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Contact Officer:

John Armstrong, Democratic Services &
Elections Manager

14 February 2023

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **WEDNESDAY, 22 FEBRUARY 2023** at 10.00 am.

Yours faithfully

Tom Horwood
Joint Chief Executive
Guildford & Waverley
Borough Councils

MEMBERS OF THE EXECUTIVE

Chairman:

Councillor Julia McShane (Leader of the Council and Lead Councillor for Community and Housing)

Vice-Chairman:

Councillor Joss Bigmore (Deputy Leader of the Council and Lead Councillor for Finance and Planning Policy)

Councillor Tim Anderson, (Lead Councillor for Assets and Property)

Councillor Tom Hunt, (Lead Councillor for Planning Development, Legal and Democratic Services)

Councillor George Potter, (Lead Councillor for Climate Change and Organisational Development)

Councillor John Redpath, (Lead Councillor for Customer and Commercial Services)

Councillor John Rigg, (Lead Councillor for Regeneration)

Councillor James Steel, (Lead Councillor for Environment and Regulatory Services)

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Committee Services.

QUORUM 3



THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

AGENDA

**ITEM
NO.**

1 APOLOGIES FOR ABSENCE

2 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 MINUTES (Pages 7 - 14)

To confirm the minutes of the meeting of the Executive held on 26 January 2023.

4 LEADER'S ANNOUNCEMENTS

5 TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY COMMITTEE (Pages 15 - 24)

6 REVIEW AND IMPLEMENTATION OF THE RECOMMENDATIONS OF THE PLANNING COMMITTEE PEER REVIEW - FINDINGS OF THE WORKING GROUP (Pages 25 - 82)

7 ECONOMIC DEVELOPMENT STRATEGY 2023-2040 (Pages 83 - 254) *

8 THE TUMBLING BAY WEIR (Pages 255 - 288)

Key Decisions:

Any item on this agenda that is marked with an asterisk is a key decision. The Council's Constitution defines a key decision as an executive decision which is likely to result in expenditure or savings of at least £200,000 or which is likely to have a significant impact on two or more wards within the Borough.

Under Regulation 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, whenever the Executive

intends to take a key decision, a document setting out prescribed information about the key decision including:

- the date on which it is to be made,
- details of the decision makers,
- a list of the documents to be submitted to the Executive in relation to the matter,
- how copies of such documents may be obtained

must be available for inspection by the public at the Council offices and on the Council's website at least 28 clear days before the key decision is to be made. The relevant notice in respect of the key decisions to be taken at this meeting was published as part of the Forward Plan on 26 January 2023.

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EXECUTIVE

- * Councillor Julia McShane (Chairman)
- * Councillor Joss Bigmore (Vice-Chairman)

- | | |
|----------------------------|---------------------------|
| * Councillor Tim Anderson | * Councillor John Redpath |
| * Councillor Tom Hunt | * Councillor John Rigg |
| * Councillor George Potter | * Councillor James Steel |

*Present

Councillor Angela Goodwin was in remote attendance.

EX73 APOLOGIES FOR ABSENCE

There were no apologies for absence.

EX74 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST

There were no declarations of interest.

EX75 MINUTES

The minutes of the meeting held on 5 January were approved as a correct record. The Chairman signed the minutes.

EX76 LEADER'S ANNOUNCEMENTS

The Leader of the Council made the following announcements:

There would be a fresh round of funding available from Crowdfund Guildford and an upcoming workshop would be held on 23 February to learn how to get involved and how to run a campaign. The deadline to apply was 29 March and residents were encouraged to visit the Spacehive website to find out more. Local businesses were also encouraged to pledge or promote the funding opportunity.

[Crowdfund Guildford - Home \(spacehive.com\)](https://www.spacehive.com)

The Council had recycled 7,670 Christmas trees in two weeks. This was a 12.5% increase on last year and good for sustainability.

The deadline for nominations to The Mayor's Award for Service to the Community was Friday 3 February. The award recognised individuals, groups and organisations who have gone above and beyond to serve their local community. Nominations should be submitted via the website.

[Nominations to open for The Mayor's Award for Service to the Community - Guildford Borough Council](#)

On the evening of Thursday 9 February there would be a 'Becoming a Councillor' briefing session. Those interested in becoming an elected member should email electoral services to find out more.

electoralservices@guildford.gov.uk

EX77 TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY COMMITTEE

The Executive was asked to note that, at a meeting held on 17 January 2023, the Overview and Scrutiny (O&S) Committee considered a report on the Stray Dog Service. The draft minutes and recommendations were set out in the Supplementary Information Sheet.

The O&S Committee had suggested there was merit in councillor oversight or involvement in the contract preparation process, including consultation about the specification of the contract when it was next put out to tender and in ensuring councillors had a clear understanding of the contract management process and elements of the procurement process, together with information on the costs paid by the Council for the current service.

The Lead Councillor for Environment and Regulatory Services indicated his support for input from councillors as proposed by the O&S Committee. There were no further comments from the Executive.

RESOLVED:

To ensure Councillor involvement in the processes for the procurement, contract preparation, and contract management of the stray dog service.

Reason(s):

To provide oversight of the service.

EX78 CAPITAL AND INVESTMENT STRATEGY (2023-24 TO 2027-28)

The Chairman advised that this report had also been considered by the Corporate Governance and Standards Committee on 19 January 2023 and the Joint Executive Advisory Board on 24 January 2023. The comments arising from those two meetings were set out in the Supplementary Information Sheet.

The Deputy Leader of the Council and Lead Councillor for Finance and Planning Policy introduced the report.

The Executive heard that the Local Government Finance Act 2003 required all councils to have an approved investment strategy that paid regard to the CIPFA Management Code of Practice and the CIPFA Prudential Code.

The Council had an ambitious capital programme supporting investment into services and standalone projects supporting its corporate objectives of regeneration, delivering homes and the infrastructure to enable the local economy to fulfil its potential. There was currently a high risk to the affordability of the Council's capital programme as borrowing would need to increase significantly and external funding sources utilised

despite the volatility of interest rates. Those projects set out in the provisional capital programme would require further Executive endorsement before they could be progressed. New project proposals were set out in the report including, significantly for the General Fund, upgrades to the Spectrum Leisure Centre and funding to facilitate the operational move of the depot. Both projects would undergo business case scrutiny, including potentially repositioning the depot cost to the Weyside Urban Village Project.

There would be a further £20 million investment in the Council's housing stock during the period 2023-24 adding to the £24.5 million spent during 2022-23 which would be funded from reserves. There would be £145 million remaining in the Housing Revenue Account Business Plan to spend either on further improvements or acquiring additional stock, potentially from Guildford Park Road or Weyside Urban Village.

The capital programme would have revenue implications for up to fifty years with regard to infrastructure projects. The Chief Finance Officer must be assured that the programme was prudent, affordable and sustainable. Therefore, the report was measured against several prudential indicators as set out in the report.

Although the Council was experiencing financial pressure due to the external economic circumstances, there had been benefits such as the increase in value of the asset base in the last year by around £60 million, whilst debt had reduced by £40 million. The net asset position was over three-quarters of £1 billion, whilst peak borrowing was projected to remain under 30%.

The Executive was asked to consider removing the relocation of the bus station budget as, although there was uncertainty over the future redevelopment of North Street, the Council would not undertake such a project independently.

The prudential indicators, minimum revenue provision policy and the Capital and Investment Strategy remained unchanged. The flexible use of capital receipts policy was updated to cover costs associated with the collaboration with Waverley Borough Council.

There was a provisional capital entry in the report of £1.35 million to spend on North Street by 2030 which was queried. There would be a thorough ongoing review of capital expenditure and an answer to the North Street question would be provided either prior to or at full Council on 8 February.

It was noted that Council had recently been through a restructure at management level whilst experiencing unprecedented external financial pressures and officers were commended for their work. The Executive

RESOLVED:

Subject to Council approving the budget on 8 February 2023:

- 1) That the £500,000 allocated in respect of the Bus Station relocation scheme (Scheme no. P17 (p)) be removed from the provisional capital programme.
- 2) That the new bids, as shown in paragraph 4.13 of this report be approved for inclusion in the capital programme as indicated.

To recommend to Council on 8 February:

- 1) That the General Fund and HRA capital estimates, as shown in appendices 2 and 3, as amended to include such bids as may be approved by the Executive at its meeting on 26 January 2023, be approved
- 2) That the Minimum Revenue Provision policy, referred to in section 5 of this report, be approved.
- 3) That the capital and investment strategy be approved, specifically the investment strategy and Prudential Indicators contained within the report and in Appendix 1.
- 4) That the updated flexible use of capital receipts policy at Appendix 8 be approved.

Reason(s):

- To enable the Council to approve the capital and investment strategy for 2023-24 to 2027-28
- To enable the Council, at its budget meeting on 8 February 2023, to approve the funding required for the new capital schemes propose

EX79 HOUSING REVENUE ACCOUNT BUDGET 2023-24

The Chairman reminded the meeting that the report had been considered by the Joint Executive Advisory Board on 24 January 2023 and the comments arising from that meeting were set out in the Supplementary Information Sheet.

The Chairman, in her capacity as Lead Councillor for Housing and Community, introduced the report.

The Council owned and managed over 5,200 houses that were rented to tenants who qualified for social housing or for which it held the freehold. It was the Council's priority that those properties were well-maintained and safe for tenants.

The Government had set a rent increase cap of up to 7%, but given the cost-of-living crisis, the Council was proposing a lower increase of 5%. The lower increase was due to the Council's careful management of the Housing Revenue Account (HRA). Although those tenants in arrears was low at 1%, the Council was mindful that tenants could find managing finances challenging under the current economic circumstances. Consequently, alongside wider improvements to the properties, the Council would employ two additional officers who would provide benefits and financial advice.

The Council would be providing a programme of improvements to communal areas and landscaping where it held responsibility for the wider estate.

The Council welcomed Government updates and standards with regard to tenants' health and safety. The allocated spending for the forthcoming year would include improvements in fire alarms, new fire doors and smoke detection. In addition, with energy saving in mind, there would be a programme of replacing doors, windows, installing insulation and heating systems.

There were no further comments and the Executive,

RESOLVED:

To recommend to Council (8 February 2023):

- (1) That the proposed HRA revenue budget for 2023-24, as set out in Appendix 1 to the report, be approved.
- (2) That a rent increase of 5%, be implemented.
- (3) That the fees and charges for HRA services for 2023-24, as set out in Appendix 2 to the report, be approved.
- (4) That a 3% increase be applied to garage rents, which is in line with the wider Council policy on fees and charges.

Reason:

To enable the Council to set the rent charges for HRA property and associated fees and charges, along with authorising the necessary expenditure to implement a budget, this is consistent with the objectives outlined in the HRA Business Plan.

EX80 GENERAL FUND BUDGET 2023-24 AND MEDIUM TERM FINANCIAL PLAN 2024-25 TO 2026-27

The Chairman advised that this report had also been considered by the Joint Executive Advisory Board on 24 January 2023. The comments arising from that meeting were set out in the Supplementary Information Sheet.

The Deputy Leader of the Council and Lead Councillor for Finance and Planning Policy introduced the report.

The report proposed to raise the Council Tax levy for the forthcoming year to the maximum, which was 2.99%. This would produce a net income increase for the Council of just over £330,000. Due to real cuts in the Council's spending power and inflationary pressures, although regrettable, this option was necessary. It was noted that the Borough Council retained just 9% of the Council Tax collected which translated to just over £250 on a Band E property for which the average resident received around £500 of services.

The Council Tax Support Scheme would be retained to support residents who found themselves in financial difficulty. Given the Scheme had been previously unsubscribed it was felt existing budget levels should be sufficient, but this would be kept under review.

It was noted that the current economic climate provided a challenging backdrop to setting the General Fund budget. Global and domestic financial pressures sat alongside diminishing Government funding resulted in significant reductions to the Council's spending power. There was also uncertainty on how the cost-of-living crisis would impact on revenue streams. However, the Council had taken financial decisions in previous years resulting in healthy reserves.

There was an increased budgeted spend of £7.7 million in comparison to last years' spending. The major increases were caused by the inflationary pressures on utilities and wages. The increased interest rates meant the Council would gain from its treasury activity; however, this advantage might be short term as the Council developed its capital programme.

Below inflation interest rate increases had been applied to fees and charges, albeit this would see an increase in income of £1 million. There would be no automatic transfer to reserves this year as it was calculated that the reserves were sufficiently funded.

The Council had received £1.3 million in New Homes Bonus (NHB) from the Government, and it was proposed that this income be used to fund wage increases that were currently being discussed with the union. The NHB was scheduled to be withdrawn by Government and could not be written into future budgets.

The General Fund budget was £3.3 million in deficit. This might be funded from the Council's reserves or from additional savings. There was £32 million in reserves able to support the Medium-Term Financial Plan to underwrite the deficit if necessary. This was described as unusual, but due to the economic climate and with no desire to unnecessarily cut essential services, the lead councillor was content.

There needed to be a clear understanding of the structural deficit and the impact of the cyclical effects before more work could be undertaken to reduce the shortfall. The Joint Management Team were tasked with undertaking extensive service reviews and a full assessment of the capital programme with a view to reporting back to full Council in July.

There was criticism of the persistent delays to the Government's Fair Funding Review for Councils and lack of long-term budget information from central sources. Officers were commended for their work on the budget papers.

The Executive agreed there was no appetite to see any reduction in the Council's services and given energy prices were already falling and so greater optimism about inflationary pressures going forward the proposals set out in the report were acceptable. In addition, the structural benefits of the collaboration with Waverley Borough Council were yet to be realised. Consequently, the Executive,

RESOLVED:

To recommend to Council (8 February 2023):

- (1) To approve a 2.99% increase in Guildford's Band D Council Tax Charge for 2023/24 with resultant increases to the other council tax bands.
- (2) To approve the General Fund Budget for 2023/24, as summarised in Appendix 2.
- (3) To continue the Council's existing Council Tax Support Scheme at the current levels.
- (4) To approve the General Fund Fees and Charges for 2023/24 proposed in Appendix 4.
- (5) To utilise the full amount of the New Homes Bonus received for 2023/24 for the purpose of contributing to identified one-off General Fund revenue cost pressures.
- (6) To agree that the Joint Management Team undertakes a comprehensive service challenge and present a revised budget and Medium-Term Financial Plan to Full Council in July 2023 as described in this report.

Reason(s):

To enable the Council to set the Budget and Council Tax for the 2023-24 financial year. The General Fund Budget was a major decision for the Council and setting a balanced budget is a statutory requirement.

The meeting finished at 7.35 pm

Signed
Chairman

Date

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Recommendations to the Executive from the Overview and Scrutiny Committee

Document Purpose

The intention of this document is to collate and track progress of all recommendations made by the Overview and Scrutiny Committee to the Executive throughout the year, and to log the Executive decisions on the submitted matters. The Executive's agreed response to the recommendations will be fed back to the Overview and Scrutiny Committee, and relevant officers.

Explanatory note:

Progress Status: This column indicates individual progress status for each recommendation and will present one of three options:

- Awaiting Executive Consideration
- Accepted or Approved by the Executive
- Rejected by the Executive

Suggested Response to Recommendation and Reasons: This column indicates what action, if any, the Executive proposes to take or may already have been taken in response to the recommendation and the reasons) for the action, or no action.

Approved Recommendations:

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
2 March 2021 Reference OS63	Guildford Crematorium Redevelopment	That the Executive be requested to ensure that:	22 March 2022	Executive approved suggested response.	The Future Guildford Programme implemented the Council's transformation plan.	Abi Lewis/ Directors

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
	Post Project Review	<p>1.Council projects are accurately scoped and well-defined at the outset and any extension of scope is assessed carefully.</p> <p>2.Council projects go beyond legal minimum standards and aspire to be the best possible.</p> <p>3.Senior officers be held accountable for ensuring that resources in place for projects are adequate.</p>			<p>As part of Phase A of the Programme, a new Project and Performance Management (PPM) Governance team was established in 2020 which has undertaken extensive work to implement a new PPM Governance Framework to improve the delivery of all GBC projects and programmes to achieve the strategic objectives set out in the Corporate and Local Plans. Now an Enterprise Portfolio Structure has been defined, work is underway to rationalise boards and clarify decision-making.</p> <p>The following specific processes implemented help to ensure the right project controls are in place from the outset:</p> <ul style="list-style-type: none"> • A start-up process to control the number of projects initiated • A mandate being developed for each project for consideration by service leaders and Councillors helping to develop a common understanding of 	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
					<p>objectives and anticipated outcomes of projects.</p> <ul style="list-style-type: none"> • The Business Case, developed from the Strategic, through the Outline Business Case and confirmed at Full Business Case is a clear statement of scope and baselines and a robust rationale for proceeding with the project. • Progress through the stages is controlled by gates, these are managed by the Corporate Governance Team. <p>The project mandate will provide a broad definition of a project’s objectives, scope, constraints, benefits, risks and costs – which are further defined in the development of the business case. Aspirations to exceed minimum standards tends to come at the cost of time and money. The business case should recommend the option that provides best social value or best value for money and responds to any statutory requirements.</p>	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
					<p>The new PPM Governance Framework provides the opportunity for officers across the organisation to review project mandates and business cases, and to consider the potential impact of the proposals on their service area. This includes consideration of whether the project is achievable within the existing resources (financial and staffing) and whether mitigation is required to deliver the preferred option successfully. This might include highlighting a need to recruit to fill a specialist skillset that is necessary for the project and the required budget to enable this. The internal project governance structures ensure officers provide regular updates on the status of projects and provide the opportunity for risks and issues to be escalated to senior decision makers as necessary. An Enterprise Portfolio Board is being considered to ensure that resource constraints are understood across all GBC service areas before a project is initiated.</p>	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
9 November 2021 reference OS46	Guildford Crematorium Air Quality Audit	<p>That the following recommendations within section 3 of the SLR audit at Appendix 1 of the report submitted to the O&S Committee be endorsed:</p> <ul style="list-style-type: none"> • That measures or procedures are reviewed and where necessary improved, to allow Regulatory Services to satisfy themselves that work undertaken on their behalf has been undertaken in a comprehensive and technically robust manner, such as: • requiring evidence of the audit procedure, and documented audit trail; and 	22 March 2022	Executive approved suggested response.	<p>GBC's current Standard Selection Questionnaire (SSQ) - used at the outset of a procurement process to determine compliance of a potential supplier with any mandatory requirements - does not request confirmation of statutory or regulatory certification.</p> <p>However, the subsequent technical evaluation process is tailored according to the specifics of the project and the scope of services being procured. Where appropriate, confirmation and evidence of accreditation will be requested and evaluated. If works are procured via a framework e.g. construction works, the contractors are subject to significant scrutiny and vetting before being accepted onto the framework. If a project is particularly complex or technical, the Council will need to consider what specialist resource is needed to support the drafting of technical evaluation criteria</p>	Abi Lewis/ Directors

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
		<ul style="list-style-type: none"> requiring contractors to have a quality assurance system certified to a recognised standard (e.g., ISO 9001). 			<p>and the evaluation of tender responses. This would be established at the mandate stage.</p> <p>The Corporate Procurement Board acts as a gateway for projects that are above a certain financial threshold, or constitute high risk or sensitivity, providing further scrutiny over the most appropriate route to engage a supplier.</p> <p>The new project management and governance toolset, Verto, has the functionality to capture decisions made to ensure that there is an audit trail throughout the project lifecycle.</p>	
9 November 2021 reference OS47	Update on Project & Programme Management Governance	<ul style="list-style-type: none"> That the Executive be requested to ensure that in relation to the closure and evaluation stages of Council projects the author of both the lessons learned report 	22 March 2022	Executive approved suggested response.	The Council's implemented PPM Governance Framework outlines the project lifecycle and approval gates that projects will ensure all lifecycle stages are undertaken for all projects, including closure, evaluation and lessons learned.	Abi Lewis/ Directors

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
		<p>and the post-project evaluation be someone unconnected to the project.</p> <ul style="list-style-type: none"> • That further training and information on the Council's project and programme management be organised for Councillors. 			<p>Going forward the governance team can provide independent review at project closure stage and report to the Enterprise Portfolio Board if that is established.</p> <p>A series of formal training sessions explaining the reasons for mandates and business cases was delivered in November 2020 to introduce the new PPM governance arrangements. Follow up sessions relating to improving their understanding of programme and project governance in order to streamline governance and improve reporting were held for Councillors in December 2021. These sessions outlined the work done on the development of the governance structure and provided a demonstration of the reporting deck that is presented at Major Projects Portfolio Board. Ongoing training is being provided to induct new</p>	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
					Councillors and keep all Councillors up to date with developments.	
17 January 2023 OS43	Stray Dog Service	A member of the Committee suggested the merit of Councillor oversight or involvement in the contract preparation process, including consultation about the specification of the contract when it was re-tendered, and ensuring Councillors had a clear understanding of the contract management process and elements of the procurement process, together with information on the costs paid by the Council for the current service. The Chairman expressed support for these sentiments and	26 January 2023	Executive approved suggested response.	<ol style="list-style-type: none"> 1. That the Executive be requested to ensure Councillor involvement in the processes for the procurement, contract preparation, and contract management of the stray dog service. 2. That the Lead Councillor for Environment and Regulatory Services ensure details of the cost and fees paid to Dogbusters for provision of the stray dog service be provided to Overview and Scrutiny Committee members. <p>To provide oversight of the service.</p>	Mike Smith

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
		<p>suggested to the Lead Councillor for Environment and Regulatory Services the value in a consultation with councillors with a view to improving the specification of the next contract when put out to tender. In response, the Lead Councillor for Environment and Regulatory Services indicated his support for input from Councillors</p>				

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Executive and Council Report

Ward(s) affected: All

Report of: Joint Strategic Director: Place

Joint Strategic Director: Transformation and Governance

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Lead Councillor responsible: Tom Hunt

Tel: 07495 040978

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Date: 22 February 2023

Review and implementation of the recommendations of the Planning Committee Peer Review – findings of the working group

Executive Summary

Councillors will be aware that the Council had originally scheduled a Planning Committee Peer Review to be undertaken by the Local Government Association (LGA) with the Planning Advisory Service (PAS) in March 2020, but this was postponed due to the Coronavirus pandemic. The Peer Review was rescheduled and took place in early November 2020, following which the LGA published their final report which included 12 recommendations for the Council to consider. The LGA's report was circulated to all councillors at the time, and a copy is attached as **Appendix 1** to this report.

The LGA had recommended that the Council should set up a Task and Finish joint officer/ member group led by an independent, senior, well-respected person to take the Peer Review recommendations and other improvement needs forward, and to take advantage of viewing the operation of other Planning Committees to aid learning.

In January 2021, the Executive agreed to establish the Planning Committee Review Working Group with following terms of reference:

'To consider the LGA Planning Committee Peer Review recommendations and other improvement needs, and make recommendations as appropriate to the Executive, Planning Committee and full Council.'

The working group met on six occasions to consider the 12 recommendations. A report from the working group setting out details of their discussion against each recommendation and the working group's own recommended response to each of the recommendations is attached as **Appendix 2**.

As most of the recommendations arising from the review affect the operation of the Planning Committee, this report was referred to that Committee for comments at its special meeting held on 7 February. The Committee's response to each of the working group's recommendations is also included in **Appendix 2**, which the Executive and Council are asked to consider.

The Planning Committee also commended the adoption of recommendation (2) below.

Recommendation to Council:

- (1) That Council considers the Planning Committee's recommendations in response to the recommendations of the Planning Committee Review Working Group, as set out in **Appendix 2** to this report.
- (2) That, subject to the approval of the recommendations, full Council agrees to a regular review of the processes and practices referred to therein to be led by the Executive Head of Planning Development, in consultation with the relevant lead councillor and Chairman of the Planning Committee.

Reasons for Recommendation:

To modernise the operation of the Planning Committee and to review and update all associated processes and procedures.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

1.1 To report on:

- (a) the findings and recommendations of the Planning Committee Review Working Group which has been discussing the specific recommendations made by the LGA Peer Review of the Planning Committee; and
- (a) the recommendations of the Planning Committee in response to the working group's recommendations.

2. Strategic Priorities

- 2.1 This proposal to update various processes accords with the Council's strategic framework. The decision making of the Planning Committee affects the three strategic priorities that create the Council's vision.

3. Background

- 3.1 A planning committee peer review was commissioned and undertaken by the Local Government Association and the Planning Advisory Service. The report on this was published in November 2020 and included a series of recommendations. The report is attached as **Appendix 1**; however, the specific recommendations are set out below:

- **R1:** Provide greater certainty in planning process by ensuring decision making conforms with planning policies and material planning considerations acting on behalf of the whole Guildford community and ensuring that there is clear separation between ward level responsibilities and decision-making role on Committee.
- **R2:** Explore ways to rebuild trust and confidence between officers and Members. Consider running an independently facilitated workshop to be held between officers and Members, separate to the Planning Committee meeting, to better understand their roles, issues and concerns.
- **R3:** Examine ways for Planning Committee and relevant officers to discuss and learn from appeal decisions to ensure that decisions on planning applications are undertaken, on behalf of the whole Guildford borough community, in a fair, impartial and transparent way. The present system tagged onto the end of often long Planning Committees is not conducive to creating a learning atmosphere.
- **R4:** Review Planning Committee reports to see if further explanation can be given on the weight to be afforded to the Local and Neighbourhood Plan policies as well as material planning considerations such as the National Planning Policy Framework (NPPF).
- **R5:** Ensure planning officers and Committee members are more aware of the impact of what a lack of housing delivery has on the weight given to Local Plan policies and kept appropriately updated on the work of the Housing Delivery Board.
- **R6:** Review the opportunity for further guidance in the form of a supplementary planning document to help guide new high quality and sustainable development.
- **R7:** Review the Planning Committee referral system focusing particularly on the Member referral process (7-day procedure) and householder referral system to ensure that applications are not

unnecessarily delayed, and Planning Committee can focus on the strategically more important applications.

- **R8:** Revisit the site visits protocol with particular emphasis on who attends and on ensuring a consistent approach of officers and conduct of members during the site visit.
- **R9:** Review the member overturns process so that alternative motions are raised by Members and advice is provided by officers prior to the officer recommendation vote being made.
- **R10:** Undertake bespoke probity in planning and appeals training for members with a neutral facilitator, for example, someone who has direct experience of being a Planning Inspector.
- **R11:** Review public speaking opportunities for Parish councils and special interest groups.
- **R12:** Examine the possibility of setting up a Task and Finish joint officer/member group led by an independent, senior, well-respected person to take Peer Review recommendations and other improvement needs forward. Take advantage of viewing the operation of other Planning Committees to aid learning.

- 3.2 Following receipt of the LGA/PAS report and recommendations, the Executive agreed, in January 2021, to establish a working group with the following terms of reference:

'To consider the LGA Planning Committee Peer Review recommendations and other improvement needs, and make recommendations as appropriate to the Executive, Planning Committee and full Council.'

- 3.3 The Working Group consisted of Councillors Chris Blow, Colin Cross, Angela Gunning, Tom Hunt, Marsha Moseley, Susan Parker (replaced by Catherine Young for the last meeting) and Fiona White. An independent person (Mike Holmes) was appointed to chair the working group. The officers who regularly attended consisted of Dan Ledger (the then Interim Head of Place), Delwyn Jones (Senior Specialist Lawyer (Planning Regeneration and Litigation), John Armstrong (Democratic Services and Elections Manager) and Sophie Butcher (Democratic Services Officer).
- 3.4 Meetings of the group have been held since April 2021 to work through the eleven substantive recommendations as detailed in **Appendix 2** and formulate firm conclusions to move forward. Towards the conclusion of this process the Chairman was unable to continue which therefore delayed the production of the final report from early 2022. A meeting was reconvened in July 2022 which nominated Cllr Fiona White as Chairman and to agree the final Group Recommendations. These recommendations, together with a summary of the working group's discussion on each recommendation, are included in **Appendix 2**.

- 3.5 Most of the suggestions are straightforward; however, attention is drawn to **R7** and **R9** which deal respectively with the process for member referrals of planning applications to committee and the member overturn process. These matters will result in a change to current working practices with the change to the member referral process representing a significant change. However, the original peer review was clear that this process had to be reviewed to a more front loaded and efficient process.
- 3.6 The main principle around the proposed referral process is moving to the start of the application process. This enables early engagement with Members and reduces the burden at the end of the application cycle when late referral to committee occurs. There will be greater certainty to applicants and neighbours and assist with speedier decision making. A copy of the proposed referral process is attached at **Appendix 3**, which includes in highlighted red text the additional Note and additional stage to the process recommended by the Planning Committee.
- 3.7 **R9** recommends changes to the member overturn process. This is more of a minor change to reflect good practice rather than a significant change. The proposed procedure for dealing with the member overturn process, as set out in **Appendix 4**, addresses the Peer Review recommendation.
- 3.8 It is suggested that, if the Council supports the working group recommendations in response to **R1**, **R3**, **R4**, **R5** and **R10**, the Councillor Development Steering Group be invited to implement the proposals as they relate to Member training, in consultation with the Executive Head of Planning Development.
- 3.9 Importantly this report also recognises the need to have a more regular review of key processes and suggests that the Council agrees to the regular reviewing of these practices to be led by the Executive Head of Planning Development, in consultation with the relevant lead councillor and Chairman of the Planning Committee.

4. Planning Performance

- 3.5 Councillors will be aware that the Council has failed to meet the Government's non-major application speed threshold and, consequently, may face designation.
- 3.6 The Improving planning performance criteria for designation states that:
- 'Where an authority is designated, applicants may apply directly to the Planning Inspectorate (on behalf of the Secretary of State) for the category of applications (major, non-major or both) for which the authority has been designated,Where an authority is designated for their performance in determining applications for non-major development, applicants for householder applications and retrospective applications will not be able to*

submit their applications to the Planning Inspectorate as it is considered these applications are best dealt with locally”.

- 4.3 The criteria stipulate that an action plan will be required to address weaknesses particularly for the determination of householder applications. If the Council is designated, it will potentially lose control over the determination of non-major applications (except Householders) and the fees that accompany them.
- 4.4 In responding to the designation letter we have received it will be extremely important to demonstrate to Government that we are addressing the issues that have contributed to our poor performance and that have been the basis of recommendations in the LGA/PAS Committee Review (November 2020), which is **Appendix 1**, and the PAS Development Management Review (March 2022). A copy of the 2022 report is attached as **Appendix 5**.
- 4.5 Councillors' attention is drawn, in particular, to recommendations R3 and R7 in the 2022 report at **Appendix 5**, which deal respectively with the suggested removal of the specific delegation to the Executive Head of Planning Development to approve extensions of time in order to allow case officers to agree these with applicants whenever required, and the recommended review of arrangements for referral of applications to Committee by councillors with a view to amending timeframes to ensure call-in requests are made earlier in the process.

5. Corporate Governance Task Group's Review of the Probity in Planning Handbook

- 5.1 From June 2022, the Corporate Governance Task Group has been reviewing the Probity in Planning (PiP) Handbook (which can be found elsewhere on the Council agenda). The PiP Handbook includes some matters that were covered in the deliberations of the Planning Committee Review Working Group, namely the Member referral process (**R7**), the site visit protocol (**R8**), and the Member overturn process (**R9**).
- 5.2 It was the initial intention of the Task Group to not duplicate the work of the Working Group and to amend the PiP Handbook to reflect the outcome of the deliberations of the Working Group. However, when it became apparent that the incapacity of the independent chairman of the Working Group had significantly hampered progress on the Planning Committee review, which was followed by the departure of the Interim Head of Place at the end of October 2022 leaving certain matters incomplete, the Task Group was able to review these matters as part of its review of the PiP Handbook, with the advice and assistance of the Interim Executive Head of Planning Development.
- 5.3 Consequently, the Member referral process at **Appendix 3** and the member overturn process at **Appendix 4** reflect the outcome of the recent

discussions of the Task Group. Although the Working Group has recommended no change to the site visit protocol, the Task Group felt that the guidance in the PiP Handbook could be expanded to reflect the current good practice (see section 20 of the proposed revised PiP Handbook).

6. Consultations

- 6.1 Consultation on the report was not necessary as the working group comprised key councillors, with relevant documentation circulated to the Lead Councillor for Development Management during the review process.
- 6.2 Each of the Working Group's recommendations were considered by the Planning Committee at its special meeting on 7 February 2023. The Committee's comments and recommendations against each of the Working Group's recommendations have been included in **Appendix 2**.

7. Key Risks

- 7.1 The function of a resilient planning committee is a key part of the Council's role as Local Planning Authority, by ensuring that Members understand their function and role in decision making. Poor decision making has considerable risk in terms of financial and reputational damage. Furthermore, if correct legal processes are not followed, the Council could be open to legal challenge.

8. Financial Implications

- 8.1 Changes to the member referral process, as recommended in this report, have the ability to improve financial performance by making the application process more efficient. However, failure to make these changes may have very significant adverse financial implications such as cost of appeals and the council being designated for non-performance.
- 8.2 If the proposal to front load the member referral process, by removing the 7-day notice and replacing it with the proposed 21 day call up to Committee, is not adopted it will have a significantly adverse impact on the timely determination of applications, thus hindering the Council's ability to improve the speed of determination of non-major applications. This would reject Recommendation 7 of the PAS Committee Review 2020 and Recommendation 7 of the PAS Development Management Review 2022 and could lead to designation by the Secretary of State, which would have a significant impact both financially and reputationally on the Council.
- 8.3 Failure to ensure the timeliness and quality of planning decision making, may lead to unnecessary and avoidable appeals or legal challenges, thus incurring potentially significant costs to the Council.

9. Legal Implications

- 9.1 Reviews of this nature are worthwhile to ensure procedures remain updated, legally compliant and include best practice across the board from other authorities and agencies, e.g. the LGA and PAS.
- 9.2 However, potentially, there are also very significant legal implications arising from some of the recommendations. Although most represent procedural matters, as mentioned above, failure to ensure the timeliness and robust quality of planning decision making, may lead to unnecessary and avoidable appeals or legal challenges. In addition, these can in turn lead to added risk, reputational damage and Secretary of State intervention.

10. Human Resource Implications

- 10.1 There are no direct Human Resource implications arising from this report. However, failure to address the recommendations in the Peer Review, particularly recommendation **R7**, could result in designation which would have a negative impact on recruitment and retention of planning officers.

11. Equality and Diversity Implications

- 11.1 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from the report.

12. Climate Change/Sustainability Implications

- 12.1 There are no climate change/sustainability implications arising from this report.

13. Summary of Options

- 13.1 It is open to the Council to approve, amend, or not support, the recommendations of the Planning Committee in response to the Working Group's own recommendations.

14. Conclusion

- 14.1 **Appendix 2** sets out the discussions and recommendations of the working group necessary to bring the current process to a conclusion and implementation of the recommendations proposed. Alongside this is a measure to regularly review key processes. These recommendations have been considered and endorsed by and the Planning Committee.

15. Background Papers

None

16. Appendices

Appendix 1: LGA/PAS Planning Committee Peer Review Report

Appendix 2: Review and implementation of the recommendations of the Planning Committee Peer Review – findings and recommendations of the Working Group and the Planning Committee

Appendix 3: Revised Member engagement and process for referral to Planning Committee as recommended by the Planning Committee

Appendix 4: Revised Member overturn process as recommended by the Planning Committee

Appendix 5: PAS Guildford Borough Council Development Management Review March 2022

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Planning Committee Peer Review

Guildford Borough Council

November 3, 4 & 6, 2020



1.0 Executive Summary

1.1 This report summarises the findings of a planning committee peer challenge review, organised by the Local Government Association (LGA) with the Planning Advisory Service (PAS) and carried out by its trained peers. The aim of the peer review was to assess the operation of the Council's Planning Committee along with some more specific related questions on Committee processes.

1.2 Due to the ongoing limitations to normal working practices and the need for social distancing as a result of the continuing Covid 19 world pandemic, the Council agreed with the peer team that the review would be undertaken virtually. Therefore, our report and findings reflect a set of specific circumstances that have prevailed since the coronavirus crisis and the report should be viewed within this context. The peer review was also undertaken not long following the release of the Government's White Paper 'Planning For The Future' in August 2020. The peer team have not therefore considered the potential implications of the proposals in the White Paper on the operation of Planning Committees.

1.3 We clearly recognise the existing and on-going impacts that the Council and planning service has had to manage since March 2020 as a result of the Covid 19 pandemic. This has affected all the work of the planning service, including the requirement to carry out planning committee meetings online to comply with Government guidance and regulations in relation to public meetings in indoor spaces.

1.4 Another important consideration for our review is that the Council's Local Plan is relatively new. Adopted in April 2019, the Local Plan was hugely controversial due to changes to the Greenbelt and housing allocations in the countryside. We were told that in part, the public backlash resulted in a change of political administration in the local elections in May 2019. This brought many new members into the Council and onto Planning Committee which also saw a change in Chair in 2020. Guildford remains an area of high environmental constraint and acute housing shortage with very high average house prices of £561,267 in July 2020 against average prices in England at £254,423.

1.5 Planning performance as measured by speed and quality of planning decisions is good with appeals performance in the last year especially high. The development management service is competently managed while Planning Committee members are mostly knowledgeable in relation to planning and very enthusiastic and passionate for their local areas.

1.6 In 2017 the Council reviewed the operation of the Planning Committee with the result among other things of reducing its number from 23 to 15; this meant a move away from a ward member for each ward being represented on the Committee. While the Council protocols and guidance for the Planning Committee are very clear and comprehensive, we found a lack of role clarity among some members. Some new members saw their role on the Committee as representing the views of local residents as opposed to focusing on the needs of the whole Borough in line with the Council's up to date Local Plan. This has led to some fractious meetings and the refusal of some housing applications against officer advice and the thrust of the Local Plan. Such decisions are also out of kilter with the thrust of the Corporate Plan and Housing Delivery Board. Such overturns will often inevitably end at appeal and be costly and time consuming for the officers and the Council. We see the need for Group Leaders and the Monitoring Officer and the use of appropriate training to support members in ensuring their clear interest and passion for planning to be focused on the role required while sitting on Committee.

1.7 The Planning Committee is well chaired and good joint working between democratic services, development management and members has enabled a good transition to 'virtual' Committees. We found a good focus on supporting continued public engagement using the online platform. However, some of the meetings are very long and lasting until 22.50. We provide some recommendations for making these more efficient and user friendly - such as reviewing the types of application coming before Committee for decisions.

1.8 More collaborative working between officers and members has the potential to help rebuild trust and confidence in the lead up to and operation of the Planning Committee. This lack of confidence between some members and officers has had a negative impact on the perception of customers and stakeholders who attend Planning Committee. We recommend more opportunities for stronger communication between members and officers before Committee. This should involve creating opportunities for officers and members to discuss appropriate issues outside a formal Committee process – a clearer 'open door' policy. We also see more potential for more strategic and tactical use of the Chair's briefing allowing officers and the Chair to be as alert as possible to the flow and upcoming issues at Committee. We also recommend reviewing the extent to which officer reports could more clearly evidence where, in balanced decisions, they have placed their own 'weight' in the assessment of competing policies. Members feel that this would provide them with clearer guidance as to where they could legitimately place different weight in the assessment of policies.

