

Corporate Strategy

Prosperous place

- Skills and employment
- Infrastructure
- Towns and local centres





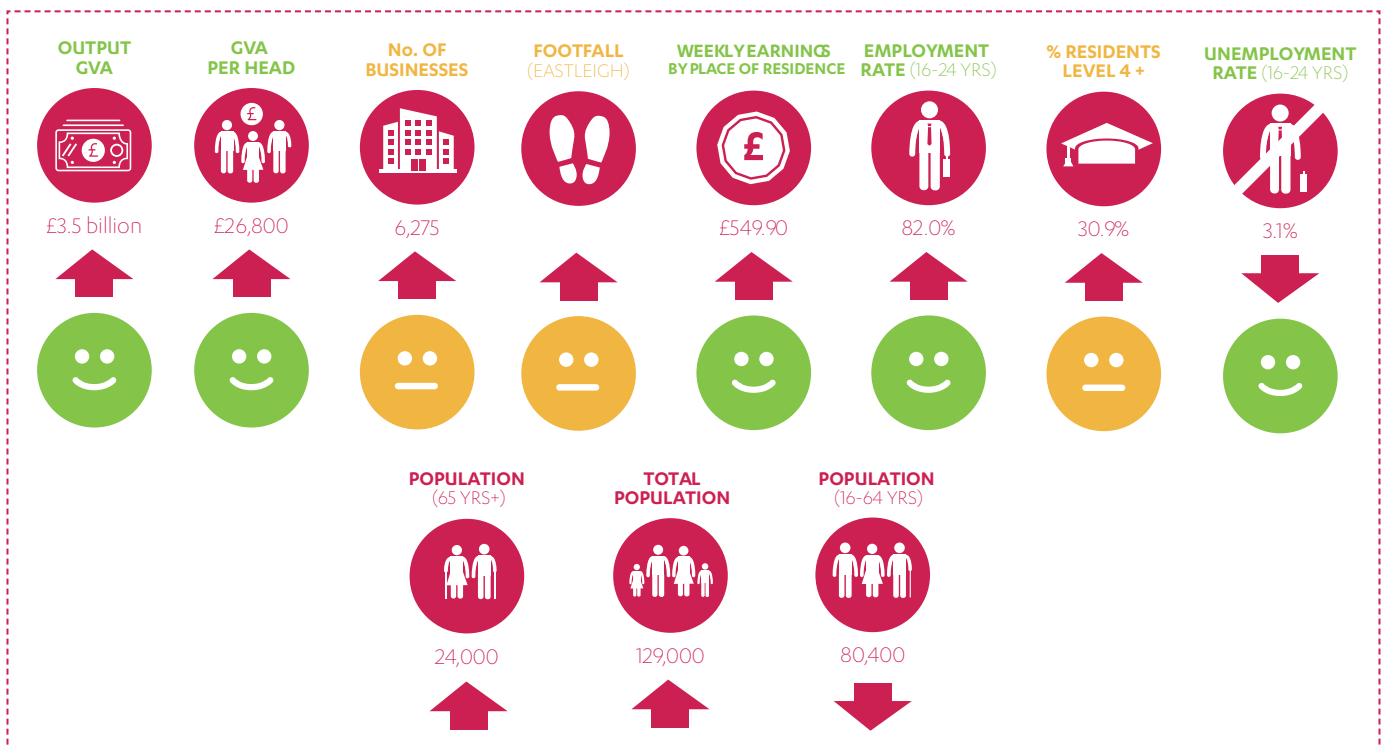
1. A vision for prosperous place:

The Council's vision is to secure sustainable economic growth, high yet stable employment and a shared prosperity for residents, now and for generations to come. It is about ensuring every one of us has a good standard of living in strong, safe, sustainable communities that:

- ▶ recognise every person's needs
- ▶ protect the environment
- ▶ make prudent use of natural resources
- ▶ provide reliable quality and safety standards in their businesses and leisure facilities
- ▶ allow businesses to thrive

