



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
6 March 2025

Key Decision [Yes/No]

Ward(s) Affected:
Cabinet Portfolio:

Delivering a series of economic interventions

Report by the Chief Executive

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Executive Summary

1. Purpose

- 1.1 The purpose of this report is to outline the strategic approach to implementing the economic principles which were first developed by Worthing Borough Council and then developed through the new financial strategy which supports both Councils.
- 1.2 It also informs the Councils' Members of funding of £150,000.00 for each authority, from the Pooled Business Rates (PBR), distributed by West Sussex County Council. This funding is ring-fenced for economic/regeneration projects.
- 1.3 The report also signals the rationale for the economic approach outlined within and how it compliments the Adur and Worthing business support programme.

- 1.4 The report also outlines the preparatory work being done to explore the opportunities presented by devolution and the key principles which Adur and Worthing will be advocating for as part of the process of implementation.

2. Recommendations

Members are requested to:

- 2.1 To note how the projects support the Business Support Programme and wider economic ambitions.
- 2.2 To approve the creation of a budget of £300,000.00 across Adur District Council and Worthing Borough Council for the specific purposes as outlined in section 4 of this report.
- 2.3 To delegate authority to the Assistant Director for Place & Economy, in consultation with the Executive Member for Regeneration (Worthing) and Executive Member for Regeneration & Strategic Planning (Adur), the authority to approve and award associated contracts, subject to compliant procurement procedures and ensuring that the overall programme is within the authorised budget
- 2.4 To delegate authority to the Assistant Director for Place & Economy to approve an engagement plan targeting businesses, which will complement emerging devolution opportunities.

3. Context

- 3.1 Adur & Worthing Councils believe in an inclusive, resilient, economy, which provides stability, high quality opportunities for all and a social safety net at its core. The aspiration is to work towards a circular economy, with minimal waste and maximum reuse of resources, using local supply chains to bolster economic growth across the area. Using a 'fair, green and local' approach provides an alternative model of economic governance which gives citizens greater investment in and control over their economic future. With the launch of Sussex Bay in 2024, the area now benefits from and can exploit opportunities in marine conservation and associated sectors.
- 3.2 Adur and Worthing Councils share the government's focus on growth as of central importance to the ongoing prosperity and happiness of our places. With the opportunities being opened up by devolution the councils are working to ensure that the right measures are in place to support all sectors of local businesses including SMEs which provide jobs, skills and opportunities for our residents. Part of the next stages of this work will be to define those measures.
- 3.3 This is not about growth for growth's sake. By helping businesses grow we help create valuable jobs and investment into the area, benefiting everyone. By ensuring that growth is climate positive we also address the challenges of the climate emergency in a way which helps people and places thrive. Under devolution, a newly created 'coastal authority' provides unlimited opportunities to develop a new, wider, economic area, sharing ambition and resources. Key outputs to this include;
- Increased inward investment
 - Workforce skills development and job creation
 - Increased business startups
 - Increased productivity and access to work
- 3.4 This paper outlines how the councils will support the development of a thriving economy in four strands of work:
- The direct work with businesses delivered by the business support programme

- The alignment with the council's procurement strategy and the leveraging of the council's purchasing power and commissioning to support local businesses as outlined in the councils financial strategy
- The use of the pooled business rates funding, returned to the councils to focus on support for all sectors of local businesses including SMEs, across the two councils and connect into the newly established neighbourhood teams
- The development of a programme of strategic projects which will be delivered in partnership with businesses. This programme will connect work already underway on projects such as the heat network or the next steps for the Decoy Farm site in Worthing with projects which will be identified through collaboration with local businesses.

3.5 The Councils work with key partners like WSCC to obtain and hold various economic data sets. Whilst the data is good, the Councils also have some gaps in knowledge. This programme will be underpinned by the development of up to date economic baseline data which can both inform decision making and also shape the right conversations with businesses.