1.9 In order to strengthen the Committee's focus on taking clear and defensible decisions we agree with the majority of people we spoke to that modifications are required to the existing practice of 'adjourning in public' during the meeting. This, plus reconsidering the process by which officer recommendations are presented to Committee would support the principle of taking open and transparent decisions but with the best chances of success at any subsequent appeal.

1.10 Parish council and special interest groups take a great interest in planning in Guildford and take their consultee roles very seriously. Parish councils would like to be more involved in appropriate training and would value a permanent slot in public speaking if they so wished. We consider this commitment from Parish councils should be welcomed and possible changes made to Planning Committee procedures to allow for this.

1.11 Developers/agents consider that Planning Committee decision making is uncertain and far too much like the 'roll of a dice'. This has brought some of its decisions into disrepute especially after some have been the subject of extensive consultation and engagement with local communities, officers and ward members. If the Borough is to address its acute housing shortage more quickly, the development industry wants to see more consistent decisions in line with the Local Plan. The Council also needs to maintain sufficient housing delivery to ensure that planning policies do not become out-of-date

2.0 Recommendations

R1. Provide greater certainty in planning process by ensuring decision making conforms with planning policies and material planning considerations acting on behalf of the whole Guildford community and ensuring that there is clear separation between ward level responsibilities and decision-making role on Committee.

R2. Explore ways to rebuild trust and confidence between officers and Members. Consider running an independently facilitated workshop to be held between officers

and Members, separate to the Planning Committee meeting, to better understand their roles, issues and concerns.

R3. Examine ways for Planning Committee and relevant officers to discuss and learn from appeal decisions to ensure that decisions on planning applications are undertaken, on behalf of the whole Guildford borough community, in a fair, impartial and transparent way. The present system tagged onto the end of often long Planning Committees is not conducive to creating a learning atmosphere.

R4. Review Planning Committee reports to see if further explanation can be given on the weight to be afforded to the Local and Neighbourhood Plan policies as well as material planning considerations such as the National Planning Policy Framework (NPPF).

R5. Ensure planning officers and Committee members are more aware of the impact of what a lack of housing delivery has on the weight given to Local Plan policies and kept appropriately updated on the work of the Housing Delivery Board.

R6. Review the opportunity for further guidance in the form of a supplementary planning document to help guide new high quality and sustainable development.

R7. Review the Planning Committee referral system focusing particularly on the Member referral process (7-day procedure) and householder referral system to ensure that applications are not unnecessarily delayed and Planning Committee can focus on the strategically more important applications.

R8. Revisit the site visits protocol with particular emphasis on who attends and on ensuring a consistent approach of officers and conduct of members during the site visit.

R9 Review the member overturns process so that alternative motions are raised by Members and advice is provided by officers prior to the officer recommendation vote being made.

R10. Undertake bespoke probity in planning and appeals training for members with a neutral facilitator, for example, someone who has direct experience of being a Planning Inspector.

R11. Review public speaking opportunities for Parish councils and special interest groups.

R12. Examine the possibility of setting up a Task and Finish joint officer/member group led by an independent, senior, well respected person to take Peer Review recommendations and other improvement needs forward. Take advantage of viewing the operation of other Planning Committees to aid learning.

3.0 Background and Scope of the Peer Challenge

3.1 This report summarises the findings of a planning improvement peer challenge, organised by the Local Government Association (LGA) in cooperation with the Planning

Advisory Service (PAS) and carried out by its trained peers. Peer challenges are managed and delivered by the sector for the sector. They are improvement orientated and are tailored to meet the individual council's needs. Designed to complement and add value to a council's performance and improvement they help planning services review what they are trying to achieve; how they are going about it; what they are achieving; and what they need to improve.

3.2 The aim of the peer challenge was to review the operation and conduct of Guildford's Borough Council's Planning Committee, along with examining some detailed procedures and practices specifically mentioned by the Council.

3.3 Our review took the form of an analysis of the Council's background and context statement in relation to the functioning of the Planning Committee, watching a Planning Committee on line, reviewing some supporting documents and structured interviews with political leaders, planning committee members, senior managers and parish councils. Due to the continuing impacts as a result of Covid 19, interviews were conducted online.

3.4 Peers were:

- Tracy Harvey - Head of Planning and Building Control at St Albans City and District Council;
- Councillor Linda Robinson (Conservative) Lead Member Peer, Wychavon District Council;
- Peter Ford - Head of Development Management, Strategic Planning and Infrastructure Department, Plymouth City Council; and
- Robert Hathaway - Peer Challenge Manager, Local Government Association Associate

3.5 Where possible, PAS and the LGA support councils with the implementation of the recommendations as part of the council's improvement programme. A range of support is available from the LGA at <http://www.local.gov.uk>. It is recommended that Guildford Borough Council discuss ongoing PAS support with Rachael Ferry Jones, Principal Consultant, Rachael.Ferry-Jones@local.gov.uk and any corporate support with Mona Sehgal Principal Adviser, Mona.Sehgal@local.gov.uk

3.6 As part of the peer challenge impact assessment and evaluation, PAS and the LGA will contact the council in in 6-12 months to see how the recommendations are being implemented and the beneficial impact experienced.

3.7 The team would like to thank officers and members at Guildford Borough and everybody they met during the process for their time and contribution.

4.0 Detailed Feedback

4.1 Vision and Leadership

4.1.1 The Planning Committee benefits from clear and specific written procedures that are highly prominent in the Committee agenda and re-emphasised in the Chair's introduction. The Committee is well chaired, characterised by good adherence to procedures such as its 'rules of debate'. Both members and supporting officers have adapted well to the virtual Planning Committees that started in May 2020 after a hiatus in March and April 2020 due to the Covid 19 pandemic.

4.1.2 The recently adopted Local Plan provides clear and up to date direction for land use management and planning decision making in the Borough. In April 2019 the Council adopted its Local Plan: Strategy and Sites 2015 – 2034 informed by an up-to-date, extensive and robust evidence base. In order to provide land for the 10,678 additional homes required, the Council has allocated major strategic sites, some on undeveloped land in the countryside. The plan also makes provision for approximately 1,200 dwellings on non-strategic sites within and as extensions to existing villages, some of which are now inset from the Green Belt. It has a strong focus on providing 40 per cent affordable housing on appropriate housing sites to support meeting the acute housing shortage.

4.1.3 However, the Local Plan has been locally very controversial. It has been the subject of three legal challenges and one appeal which were all dismissed. It also provided part of the background to the changes in political leadership at the Council in May 2019.

4.1.4 Not all members of the Planning Committee are clear of their role while sitting as Committee members. Members are clearly knowledgeable and passionate about their local areas but a minority are not recognising that their role while sitting on Planning Committee is to represent all the wider needs of the Guildford community. While the role of Planning Committee members is clearly set out in the Council's 'Probity in Planning' document, it was clear to the peer team that at least some members of the Planning Committee seemed fettered in their decision making by the campaigning stand they had taken against the adoption of the Local Plan. Indeed, a minority of members advised the peer team that they saw their primary role on Committee as representing their residents' views, even if that brought them into conflict with the policies of the Local Plan. This is clearly unacceptable.

4.1.5 Currently, Planning Committee members are expressing significant differences of views on the application of adopted planning policies in relation to certain applications. This is especially the case for housing applications on inset land in the Greenbelt often played out between some new Planning Committee members and longer serving Committee members. This has resulted in some significantly controversial planning decisions on housing applications. Political Group Leaders are aware of this tension and are working within their groups to reinforce the distinctive role of Planning Committee members over and above their role as ward councillors.

4.1.6 We discuss this need for greater teamwork throughout the report but we see a significant need for rebuilding trust and confidence between at least some members and officers. For now, suffice to say, there is a clear need for the Committee to act in a more consistent and collaborative manner, working much harder to respect the different but complementary roles that officers and members have to perform. They also need to demonstrate and respect these differences in a mature and professional manner.

4.1.7 Given the significant need for new housing in the Borough, any unnecessary delays through the development management process are to be avoided. This is important if the Council is to have a chance of meeting its objectively assessed housing needs. The Borough has underperformed in enabling the delivery of sufficient numbers of houses for a long period. The Council's 2019 Housing Delivery Test measurement for the whole Borough is 83 per cent of its housing requirement over the three previous years. This underperformance has demanded the production of a Housing Delivery Action Plan.

4.1.8 Refusals of some notable housing applications are delaying market and affordable housing and are out of sync with the objectives of the Housing Delivery Board and Local Plan Working Group. The Board has been active in monitoring progress against housing delivery targets. The Board has also received and commented on the Council's Housing Delivery Action Plan (2020), which assesses the causes of under-delivery and identifies actions to increase delivery in future years. The Board will continue to monitor and provide comment in relation to the delivery of sufficient housing to meet the requirements of the Local Plan. Clearly delays in approving development on adopted and consented schemes runs counter to the corporate needs of the Council for its existing and future residents. Also, it is important for the Council to recognise that if sufficient homes are not delivered then there is a risk that planning policies will be out of date and the local environment will be vulnerable to speculative development that runs counter to a plan led system and the benefits that having an up to date plan affords the Guildford Borough Council area.

4.1.9 The peer team also considered that Planning Committee members were not sufficiently attuned to financial implications of its decisions for the whole Council. A report on this has recently been considered by Corporate and Governance Standards Committee on appeals and costs, and any actions arising out of this need to be carefully considered. This is to become a rolling six monthly report and linked to our recommendation about learning from appeals, needs to become a helpful tool/process to assist in examining evidence based decision making. While the Council's appeals record in defending its planning decisions is improving it clearly needs to be mindful of the fiscal implications of its decisions. Given the very difficult financial positions of most councils due to Covid 19 and loss of income and additional workloads – this has perhaps never been more necessary.

4.2 Development Management Decision Making

4.2.1 The development management team is well led with a chartered town planner of significant experience and expertise supported by planning development managers who manage a team of approximately 35 staff covering development management, enforcement and planning administration. Case officers who we heard presenting at Planning Committee form a very competent team of planners. In the face of working in a very challenging atmosphere at Planning Committee and with very high workloads, we were impressed with the professionalism shown.

4.2.2 The development management service continues to benefit from significant service improvements implemented in 2017 as a result of a recognised need to modernise aspects of the operation of the Planning Committee and its supporting procedures. One aspect that we were told has benefited from member and officer joint work is the improvements to officer presentations and reports. Officer reports are comprehensive while presentations at the virtual Planning Committees were well prepared and confidently delivered. Indeed, the graphical images accompanying the presentations such as site plan and pictures were much better through watching on the Microsoft Teams platform used by the Council.

4.2.3 Members of the Planning Committee wanted to see further changes to officer reports in order to provide them with a better understanding of where the officer had applied relevant weight to planning policies and other material considerations. This they felt would then provide them with a stronger and clearer understanding of where they could legitimately apply different weight in arriving at the appropriate planning balance. We think there is merit in exploring this further. Officer reports to Committee could help members to focus on areas where they have the ability to weigh evidence differently to them. Some councils seek to focus their case officer's reports on areas of planning policies and material considerations where their members have the liberty to weigh evidence differently to officers. They do this through clear summaries and highlighting key areas for members' attention. This can also help the Chair in steering member's attention away from questions and long debates on non-material considerations. It could also help in assisting officers in the writing of appeal statements if the officer recommendation is overturned by the Planning Committee.

4.2.4 In determining weight in the planning balance, it is also important for members to be mindful of their discretion in relation to technical matters when questioning officers and when in debate mode. In planning decision making it is an established principle that while *'weight is a matter for the decision maker, (but) in expert areas (for example habitats, flooding, highways, heritage) there are bodies whose views should be afforded considerable weight in the absence of cogent reason to the contrary'*. (*Wealden v Secretary of State for Communities and Local Government 2017 EWHC 351*).

4.2.5 The Council's Planning Committee deals with a large percentage of 'householder' and 'others' applications in its meetings. So far in 2020, the Committee has dealt with 50 applications deciding 14 'majors', 18 'minors' and 18 'householder' and 'others'. This means that over one in three applications decided by Committee are small scale householder applications. The peer team consider that the Council needs to challenge whether the skills and capacity of its Planning Committee are "appropriately concentrated on the applications of greatest significance to the local area" (Planning Advisory Service (PAS) Probity in Planning). This is particularly pertinent when the time taken to decide such small-scale applications is disproportionate to their importance with many such applications taking well over an hour to debate.

4.2.6 Given that the thresholds for automatic call in to Committee for a householder application are relatively high at 10 letters of support/objection contrary to the officer recommendation, the answer probably lies in examining some form of half-way house between an officer delegated decision and a full Committee decision. Some councils such as South Hams District Council in Devon decide such called in applications by delegating authority to the Head of Planning but in consultation with the Chair and ward member. Wychavon District Council operates a Delegated Panel Procedure for smaller applications involving the Head of Planning in consultation with Chair, Vice and ward member (see section 5 for more details). Another solution is that the Council could consider removing the automatic referral, since it could potentially be abused by organised individuals relying on ward members to refer the application if they considered it is in the interests of their ward.

4.2.7 We see greater opportunities for ward members, Planning Committee members and officers to work together more productively at pre-application stage and prior to the Planning Committee. On large scale applications with Planning Performance Agreements (PPAs) formal significant opportunities exist for members, parishes, local residents and

special interest groups. However, there is less opportunity with smaller pre-applications until a planning application is submitted.

4.2.8 We received mixed views from Committee members in relation to their willingness and confidence to discuss planning applications at an early stage with case officers. Some members had prioritised this and felt that they had had productive discussions with case officers early enough in the application cycle when there were more opportunities to influence the development or discuss mitigation. Other members did not adopt this same practice with some wrongly feeling that this brought them too close to a form of predetermination. This would not be the case as long as normal protocols about keeping an open mind and not showing bias were followed in any discussions. Plymouth City Council adopt this practice which is written into their Planning Committee protocol and we would encourage the Council to explore this further.

4.2.9 Both members and officers said that they would also value more informal contact between them in advance of the preparation of Committee reports and the period once Committee reports are made public. This has clear potential for members to ask questions of officers in advance of reports being written to enable officers to ensure that appropriate member issues are covered. It also allows members to clear up any queries they have on the proposal in advance of the Planning Committee that can improve its efficient running.

4.2.10 One clear area for change that could assist earlier communication between ward councillors and officers is a review of the 7 day notification procedure. The present arrangement means that if an objection contrary to the officer recommendation has been received, a decision cannot be issued until opportunity is given for a ward member to comment. This can result in the application then going to Committee. We recommend reviewing this to a front-loaded system to encourage earlier engagement that gives case officer and applicant more scope to consider making any changes to address concerns. For example, the Planning Committee notification could be moved to within the 21 day statutory public consultation stage which could then be withdrawn if councillors were satisfied with negotiations that subsequently take place.

4.2.11 Revised procedures since 2017 which promoted site visits in advance of Planning Committee have helped prevent unnecessary deferrals. While site visit protocols and guidance are in place, some Planning Committee members and officers raised concerns about the need to ensure stricter adherence to published guidance and best practice to avoid perception of bias. For example, it is importance to ensure that Planning Committee members are strongly discouraged from drifting off into groups on site to avoid any concerns about bias. To clarify, the peer team saw no evidence of this as site visits are currently suspended due to COVID, however this matter was raised as a concern from a number of different sources during the peer review.

4.2.12 Training for members is mandatory before they are allowed to sit on Planning Committee although as we commented earlier, the one vital area of role clarity remains a significant concern. We recommend that further training in Probity in Planning covering the role of a Planning Committee member is undertaken. This needs to be delivered in a way that will connect with members. Possibilities include member to member delivery and learning from viewing other Planning Committees.

4.2.13 Prior to Covid 19 there was a good series of themes covered in bite size training just before Planning Committee including parking and highways and biodiversity. Opportunities exist to further develop learning and development through possibly a more member led approach on issues that they consider important. From the more contentious

applications recently considered at Committee these would appear to cover matters such as housing policy and mix in relation to the Strategic Housing Market Assessment, 'very special circumstances and design in the Green Belt, and the identification of harm in developing reasons for refusals. In order to support effective decision making it would be helpful to ensure that strategic housing officers, relevant policy planners and any other specialist officers are available at relevant Committee meetings. Given current tensions around the application of Local Plan policy on Greenbelt and the Strategic Housing Market Assessment housing size mix this may help bring up to date and relevant expertise into the discussion.

4.3 Operation of Planning Committee

4.3.1 Since 2017, changes made by the Council in a review of its Planning Committee's procedures and practices provide very clear guidance to officers, members, applicants, objectors and stakeholders and are prescribed in its Probity in Planning guidance and Constitution. At that time the Council also reduced the number of members of the Planning Committee to 15 and we were told that this has increased levels of participation.

4.3.2 We referred earlier to the comprehensive guidance and procedures relating to the operation of Committee. These are prominently and helpfully located at the front of the Planning Committee agendas and are clearly articulated by the Chair at the start of each meeting. The Chair and Vice Chair recognise that this takes time at the start of each meeting and want to consider ways to possibly shorten this section. While this is very sensible given the length of meetings (which we pick up later in this section) there is strong merit in reinforcing the messages around probity in planning, mutual respect and taking defensible decisions in line with the Local Plan especially given our findings presented earlier.

4.3.3 The Chair is relatively new to the role but despite this she demonstrated clear competencies and skill in the role. The Committee meetings followed a clear pattern with the Chair maintaining good order and direction to the Committee. The Chair is well supported by the planning development manager, case officers, the legal officer and the democratic services officer. We recognise the difficulties in the virtual Committee setting of ensuring that officers can 'catch the eye' of the Chair (and vice versa) to come into the debate at the appropriate time. It is important that opportunities are not lost to provide direction and support to members through the Chair as a result of the virtual platform.

4.3.4 One discipline that we felt was good practice within the Council's 'Rules for Debate' was the adherence to a three-minute speaking rule not only to public speakers and ward councillors, but also to Members of Committee themselves. The Chair was well supported by the democratic services officer in ensuring fairness and promoting efficiency at the meeting. However, despite this, and as found at most virtual Committee meetings in other councils, Guilford's Planning Committee meetings are generally taking longer. Since the introduction of the virtual Planning Committee at Guildford in May 2020 meetings have started at 19.00 and four meetings have lasted until at least 22.40, with the longest ending at 22.50. There are clear dangers in terms of effective decision making at that time of night as tiredness kicks in and concentration levels fall. This perhaps is more accentuated during this Covid 19 pandemic, given the very long hours both members and officers spend on screens through 'Zoom' or 'Microsoft teams' leading to a kind of 'virtual fatigue'.

4.3.5 One obvious way to seek to avoid this is to start meetings earlier than 19.00. We are aware that officers took this suggestion to Planning Committee members in May/June

2020 but were told that the starting time needs to stay at 19.00 and that change would be very difficult given working patterns and daily commutes for some members. However, we consider that the Council needs to revisit this and now maybe a good time to do this especially as presumably most members who are working are working from home? The Council already has a notional cut off at 22.30 in its procedures but of course if the last planning item is already being discussed it does probably make sense to see that through rather than reconvene the day after. The other way to cut the length of meetings is to deal with less householder applications as discussed earlier in this report. Finally, a very important discipline is for Planning Committee members only to speak when adding value to the debate as this unnecessarily draws out the length of the meeting.

4.3.6 The Chair's briefing is seen as a valuable meeting attended by the planning development manager, case officers, and the legal and democratic services officer. It is held once the agenda and reports are made public. Given the need to improve collective working between Planning Committee members and officers and given the relatively high numbers of recent overturns (all three officer recommendations in the October 7 2020 meeting were overturned) we see opportunities to use the Chair's briefing for more tactical preparation for Planning Committee. This could involve ensuring that any early indications of Committee member's concerns were covered, likely key questions anticipated and the ground considered and prepared for any alternative motions. Indeed, it could be argued that holding the Chair's briefing in advance of the finalisation of the agenda and officer reports (as practised in some other councils), provides even more opportunities to foresee issues and manage the decision-making process more effectively. This would lead to mutual support and stronger preparation in advance of Committee.

4.3.7 The Planning Committee does not always seem to operate as one team. This is perhaps epitomised by comments we heard from some Planning Committee members, ward members, corporate officers in the Council and planning managers who referred to Committee as 'the battleground' and decision making as 'a lottery'. We fully recognise that Planning Committee is not a rubber-stamping exercise and members are entitled to weigh things differently to officers. But this has to be subject to policy and legal tests of materiality. Training in Probity in Planning has been tried but has not had the full desired impact. We recognise that new councillors who are members of the Planning Committee are on a learning curve. We are also encouraged by the self-awareness shown by the administration's Group Leaders in commissioning the Peer Review. But role clarity and evidence-based decision making is vital if the Planning Committee is to function appropriately in taking consistent and defensible decisions in support of the Local Plan into the future.

4.3.8 We appreciate the political context and environment that planning decisions are presently taken in. Indeed, the political battle over the adoption of the Local Plan has clearly created divisions between some of the large number of new Planning Committee members, some longer serving Committee members and planning officers – a tension played out visibly at Planning Committee. A large number of people we spoke to said that Planning Committee did not exhibit high levels of collaborative working and was characterised by too much of 'them' and 'us'. Some Committee members considered that officers were too pro-development while officers considered that some members were determined to always go against officer recommendation if local residents opposed the proposal. Indeed, we were told that this tension had led to personal criticism of officers by members and that some planning officers are feeling demoralised and undervalued by the attitudes of some Planning Committee members. Interviews with special interest groups, developers and agents and some parish councils indicated that attitudes shown were

having a negative impact on the way that Committee is perceived by the public and other stakeholders.

4.3.9 Group Leaders are very clear that members of the Planning Committee should stand down from the Committee and speak as ward councillors if they want to be seen to represent the views of residents at Planning Committee. This accords with the Council's guidance and best practice. Our view is that if this continues into the future, Group Leaders may need to consider whether the members on the Committee have the right blend of competencies and skills to provide democratic accountability for the whole Borough. We would also expect Group Leaders to continue to take advice from the Council's monitoring officer on this matter as well.

4.3.10 We found very little support from officers, the majority of members, developers/agent and stakeholders for the Committee's adopted practice of 'Adjourning in Public' known locally as 'The Huddle'. This involves the Chair and proposer and seconder of a motion discussing with planning officers, and where relevant, legal officers, appropriate refusal reasons or conditions. This is to ensure that they are sufficiently precise, state the harm and support the correct policies to justify the motion. However, the majority of people we spoke to said the process could be adversarial, had the appearance of decision making on the hoof and looking unprofessional with an amateurish name that was not befitting the importance of a planning decision.

4.3.11 We fully recognise the reasoning behind the adjournment that seeks to ensure defensible decisions are taken which give the Council maximum opportunity to defend any appeal and avoid costs being awarded against it. And the fact that it happens in an open forum rather than a previous system of 'in camera' is helpful to avoid accusations of bias.

4.3.12 The peer team want to link our recommendation to improve on the 'The Huddle' to the need to review the process and sequencing of alternative motions to support greater clarity in decision making. At present the procedure at Committee is that once the debate has concluded, the Chair will automatically move the officer's recommendation. We witnessed a number of examples where it was very clear from the debate that Members were not going to accept the officer's recommendation to approve the development. Despite this the Chair's correct adherence to the agreed protocols meant that the motion had to be put and following an awkward silence awaiting a seconder, the officer's recommendation duly fell. An alternative motion with discussion about reasons for refusal then followed and once seconded the Chair called for 'The Huddle'.

4.3.13 We see opportunities to strengthen this approach. Once it is clear that Planning Committee members are set on a certain direction that is contrary to the officer's recommendation it is suggested that an alternative motion is requested and if seconded, then the planning and legal officers offer clearer and more proactive support to members to agree defensible reasons. These reasons- including planning conditions as necessary- should be established before the Committee votes for transparency for all members and the public. If officers cannot identify from the debate a defensible reason for a motion contrary to the officer recommendation then members still have the opportunity to revisit the original officer recommendation without having voted. Of course, to successfully adopt this approach, members, the Chair and officers will have to be well prepared. The Chair and officers should read the political signals as the debate ensues. Members should adequately identify the 'harm' that would occur if the development were to be allowed. Members should consider within their debate;

- What is the harm? For example, depth and height and proximity to the boundary;
- Why is it harmful? For example, overbearing impact to X; and
- What is it contrary to? For example, development plan policies.

4.3.14 Our recommendations about more officer/member engagement, stronger Chair's briefings and officer reports with more discussion about appropriate balance and weight play into upfront work that can help effective decision-making.

4.3.15 In situations where planning and legal officers do not consider there are reasonable prospects of the Council successfully defending the appeal on planning grounds, or where such action may put the Council at fiduciary risk, then they need to, and be encouraged to, report this without fear or favour. After receiving officer advice, the vote then takes place on the alternative motion. The crux is that this process allows Members to fully consider the risk of the alternative motion whereas the current situation means that the officer recommendation can fall without **any** significant consideration of the risks associated with reasons for refusal. In all of this we appreciate that fiduciary risk is a non-material planning consideration so needs to be dealt with and introduced carefully.

4.3.16 Members of the Planning Committee asked the peer team about the practice of needing sound planning reasons to defer the determination of applications at Committee. Planning applications should be decided efficiently and any deferrals should be based on sound planning reasons. The number of deferrals should be minimised as it is an inefficient use of Committee time to bring applications back for decision. Officers and members need to ensure that they make the most effective use of conditions and officer delegation to meet member requirements and avoid unnecessary delays in decision making.

4.3.17 In the Planning Committee meetings, we observed a high number of abstentions. This was particularly evident at the November 4 2020 meeting. This does not represent good practice as members are selected for Committee on their ability to be able to make sound judgements on the basis of the evidence before them and not to 'sit on the fence' or to be fearful of being seen to vote one way or another. This can demand strength of character but this is what is required of Planning Committee members.

4.3.18 We were also asked for our views on the weight that should be given to precedent decisions and the extent to which the views of officers should be consistent on the issues of precedence. All applications have to be taken on their merits and based on the particular facts and characteristics of each site. No two sites or developments are ever the same. Neither the Council should rely on the precedent principle in its decision making, or the applicant in advancing their case to allow development. There is clear case law on this issue. What officers can do is to advise members of the weight given to previous decisions based on case law and appeal decisions. Then members are in a good position to consider if they agree with the weight suggested by officers.

4.3.19 Finally, we consider that the Planning Committee needs to ensure that it benefits from constant learning and refocusing. Opportunities to strengthen this include:

- debrief between officers and Members particularly after virtual meetings;
- ensuring sufficient time to learn from and discuss appeal decisions, rather than having to rush through an item last on a list late at night;

- revitalise, incentivise and encourage stronger Planning Committee attendance at the bi annual visits to the 'good, bad and ugly' built developments to assess the quality of the decisions and the development; and
- create the opportunity for officers and Members to discuss Planning Committee processes outside of the formal Planning Committee meeting so that they can better understand their roles, responsibilities and concerns.

4.4 Community, Partners and Outcomes

4.4.1 Democratic services, planning and supporting ICT officers have worked well to bring Planning Committees on line. The Council's March and April Planning Committees were intentionally cancelled to provide time to go through some intensive training to set up and make the 'virtual' Planning Committees work. While some councils moved faster and only lost one Planning Committee at the start of the Covid 19 pandemic, the Council very helpfully introduced an extra meeting in August to cover a backlog. The management decision to move the service to paper light and into full electronic delivery some two years ago has proved vital to maintaining a good service to its customers and to the Planning Committee during this Covid 19 pandemic given staff having to work from home.

4.4.2 We recognise that in particular this has been a steep learning curve for members of the Planning Committee but they seemed to have adapted well. We received very little feedback concerning any major technical difficulties that prevented Committees from functioning appropriately. The peer team appreciate some of the limitations of the Microsoft Teams platform that most councils seem to use.

4.4.3 The peer team found comprehensive guidance for members of the public on how the Committee is run and how to take part. We found accessing the live on-line meeting and accessing previous webcasts of the Committee relatively easy. The Council helpfully provided separate wide-ranging guidance for the public on accessing the virtual Planning Committee as well as advice on how to participate if required. One area of good practice was the service provided by democratic services whereby, during the Committee, public speakers were notified when their application was coming up. This allowed public speakers to not have to sit through hours of Committee deliberations on other applications that they were not interested in.

4.4.5 In relation to public engagement we were particularly asked for our views on whether Planning Committee members and speakers should be allowed to show photos and materials at Committee. The peer team's view is to stick with current practice of not allowing this as there is too much potential for difficulty in relation to openness and transparency for all parties. We suggest maintaining the reliance on professionalism of officers to show relevant information in the report and via presentations that can assist a consistent and fair approach in the wider public interest.

4.4.6 Some areas for the council to consider to possibly improve the 'viewer experience' while operating as a 'virtual' Committee include:

- Members of the Planning Committee being labelled as such for clear identification;
- speaker's cameras turned on when speaking and the speaker highlighted on the viewer's screen;
- avoiding use of the 'chat' facility to promote alternative meeting type scenarios which are then played into the online discussion leaving people outside the 'chat' facility confused as to what is happening; and

- Members reminded that the Planning Committee is live and recorded and to not allow the 'home' surroundings and 'virtual' Committee to lull them into a false sense of security and use inappropriate phraseology or language; and
- avoiding the display of telephone numbers on the screen when speakers are invited into the meeting.

4.4.7 Outcomes in terms of planning performance assessed by Government measures such as speed of deciding applications and quality of decisions as measured by appeals decisions are very good. Figures for 01/01/20 to 25/11/20 show planning performance in deciding 'major' applications within 13 weeks (including agreed extensions of time) is currently 98.00 per cent, while 'minors' decided in 8 weeks is 81.00 per cent. These are both well above local and national targets. 'Householders and others' at 84.00 per cent of decisions in 8 weeks is only marginally below the 85 per cent target and with the heavy increase in workloads and capacity issues caused by Covid 19 this is good performance. Performance of appeals has risen over the last three years from only 50 per cent in 2017 to 84 per cent at present.

4.4.8 We would mark out as good practice the positive focus on the use of performance information in the planning service. This is clearly not a 'nice to have' but forms a strong part of management and support to the direction and focus of the service. For example, the Development Management Headline Statistics focus on a wide range of indicators such as income, pre-applications and planning performance agreements and appeals information.

4.4.9 The planning system can demonstrate that it is adding value to planning applications submitted to the Council. Examples include Grange Park Opera, a new opera house in the Horsleys and works to protect the stunning Grade 1 listed house and a recent permission for Royal Horticultural Society Wisley which involves a substantial remodelling of front of house and a new education centre to the rear. Both members and officers mentioned the comprehensive programme of consultation with councillors, special interest groups and the local community in relation to a large 520 house scheme at Garlick's Arch that supports a current planning application.

4.4.10 The increasing move by the Council to direct developers/agents to parish councils and the variety of special interest groups (such as Guildford Vision Group, Guildford Society, Normandy Action Group etc) as part of pre-application consultation is welcomed. The peer team found a clear desire among such groups to take part in early consultation to ensure, as far as possible, that local needs and concerns were reflected at the earliest stage in emerging plans and designs. The involvement of special interest groups in Guildford town is particularly necessary given the absence of a Town Council.

4.4.11 Parish councils, while consulted on applications, considered that the planning service could do more in terms of giving greater prominence to its views as to the 'local voice and expertise' on planning matters affecting their villages or areas. They also felt that the feedback loop in terms of what happens to their representations could be improved. The planning service does record the statutory consultation responses from parishes in officer reports and parish councils can use the opportunity of one of the two public speaking slots if it acts efficiently in making appropriate requests. However, we do recognise that the timing of Parish council meetings can militate against this. Given that there are two public speaking slots both either in 'support' or in 'objection' to an application there could be opportunities for the Parish councils to be offered first refusal although the full details would need to be thought through.

4.4.12 What was clear from talking to both Parish councils and special interest groups was that the stronger the relationship and communication channels that these groups had with their Borough councillors, the better they understood and were able to ensure their views were transferred. Parish councillors and clerks would also like to be invited or be offered appropriate training in areas such as material planning considerations and defensible reasons for refusal and were looking to the Council to support them in this. In this way they were showing self-awareness that on occasions, Parishes recognise that they are not always able to clearly articulate their concerns using the best planning reasons.

4.4.13 In speaking to developers/agents, their major concern was that despite having a very recently adopted and therefore up to date Local Plan, the operation of the planning system at Guildford was not providing them with any certainty. They considered that decisions at Committee were a 'roll of the dice' and that the debate and decisions were damaging the reputation of the Council and undermining business confidence in investing in Guildford. This was even more so when especially large schemes had been through extensive pre-application advice, local community and member engagement – only for that to be disregarded when it came to the actual decision.

4.4.14 Most of the developers/agents we spoke to had been involved in Committee decisions and had been surprised at the adversarial and non-collaborative culture between some members of the Committee and officers and the lack of respect and trust. Given that this Committee should be the 'shop window' for how Guildford takes decisions in public, they considered that this did not reflect well and needed to change.

4.4.15 The peer team do not concur with a minority view from some Planning Committee members that Guildford's planning officers are unbalanced or overly biased towards development. Planning managers and officers are providing the Planning Committee with their professional judgement based on the Local Plan that recognises that the Borough needs significant growth to meet local housing and employment need. Developers/agents told us that Guildford's planners are hard negotiators and no push overs and have a strong team of experts both in house and external to support their professional judgements. We have already considered earlier how officer reports can be amended to focus on the issue of 'weight' given to policies and also to ensure they provide maximum support to members when they want to apply a different weight to those ascribed by officers. However, in the absence of any change in Local Plan policies, officers need to continue to provide their best professional judgement to Planning Committee members of the Planning Committee, irrespective of the political background to the Local Plan Sites and Strategy

4.4.16 Clearly delays in allowing appropriate development frustrates the Corporate and Local Plan aims of significantly increasing housing, especially affordable housing, to meet local needs. It also works against the thrust of the Housing Delivery and has implications for the delay in infrastructure. We recognise the increased focus of the new administration leading the Council on building one, two and three bed properties for market and social rent. But as recent appeal decisions have shown, the blunt hammer of the sub-regional Strategic Housing Market Assessment needs careful handling and more nuanced consideration that reflects the policies built in flexibility in taking account of a site's size, location and characteristics. In all of this the Planning Committee need to main a good focus on meeting acute housing need in the Borough.

4.4.17 In terms of delay, developers/agents also advised that at present there are significant delays with agreeing and completing section 106 agreements. Without these, necessary consents and funding cannot be drawn down which again slows development

activity on appropriate sites. It is important for the planning and legal services to examine capacity in this area.

5.0 Further Support

5.1 A range of support from the LGA and PAS is available at <http://www.local.gov.uk> and via the PAS website <https://www.local.gov.uk/pas>. Costs may vary.

5.2 Planning Advisory Service (PAS) & LGA Support Offers:

PAS Planning Committee Training & Materials

PAS will work with the authority to deliver to deliver specific training requirements for the Planning Committee.

Short case assessments on areas that support delivering a good development management service can be found at the following website:

<https://local.gov.uk/pas/development-mgmt/planning-applications-support/good-development-management>

PAS has general materials available on available from the PAS website:

- Development Management - Decision making, committees and probity
- Making Defensible Planning Decisions
- Developer Payments - Community Infrastructure Levy, s106 agreements and Viability
- Getting engaged in pre-application discussions
- Design training for councillors

<https://www.local.gov.uk/pas/pas-support/pas-subscribers/councillor-briefings/councillor-briefing-planning-committees>

PAS worked with Association of Democratic Services Officers (ADSO) to produce some materials for committee clerks. This covers an introduction to planning, decision making, motions and amendments, dealing with the public, interests and probity matters.

<https://www.local.gov.uk/pas/pas-topics/planning-committee/materials-committee-clerks>

Other Local Authority Planning Committee and Delegated Decision Making Information

Plymouth planning committee webcasts

<https://plymouth.public-i.tv/core/portal/webcasts>

<https://plymouth.public-i.tv/core/portal/webcasts/enctag/Planning>

Plymouth planning committee public information

<https://www.plymouth.gov.uk/planninganddevelopment/planningapplications/whathappensafteryoumakeplanningapplication>

<https://www.plymouth.gov.uk/planningcommittee>

District Councillor engagement in Pre Briefings

<https://www.plymouth.gov.uk/sites/default/files/ProbityInPlanningPlanningCommitteeCodeOfPractice.pdf>

Awaiting information from South Hams on delegated decision making panels (to be inserted post GBC comments).

Delegated decision making panels (Wychavon)

<http://mgov.wychavon.gov.uk/modern.gov/documents/g4009/Public%20reports%20pack%20Tuesday%2015-Apr-2014%2018.20%20Council.pdf?T=10>

The following three councils are considered to have run good virtual committees:
Brent, Liverpool and West Suffolk

Havant developer consultation forums. Havant has a developer forum that developers present their proposal pre application submission to the council, the public can attend. This may be a charged service.

<http://www.havant.gov.uk/development-consultation-forums>

5.3 For more information about planning advice and support, please contact rachael.ferry-jones@local.gov.uk

LGA Support

5.4 The LGA has a range of practical support available. The range of tools and support available have been shaped by what councils have told LGA that they need and would be most helpful to them. This includes support of a corporate nature such as political leadership programmes, peer challenge, LG Inform (our benchmarking service) and more tailored bespoke programmes.

5.5 Mona Sehgal, Principal Adviser is the LGA's focal point for discussion about your improvement needs and ongoing support and can be contacted at Mona.Sehgal@local.gov.uk

5.6 PAS and the LGA will follow up about the support that they can provide to the council to help address the recommendations highlighted in this report. A further 'light touch' visit will be made in 6-12 months to see how the recommendations are being implemented and the beneficial impact experienced.

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Review and implementation of the recommendations of the Planning Committee Peer Review – findings of the Working Group

Recommendations

This report will be set out the following format:

1. initial recommendation of the peer group report (**bold type**),
2. followed by a summary of the discussion at the Working Group,
3. the Working Group's recommendation for each point
4. *the Planning Committee's comments and recommendation*

R1:

Provide greater certainty in planning process by ensuring decision making conforms with planning policies and material planning considerations acting on behalf of the whole Guildford community and ensuring that there is clear separation between ward level responsibilities and decision-making role on Committee.

Discussion

The group considered that the key to this recommendation was the improvement of training offered to Councillors. Prior to Covid, a regular programme was put in place known as 'Bite Sized' training for Planning Committee members. This was held before Planning Committee meetings and related to specific topics. This was well received, however, the group felt that by utilising Microsoft Teams, remotely held training could be offered to a wider group of councillors and not restricted to Planning Committee nights. Additionally, by being more flexible on when they are held longer sessions could be undertaken when the topics would benefit from this. It was agreed that training should be available for ALL councillors and open to officers to attend also.

Working Group's Recommendation

The Group agreed that a regular (monthly) planning training programme, should be reinstated via MS Teams.

Planning Committee's Comments and Recommendation

- (a) envisaged that the Executive Head of Service would be responsible for putting the training programme together;*
- (b) emphasised the importance of encouraging all councillors, whether Committee members or not, to attend the regular training in view of the high profile of planning in the borough, and significant public interest;*
- (c) suggested that parish councillors be invited to attend the regular planning training, although it was acknowledged that it was possible that, with so many in attendance, the training could become unwieldy.*

The Planning Committee endorsed the Working Group's recommendation subject to the proviso that whilst the planning training programme would be regular, there might not on all occasions be training every month.