2. Where are we now?

We continue to be a relatively prosperous Borough. Headline socio-economic indicators show that;



Our businesses tell us¹ that there are real opportunities in Eastleigh Borough owing to its rail, airport, road links and close proximity to the Port of Southampton. But they operate in a highly competitive environment and face a number of challenges:

- ▶ traffic congestion – getting goods and staff to and from work spaces
- ▶ finding appropriate premises to enable

business growth – eg move on space, storage space

- ▶ skills shortages in specific sectors – eg construction, digital, care, engineering, haulage
- ▶ parking in certain town and local centres - impacting adversely on employers ability to attract staff with appropriate skills
- ▶ poor broadband speeds.

¹ Local Plan engagement - Shaping Your Community: Engaging with residents and businesses. Interim Report, 29 November 2017

In the wider context, UK economic growth has become weaker since the recession that began in 2008 and external factors such as the continued uncertainty around Britain’s relationship with the European Union (EU). We need to address local issues to support continued regional competitiveness and economic growth post Britain’s departure from the EU (Brexit), therefore assuring a high standard of living of our residents.

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Third most prosperous economy in the Solent Local Enterprise Partnership (LEP) area. ▶ Well connected – easy access to motorways, railways, an international airport and ports. ▶ Within easy reach of four universities. ▶ Concentration of high-productivity private sector businesses (eg B&Q, Draper Tools, Southampton International Airport, AGEAS Insurance, BAE Systems, CooperVision). ▶ State of the art leisure facilities and strong cultural offer. ▶ Provision of tailored services to each of our five constituent areas (Local Area Management). 	<ul style="list-style-type: none"> ▶ Declining working population/skill base owing to aging workforce and immigrants returning to country of origin due to Brexit. ▶ Lower than average Level 4+ skills and imbalance in the distribution of highly skilled staff across the Borough. ▶ Pockets of statistically lower skill levels and higher levels of benefit claimants (eg Velmore, Pilands). ▶ Low business start-up survival rate compared with the regional / national average. ▶ Competition to our town and local centres from online sales and surrounding retail centres with a leisure offer and free parking. ▶ Loss of employment land to alternative uses. ▶ Lack of high speed broadband infrastructure.
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Our commitment to housing delivery and regeneration to support physical development of the Borough. ▶ Partners (eg Solent LEP and Hampshire County Council) working to attract businesses with growth potential. ▶ Changes to education systems - introduction of apprenticeships and T-level technical qualifications. ▶ Digital technology. ▶ Infrastructure funding and delivery ▶ Partnership working with schools to inspire young people. Influencing future skills (eg primary engineers). 	<ul style="list-style-type: none"> ▶ Brexit - recruitment, industry, trade. ▶ Reduction in consumer spending. ▶ Increasing levels of congestion. ▶ Skills gaps in specific sectors inhibiting growth in existing businesses. ▶ Emergency situations including cyber-attack, flu pandemic, floods. ▶ Changes in customer behaviour on the ‘High Street’. ▶ Reduction of public services.

3. Where do we want to be?

We have committed in the Corporate Plan to:

- ▶ ensure a sufficient supply of well-designed homes that can meet the diverse needs of residents both now and in the future. (See Housing Delivery Strategy)
- ▶ develop an appropriately skilled workforce in the Borough and a varied mix of employment opportunities, ensuring the Borough is seen as a desirable location to set up a new business or to relocate a growing business, so as to sustain economic demand and increase job security and satisfaction
- ▶ secure an ongoing provision of employment land and infrastructure that can support current and future business needs, and stimulate sufficient economic growth to sustain a rising population
- ▶ make our town and local centres vibrant, active places where people want to spend time, generating the right environment for economic, social and cultural prosperity

GVA per head (Gross Value Added), a measure of productivity, is widely accepted as an indicator of standard of living². GVA enables us to track the Borough's economic prosperity on a regional level. With GVA per head of around £26,800, Eastleigh Borough had the third most prosperous economy in the Solent area (out of 11 districts) in 2014. Economic growth was estimated at 3.8%, faster than the Solent average (3.5%) but marginally slower than the UK average. Our target will be to sustain our growth trajectory of 3.1% per capita per annum (averaged over the last 18 years) post Brexit.

