills; and aims to promote better economic use of the District's considerable natural and cultural assets.

Cllr Tony Dignum

Cabinet member for Growth , Place and Regeneration

February 2022

## **About this Strategy**

Chichester needs an economic strategy that reflects the changed economic and

organisational conditions that now exist but needs to be flexible enough to allow response to changes in the economy.

Currently, a combination of Brexit and Covid is impacting the local economy's supply chains

and recruitment in some sectors. It is not yet known how long this will continue and is a national issue. We do not know what the longer term impact will be.

Therefore this strategy will seek to allow for flexibility to react to the needs of our local economy.

This strategy is an update of the 2013 - 2019 strategy and will retain aspects of that strategy

which continue to be relevant but will suggest additional aims and also show where this

strategy links with the Coast to Capital Local Enterprise Partnership's Strategic Economic Plan, WSCC's Growth Plan, Chichester Vision and Visions in the Rural Towns.

At the time of developing the last strategy, no-one was predicting the seismic change which has impacted the Retail Industry and which is leading to an evolution of town centre usage.

However, the Council has led the development of the Chichester Vision which has been

adopted by the District Council and to which both WSCC and Chichester City Council have

signed up. The delivery phase for the Chichester Vision is underway and through this

together with the emerging Visions for the rural towns, the District Council should be well placed to react to the change in town centres but more importantly to plan ahead.

Equally, the pace of change within the digital economy has accelerated and the way

businesses operate has evolved. Take up of commercial space is still heavily influenced by

accessibility but occupiers are now considering how premises and locations can be more

appealing to employees. The development of co-working and flexible office space is a crucial part of the offer.

Chichester District Council has foreseen some of these changes, evidenced by the Council establishing the Enterprise Centre.

Chichester District Council cannot affect economic outcomes at a macro level, but its

actions, priorities and leadership can make a difference to local businesses and residents. It

can develop strong partnerships to access funds; lobby for investment; achieve cost- effective outcomes; influence others to work towards a common agenda; send market signals to investors about the sort of economy Chichester wants; use its own land and

assets for local economic benefit; and as a large local business itself, its positive approach to recruitment and procurement can make a genuine impact to the local economy.

Unemployment levels are at a relatively low level, business survival rates are currently the

second best in West Sussex outperforming neighbouring districts but the district is one of the

lower performing districts in West Sussex for business start-ups according to the data underlying the WSCC Growth Plan.

This refreshed economic strategy builds on what has been achieved over the previous five years and sets out the future direction, based on the evolving economic conditions resulting from the Covid pandemic and Brexit uncertainty and from the seismic changes in the Retail

Industry It recommends a targeted approach to supporting (high growth potential)

indigenous businesses and a focus on Inward Investment . It stresses the importance of horticulture, viticulture and the visitor economy. It recognises the impact of climate change with a commitment to provide support to sustainable businesses in the sectors of renewables, retrofitting and the circular economy

.It acknowledges the need to attract and retain working age people; stresses the importance of education and training in raising aspirations and developing skills; encourages the District to make better economic use of its considerable natural and cultural assets.

Chichester District Council cannot take the credit for the District's future economic

successes alone; nor can it take sole blame for its failures. Its impact will be judged in the

way it leads, acts and co-ordinates activity in the areas where it can make the most significant difference. This strategy will help it to do this.

## **Background**

As at the date of this Strategy Chichester has over 7,500 active enterprises. The West

Sussex Growth Plan data has shown that Chichester District has the lowest start-up rate in the county but one of the highest business survival rates. The previous strategy was not to focus on getting more businesses but on getting existing businesses to grow. The survival rates indicate that our Business Contact Programme has helped to support businesses but we can do more to encourage and assist with growth. We have delivered funding schemes

which since 2016 have supported over180 businesses, enabled economic use of vacant

premises, and supported independent local businesses. Through the Covid pandemic, the council has delivered £64m government grant funding to support businesses. Additionally,

the council funded its own Covid Recovery Grants with over £490,000 of funding which helped 190 businesses.