R2:

Explore ways to rebuild trust and confidence between officers and Members. Consider running an independently facilitated workshop to be held between officers and Members, separate to the Planning Committee meeting, to better understand their roles, issues, and concerns

Discussion

The group felt that work had been done in this respect and that in several areas relationships between officers and Members had improved. However, there are still areas to improve and there remain concerns from officers over the level of support received from councillors. It is also recognised that some councillors do not feel they receive support from officers in situations where they do not agree with the recommendations put forward.

The Group agreed that all parties should treat each other with respect and foster an attitude that values each side's point of view. Of specific importance is the understanding that recommendations which differ from individual councillor's views are professional opinions and discussions should reflect this.

The group felt that longer term benefit of Member/Officer workshops would be helpful in improving relationships. Given the proximity to the Council elections in May 2023 it was felt the best time to implement this would be after the elections.

Working Group's Recommendation

The Group agreed to carry over this action to hold an Officer/Member Workshop following the elections in May 2023, if required.

Planning Committee's Comments and Recommendation

- (a) there may be a case for repeating the workshop after six months*
- (b) emphasised the importance of establishing communication channels between officers and councillors to discuss concerns regarding applications*

The Planning Committee endorsed the Working Group's recommendation.

R3:

Examine ways for Planning Committee and relevant officers to discuss and learn from appeal decisions to ensure that decisions on planning applications are undertaken, on behalf of the whole Guildford borough community, in a fair, impartial, and transparent way. The present system tagged onto the end of often long Planning Committees is not conducive to creating a learning atmosphere.

Discussion

Whilst appeal decisions are reported on the committee agenda there is often insufficient time to discuss these in detail. The group felt there was merit in holding specific sessions to review decisions and discuss lessons learnt.

Working Group's Recommendation

The Group agreed that quarterly appeal review sessions be held via MS Teams and facilitated by the Head of Place (or Executive Head of Service).

Planning Committee's Comments and Recommendation

- (a) clarification given that Planning Committee members and substitutes would be invited to the review sessions, but that we would continue to include Appeal Decisions on Planning Committee agendas.*
- (b) envisaged that the review sessions would be held in private in order to encourage better flow of discussion and information in order to pick up learning points to be taken forward to inform future decision making.*

The Planning Committee endorsed the Working Group's recommendation.

R4:

Review Planning Committee reports to see if further explanation can be given on the weight to be afforded to the Local and Neighbourhood Plan policies as well as material planning considerations such as the National Planning Policy Framework (NPPF).

Discussion

The group recognised that reports list relevant Development Plan policies (which include Neighbourhood Plan policies) and other relevant documents such as the NPPF. Therefore, the factual content is not an issue, the use of the late sheets can also assist if a particular policy has been omitted. The group considered that the issue at hand is normally one of weight given to a particular policy matter. If Members feel a particular issue carried more weight than officers have advised, then this is a matter for them, and they are entitled to reach this conclusion. It was suggested that a small working group be convened to look at planning committee reports overall followed by a workshop to communicate its findings to the Planning Committee Review Working Group. The group were uncertain what would be achieved by convening a further working group to explore this. The importance of Members reading the agenda before a meeting and approaching officers if they have any questions on particular policies was emphasised. If a question is only raised on the night officers can only respond with the information they have to hand.

Working Group's Recommendation

The Group concluded that convening another working group was not necessary given there were appropriate mechanisms in place already through which councillors could query policy weight afforded to particular proposals.

Planning Committee's Comments and Recommendation:

- (a) noted that the planning induction training for councillors, and ongoing training, would normally include awareness of the relative weightings of Local and Neighbourhood Plans, NPPF, and any other material planning considerations.*
- (b) noted that Neighbourhood Plans, being part of the Development Plan, were the starting point for decision-making.*

The Planning Committee endorsed the Working Group's recommendation, noting that weight to be afforded to Local and Neighbourhood Plans and other

material planning considerations would be covered in the training programme.

R5:

Ensure planning officers and Committee members are more aware of the impact of what a lack of housing delivery has on the weight given to Local Plan policies and kept appropriately updated on the work of the Housing Delivery Board.

Discussion

The impact of housing delivery is recognised as a significant material consideration. The Group felt that incorporating this into the new training programme being formulated would ensure that it is a matter on which Members are better informed.

Training should be focused on the impact of the tests applied to Five Year Housing Land Supply and the Housing Delivery Tests required by central Government. A recent public inquiry in Guildford has highlighted the importance of a robust assessment of these and shown how such figures can be challenged. Members and officers need to be clear that a robust supply does not mean that the Council can ignore new schemes, ongoing delivery of new housing must continue to ensure the Council remains in a robust position.

Comment was made that training could include reference to the Land Availability Assessment which is a key evidence base in preparing housing supply and should also look at up to date build out rates across the Borough.

Working Group's Recommendation

The Group agreed that the topic of housing delivery should be addressed as part of the planning committee training programme and should include an overview of the Land Availability Assessment.

Planning Committee's Comments and Recommendation:

The Planning Committee endorsed the Working Group's recommendation

R6:

Review the opportunity for further guidance in the form of a supplementary planning document to help guide new high quality and sustainable development.

Discussion

The group felt that this was a recommendation which fell outside of its remit, workstreams within the planning policy team are looking at the adoption of 'part 2' of the local plan in the form of the Development Management Policies and the production of additional SPDs to support decision making.

Working Group's Recommendation

The Group agreed that no action was required with regard to the above point as the SPDs and DPDs were all documents currently being worked on by the planning policy team and policies coming forward.

Planning Committee's Comments and Recommendation:

(a) noted that progress was being made with SPDs and DPDs

The Planning Committee endorsed the Working Group's recommendation

R7:

Review the Planning Committee referral system focusing particularly on the Member referral process (7-day procedure) and householder referral system to ensure that applications are not unnecessarily delayed and Planning Committee can focus on the strategically more important applications.

Discussion

This recommendation was discussed at some length by the working group. Information was presented on how the current practice operates and the issues created in terms of delay etc. Councillors recognised that the focus of the referral system on the end of the process created a significant bottleneck. Information was also presented to Members in terms of benchmarking from other authorities which showed the 7-day process as unique across Councils. Authorities sampled all had a Member referral process, however, this was focused at the start of the application process allowing Councillors to comment at that stage. Officers considered that this approach would encourage better engagement on an application and would enable officers to react more to suggestions received, whereas the current system is designed simply to review a completed report and either agree the recommendation or refer to Committee.

The group agreed that an operational plan be drawn up by the Head of Place and this was discussed through the working group meetings. Overall, the group

felt that this offered a number of benefits over the current system and should be taken forward as part of the formal recommendation of the group.

Working Group's Recommendation

The Group agreed that the 21-day notification procedure be included in the operational plan to be considered formally as part of the final report. The procedure would give councillors the opportunity for earlier engagement with officers and influence the process going forward (see Appendix 3).

Planning Committee's Comments and Recommendation:

- (a) welcomed the flowchart set out in the Late Sheets mapping the proposed call-up to Committee procedure to assist councillors in their understanding of it.*
- (b) Noted the proposed additional Note to be added to the procedure stating: "A councillor who has requested an application to be called up to Committee may, following further consideration, withdraw that request."*
- (c) acknowledged that councillors will need to be more aware and proactive with regard to the proposed revised process.*
- (d) Noted that all councillors should study the weekly plans list*
- (e) Concern that a greater number of applications might be called-up to Committee*
- (f) Suggestion that, where a councillor asks for an application to be called-up to Committee, there should be an additional stage in the process where, before the case officer writes the committee report, they contact the councillor to indicate what their recommendation on the application is likely to be and the reasons for it. This would enable to councillor to consider whether they still wish to call-up the application to Committee.*
- (g) Suggestion that removing the 7-day notice procedure would not address the root of the problem, which was insufficient number of officers and too many agency staff with little or no knowledge of the local area.*
- (h) having a more streamlined call-up to Committee process would be one factor that would assist in improving the Council's performance and councillors would become involved in applications in their ward at a much earlier stage and have a greater opportunity to influence how the officer looked at the application if they were already aware of the local member's concerns.*
- (i) Concern that some wards of the borough attracted significantly more planning applications than others, thus putting greater pressure on the councillors for those wards.*

The Planning Committee endorsed the Working Group's recommendation to approve the proposed process for Councillor Call-up (referral) to Planning Committee set out in Appendix 3, subject to the inclusion of the additional Note referred to in (b) above, and the additional stage in the proposed process referred to in (f) above.

R8:

Revisit the site visits protocol with particular emphasis on who attends and on ensuring a consistent approach of officers and conduct of members during the site visit.

Discussion

The group felt that the committee site visit process was working generally well. Requests made upfront are considered by the Chairman and Head of Place and are responded to. There remain some issues around attendance and work continues to encourage members to attend site visits when they take place. All members agreed that general good practice of remaining on site as a group and treating as a fact-finding process only is essential.

Working Group's Recommendation

The Group agreed that no changes were required to the current site visit protocol. Councillors were aware of the need to ask for a site visit ahead of time rather than at the meeting itself which was noted to be useful for councillors in assessing the planning merits of a scheme.

Planning Committee's Comments and Recommendation

The Planning Committee endorsed the Working Group's recommendation.

R9:

Review the member overturns process so that alternative motions are raised by Members and advice is provided by officers prior to the officer recommendation vote being made.

Discussion

This area was of particular difficulty as the original Chairman, Mike Holmes, had taken on the role of reviewing this specifically. Whilst an initial flow chart had been provided outlining the process at another authority this had not been reviewed further and no specific process had been brought forward. Therefore,

the group had to revisit this recommendation at its final session to discuss further.

The issues originally identified in the review were a concern over lack of transparency in the 'huddle' system and lack of clarity over responsibilities for making alternative motions and outlining reasons.

The group agreed that this is one of the most difficult aspects of Planning Committee procedure and acknowledged that measures employed by different authorities were also wide ranging. Some councils operate a system whereby 'final' reasons for an overturn are drawn up outside of the committee meeting and returned to the next meeting for agreement. The group did not endorse such an approach due to delays and risks of non-determination appeals once a committee resolution is reached.

There was a significant disagreement amongst members over the merits of changing the current system and what should be an alternative model. There were concerns that the processes outlined in the flow charts provided by Mike Holmes would be difficult to manage during a meeting. Officers commented that a debate prior to an alternative motion being made would offer greater clarity on finalising the wording of an alternative motion and assist Members in crystallising their concerns. There have been some occasions where an alternative motion has proved difficult. There should also be greater clarity on the responsibilities of different parties in this process. For example, officers will assist members in formulating reasons where the debate/motion has been clear on the planning/policy reasons. However, they cannot lead councillors to formulating reasons which are not based on sound planning grounds. To do otherwise would lead to the Council being open to challenge.

There were concerns from Members that adding a further layer of debate would add to the time of meetings. It was felt that more work was needed to formulate a process which would work for Guildford, and this remains under consideration.

However, it was acknowledged that part of this issue arises from a lack of a regular review of process. Any new process agreed should be subject to regular 'light touch' review to ensure it is working as envisaged and to monitor its effectiveness.

Working Group's Recommendation

The Group agreed that a clear procedure was needed for councillors to understand and that any reasons given for overturning an officer

recommendation had to be robust. The Chairman would need to use their discretion to ensure that the agreed reasons for refusal were stuck to and to limit the debate. The Group asked the Interim Head of Place, to undertake a light touch benchmarking exercise internally as well as with Waverley Borough Council and to circulate it to the Group via email for agreement, prior to incorporation into a report.

(NB. It was not possible for this piece of work to be completed before the Interim Head of Place's departure from GBC. Consequently, it was picked up by the Interim Joint Executive Head of Planning Development and discussed by the Corporate Governance Task Group. The Task Group has recommended the procedure set out in Appendix 4.)

Planning Committee's Comments and Recommendation

(a) Concern that if a separate vote was taken on each individual reason for refusal, it was possible that councillors might not attach the same weight to particular reasons for refusal resulting in no clear majority voting in favour of any reason for refusal cited.

The Planning Committee endorsed the proposed procedure for councillors overturning officer recommendations at Committee set out in Appendix 4.

R10:

Undertake bespoke probity in planning and appeals training for members with a neutral facilitator, for example, someone who has direct experience of being a Planning Inspector.

Discussion

The group agreed that specific probity training should be incorporated into the annual training programme. This should be distinct, however, from appeals training as they are two separate issues.

Working Group's Recommendation

The Group agreed that the Probity in Planning training be incorporated into the annual training programme.

Planning Committee's Comments and Recommendation:

The Planning Committee endorsed the Working Group's recommendation.

R11:

Review public speaking opportunities for Parish councils and special interest groups.

Discussion

A number of options were considered throughout the course of the working group meetings. It was recognised that several group members favoured the principle of a specific public speaking slot for parish councils. However, it was also recognised that not all of the borough was parished and there was a concern over fairness in providing an additional opportunity for representations to be made at the Committee in respect of applications within the parished areas compared to the unparished town area.

Discussion also considered the scope of the issue, specifically around how often it was that a parish council felt they had been unable to speak due to the restrictions in place. It was felt that this was not a common occurrence. Furthermore, the group were aware that despite public speaking arrangements, all comments received are referenced in committee reports and presented to the Planning Committee. It was also recognised that the Chairman retains discretion and can allow additional speaking slots/time. Overall, it was felt that retaining the current practice offered the fairest approach.

Working Group's Recommendation

The Group agreed to the recommendation to retain the current public speaking arrangements but for the Chairman to retain the discretion to allow additional speaking slots for significant applications which was already practised.

Planning Committee's Comments and Recommendation:

The Planning Committee endorsed the Working Group's recommendation.

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Process for Councillor ‘call-up’ (referral) to Planning Committee

Applications to be included in this process:

- All planning applications, including S.73 applications
- Listed building consent applications
- Advertisement consent applications
- Tree Work Applications for trees subject to a TPO

Applications excluded from this process:

- Lawful Development Certificate applications
- Prior approval applications
- Section 211 notifications (Trees in Conservation Areas)
- Consultations from other authorities

Process

Upon validation of relevant applications, they will be included on the weekly list of planning applications. Councillors will have 21 days from the date of publication of the weekly list to submit a committee referral.

Councillors will be requested to make one of the following responses:

- No comments
- I have concerns/see potential benefits (these must be planning considerations, directly related to the applications) and would like the application referred to committee. Please indicate planning concerns/benefits:.....
.....
- I consider that due to the specific circumstances/scale of the development it will have wide ranging planning implications and I would like the application referred to committee. Please specify the nature of the wide-ranging implications:.....
.....

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- I do not wish to refer the application to Committee, but I would like the following comments/suggestions for conditions taken into consideration:

.....
.....

Where there is more than one Councillor representing a ward, all the ward councillors are able to comment.

Response to be sent via email directly to the case officer and copied to PlanningEnquiries@guildford.gov.uk to ensure that it is recorded on the file and not missed due to officer absence. The request will be detailed in the officer's report.

Where comments are raised that are NOT material planning considerations the case officer will advise the Councillor of this before drafting the report.

Determination/referral to Committee

The referral of the application MUST have regard to the Councillor(s) response and the following scenarios may occur:

- Where “No comments” are specified; or where no councillor response is received, the application will proceed under delegated powers. No further councillor contact required.
- Where a Councillor has made a comment the case officer will include it in the delegated report and notify the Councillor.
- Where the Councillor response is a request to refer to Committee. Their request will be referred to in the committee report. Should the application be amended, the officer will notify the Councillor to see whether their request stands.

All requests for referral to Planning Committee will be subject to ratification by the Chairman of the Planning Committee and Executive Head of Service (or Strategic Director). The draft agenda will be shared with the Chairman who can comment at that point on any of the Member referrals.

Before the case officer writes the committee report, they shall contact the councillor to indicate what their recommendation on the application is likely to be and

the reasons for it. This would enable to councillor to consider whether they still wish to call-up the application to Committee.

Notes:

- (1) *A councillor who has requested an application to be called-up to Committee may, following further consideration, withdraw that request.*
- (2) These referral measures do NOT affect the automatic thresholds for Committee referrals i.e. number of representation letters received.

Reporting

Management information should be produced to facilitate reviews of the process. Subject to system constraints, the following information should be produced every 12 months and should include a comparison with the previous 12 months:

- Number of applications decided in the period
- Number and percentage of applications referred to the committee
- Number and percentage of referrals overturned by the committee
- Number and percentage of overturns upheld at appeal

Implementation

The new process will require changes to functionality of the current planning IT system. However, the new process will be implemented as soon as possible

Reviewing

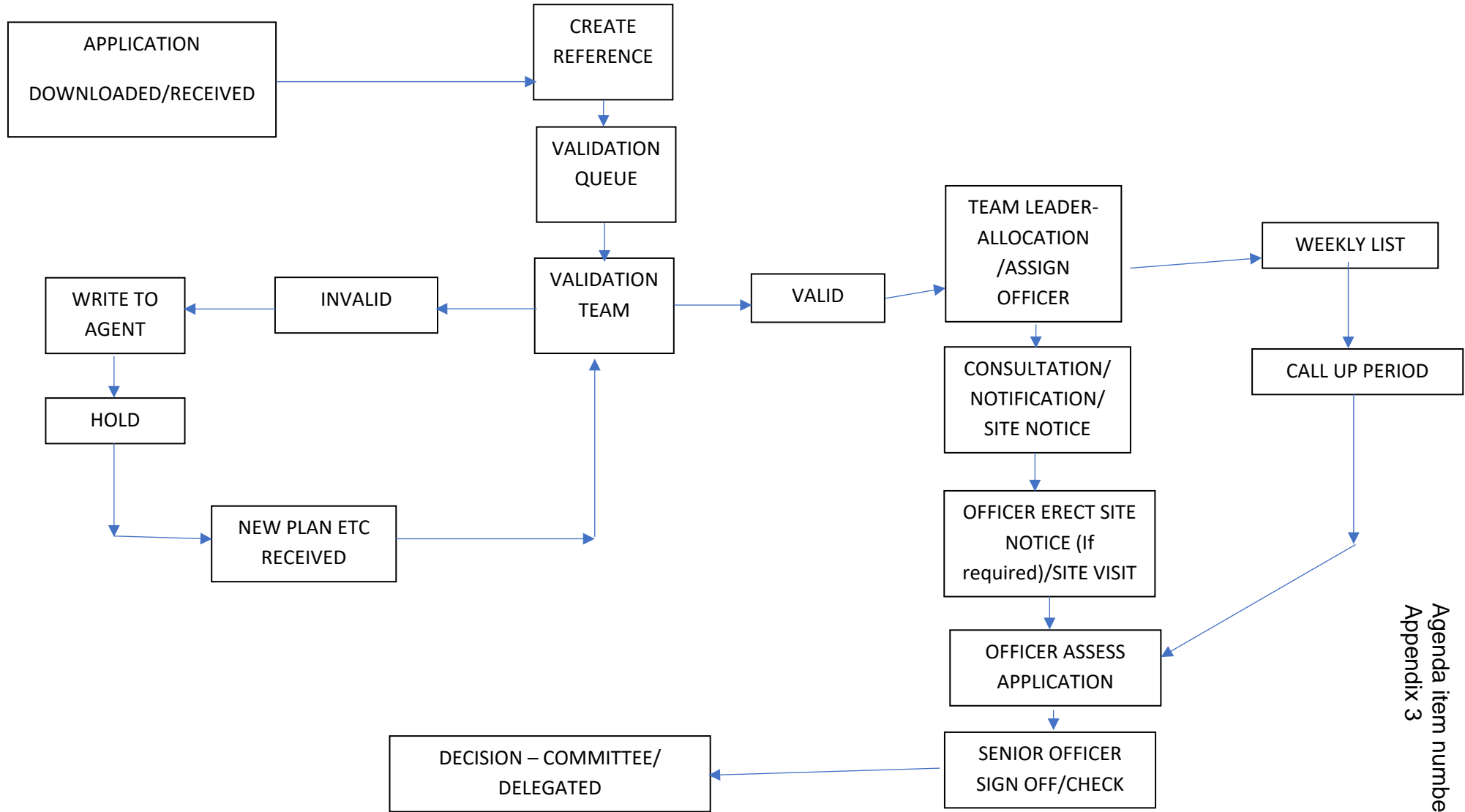
A review of this process shall be carried out after the first 12 months of operation following its adoption, or sooner if sufficient cause is identified by the Executive Head of Service following consultation with the Chairman and Vice Chairman of the Planning Committee. Any such review should seek views from officers and Councillors over the operation of this process. It should also look at the management information and compare with the previous system.

It is intended that this should offer a flexible framework and be adaptable. If issues arise which do not fundamentally alter the concept, then these operational changes should be put in place to allow for efficient working.

Longer term reviews of delegated processes should be undertaken at least every 24 months, led by the Executive Head of Service, in consultation with the

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Chairman of the Planning Committee. Officers should also seek the views of members during such a review.

Application Journey



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Procedure for councillors wishing to overturn officer recommendations at the Planning Committee

If, during the debate on an application, it is apparent that Committee members do not support the officer's recommendation, the Chairman shall ask if any Committee member wishes to propose a motion contrary to the officer's recommendation, subject to the proviso that the rationale behind any such motion is based on material planning considerations. Any such motion must be seconded by another Committee member.

- Where such a motion proposes a refusal, the proposer of the motion shall be expected to state the harm the proposed development would cause in planning terms, together with the relevant planning policy(ies), where possible, as the basis for the reasons for refusal. In advance of the vote, the Chairman shall discuss with the relevant officers, the proposed reason(s) put forward to ensure that they are sufficiently precise, state the harm that would be caused, and refer to the relevant policy(ies) to justify the motion. The Committee shall take a separate vote on each proposed reason for refusal, following which the Committee shall take a vote on the motion to refuse the application based on all of the agreed reasons.
- Where such a motion proposes approval, the proposer of the motion shall be expected to state why the proposed development would be acceptable in planning terms, together with the relevant planning policy(ies), where possible. In advance of the vote, the Chairman shall discuss with the relevant officers the proposed reason(s) put forward to ensure that the planning reason for approval is sufficiently precise to justify the motion. In addition, the Committee shall discuss and agree the substance of the planning conditions necessary to grant a permission before taking a vote on the motion to approve.
- Where such a motion proposes deferral, (for example for further information/ advice) the Committee shall discuss and agree the reason(s) for deferring the application, before taking a vote on the motion to defer.

If the motion is not seconded, or if it is not carried, the Chairman will determine whether there is an alternative motion and, if there is not, the Chairman will move the officer's recommendation and ask another Committee member to second the motion. That motion will then be put to the vote.

Guildford Borough Council

Development Management Review

March 2022

1. INTRODUCTION

1.1 Guildford Borough Council is at serious risk of designation in respect of speed of determination of non-major applications. Performance for the period January 2020-December 2021 is 63.6% against a minimum required level of 70%. The Council has taken up the offer of PAS support to improve performance against this target.

1.2 A review of performance has been undertaken by Tim Burton appointed by PAS. PAS is part of the Local Government Association (LGA) and provides high quality help, advice, support and training on planning and service delivery to councils, primarily in England. Its work follows a 'sector led' improvement approach, whereby local authorities help each other to continuously improve. Tim has over 30 years' experience working for local authorities, including most recently as Head of Planning for Taunton Deane and West Somerset Councils. For the last 3 years he has worked with PAS providing a range of support to many local planning authorities, including service reviews, Planning Committee reviews and Member and Officer training.

1.3 The review was based on the application of the PAS Development Management (DM) Challenge Toolkit with particular emphasis on the sections on Performance Management, Workload Management, and Team Management. The toolkit aims to provide a 'health check' for Planning Authorities and act as a simple way to develop an action plan for improvements to their Development Management service. There is a link to the Toolkit at the end of this report.

1.4 Information on application procedures, the scheme of delegation, examples of officer work plans and team structure were shared. The consultant met with planning staff on 14th March 2022 with subsequent meetings for those unable to attend held via Microsoft Teams on 21st March 2022

1.5 All those interviewed were friendly and welcoming and engaged fully with the process and are thanked for providing their honest opinions and feedback.

2. BACKGROUND

2.1 The Development Management Service has recently been reorganised as part of a wider Council transformation. This has led to the staff responsible for the administration of the planning process no longer being managed by the Development Management Team Leader. This type of managerial change will inevitably cause some disruption whilst any new arrangements bed in. This has coincided with a loss of a number of experienced members of staff. The team recognise that this has had a number of negative impacts, including the availability of mentoring and support to the less experienced members of the team.

2.2 These issues have then been exacerbated by the impacts of Covid and the need to adapt to remote working, as well as a significant upturn in the number of applications being submitted.

2.3 The Council has become increasingly reliant upon the appointment of interim staff, due to an inability to recruit permanent replacements for staff who have left. The capability of these interim staff was referred to in discussions as being variable, and their temporary nature has resulted in cases having several different case officers during their lifetime. This has not helped the Council's performance or its customer responsiveness more generally. The absence of permanent members of staff in team leader roles was identified as being of particular concern.

2.4 The combination of issues identified in this report are such that, in the short term, improvement against the 70% target for non-major applications will be heavily reliant upon the agreement of applicants to extensions of time. Adopting a more customer focussed approach based upon closer liaison with developers and their agents to agree timescales for determination therefore needs to be an immediate priority if the Council is to achieve demonstrable improvement in performance against the target this year. The overall scale of the issues faced is such that the level improvement necessary to ensure that a minimum of 70% of applications are determined within eight weeks of submission will take a longer time to achieve.

2.5 The consultant, in consultation with Dan Ledger Development Management Team Leader has identified five priority areas where improvements are identified. These are: adopting a more customer focussed approach to service delivery; improved management of caseloads through provision of enhanced data and performance information; reducing delays associated with applications being referred to Planning Committee; addressing process issues around validation and consultation; and developing a more proportionate approach to reports and sign off.

RECOMMENDATIONS

R1 Ensure all staff prioritise the provision of progress updates using extensions of time as the primary method (where necessary) Extensions of time should be requested in all cases where the application will not be able to be determined within the statutory target without exception

R2 Prepare a simple customer protocol to explain this revised more customer focused approach to service delivery supported by customer service training

R3 Remove extensions of time from scheme of delegation to allow case officers to agree these with applicants whenever required

R4 Consider employment of temporary staff and/or using overtime to address application backlog of cases in addition to prioritising recruitment to unfilled posts

R5 Review performance information currently available and seek improvements to ensure it maximises the ability to track performance and identify key milestones

R6 Make sure that performance is discussed at team meetings and consider the reporting of performance information to the Planning Committee

R7 Review call-in arrangements with a view to amending timeframes to ensure call-in requests are made earlier in the process

R8 Review process for identifying reasons why applications are being found to be invalid, and how any errors are identified before application is deemed to be valid.

R9 Work with consultees to identify ways to reduce delays including consideration of the adoption of standing advice

R10 Complete review of standard paragraphs and conditions

R11 Explore options to simplify process for habitat mitigation contribution payments

R12 Consider a simpler more risk-based approach to the sign-off of decisions

3. ADOPTION OF A MORE CUSTOMER FOCUSED APPROACH TO SERVICE DELIVERY

3.1 Guildford Borough Council has traditionally performed well against its planning performance targets. With applications being handled promptly the need to keep applicants/agents informed of progress of their application had not been seen as being a high priority. However, for the variety of reasons already set out, performance has declined quite dramatically, with decisions on non-major applications being made within eight weeks now being the exception rather than the rule.

3.2 Planning is no different to other customer facing services, whereby the customer should have a reasonable expectation in terms of being kept up to date on progress of their application, particularly in circumstances where the process becomes protracted. The use of an extension of time is the mechanism whereby a programme for the determination of the application is agreed with the applicant. It is a vital tool in the delivery of good customer service, particularly when determination times are long as they currently are. However, at Guildford Borough Council, the focus seemingly is for case officers to prioritise the technical side of their work. This has been at the expense of good customer liaison. Whilst individual case officers vary in their responsiveness to customers, the overall impression is that keeping applicants apprised of progress and agreeing extensions of time is not seen as a priority. If the Council is failing to determine applications within the statutory target and not agreeing extensions of time it is inevitable that performance will be poor.

3.3 A step change to deliver a more customer focussed approach needs to be implemented immediately. Unwillingness to agree extensions of time on the part of developers was not seen as being a significant contributor to the failure to meet the 70% target for the determination of non-major applications. Issues around staff vacancies, staff absences during Covid and the need to adapt to new ways of working as a result of Covid restrictions were all identified as having a greater detrimental impact upon performance. In these circumstances, the need to agree extensions of time where necessary must be prioritised if the performance target is to be met.

Applicants/agents are more likely to agree to extensions of time if they understand the context and how you are working to improve the service being delivered. Therefore, the publication of a simple 'customer protocol' would help support a new approach, which can be communicated through an agents/regular customers forum.

3.4 Customer service training for all planning staff would help ensure that expectations associated with this new approach and the contents of the protocol are understood.

3.5 It is understood that Guildford Borough Council has traditionally been seen to perform well against performance targets and the need to agree extensions of time was seen as something only to be used in exceptional circumstances. This was demonstrated in it being included in the scheme of delegation, whereby such requests have to be agreed and signed off by senior officers. However, the current circumstances dictate the agreement of an extension of time in the majority of cases. Therefore, it should now be part of the everyday management of the case and not seen to be a major decision. The current approach is time consuming and bureaucratic and as senior managers are having to agree to seeking extensions of time in almost all cases the process needs to be streamlined and responsibility for agreeing the extension of time should sit with the case officer.

3.6 Greater automation to keep customers informed of progress of their application would free up staff capacity. The Council may wish to explore how this might be implemented or how information on the status of applications can be easily available to customers via the Council's website.

3.7 The PAS DM Challenge toolkit's section on workload management identifies the benefits of employing additional staff on a temporary basis to meet specific objectives. Workloads are currently such that it is unrealistic to expect the permanent staff employed by the Council to be able to address the large backlog in application work. Therefore, it is recommended that the Council employs temporary resource and/or approves overtime to target this backlog (including the agreement of extensions of time for longstanding applications). This would free up the core team to focus on improving performance in response to applications as they are submitted (with an aim of reducing reliance of extensions of time).

3.8 The Council also needs to address the number of vacant posts, most notably in senior professional roles. Without a full complement of permanent staff, addressing performance issues will be far more difficult. It is also important that experienced officers are in place to provide adequate support and mentoring to the less experienced members of the team.

4. IMPROVED MANAGEMENT OF CASELOADS THROUGH PROVISION OF ENHANCED DATA AND PERFORMANCE INFORMATION

4.1 In order to improve performance in this area, performance information needs to be readily at hand and officers alerted when extensions of time need to be agreed. As is recommended in the DM Challenge toolkit, the Council is advised to review management information to reduce reliance on officers devising their own mechanisms (Make use of the Planning software to provide

performance information/Different staff need different information). A proper system also needs to be in place to record extension of times. Data needs to be in real time, including standard workload reports for each officer that can be run at any time. Reports need to be able to be easily read and explain performance through the use of graphs, comparisons etc

4.2 Performance should be discussed at regular team meetings and performance discussions should be scheduled into relevant management meetings and staff 1 to 1s. You should include performance as a regular item for the Planning Committee.

4.3 The team identified the lack of readily available real time performance information as being a major issue for both case officers and those who manage them. Greater use of enterprise provides an opportunity to incorporate better real time reporting and alerts. This should help to reduce the reliance upon case officers to inform applicants and other interested parties of their application's progress towards determination.

5. MINIMISING DELAYS ASSOCIATED WITH APPLICATIONS BEING REFERRED TO PLANNING COMMITTEE

5.1 Councillors should have the opportunity to scrutinise the most important and contentious proposals. Having a system whereby Councillors can request that applications are referred to the Planning Committee based upon sound planning reasons is a well-established and sound concept. However, good practice dictates that this ability to call in applications runs alongside other consultation in order to provide consistency and clarity to decision-making processes. The arrangements at Guildford Borough Council whereby Councillors have the opportunity to call an application at the end of the process ie. once the planning officer has formulated their recommendation (the 7 day rule) runs contrary to these principles.

5.2 Furthermore, this additional step late in the process causes regular delays and is undoubtedly a significant contributor to the Council's recent poor performance. It is unclear what the benefits of this unusual approach are. Most other Councils successfully operate call-in arrangements whereby call-in takes place within 21 or 28 days of initial consultation. Whilst it is not known whether the application is likely to be permitted or refused at this earlier stage, Councillors can indicate that they only wish to call in the application should the officer's recommendation be to permit or alternatively refuse. This alternative approach would improve clarity, avoid unnecessary delay and would in no way reduce the Councillor's ability to call an application in. The Council is strongly recommended to consider adopting this alternative approach, which will make a significant contribution to delivering the performance improvements that are required.

5.3 Referring applications to Planning Committee adds both resource and time to the determination process. Planning Committee time is limited each month and its focus should be upon the scrutiny of the most controversial and/or strategic proposals. The number of applications referred to each meeting should be minimised accordingly. Therefore, it may be beneficial to review the criteria for referral and exclude more minor applications such as householder

development altogether. This would expedite these cases whilst maximising Committee time to undertake its important scrutiny role of the most significant developments being proposed.

6. ADDRESSING ISSUES ASSOCIATED WITH VALIDATION AND CONSULTATION

6.1 Councils manage the registration and validation of planning consent applications in different ways based on their team structures and the software used. Sometimes it is an administrative function, or there is a designated officer (s), or it will be undertaken by the case officer, or a combination of these options. The DM Challenge toolkit identifies an excellent receipt and validation service as one which undertakes the task quickly and accurately so there are not further delays in the consents process.

6.2 Invalid applications should be monitored through regular reports so that managers can discuss reasons for delays with both case officers and the validation team. Those interviewed identified both errors in validation at the point of which the application was being forwarded to the case officer, as well as a delay in officer's reviewing the information and identifying such issues. Both of these scenarios will add a delay to the process and if an application is subsequently found not to have the required information, this will impact upon the ability to determine it within the statutory target time. You may wish to explore whether the separation of the management of the planning and validation teams is a contributory factor and if so, how that impact might be mitigated.

6.3 Officers identified delays in receiving responses from consultees as a major constraint to improved performance. This was validated through the subsequent review of applications. It is commonly taking several months to receive consultation responses. Therefore, it is very important that delays to consultation responses are addressed. Whilst resource issues amongst other departments and organisations are recognised, it was suggested that the importance of timely decision-making in planning does not always appear to be reflected in the priority given to responding to planning consultations by other services. Within the sample of applications reviewed several applications were delayed by several months awaiting seemingly straightforward consultation responses. Performance in this area is largely beyond the planning team's control. Therefore, corporate recognition of the importance of timely decision-making in planning needs to be translated into prioritisation of such work across the Council and other partners.

6.4 The planning team claimed that they have been taking a pragmatic view on whether applications can reasonably be determined without waiting for outstanding consultation responses. However, in order to speed up the process and reduce the burden of work for consultees it is recommended that this is further reviewed and a more risk-based approach as to whether applications can be determined in such circumstances is considered.

6.5 The production of standing advice can act as a useful way of ensuring technical issues are addressed, whilst reducing the workload for consultees. Whilst there will always be cases where bespoke advice is required, the introduction of standing advice should have a major positive impact upon the speed of determination in many instances. Environmental Health and Highways

consultations might be good targets for the production of standing advice as both are consultees with a high number of applications to look at.

7. ADOPTING A MORE PROPORTIONATE APPROACH TO REPORTS AND SIGN-OFF

7.1 Officer reports generally appear to be well constructed and comprehensive. The Council has identified the benefits of using standard wording and conditions to speed up the preparation of reports. Whilst some work has been undertaken in this area, if completed, it will ensure that reports and decisions remain appropriate, whilst at the same time improving consistency and reducing time for those compiling and signing off reports. Increased standardisation of reports should also enable those reviewing them to adopt a lighter more risk-based approach to the task than currently appears to be the case.

7.2 Delays in the completion of s106 agreements has been identified as a major cause of delay, particularly when related to mitigation of impact upon Special Protection Areas. The Council may wish to explore the option of applying a simple Unilateral Undertaking system through your website. One example of this is the habitat mitigation payment approach adopted by East Devon District Council.

<https://eastdevon.gov.uk/planning/planning-services/planning-development-management/unilateral-undertakings-section-106-agreements-habitat-mitigation-and-affordable-housing-contributions/habitat-mitigation/>

7.3 Double-handling by the person responsible for signing off applications was identified as an area where the process could be simplified to save time. A revised approach should be considered taking account of any additional risk that this might cause.

8. CONCLUSION

8.1 During the most recent assessment period the service is performing badly when judged against the government's performance target in relation to non-major applications. Whilst this can, in part, be attributed to an increase in the number of applications being submitted, resource issues and the need to respond to Covid19 related challenges, these are issues are equally being faced by a significant proportion of Councils across the country. A considerable level of improvement will be required for Guildford Borough Council to get to a position where it is no longer at risk of designation.

8.2 A step change in terms of the priority the Council gives to agreeing timescales for determining applications with applicants and agents, based upon a far more rigorous approach to seeking extensions of time, will be essential if the Council is to see any demonstrable improvement to performance in the period to the end of 2022. The implementation of the other recommendations in this report will assist the Council in reducing overall determination times resulting in the need to agree extensions of time becoming a less frequent requirement in the future.

PAS Development Management Challenge Toolkit

<https://www.local.gov.uk/pas/development-mgmt/development-management-challenge-toolkit>

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Executive Report

Ward(s) affected: All wards

Report of Strategic Director of Place

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Date: 22 February 2023

Economic Development Strategy 2023-2040

Executive Summary

The Council has a number of economic strategies that have now reached their expiration and need to be updated.

Major economic shocks such as the COVID-19 pandemic, Brexit and the cost-of-living crisis have brought changes and uncertainties to our economic landscape requiring a reassessment of our challenges, opportunities and priorities. Coupled with the borough's relatively weak economic performance compared to other locations - a trend preceding the COVID-19 pandemic - there is impetus to set out a refreshed strategy and action plan to reinvigorate Guildford's economy and ensure it is a place where businesses and residents can continue to thrive.

In light of the changes to the economic landscape, and in line with the Council's Corporate Plan 2021 - 2025, this paper presents a new Economic Development Strategy and accompanying draft action plan for the period up to 2040, outlining a renewed vision and priorities to support the local economy.

Recommendation to Executive

The Executive is asked to:

- (1) Recommend the adoption of the Economic Development Strategy 2023-2040 and the supporting evidence base, attached as Appendices 1 and 3 respectively to this report, to Full Council.
- (2) Note the draft Economic Development Action Plan, attached as Appendix 2 to this report, which will be subject to further consultation with strategic partners.

Reason for Recommendation:

To support the reinvigoration of Guildford's economy, the new Economic Development Strategy and Action Plan:

- Sets out the case for action in light of changes to the international, national and regional economic landscape.
- Gives an updated analysis of Guildford's strengths, weaknesses, opportunities and threats.
- Identifies key strengths and opportunities to for the Council and its partners to harness, such as sector specialisms and economic assets (e.g. commercial spaces).
- Highlights the importance of mitigating the environmental impact of economic activity to reflect climate change and sustainability issues.
- Identifies the levers that the Council can utilise to address priority interventions that can help deliver significant positive impact for our economy.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 The purpose of the report is to recommend the adoption of the Economic Development Strategy 2023-2040 and present the associated draft Action Plan, which will be subject to further consultation with strategic partners.