GVA will be used along with the quantitative outcome measures below and a basket of secondary indicators (see page 10) to measure outcomes at a

local level. In order to achieve the prosperous place ambitions set out in the Corporate Plan we will be looking to;

- ▶ increase household incomes (average weekly earnings by place of residence)
- ▶ increase sustainable enterprise (number of businesses in the area that meet our priority objectives)
- ▶ increase footfall rates in our towns and local centres (monthly footfall figures)

Average weekly incomes in Eastleigh Borough have risen steadily over the last five years, reaching £549.90 in 2016. Although we compare favourably against the rising national averages (£541) we perform less well against the south east averages of £582. Our aim is to remain above the national average and close the gap with regional averages. For more information on distribution of wealth and interventions tackling deprivation see the Health and Wellbeing Strategy.

In 2016 there were 6,247 businesses operating in the Borough, with the greatest concentration found in the Eastleigh sub-area with 1,765 local units or 28% of all businesses³. Our aim is to increase the number of businesses forming and prospering in order to increase employment opportunities for our residents.

Performance for towns and local centres is currently only measured in Eastleigh town centre where footfall has fluctuated between 140,000 and 170,000 per week over the last two years, showing better performance in the last year compared with best comparators. Eastleigh is maintaining its position; however it should be recognised that nationally footfall figures in towns and local centres (the 'High Street') are declining owing to increased competition from online retail and other centres.

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- 2 Boosting UK productivity growth is generally accepted as the primary route to improving our future standard of living in the long term, with Gross Value Added per person being the preferred indicator of productivity. Productivity handbook ONS
 - 3 Eastleigh Local Economy 2016, A socio-economic overview of the local economy of Eastleigh and its sub-areas. January 2017

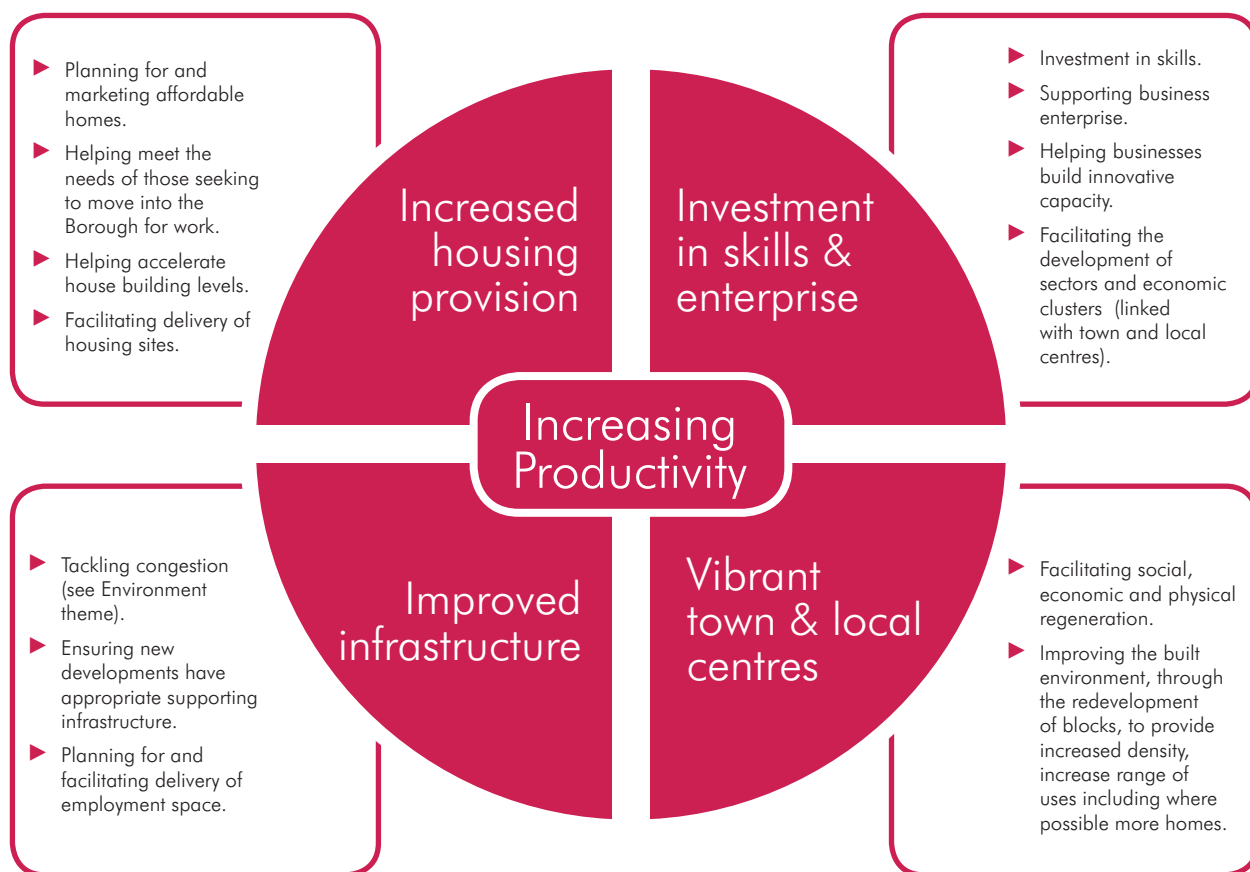
4. How are we going to achieve our aims?