The challenge now is to identify and support those businesses that have strong growth

potential; that are likely to provide new higher value jobs and which will attract new

investment. Such a targeted approach needs to sit alongside a broader sector based approach that focuses on strengthening networks and supply chains in key sectors.

The Economic Development Business survey conducted in the summer of 2018 asked

businesses about their growth plans. Of those surveyed these key results emerged: -

**Issues affecting growth**

Plans to move or acquire new premises

Plans to expand

Availability of suitable space is a barrier to

growth

Premises costs too high

Lack of funding

**Hurdles affecting day to day business**

Recruitment and skills

Business rates too high

Being in the right premises

**Response**

40% 60% 35%

32.3% 32.3%

**Response**

40.7%

29%

23.45

2 in 5 plan to move or acquire new premises and 3 in 5 businesses said they had plans to expand. However, 35% cited availability of suitable space as a barrier to growth and this is

underlined by 32.3% stating premises costs are too high. Lack of funding was cited by 32.3% of respondents.

In terms of hurdles affecting the day to day running of their businesses, 40.7% listed

recruitment and skills, 29% listed business rates and 23.4% mentioned being in the right business premises.

The district's retail businesses are undergoing an extremely challenging time with many

national chains under threat of collapse or already closing. The high street is evolving so

support to businesses in this sector, particularly our independent businesses, will need to be

developed according to need and in line with the Chichester Vision and with the emerging Visions of the rural towns.

There are a number of successful entrepreneurs and business leaders in Chichester. The

District Council should seek to engage with them to promote Chichester to investors and to critique approaches to supporting local economic development.

Geography and road transport links mean that it may be prudent to have some focus on

supporting the growth of businesses that are not transport dependent, although not at the expense of one of the District's key strengths in food and drink production. Given this, it is

vital that there is access to up to date digital infrastructure and broadband in all parts of the

District; that transport improvements are made where this is viable; and that the business accommodation needs identified in the Chichester Employment Land Review 2018 are met.

Chichester is widely recognised as having some of the country's most outstanding

countryside and its theatres, art galleries, museums and beaches inspire creativity in artists,

designers and media professionals. Nearly three-quarters (70%) of the District's land is part

of the South Downs National Park; Chichester Harbour is an Area of Outstanding Natural

Beauty (AONB); it has a rich and diverse coastline that supports both visitor activity and

marine businesses; and it has listed buildings and Sites of Special Scientific Interest aplenty.

These natural assets support a strong visitor sector which contributes £460m per year to the District's economy.

The quality of light and soil support one of the country's most important horticultural clusters;

and its agricultural businesses produce outstanding local food and drink. They are the economic lifeblood of the District's market towns and villages, and the guardians of its

countryside. The beauty of Chichester Harbour makes it attractive for yachting enthusiasts and it provides an ideal location for businesses linked to the Marine sector. The Witterings and Bracklesham Bay are popular destinations for family holidays and for windsurfers, kite surfers, divers and fossil hunters.

These are all substantial assets that give Chichester a reputation for quality, culture and

refinement that are the platform for its current and future economic success and are major

selling points to potential investors. The District attracts 6.5 million visitors every year,

Chichester Harbour can accommodate 12,000 yachts, and Glorious Goodwood, the Festival

of Speed and Goodwood Revival are national highlights on the events calendar, but

Chichester could create more innovative visitor packages that could encourage more of its day visitors to remain in the District for longer.

Chichester's rich and diverse food and drink production sector increasingly operates in

competitive international markets and requires people with high-level business and technical

skills. Its farmers and foresters have to find new ways of making their businesses

competitive, making better use of their buildings and land, finding new ways of working

together, exploring new markets (both at home and overseas), and strengthening supply chains.

Successful coastal areas are often those that have found ways of extending the holiday

season to make better economic use of their access to the sea during the colder, winter

months. This may mean strengthening marine related activities, improving and diversifying

the retail and leisure offer in the coastal towns and to attract more people throughout the year.