2. Strategic Priorities

- 2.1 The Economic Development Strategy and Action Plan 2023-2040 addresses a range of priorities under Homes and Jobs, Environment and Community in the Council's Corporate Plan 2021 – 2025. This includes, but is not limited to:
- Revive Guildford town centre to unlock its full potential.
 - Support high quality development of strategic sites.
 - Support our business community and attract new inwards investment.
 - Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel and energy choices.
 - Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills.

- 2.2 The importance of a number of the key programmes and projects under the Corporate Plan 2021 – 2025 are also recognised in the Economic Development Strategy and Action Plan, particularly: Shaping Guildford’s Future Town Centre Masterplan, Weyside Urban Village, our climate change programme and transport and infrastructure projects to encourage sustainable travel.

3. Background

The case for action

- 3.1 The Council has a number of economic strategies which need to be updated. These are:
- (a) Economic Strategy 2013-2021
 - (b) Visitor Strategy 2014-2020
 - (c) Rural Economic Strategy 2017-2022
 - (d) Innovation Strategy 2019
- 3.2 Though key issues and themes highlighted in these documents persist, the current economic landscape is now markedly different from the one described in the 2013-2031 Economic Strategy, from the changing nature of retail and working patterns to the unfolding impacts of Brexit on trade.
- 3.3 Growth in Guildford borough’s economy had halted even before major economic shocks such as the COVID-19 pandemic and Brexit, all the while comparator and neighbouring locations have caught up to become more attractive for businesses and investors. Guildford town centre, for example, suffers from an above average retail vacancy rate compared to national and regional figures, and our borough has seen the loss of major employers (e.g. BOC, Ericsson, Sanofi) over the years. The barriers to Guildford’s economic prosperity are ones with which the Council, its partners and stakeholders are all familiar: a lack of high-quality and suitable commercial space, a highly constrained and unaffordable housing market, traffic and congestion, poor public transport and digital connectivity and a town centre that could better reflect the needs of its residents and workers.
- 3.4 However, Guildford has strong economic foundations. Contributing over £5.3bn to the national economy, the borough is home to over 7,000 businesses, 80,000 employees and world-leading economic anchors with specialisms that can help foster and support innovation in high-value sectors such as Space & Satellite Technology, Health and Professional Services. Its location makes it well-connected by rail, road and plane to other national and international economic nodes, and the visitor attractions and setting within the Surrey Hills AONB continue to attract over 3 million visitors to the borough every year.

- 3.5 Furthermore, the Council and its partners have been working on a range of initiatives that support the reinvigoration of the borough's economy - from investments in rural broadband through supporting Broadband for Surrey Hills Ltd to Shaping Guildford's Future Town centre Masterplan.
- 3.6 However, if we want to retain our position as a key regional and national economic contributor, we need a new strategy and action plan that reflects our current economic circumstances, to better position the borough to address its economic challenges, both new and old, and coordinate efforts by the Council and its key partners.

New Economic Development Strategy

- 3.7 Three documents have been produced in preparing a new Economic Development Strategy:
- (a) Guildford Economic Development Strategy (Appendix 1) – presents an analysis of our local economy and sets out priorities to support the borough's economic development
 - (b) Guildford Economic Development Action Plan (Appendix 2) – sets out the actions the Council and its partners can do to facilitate economic development in the borough
 - (c) Guildford Economic Development Evidence Base (Appendix 3) – examines the borough's economic strengths, weaknesses, opportunities and threats
- 3.8 The Economic Development Strategy, Evidence Base and Action Plan represents over six months of intense research, discussion and consultation between partners and stakeholders. These extensive research and consultation exercise have been used to shape a new vision for the local economy, which is:
- 'To re-establish Guildford as the beating heart of Surrey's economy and be widely known for our modern, innovative, progressive, productive, inclusive and green economy, characterised by unique clusters of high growth knowledge- and production-based economic activity'.*
- 3.9 This ten-year vision will be achieved by focusing on six broad themes:
- (a) Productivity: Boosting enterprise, clustering and innovation
 - (b) Property: Meeting business and worker needs
 - (c) People: Connecting people with opportunity
 - (d) Place: Upgrading our physical and digital infrastructure
 - (e) Play: Transforming our town centre
 - (f) Planet: Mitigating the environmental impacts of economic activity

The Economic Development Action Plan

- 3.10 Alongside the Economic Development Strategy is the Economic Development Action Plan, which sets out what the Council and its partners can do to facilitate Guildford borough's economic development. The Action Plan is informed by an assessment of Guildford's key constraints and opportunities, many of which were reflected by partners and stakeholders during the data collation process of this strategy.
- 3.11 Partners and stakeholders will play a critical role in the delivery of the Action Plan, requiring collaboration and coordination of activity, to deliver a more competitive, sustainable and inclusive economy. Thus, the Action Plan will be subject to further consultation with our key partners and stakeholders to ensure a strong buy in.

4. Consultations

- 4.1 The Economic Development Strategy and Action Plan have been informed by extensive discussions with a range of stakeholders. This engagement activity includes:
- Internal consultations
 - Workshops were held on 14 September and 2 November 2022 with the Joint Management Team and the Executive to discuss Guildford's economy and the actions that the Council and its partners can do to facilitate economic development. Councillors were also invited to drop-in sessions on 14 September to discuss the Strategy with the consultants.
 - Officers from Asset Management, Planning Policy and Regeneration were also engaged to frame the Economic Development Strategy in the context of other Council initiatives and strategies.
 - External consultations
 - Various workshops consultations were held with businesses and organisations from a range of sectors (visitor economy, town centre, digital/games, finance) in both urban and rural areas in Guildford throughout September and October 2022.
- 4.2 In addition, the following key partners have been consulted: University of Surrey, Enterprise M3, Surrey County Council (Economy and Growth Team), Activate Learning, Surrey Chambers of Commerce, Experience Guildford, Royal Surrey County Hospital.
- 4.3 Economic development is a multi-faceted endeavour not only requiring the support of a range of different Council services (from Community wellbeing to Planning Policy), but also a diversity of stakeholders and organisations.
- 4.4 Therefore, the Council will oversee the continuation of these engagements to ensure economic development initiatives are coordinated. Particularly,

as proposed in the Economic Development Action Plan, we will look to develop the Guildford Economic Partnership, which will convene representatives from sub-groups that reflect our business base and economic specialisms (e.g., Visitor Economy, Rural Economy), alongside anchor institutions that are responsible for promoting economic growth locally (e.g., University of Surrey, Surrey County Council).

- 4.5 It is envisioned that the proposed Guildford Economic Partnership will provide a platform for consistent engagement between the Council and Guildford borough's business community, which will include opportunities to regularly review, monitor and discuss the progress of the Economic Development Strategy and Action Plan.

5. Executive Advisory Board Comments

- 5.1 The Economic Development Strategy, Evidence Base and Action Plan were presented to the Strategy and Resources Executive Advisory Board (EAB) on 6 February 2023. The meeting provided an opportunity for Committee Members to ask questions about the Economic Strategy and associated documents.

- 5.2 Due to the size of the document the Strategy and Resources EAB requested more time to review the documents and invited Members to send questions and comments via email. Comments received have been reviewed and the various documents updated accordingly.

6. Key Risks

- 6.1 Resource limitations within the Council and its partner organisations, as well as major events (e.g., COVID-19 Pandemic) that have repercussions to Guildford's local economy, may shift priorities and present a barrier to the implementation of the new Economic Development Strategy and Action Plan.
- 6.2 While the document may need minor updates over time, or a change in the emphasis of some thematic areas, it provides a framework that could remain in place for the next decade to deliver optimum outcomes for our borough.

7. Financial Implications

- 7.1 The Economic Development Strategy sets out an action plan, which indicates activity that is required to deliver the priorities.
- 7.2 We will consult on the action plan and produce a draft cost plan based on resources required. It should be noted that some of the actions relate to the Council's existing financial commitments in the Capital Programme e.g. "continue to pursue the Weyside Urban Village scheme" and "finalise

and begin delivery of the Shaping Guildford's Future town centre masterplan".

- 7.3 Should additional funding beyond the existing revenue budget for the Economic Development service be required, a report will be brought forward to the Executive for consideration.

8. Legal Implications

- 8.1 There are no legal implications arising directly from this report.
- 8.2 Should the Council seek to procure any services relating to the action plan in due course, the Council's Legal and Procurement teams will provide support to ensure compliance with the Council's legal duties including the Public Contracts Regulations 2015 and the Council's Procurement Procedure Rules.

9. Human Resource Implications

- 9.1 The proposed short-term activities captured in the Action Plan will be progressed within the existing staffing establishment, noting that one Officer post is currently vacant. However, should the Council look to progress this at greater pace and deliver some of the more complex actions, additional resourcing will be required. A separate business case relating to this will be brought forward through the Council's existing internal processes when necessary.
- 9.2 As economic development initiatives cut across a range of Council objectives and priorities (e.g. town centre regeneration, commercial spaces), services outside of Economic Development will play a role in the delivery of the Strategy (e.g. Asset, Planning Policy, Regeneration).
- 9.3 In light of the collaboration with Waverley Borough Council, who are also updating their Economic Development Strategy, there are also opportunities to work together on certain initiatives within the action plan that would allow both Councils to maximise value and outcomes for delivery. Opportunities for collaboration will be continuously reviewed with Waverley Borough Council's Economic Development Team.

10. Equality and Diversity Implications

- 10.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant

protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 10.2 An Equalities Impact Assessment has been completed considering the Strategy and draft Action Plan (see Appendix 4).
- 10.3 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.
- 10.4 Though relatively affluent, the borough suffers from pockets of deprivation, with some areas being in the 20% most deprived neighbourhoods in the country. It is imperative, therefore, that the Council and its partners address these challenges in its economic development initiatives.
- 10.5 The new Economic Development Strategy identifies the drivers of social and environmental issues in the borough and the associated action plans seeks to ensure our approach to delivering future economic growth addresses them.

11. Climate Change/Sustainability Implications

- 11.1 The Council formally declared a climate emergency in 2019 and set a goal for the borough to reach net zero emissions by 2030. The Council is committed to reducing emissions, particularly from vehicles, energy use and construction processes.
- 11.2 The new Economic Development Strategy recognises that environmental impacts of economic activities in the borough need to be mitigated. It highlights the work that the Council and its partners are already doing to promote a more sustainable economy in the borough, through initiatives such as ZERO Carbon Guildford's Sustainable Business Network and Surrey County Council's LoCASE carbon reduction grant programme for SMEs.
- 11.3 The Economic Development Strategy and Action Plan highlights opportunities where the Council and its partners can collaborate to promote and work towards a net-zero / low carbon economy.

12. Summary of Options

- 12.1 **OPTION 1:** The Council could decide not to adopt the Economic Development Strategy. However, we currently have an outdated Economic Development Strategy that does not reflect changes to the economy (e.g. Brexit, impact of COVID-19) that needs to be addressed as they have implications for the borough's future growth and competitiveness. In addition, the borough has had little to no growth in recent years, affecting local prosperity. Without an updated Economic Development Strategy that

addresses our weak economic performance in the context of a changed economic landscape, the competitiveness of Guildford borough is expected to further weaken as more interventionist locations catch up and become more attractive to both our existing and prospective businesses and investors.

- 12.2 **OPTION 2 (Recommended):** To adopt the Economic Development Strategy and note the Action Plan, which will be subject to further consultation with key partners. This will ensure that the borough has an Economic Development Strategy and Action Plan that:
- (a) responds to the current economic landscapes and local aspirations, including sustainability imperatives to ensure environmental impacts of economic initiatives are mitigated;
 - (b) prioritises interventions that could help deliver significant positive impact for Guildford borough's economy, which is grounded on extensive stakeholder consultations and an updated assessment of the borough's strengths, weaknesses, opportunities, and threats.
 - (c) receives strong support from, and maximises opportunities to collaborate with, key partners and stakeholders to drive delivery.

13. Conclusion

- 13.1 The foundations of Guildford's economy are strong. However, the borough needs a renewed vision and priorities to better respond to its economic challenges, in the context of a changed and uncertain economic landscape. The new Economic Development Strategy and Action Plan present a clear response to reinvigorate Guildford's local economy and ensure it remains competitive.

14. Background Papers

Guildford Economic Development Strategy 2013-2031

15. Appendices

Appendix 1: Guildford Economy Development Strategy
Appendix 2: Guildford Economic Development Action Plan
Appendix 3: Guildford Economic Development Evidence Base
Appendix 4: Economic Development Strategy Equalities Impact Assessment

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Reinvigorating Guildford's Economy

Our Economic Development Strategy

February 2023

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Annexes

Annex I Action Plan



1. Guildford's Economic Strategy: An Introduction

1.1 This document sets out our *Economic Development Strategy and Action Plan* for Guildford. 'We' are the businesses, anchor institutions and organisations that have a stake our local economy and have been involved in the creation of this plan.

1.2 Our collective ambition, which responds to local aspirations and our recent weak economic performance, is to reinvigorate our economy and restore our economic competitiveness. We will work closely together to achieve this, and have captured this in our ten-year vision which will act as our mission for future action:

"We will re-establish Guildford as the beating heart of Surrey's economy. We will be widely known for our modern, innovative, progressive, productive, inclusive and green economy, characterised by unique clusters of high growth knowledge- and production-based economic activity.

Attracted by our world-class university, ground-breaking hospital, regenerated town centre, intensified employment areas and unrivalled heritage, cultural and natural assets, we will become the number one place in the South East for workers, entrepreneurs and businesses to locate.

Enterprises that choose Guildford, or have roots here, will receive first-class support from our pro-business partners to help them start-up, scale and grow, and, most importantly, clear and obvious connections will be created with our residents to ensure that everyone has the opportunity to benefit from economic success".

1.3 We will achieve this by focusing on six broad themes, which align with our economic context and the *Foundations of Economic Development* set out later in this document:

1. **Productivity:** Boosting enterprise, clustering and innovation;
2. **Property:** Meeting business and worker needs;
3. **People:** Connecting people with opportunity;
4. **Provision:** Upgrading our physical and digital infrastructure;
5. **Place:** Transforming our town centre offer; and,
6. **Planet:** Mitigating the environmental impact of economic activity.

1.4 We have identified tangible short, medium and long-term actions under each of these which will help deliver our ambition. While Guildford Borough Council will play the role of 'lead custodian' for our local economy, no one body can deliver economic growth on its own so the responsibility for these is shared across our organisations. This includes Waverley Borough Council given the new partnership that has been forged with Guildford Borough Council.

1.5 From our list we have identified ten priority interventions that we think could help deliver significant positive impact for our economy. These are:

1. Actively direct local businesses in high-value, high-growth sectors to the support and innovation programmes offered by Enterprise M3 (our Local Enterprise Partnership), the University of Surrey, Surrey Chamber of Commerce, Surrey County Council and others;
2. Continue to work with Surrey County Council, Enterprise M3 and the Department for International Trade (DIT) to raise the profile Guildford's Gaming industry, and identify other regional clusters to promote and nurture;
3. Continue to progress and drive forward the *Shaping Guildford's Future* and Weyside Urban Village regeneration schemes, and ensure they include the right space types to support high-value high-growth sectors and their supply chains;

4. Explore how council-owned sites (e.g. Slyfield Industrial Estate) could be better utilised to meet employment and housing aspirations, much like has been achieved at Midleton Enterprise Park through our Industrial Estate Growth Strategy;
5. Review publicly-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs and micro-businesses in our town centre;
6. Work collegiately with developers to unlock and deliver large-scale development schemes that align with the aspirations of this strategy, most notably Blackwell Farm, Wisley Airfield, North Street and Gosden Hill;
7. Continue to work with Network Rail and Surrey County Council to explore the feasibility of delivering new Guildford West (Park Barn) and Guildford East (Merrow) stations to improve connections to future communities and employment areas;
8. Enable Enterprise M3 to deliver the Gigabit EM3 Fibre Spine by providing the support, connections, licences and permissions they need;
9. Develop a comprehensive and granular land use strategy as part of the *Shaping Guildford's Future* programme to support the diversification of our town centre, and explore whether any publicly or privately-owned assets could be used to encourage entrepreneurs to experiment and test new concepts on the high street; and,
10. Provide advice and support for businesses to 'grow their own' skills through reskilling and upskilling programmes, including directing and signposting businesses to existing and forthcoming support (including the *Enterprise M3 Apprenticeship and Skills Hub*).

These interventions represent our priorities for future investment, and more detail is provided later.

- 1.6 The rest of this document captures our context, ambitions, themes and actions in more detail. It is structured around three broad chapters:
 - Guildford's Current Economy: The Case for Action;
 - Guildford's Future Economy: The Next Ten Years; and,
 - Guildford's Delivery Strategy: Delivering a Step Change.
- 1.7 The publication of this document is timely as it follows two major economic shocks, COVID-19 and Brexit, and is concurrent with the unfolding cost of living crisis and associated recession. While it is difficult to anticipate the combined impacts of these pressures, and the ever-changing political context, this strategy addresses these where it can.
- 1.8 It does this by proposing short-, medium- and long-term solutions that respond to the new economic, social and cultural context we now live in, while also providing a stable long-term approach to economic development. While the document may need minor updates over time, or a change in the emphasis of some thematic areas, it provides a framework that could remain in place for the next decade to deliver optimum outcomes for our borough.

Our Geographical Focus

- 1.9 This document focuses on supporting Guildford's urban *and* rural economies. This incorporates the primary, secondary and tertiary economic activities that dominate our rural areas, and the tertiary and quaternary economic activities that characterise the town of Guildford¹.

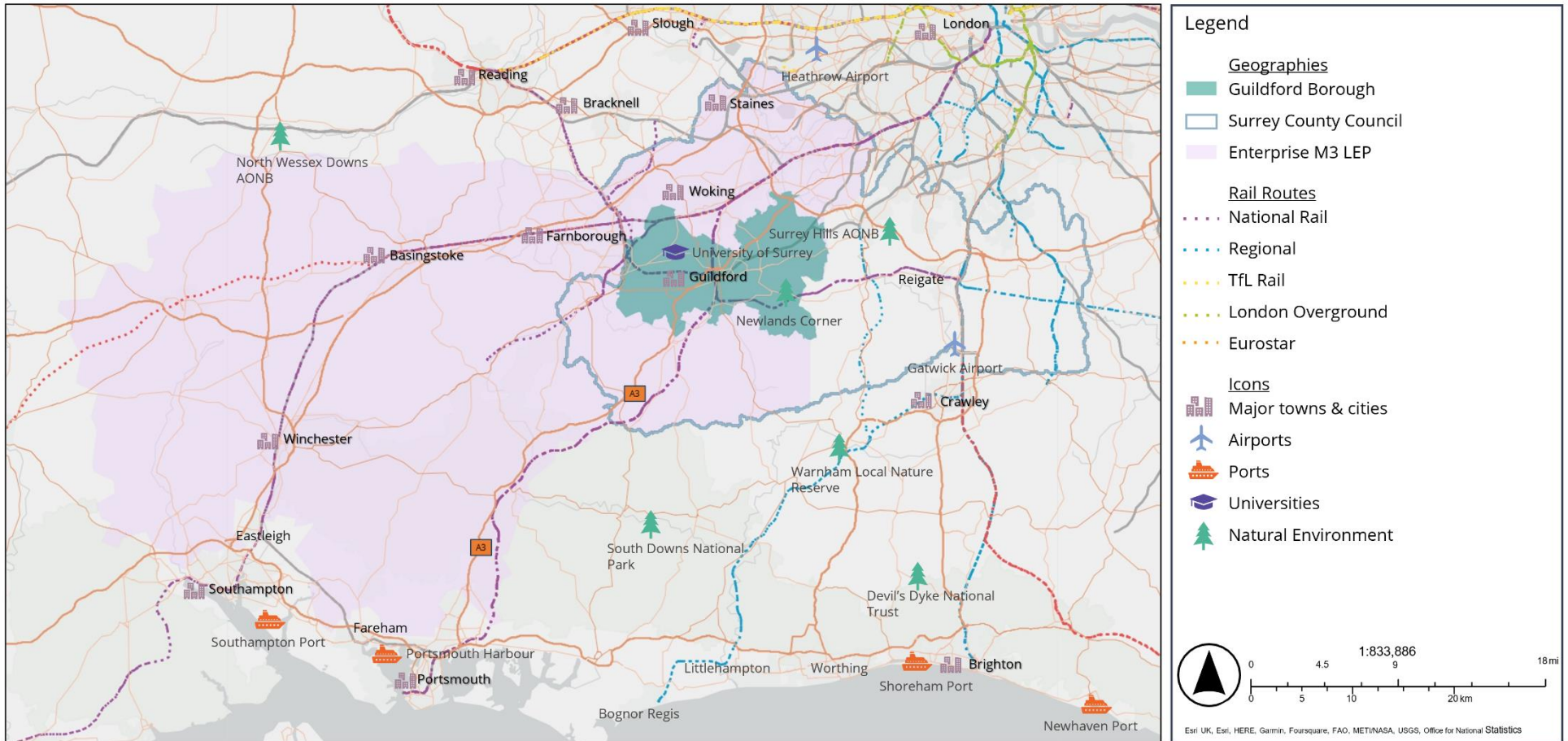
¹ Primary activities involve the extraction and harvesting of natural materials (e.g. agriculture and forestry); secondary activities involve the production of goods from raw materials (e.g. construction and manufacturing); tertiary activities involve the provision of services and skills (e.g. health and retail); and, quaternary activities involve provision of information services (e.g. computing and consulting).

- 1.10 We do, however, appreciate that Guildford is part of a broader regional economy including the towns and cities of Surrey and Hampshire, including Reigate, Redhill, Dorking, Leatherhead, Woking, Godalming, Basingstoke, Winchester, Southampton and Portsmouth, as well as Greater London.
- 1.11 Guildford is not only an important contributor to this highly productive economic area, but we benefit from being part of it. The region has a wide range of locational advantages, economic assets and high-value economic specialisms that support our local economy and present opportunities for its future growth (e.g. Space, Digital, Cyber Security, Life Sciences, Medical-Technology, Gaming and Creative Technology).
- 1.12 The main actors co-ordinating economic growth across this region are Surrey County Council and Enterprise M3, who have been involved in the creation of this document, as well as Hampshire County Council and Coast to Capital LEP. All these organisations have their own economic strategies to guide their investments².
- 1.13 Our document reflects the aims and ambitions of these bodies and captures proposed interventions relevant to our economy. For example, we include an objective to support the Gaming sector in line with the Enterprise M3's Local Industrial Strategy (LIS), and have an action to work closely with them and Department for International Trade (DIT) to promote their *Immersive Visualisation and Gamification High Potential Opportunity* programme. Taking this area-wide approach will ensure that:
- Our future growth contributes to regional ambitions and complements wider investment;
 - Our future economy helps to curate and strengthen cluster specialisms across the region; and,
 - Our businesses and area benefit from investments and support available from these bodies.

This document also builds on and complements Guildford's *Local Plan (2015-2034)*, *Corporate Plan (2021-2025)*, and emerging *Shaping Guildford's Future Masterplan (2022)*.

² Surrey's Economic Future – Forward to 2030 (2020-2030); Enterprise M3 Local Industrial Strategy: Defining Our Approach (2020-); Hampshire Economic Strategy (2022-); Coast to Capital Local Industrial Strategy (2019-).

Figure 1.1: Guildford's Economic Context



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Appendix 1

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2. Guildford's Current Economy: The Case for Action

- 2.1 We have an important economy that is made up of over 7,000 businesses and 80,000 employees. Collectively, they contribute over £5.3b to the national economy each year which is more than some other major towns and cities surrounding London (e.g. Southend, Canterbury, Colchester, St Albans and Crawley) but less than others (e.g. Milton Keynes, Reading, Oxford, Cambridge and Chelmsford).
- 2.2 Our urban economy, which is concentrated in and around Guildford itself, is underpinned by internationally, nationally, and regionally important economic anchors such as the University of Surrey, Surrey Research Park, Royal Surrey County Hospital, Guildford College, Guildford Business Park, Spectrum and London Square.
- 2.3 These anchors, among others, support economic specialisms in higher-value and higher-wage broad sectors such as Professional Services, Information Technology, and Health, as well as niche sub-sectors including Space & Satellite Technology, Video Gaming, Digital, Pharmaceuticals and Medical Technology. We also have high levels of employment in foundational sectors such as Education, Retail, Hospitality and Tourism.
- 2.4 Our rural economy is more dispersed but is characterised by traditional land-based industries (i.e. Agriculture and Forestry), in addition to Arts, Crafts, Making and non-traditional knowledge-based activities. One of our main anchors is the Surrey Hills National Landscape which attracts over 30 million visits per year and supports our thriving local visitor economy.

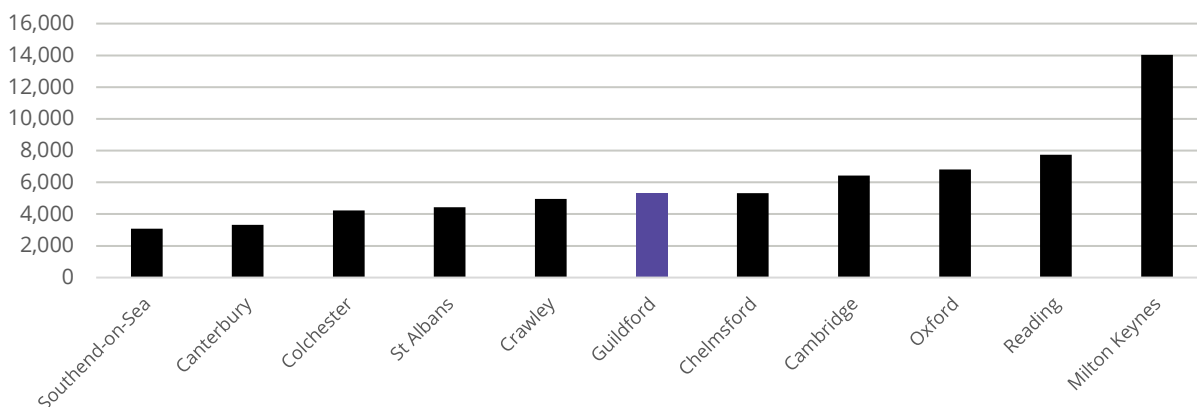


Figure 2.1: Gross Value Added, 2020 (£m)
Source: ONS, Regional gross value added (balanced) by industry (2020)

- 2.5 Our economy has, however, stalled in recent years. Evidence shows that in the five years preceding the COVID-19 pandemic we experienced very little economic growth unlike most other cities and aspiring cities around London³. It is likely that this has been exacerbated by the COVID-19 pandemic as economic growth slowed in most places across the country and we know that our businesses were hit hard.
- 2.6 As the table below illustrates, we are among the weakest performers on several economic metrics from 2015 which means that while we have stood still our competitors have started to catch up. This is weakening our position and making us a less attractive to businesses and investors. This is underlined by the recent loss of several important employers from our borough to competitor locations, including

³ We have benchmarked our economic performance against cities around London, as well as major towns around the M25 that recently applied to become cities, as we consider these to be our main competitors for investment bar our more immediate neighbours.

Ericsson (moved to Reading), BOC (moved to Woking), IDBS (moved to Woking), Alexander Dennis (moved to Farnborough) and Sanofi (moved to Reading).

Table 1.1: Economic Change

Employment Change (%), 2015-2020	Business Change (%), 2016-2021	GVA Change (%), 2015-2020	Business Start Up Rate (%), 2015-2020
Cambridge 20%	Colchester 10%	Chelmsford 17%	Milton Keynes 14%
Crawley 8%	Crawley 10%	Cambridge 16%	Reading 14%
Reading 7%	England 9%	St Albans 14%	Crawley 14%
Chelmsford 6%	Milton Keynes 8%	England 13%	England 13%
Colchester 4%	Chelmsford 7%	Colchester 13%	Colchester 13%
Canterbury 3%	Canterbury 5%	Oxford 13%	St Albans 13%
England 3%	Cambridge 4%	Milton Keynes 11%	Southend-On-Sea 13%
Milton Keynes 2%	Oxford 3%	Canterbury 10%	Cambridge 12%
Guildford 1%	Southend-on-Sea 3%	Southend-On-Sea 9%	Chelmsford 12%
Oxford 0%	St Albans 3%	Guildford 9%	Canterbury 12%
Southend-on-Sea 0%	Reading 1%	Reading 3%	Oxford 12%
St Albans -1%	Guildford 1%	Crawley -7%	Guildford 11%

Sources: ONS Business Register and Employment Survey (2020); ONS UK Business Count (2021); ONS Regional Gross Value Added by Industry (2020).

- 2.7 This provides our impetus and imperative to act and illustrates why the publication of this *Economic Development Strategy and Action Plan* is timely. If we want to retain our position as major contributor to the national and regional economy, and to continue attracting innovative businesses and entrepreneurs to our borough, we need to re-invigorate our economy.
- 2.8 Through our extensive analysis of Guildford’s economic, social and environmental context, and our wide-reaching consultation exercise, we have identified ten ‘blockers’ or ‘barriers’ that we need to address to do this. These have been used to shape our vision for the local economy and to select thematic areas to focus on. They are summarised at a high level below, alongside illustrative statistics, but are explored in more depth throughout this document.
1. We have less commercial space than our competitors...
 - o Reading has 2.8x more office floorspace and 2.5x more industrial floorspace than we do.
 2. Our commercial space could better meet the needs of modern higher-value occupiers...
 - o Only 5% of our office stock and 4% of industrial stock is classified as ‘high quality’.
 3. We do not provide enough low-cost and supportive space for innovators and entrepreneurs...
 - o We do not have any innovation or accelerator type workspace in our town centre.
 4. Our housing market is highly constrained...
 - o We have to deliver at least 562 homes per year to meet our identified ‘need’.
 5. This is one of the most unaffordable places to live in the country...
 - o House prices are 13.2x higher than average workplace earnings.

6. Our local labour market profile limits some parts of the economy...
 - o Almost 70% of our residents are in highly qualified professional occupations making it difficult for foundational sectors to recruit.
7. We suffer from significant traffic and congestion...
 - o We are the 7th most congested borough in the entire country.
8. Our public transport connectivity could be stronger...
 - o Poor accessibility to education, skills and training provision are the main drivers of deprivation in our borough.
9. Our digital connectivity speeds are not sufficient for some innovative and high-wage businesses...
 - o Only 65% of our properties have access to Gigabit connectivity, versus 89% in Cambridge, 87% in Milton Keynes and 86% in Crawley.
10. Our town centre could better reflect worker needs...
 - o 40% of our units are occupied by national 'clone' chains which is more than nearly all of our competitors and double the national average.

2.9 Our view is that if we can address as many of these as possible, our economy is likely to start moving again. This is because we have strong foundations that can be built upon, ranging from our highly skilled labour force to our unique and diverse economic assets and anchors (Figure 2.2). As set out in Table 2, we also have some major strengths and opportunities that can be exploited to kickstart growth, such as our unique sector specialisms which we can use to attract likeminded businesses to Guildford, and the major development sites in and around our town centre that can provide new commercial space.

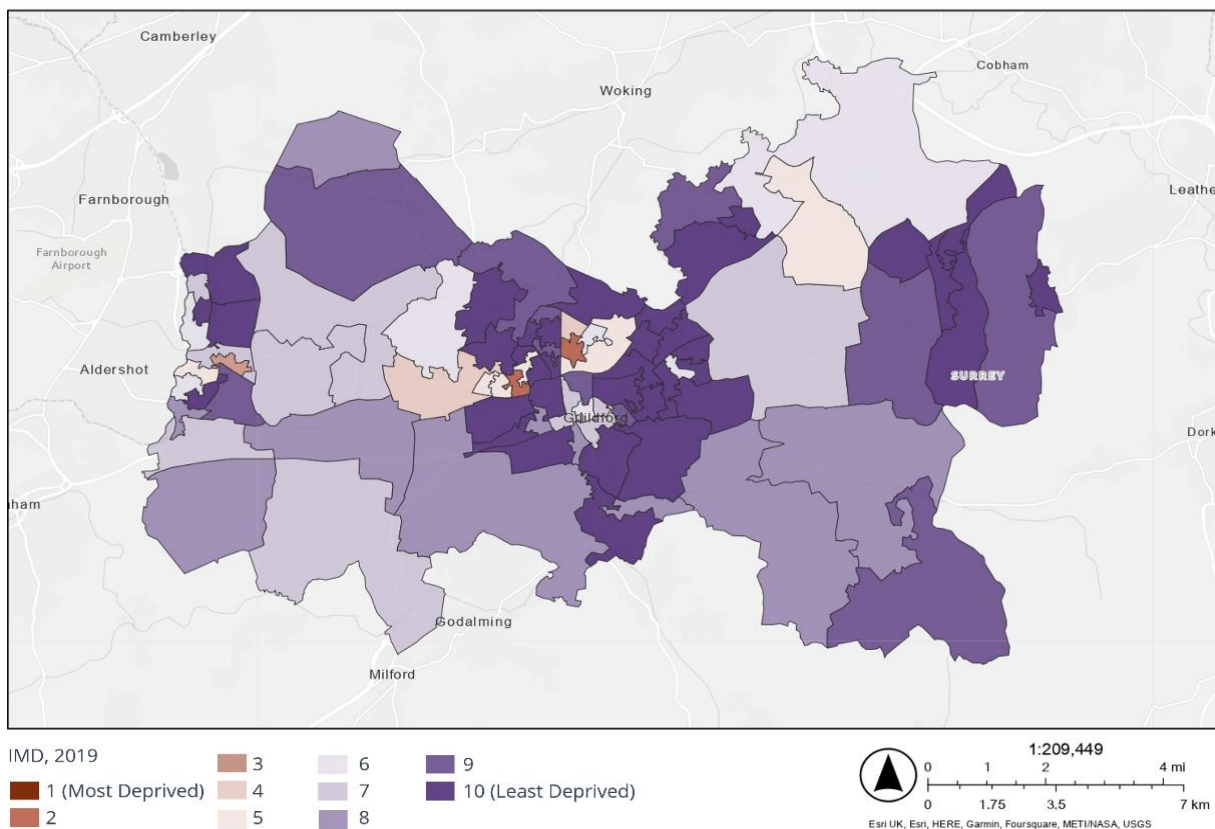


Figure 2.2: Deprivation, 2019
Source: MHCLG Indices of Multiple Deprivation (2019)

- 2.10 We do, however, recognise that we have a responsibility to ensure that our approach to economic development creates opportunities for *everyone* in Guildford, and that re-invigorating the economy in this way will not necessarily ‘trickle down’ to all members our community. From our analysis we know that despite our relative wealth we have pockets of less advantages communities across the borough, as the map above illustrates. We therefore need to make sure that the initiatives we deliver also help to tackle this wherever possible – helpfully our analysis tells us that our deprivation is primarily driven by barriers to housing, services and education which means we can deliver targeted responses.
- 2.11 We also recognise that air pollution and climate change are major concerns for our businesses, residents, and visitors. While this is not a net zero or environmental sustainability strategy, we need to ensure that re-invigorating our economy does not come at the cost of our environment, and that we harness opportunities presented by the low-carbon economy wherever possible. Analysis on air quality commissioned by Guildford Borough Council⁴ underlines the importance of this as it shows that some parts of our borough have dangerously high levels of greenhouse gases, most notably around the A3 and A31, and across the town of Guildford.

Table 2.1: Our Defining Economic Strengths, Weaknesses, Opportunities and Threats

Strengths	Weaknesses
<ul style="list-style-type: none"> ○ We are well-located and well-connected to other towns and cities, <i>and</i> major international airports. ○ Our residents are highly-skilled, well-educated and largely of working age. ○ We have a number of high-value, high-wage and specialised employment sectors ○ Our borough has a wide range of regionally and nationally significant economic assets. ○ We have a diverse business base characterised by productive rural and urban enterprises. ○ Our physical and natural environment is highly attractive to workers, businesses and visitors. 	<ul style="list-style-type: none"> ○ Our economy has grown slowly in recent years. ○ We have a constrained commercial property market that could better meet business needs. ○ Our high housing costs make it difficult for businesses to recruit workers. ○ We have infrastructure constraints limiting development and economic growth (e.g. broadband and active travel connectivity). ○ Our amenity offer has become less attractive to innovative and high-growth businesses versus competitor locations in recent years. ○ Our lack of investment in infrastructure and development is damaging businesses’ perceptions of our borough.
Opportunities	Threats
<ul style="list-style-type: none"> ○ We have employment sites that can be expanded or intensified to deliver positive economic impact. ○ Our town centre has opportunity sites that can be used to support economic development and housing. ○ Our partners are delivering programmes that we can leverage and support to deliver local benefit. ○ We have high growth sectors that can support the reinvigoration of our economy. ○ Our public bodies own sites and assets that could be utilised to deliver greater economic impact. ○ Our council is proactively investing in infrastructure and regeneration projects. ○ Our natural, cultural and heritage assets can be used to create more economic value. 	<ul style="list-style-type: none"> ○ Our constrained commercial market and lack of development could drive more businesses out. ○ Economic projections suggest some of our competitors may see higher levels of economic growth in coming years threatening our position. ○ Our housing challenges may see the private sector put more pressure on our public bodies to convert productive employment space to residential uses. ○ Climate change, and associated hazards such as flooding, are likely to bring new challenges to our business and residents. ○ Our fall in international migration following the Brexit referendum may make it difficult for our businesses to fill vacancies in the future.

⁴ Detailed Air Quality Modelling and Source Apportionment, Guildford Borough Council (2019).



Figure 2.2: Our Economic Assets and Anchors
(From Left to Right, From Top To Bottom: University of Surrey, Slyfield Industrial Estate, Surrey Research Park, Guildford Town Centre, Guildford College and Guildford Station)

3. Guildford's Future Economy: The Next Ten Years

3.1 Following detailed analysis of our economic position, and extensive and wide-ranging discussions between partners, we have agreed that we need to take concerted and focused action to reinvigorate our economy and restore our economic position. We must work closely together to unlock our economy by addressing our 'barriers' and building on our wide-ranging strengths and opportunities. This is captured in our ten-year vision, which will act as our mission and 'rallying cry' for future action:

"We will re-establish Guildford as the beating heart of Surrey's economy. We will be widely known for our modern, innovative, progressive, productive, inclusive and green economy, characterised by unique clusters of high growth knowledge- and production-based economic activity.

Attracted by our world-class university, ground-breaking hospital, regenerated town centre, intensified employment areas and unrivalled heritage, cultural and natural assets, we will become the number one place in the South East for workers, entrepreneurs and businesses to locate.

Enterprises that choose Guildford, or have roots here, will receive first-class support from our pro-business partners to help them start-up, scale and grow, and, most importantly, clear and obvious connections will be created with our residents to ensure that everyone has the opportunity to benefit from economic success".

3.2 This *Economic Development Strategy and Action Plan* sets out how we will achieve this. Responding to our economic context, consultations with stakeholders, and, crucially, the *Foundations of Economic Development* set out on Page 18, it is structured around six broad thematic areas that represent our priority areas for intervention:

1. **Productivity:** Boosting enterprise, clustering and innovation;
2. **Property:** Meeting business and worker needs;
3. **People:** Connecting people with opportunity;
4. **Provision:** Upgrading our physical and digital infrastructure;
5. **Place:** Transforming our town centre offer; and,
6. **Planet:** Mitigating the environmental impact of economic activity.