3.6 Devolution for Sussex should provide the right support to look at growth in Sussex more holistically and allow us to take advantage of the multiple economic opportunities available to us rather than operating in two distinct functional economic areas; Greater Brighton and West Sussex. We see the opportunity for the development of a coastal economic strategy which looks at the opportunities and challenges of the coastal area and explores the possibilities opened up by new initiatives such as Sussex Bay. By ensuring that we have a clear coastal narrative for growth we will be able to advocate most effectively into the new Mayoral Authority.

3.7 The recently completed organisational design programme has developed the economic development capacity of the organisation in four ways:

- The new financial strategy emphasises the role of the organisation's purchasing power in economic development. This has been seen to great effect with the design of the Worthing Heat Network where Worthing's role as anchor tenant has been

central to unlocking inward investment and economic benefits. As part of the organisational design work officers have been reviewing external contracts and procurement and considering how best to align council purchasing with wider project-based decisions, and attributing benefits in doing so.

- The implementation of an external funding team provides the skills and capacity needed to develop future project finance solutions which will support ambitious projects in a way which reflects the financial capacity of the organisation. This will go beyond bid writing and develop funding models that will use different forms of investment as has been delivered in the heat network projects
- The organisation redesign work has created a new neighbourhood model which will see council officers working more closely with local communities including local businesses. This is intended both to create better service delivery which meets the needs of local communities but also, in this context, an opportunity for better dialogue with local business embedded in those communities.
- These organisational changes create the context and foundation for work across the economic development agenda and are ready to be accelerated with additional investment.

3.8 The Business Rate Pool (PBR) is a long standing agreement between West Sussex Councils (County and Districts / Boroughs) which allows the councils to retain a significant additional proportion of business rate income rather than being returned to central government. The PBR is governed via the Leaders of the councils and is there as a support of additional investment to support economic development and regeneration.

3.9 The business rate pool has funded a number of important economic projects such as the small business growth grants and was central to the gigabit investment (i.e. CityFibre) which has provided our places with some of the fastest broadband speeds in the country. This benefits all businesses but opens up opportunities in sectors such as meditech, digital, high tech

manufacturing, engineering and perhaps new areas such as virtual production¹.

- 3.10 Following debate at the Leaders group it was decided that £150K be returned to each district and borough council in order to develop local economic development projects ahead of economic strategy or more significant economic projects.
- 3.11 As this programme of work is developed it will focus on four outcome areas:
- Creating the evidence base and analysis needed to make a clear case for what Adur and Worthing expect and hope for from the new Mayoral Combined Authority
 - Working through business forums to seek improvement in the access and quality of local jobs while also engaging with the skill providers
 - Interweave sustainability into the programme to ensure outcomes contribute to the Councils' Net Zero targets and nature recovery
 - Establishing a system for business growth, which includes recognition that growth is also seen at the hyper-local level (i.e.all sectors of local businesses including SMEs)
- 3.12 The councils will also look to its own workforce development in this space and ensure that our staff are benefiting from the skills development thinking and practice developed here.

4. The work programme

- 4.1 As with all investment the councils are seeking to invest where work can have impact across multiple agendas, in this case there is an opportunity both to strengthen our work with local businesses and understand the potential to develop greater insight into the procurement behaviours within our area.
- 4.2 There is also an opportunity to strengthen relationships and develop internal skills and capacity by working alongside partners to develop this work.

¹ Virtual production refers to the technology known as 'green screen' and digital generated of content for entertainment

- 4.3 Finally, through these areas of work, and linked to the Business Support Programme, direct benefits will be provided to local businesses, whether that's being part of a stronger supply chain, being more connected to other like minded businesses or establishing a community footprint to drive more customers.

