

Appendix I

Swale's Economic Improvement Plan 2020-2023

Even prior to the economic challenges created by the COVID-19 crisis, the performance of Swale's economy presented a mixed picture. Overall recent years have seen growth, reflected in the scale of activity and the number of jobs available across the Borough. This is to be welcomed, but the Council also recognises that there remain long-standing issues, with the COVID-19 crisis both compounding these and presenting new challenges.

This Economic Improvement Plan takes the opportunity to review our priorities for economic improvement in the Borough. There will need to be a focus on playing our part in helping meet some of the immediate challenges the Boroughs economy now faces, from the impacts of both the COVID-19 crisis and the imminent departure of the UK from the European Union. Nonetheless, we are also determined to take advantage of untapped potential, for longer-term benefit. Despite the challenges we face, we believe it remains the case that there is an opportunity to contribute to strengthening our economy for the future, deliver improved quality and choice in local employment opportunities and enhance quality of life for residents.

This document sets out our priorities under four headings; raising Swale's profile; securing investment and infrastructure; supporting local business and improving skills. These will be familiar themes to those conversant with the Boroughs efforts to improve the local economy to date. However, this plan presents a clear change of emphasis that reflects not only the Council's new ethos but, we believe, also repositions local economic priorities in a manner well suited to addressing some of the new, immediate challenges. There is more focus on indigenous growth, focused around start-up and small and medium enterprises (SME's); an intent to 'up the ante' in supporting and developing the visitor economy and makes clear our wish to pursue economic improvement, but not at any cost. There will be more effort to improve the quality of the investment and the jobs available locally and the need to promote a more sustainable approach, reflecting the Council's declaration of a climate and ecological emergency and the associated action plan ([www. www.swale.gov.uk/cee-update/](http://www.swale.gov.uk/cee-update/)).

The Economic Improvement Plan has a relatively short time horizon, although we acknowledge that delivering economic change requires a long-term perspective. However, the economic circumstances we now face are so uncertain, and there will be a need to regularly review how we are responding to the prevailing circumstances and how these are impacting upon longer-term prospects. We will continue to monitor what could be a rapidly changing economic context over the period of the plan and adapt the approach accordingly. The individual actions identified are split between those which will be our focus in the short-term, and those which contribute to longer-term ambitions of the Council for local economic improvement.

Key local issues

The full impact of the COVID-19 pandemic on both the national and local economies is not yet clear, but it will undoubtedly be severe. Beyond the forced closures and loss of business and income for so many, new ways of having to work and do business will become part of a 'new normal'. Unemployment has risen sharply, and many local businesses and residents face a more uncertain future. This uncertainty is compounded by Brexit, which will not only have long-term economic impacts across the country, but also potentially geographically specific, local impacts on Kent.

Whilst the Council will play its part in responding to immediate challenges, it will not lose sight of longstanding issues that need to be tackled, some made worse by the crisis and all now set against a changing context.

The Borough has been successful in attracting and retaining investment, particularly from the industrial sectors. Combined with environmental and infrastructure constraints this has meant there is a tightening supply of available employment land and premises. There is a need to make sure that a future supply of employment land is secured through the Local Plan, and that appropriate proposals are assisted through the planning system to deliver business space that meets local needs and supports growth. There is also a wish to make sure that we are making the most of a broader spectrum of job creating opportunities, which operate not only in traditional business settings, but also can operate from a wider range of settings, including under-used buildings, shared space or the home.

It also remains the case that there is a gap between the employment available in the Borough and the jobs that are needed. Despite local employment growth, Swale has a low ratio between jobs and working age population, something common to many parts of Kent. Average workplace earnings are also well behind both County and regional averages, although average residents earnings are broadly in line with the norm. This reflects the need for both more and better paid jobs in the Borough and the current gap is helping drive the volume of out-commuting that occurs. It is unclear as to how the COVID-19 may affect the labour market locally, including resident's future choices in terms of commuting, but this re-enforces the need to extend choice of opportunity to work more locally.