These are discussed in more detail throughout this chapter, and we will work hand in glove with one another to bring forward actions associated with each.

3.3 Across these we will use all the levers we have at our disposal to deliver positive change. These are:



Anchor: Using our powers, day-to-day activities, and operational expenditure to support economic activity.



Facilitator: Bringing businesses, organisations and anchor institutions together to collaborate on projects and deliver positive economic change.



Advocate: Championing our area to ensure policies, projects and funding supports and benefits our local economy.



Marketer: Attracting businesses, entrepreneurs and investors to Guildford by communicating its benefits and brokering relationships between important players.



Commissioner: Procuring goods and services to support economic development and securing public and private investment to pay for it.



Deliverer: Actively delivering physical and non-physical projects that support economic development ambitions.

3.4 Given the increasingly constrained funding environment we operate in we will focus on interventions that have high impact but limited resource implications, particularly those that fall under the 'anchor', 'facilitator' and 'advocate' categories. That said, we recognise that we will need to do more than this to move the dial on our economic performance. We have therefore identified ten priority interventions that we think could help deliver significant positive impact for our economy and will represent our priorities for investment:

1. Actively direct local businesses in high-value, high-growth sectors to the support and innovation programmes offered by Enterprise M3, the University of Surrey, Surrey Chamber of Commerce, Surrey County Council and others;
2. Continue to work with Surrey County Council, Enterprise M3 and the Department for International Trade (DIT) to raise the profile Guildford's Gaming industry, and identify other regional clusters to promote and nurture;
3. Continue to progress and drive forward the *Shaping Guildford's Future* and Weyside Urban Village regeneration schemes, and ensure they include the right space types to support high-value high-growth sectors and their supply chains;
4. Explore how council-owned sites (e.g. Slyfield Industrial Estate) could be better utilised to meet employment and housing aspirations, much like has been achieved at Midleton Enterprise Park through our Industrial Estate Growth Strategy;
5. Review publicly-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs and micro-businesses in our town centre;
6. Work collegiately with developers to unlock and deliver large-scale development schemes that align with the aspirations of this strategy, most notably Blackwell Farm, Wisley Airfield, North Street and Gosden Hill;
7. Continue to work with Network Rail and Surrey County Council to explore the feasibility of delivering new Guildford West (Park Barn) and Guildford East (Merrow) stations to improve connections to future communities and employment areas;
8. Enable Enterprise M3 to deliver the Gigabit EM3 Fibre Spine by providing the support, connections, licences and permissions they need;
9. Develop a comprehensive and granular land use strategy as part of the *Shaping Guildford's Future* programme to support the diversification of our town centre, and explore whether any publicly or privately-owned assets could be used to encourage entrepreneurs to experiment and test new concepts on the high street; and,
10. Provide advice and support for businesses to 'grow their own' skills through reskilling and upskilling programmes, including directing and signposting businesses to existing and forthcoming support (including the Enterprise M3 Apprenticeship and Skills Hub).

Building on Existing Momentum

3.5 Recognising that our economic performance has been weak in recent years, we have already started bringing forward several major investments across the borough. These are 'pre-cursors' to our future economic success, and act at the starting point for achieving our ten-year vision. A summary of the most significant are set out below to capture existing momentum that exists locally:

1. Weyside Urban Village: Guildford Borough Council is working to bring forward an exciting new urban village adjacent to the River Wey that will incorporate 1,500 new homes, complemented by shops, green space, nurseries, community uses and healthcare facilities. The scheme also incorporates 7,000 sqm of new employment space to complement the highly successful Slyfield Industrial Estate which sits nearby.
2. Friary Quarter: St Edward is currently working to regenerate North Street to enhance and improve this part of our town centre. They have developed a clear vision to *"bring the area back to life by delivering new spaces to eat, shop, live, meet and play, in high quality buildings and surrounded by beautiful public realm"*. Two important elements of the scheme involve the provision of a new bus station and the pedestrianisation of North Street to improve the visitor experience.
3. Guildford Park Road Regeneration: Guildford Borough Council is currently developing plans to deliver new homes on the former Guildford Park Road Car Park, which sits to the northwest of Guildford Station. The objective of the development, which is currently in its design phase, is to provide much needed new homes, including affordable homes, across a range of types and tenures.
4. Guildford Sustainable Movement Corridor: Guildford Borough Council, Surrey County Council and National Highways are currently working together to improve sustainable travel options between the Royal Surrey County Hospital, University of Surrey and Guildford Station. This involves the provision of new pedestrian and cycle paths to better link up disparate parts of our town, as well as bus lane improvements to reduce journey times and improve public transport connectivity.
5. Wisley Interchange Highway Upgrades: National Highways is currently working with Guildford Borough Council and Surrey County Council to deliver a £300m upgrade to the Wisley Interchange between the A3 and M25. The aim is to reduce congestion and improve reliability, which is important for Guildford as it is our main gateway to the rest of the country and wider South East.
6. Midleton Enterprise Park: Guildford Borough Council have recently re-developed several industrial units to provide high quality, flexible industrial space for micro, small and medium-sized production and distribution type businesses in this area. More re-development is underway on this site as part of Guildford Borough Council's proactive Industrial Estate Growth Strategy.



Figure 3.1: Weyside Urban Village (Top) and Guildford Park Road (Bottom)

Focus On: The Foundations of Economic Development

Local economic development is typically defined as a broad set of activities that bring local partners together to generate wealth and improve livelihoods by stimulating the economy of an area through the use of resources, powers, and influence.

There are a range of metrics to track economic development, but it has traditionally been measured using Gross Value Added (GVA) which refers to the value generated in an area by businesses and organisations engaged in the production of goods and services - it can be reported in absolute and relative terms (i.e. GVA versus GVA Per Worker or GVA Per Hour Worked).

There is much literature exploring the factors that underpin places that have high GVA, and perform strongly on other traditional economic measures including those related to employment, business, sectors, income and economic activity. These studies typically refer to a wide range of economic drivers such as enterprise, innovation, inward investment, commercial space, transport, digital infrastructure, skills, education and amenities.

This is emphasised by the Government's "*What Works*" Centre for Economic Development which has conducted a thorough review of studies evaluating interventions intended to stimulate local economic growth. While each place is unique, and there are place-specific influences, they identify several factors that are consistently important in supporting local economic growth:

1. **Finance:** Provision of public sector loans or grants to firms where the market is failing to boost enterprise (e.g. to help micro, small and medium sized businesses expand);
2. **Transport:** Provision of strong public and private transport connectivity to support the productivity of firms and workers (due to efficient travel times), and attract new businesses that demand connectivity to other economic nodes;
3. **Training:** Provision of direct and indirect training and education opportunities to improve the skills of the local population – skilled labour markets can enhance the productivity of firms and attract inward investment;
4. **Apprenticeships:** Provision of apprenticeships to enhance the skills and wages of local people, and support firm level productivity;
5. **Incentives:** Provision of area-based incentives to attract investment, support growth and enhance productivity (e.g. tax breaks, wage subsidies, simplified planning etc);
6. **Broadband:** Provision of high bandwidth and rapid digital connectivity to enhance firm level productivity and attract high-value modern businesses;
7. **Business Advice:** Provision of structured business advice and/or long-term mentoring to support business creation, improve business survival, enhance productivity, and boost employment growth;
8. **Housing:** Provision of a mix of housing types and tenures for a mixed and skilled labour market which is important for economic growth and inward investment;
9. **Innovation:** Provision of grants, loans, funding, facilities and amenities that support firms to develop new products, services or methods that boost productivity;
10. **Public Realm:** Provision of high-quality public realm in town centres and commercial areas to boost footfall, interest, expenditure, and inward investment; and,
11. **Culture and Leisure:** Provision of creative, cultural, sports, leisure and tourism events and assets to support wellbeing, and economic growth through employment and visitor spend.

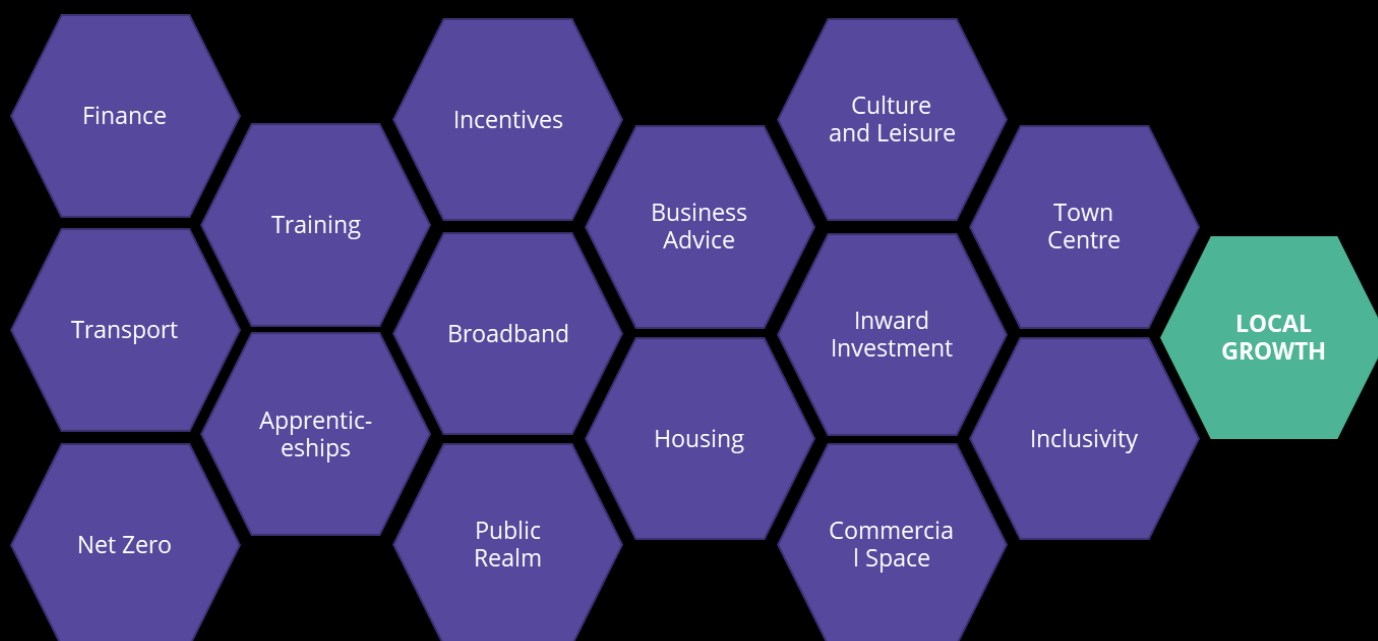
Given their importance, we will ensure that these factors underpin our approach to economic development in Guildford. We will also add (a) inward investment, (b) commercial space and (c) town centre diversification to the list, as we know that these are also relevant for driving economic growth particularly in our borough. This approach reflects the Government's previous *Industrial Strategy*, which defined five "pillars" of economic growth

(Ideas, People, Infrastructure, Business Environment and Places), and the current *Levelling Up* 'Missions' and 'Drivers' which are intimately linked to these factors.

While these traditional metrics and factors support economic development, it is worth noting that economic growth does not always translate to improved livelihoods for *all*, is not a silver bullet for improving wellbeing and can lead to unintended economic, social and environmental consequences. For example, some of the most economically productive towns and cities across the country suffer from high levels of inequality, deprivation, congestion and air pollution which are in part linked to their economic success – we know that these issues are particularly acute in London, Oxford and Cambridge.

This has led to the rise in alternative approaches in economic development such as 'inclusive growth', 'triple bottom line', 'doughnut economics', 'green economics', 'good growth', 'socio-economic development', 'levelling up', and 'low carbon economics'. There are also a wide range of holistic measures that are now commonly used that consider economic, social *and* environmental factors such as the *Indices of Multiple Deprivation* – a combined measure of deprivation based on 37 indicators. While we are not explicitly adopting any of these approaches in this strategy, we will ensure that addressing environmental and social issues also underpins our approach to delivering future economic growth.

Figure 3.2: Foundations of Economic Development



Productivity: Boosting Enterprise, Clustering and Innovation

Why is action needed?

- 3.6 We have a reasonably productive economy in both absolute and relative terms – as previously discussed, it generates around £5.3b per year which translates to £58k per worker⁵. This links to our sector mix which is dominated by knowledge- and production-based industries in the private sector.
- 3.7 Although this is relatively positive, we have been resting on our laurels in recent years and our economic growth has ground to a halt as outlined earlier in this document. This is due to a lack of commercial development and the loss of major employers to competitor locations over the last five years, as well as a range of other ‘barriers’.
- 3.8 We are surviving on our past successes and if we do not act it is likely that our more interventionist rivals will catch up and we will continue to lose our competitiveness. This is reflected in economic projections which indicate that places like Milton Keynes, Oxford, Cambridge, Reading and Canterbury could experience more rapid economic growth than Guildford over the next five to ten years.
- 3.9 Closely related to this our levels of enterprise and innovation could be stronger. For example:
- Between 2015 and 2020 our Business Start Up Rate⁶ was 11% which is significantly lower than at both the national (13%) and South East (16%) levels over this period⁷.
 - Between 2008 and 2017 55 patents were registered by businesses in our borough which is lower than in Cambridge (292), Oxford (230⁸), Milton Keynes (129) and Reading (84)⁹ over the same period.

This is of particular concern as both entrepreneurship and the innovation of new ideas, products and processes are widely recognised as key drivers of economic growth.

How will we respond?

- 3.10 We will respond to this by focusing our energies on supporting the growth of high-value sectors that are either already growing rapidly or highly specialised in our borough. Those that present the most opportunities for our future economic success include Professional Services, Information Technology (incorporating Artificial Intelligence), and Health, and niche sub-sectors such as Space & Satellite Technology, Video Gaming, Digital, Pharmaceuticals and Medical Technology.
- 3.11 We will work together to create both local and regional clusters of businesses in these sectors to boost productivity and generate agglomeration effects. Those that also present a regional opportunity, and will therefore benefit from additional targeted support from Enterprise M3 and Surrey County Council, include Professional Services, Space & Satellite Technology, Video Gaming and Medical Technology.
- 3.12 Supporting these sectors is a common thread that runs throughout this strategy, and intervention is required across several thematic areas to catalyse their growth (most notably Property, People and Place). This theme focuses on providing *direct* support to existing and prospective businesses to boost enterprise, clustering and innovation.
- 3.13 In this vein, our overarching response is to ‘get the basics right’ by improving our engagement with existing businesses *and* those considering locating in our borough. We will achieve this by improving

⁵ ONS. Regional Gross Value Added by Industry (2020).

⁶ The number of new businesses established in a given year as a proportion of the total business base.

⁷ ONS. UK Business Count (2021).

⁸ This incorporates registration in South Oxford which includes parts of the city itself.

⁹ Intellectual Property Office. Patents Granted by Local Authority (2018).

our 'front door', meaning that businesses in these sectors that engage with Guildford Borough Council or partners are directed to the support, advice, and opportunities they need to prosper.

- 3.14 This will require us to accelerate the roll out of our new customer relationship system to *all* departments, while also ensuring economic development officers keep up-to-date with all schemes, programmes, initiatives, funding and opportunities offered by partners for businesses in priority sectors. This will require officers to undertake an audit and gap analysis to identify (a) what business support is currently available; and, (b) what additional support could be offered to enhance provision.
- 3.15 Once this is in place, we will also actively market our borough to entrepreneurs, businesses and investors working in our priority sectors. Using existing platforms as a basis (e.g. Invest in Surrey) we will undertake proactive inward investment activities to communicate the locational benefits of our borough and direct interested parties to local opportunities.
- 3.16 This will require a joined-up approach between Guildford Borough Council, Enterprise M3, Surrey County Council, Surrey Research Park, Guildford Businesses Park, Invest in Surrey, commercial property agents and other inward investment players to ensure that we adopt a 'One Guildford' or 'One Surrey' approach to attracting new enterprises to our area. We need to make sure that if one partner cannot find an investment opportunity for an interested business someone else can step in to support them.

What actions will be prioritised by Guildford Borough Council?

- Explore opportunities to enhance the use of Guildford Borough Council's new Salesforce Customer Relationship Management (CRM) system to improve our 'front door' with businesses (Anchor).
 - This will help ensure our communications are joined up and that every interaction with businesses is informed by previous communications – this is crucial for us to come across as a 'business friendly' council.
- Work with Waverley Borough Council to produce collateral to signpost businesses to the support, advice and/or opportunities they need to prosper when they contact Guildford Borough Council and partners (Facilitator).
 - We will work with partners to capture the existing offer on a dedicated webpage on the Guildford Borough Council website that is updated regularly by officers.
- Actively direct businesses in priority sectors to the support programmes already offered by Enterprise M3, the University of Surrey, Surrey Chamber of Commerce, Surrey County Council and others, and help them to unlock the opportunities these present (Facilitator).
 - Examples of different programmes are set out below
- Work with Waverley Borough Council to undertake an audit of the business support offer available to local enterprises and use this as a basis to co-commission targeted support for different sized businesses within our target sectors (Deliverer).
 - We will engage with other local boroughs that have implemented similar schemes to explore any lessons learned from their experience.
- Work with Waverley Borough Council to use Rural Prosperity Funding to ensure that rural businesses continue to have access to funding that they can use to grow, adapt and evolve (Facilitator).
 - This will focus on small and micro businesses and will be a continuation of the Surrey LEADER programme that has previously supported rural business expansion.
- Engage with at least 20 businesses in priority sectors on an annual basis to understand their aspirations, plans and challenges (Facilitator).
 - We will use this intelligence to offer tailored responses that help support each business to reach their potential within the borough.
- Organise bi-annual 'Business Question Time' events with Waverley Borough Council to connect local businesses with one another and to encourage knowledge transfer.

- This will build on our first successful Business Question Time event held in December 2022 at Charterhouse School.
- Continue to work with Surrey County Council, Enterprise M3, the Department for International Trade (DIT) and the Association for UK Interactive Entertainment (UKIE) to raise the profile of Guildford's Gaming industry through the Guildford Games Cluster and the Guildford and Aldershot *Immersive Visualisation and Gamification High Potential Opportunity* (Marketer).
 - This will involve, as a minimum, ensuring our partners are aware of developments 'on the ground', such as new start-ups, business relocations and commercial space vacancies.
- Work with Enterprise M3 and Surrey County Council to raise the profile of other regional clusters that are relevant to Guildford, including Medical Technology.
 - We will work with partners to ensure that the profile Guildford's businesses and assets are at the forefront of regional promotional activity.
- Develop inward investment collateral that captures the locational advantages and opportunities offered by the borough (Marketer).
 - We will capture this on a dedicated webpage on the Guildford Borough Council website that includes clear links to the Invest in Surrey website and collateral.
- Agree a regular list of events and engagements that officers from Guildford Borough Council and Waverley Borough Council can attend to raise the profile of the boroughs among investors, funders and policymakers (Marketer)
- Work with partners to explore options to market Guildford to entrepreneurs and businesses in priority sectors looking for a new base (Marketer).
 - Our options range from placing advertisements in sector-specific publications to targeted social media campaigns.

Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
GVA	£5.3bn (2020)	£6bn	£7bn
GVA Per Worker	£58k (2020)	£65k	£70k
Business Start Up Rate	9% (2020)	15%	18%
Successful Inward Investments	Not currently recorded	30	70

Focus On: Existing Business Support Offer

Our partners offer a wide range of business support services that we can direct our businesses towards to. In line with our aspiration for Guildford, most of these focus on supporting high-growth and high value businesses that can deliver a step-change for local and regional economies.

Enterprise M3 is the main business support provider at present. Their most prominent programme is their High Growth Companies Programme which provides dedicated support to help high-value businesses increase their revenue and profit. They offer access to specialist software (i.e. GROWTHmapper), coaching, mentoring, and business planning support as part of this.

The University of Surrey also offers business support for start-ups via their Set Squared Programme and associated incubator hub on the Surrey Research Park. This is available to any high potential business, but those that meet their entry requirements have access to a broad suite of support. This ranges from one-to-on sessions with their International Trade Advisor and mentoring with seasoned experts, to access to their Open Innovation Programme which connects entrepreneurs with world-leading corporates who are leaders in their respective fields. They also run the S100 Angels Investment Network which helps to connect high growth businesses with Angel Investors.

Property: Meeting Business and Worker Needs

Why is action needed?

- 3.17 We have a wide range of important employment sites across our borough – examples include the Surrey Research Park, Slyfield Industrial Estate, Guildford Business Park, Midleton Enterprise Park, Tannery Studios, Guildway Office Park, and London Square. Together these and others support a broad diversity of businesses within 3.7m sq ft of office space and 3.4m sq ft of industrial space¹⁰.
- 3.18 While this is not an insignificant amount of space, it is much less than many of our more productive competitors. For example, Reading has 10.4m sq ft of office space and 8.7m sq ft industrial space respectively, Milton Keynes has 9.5m and 32m sq ft, Oxford has 4.7m and 7.2m sq ft, Chelmsford has 4.6m and 5.5m sq ft and Crawley has 4.5m and 8m sq ft respectively¹¹. This means we have less capacity for business activity than these locations limiting the size, scale, and breadth of our economy.
- 3.19 The nature of our existing commercial space offer could also better meet the changing demands of businesses in our priority growth sectors. Since the COVID-19 pandemic, and the rise in hybrid working, higher-value office-type occupiers are increasingly demanding high-quality and flexible space close to public transport nodes and vibrant town centres. Our office stock does not align with this:
- Only 5% of our office stock is classified as 'high quality' versus 47% in Reading, 35% in Crawley, 30% in Cambridge and 20% in Milton Keynes¹²;
 - Nearly all of our major office clusters are located away from our main train station and town centre (e.g. Surrey Research Park, Guildford Business Park, London Square, Cathedral Hill and Guildway Office Park); and,
 - Most of our office stock is large floorplate stock available on long and inflexible lease terms, particularly space located close to the town centre (e.g. Ranger House and Bridge House).

Our industrial offer is, in contrast, better located and more attractive for target occupiers but also suffers from issues related to flexibility, quality, sustainability and density – except for on the Midleton Enterprise Park which has recently benefitted from the provision of new higher-quality units.

- 3.20 We also lack highly-flexible and lower-cost business space directly targeted at entrepreneurs, micro businesses and home workers – this is likely to be influencing our comparatively low levels of enterprise and innovation, and is a concern because 33% of our 'high growth' businesses employ under five people and 85% employ fewer than 49 people. Many of our more productive competitors have an array of these types of spaces in their town centres - for example, Oxford City Centre is well served by Oxford Innovation Space, Makespace Oxford, Make Oxford, Grassroots Workspace, Urbanoid, and Oxford DevSpace.
- 3.21 Compounding this we also suffer from a highly constrained residential market – median house prices are £485k which is 30% higher than across the South East and 63% above the national average¹³, and we have not delivered enough new homes to meet rising demand over the last decade. This makes it difficult for businesses to attract and recruit workers, most notably highly-skilled graduates and young professionals starting families, and is contributing to a 'brain drain' of talent to more affordable towns and cities. It also makes it harder to recruit lower-skilled workers in foundational roles as most are unable to live and work locally. We need to respond to this in line with our identified housing need¹⁴.

¹⁰ CoStar. CoStar Analytics (2022).

¹¹ CoStar. CoStar Analytics (2022).

¹² CoStar. CoStar Analytics (2022).

¹³ ONS. House Price Statistics for Small Areas (2021).

¹⁴ See the Guildford and West Surrey Housing Market Needs Assessment (2015).

How will we respond?

- 3.22 We will respond to this by seeking to use our sites and assets to provide the commercial and residential space our businesses and workers demand. This will involve reviewing our existing landholdings and exploring whether they can be intensified or redeveloped to deliver more floorspace.
- 3.23 From a Guildford Borough Council perspective, this will involve the active delivery of large mixed-use regeneration schemes that incorporate commercial and residential uses. Examples include the Weyside Urban Village, and several sites identified in the emerging *Shaping Guildford's Future Masterplan* including Town Wharf, Bedford Wharf and Woodbridge Meadows.
- 3.24 We will also explore options to better use council-owned sites (e.g. Slyfield Industrial Estate, Lysons Industrial Estate and Woodbridge Meadows), which will involve undertaking detailed feasibility, capacity and masterplan studies to explore possibilities for each site. Several sites are currently being reviewed as part of Guildford Borough Council's Industrial Estate Growth Strategy.
- 3.25 Partners such as the Surrey Research Park, University of Surrey, Guildford Cathedral and Royal Surrey County Hospital will also do this as part of their estate strategies. Where feasible options exist we will all actively pursue the delivery of schemes, working together where possible.
- 3.26 Aligned to this we will also consider how our existing assets could be better utilised to deliver greater economic output. Guildford Borough Council, for example, will explore whether opportunities exist to partially or fully repurpose any of our commercial assets to provide space for 'high growth' and high potential micro businesses, while also reviewing whether any of our commercially let assets could be refurbished or re-oriented to better meet the changing needs of businesses in our priority sectors.
- 3.27 More broadly we will use our collective influence and powers to encourage the right type of uses to come forward in the right places, and to protect commercial assets that already exist. Among other things, this will include updating our Employment Land Review to reflect the changing macro- and micro-economic context and to provide site specific guidance for opportunity sites particularly where existing guidance does not yet exist. We will also work proactively developers to maximise the positive economic impacts of schemes.

What actions will be prioritised by Guildford Borough Council?

- Continue to pursue the Weyside Urban Village regeneration scheme (Deliverer).
 - We will carefully consider how commercial space provision can be tailored to priority sectors and/or their supply chain to drive productivity growth.
- Progress and drive forward the delivery of the *Shaping Guildford's Future* town centre masterplan (Anchor and Deliverer).
 - We will ensure that suitable business space is provided through this exercise, and that our new residential offer caters to workers in priority and foundational sectors.
- Finalise the feasibility work and begin delivery of the Guildford Park Road Regeneration scheme (Deliverer).
 - This will incorporate a wide mix of housing tenures to support the varying needs of our working age population.
- Explore how council-owned sites (e.g. Slyfield Industrial Estate) could be better utilised to meet employment and housing aspirations, much like has been achieved at Midleton Enterprise Park through our Industrial Estate Growth Strategy (Deliverer).
 - This will involve undertaking masterplans and feasibility studies for sites that are the most deliverable and offer the greatest capacity for change, and pursuing our Industrial Estate Growth Strategy.

- Review council-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs, micro-businesses and hybrid workers (Deliverer).
 - Our town centre and business base would benefit from new accelerator/incubator type spaces, incorporating wraparound business support. These could focus on complementary priority sectors (e.g. Digital, Video Gaming and Information Communication), as well as highly flexible space for different types of occupiers (including entrepreneurs and hybrid workers). Where using our own assets we will look to source a specialist operator to provide space that meets the needs of priority sectors.
 - Like many private and public sector investors we will also consider, where possible, how we can maximise environmental and social value as well as financial returns from our property portfolio.
- Support anchor institutions to unlock large-scale development schemes that align with the objectives of this strategy, most notably the extension of the Surrey Research Park (Facilitator).
 - This might involve helping to identify delivery expertise and providing support through a Planning Performance Agreement.
- Proactively work with private sector developers to maximise the economic, social and environmental benefits of mixed-use schemes in planning or coming forward (Anchor).
 - Examples include Wisley Airfield, North Street, Gosden Hill and the former Debenhams store.
- Upgrade existing council-owned assets to better meet the needs of our priority sectors (Anchor).
 - New MEES (Minimum Energy Efficiency Standard) legislation from central Government requires landlords to invest in the sustainability of their commercial assets, which provides us with a unique opportunity to make wider improvements to our commercial portfolio.
- Update the existing Employment Land Review to reflect the changing economic context, and consider the merits of introducing an affordable workspace policy (Anchor).
 - This will include more qualitative elements than our previous Employment Land Reviews with site-specific reflections and recommendations included.
 - It will also consider whether any Article 4 directions should be introduced to protect any 'at risk' employment sites as there are limited opportunities to bring forward space in the future.
- Work with Experience Guildford to explore opportunities to introduce workspace in vacant retail units in the town centre, either on a meanwhile or permanent basis (Facilitator).
 - This will help diversify our town centre, address rising vacancies and increase footfall.

Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Quantum of office floorspace	3.7m sq ft (2022)	3.9m sq ft ¹⁵	4.5m sq ft
Quantum of industrial floorspace	3.4m sq ft (2022)	3.5m sq ft ¹⁶	3.6m sq ft
Proportion of 'high quality' office floorspace	5% (2022)	20%	35%
Proportion of 'high quality' of industrial floorspace	4% (2022)	10%	20%
Number of flexible and start-up workspaces in town centre	4 (2022)	5	7
Average annual housing delivery	393 (2015-2022)	660 ¹⁷	660

¹⁵ These targets align with Guildford's current *Employment Land Needs Assessment* (2017) but will need updating following a refresh of the evidence base, including the ten year target which at present is based on bringing Guildford's stock closer to its competitor locations.

¹⁶ Ibid.

¹⁷ These targets reflect Guildford Borough Council's Local Plan target to deliver 10,678 units between 2015 and 2034, taking into account completions since 2015 (2,751).

People: Connecting People and Opportunity

Why is action needed?

- 3.28 Our borough is home to 150,000 people, many of whom are highly qualified, of working-age and have higher-wage occupations. This is reflected in the relative affluence of our population – average annual resident earnings are over £40,000 which is higher than both the South East (£34,000) and England (£31,500) averages¹⁸. Despite this, our borough is facing acute skills shortages in higher-value, higher qualified roles *and* in our foundational economy – this is constraining our current and future economic growth.
- 3.29 In relation to highly-skilled roles, even though our borough produces a large number of qualified and skilled graduates from the University of Surrey, our evidence base suggests that younger professionals are less likely to be attracted to Guildford as a place to *work* than other nearby towns and cities. While some employers can offer a premium to attract highly qualified employees from elsewhere, this is not a permanent or long-term fix to attracting skilled workers and we need to act to provide the right amenities, housing and leisure offer to better appeal to these individuals. This is even more important given that international migration of skilled labour has fallen following the Brexit referendum.
- 3.30 In relation to the foundational economy, which refers to the services and products that we rely on in our everyday lives (e.g. health services, food, housing, energy, construction, tourism and retailers), we are also facing challenges. Businesses report that their largest skills gaps are in associate professional occupations¹⁹, as well in care and leisure occupations, skilled trades occupations and elementary staff. These sectors are constrained by a low share of existing residents working or qualified within these types of jobs, which links to issues around housing and living costs in our borough. The challenge relating to care and leisure is likely to increase in scale given that projections indicate that our population aged over 65 is likely to increase by +31% between 2018 and 2043²⁰.
- 3.31 Linked to the above we also have pockets of deprivation across the borough. The main driver of deprivation in these areas are barriers to housing (notably affordability), services and education, which illustrates that these people are struggling to access the opportunities that our economy offers and that we need to lower these barriers to tackle deprivation.

How will we respond?

- 3.32 We will work with our partners to ensure higher-value sectors have access to the skills they need to prosper. We will do this by making our borough more attractive to young professionals (such as through housing delivery and town centre improvements as part of the emerging *Shaping Guildford's Future Masterplan*), supporting businesses to 'grow their own' skills through partnerships with Surrey County Council and Surrey Chambers of Commerce via the Strategic Development Fund, Local Skills Improvement Plan and Surrey Skills Plan, and by working with partners to provide courses that help fill our skills gaps.
- 3.33 We will also work collaboratively to ensure that our foundational economy has the talent it needs, and support people in less advantaged communities to upskill in areas that offer 'good' jobs. We will do this by mapping skills gaps within the sector and working with partners to bring relevant programmes closer to those who could help fill these gaps.

¹⁸ ONS. Annual Survey of Hours and Earnings (2020).

¹⁹ Department for Education. Employer Skills Survey (2019).

²⁰ ONS. Population Projections (2018).

What actions will be prioritised by Guildford Borough Council?

- Work with education delivery partners in Guildford to continue to access funding through the EM3 *Strategic Development Allocation* that aligns with skills need of the borough including green skills, technical skills and professional skills.
 - This builds on funding received by Activate Learning in 2022-23 to foster skills within the agri-tech, electric and hybrid vehicles, green construction and professional services sectors.
- Encourage businesses to engage with the development of both the *Surrey Skills Demand Framework* (Surrey County Council) and *Local Skills Improvement Plan* (Surrey Chambers of Commerce) to better understand the skills gaps and occupational shortages facing our borough's businesses.
 - This could also include exploring opportunities to improve our in-house knowledge of the local skills landscape through purchasing of local job board insights and through knowledge-sharing with Surrey County Council and Surrey Chambers of Commerce.
- Explore the opportunity to create a Student Skills Partnership role to liaise with the University of Surrey, Guildford College, Academy of Contemporary Music (ACM) and other institutions, as well as town centre businesses, on local skills matters, including investigating opportunities for students to plug gaps in town centre entry level employment.
 - This should take advantage of our student population who can fill entry level, part-time and/or temporary positions across catering, retail and other foundational economy sectors.
- Work with Waverley Borough Council to provide advice and support for businesses to 'grow their own' skills through reskilling and upskilling programmes.
 - This will include directing and signposting our businesses to existing and forthcoming support, including the *EM3 Apprenticeship and Skills Hub*.
- Explore opportunities to use the emerging *Shaping Guildford's Future Masterplan* to create housing that meets the needs of the borough's future labour market.
 - This will include provision of high-quality, modern rented accommodation – with some targeted at young professionals and others at key workers supporting our foundational economy.
- Work with Waverley Borough Council to explore the potential for both councils to adopt principles of Community Wealth Building within their current structures.
 - Initiatives will include exploring whether it is possible for both councils to work towards becoming accredited Living Wage Employers for all staff and contactors, and exploring opportunities to develop apprenticeship positions targeted at people in our less advantaged communities.
- Explore opportunities to better support the foundational economy.
 - This could include establishing a funding programme similar to the *Challenge Fund* by Welsh Government to catalyse foundational economy activities in communities where clear gaps in the provision of key services are identified – particularly in our more rural communities. This could link in with existing community programmes such as Crowdfund Guildford and Aspire Community Grants.
- Continue to support our borough's less advantaged communities through national and local support schemes.
 - We will explore additional opportunities to provide financial support for those struggling with the cost of living crisis, as well as signposting to other support available.

Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Proportion of residents with middle skills (including caring and leisure, skilled trades and administrative)	25%	27%	30%
Proportion of businesses in Surrey reporting that staff have a skills gap	6%	4%	2%
Number of neighbourhoods facing deprivation in the education, skills and training deprivation domain (top 30% most deprived)	14	10	7

Provision: Upgrading our Physical and Digital Infrastructure

Why is action needed?

- 3.34 We suffer from a range of infrastructure constraints that impact the performance of our economy - they slow down businesses from undertaking their day-to-day activities, impacting their productivity, and/or reduce the attractiveness of our borough for inward investment. Our five defining infrastructure challenges are:
1. **Congestion:** We are the 7th most congested borough in the country and have major pinch points along the A3 and in our town centre²¹. This causes significant delays and makes moving around highly unpredictable impacting business performance. Surrey County Council estimate that the county's A-roads carry 66% more traffic than the national average, and that congestion costs the regional economy £550m per year²².
 2. **Active Travel:** Our borough has a fragmented and disjointed cycle network which makes active travel unattractive to workers, residents and visitors. This is particularly the case in our town centre, which has limited river crossings and is dominated by the busy and dangerous one-way system, and our rural areas. While improvements have been made in recent years, we could do more to capitalise on the growth in cycling post-COVID to help ease congestion and enhance our air quality.
 3. **Public Transport:** We benefit from over 12 train stations across our borough, and an extensive bus network, but many of our office employment sites are located away from our public transport nodes (e.g. Surrey Business Park, Guildford Business Park, The Guildway etc) encouraging people to drive to work. Some of our rural areas are also effectively cut off from public transport excluding some communities from economic opportunities in our urban areas.
 4. **Digital Connectivity:** Digital connectivity is patchy across our borough - this is particularly the case in our rural areas, some of which suffer from poor broadband and mobile connections. This impacts the ability of aspiring entrepreneurs to set up businesses in these locations, and for workers in knowledge-based industries to work remotely. We also have proportionally fewer properties connected to the fastest broadband speeds compared to our more productive competitors - only 65% have access to Gigabit connectivity versus 89% in Cambridge, 87% in Milton Keynes and 86% in Crawley for example²³. This is problematic as businesses in our more technological priority sectors demand rapid and reliable digital connectivity. These businesses are also relatively footloose, so it is important we enhance connectivity to retain existing businesses in these sectors.
 5. **Flooding:** Our town centre is highly vulnerable to flooding, particularly along the river corridor which has a 1 in 20 chance of experiencing a flood event each year²⁴. This is significant as this is a prime location for future residential and commercial development and features prominently in the emerging *Shaping Guildford's Future Masterplan*. Investment in flood alleviation and adaptation will be important in this location to attract occupiers, residents and developers to invest in the area over the long-term.

How will we respond?

- 3.35 Our response is simple – we will work together to deliver the infrastructure upgrades our borough needs. We know that this will not be quick, given the constrained funding environment we operate in, but we will work collegiately to secure the buy-in, endorsement, funding and programmes we need to reduce the infrastructure constraints limiting our economy. This will require a major effort from a wide range of local, regional and national partners and we are committed to working positively together to deliver the best outcomes for our borough and economy.

²¹ University of Surrey (2021).

²² University of Surrey (2021).

²³ Ofcom. Connected Nations (2021).

²⁴ Guildford Borough Council (2021).

What actions will be prioritised by Guildford Borough Council?

- Work proactively with Surrey County Council and National Highways to continue delivering road schemes that reduce congestion and improve reliability in Guildford (Facilitator).
 - Notable planned investments include upgrades to the Wisley Interchange and various junctions along the A3 (e.g. Hog's Back, Burntcommon and Burpham Junction).
- Continue to work closely with Surrey County Council and National Highways to bring forward the Guildford Sustainable Movement Corridor to enhance sustainable travel connections between the town centre, station, university, research park and hospital (Facilitator and Deliverer).
- Work with and influence Surrey County Council to ensure we maintain and improve public transport services where possible to enhance connectivity across our borough (Advocate).
 - This will involve supporting and inputting into forthcoming Bus Service Improvement Plans as much as possible.
- Continue to work with partners to bring forward and secure funding for relevant infrastructure commitments set out in the *Guildford Infrastructure Delivery Plan (2017)*, *Surrey Local Transport Plan (2022)*, *Surrey Local Strategic Statement (2016-2031)*, Department for Transport's *Road Investment Strategy (2021)* and other strategic documents (Facilitator).
 - We will encourage partners to prioritise interventions that reduce congestion and promote active travel, particularly along the A3 and in our town centre (e.g. using our Shared Prosperity Funding to invest in a new cycle hire scheme). We will also work with County to develop a Local Cycling and Walking Infrastructure (LCWIP) plan for Guildford.
- Continue to work with Network Rail and Surrey County Council to explore the feasibility of delivering new Guildford West (Park Barn) and Guildford East (Merrow) stations to improve connectivity to future communities and employment areas (Facilitator and Advocate).
 - We will explore delivery and funding options as part of this drawing on expertise and experience from across our partners.
- Enable Enterprise M3 to deliver the Gigabit EM3 Fibre Spine by providing the support, connections, licences and permissions they need (Facilitator).
 - This is a significant investment that will dramatically enhance Gigabit connectivity along a corridor running from Guildford to Basingstoke.
- Continue to support broadband providers to roll out enhanced digital connectivity particularly in rural areas, and work with rural groups across Guildford and Waverley to identify other interventions that would help support enterprise in remote locations.
 - We will identify funding to support local initiatives – this includes our Shared and Rural Prosperity Funding which includes an allocation for community enterprise projects.
- Work with Waverley Borough Council to develop a strategy to support the roll out of 5G across the two boroughs.
- Work with the University of Surrey to experiment and test their emerging mobile technology within our borough (Facilitator).
 - Guildford and Waverley can be the testbed for new developments from their world-leading 5G/6G Innovation Centre, particularly in our rural 'not spot' areas.
- Use the emerging *Shaping Guildford's Future* masterplan to develop early ideas to for mitigating and adapting to the flood risk presented by the River Wey in our town centre (Advocate).
 - We will use these to explore the feasibility of different solutions, and use this as a basis to engage with the Environment Agency about future implementation.

Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Premises connected to gigabit connectivity	65%	75%	100%
Junctions improved along A3	N/A	1	4
Amount of new dedicated cycleways provided	N/A	20km	50km

Place: Transforming Our Town Centre Offer

Why is action needed?

- 3.36 We have a much-loved historic town centre that is anchored by retail, leisure, culture, and heritage assets – these include The Friary, Tunsgate Quarter, White Lion Walk, G Live, Guildford Castle, Guildford Museum, Electric Theatre, Yvonne Arnaud Theatre, Academy of Contemporary Music, and Guildford Library.
- 3.37 Over the last decade, however, town centres like ours have faced macro-economic challenges such as the growth in online shopping, the popularity of out-of-town retail, and disproportionately high business rates. These have fundamentally impacted our centre as demonstrated by the recent closures of Debenhams, Gap, TGI Fridays, Topshop, Joules, TM Lewin, Jessops, Jaeger, Muji, Sole Trader and Monsoon among others. This has left around 18% of our units vacant²⁵, which is above the national average, and a drop in prime retail rents of c44%²⁶.
- 3.38 We therefore need to grasp emerging consumer trends that present opportunities for the future of towns centres, and to adapt our centre to attract more locals, visitors and workers. Four prominent trends we must consider include:
1. **Increasing expenditure on 'self':** Over the last decade consumer habits have shifted from buying products to spending money on personal services and activities. Analysis from the Local Data Company (2021) shows that since 2013 the top ten high street growth sectors in terms of net store openings all offer services or experiences rather than physical products (Barbers, Beauty Salons, Vaping Stores, Cafes, Nail Salons, Restaurants/Bars, Coffee Shops, Pizza Takeaway, Hair/Beauty Salons and Health Clubs)²⁷. These all offer services that are not readily available online, making them more resilient to the digital shift.
 - This is an issue for our town centre which is dominated by 'comparison' retailers²⁸ and has an underrepresentation of 'service' uses. We have a greater proportion of 'comparison' units (43%) than places like Colchester (30%), Reading (32%), Chelmsford (35%) Canterbury (38%) and Oxford (38%)²⁹.
 2. **Rising demand for leisure activities:** The past five years has seen a significant growth in the leisure sector which now accounts for over 14% of consumer spending³⁰. This was originally underpinned by the growth in casual and family friendly dining (e.g. Pizza Express, Zizzi and Jamie's Italian), but as this has declined other more experiential activities have come to the fore. Some, such as the growth in boutique cinemas (e.g. Everyman and Curzon) and bowling alleys (e.g. All Star Lanes and Lane7), are a variation on an established offer, whereas others offer new concepts catering to different groups. One of the most prominent opportunity sectors is competitive socialising which is characterised by games and activities for adults (e.g. urban mini golf, escape rooms, virtual reality, video gaming and axe throwing).
 - While we have a strong representation of 'traditional' leisure activities (e.g. Odeon, G-Live and Electric Theatre) we have few boutique operators and a lack of 'new' leisure concepts. Other town centres that have adapted more quickly have a range of these types of units which helps attract a broad visitor base (e.g. Watford town centre has Puttshack urban mini golf, Boom Battle Bar axe throwing and the Escape Hunt escape room).
 3. **Higher demand for independents:** Many 'clone' chain retailers have been retreating from high streets at pace. This is, in part, driven by failures and insolvencies but also a 'retreat to profit' by

²⁵ Experian. GOAD (2022).

²⁶ PROMIS (2022).

²⁷ Local Data Company. *Top Ten Growing and Declining Retail Since 2013* (2021).

²⁸ Products that are usually higher value and purchased infrequently, such as vehicles, household goods or clothing.

²⁹ Experian. GOAD (2022).

³⁰ Savills. *Competitive Socialising and Emerging Concepts in Leisure* (2019).

businesses that have withdrawn from marginal locations. The space being vacated by chain retailers is, however, being filled by independent businesses which appear to be in higher demand. Data from Experian shows that in 2020 the number of chain retailers fell by -3% but the number of independents increased by +1%. This trend has been happening for the past three years but has accelerated during the COVID-19 pandemic, and this is reflected by the comparative success of town centres that have more independent businesses and are considered more 'authentic'.

- Several of our side streets have a good mix of independent businesses (e.g. Quarry Street, Chapel Street and Swan Lane) but as a whole our town centre is dominated by chain retailers – over 42% of our units are taken by these occupiers which is more than in places like Colchester (25%), Southend-on-Sea (30%), St Albans (32%), Chelmsford (34%), Cambridge (35%), Canterbury (36%) and Oxford (37%)³¹. This is compounded by our high retail rents which make it hard for independents to establish themselves locally.

4. **Increasing consumer conscientiousness:** Consumers are increasingly reporting that they want to buy local products and that they care about the sustainability and ethical credentials of businesses they buy their goods from. In a 2021 consumer survey, Deloitte found that 57% of respondents were more likely to spend money at businesses that offer locally produced goods and/or are independent. In a similar survey they also found that 1 in 3 consumers had stopped purchasing certain brands or products due to ethical or sustainability concerns. This is influencing the retail market as existing retailers have started to adapt (e.g. H&M's Garment Collection Programme), ethical brands grow in popularity (e.g. Patagonia) and new concepts enter the market (e.g. Retuna, the world's first sustainable shopping mall).

- We have some valuable local businesses in our town centre (e.g. Babylon Trading, Courtyard, Design Vintage, Fitstuff, Harrington Brookshaw and Michael Chell), but the 'ethical sector' provides a clear market opportunity to diversify and differentiate ourselves from other places (the Zero Carbon Guildford Zero Waste Shop and Solar Sisters are a good starting point for this).

3.39 Increasing the resilience of our town centre is important from an economic development perspective as our high street supports a wide range of jobs, and because businesses tell us that our current offer needs to improve to attract more inward investment and workers to the area. We also know that our town centre has little employment and residential space mixed in with our comparison and chain-dominated retail offer, which is limiting footfall, expenditure and vibrancy during the week.

3.40 While the emerging cost-of-living crisis and recession will impact consumer spending, these trends reflect a broader shift for town centres as places to be rather than buy products. This is unlikely to change moving forward given the role that online shopping now plays in our lives, but we must recognise that consumers are likely to tighten their belts on all non-essential expenditure over the short-term. We must therefore also ensure that our residents and workers have access to cost-effective and good-value products and activities.

How will we respond?

3.41 We understand the challenges our town centre faces and have already started developing plans to support its regeneration through our *Shaping Guildford's Future Programme*, which has received input from thousands of residents and businesses.

3.42 Our emerging strategy is captured in our recently published *Guildford Masterplan: Stage 2 Report (2022)* which sets out our aspiration to "*deliver a new Heart to the town along its waterfront*", and provides a clear spatial framework for how this will be achieved. This will form the basis of our long-term approach to regenerating and diversifying our town centre, and we will prioritise bringing the concepts set out forward over the next decade.

³¹ Experian. GOAD (2022).

3.43 The next steps for the *Masterplan* will involve writing a business case, securing funding, undertaking further technical studies and producing an Area Action Plan (AAP), which is a document that will capture specific planning policy and guidance for the area. To inform this, and ensure future regeneration supports the economic development objectives set out in this report, we will develop a comprehensive land use strategy which will set out what uses types should go where based on JLL's recent *Competitive Positioning* (2022) report³², as well as Avison Young's *Economic Evidence Base* (2022)³³. This will go beyond broad use categories and consider niche typologies and products – for example:

- Office type uses will include consideration of co-working spaces, managed workspace, innovation hubs, 'clean' creative studios, serviced offices, and 'conventional' office space;
- Industrial type uses will include consideration of workshops, maker spaces, 'messy' creative studios, flexible kitchens, and lab space, as well as 'conventional' light industrial and industrial space;
- High street uses will include convenience retail, comparison retail, 'specialist' retail, cafes, restaurants, bars, personal services, professional services, cultural uses, health and wellbeing uses, 'conventional' leisure, 'new' leisure, community centres, and educational uses; and,
- Residential uses will be broken down by market sale, shared ownership, build to rent, co-living, affordable rent, discount market sale, extra care and retirement tenures.

Through the development of this *Economic Development Strategy and Action Plan* we have identified several high-level principles that will inform the development of this land use strategy. These include:

- Encourage a more diverse mix of town centre uses to locate on our historic High Street (particularly bars, restaurants, cafes);
- Actively support more independent high street businesses to locate in our town centre, particularly via new developments (i.e. North Street, Town Wharf and Bedford Wharf), through the provision of affordable and smaller units;
- Create a new cluster of high-quality office-type spaces close to the station (i.e. as part of the Bedford Wharf development) that meet the needs of our priority sectors (e.g. co-working space, managed workspace and innovation hubs);
- Encourage affordable and flexible workspace concepts to take vacant units or space above units across our town centre to generate new day time footfall;
- Consider any proposals to re-purpose the Friary or other town centre assets for a leisure, health and fitness hub, taking advantage of 'new' leisure concepts entering the marketing and the rising importance of wellbeing to consumers;
- Prioritise edge-of-centre or edge-of-development units for personal services that do not require high footfall to succeed (e.g. salons, barbers, beauticians, tailors, dry cleaners etc); and,
- Provide new residential units across our town centre to build a new local catchment and ensure that the residential mix is varied to support a sustainable housing market and labour pool.

Over the short- and medium-term we will also work with Experience Guildford to identify non-physical and/or tactical interventions to enhance the performance of our town centre, particularly in the 'Retail Core' which is not covered by the *Shaping Guildford's Future Programme*. Some of these actions are set out below, and these focus on supporting our town centre to adapt to changing consumer trends and to become more appealing for locals, visitors and workers.

What actions will be prioritised by Guildford Borough Council?

- Progress and finalise the long-term delivery of the *Shaping Guildford's Future* town centre masterplan and associated AAP policy document (Anchor and Deliverer).

³² JLL. Guildford's Competitive Position (2022).

³³ Avison Young. Guildford's Economic Evidence Base (2022).

- This will be underpinned by a detailed and granular land use strategy that aligns with the aspirations of this *Economic Development Strategy and Action Plan*.
- Update the borough's Retail & Leisure Needs Assessment to inform the creation of the *Shaping Guildford's Future* AAP (Anchor).
 - This will reflect and respond to macro-economic shifts, including those that have been accelerated by COVID-19 (include the rise in online shopping and hybrid working). Recent evidence considered as part of planning applications suggests there may be no need for additional retail space in our town centre now and in the foreseeable future.
- Develop a Town Centre Action Plan with Experience Guildford setting out short- and medium-term interventions to enhance the core retail centre (Anchor and Deliverer).
 - Actions will range from enhanced activation through to the creation of incubator retail units. We will use our Shared Prosperity Funding to enhance our public realm.
- Explore the potential to introduce an affordable retail policy as part of new large-scale developments in our town centre (Anchor).
 - This could help encourage more independents to set up in our town centre.
- Explore whether there are any publicly or privately owned units or sites that could be activated on a meanwhile basis to encourage entrepreneurs to experiment with new concepts in our own centre (e.g. related to 'new' leisure or different types of F&B) (Anchor and Facilitator).
- Provide 1-1 business support to help independent businesses remain in our town centre and adapt their offer to better meet consumer needs (Commissioner).
 - This will be targeted at local comparison retailers who are most vulnerable to the turbulent macro-economic context.
- Create a loan scheme to help new independent high street businesses set up in our town centre or support existing businesses adapt to changing consumer trends (Facilitator).
 - This will be a revolving scheme and is likely to focus on capital costs that are often a significant barrier to entrepreneurs (e.g. fit out or equipment costs).
- Influence and work with Experience Guildford to build and scale the town centre events programme to help drive more interest and footfall (Facilitator).
 - We will work with partners across the town centre to create an even more extensive and exciting events programme to attract a broader range of people to visit. Additional events provided by partners will add to the existing programme already led by Guildford Borough Council's events team (incorporating farmers markets, specialist markets, Christmas activities, car free days, bandstand concerts and heritage open days).
 - We will work proactively with partners to help them deliver new engaging and vibrant events by supporting them with queries relating to licensing, spaces, marketing and other topics – as part of this we will encourage Surrey County Council to engage more closely with event organisers to make it easier to activate our town centre. We will also review opportunities for new spaces and places for these types of activity as part of the *Shaping Guildford's Future* Masterplan.
- Review licencing and planning policies to ensure they enable us to have a vibrant, diverse and well-managed town centre (Anchor).
 - This will include our approach to tables and chairs, opening times and use types.
- Work with Experience Guildford to identify vacant retail units and support stakeholders to secure long-term tenants that help enhance our town centre (Facilitator).
 - We will engage with agents and landlords to explore opportunities and use our extensive local connections and communications channels to help reduce vacancy rates.

Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target
Vacancy rate	18%	12%	8%
Proportion of comparison retailers	43%	40%	35%
Proportion of service uses	33%	35%	40%
Weekly town centre footfall	N/A	+5%	+10%
Number of new independent businesses	N/A	20	40

Planet: Mitigating the Impact of Economic Activity

Why is action needed?

- 3.44 We are facing a climate emergency. Global temperatures are increasing and will have significant economic, social, and environmental impacts from the global to local level. Our borough specifically will face challenges related to wild fires, heatwaves, drought and flooding.
- 3.45 We are acutely aware of the pressures facing our borough that are likely to be exacerbated by climate change. Our town centre, for example, is increasingly at risk of flooding which needs to be mitigated through appropriate land use and infrastructure projects to protect our economic assets. We also need to ensure that our energy supply is sufficient and sustainable through renewable energy development to support businesses and residents in our urban and rural areas.
- 3.46 Urgent action is being taken to adapt and mitigate climate change at a national scale, including a green transition towards low carbon businesses and services. At the local level, this means that our economy and labour force will also have to adapt. It is estimated that around 7,600 of our existing jobs (roughly 10% of total employment) will require upskilling or reskilling in response to the transition towards a green economy. A further 7,500 jobs will be increasingly in demand - particularly across our construction, manufacturing, and transport sectors³⁴.
- 3.47 New energy efficiency regulations have also been introduced for commercial buildings which will put significant pressure on local real estate owners to improve the sustainability of their buildings. Minimum Energy Efficiency Standards (MEES) for non-domestic buildings will be increased from Energy Performance Certificate (EPC) grade E to EPC grade B or above by 2030. There is in excess of 1,835 properties in our borough in need of improvement in energy performance³⁵, and we need to make sure they as many as possible are upgraded and retained rather than converted to residential schemes.
- 3.48 We are also home to an important rural economy and nationally significant natural environment – both of which will need protection from negative environmental change. Our rural industries will need support to adopt sustainable and energy efficient practices, whilst our blue-green natural environment including the Surrey Hills National Landscape will need consideration to protect our ecosystems.

How will we respond?

- 3.49 We will focus on measures that support our borough's green economy transition and that protect our environment. This includes cooperating with our neighbouring boroughs, Surrey County Council, Enterprise M3 LEP, and the University of Surrey to ensure that tailored support is provided for rural industries, higher-value urban businesses, and workers most at-risk of change in construction, manufacturing and transport sectors.
- 3.50 In line with the Council's Climate Emergency Declaration (2019), we will also drive forward our target for Guildford Borough Council to reach net zero by 2030. This includes a mitigation plan to reduce carbon emissions, and to adapt energy generation to renewable and low carbon sources.

What actions will be prioritised by Guildford Borough Council?

- Direct businesses to support programmes that help them reduce their environmental impact.
 - We will signpost businesses to Surrey Chamber of Commerce's Climate Change Hub, Enterprise M3's Net Zero support service, and Zero Carbon Guildford's Sustainable Business Network.

³⁴ Place based Climate Action Network. Just Transition Jobs Tracker (2021).

³⁵ DLUHC. Energy Performance of Buildings Data: England and Wales (2022).

- Support and promote resident- and business-led green initiatives across the borough.
 - This will, for example, involve strengthening our relationship with the *ZERO Carbon Guildford* community-led climate action group. This will also involve Guildford Borough Council being a leader and advocate for the group's recently established Guildford Sustainable Business Network which seeks to provide a forum for businesses interested in increasing their green credentials and minimising their environmental impact.
- Continue to help secure funding for businesses contributing to the green economy through the provision of low carbon goods and services.
 - This will involve signposting suitable businesses to relevant funding schemes that are expected to come forward.
- Support Guildford's businesses to re-skill and up-skill their employees with relevant green skills.
 - This could involve directing local businesses to: (a) relevant courses provided by local skills providers; (b) the specialist support available at the *EM3 Apprenticeship and Skills Hub* that advises businesses on the development of skills for emerging low carbon industries; and, (c) the *EM3 Strategic Development Fund* which focuses specifically on providing equipment and green skills training for land-based, construction and transport skills.
 - We will also engage with opportunities emerging from Surrey County Council's *Skills Plan* for Surrey and the emerging *Local Skills Plan* being led by the Surrey Chamber of Commerce.
- Work with businesses to identify opportunities to make use of the Enterprise M3 *Future Fund*.
 - This fund will support demonstrator and pilot projects that focus on net zero and green skills initiatives.
- Collaborate with partners such as Surrey County Council and Enterprise M3 to explore energy efficiency improvement programmes that could be introduced to residential and commercial properties.
 - This could be schemes similar in design to London-wide programmes RE:NEW for housing stock retrofitting and RE:FIT for non-domestic public buildings and assets.
- Encourage development in sustainable locations such as the town centre that support climate resilience and the blue-green economy.
 - We will build in flooding mitigation and efficient resource usage into the emerging *Shaping Guildford's Future Masterplan*.
- Continue to work with Highways England and partners to reduce air pollution levels in the Guildford Town Centre Air Quality Management Area (AQMA), Compton AQMA, Shalford AQMA and A3 Stag Hill area through sustainable travel projects.
 - An example project includes the forthcoming bike hire scheme covering Guildford town centre and satellite sites as part of Surrey County Council's Infrastructure Plan.
- Explore opportunities for Guildford Borough Council to support renewable energy schemes.
 - This could include the opportunity to leverage hydro-electric power along the River Wey for supplying energy to Guildford's businesses and residents.

Indicator	Baseline Position	Five Year Target	Ten Year Target
Reducing annual mean NO2 pollution levels in Guildford town centre AQMA	50 µg/m3	40 µg/m3	36 µg/m3
Number of local businesses accessing Surrey Chamber of Commerce's Climate Change Hub support service or similar	N/A	50	100

Focus On: Our Visitor Economy

Our borough is home to a number of important visitor economy assets that attract more than 5.5 million local, domestic and overseas visitors each year - examples include:

- **Museums, galleries and cultural venues** such as Guildford Castle, Watts Gallery, Loseley House, Hatchlands Park, Guildford Museum and Guildford Cathedral;
- **Theatres, leisure and events** including Electric Theatre, Yvonne Arnaud Theatre, Spectrum G Live and Guildford Summer Festival; and,
- **Outdoor spaces and rural assets** including the Surrey Hills National Landscape, Newlands Corner, Hogs Back Brewery and Greyfriars Vineyard.

Our visitor economy generates around £341 million in spending each year and supports more than 6,200 jobs - one of our most important assets is RHS Wisley which supports over 350 jobs and generates over £200m in spending each year.³⁶ While this is significant, our aim is to increase the size and value of our visitor economy through five key actions:

1. **Enhance awareness of our full offer:** Many of our visitors come for one specific event, venue or activity, but we have a range of assets that are 'hidden' and many visitors are not aware of. We will therefore raise the profile of these and their locations across our town and beyond, including through wayfinding initiatives such as improved tourism signage and through the creation of a heritage trail. We will also work closely with Visit Surrey to refresh our approach to place marketing.
2. **Improve provision for overnight stays:** Most of our visitors only come for the day rather than stay the night. This is an issue as overnight stays generate significantly more spending, and are therefore important for maximising the value of visits to our borough. This is linked to a lack of visitor accommodation in both our urban and rural areas as set out in our *Leisure and Tourism Topic Paper* (2017) and the *Surrey Hotels Future Study* (2015). We will therefore use our planning policy levers (see Policy E6 of our *Local Plan*) to encourage the provision of accommodation for overnight stays such as through hotels and rented temporary accommodation close to tourism assets, and promote provision of visitor accommodation through our regeneration schemes - most notably the *Shaping Guildford's Future Masterplan*.
3. **Strengthen links within the town centre and to the borough's rural locations:** Pedestrian and active travel routes around our town centre and borough need to be improved to facilitate movement between visitor economy attractions, and to encourage linked trips and extended stays. We will explore opportunities to improve connections, in particular active travel links between our historic town centre and train station to the Surrey Hills National Landscape and Newlands Corner.
4. **Protect and support our cultural and heritage assets where economically viable:** Some of our tourism assets are not typical standalone attractions such as our iconic setts on the high street and the historic buildings throughout our town and villages. We will explore innovative ideas and commercial concepts to secure the long-term maintenance and management of these assets that support our visitor economy and enhance the attractiveness of the borough's landscape.
5. **Create a Visitor Economy Sub-Group:** We will convene a new group to support the delivery of initiatives related to the enhancement of our borough's visitor economy. It will have three main responsibilities:
 - a. **Insight** - conduct research to support visitor economy providers to tailor and target their offer.
 - b. **Programming** - work collectively to curate a coherent programme of events, and agree the best platform to collect and disseminate information about it. This should ensure that other local businesses are aware of what is coming forward, and can plan how to add value or benefit from any local activation.
 - c. **Collaboration** - disseminate knowledge collected through insight and programming to relevant stakeholders including Guildford Borough Council, tourism providers and visitor economy businesses. And work together to agree how best to use any funding to support our sector.

³⁶ Tourism South East. *The Economic Impact of Tourism in Guildford Borough* (2019). Counterculture. RHS Wisley *Economic Impact* (2017).

4. Guildford's Delivery Strategy: Realising a Step Change

Delivery Principles

- 4.1 This *Economic Development Strategy and Action Plan* marks a step change for our borough and its delivery will require us to work closely together to secure tangible change. It provides a clear roadmap that we can get behind and progress at pace, and offers a holistic response to local, regional and national economic challenges.
- 4.2 It does, however, come at a difficult time. The public sector has fewer resources than ever before and COVID-19, Brexit, the cost-of-living crisis and other macro-economic factors are having fundamental impacts on local businesses and residents. We therefore need to be innovative in our approach to delivery, where possible drawing on the principles below:
- **Collaboration and Partnership:** Making the most of opportunities to work together to share resources and accelerate, shape and drive delivery;
 - **Positivity and Problem Solving:** Approaching delivery positively and having a 'can do attitude' to solving problems and overcoming barriers;
 - **Commitment and Focus:** Having a shared long-term commitment to responding to the challenges and opportunities identified and focusing on realising positive economic, social and environmental outcomes for our borough;
 - **Innovation and Creativity:** Experimenting with innovative project ideas and exploring innovative approaches to leverage funding; and,
 - **Agility and Pace:** Working rapidly together to deliver change and continuously reviewing projects to ensure they respond to ever-changing needs.

Delivery Groups

- 4.3 Our current delivery structure incorporates several formal and informal forums - examples include:
- **Guildford Rural Economy Forum:** Aims to provide a voice for the borough's rural sector and to support a strong and sustainable rural economy through collaboration with partners.
 - **Guildford Town Centre Forum:** Aims to provide a voice for all businesses in Guildford's town centre and a place to discuss how we can adapt and remain competitive in the face of changing consumer, social and economic trends.
 - **Guildford-Surrey Board:** Provides a forum for anchor institutions to discuss local items pertaining to the local economy. Representatives include Guildford Borough Council, Surrey County Council, Royal Surrey County Hospital, Guildford College, Enterprise M3 and the Diocese of Guildford.
- 4.4 While these groups are positive, and underline how proactive our partners are, they are disparate – they vary in terms of their focus, objectives, and regularity; they do not represent the breadth and depth of our local economy; and, they are separate and disjointed. We want to work sensitively with these forums to define clear and consistent objectives, broaden representation across our priority sectors, and better stitch them together. We believe that this will increase collaboration and partnership working, in line with our principles, and improve outcomes for our local economy.
- 4.5 Our emerging plan to do this, which is still open for discussion, is to convene a single overarching Guildford Economic Partnership (GEP) to sit above a series of thematic sub-groups that reflect our business base and economic specialisms (see Figure 4.1). Our view is that the board should include a nominated representative from each sub-group, alongside anchor institutions that are responsible for promoting economic growth locally (i.e. Guildford Borough Council, Enterprise M3, Surrey County Council and the University of Surrey). It will be imperative for Surrey County Council to buy-in to this

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strategy and play an integral role on this board given they play a fundamental role in shaping economic development in our district, particularly in relation to highways, education, skills, public transport and inward investment.

4.6 We think the role of the board should be to work as a multi-sector partnership that engages with and provides a more consistent voice for our business community, and to collaborate to re-establish Guildford as the beating heart of Surrey's economy. It will be important to agree a clear set of 'functions' for this group to ensure that it is more than just a 'talking shop' - while these need to be agreed by representatives, we think that these should include:

1. Engaging widely with the business community and ensuring their needs and concerns are understood by anchor institutions;
2. Reviewing public sector funding opportunities and agreeing which projects should be put forward for bids;
3. Identifying new opportunities or major concerns, and agreeing positive and collaborative ways forward;
4. Reviewing and inputting into businesses cases for economic development projects coming forward locally;
5. Regularly reviewing and monitoring Guildford's economic position and competitiveness;
6. Monitoring and discussing the progress of this *Economic Development Strategy and Action Plan*, and agreeing priority actions to focus on at the start of each financial year;
7. Agreeing tweaks and updates that need to be made to this *Economic Development Strategy and Action Plan* every two years; and,
8. Developing new ideas and actions to consider in response to a changing macro-economic context.

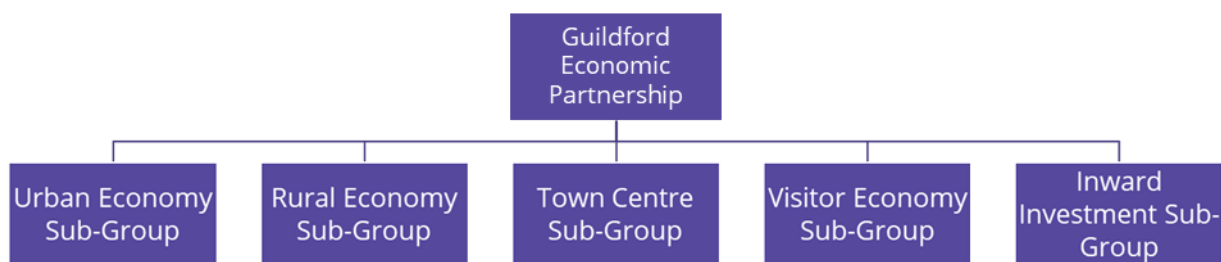


Figure 4.1 Proposed Delivery Groups

4.7 The existing forums will become sub-groups to the board alongside a small number of other newly created groups that reflect requests made by stakeholders when putting this document together. We hope that these will be places where organisations in similar fields come together to share updates, knowledge, and intelligence. This is important because knowledge transfer can boost productivity if it helps participants to develop new ideas or learn about how to do things more efficiently or cost effectively.

4.8 We also hope that the sub-groups will become action-oriented and offer support to partners taking forward projects relating to their sector. Members can act as critical friends and boost projects by:

- Identifying solutions to overcome barriers and blockers;
- Scoping opportunities to maximise economic and social impact;
- Identifying partners to involve in delivery;
- Championing and lobbying relevant stakeholders; and,
- Guiding and directing delivery where appropriate.

- 4.9 The first step for all groups, including the GEP, will be to create or revise their Terms of Reference to reflect this *Economic Development Strategy and Action Plan* and, if members agree, the objectives set out in this chapter.
- 4.10 While Guildford Borough Council and other anchor institutions will support these groups to convene, for example by organising dates, venues and agendas, it is our strong belief that they should be business-led to maximise buy-in and engagement from participants. Our view is that all groups, including the GEP, should nominate a business-led chair who will be responsible for shaping, leading and driving forward meetings. They will also sit on the GEP, unless they nominate another representative, to provide sector representation on the board.

The Role of Guildford Borough Council

- 4.11 Alongside playing a convening role for these delivery groups, Guildford Borough Council will continue to play a pivotal role in shaping Guildford's economy by coordinating change and using all the levers set out earlier in this report to achieve this. We will be ultimately accountable for ensuring that as many as possible of the commitments set out in this document are delivered, where resource for delivery can be identified.
- 4.12 At the strategic level, we will use our planning powers to create an enabling environment that is responsive to the ambitions of this strategy and the borough's economic, social and environmental context.
- 4.13 At the project level, we will directly deliver many of the interventions set out in this document. Project managers will work with collaborators to scope out and define projects, generate wider interest, leverage funding and bring them to fruition. We will use our influence and convening power to bring key decision makers and influencers to the table to help unlock opportunities, overcome barriers and help meet the needs of the borough.
- 4.14 Land and property assets will also be used as part of this to deliver positive change. This is particularly the case in our town centre, on our industrial land and for our office assets which are distributed across the borough. We recognise the potential and power this gives us to deliver significant economic growth.
- 4.15 We will also use our resources to support our partners to deliver their initiatives, particularly where they focus on providing place-based solutions that meet the needs of the borough as it recovers from the cost-of-living crisis and associated recession. Where appropriate, this may be through project management support, external funding, political support or advice. Officers will also help stakeholders understand the different funding pots available to deliver projects.

Delivery Funding

- 4.16 Where possible Guildford Borough Council will use its resources to bring actions identified in this document forward, but this is not realistic for many given the scale, breadth, and complexity of interventions identified. We will therefore work collectively to bring forward initiatives, while also seeking to secure funding from private sector developers, via S106 agreements and CIL monies, and from other public sector bodies.
- 4.17 The current public sector funding landscape for economic development is ever-changing, and generally oriented towards less prosperous parts of the country, but examples of recent funding sources that could be considered include:
- The UK Shared Prosperity Fund (prioritises investment in community, place, businesses and skills);

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- The Rural England Prosperity Fund (dedicated funding for businesses and community initiatives in rural areas);
- Brownfield Land Release Fund (targeted at Council-owned brownfield sites where viability issues have previously prevented development);
- Community Ownership Fund (focuses on supporting community groups to take ownership of assets and amenities at risk of being lost); and,
- Affordable Homes Programme (grant funding to support the capital costs of developing affordable housing for rent or sale).

4.18 We will continuously review the funding sources available to support the delivery of this strategy as the options available will invariably change over the short-, medium- and long-term. Guildford Borough Council, in particular, will ensure that Economic Development Officers monitor and oversee funding opportunities which may be an option for our borough.

4.19 Beyond this we will use this document, and our other strategic documents, to engage with and lobby Central Government departments to secure funding over the medium- and longer-term for our most important interventions. We will collectively develop an engagement and awareness raising programme to ensure the borough is in the best place possible to secure future funding. Important Government departments we will engage with include, but are not limited to:

- Department for Levelling Up Housing and Communities – Focus on development sites, public realm, movement, non-physical interventions and high street diversification interventions.
- Department for Transport – Focus on movement.
- Department for Business Energy Industrial and Strategy – Focus on movement.
- Department for Education – Focus on education and skills.
- Homes England – Focus on development sites, public realm, movement, non-physical interventions and high street diversification interventions, plus affordable homes delivery.
- Historic England – Focus on development sites and protection of town centre heritage.
- Natural England – Focus on public space.
- Environment Agency – Focus on flooding.
- National Lottery – Focus on non-physical interventions and high street diversification interventions.

4.20 We will also explore innovative funding mechanisms that could be used to bring forward schemes in our area. For example, we will research and consider the opportunities that Place Based Impact Investment could provide our borough over the medium- and long-term. As set out in the Government's *Scaling Up Institutional Investment for Place Based Impact: White Paper* (2021), this refers to:

"Investments made with the intention to yield appropriate risk-adjusted financial returns as well as positive local impact, with a focus on addressing the needs of specific places to enhance local economic resilience, prosperity and sustainable development".

4.21 For us, this would essentially involve working with our pension fund provider (i.e. Surrey Pension Fund and Border to Coast), as well as institutional impact investors, to direct patient capital to local projects that could deliver a long-term return. Projects identified in this document that could benefit from this approach include: the Weyside Urban Village, Guilford Road scheme and different aspects of the *Shaping Guildford's Future* masterplan.

4.22 We believe that our pension funds could work much harder for our area, and provide significant opportunities, because as set out in the *White Paper* (2021):

- Only six Local Government Pension Scheme (LGPS) scheme currently make place-based investments. Greater Manchester has taken a lead on this and has committed to spending 5% of its capital locally;

- Only 1% of Local Government pension funds are invested in place-based impact investment sectors (i.e. housing, SME finance, clean energy, infrastructure and regeneration) in the UK; and,
- The average sector allocation by LGPS funds is £10m which means investments could be of a proportionate size.

4.23 We also know that Surrey Pension Fund and Border to Coast are committed to responsible investing, as set out in their respective *Responsible Investment Policies*, so they should be open to a discussion about how our investments could be better used to deliver local impact.

Delivery Metrics

4.24 A robust and focused approach to tracking impact and performance will be a crucial part of delivering this strategy. This is because what is measured dictates what is done - if the wrong thing is measured, we will do the wrong thing, if something is not measured it may be ignored or neglected. Getting our approach right will allow us to:

- Understand the evolution of our economy at an uncertain time;
- Assess the collective impact of delivery;
- Learn lessons for future intervention;
- Celebrate achievements and success;
- Tailor delivery to maximise impact and value; and,
- Support case making to leverage funding.

4.25 Given this strategy focuses on six thematic areas, we will focus on a range of key indicators that help us track how well we are addressing the 'blockers' or 'barriers' to our economic success. If we can move this dial on these, in line with the targets identified earlier in this report, we are confident that our economy will start moving again given our strong foundations and locational advantages.

4.26 Some of these indicators will be factored into our collective business plans, project plans and Key Performance Indicators and will be considered on an annual basis in conjunction with the GEP. One of the first tasks for the board will be to set out an approach to monitoring change against some of these key indicators and the development of a simple dashboard.

4.27 It is important to note, however, that given the long-term nature of many aspirations and interventions identified in this strategy, it will be important to take a long-term view to measuring 'success'. Over the next ten years the indicators identified will be therefore used to shape decisions around future projects and interventions that emerge over time. Those that contribute most significantly to the economic, social and environmental ambitions identified will be prioritised and taken forward.

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Table 4.1: Our Indicators of Success

Indicator	Baseline Position	Five Year Target	Ten Year Target	Data Source
GVA	£5.3bn (2020)	£6bn	£7bn	ONS
GVA Per Worker	£58k (2020)	£65k	£70k	ONS
Business Start Up Rate	9% (2020)	15%	85%	ONS
Patents per 1,000 Residents	9% (2020)	13%	15%	Intellectual Property Office
Successful Inward Investments	Not currently recorded	30	70	Surrey County Council
Quantum of office floorspace	3.7m sq ft (2022)	3.9m sq ft ³⁷	4.5m sq ft	Co-Star
Quantum of industrial floors	3.4m sq ft (2022)	3.5m sq ft ³⁸	3.6m sq ft	Co-Star
Proportion of 'high quality' office floorspace	5% (2022)	20%	35%	Co-Star
Proportion of 'high quality' of industrial floorspace	4% (2022)	10%	20%	Co-Star
Number of flexible and start-up workspaces in town centre	4 (2022)	5	7	Guildford Borough Council
Average annual housing delivery	393 (2015-2022)	660 ³⁹	660	Guildford Borough Council
Proportion of residents with middle skills (including caring and leisure, skilled trades and administrative)	25%	27%	30%	ONS
Proportion of businesses in Surrey reporting that staff have a skills gap	6%	4%	2%	DfE
Number of neighbourhoods facing deprivation in the education, skills and training deprivation domain (top 30% most deprived)	14	10	7	DLUHC
Number of foundational economy projects supported	0	5	10	Guildford Borough Council
Premises connected to gigabit connectivity	65%	75%	100%	Ofcom
Junctions improved along A3	N/A	1	4	Guildford Borough Council
Amount of new dedicated cycleways provided	N/A	20km	50km	Guildford Borough Council
Vacancy rate	18%	12%	8%	Experian GOAD
Proportion of comparison retailers	43%	40%	35%	Experian GOAD

³⁷ These targets align with Guildford's current *Employment Land Needs Assessment* (2017) but will need updating following a refresh of the evidence base, including the ten year target which at present is based on bringing Guildford's stock closer to its competitor locations.

³⁸ Ibid.

³⁹ These targets reflect Guildford Borough Council's Local Plan target to deliver 10,678 units between 2015 and 2034, taking into account completions since 2015 (2,751).

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Proportion of service uses	33%	35%	40%	Experian GOAD
Weekly town centre footfall	N/A	+5%	+10%	Springboard
Number of new independent businesses	N/A	20	40	Guildford Borough Council
Reducing annual mean NO2 pollution levels in Guildford town centre AQMA	50 µg/m3	40 µg/m3	36 µg/m3	Guildford Borough Council
Number of local businesses accessing Surrey Chamber of Commerce's Climate Change Hub or similar	N/A	50	100	Surrey Chamber of Commerce

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Reinvigorating Guildford's Economy

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Our Economic Development Action Plan

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Our full *Economic Development Strategy* sets out our ten-year vision for Guildford's economy, which will act as our mission and 'rallying cry' for future action. It is based on detailed analysis of our economic position, and extensive and wide-ranging discussions between partners, all of which indicates that we need to take concerted and focused action to reinvigorate our economy and restore our economic position. Our vision is as follows:

"We will re-establish Guildford as the beating heart of Surrey's economy. We will be widely known for our modern, innovative, progressive, productive, inclusive and green economy, characterised by unique clusters of high growth knowledge- and production-based economic activity.

Attracted by our world-class university, ground-breaking hospital, regenerated town centre, intensified employment areas and unrivalled heritage, cultural and natural assets, we will become the number one place in the South East for workers, entrepreneurs and businesses to locate.

Enterprises that choose Guildford, or have roots here, will receive first-class support from our pro-business partners to help them start-up, scale and grow, and, most importantly, clear and obvious connections will be created with our residents to ensure that everyone has the opportunity to benefit from economic success".