(i) Establishing economic baseline data and analysis

- 4.4 This will be used to establish an economic vision that combines how different strands of development and infrastructure will drive new businesses and a new economy across Adur and Worthing. This will include looking at traditional employment sites (and key sectors) and how these interact with changes to the towns' demographics, housing sites, key infrastructure, as well as interweaving with design codes, greening plans and active travel.
- 4.5 Through a participatory approach, this work will establish clear aims and objectives of what economy the Councils' are helping to build, and within the vision it will highlight opportunities for existing businesses to grow and new businesses to come into Adur and Worthing, whether that be directly through Council-owned sites or through private landlords. This will also help with clearer decision making as there will be a clear vision for how the 'sum of the parts' come together to assist local businesses and more broadly the local economy.
- 4.6 Whilst informed by in-house information and data, it's likely this will require external commissioning due to the intended scope and outcomes looking to be achieved. If this is the delivery mechanism, an appropriate procurement will be established to ensure an open and transparent process and 'best value' for the councils. Stakeholder engagement will also be a key part of the evidence base.
- 4.7 There are a number of economic questions through this work that we are curious about, which has been accelerated as a result of the devolution conversation. Whilst an answer may not be found for all they provide a useful framework for the research, as follows:

- What is the sectoral analysis now and into the future?
- Is there a buoyant start up landscape?
- What are the skills and workforce development needs?
- How does, or could, economic growth work on the coast?
- What policy exists and how could or should this align?
- Where should the economic leadership come from?
- How can funding and investment be maximised?
- What governance is needed for economic growth?

We want this work to help us:

- better understand the barriers to growth and what is needed to unlock these.
- An update on the priority objectives for infrastructure development as well as exploring innovative ways (such as the Worthing Heat Network) to deliver it

(ii) Utilising the Business Support programme

4.8 The business support programme provides practical help for small businesses. This programme has been running since 2024, which includes the recruitment of expert consultants in the fields of:

- Start Up
- Leadership & Management
- Sustainability
- Innovation

4.9 This programme provides an excellent foundation to engage and support local businesses, however with the opportunity presented by the PBR funding as outlined in this report, we now intend to engage further and explore how the programme can lead to further conversations regarding local economic growth.

4.10 The existing programme also involves business grants to those businesses actively engaged with the consultant team and the PBR funding may provide additional capacity to extend this programme if required.

(iii) Exploring public procurement

4.11 The financial strategy outlines the role that procurement can play in the local economy and the work we have done with the

'assembly of demand'² to underpin the heat network project shows how aggregated public sector demand can be critical to inward investment. As we develop this strand of work we will look to maximise and develop opportunities to combine sound procurement with economic growth, and continue to explore new opportunities around aggregating demand for economic benefit.

- 4.12 In addition, this area of work will seek to work with anchor institutions and local supply chains. This will unlock local purchasing power and provide local businesses with the opportunity to feel a greater part of their community and be connected to larger institutions, with the intention of giving our local businesses more local resilience.

(iv) Engaging local businesses

- 4.13 Our local businesses are a really important part of our community as well as being part of our economic landscape as well as being key social infrastructure. This was shown during the pandemic when communities relied on their local shops and further wired those local businesses into the community.
- 4.14 The Councils recognise there are a range of businesses across borough and district, including in our town centres, parades and high streets, in our industrial sites, as well as current and emerging b-corps. This programme has the opportunity to engage, on scale, and understand local economic needs.
- 4.15 By looking at them through the lens of our new neighbourhood model we can better understand their community connections and also understand what they need to succeed in what is a challenging time for SMEs. This would provide:
- Insight and connection to feed from and into our business support programme
 - An up to date map and data about the businesses in our small parades and high streets
 - The basis for local area meetings to build relationships and define shared priorities for the area

² Assembly of demand refers to an approach where potential customers work collaboratively to support a shared goal - this was the approach used to assemble demand to underpin the new heat network in Worthing for example

- 4.16 In order to develop this work the councils will use the pooled business rates funding to appoint a Research Economist/s (or equivalent) for 12 months in order to work with the Neighbourhood Leads to ensure we're capturing appropriate local business information and intelligence.
- 4.17 The Research Economist/s, working with the Neighbourhood Leads, will be expected to research and establish networks for priority town centres, high streets, small parades and industrial sites across the district and borough with a view to developing a network of local businesses.
- 4.18 The new role/s will also work with the newly established external funding team to create opportunities for sponsorship and project development for these networks in order to fund projects which will be codesigned with local businesses.
- 4.19 There may be an opportunity for the post to be established via University connection, and possibly a Knowledge Transfer Partnership, however this will be dependent on identifying relevant partners and linked areas of work.