With significant concentrations of manufacturing and transport and distribution, there is a need to further diversify, to create a more resilient local economy, in which average workplace wages can be pushed higher. There are a number of sectors in which average wage levels are higher, but which are either currently under-represented in Swale or are in evidence through a proliferation of micro-businesses, providing more limited employment. As an example, the creative industries represent only 7% of all businesses, the lowest concentration in Kent. Another is the professional, scientific and technical sectors, where despite representing around 14% of all local businesses, only provides 6.1% of employment, with little growth in recent years. The Council needs to understand the barriers and what could be done to support growth in such sectors, which will require more engagement with these, and other business sectors locally.

Economic inactivity and in particular skill levels within the working age population have remained a persistent problem for Swale, impacting not only on individuals opportunities but also the ability of employers to meet their workforce requirements locally. Long-term health conditions play a significant role in the higher inactivity levels found locally, demonstrating the importance of meeting the wider infrastructure needs of the Borough. The skills gap is both a consequence and driver for the lower paid employment found locally and to meet the challenge a change in access to skills provision and employment that provides more opportunity are both required.

Due to the nature of businesses in Swale, the district has always had high energy consumption and emissions compared with other Kent districts. The 2017 total of 648.4kt CO₂ comprises 55% of the districts total CO₂ emissions, although within the commercial sector there has been a 41% decrease in CO₂ emissions between 2005-2017. There are also significant air quality issues, particularly focused around parts of the local road network, with population and economic growth both contributing to this.

To effectively tackle these issues, the Borough Council must engage with businesses and develop mutually supportive networks that support efforts that help tackle environmental impact, recognising that this can contribute to improved productivity. There will also remain a need for appropriate investments in the local infrastructure that will support tackling these challenges.

Raising Swale's profile

Promoting Swale's assets is critical to delivering our priorities. A wider appreciation of the Borough's strategic location between London and Europe, its many natural and built assets and creating positive perceptions will significantly enhance our ability to attract interest, build value in the local property market, generate and retain investment and expand the visitor economy. We will build on the existing Swale Means Business and Visit Swale brands that have been developed in recent years and develop the associated on-line presence to showcase major assets such as Eurolink and the Port of Sheerness; the visitor offer; the areas fantastic natural environment and the many advantages of living in Swale.

However, with our desire to support locally driven employment growth we will also use these platforms to reach out to the local small businesses, to understand how we can better work with and for them and to make more of the local success stories which can help inspire local people to bring forward their ideas and to develop their businesses. We will promote the business support that is available to residents and local companies alike, both through the workshops and one-to-ones that the Council provides, but also more specialised advice provided by others.

The Council's new ethos and approach to delivering economic improvement and change is something which needs to be clearly articulated across a wide range of partner organisations, funders and the business community. The Council is developing a range of plans and strategies, that sit beneath the Corporate plan and we need to make sure that we develop a narrative for our economic ambitions that is consistent, understood by funders and those we hope to work with and encourages them to play their part in securing the positive changes we hope to achieve, in both the short and longer-term.

Our priorities

In the short-term we will:-

- Put forward the Borough's case for support, as it is made available through Government, the Local Enterprise Partnership and other agencies, to aid the economic recovery of the Borough.
- Refresh and enhance the Swale Means Business Swale web presence, using social and other media to communicate with residents and the local business community, increasing our reach and making clear the availability and scope of business support.
- Inspire local businesses through local 'success stories' that promote creativity, innovation and the use of technology, to help rebuild business success in the "new normal".

In addition we will:-

- Develop and present a clear narrative for the Borough's longer-term ambitions so that it is understood and reflected through the work of key bodies including Locate in Kent, Visit Kent, the Thames Estuary Commission and the South East LEP.
- Use the attributes and opportunities in each area of Swale, and the Borough as a whole, to promote each as a great place to visit and in which to invest.

- Work with partners to develop and promote shared stories about Swale, to demonstrate the benefits of the Borough in which to invest and do business.