In order to continue to grow the economy, both the Government's Autumn Statement 2016 and the Industrial Strategy White Paper November 2017, confirmed that the central focus of the Government will be taking action to close the UK's productivity gap with its competitors by building our capacity for innovation. As a Council we will seek opportunities to drive productivity, support sustainable growth and private sector investment.

The economy of Eastleigh is already a major contributor to the economic growth of the Solent LEP area and the wider economy of Hampshire. We will continue to develop our profile, within the Solent

LEP area, promoting Eastleigh as a great place to live and do business. We will support the LEP's plan to transform the Solent by addressing the shortage of housing and deficits in infrastructure, supporting the development of skills that our economy needs to succeed and ensuring close links with educational institutions.

Through local area working we will both lead and support our local communities, translating high level strategic direction into meaningful outputs and outcomes that tackle issues on a local level, and ensure more efficient, transparent and accountable decision making. Our four foundations for a strong regional economy, generating productivity, job growth and prosperity are;





Increased housing provision (see the Housing Delivery Strategy)

New homes attract economically active residents able to engage with wider market activities and opportunities and vice versa. This in turn supports productivity as well as consumption as people develop higher disposable incomes that they spend in the area. The range and mix of housing available is an important factor in economic growth and we will seek to provide accommodation that suits different elements of the labour market.

Investment in skills and enterprise

Skills enhance employment opportunities for the individual and collectively contribute to maintaining competitiveness in an area⁴. Ensuring a suitably skilled workforce, at all levels from basic skills to very specific high level skills, is vital to retaining and attracting employers which increases productivity, sustains economic growth and job creation.

Based on insight and discussions with Cabinet portfolio holders, our strategic priorities are;

- I. investment in skills - to ensure a sustainable pattern of growth, ensuring local residents are equipped to take up the jobs that are created and businesses can source local skills and labour to underpin growth
 - II. supporting business enterprise
 - III. encouraging entrepreneurship, improving small and medium-sized enterprises (SME) survival and growth, helping businesses to build innovative capacity
 - IV. supporting the development of economic clusters focused on innovation (also see emerging Eastleigh Town Centre Strategy).
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I. Investment in skills

We have limited direct impact on skills; therefore our approach will be to influence and shape outcomes via skills providers (schools, colleges, universities) and businesses. There will be a continued focus on higher level skills, apprenticeships and science, technology, engineering and maths (STEM), to ultimately translate knowledge into inclusive wealth creation. We will prioritise activities that share knowledge, build on best practice, and achieve outcomes through campaigns and projects that target specific local area issues, working with skills providers and business partners to;

- ▶ identify sector-specific skills requirements, current and future skills gaps
- ▶ influence training provision to meet employer needs
- ▶ increase work readiness and smooth transitions into employment
- ▶ encourage in-work training and lifelong learning (eg apprenticeships).