(v) Understanding our skills landscape and developing the local skills base

- 4.20 The Future Skills Sussex Local Skills Improvement Plan (LSIP) follows extensive research and consultation with employers, education and skills providers, strategic partners and wider stakeholders across Brighton and Hove, East Sussex, West Sussex and beyond. It sets out the Sussex-wide skills challenges, gaps and needs emerging and has identified priorities needed for change. This work provides a sound platform from which to continue conversations with all people and organisations within our local skills landscape to understand issues, opportunities and barriers around skills and employment, in and around Adur & Worthing.
- With Devolution providing a wider economic area, there are likely to be new opportunities around job growth and job creation, however it is not clear where these could exist. Discussions with trusted partners and business forums will help

to understand what business sectors and where are likely to see growth leading to quality employment.

- Driving new connections and better working relationships with our local colleges and universities is needed to harness and retain local talent as well as promote the excellent opportunities for employment with the local business community.
- Where there are skills gaps and shortages, restricting economic growth, explore opportunities for creative employment like job sharing, shared apprenticeships, retained mentors etc. These initiatives can help, for example, to retain knowledge and skills as a result of an aging workforce.
- Working with colleagues from our Learning & Development team, ensure Adur & Worthing Councils' workforce strategy acts upon opportunities identified above and the team is plugged into conversations to ensure our workforce benefits from the same opportunities and skills advancement, as local businesses.
- Following the publication of the Get Britain Working Strategy in 2024, work with partners on any initiatives and/or funding that help local residents to access quality work and improve their own employment outcomes.
- Ensure all skills and employment initiatives where possible have outcomes aligned to 'fair, green and local' principles. For example residents should have access to local, quality employment opportunities (e.g. paying at least the minimum wage with low commuting costs). Furthermore, businesses should be encouraged where possible to use and provide opportunities for greener forms of transport (e.g. bike racks or electric cars).

5. Linking to strategic economic projects

- 5.1 Whilst the PBR funding will be directed to the areas of work identified in section 4, the intention is that outcomes from all workstrands will be viewed against strategic economic interventions, which may aid key decision-making as we progress through 25/26 and beyond.

- 5.2 Strategic work often needs to be delivered at scale, usually borough or district wide, some regionally, however the Councils' play an important role in providing anchoring and proposition development for larger schemes. For example, the Councils' assets were used initially (as anchor sites) to unlock private sector funding associated with gigabit roll out as well as heat network development.
- 5.3 Further to the examples provided in 5.2, the work associated in this paper also has the potential to inform other key strategic projects that the Councils' are involved with as a significant economic contributor at a local level and on a regional scale, being part of the Sussex Energy conversation and development. Decoy Farm, for example, is a significant opportunity to deliver new employment floorspace for Worthing and one of the last remaining large-scale development opportunities in Coastal West Sussex. The Councils' planning framework highlights Decoy Farm's potential as an opportunity for economic growth. However it is a problematic site (contamination, flooding, poor accessibility) which requires significant investment to realise its full potential. Devolution provides an opportunity to relook at the options for the site but this needs to be understood as part of a wider economic area.
- 5.4 The intention, fuelled by the participatory process with businesses, will lead to future strategic economic projects, and associated investment propositions, also being informed by a series of workshops with the businesses community.

6. Engagement and Communication

- 6.1 The delivery will be determined by working with and in communities, whether that be at a hyper-local level with businesses, at a strategic level with anchor institutions or receiving ideas to assist with the infrastructure vision work via external consultants. If the Council does utilise external help the areas will still be embedded with participatory practice and community engagement.