Chichester has a well-educated population, high levels of entrepreneurship, and a high

proportion of its residents work in 'higher level' occupations. The University of Chichester is

a thriving higher education institution which was recently recognised as a one of the top-30

universities in the UK with key disciplines in sport, education, creative and digital

technologies, and engineering. The University of Chichester has around 5,000 students but

is increasing with the establishment of a new nursing degree course. It boasts the Engineering and Digital Technology Park and also has a school of Enterprise, Management and Leadership.

Chichester Further Education College has high student success rates; is a Queen’s

Anniversary Prize winner for international education; and has a food and drink specialism at

its Brinsbury Campus. The Chichester College Group is part of a consortium of Sussex

colleges which will receive £7million government funding to boost skills training in sustainable industries.

West Dean College is an independent higher education college with an international reputation for conservation, creative arts and design.

However, GCSE attainment in some schools is below the national average; local businesses

are concerned that the skills young people have are not well-matched to those that they need.

Universities and colleges are increasingly having to operate in a market environment,

responding to student and business demand; whilst they are often expected to respond to forecasts of future skills needs in the local economy.

Developing and maintaining an on-going dialogue between education providers and

business groups is essential to identifying ways of developing a more responsive curriculum;

to find new ways of delivering learning packages on employer premises; and of equipping

learners with the skills that they need to compete effectively in the local labour market.

Education providers have an equally important role in developing learning pathways that are

sufficiently attractive and flexible to raise the aspirations and skills of lower skilled people who might otherwise struggle to gain a foothold in the labour market.

Chichester has opportunities to do more to attract and retain young talent. It has a top-

performing Further Education college that attracts a large number of international students; it

has its own university, which could be supported to attract more students from elsewhere, and it has a large SME sector that could be encouraged to provide more work placements

and opportunities for university and college leavers, and it can use its existing

entrepreneurial talent to support its graduates to start their own businesses. It is no simple task to attract working age people, but the district will need them in the future to support its

ageing population; improve its offer to visitors; and to provide the talent that its growth oriented businesses will need to prosper.

## **Our Priorities**

### **Priority 1: Inward Investment**

***Having a large business base is not enough to secure sustainable economic growth.***

***Many micro-businesses are not growth oriented and will not provide higher value jobs***

***in the future or increase the District's prosperity. We need a delivery plan for Inward Investment and for development of Land designated Employment and for Horticultural Development in the Local Plan***/***Local Plan Review to provide the future space for growing and new businesses.***

***The District Council is a key stakeholder in the effectiveness of the A27 by-pass and***

***needs to continue to lobby for improvements. Existing businesses have cited the A27***

***congestion as a barrier to growth and if we are to attract inward investment and to enable growth of existing businesses, the A27 must be improved.***

A range of supporting actions will need to be implemented to support this priority, including:

**Primary Aims**

1.1

1.2

1.3

1.4

Develop and deliver an Inward Investment Delivery Plan.

Promote and market the district as 'open for business' through an Inward Investment

website articulated through clear targeting and messaging to attract Inward

Investment.

Develop a Digital strategy that aims to secure high-speed digital infrastructure and

broadband access across the whole of the District and to build on the Gigabit roll out to public sector buildings to encourage businesses to access full fibre services. Work

with WSCC to find the most effective spine routes for the District as part of fibre roll out funded from the pooled business rates.

Promote the development of key employment and horticultural development sites identified in the HEDNA or Local Plan/Local Plan Review.

1.5 Provide support to businesses in  the sectors of renewables, retrofitting and the circular economy

### **Priority 2: Supporting the high street**

***Aligned with an Inward Investment Delivery Plan, we need to ensure that we support***

***the 'high street' through its forthcoming changes. The future of the high street will not***

***be all about retail and there is likely to be a significant shift towards independent***

***businesses. The challenge will be to maintain a mix of sufficient 'anchor' shopping***

***and experience draws whilst encouraging a variety of independent retailers. The***

***Chichester Vision sets out recommendations for the future of the city centre and this along with the emerging town visions will shape the support to the high street.***

**Primary aims:**

2.1 Support and contribute to the delivery of Chichester Vision and the emerging rural

town visions.