Securing investment and infrastructure

Properly funded and planned infrastructure, delivered at the right time is vital - not only to redress the adverse effects of development on our local communities, but also to unlock economic potential in the Borough. A broad and long-sighted view of the infrastructure that is needed is required, taking account of not only immediate issues (such as lorry and coach parking and congestion) but also future challenges and opportunities.

Recent years have seen a particular focus on delivering highway improvements to facilitate housing and help drive economic growth. Whilst road network issues need to be addressed, particularly where there are issues of road safety and air quality, we must also acknowledge the climate emergency, with the Council's goal for the Borough to be net-zero carbon emissions by 2030. Consequently, we will place more focus on infrastructure that supports this. Through the planning process, initiatives such as the emerging walking and cycling strategy and by lobbying government and business we wish to encourage modal shift for both people and freight. We will also support initiatives to help meet emerging sustainable infrastructure needs, such as electric vehicle charging points. Improved broadband services across the Borough are also an essential asset for the future, making on-line working credible in urban and rural communities alike, and reducing the need to travel.

Aside from helping address climate change, embracing this approach will also create new opportunities. Improved broadband connectivity will help stimulate economic activity in rural areas. Walking and cycling routes and good public transport links will support the visitor economy and also make it easier for residents to access employment and learning. And delivering against broader infrastructure needs, including education and health care will also support the economy by removing barriers to work and developing the pool of local labour available to business.

Our town centres are also an important area needing investment, to help them change, adapt and improve in the face of considerable challenge. The Council's attention has been largely focused on delivery of the major regeneration project in Sittingbourne Town Centre and it is our intention that we now move forward by looking at the wider opportunities that exist. Improving peoples experience and the way in which they relate to and use the town centres will be vital to bringing life back to them. We aim to improve the public realm and look after our heritage through a mix of investment and enforcement. Retail, leisure and other services will all continue to play a vital role, but we also need to diversify and give people a wider set of reasons to come into our town centres. This might include housing, co-working and small studio space for homeworkers and small businesses and encouraging new residential communities into town centres where it makes sense to do so.

Funding will be the key challenge. The Council will invest in its own assets to improve and create opportunity. It will also seek possibilities to address existing deficits as well as to improve and create opportunity from investment and development with partner organisations including Government.

Our priorities

In the short-term we will:-

- Work with partners and invest in improving the appearance, functionality and economic and environmental sustainability of our town centres, that can help meet the immediate challenges created by COVID-19 and encourage confidence amongst local residents and visitors
- Work with partners to introduce measures that encourage more walking and cycling to secure modal shift as well as develop the borough's visitor economy

In addition we will:-

- Offset housing growth and promote sustainable, local economic improvement through balanced improvements to physical, environmental, social and health infrastructure.
- Push for a range of measures that contribute to ease of movement and improved traffic management across the Borough, including appropriate improvements to the road network; alternative modes of freight transport; public transport provision; lorry and coach parking and measures that encourage walking and cycling.
- Where we can, promote the delivery of broadband and mobile services, that support the changing needs of both the urban and rural economies and residents working patterns.
- Develop and deliver clear strategies for our town centres, investing in improving their appearance and working with partners to diversify their offer to enhance the important role as centres for economic, cultural and community activity.
- Implement the visitor economy framework to increase investment, address new visitor demands and grow the value of the sector to the Swale economy.

Supporting local business

This plan reflects our aspirations to create a positive commercial environment aimed at supporting local businesses, as well as attracting new investment. We believe that it is primarily through new businesses and growing existing small and medium enterprises (SME's) that sustainable and more diverse employment growth can be achieved, less vulnerable to the uncertainty ahead and remote decisions, driven by macro-economic influences.

Swale Borough Council wants to provide proactive support and guidance to local small businesses to help them achieve and sustain their ambitions and deliver the economic benefits to the borough. It has worked hard to establish a business facing brand through Swale Means Business and delivers a free business support service to all existing and start-up businesses across Swale. We will continue to promote the business support programme to maximise awareness and take-up of the service, but also increase our efforts around sector specific targeting that supports the Councils wider priorities, such as the visitor economy sector and the voluntary and community services sector.