4 Hampshire Infrastructure Statement (April 2017) <http://documents.hants.gov.uk/planning-strategic/HampshireStrategicInfrastructureStatement2017.pdf>

II. Supporting business enterprise

We provide key services to residents and businesses as 'the Customer'. We will be looking to collect business rates (and Council Tax) efficiently and support local business to maintain the highest standards of hygiene, health and safety by effectively and efficiently regulating businesses that act improperly (with regard to licencing, food hygiene and health and safety). These channels will be developed to improve ongoing dialogue with our businesses and promote relevant council and partner initiatives. Developing greater business insight will enable us to give relevant and efficient support to businesses when accessing statutory services including planning, environmental health and waste management.

III. Encouraging entrepreneurship

We will contribute to providing a supportive environment for the growth of new businesses and relocation of growing businesses, prioritising activities that support entrepreneurship and enable businesses to build their innovative capacity by;

- ▶ supporting the establishment and growth of small and micro enterprises
- ▶ developing property assets to provide start-up and move-on accommodation that enables businesses to grow and prosper
- ▶ working with property providers to establish and promote a network of high quality, flexible well priced commercial property across the Borough with key infrastructure in place.

IV. Supporting the development of economic clusters focused on innovation

Economic clusters⁵ can have the effect of: increasing the productivity of the companies in

the cluster, driving innovation in the field, and stimulating new businesses in the field⁶. We will promote business growth by fostering clusters and connectivity across our towns and surrounding areas⁷ by;

- ▶ stimulating innovation and research and development through better partnerships with higher and further education establishments, and better business to business collaboration
- ▶ continuing improvements to the civic spaces and streets within our towns and local centres to attract both businesses and visitors (see Environment theme strategy)
- ▶ develop key commercial sites in the Borough focused on innovation, including;
 - ▶ Eastleigh Town Centre – Wessex House, Sorting Office
 - ▶ Southampton Airport Economic Gateway (SAEG)

Infrastructure

Long term investment in infrastructure is critical in helping to enhance productivity. It means that an area can position itself ready to face new challenges such as population growth and take full advantage of new technologies in transport and communication networks that connect people and businesses; providing the Borough with an edge over its competitors⁸.

Perceptions of Eastleigh Borough as a place to live and work are critical to investment decisions. To persuade businesses to invest here and encourage entrepreneurship, our offer needs to include, and be perceived to have, appropriate infrastructure including employment land, which is attractive to both employers (for maximum profit) and employees (for maximum quality of life).

5 A geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field

6 The Competitive Advantage of Nations [Michael Porter](#), 1990

7 Industrial Strategy White Paper (November 2017)

8 Hampshire Infrastructure Statement (April 2017) <http://documents.hants.gov.uk/planning-strategic/HampshireStrategicInfrastructureStatement2017.pdf>

Getting goods and staff to and from work spaces, and thus quality of the transport network, is a key factor in area-based economic competitiveness. It is an important consideration to high skilled and highly mobile labour when making decisions on where to base themselves. Eastleigh is very well placed in terms of strategic accessibility, although transport connections within the sub-region need improving and we will support those improvements. For more information on tackling congestion see Environment theme strategy.

Based on insight and discussions with Cabinet portfolio holders, our strategic priorities are;

- ▶ ensure any new developments are accompanied by maximum viable supporting infrastructure including broadband, schools, health provision, cultural facilities etc
- ▶ plan for and where possible facilitate the delivery of employment floor space required within the Borough to meet changing economic needs and establish an inward investment model to encourage companies to open new sites in the Borough, supported by effective marketing

The Local Plan is the key delivery vehicle for infrastructure, setting out a vision and a framework for the future development of the area, addressing needs and opportunities in relation to housing, the economy, community facilities and infrastructure – as well as a basis for safeguarding the environment, adapting to climate change and securing good design⁹. Through this we can influence the location, timing and funding of infrastructure (including employment land), which is largely provided by the private sector.