2.2 Deliver targeted support programmes to retail businesses and other businesses seeking to locate in our town centres.

2.3 Working with the BID, pro-actively support businesses which can contribute to a

more diversified offer on the high street and those which can help develop our night- time economy offer.

2.4 Engage with the government's High Street Task Force on how best to utilise their emerging support.

### **Priority 3: Create the Conditions to Support Growth-Oriented and Sustainable Businesses**

***An unfocused approach to business engagement risks spreading resources too thinly***

***and may mean that some businesses fail to grow to their full potential. Growth***

***oriented businesses are not confined to particular sectors, but they need the right accommodation in the right locations and high quality, up-to-date digital and physical infrastructure. Digital infrastructure is essential for future growth but***

***businesses are at varying stages of development regarding their needs- we need to***

***support initiatives which aim to future-proof digital infrastructure. There needs to be a***

***focus on identifying those businesses ready to grow through the Business Contact***

***Programme. However, we cannot forget that 90% of the businesses in our district are micro businesses reflecting increases in self-employment and these businesses will also need support. This should include engaging with businesses on their journey to***

***carbon neutral and signposting to support.***

**Primary Aims**

3.1 Through the business contact programme, provide targeted support to businesses

which fit the priority sectors identified in the Inward Investment Delivery Plan and those which will positively contribute to the evolving high street.

3.2 Provide support to businesses in the sectors of renewables, retrofitting and the circular economy

 3.3 Underpin support via the delivery of grant schemes or training programmes.

3.4 Direct district businesses to the learning and support being provided through the County -wide project to help SME businesses prepare for a low carbon economy.

3.5 Utilise the working relationships with The University of Chichester's Business School to develop targeted support.

3.6 Explore means by which growth can be achieved within employment and horticultural sites allocated in the Local Plan/ Emerging Local Plan

**Secondary Aims**

3.7 Undertake an audit of sector focused business support networks and establish where

the District Council and its partners can add value to support business growth.

**Strategic Alignment**

The aims for the above 3 priorities support the following priority themes that are set out in

the West Sussex Economy Reset Plan, which provides the framework for a coordinated

approach to economic development across the county:

* Protect and Revive the Coastal Towns
* Protect and Revive the Rural Economy
* Enable Business Start-ups, Business Survival and Business Adaptation
* Capitalise on Digital Infrastructure and Technology

These aims also align with the Coast To Capital LEP's Strategic Economic Plan (SEP)

Priority 2: Develop business infrastructure and support

Priority 3: Invest in sustainable growth

Priority 7**:** Improve digital network capability

### **Priority 4: Make Best Use of the District's Natural and Cultural Assets**

***Chichester's natural and cultural assets are what makes it distinct and special. They***

***are the cornerstone of its economy and the reason why it is one of England's***

***most attractive places to live in and visit. Its natural and cultural assets underpin its***

***great food and drink production and creative industries sector and give it the***

***potential to develop industries linked to the marine sector. Working with the natural***

***environment is a key component of sustainable economic development. Chichester's***

***high quality natural environment needs to be viewed as an economic asset, not an obstacle to securing sustainable economic growth, particularly for the visitor economy.***

**Aims**

4.1

4.2

4.3

4.4

4.5

4.6

4.7

Linked to the Vision work for the District's market towns; provide on-going support

through the Business Contact Programme so that the towns remain thriving centres that serve their hinterlands.

Support the District's farmers, foresters and landowners to make best economic use

of their buildings and land assets within the constraints of landscape, wildlife and listed buildings designations.

Develop a co-ordinated approach to engage, support and promote the food and drink

sector so that Chichester District is recognised as one of the country's leading food

and drink producers.

Better understand opportunities for developing and growing the District's marine and

coastal related activities, linked to their strengths in the Solent area and improving and diversifying the retail and leisure offer in coastal locations.