We also wish to make best use of all the avenues through which businesses engage with the Council, to offer the most appropriate support and guidance. The Council engages with

business on many fronts, on issues as diverse as environmental health, climate change, business rates and planning and we need to continue to build a collaborative approach that makes sure that help is provided where it is needed, with Economy & Community Services playing a co-ordinating role.

Utilising and growing our business existing business networks we will seek to understand the changing issues impacting on local employers and seek to help address them. We will also strive to encourage employers to become more involved with the community and assist us in achieving our ambitions through their own investment, aiding our lobbying efforts and by providing their workforce with a living wage.

Although the Borough has delivered substantial growth in commercial floorspace there is an increasingly tight supply of land and premises, limiting the options available to what is a hugely diverse and potentially changing market. With our focus on start-up and SME businesses we particularly wish to see new facilities which meet their needs and encourage engagement and collaboration, including studio and co-working space. There is also a need for grow-on space and more up to date stock and through the Local Plan review we will need to identify sufficient employment land to meet identified need over the coming years.

It is also important that the Council considers how it can use its own assets and investment to support our economic ambitions. This is an area which needs exploring to understand where such opportunities are, how they fit against our broader priorities and where it makes financial sense for the Council to pursue them.

Our priorities

In the short term we will:-

- Optimise access to government financial support to businesses through direct delivery and signposting
- Deliver our support service for start-ups and SME's and signpost to that available through others, improving awareness and providing access best suited to the prevailing public health advice and the demand from residents
- Engage with local business and gather intelligence to understand the immediate and potential ongoing impacts on the local economy to try and understand the threats and opportunities that may lie ahead and inform how we support local business.

In addition we will:-

- Engage with start-ups and established businesses more widely and continue to develop our support service for both, across sectors including those which support the visitor economy and promote creativity and innovation in the Borough.
- Provide networking and learning opportunities that help businesses take forward ideas, trade with the Council, its partners and each other, develop their workforce, improve productivity, and grow sustainably.
- Investigate the evolution of a 'one business account' approach within the Council, reviewing how the key business support service functions interact and share information, that then helps us better support local businesses and aids their understanding how to be compliant in relation to their business activity

- Improve the supply and diversity of space that supports micro and start-up businesses, including co-working space
- Support a pipeline of available commercial sites and premises across Swale, to serve local businesses expansion needs as well as new investment.
- Support creative and innovation led businesses to tap into centres of excellence and knowledge, including Higher Education, to support innovation and growth.

Improving Skills

It is important that local people are given the opportunity to benefit from economic growth, whether that is locally, or further afield. There are often a range of factors that mean for many individuals and families there are significant barriers to this - transport issues, a lack of confidence and skills and health issues are all factors holding local residents back.

In the 2019 indices of multiple deprivation, identifies skills as a particular challenge and an area in which the Borough is ranked in the worst 10% nationally. This impacts not only on access to employment opportunities for local people but also the type of job-led investment that the Borough can attract.

The issue of skills and education is a complex one in which the council's role is indirect, as the communities' champion, lobbying for change, and providing a conduit through which the work of others can be influenced and enabled. Our focus is not just on addressing the limited further education provision for Swale's young people but also the wish to see local people, at all stages of their careers, provided opportunities to upskill and retrain.

As well as focusing on those agencies involved in funding and providing opportunities to learn, we need existing local employers to take more of a role, both directly as employers but also through engaging within the wider community, to help inform provision and give young people insight into potential careers.

Our priorities

In the short term we will:-

- Help provide local, labour market intelligence to partners and local schools, to help inform provision for young people and adults.
- Keep tabs on how the crisis is impacting upon need locally and use that information to lobby providers and funders to respond to local challenges
- With partners, take steps to help the most disadvantaged families and communities to embrace opportunities from economic growth, job creation and skills provision.

In addition we will:-

- Pursue all opportunities to progress our long-term ambition to enhance the provision of further and higher education accessible to Swale residents
- Encourage employers to become more engaged with developing young people, working with local schools and providing progression opportunities through work placements and apprenticeships