Responding to our economic context, as well as the *Foundations of Economic Development* set out in the main document, the full *Economic Development Strategy* is structured around six broad thematic areas that represent our priority areas for intervention:

1. **Productivity:** Boosting enterprise, clustering and innovation;
2. **Property:** Meeting business and worker needs;
3. **People:** Connecting people with opportunity;
4. **Provision:** Upgrading our physical and digital infrastructure;
5. **Place:** Transforming our town centre offer; and,
6. **Planet:** Mitigating the environmental impact of economic activity.

The full strategy document addresses these themes in turn. For each it sets out why action is needed, how partners will respond, actions Guildford Borough Council will prioritise, and measures of success. This *Action Plan*, which is structured by these themes, complements the full strategy by providing more detail on each of the actions identified, particularly in relation to timescales, delivery partners and resourcing required.

It is worth noting that the actions use all the levers we have at our disposal to deliver positive change. These are:



Anchor: Using our powers, day-to-day activities, and operational expenditure to support economic activity.



Facilitator: Bringing businesses, organisations and anchor institutions together to collaborate on projects and deliver positive economic change.



Advocate: Championing our area to ensure policies, projects and funding supports and benefits our local economy.



Marketer: Attracting businesses, entrepreneurs and investors to Guildford by communicating its benefits and brokering relationships between important players.



Commissioner: Procuring goods and services to support economic development and securing public and private investment to pay for it.



Deliverer: Actively delivering physical and non-physical projects that support economic development ambitions.

Each action is categorised by which lever(s) it relates to.

1. Productivity: Boosting Enterprise, Clustering and Innovation

What?	When? ¹	Who?	Example	Resourcing
<p>Explore opportunities to enhance the use of Guildford Borough Council’s new Salesforce Customer Relationship Management (CRM) system to improve our ‘front door’ with businesses (Anchor).</p> <p>This will help ensure our communications are joined up and that every interaction with businesses is informed by previous communications – this is crucial for us to come across as a ‘business friendly’ council.</p>	Short term	Guildford Borough Council	Breckland Business Development Team	Officer time
<p>Work with Waverley Borough Council to produce collateral to signpost businesses to the support, advice and/or opportunities they need to prosper when they contact Guildford Borough Council and partners (Facilitator).</p> <p>We will work with partners to capture the existing offer on a dedicated webpage or website that is updated regularly by officers.</p>	Short term	Guildford Borough Council, Waverley Borough Council, Enterprise M3, Activate Learning, Surrey County Council, University of Surrey, Surrey Research Park	Bromley Business Hub	Officer time
<p>Actively direct businesses in priority sectors to the support and innovation programmes already offered by Enterprise M3, Surrey County Council, Surrey Chambers of Commerce and the University of Surrey, and help them to unlock the opportunities these present (Facilitator).</p>	Short term	Guildford Borough Council, Enterprise M3, Activate Learning, Surrey County Council, University of Surrey, Surrey Research Park, Surrey Chambers of Commerce	N/A	Officer time
<p>Examples range from Enterprise M3’s Growth Hub (including Start Up Loans) to the University of Surrey’s S100 Club Angel Investment Network.</p> <p>Work with Waverley Borough Council to undertake an audit of the business support offer available to local enterprises and use this as a basis to commission targeted support for different sized businesses within our target sectors (Deliverer).</p>	Short term	Guildford Borough Council, Waverley Borough Council, Enterprise M3, Surrey Chamber of Commerce	Woking Works	Officer time; Budget required
<p>We will engage with other local boroughs that have implemented similar schemes to explore any lessons learned from their experience.</p> <p>Work with Waverley Borough Council to use Rural Prosperity Funding to ensure that rural businesses continue to have access to funding that they can use to grow, adapt and evolve (Facilitator).</p>	Short term	Guildford Borough Council, Waverley Borough Council, Surrey Chamber of Commerce, rural businesses	Surrey LEADER	Officer time; Rural Prosperity Funding
<p>This will focus on small and micro businesses and will be a continuation of the Surrey LEADER programme that has previously supported rural business expansion.</p> <p>Engage with at least 20 businesses in priority sectors on an annual basis to understand their aspirations, plans and challenges (Facilitator).</p>	On-going	Guildford Borough Council	N/A	Officer time
<p>We will use this intelligence to offer tailored responses that help support each business to reach their potential within the borough.</p> <p>Organise semi-regular ‘Business Question Time’ events with Waverley Borough Council to connect local businesses with one another and to encourage knowledge transfer.</p>	Short term	Guildford Borough Council, Waverley Borough Council, Surrey Chamber of Commerce, local businesses	N/A	Officer time
<p>This will build on our first successful Business Question Time event held in December 2022 at Charterhouse School.</p>				

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¹ Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

<p>Continue to work with Surrey County Council, Enterprise M3, the Department for International Trade (DIT) and the Association for UK Interactive Entertainment (UKIE) to raise the profile of Guildford’s Gaming industry through the Guildford Games Cluster and the Guildford and Aldershot Immersive Visualisation and Gamification High Potential Opportunity (Marketer).</p> <p>This will involve, as a minimum, ensuring our partners are aware of developments ‘on-the-ground’, such as new start-ups, business relocations and commercial space vacancies, as well as opportunities for sector expansion.</p>	On-going	Guildford Borough Council, Enterprise M3, Department for International Trade, Surrey Research Park, Guilford Games	N/A	Officer time
<p>Work with Enterprise M3 and Surrey County Council to raise the profile of other regional clusters that are relevant to Guildford, including Medical Technology.</p> <p>We will work with partners to ensure that the profile Guildford’s businesses and assets are at the forefront of promotional activity for the region.</p>	Medium term	Guildford Borough Council, Enterprise M3, Surrey Research Park, University of Surrey, Surrey County Hospital	<u>UK Innovation Corridor</u>	Officer time
<p>Develop inward investment collateral that captures the locational advantages and opportunities offered by the borough (Marketer).</p> <p>We will capture this on a dedicated webpage on the Guildford Borough Council website that includes clear links to the Invest in Surrey website and collateral.</p>	Medium term	Guildford Borough Council, Enterprise M3, Surrey County Council, Invest in Surrey	<u>AshFOR</u>	Officer time
<p>Agree a regular list of events and engagements that officers from Guildford Borough Council and Waverley Borough Council can attend to raise the profile of the borough among investors, funders and policymakers (Marketer).</p> <p>Examples range from Sitematch to London Real Estate Forum (LREF), MIPIM and SPACE+.</p>	Short term	Guildford Borough Council, Waverley Borough Council	N/A	Officer time
<p>Work with partner to explore options to market Guildford to entrepreneurs and businesses in priority sectors looking for a new base (Marketer).</p> <p>Our options range from placing advertisements in sector-specific publications to targeted social media campaigns.</p>	Medium term	Guildford Borough Council, Enterprise M3 and Surrey County Council	<u>Business in Maidstone</u>	Officer time; Budget required

2. Property: Meeting Business and Worker Need

What?	When? ²	Who?	Example	Resourcing
Continue to pursue the Weyside Urban Village regeneration scheme (Deliverer). We will carefully consider how commercial space provision can be tailored to priority sectors and/or their supply chain.	Long term	Guildford Borough Council, Surrey County Council, The Aggie Club, National Highways	<u>Knights Park</u>	Officer time; Budget required
Finalise and begin delivery of the Shaping Guildford’s Future town centre masterplan (Anchor and Deliverer). We will ensure that suitable business space is provided through this exercise, and that our new residential offer caters to workers in priority sectors.	Long term	Guildford Borough Council, Experience Guildford, landowners, Surrey County Council, public funders, community groups	<u>Richmond Riverside</u>	Officer time; Budget required
Finalise the feasibility work and begin delivery of the Guildford Park Road Regeneration scheme (Deliverer). This will incorporate a wide mix of housing types and tenures to support the varying needs of our working age population.	Long term	Guildford Borough Council, Surrey County Council, public funders, community groups	<u>Trumpington Meadows</u>	Officer time; Budget required
Explore how council-owned sites (e.g. Slyfield Industrial Estate) could be better utilised to meet employment and housing aspirations, much like has been achieved at Midleton Enterprise Park through our Industrial Estate Growth Strategy (Deliverer). This will involve undertaking masterplans and feasibility studies for sites that are the most deliverable and offer the greatest capacity for change, and pursuing our Industrial Estate Growth Strategy.	Medium term	Guildford Borough Council	<u>300 Harrow Road</u>	Officer time; Budget required
Review council-owned assets and explore whether any can be used to provide low-cost business space for entrepreneurs, micro-businesses and hybrid workers (Deliverer). Our town centre and business base would benefit from new accelerator/incubator type spaces, incorporating wraparound business support. These could focus on complementary priority sectors (e.g. Digital, Video Gaming and Information Communication), as well as highly flexible space for different types of occupiers (including entrepreneurs and hybrid workers). Where using our own assets we will look to source a specialist operator to provide space that meets the needs of priority sectors.	Medium term	Guildford Borough Council	<u>Tripod Brixton</u>	Officer time; Council assets required; Budget required
Like many private and public sector investors we will also consider, where possible, how we can maximise environmental and social value as well as financial returns from our property portfolio. Support anchor institutions to unlock large-scale development schemes that align with the objectives of this strategy, most notably the extension of the Surrey Research Park (Facilitator). This might involve helping to identify delivery expertise and providing support through a Planning Performance Agreement.	Long term	Guildford Borough Council, University of Surrey, Surrey Research Park	<u>Begbroke Science Park Extension</u>	Officer time
Proactively work with private sector developers to maximise the economic, social and environmental benefits of large-scale mixed-use schemes coming forward (Anchor).	On-going	Guildford Borough Council	N/A	Officer time

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² Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

This includes forthcoming schemes at Wisley Airfield, North Street, Gosden Hill and the former Debenhams store.

Upgrade existing council-owned commercial assets to better meet the needs of businesses in our priority sectors (Anchor).

New MEES (Minimum Energy Efficiency Standard) legislation from central Government requires landlords to invest in the sustainability of their commercial assets, which provides us with a unique opportunity to make wider improvements to our assets.

Update the existing Employment Land Review to reflect the changing economic context, and consider the merits of introducing an affordable workspace policy (Anchor).

This will include more qualitative elements than our previous Employment Land Reviews with site-specific reflections and recommendations included.

It will also consider whether any Article 4 directions should be introduced to protect any ‘at risk’ employment sites as there are limited opportunities to bring forward space in the future.

Work with Experience Guildford to explore opportunities to introduce workspace in vacant retail units, either on a meanwhile or permanent basis (Facilitator).

This will help diversify our town centre, address rising vacancies and increase footfall right in the heart of our high street.

Medium term

Guildford Borough Council

N/A

Officer time; Budget required

Short term

Guildford Borough Council

Waltham Forest
Employment Land Study

Officer time; Budget required

Short term

Guildford Borough Council,
Experience Guildford

Contingent Works

Officer time; Budget required

3. People: Connecting People and Opportunity

What?	When?	Who?	Example	Resourcing
<p>Support Surrey County Council to develop the Surrey Skills Demand Framework to understand the skills gaps and occupational shortages which are barriers to growth for our borough’s businesses.</p> <p>This could also include exploring opportunities to improve our in-house knowledge of the local skills landscape through purchasing of local jobs board insights.</p>	Short term	Guildford Borough Council, Surrey County Council	Greater Jobs, Greater Manchester Combined Authority	Officer time
<p>Explore the opportunity to create a Student Skills Partnership role to liaise with the University of Surrey, Guildford College, Academy of Contemporary Music (ACM) and other institutions, as well as town centre businesses, on local skills matters, including investigating opportunities for students to plug gaps in town centre entry level employment.</p> <p>This should take advantage of our student population who can fill entry level, part-time and/or temporary positions across catering, retail and other foundational economy sectors.</p>	Medium term	Guildford Borough Council, University of Surrey, Experience Guildford, Guildford College, ACM	N/A	Officer time; Budget required
<p>Work with Waverley Borough Council to provide advice and support for businesses to ‘grow their own’ skills through reskilling and upskilling programmes.</p> <p>This will include directing and signposting our businesses to existing and forthcoming support, including the EM3 Apprenticeship and Skills Hub.</p>	On-going	Guildford Borough Council, Waverley Borough Council, Enterprise M3, Surrey Chamber of Commerce	Skills for Business, EM3	Officer time
<p>Explore opportunities to use the emerging <i>Shaping Guildford’s Future Masterplan</i> to create housing that meets the needs of the borough’s labour market.</p> <p>This will include provision of high-quality, modern rented accommodation – with some targeted at young professionals and others at key workers supporting our foundational economy.</p>	On-going	Guildford Borough Council, Experience Guildford, landowners, Surrey County Council, public funders, community groups	N/A	Officer time; Budget required
<p>Work with Waverley Borough Council to the potential for both councils to adopt principles of Community Wealth Building within their current structures.</p> <p>Initiatives will include exploring whether it is possible for both councils to work towards becoming accredited Living Wage Employers for all staff and contractors, and exploring opportunities to develop apprenticeship positions targeted at people in our less advantaged communities.</p>	Medium term	Guildford Borough Council, Waverley Borough Council, contractors	Preston	Officer time
<p>Explore opportunities to better support the foundational economy.</p> <p>This could include establishing a funding programme similar to the Challenge Fund by Welsh Government to catalyse foundational economy</p>	Medium term	Guildford Borough Council	Foundational Economy Challenge Fund, Wales	Officer time; Budget required

activities in communities where clear gaps in the provision of key services are identified – particularly in our more rural communities. This could link in with existing community programmes such as Crowdfund Guildford and Aspire Community Grants.

Continue to support our borough’s less advantaged communities through national and local support schemes.

We will explore additional opportunities to provide financial support for those struggling with the cost of living crisis, as well as signposting to other support available.

On-going

Guildford Borough Council

N/A

Officer time

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4. Provision: Upgrading our Infrastructure

What?	When? ³	Who?	Example	Resourcing
<p>Work proactively with Surrey County Council and National Highways to deliver road schemes that reduce congestion and improve reliability in Guildford (Facilitator).</p> <p>Notable planned investments include upgrades to the Wisley Interchange and various junctions along the A3 (e.g. Hog’s Back, Burntcommon, Stoke Interchange and Burpham Junction).</p>	Medium term	Guildford Borough Council, Surrey County Council, National Highways	M20 Junction 10A Upgrades	Officer time
<p>Continue to work closely with Surrey County Council and National Highways to bring forward the Guildford Sustainable Movement Corridor to enhance sustainable travel connections between the town centre, station, university, research park and hospital (Facilitator and Deliverer).</p> <p>The next steps involve improving bus lanes and pedestrian connections between the train station and the employment areas to the west.</p>	Short term	Guildford Borough Council, Surrey County Council, National Highways, Network Rail, University of Surrey, Surrey Research Park, Surrey County Hospital	Kingston Mini Holland	Officer time
<p>Work with and influence Surrey County Council to ensure we maintain and improve public transport services where possible to enhance connectivity across our borough (Advocate).</p> <p>This will involve supporting and inputting into forthcoming Bus Service Improvement Plans as much as possible.</p>	Medium term	Guildford Borough Council, Surrey County Council, National Highways	N/A	Officer time
<p>Continue to work with partners to bring forward and secure funding for relevant infrastructure commitments set out in the Guildford Infrastructure Delivery Plan (2017), Surrey Local Transport Plan (2022), Surrey Local Strategic Statement (2016-2031), Department for Transport’s Road Investment Strategy (2021) and other strategic documents (Facilitator).</p> <p>We will encourage partners to prioritise interventions that reduce congestion and promote active travel, particularly along the A3 and in our town centre (e.g. using our Shared Prosperity Funding to invest in a new cycle hire scheme). We will also work with County to develop a Local Cycling and Walking Infrastructure (LCWIP) plan for Guildford.</p>	On-going	Guildford Borough Council, Surrey County Council, National Highways, Network Rail, Department for Transport	Greater Norwich LCWIP	Officer time; Budget required
<p>Work with Network Rail and Surrey County Council to explore the feasibility of delivering new Guildford West (Park Barn) and Guildford East (Marrow) stations to improve connectivity to future communities and employment areas (Facilitator and Advocate).</p> <p>We will explore delivery and funding options as part of this drawing on expertise and experience from across our partners.</p>	Long term	Guildford Borough Council, Network Rail, Surrey County Council, landowners, Department for Levelling Up, Housing & Communities	Cambridge North Station	Officer time; Budget required
<p>Enable Enterprise M3 to deliver the Gigabit EM3 Fibre Spine by providing support, connections, licences and permissions.</p> <p>This is a significant investment that will dramatically enhance Gigabit connectivity along a corridor running from Guildford to Basingstoke.</p>	Medium term	Guildford Borough Council, Enterprise M3, Surrey County Council, National Highways, landowners, service providers	Milton Keynes Gigabit City	Officer time

³ Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

Continue to support broadband providers to roll out enhanced digital connectivity particularly in rural areas, and work with rural groups across Guildford and Waverley to identify other interventions that would help support enterprise in remote locations.	Medium term	Guildford Borough Council, Waverley Borough Council, Enterprise M3, broadband providers, Broadband for Surrey Hills, Surrey Hill AONB, businesses, landowners, infrastructure providers	Better Broadband for Norfolk	Officer time
We will identify funding to support local initiatives – this includes our Shared and Rural Prosperity Funding which includes an allocation for community enterprise projects.				
Work with Waverley Borough Council to develop a strategy to support the roll out of 5G across the boroughs.	Medium term	Guildford Borough Council, Waverley Borough Council		Officer time
Use the emerging Shaping Guildford’s Future masterplan to develop early ideas to for mitigating and adapting to the flood risk presented by the River Wey in our town centre.	Long term	Long term	N/A	Officer time; Budget required
We will use these as a basis to explore the feasibility of different solutions, and use this as a basis to engage with the Environment Agency about future implementation.				
Work with the University of Surrey to experiment and test their emerging mobile technology within our borough.	Medium term	Guildford Borough Council, Waverley Borough Council, University of Surrey	N/A	Officer time
Guildford and Waverley can be the testbed for new developments from their world-leading 5G/6G Innovation Centre.				

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5. Place: Transforming Our Town Centre Offer

What?	When? ⁴	Who?	Example	Resourcing
<p>Progress and finalise the long-term delivery of the Shaping Guildford's Future town centre masterplan and associated AAP policy document (Anchor and Deliverer).</p> <p>This will be underpinned by a detailed and granular land use strategy that aligns with the aspirations of this Economic Development Strategy and Action Plan.</p>	Long term	Guildford Borough Council, Experience Guildford, landowners, Surrey County Council, public funders, community groups	East Norwich Masterplan	Officer time; Budget required
<p>Update the borough's Retail & Leisure Needs Assessment to inform the creation of the Shaping Guildford's Future AAP (Anchor).</p> <p>This will reflect and respond to macro-economic shifts, including those that have been accelerated by COVID-19 (include the rise in online shopping and hybrid working). Recent evidence considered as part of planning applications suggests there may be no need for additional retail space in our town centre now and in the foreseeable future.</p>	Short term	Guildford Borough Council	Chelmsford Retail Capacity Study	Officer time; Budget required
<p>Develop a Town Centre Action Plan with Experience Guildford setting out short- and medium-term interventions to enhance the core retail centre (Anchor and Deliverer).</p> <p>Actions will range from enhanced activation through to the creation of incubator retail units. We will use our Shared Prosperity Funding to enhance our public realm.</p>	Short term	Guildford Borough Council, Experience Guildford	Dereham Town Delivery Plan	Officer time; Shared Prosperity Funding
<p>Explore the potential to introduce an affordable retail policy as part of new large-scale developments in our town centre (Anchor).</p> <p>This could help encourage more independents to set up in our town centre.</p>	Short term	Guildford Borough Council	Kensington and Chelsea Affordable Retail	Officer time
<p>Explore whether there are any publicly or privately owned units or sites that could be activated on a meanwhile basis to encourage entrepreneurs to experiment with new concepts in our own centre (e.g. related to 'new' leisure or different types of F&B) (Anchor and Facilitator).</p>	Short term	Guildford Borough Council, landowners, asset owners	Spark:York	Officer time
<p>Provide 1-1 business support to help independent businesses remain in our town centre and adapt their offer to better meet consumer needs (Commissioner).</p> <p>This will be targeted at local comparison retailers who are most vulnerable to the turbulent macro-economic context.</p>	Short term	Guildford Borough Council, Experience Guildford	N/A	Officer time; Budget required
<p>Create a loan scheme to help new independent businesses to set up in our town centre or help existing businesses adapt to changing consumer trends (Facilitator).</p> <p>This will be a revolving scheme and is likely to focus on capital costs that are often a significant barrier to entrepreneurs (e.g. fit out or equipment costs).</p>	Short term	Guildford Borough Council, Experience Guildford	Greater Manchester Foundational Economy Innovation Fund	Officer time; Budget required
<p>Influence and work with Experience Guildford to build and scale the town centre events programme to help drive more interest and footfall (Facilitator).</p>	Short term	Guildford Borough Council, Experience Guildford, G Live, Guildford Castle, Yvonne Arnaud Theatre, Guildford Museum,	King's Cross Activation	Officer time; Shared Prosperity Funding

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⁴ Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

We will work with partners across the town centre to create an even more extensive and exciting events programme to attract a broader range of people to visit. Additional events provided by partners will add to the existing programme already led by Guildford Borough Council’s events team (incorporating farmers markets, specialist markets, Christmas activities, car free days, bandstand concerts and heritage open days).

Academy of Contemporary Music, Guildford Library

We will work proactively with partners to help them deliver new engaging and vibrant events by supporting them with queries relating to licensing, spaces, marketing and other topics – as part of this we will encourage Surrey County Council to engage more closely with event organisers to make it easier to activate our town centre. We will also review opportunities for new spaces and places for these types of activity as part of the Shaping Guildford’s Future Masterplan.

Review licencing and planning policies to ensure they enable us to have a vibrant, diverse and well-managed town centre (Anchor).

Medium term

Guildford Borough Council, Experience Guildford, Tunsgate Quarter (Queensbury)

Walthamstow Night Time Enterprise Zone

Officer time

This will include our approach to tables and chairs, opening times and use types.

Work with Experience Guildford to identify vacant retail units and support stakeholders to secure long-term tenants that help enhance our town centre (Facilitator).

Short term

Guildford Borough Council, Experience Guildford, asset owners, land owners, agents, occupiers

N/A

Officer time

We will engage with agents and landlords to explore opportunities and use our extensive local connections and communications channels to help reduce vacancy rates.

6. Planet: Mitigating the Impact of Economic Activity

What?	When? ⁵	Who?	Example	Resourcing
Direct local businesses to existing support programmes that help them reduce their environmental impact.	On-going	Guildford Borough Council, Enterprise M3	<u>EM3 Net Zero Support Service</u>	Officer time
We will signpost businesses to Surrey Chamber of Commerce’s Climate Change Hub, Enterprise M3’s Net Zero support service, and Zero Carbon Guildford’s Sustainable Business Network.				
Support and promote resident- and business-led green initiatives across the borough.	Short term	Guildford Borough Council, ZERO Carbon Guildford	<u>Zero Carbon Guildford</u>	Officer time
This will, for example, involve strengthening our relationship with <i>the ZERO Carbon Guildford</i> community-led climate action group. This will also involve Guildford Borough Council being a leader and advocate for the group’s recently established Guildford Sustainable Business Network which seeks to provide a forum for businesses interested in increasing their green credentials and minimising their environmental impact.				
Continue to help secure funding for businesses contributing to the green economy through the provision of low carbon goods and services.	On-going	Guildford Borough Council, LoCASE	<u>LoCASE</u>	Officer time
This will involve signposting suitable businesses to relevant funding schemes that are expected to come forward.				
Support Guildford’s businesses to re-skill and up-skill their employees with relevant green skills.	On-going	Guildford Borough Council, Enterprise M3	<u>Retrofit Training Programme, Stockport</u>	Officer time
This could involve directing local businesses to: (a) relevant courses provided by local skills providers; (b) the specialist support available at the EM3 Apprenticeship and Skills Hub that advises businesses on the development of skills for emerging low carbon industries; and, (c) the EM3 Strategic Development Fund which focuses specifically on providing equipment and green skills training for land-based, construction and transport skills.				
We will also engage with opportunities emerging from Surrey County Council’s Skills Plan for Surrey and the emerging Local Skills Plan being led by the Surrey Chamber of Commerce..				
Work with businesses to identify opportunities to make use of the Enterprise M3 <i>Future Fund</i> .	Short term	Guildford Borough Council, Enterprise M3	N/A	Officer time
This fund will support demonstrator and pilot projects that focus on net zero and green skills initiatives.				

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⁵ Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

<p>Collaborate with partners such as Surrey County Council and Enterprise M3 to explore energy efficiency improvement programmes that could be introduced to residential and commercial properties.</p>	<p>Long term</p>	<p>Guildford Borough Council, Surrey County Council, Enterprise M3</p>	<p>RE:FIT</p>	<p>Officer time; Budget required</p>
<p>This could be schemes similar in design to London-wide programmes RE:NEW for housing stock retrofitting and RE:FIT for non-domestic public buildings and assets.</p>				
<p>Encourage development in sustainable locations such as the town centre that support climate resilience and the blue-green economy.</p>	<p>Medium term</p>	<p>Guildford Borough Council</p>	<p>N/A</p>	<p>Officer time</p>
<p>We will build in flooding mitigation and efficient resource usage into the emerging <i>Shaping Guildford's Future Masterplan</i>.</p>				
<p>Continue to work with Highways England and partners to reduce air pollution levels in the Guildford Town Centre Air Quality Management Area (AQMA), Compton AQMA, Shalford AQMA and A3 Stag Hill area through sustainable travel projects.</p>	<p>Medium term</p>	<p>Guildford Borough Council, Highways England, Surrey County Council</p>	<p>easitGUILDFORD</p>	<p>Officer time</p>
<p>An example project includes the forthcoming bike hire scheme covering Guildford town centre and satellite sites as part of Surrey County Council's Infrastructure Plan.</p>				
<p>Explore opportunities for Guildford Borough Council to support renewable energy schemes.</p>	<p>Long term</p>	<p>Guildford Borough Council, Thames Water</p>	<p>Reading Hydropower</p>	<p>Officer time</p>
<p>This could include the opportunity to leverage hydro-electric power along the River Wey for supplying energy to Guildford's businesses and residents.</p>				

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7. Focus On: The Visitor Economy

What?	When? ⁶	Who?	Example	Resourcing
<p>Enhance awareness of our full offer.</p> <p>We will raise the profile of these and their locations across the town and beyond, including through wayfinding initiatives such improved tourism signage and through the creation of a heritage trail to support visitors navigate between assets. We will also work closely with Visit Surrey to refresh our approach to place marketing, and our primary focus will be on boosting the visibility of our assets and encouraging more people to visit our borough.</p>	Short term	Guildford Borough Council, Experience Guildford, Visit Surrey, businesses	Watford Heritage Trail	Officer time; Budget required
<p>Improve provision for overnight stays.</p> <p>We will use our planning policy levers (see Policy E6 of our Local Plan) to encourage the provision of accommodation for overnight stays such as through hotels and rented temporary accommodation close to tourism assets, and promote provision of visitor accommodation through our regeneration schemes – most notably the Shaping Guildford’s Future Masterplan.</p>	Medium term	Guildford Borough Council, asset owners, landowners, businesses	Hotel & Visitor Accommodation Futures Study, Adur & Worthing	Officer time
<p>Strengthen links within the town centre and to the borough’s rural locations.</p> <p>We will explore opportunities to improve connections, in particular active travel links between our historic town centre and train station to the Surrey Hills AONB and Newlands Corner to take advantage of the rising popularity of walking and cycling in rural areas following the COVID-19 pandemic.</p>	Medium term	Guildford Borough Council, Surrey County Council, Highways England	The Busway, Cambridge	Officer time; Budget required
<p>Protect and support our cultural and heritage assets where economically viable.</p> <p>We will explore innovative ideas and commercial concepts to secure the long-term maintenance and management of these assets that support our visitor economy and enhance the attractiveness of the borough’s landscape.</p>	Long term	Guildford Borough Council, Surrey County Council, asset owners, landowners	Hot Walls Studios, Portsmouth	Officer time
<p>Create a Visitor Economy Sub-Group.</p> <p>We will convene a new group to support the delivery of initiatives related to the enhancement and improvement of our borough’s visitor economy.</p>	Short term	Guildford Borough Council, Experience Guildford, Visit Surrey, businesses	N/A	Officer time

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⁶ Short term = 1-2 Years, Medium term = 2-5 years, Long term = 5 years+

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Guildford's Economic Strategy

Evidence Base

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1. Introduction



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Guildford's Economic Strategy Evidence Base

This document examines Guildford Borough's economic strengths, weaknesses, opportunities and threats. It is intended to inform the evidence-led priorities to be developed in the Guildford Economic Strategy.

The document has nine chapters:

1. Policy Context: What are Guildford's priorities and what policy supports these?
2. Productivity: What are Guildford's main economic strengths and how are these projected to change?
3. People: What are the characteristics of Guildford's residents, skills landscape and labour market and what challenges do they face?
4. Property: What are the characteristics of Guildford's commercial property market and how does it support key local industries?
5. Place: What is Guildford like as a place to live and how do its assets and infrastructure support the local economy?
Play: How is Guildford's town centre performing as a culture, leisure and retail destination?;
Perspectives: What do stakeholders perceived to be Guildford's greatest economic strengths, weaknesses, opportunities and threats?
Precedents: How do other borough councils approach Economic Development?
9. Pandemic: How has Guildford's economy, population and property been impacted by the COVID-19 pandemic over the last two years?

Study Comparators

Guildford's economic, social and commercial performance has been contextualised against the South East Region and England. The borough has also been benchmarked against areas around the M25 that Guildford competes with for investment, including cities, and towns that have recently applied to become cities.

It is important for Guildford to think beyond its neighbours to support its economic development and set its ambitions, and it is therefore valuable to understand how well it competes with other boroughs of similar scales and in similar locations. Guildford's comparators are summarised in the panel to the right.

Guildford's Comparator Locations

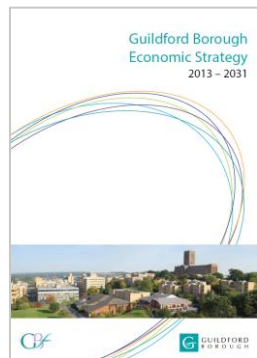
Cambridge	Reading
Milton Keynes	Crawley
Colchester	Oxford
St Albans	Canterbury
Chelmsford	Southend-on-Sea

2. Policy Context



Focus On: The Role of Local Authorities in Economic Development

The main policies and strategies that guide Guildford Borough Council's activity in economic development are summarised below to contextualise the rest of this document.



Guildford Borough Economic Strategy (2013-2031)

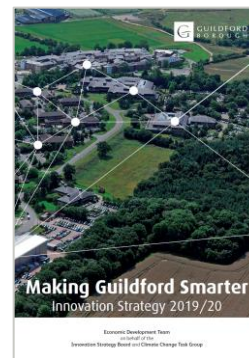
Aims to ensure that *“Guildford continues to be a top-performing economy in Surrey in the years up to 2031 and beyond – with an economy that is innovative, smart, balanced and socially, environmentally and commercially sustainable.”*

Main Challenges Identified: Employment land site availability is a vital factor in attracting new firms to the area and retaining existing firms that have the opportunity to scale-up; there are pockets of disadvantage across the borough with some residents on low incomes, in receipt of benefits and with poor or low qualifications with some areas being the most deprived in Surrey; housing affordability in the borough is low and is directly linked to challenges in the recruitment and retention of key workers, young people and lower paid employment.

Main Opportunities Identified: Guildford has strong transport connectivity and is only 30 miles from London; the borough has a diverse rural economy with specialisms across farming, food and tourism; Guildford has industry clusters in finance, IT and professional services; gaming; advanced manufacturing; healthcare; learning; and tourism.

Main Ambitions Set Out: (1) Leaders of Guildford's public and private sectors working together for the prosperity of the borough (2) the need to address difficulties of traffic congestion, lack of high-speed broadband and a shortage of houses for local workers (3) to support existing businesses and help them to address problems that are preventing them realising their growth potential (4) to help businesses increase their research and development spend and to support existing clusters in product development and through business support (5) to develop the skills that will be needed in the future and find supportive ways of providing skills and employment opportunities to those who are finding it difficult to get jobs.

Example Actions: GBC to develop a Local Plan that supports and builds economic growth across the borough; working with partners to support the rural economy; work with local transport bodies to resolve Guildford's congestion issues; bring forward a mixed-use retail led development of land in North Street; actively pursuing other major developments on key sites such as Guildford Park and Bedford Road car parks; progressing the Slyfield Area Regeneration project over the next 7-15 years.



Guildford Innovation Strategy (2019-2020)

Establishes a vision for Guildford that aims to *“enable technological change and innovation to support local economic competitiveness, quality of life and public service delivery with a view to creating a vibrant, prosperous resilient and sustainable borough for the digital age.”*

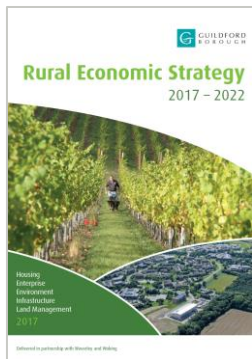
Main Challenges Identified: Digital connectivity across Guildford is variable with some residents and businesses unable to access the higher broadband speeds required to work effectively; the retail sector is vulnerable to market dynamics and needs to be supported as digital technology plays an increasing role in physical retail environments; transport infrastructure is shifting to greener and safer modes of transport and existing stock (e.g. those with internal combustion engines) will soon be outlawed.

Main Opportunities Identified: Digital technologies offer the opportunity to adopt safer and greener ways of living, including across digital connectivity, transport infrastructure, construction, businesses and healthcare. Guildford's industrial clusters in space, digital gaming, 5G communications and digital health would all benefit from improved digital infrastructure and business support. Innovation can be used to make the Council and its services more efficient and improved value for money.

Main Ambitions Set Out: (1) Facilitating smart places infrastructure across Guildford (2) Guildford as the innovator's location of choice (3) working to improve value for money and efficiency in Council services.

Example Actions: Council to support the installation of a 1Gbps symmetrical broadband network that can support future technologies and communication; promote and work with the University of Surrey to develop a 5G Communications Network in the town; electrification of Guildford's bus stock; adoption of smart and sustainable methods of construction; GBC advocating for innovation that helps to tackle climate change; promotion of innovation clusters across space, digital gaming, 5G communications and digital health sectors; business support for SMEs including the Guildford Business Growth Programme; GBC to make its data publicly available where possible; and Future Guildford activities including investment in technologies that improve efficiency within the Council and its services.

Focus On: The Role of Local Authorities in Economic Development



Guildford Rural Economic Strategy (2017-2022)

The purpose of the strategy is to *“support delivery of more affordable housing, employment, superfast broadband and other necessary infrastructure whilst preserving Guildford’s special landscapes and environmental qualities.”*

Main Challenges Identified: Impact of Brexit on the rural farming and land-based sectors; increased traffic accessing the public countryside; the impact of climate change on nature; poor digital skills in sectors such as farming; limited agriculture-specific tech transfer; limited broadband connectivity in some areas; A3-M25 congestion and local roads impact.

Main Opportunities Identified: Approximately 25% of local jobs are located in Guildford’s rural wards; Guildford has an outstanding and diverse natural landscape with Surrey being the UK’s most densely-wooded County; a rich natural and agricultural heritage; Guildford’s attractive rural area is a popular place to live and visit.

Main Ambitions Set Out: (1) Affordable housing and sustainable communities (2) infrastructure for enterprise (3) farming, landscape management and countryside vision (4) green space health and wellbeing for better quality of life (5) energy policy, generation, storage and supply.

Example Actions: Strengthening of communications between the GBC Rural Economy Officer and Parish Councils in the borough; work with Parish Councils, external partners and planners to support Neighbourhood Plans as appropriate if these involve allocating sites; use Government funding and support for community groups to identify interest in community housing projects; identify and allocate commercial sites in rural areas; support the SETsquared Digital Accelerator Programme and work with the University of Surrey to pilot a 5G project for rural parts of the borough; work with partners to attract and/or influence the EU or UK funding mechanisms to support the rural economy; work with GBC Public Health, Housing and other colleagues to pilot a rural programme under Project Aspire to assist social regeneration through skills and training support; work with farmers, landowners and other partners to identify five possible wood fuel supply/heat/power plant opportunities and options for energy storage in line with the GBC Local Plan.



Guildford Local Plan (2015-2034)

Addresses the need to deliver *“more housing, employment space and supporting infrastructure whilst preserving the borough’s special landscapes and environmental qualities.”*

Main Economic Challenges Identified: There are several pockets of deprivation across the borough; housing affordability is low and means that many workers are unable to afford homes close to work; some sectors have a skills shortage; pressure on existing infrastructure; traffic congestion particularly at peak hours impacts residents, workers and businesses; and Guildford’s town centre is at risk of fluvial and surface water flooding.

Main Economic Opportunities Identified: Guildford is an important regional centre with key employment sectors including public administration, education and health, finance, distribution, hotels and restaurants; Guildford’s retail offer is strong; the borough has a growing cluster of high tech industries focused around Surrey Research Park and cluster of gaming companies in Guildford town centre; good road and rail connectivity to London and the wider South East; the borough is an attractive place to live with a rich and varied architectural heritage; and scenic natural environment that includes the River Wey and Surrey AONB.

Main Ambitions Set Out: An overarching spatial vision that meets the identified growth needs of the borough in terms of housing, employment and retail and leisure.

Example Economic Actions: Provision for at least 10,678 additional homes by 2034; approximately 40% affordable housing for new developments; brownfield site redevelopment in urban areas; greenfield site development as two urban extensions at Gosden Hill Farm (north east of the Guildford) and Blackwell Farm (south west of Guildford); new settlement development at Wisley airfield; provision of 240 ha of accessible public open space across the borough; delivery of strategic employment sites including an extension to Surrey Research Park; the redevelopment of North Street in Guildford town centre for retail, leisure and housing uses; and improvements to transport infrastructure including new rail stations at Guildford West and Guildford East, road network improvements, a park and ride scheme at Gosden Hill Farm and a Sustainable Movement Corridor.

Focus On: The Role of Local Authorities in Economic Development



Guildford Corporate Plan (2021-2025)

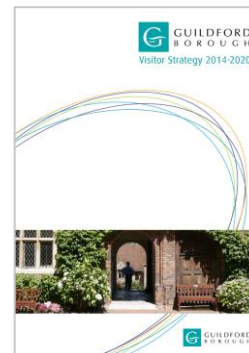
A vision for “a green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.”

Main Economic Challenges Identified: Guildford town centre in need of revival; need for affordable housing; environmental sustainability in waste, travel and energy choices; traffic congestion; inequality in communities; economic activity challenges; and homelessness.

Main Economic Opportunities Identified: Guildford contributes £5.5bn to the UK economy; a highly educated workforce; a world leader in the gaming industry; home to a world class university and excellent schools; more than three million visitors each year; 270 km² of land of which 83.5% is green belt.

Main Ambitions Set Out: (1) Residents having access to the homes and jobs they need (2) protecting the environment (3) empowering communities and supporting people who need help.

Example Economic Actions: Guildford Economic Regeneration Programme to revitalise the town centre with affordable, sustainable living and high-quality public spaces; Weyside Urban Village riverside community of 1,500 homes on brownfield land at Slyfield; programme for housing led regeneration of sites in GBC ownership for high quality homes for residents at an affordable price; and climate change programme to deliver a pathway to carbon neutral by 2030.