Encourage co-ordinated, high value visitor packages and to increase the value of tourism and culture to the economy through supporting the emerging Tourism and Cultural Strategy work.

Support the development of a comprehensive list of the cultural and tourism offer.

Working with partners, such as The Great Sussex Way and Experience West Sussex to maximize the positive economic impact of the district cultural & creative industries

**Strategic Alignment**

These aims support the following priority themes that are set out in the WSCC Economy Reset Plan

* Protect and Revive Coastal towns
* Protect and Revive the Rural Economy
* Protect and Revive Tourism and the Visitor Economy

It will align with Coast to Capital SEP

Priority 8**:** Build a strong national and international identity.

### **Additional area of focus:**

**Match Skills to Business Needs and Attract and Retain working age talent**

***Talent attracts investment and enables businesses to innovate and compete on***

***quality. It is a key driver of economic growth. Acquiring the right skills also gives***

***individuals more choices in the labour market, enables them to command higher earnings, and reduces their risk of social deprivation. Universities, colleges and training providers are key to raising aspirations, nurturing talent and supporting***

***workplace learning. Education is not a purely economic endeavour. However,***

***learning providers are increasingly operating in a market environment, where learning***

***is seen as an investment upon which learners and sponsoring businesses expect to***

***see a return. Universities and colleges need to be supported to find new ways of***

***identifying and responding to local business and community skill needs, so that they contribute to the District's economic growth.***

***Chichester District's economy needs working age people over the longer term if it is to achieve sustainable economic growth. It needs people who can fill the lower and***

***intermediate level jobs that support its ageing population and growing visitor***

***economy;but it also needs to retain and attract fresh talent to enable its high***

***growth businesses to expand and to attract new investment from outside. The***

***District's housing stock is not accessible to younger working age households; its***

***night-time economy is under-developed for younger people; and its SME-dominated***

***labour market makes it difficult for many young people to build a career locally, hence the need to create higher value jobs.***

**Primary aims**

5.1

5.2

5.3

Develop strong links with education-business networks and strengthen the links

between the District's secondary schools and Further and Higher Education

providers.

Work with partners as they develop their plans for upskilling the workforce.

Maximise internship and apprenticeship opportunities and increase work placement

opportunities for young people and to develop their business and entrepreneurial skills.

**Secondary Aims**

5.5 Find viable solutions to specialist learning provision that meets local business needs.

5.6 Respond to the skills and employment needs arising from the South Downs National

Park.

5.7 Undertake an audit of the District's recreational and cultural offer and its night time

economy to ensure that it meets the needs and aspirations of younger households. This links closely to Chichester Vision work.

**Strategic Alignment**

These aims support the following priorities that are set out in the WSCC Economy Reset

Plan, which provides the framework for a coordinated approach to economic development

across the county:

* Enable Employment and Skills Recovery and Resilience

This will align with Coast to Capital's SEP

Priority 4**:** Create skills for the future

### **Working in Partnership**

This Economic Development Strategy links strongly with the ongoing delivery of the Chichester Vision and emerging rural town visions and will therefore involve regular partnership working.

Supporting business relies on building our partnerships with the Chichester Chamber of

Commerce and Industry, the BID and networking organisations in Midhurst, Petworth, Selsey and the Witterings.

### **Reviewing Progress**

Chichester District Council cannot grow the local economy alone, but in leading the delivery

of this strategy and working with private, public and voluntary sector partners, it can help support the District towards sustainable economic growth.

The strategy is a core part of the District's future strategic plans and supports the new Local

Plan and Chichester Vision an annual action plan will be developed by the Economic Development Team as part of the Annual Service Plan.

Progress in delivering the strategy will be shared by the council within its existing

partnerships and networks such as the Chamber of Commerce, BID, Town Councils, West

Sussex County Council, the South Downs National Park Authority, the Coastal West Sussex Partnership, the Rural West Sussex Partnership; The Great Sussex Way, Experience West Sussex,; and the Coast to Capital Local Enterprise Partnership.