Whilst investment in, and provision of, infrastructure is dependent on many organisations and

varied funding sources, local authorities have a responsibility to provide a large proportion of the infrastructure that is needed to support our communities. Our responsibilities include providing open space, recreation and leisure facilities and ensuring the delivery of affordable housing¹⁰.

We are an ambitious Council and recognise there may be a need to intervene, working in partnership with other organisations to support infrastructure delivery for new development or unlock employment land. We will also actively engage in the delivery of projects ourselves via the Regeneration Programme and Local Areas Programme. To serve our economic growth ambitions we need to;

- ▶ enhance infrastructure to improve accessibility and legibility through and between key economic areas, local facilities and green spaces (see Environment theme strategy)
- ▶ work in partnership with Hampshire County Council to ensure the efficient and timely delivery of highways works associated with planned new development
- ▶ ensure sufficient land is allocated in the emerging Local Plan for employment and infrastructure
- ▶ ensure Community Infrastructure Levy (CIL) charges are in place once the Local Plan is adopted
- ▶ assist site owners in bringing forward, in appropriate phasing where possible, employment land for developments
- ▶ work with strategic partners and neighbouring authorities to develop strategies for;
 - ▶ major housing schemes including the Strategic Growth Option (SGO)
 - ▶ a long term vision for Airport Economic Gateway/Science Park

9 Department for Communities and Local government, planning practice guidance and planning system, 2017

10 Hampshire Infrastructure Statement (April 2017) <http://documents.hants.gov.uk/planning-strategic/HampshireStrategicInfrastructureStatement2017.pdf>

- ▶ the NHS to promote provision for adequate facilities to meet growing population (linked to Health and Wellbeing theme strategy;
- ▶ ensuring that all these developments are accompanied by maximum viable supporting infrastructure and community benefits
- ▶ investigate and utilise financial mechanisms to support the early provision of infrastructure (eg full fibre connectivity) and tackle site constraints such as locked employment land - NE Zone (Airport)
- ▶ support Hampshire partnerships in efforts to improve ICT infrastructure i.e. superfast broadband
- ▶ promote Eastleigh Borough as a prime location for business growth and investment (it should be noted that this activity is constrained until employment land is available)
- ▶ develop greater understanding of / make contact with potential investors to the Borough

Creating vibrant town and local centres

Town and local centres are an important element of the economic and social fabric of the Borough. They are a central component of successful local economies, offering a base for clusters of small businesses and therefore jobs, often being at the core of community life.

The way people use town centres is continuing to change. To sustain / increase the vibrancy of our town and local centres we need to find different reasons to attract people as the current retail offers are not strong enough on their own due to competition from online, out-of-town retail and leisure offers.

In some cases, there is a need to re-think the strategic positioning of our town and local centres, to create the right environment for business to grow, reclaiming the 'High Street' as a destination that



serves our communities as a place to live, work, socialise, and access public services and cultural activities. Where appropriate we will increase density, and the range of uses including where possible more homes to boost the daytime, evening and night-time economy.

Since national issues manifest themselves differently at a local level and retaining local distinctiveness between communities is a priority for the council, strategic approaches for each of our towns and local centres will be set out in their own strategy documents. We will work with local area stakeholders to agree and apply a holistic approach to town and local centre regeneration which includes; the built environment, public realm improvements as well as business development, place marketing and promotion.

Based on insight and discussions with Cabinet portfolio holders, our strategic priorities are;

- ▶ facilitate social, economic and physical regeneration of Eastleigh town centre based on an agreed vision, strategy and action plan;
 - ▶ growing Eastleigh as a family friendly destination for creative and independent businesses, with a vibrant daytime and evening economy
 - ▶ improving the built environment, through the redevelopment of blocks, to provide increased density, increase range of uses including where possible more homes (linked to Housing Delivery Strategy)
- ▶ facilitate social, economic and physical regeneration of Hedge End, Chandlers Ford and Fair Oak local centres; raising the profile of both our district and local centres as convenient shopping destinations with a vibrant community feel, increasing a sense of pride and ownership in the area.