- 6.2 Key to the participatory practice will be working with, including co-designing, with existing business forums across Adur and Worthing, for example the Chamber of Commerce. It's important this work is informed 'by the economy, for the economy' and utilising existing networks and structures, as well as exploring the new, will give the work local meaning and outcomes rooted in 'local' views.
- 6.3 The headline areas of work identified have been mapped against the priorities set by both Administrations and as such they have been co-designed as part of Officer and Member working groups. This initial design provides the starting point for these economic interventions, however these will continue to be developed over the next few months ahead of the work starting in earnest in the Spring.
- 6.4 As previously outlined in this paper, the delivery is likely to be driven through the neighbourhood model and these teams will also be consulted to ensure the outcomes are realistic and relevant and added into the overall work programme of the teams.
- 6.5 Finally, as this funding is coming from the Pooled Business Rates, held by West Sussex County Council, these areas of work have been discussed and agreed at Leaders and Chief Executive meetings associated with this funding. This is an important aspect to enable the funding to be released.

7. Financial Implications

- 7.1 As outlined previously, each council will receive £150,000 to undertake these areas of work. Due to the change in Administration in Adur, it's recommended that these budgets combine to establish an overall total of £300,000. In running these jointly, each council should benefit from economies of scale and shared outcomes and learning.
- 7.2 The proposed budget is below, however these are estimated costs and the values are subject to change:

Ref	Adur District Council	Worthing Borough Council	Combined TOTAL
Economic Baseline Data	£20,000	£20,000	£40,000
Exploring and building local procurement networks	£40,000	£40,000	£80,000
Devolution and economic growth: getting the business view	£20,000	£20,000	£40,000
Research Economist Role(s)	£60,000	£60,000	£120,000
Understanding local skills landscape	£10,000	£10,000	£20,000
TOTALS	£150,000	£150,000	£300,000

**linked to Section 4*

7.3 It should be noted the Business Support Programme was due to run until December 2025 and has been agreed to be funded through a combination of UKSPF and S106 funding. The funding identified above provides an opportunity for this programme to be adapted or extended, depending on the final allocation from this funding.

8. Legal Implications

8.1 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything to facilitate or which is conducive or incidental to the discharge of any of their functions.

8.2 Section 1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available of assets or services for the purposes of, or in connection with, the discharge of the function by the local authority

- 8.3 Section 3(1) of the Local Government Act 1999 contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy , efficiency and effectiveness.
- 8.4 Any procurement arising from the recommendations in this report must be in accordance with the Council's Contract Standing Orders and the Procurement Act 2023.
- 8.5 The incoming funding of £150,000.00, from the Pooled Business Rates, held by West Sussex County Council must be spent in accordance with the conditions upon which it has been given. This funding is ring-fenced for economic/regeneration projects.

Background Papers

- West Sussex County Council - Collaboration Report (October 2023)
- Business Support Programme - Adur JSSC Paper (September 2023)
**mirrored report for Worthing Borough Council*

Sustainability & Risk Assessment

1. Economic

- The outcomes will have a direct influence on the economic strategy of the Councils' whilst, it is hoped, also in the local community. A number of projects will be established and will enable economic partners, businesses and communities to have full participation and engagement, thus impacting on the local economy and not just the levers the Councils' can pull.
- The outcomes should enable a movement around local procurement and local supply chains, establish an understanding and plans to harness the 'economic power' of our high streets and set a clear direction for the economies of the future across Adur and Worthing.

2. Social

2.1 Social Value

- Matter considered and no issues identified.

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- Matter considered and no issues identified.

2.4 Human Rights Issues

- Matter considered and no issues identified.

3. Environmental

- The research and analysis will also be through an environmental and sustainability lens, as the Council believes in harnessing a 'green economy'. The outputs should have a positive effect on the environment, whether that be developing local supply chains or establishing 'green jobs'.

4. Governance

- The delivery will be overseen by the Economy Working Group, a combination of Executive Members and Senior Officers to provide the monitoring and assurance. If required, further monitoring reports will be provided if deemed necessary by the Councils'.
- The Council will undertake a thorough procurement exercise to select appropriate consultancy support, where appropriate. It's important that these

companies and individuals are of good quality and bring a good track record of economic delivery with business support as a key component.