Where appropriate we will;

- ▶ contribute to good quality, attractive buildings and public spaces which play a key role in regeneration, creating the right environment for economic, social and cultural prosperity
- ▶ facilitate and enable redevelopment, through land assembly and use of property assets. Balancing commercial and non-commercial investment in order to attract the right mix of services to support our communities for the long term
- ▶ increase the provision of housing in order to increase safety and boost the daytime, evening and night-time economy
- ▶ increase the provision of business accommodation in order to stimulate economic growth

- ▶ provide key services to support town and local centres focusing on parking, waste management, cultural facilities and the statutory functions: business rates, environmental health and community safety.

How will we know if we are successful?

The activities required to deliver this strategy, including key dependent activities, such as Development Management, will be covered and monitored in part across all of our Service and Programme Plans. Activities relating to regeneration will be captured and monitored in the Regeneration Programme Plan and the Local Area Programme Plan and be delivered by the Regeneration Programme Manager and Local Area Managers respectively, supported by relevant Lead Specialists.

Each plan will include monitoring indicators, so that quarterly, we are able to track and measure the success and impact of our activities against the main quantitative outcome measures for this strategic plan - average weekly earnings by place of residence, number of businesses, footfall rates in our towns and local centres. We will also monitor a number of secondary indicators in order to horizon scan, monitor trends and ensure other objectives are being met. Alongside this, we will continue to work with key educational and business stakeholders to inform and enable the delivery of this strategy and develop the sub-strategies necessary (for example for town and local centres) to ensure a good standard of living for the residents of the Borough.

Aim	Indicator	Measure	Baseline (2017)	Targets
Higher standard of living (outcome measure)	Productivity	GVA per head (annual)	3.8% (2014)	3.1% per annum
Growing workforce	Economic activity	Working age people (16-64) in employment (annual)	82.5% (68,200)	To be established
Higher wages (outcome measure)	Household incomes	Weekly earnings by place of residence (annual)	£549.90	To remain above national average.
Greater ability for businesses to attract high quality staff / residents to fulfil potential	Educational attainment (annual)	NVQ Level 4+ (annual)	36.8%	Increase to national average (38.2%)
	Employment by occupation (annual)	% residents hold senior managerial or director roles (annual)	43.2%	Increase to national average (45.5%)
Increase enterprise (outcome measure)	Number of businesses	Number of recorded businesses (annual)	6275	To be established
	Category of business	Business rates revenues (monthly)	To be established	To be established
Support business growth	Business survival rates	Business births and deaths	To be established	Increase survival (at year 1 and 3) +growth of enterprise
	Net growth in businesses	No. of VAT registrations – No. of business closures	+210 (2015)	To be established
Increase supporting infrastructure	Net growth in employment land	Gross floorspace completions – land loss to alternative uses	To be established	To be established
	Developer contributions secured	S106 obligations, on-site provision, CIL and external funding (monthly)	To be established	To be established
Town and local centre vibrancy (outcomes measure)	Town centre footfall	Footfall data (monthly) only currently available in Eastleigh	To be established	To be established
	Car park usage	Car park revenue (monthly)	To be established	To be established
Increase quality of centre offer	Vacancy rates	National retail void data (monthly) only currently available for Eastleigh	To be established	To be established
	Occupancy survey	Quality of retail offer, night time economy, no. of independents etc	To be established	To be established
	Number of homes	Council tax revenue (monthly)	To be established	Increase number of homes
	Customer satisfaction survey/ confidence of centre businesses	Leakage, competing commercial centres, spend, transport preference, reasons for using the town centre, perceptions on security and safety, street cleanliness, social demographics, catchment data	To be established	To be established