Guildford Visitor Strategy (2014-2020)

A strategy to “to ensure that the town and surrounding area grows and flourishes as a visitor destination.”

Main Challenges Identified: Traffic congestion; confusing signage especially for long-term parking and brown signs on the A3; lack of strong branding; poor image as a commuter town; perceived as an expensive borough; lack of budget accommodation bed space; poor perception of the visitor economy by residents; lack of understanding/support of the visitor economy in planning policies.

Main Opportunities Identified: A more joined up/professional branding project; better information about countryside offer; work with Travel Smart on a better signage project; open up opportunities on the river; more/improve festivals and arts offer; more strategic approach to monitoring research/stats for Guildford’s visitor economy; better use of the university and Sports Park for sporting events.

Main Ambitions Set Out: (1) Improve the visitor experience to Guildford (2) Develop a Guildford visitor economy that is cost effective, long-lasting, potentially self financing and beneficial to the borough (3) Raise the profile of Guildford to local, domestic and international visitors to attract a larger share of the tourism market (4) Celebrate a Guildford Festival Culture by developing a coordinated programme of events that strengthen the visitor economy (5) Ensure Guildford’s visitor businesses are influencing other organisations’ plans to attract investment and enhance the borough’s visitor economy and identify and work with funding providers to secure capital and revenue for on-going projects (6) Develop the Council and town’s heritage offer including development of the castle and museum site and creation of a heritage quarter.

Example Actions: Work with SCC Highways and EM3 LEP on allocation of LEP Growth Deal funding and Woking; Guildford Connectivity Project on identifying the economic impact of government investment into the A3 and key M25 junctions; continue to improve ‘way finding’ signs in the town centre and seek initial funding for public realm improvements that will benefit the visitor experience; be a key player in Visit Surrey to benefit the visitor economy sector in Surrey; implement the castle and museum development project; progress establishment of a town centre heritage quarter.

3. Productivity

What are Guildford's main economic strengths and how are these projected to change?



Productivity: Summary

The size of Guildford's economy is similar to comparator areas ...



Guildford generated £5.3bn in Gross Value Added (GVA) in 2020. This is similar to Chelmsford and Crawley, but is smaller than comparators such as Cambridge, Reading and Milton Keynes.

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Guildford's economy has grown more slowly than competitors in recent years...



Guildford's economy has experienced +9% growth since 2015 which is lower than growth seen nationally, and lower than all comparator areas except from Crawley (-7%) and Reading (+3%).

Guildford's employment and business growth has been slower than elsewhere...



Employment has experienced +1% growth and business +1% growth over the past five years. This is a lower rate than nearly all competitor locations.

Guildford's economy is less entrepreneurial than elsewhere...



Business start up rates have been lower than its competitors and the South East average over the last five years of available date.

Guildford has a range of sector specialisms including technical services...



Guildford has sector specialisms in Professional, Scientific & Technical, Information & Communication activities, as well as niche sectors such as Gaming and Space & Satellite Technology.

Professional services are expected to drive Guildford's economic growth in the coming years...



Professional Services, Public Services and Accommodation are expected to drive employment growth across the borough. Green jobs will also become increasingly important.

Guildford is good place for long-term business establishment...



Despite lower levels of entrepreneurship, businesses that get beyond their first year have a higher chance of surviving in Guildford than in a number of comparator areas.

Why is this important?

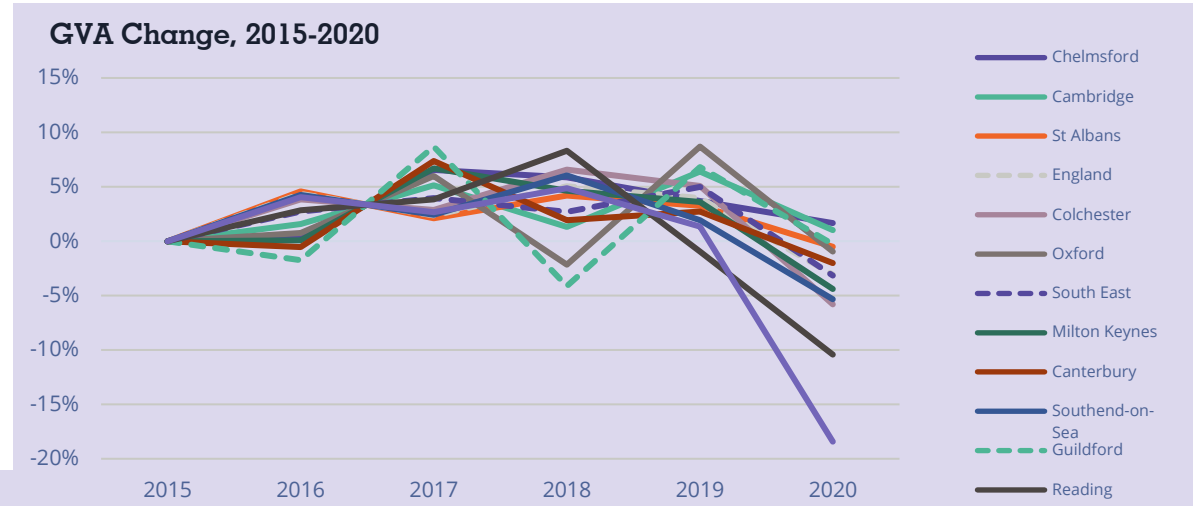
- Economic productivity (GVA) is an important driver of employment, business and wages within a local economy.
- Higher value sectors such as Professional Services will likely bring in higher wage jobs to the borough.
- The ability of Guildford to support its business base will influence where businesses choose to locate in the future.
- Guildford's specialisms provide an opportunity to develop a niche within the region and nationally.

Guildford's economic output is reasonably strong but growth has been slow in recent years...

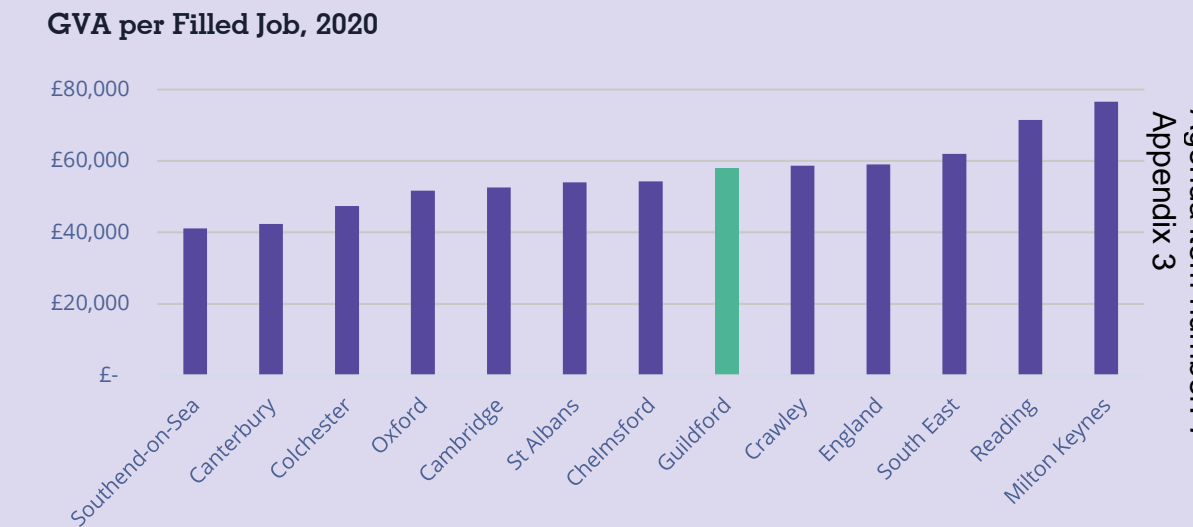
Guildford's Gross Value Added (GVA) is higher than a number of comparator areas: Guildford generated £5.3bn in GVA in 2020. Ranking sixth of all comparator areas this is higher than Crawley and St Albans but lower than Milton Keynes, Reading, Oxford, Cambridge and Chelmsford.

Once commuting effects are considered, Guildford performs better per capita: When GVA is considered on a per filled job basis, which takes into account net commuting effects, it is £57,858, which places Guildford at fourth highest against all comparator areas. This reflects Guildford's sector mix which includes several high value sectors.

GVA growth in Guildford has, however, been slow in recent years: Guildford's economy has experienced +9% growth over the last five years. This is lower than all comparators except from Crawley (-7%) and Reading (+3%).



Source: ONS. Regional gross value added (balanced) by industry (2020)



Source: ONS. Regional gross value added (balanced) by industry (2020)

Economic output is underpinned by employment in professional sectors, which have seen slow growth in recent years...

Guildford is home to 80,000 jobs across a range of sectors.

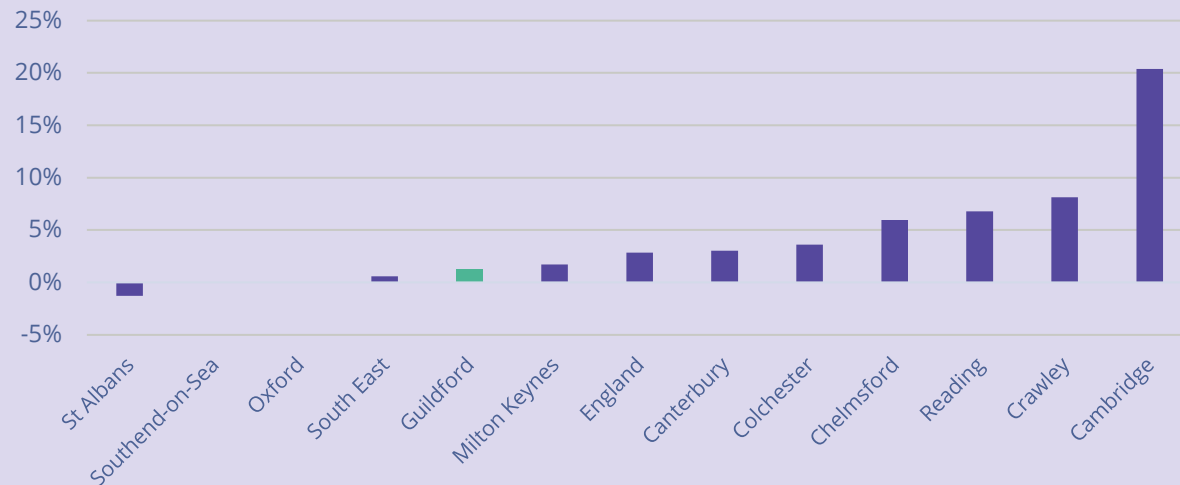
The employment base is underpinned by important foundational sectors: Health is Guildford's largest employment sector with 11,000 jobs (equivalent to 14% of total employment) with further employment in education (9,000 jobs) and accommodation & food services (6,000 jobs). These sectors are important as they support local people to fulfil their day-to-day needs, but they contribute less to Gross Value Added per employee than other sectors.

The borough is also home to significant high value employment: Professional, scientific and technical is Guildford's second largest employment sector with 10,000 jobs. The borough also hosts a higher than average proportion of employment in information and communication (5,000 jobs). This is reflected in Guildford's above average performance in productivity per worker.

Guildford's employment growth has been slower than elsewhere in recent years: Guildford has experienced only +1% employment growth since 2015, which is far lower than Cambridge (+20%), Crawley (+8%), Reading (+7%) and several comparators yet is in line with the South East.

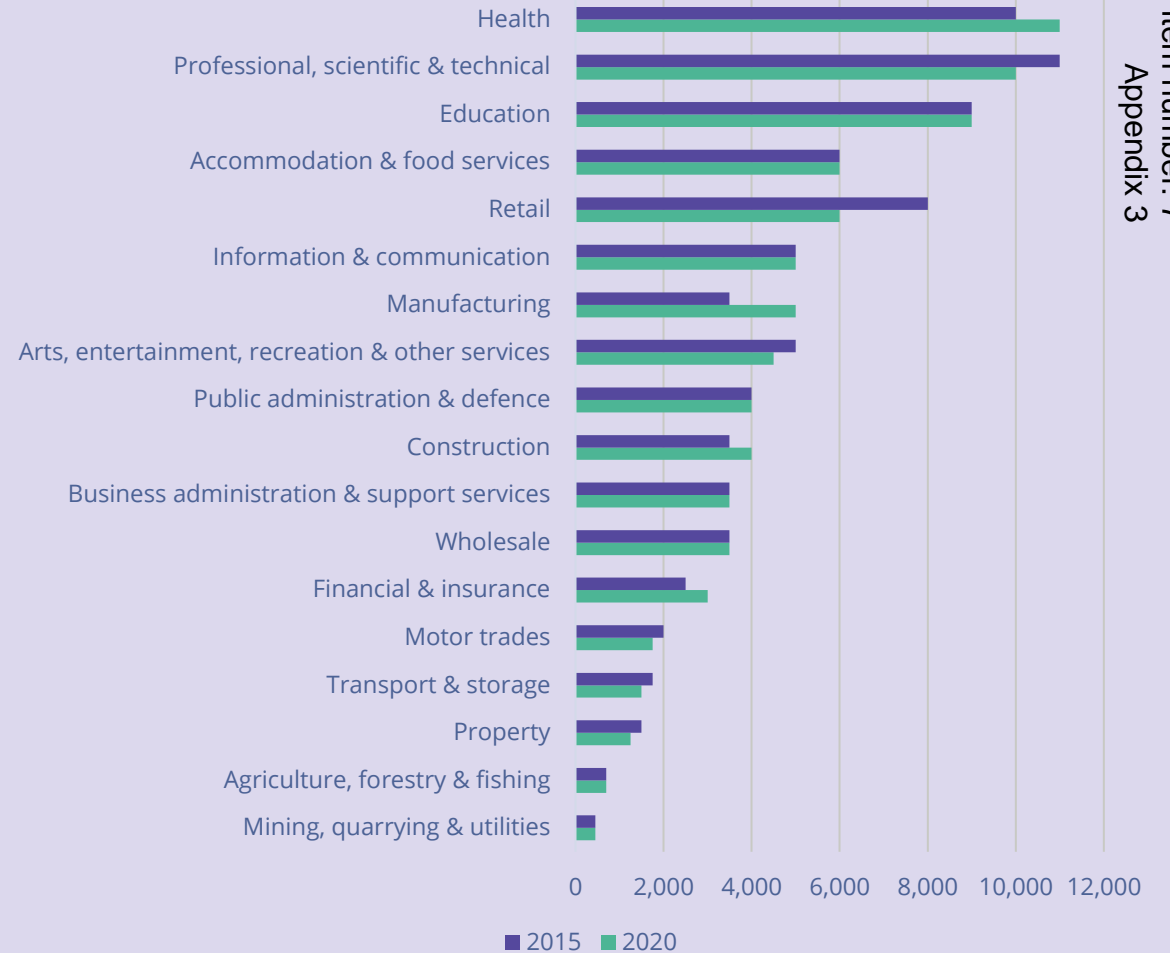
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Employment Change, 2015-2020



Source: ONS. Business Register and Employment Survey, 2020

Employment by Sector, 2015-2020



Source: ONS. Business Register and Employment Survey, 2020

Employment has grown in some areas but not others...

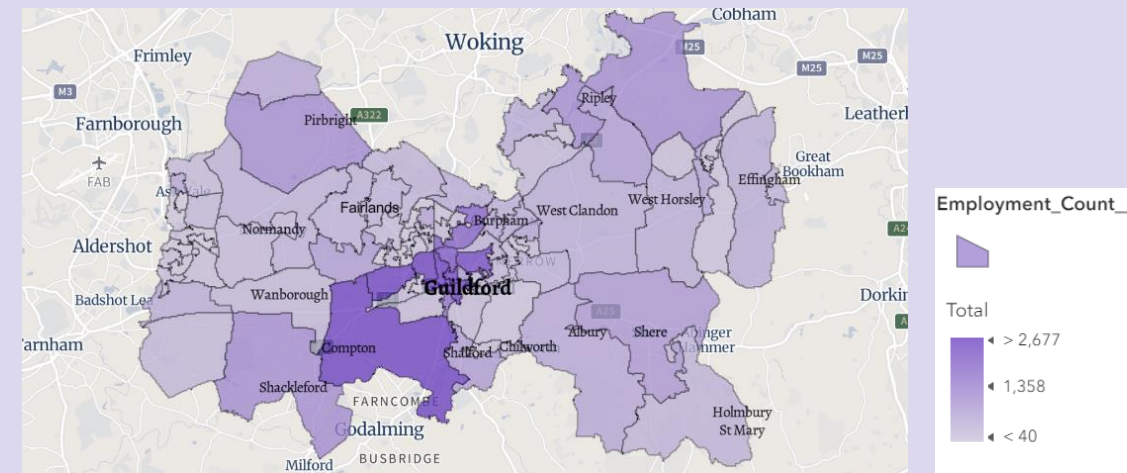
There are several significant employment clusters across the town centre and wider Guildford: Employment is concentrated in the town centre and surrounding areas on Surrey Research Park and Guildford Business Park. Key town centre clusters include retail (Marks and Spencer, Zara and Primark), gaming (EA Games, Supermassive Games), science (Surrey Research Park, University of Surrey, Pirbright Institute) and health (Royal Surrey Hospital).

Employment growth has been strongest in existing employment locations such as Surrey Research Park: Employment growth has been strongest in Surrey Research Park (+2,000 jobs), Pirbright (+250 jobs) and Peasmarsh (+500 jobs). Employment growth at Peasmarsh is likely connected to Weyvern Park and Riverway Industrial Estates which are home to several car dealerships (Tesla, Lookers, Harley-Davidson), iGuzzini illuminazione UK Ltd lighting manufacturers and several wholesalers.

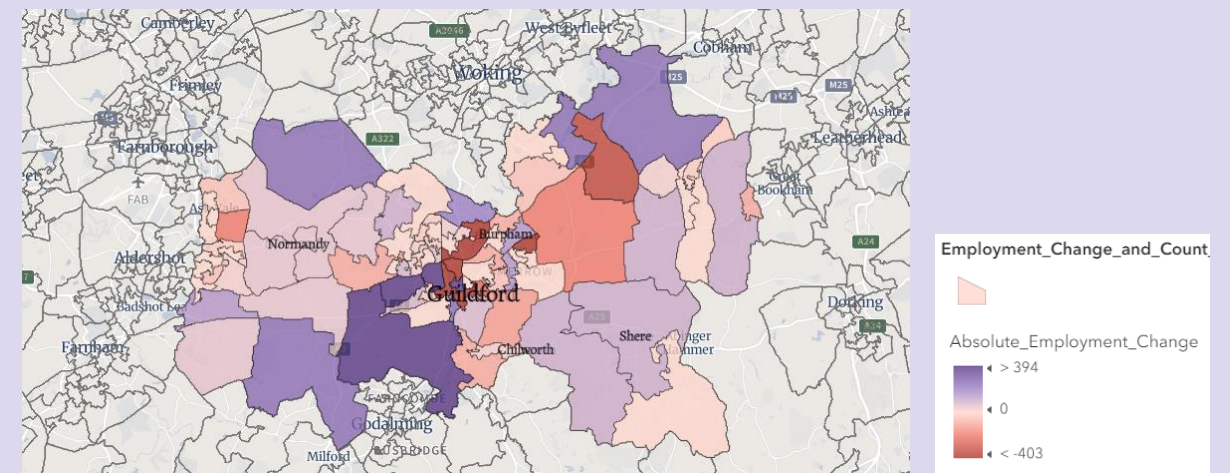
Guildford's town centre has experienced some of the largest employment decline in recent years: The town centre has lost several chain retailers (-2,000 jobs) in recent years including Debenhams in 2020. Some employment has also been lost to the east of the town centre as well around settlements like Ripley, West Clandon, East Clandon, Burnt Common, Send and Send Marsh.

Industrial estates have also experienced employment loss: There has also been some employment losses on industrial estates such as Lysons Avenue in Ash (-200 jobs) and Slyfield in Guildford (-1,000 jobs). Employment loss at Slyfield Industrial Estate is in part related to the loss of the bus and coach builder Alexander Dennis and ongoing redevelopment of the estate.

Employment Count, 2020



Employment Change, 2015-2020



Source: ONS. Business Register and Employment Survey, 2020

Guildford's business base has also experienced slow growth in recent years...

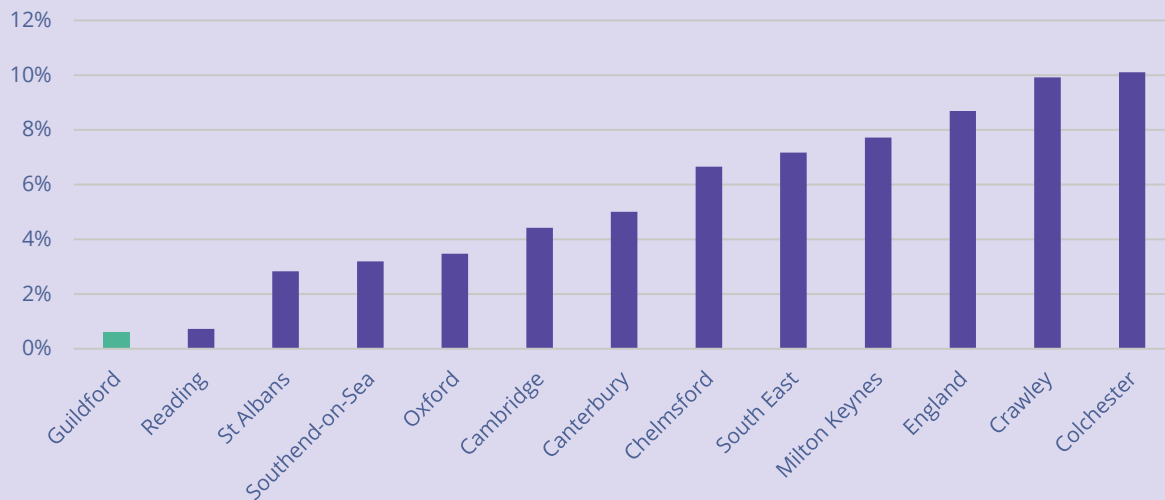
Guildford is home to 7,260 businesses.

High value sectors are important to Guildford's business base: Professional, scientific and technical is Guildford's largest business sector with 1,860 businesses (equivalent to 25% of the total business base) followed by information & communication (965 businesses)

Other sectors play an important supporting role: Construction (890 businesses), business administration & support services (700 businesses) and arts, entertainment, recreation & other services (480 businesses).

Business growth has been slow: The borough has experienced only +1% business growth since 2016, which is far lower than all comparator areas including most notably Colchester (+10%), Crawley (+10%), Milton Keynes (+8%) and Chelmsford (+7%). Guildford's business growth also lags behind the averages for the South East (+7%) and England (+9%). This is reflected in Guildford's low GVA growth over the past five years (+9%).

Business Change, 2016-2021



Source: ONS. UK Business Count, 2021

Businesses by Sector, 2021



Source: ONS. UK Business Count, 2021

Business numbers have increased in some places but decreased in others...

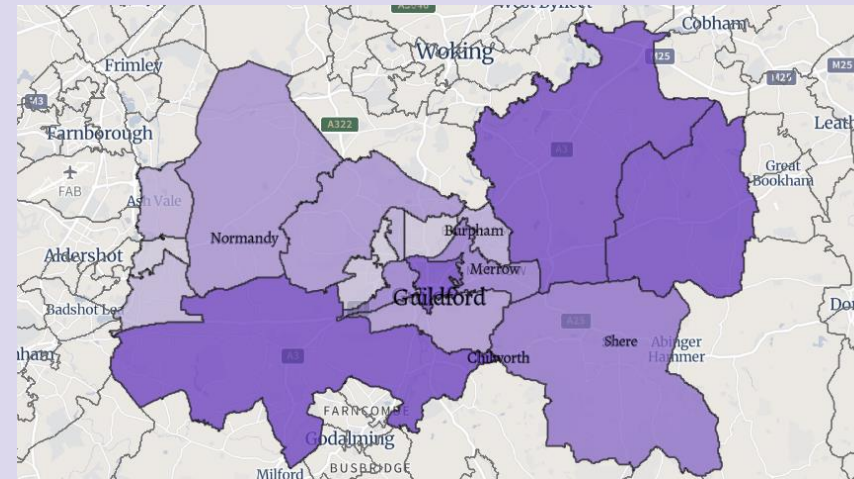
Businesses are concentrated in Guildford and in locations with easy access to the A3 road network: The largest numbers of businesses are located in Guildford town and along the A3 road network in Compton through to Send and West Clandon.

Business growth has been strongest in the Ash and Guildford: These locations have seen the largest absolute growth in business numbers over the past five years. Some of the larger businesses include Canna Enterprise Park and Ldl Business Centre in Ash and smaller businesses in Leatherhead,

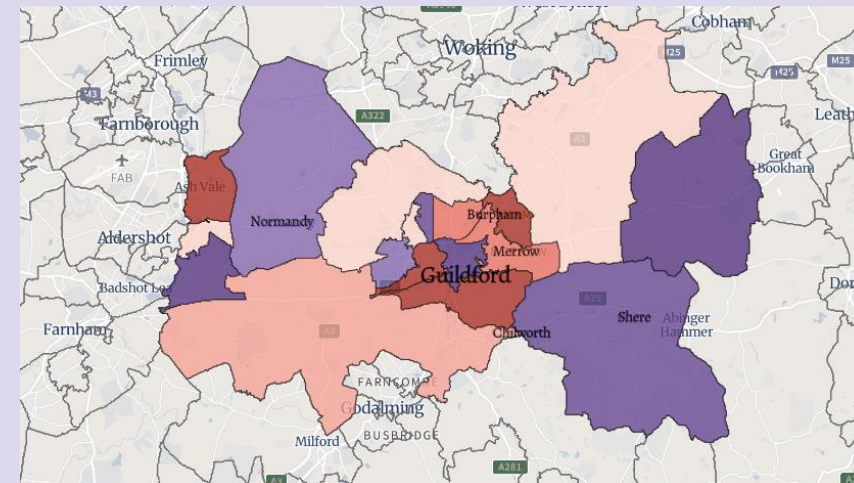
Peripheral locations around Guildford and Ash have lost the largest numbers of business in recent years: These businesses have seen the largest absolute decline in business numbers over the past five years. This is likely tied to changes in activity on Guildford's industrial estates and business parks which tend to be located out of town.

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Business Count, 2021



Business Change, 2016-2021



Source: ONS. UK Business Count, 2021

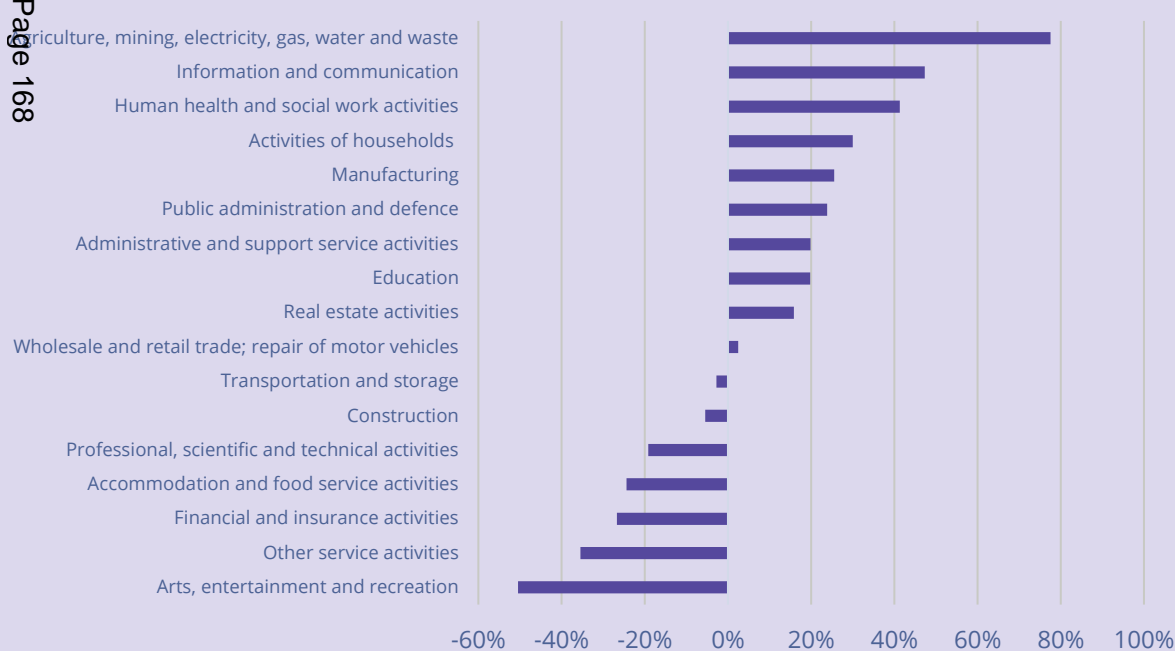
Guildford's economic output has some key drivers...

The main drivers of economic output are real estate activities, wholesale and retail trade, information & communication and human health and social work activities.

Some of Guildford's largest contributors have also experienced strong GVA growth in recent years: For example, information & communication is Guildford's third largest contributor to economic output and has seen a +47% increase over the past five years.

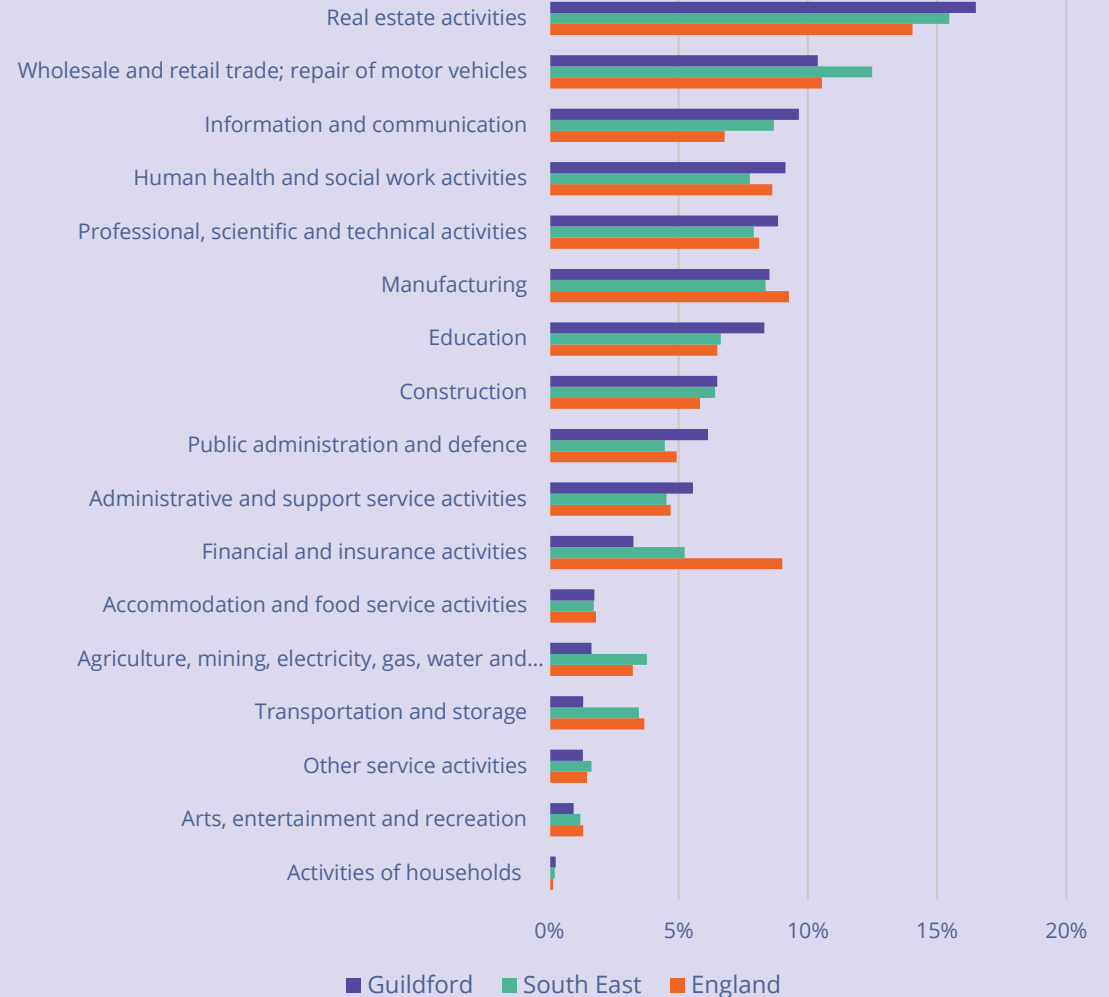
Some higher value sectors are underrepresented in Guildford's economic make-up: Finance and insurance contributes significantly less to Guildford's output than at the South East and England level.

GVA Change by Sector, 2015-2020



Source: ONS. Regional gross value added (balanced) by industry (2020)

Economic Output by Sector, 2015 vs 2020



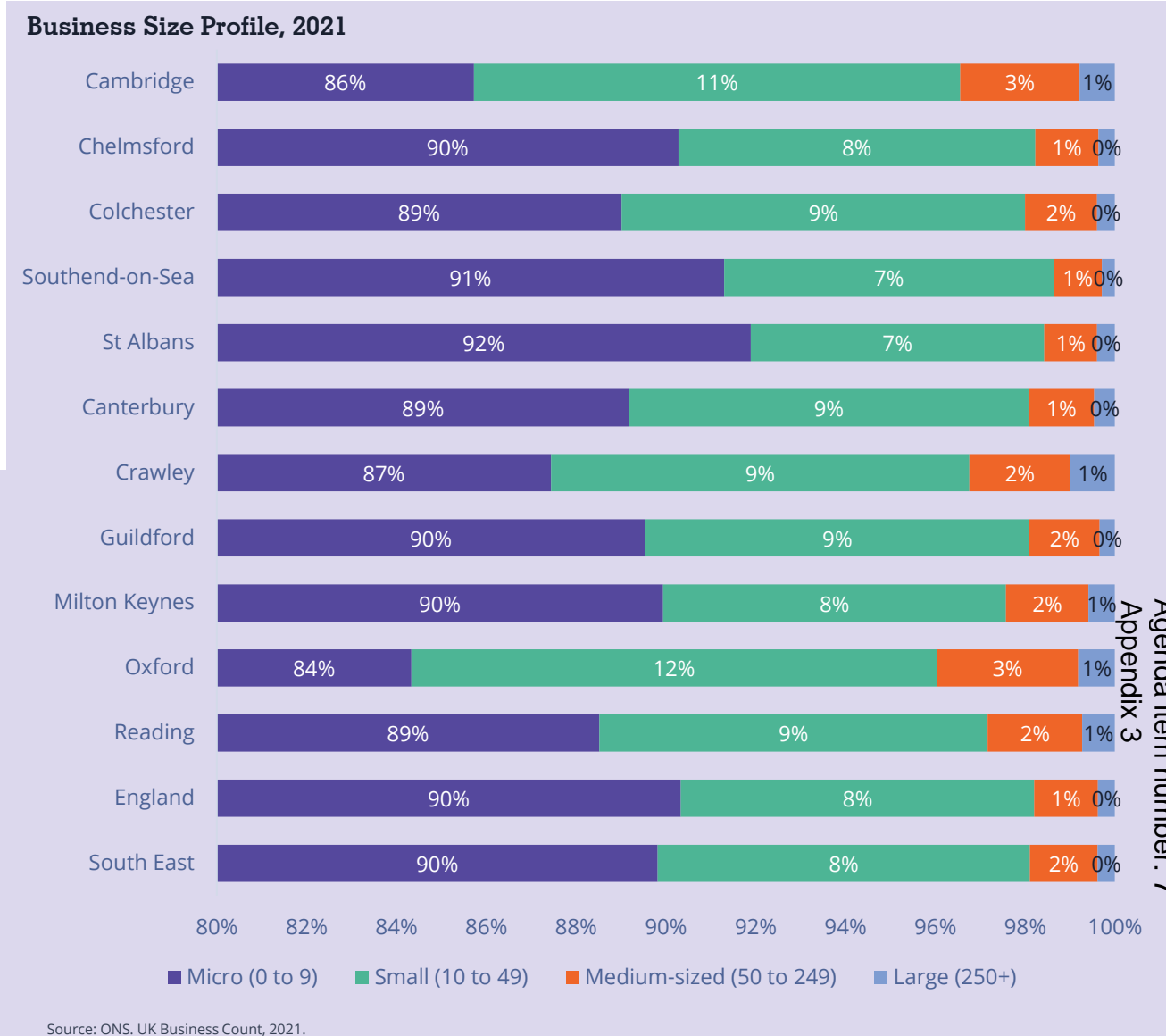
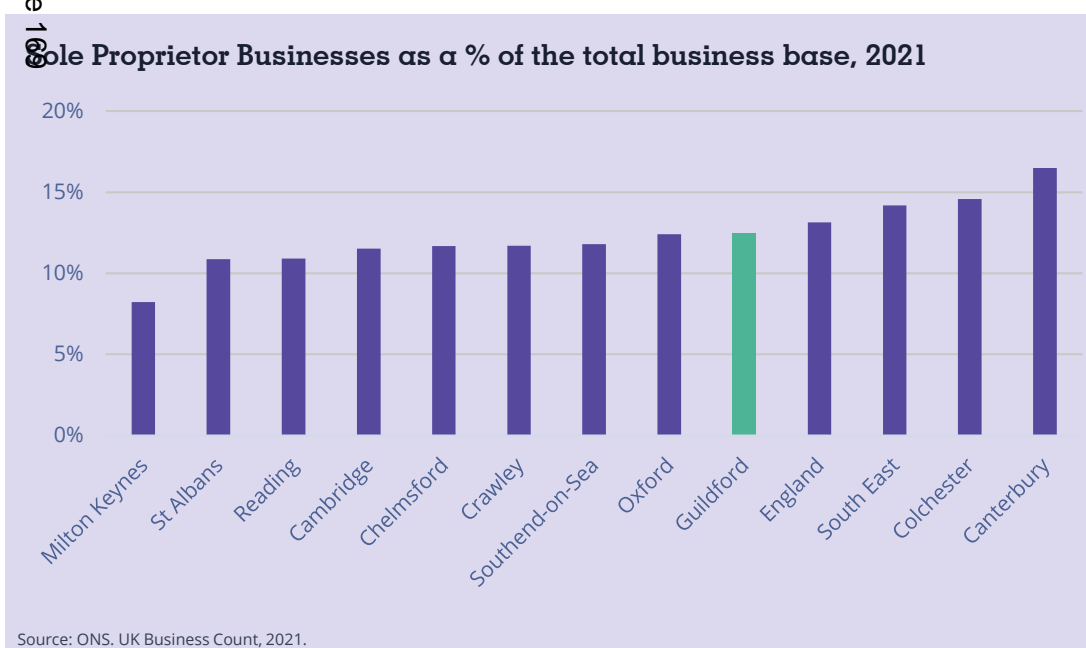
Source: ONS. Regional gross value added (balanced) by industry (2020)

Microbusinesses are important to Guildford's economy...

In common with most of Guildford's comparators, Guildford's business base is dominated by microbusinesses: Defined as businesses that have fewer than 10 employees, microbusinesses account for 90% of total businesses in Guildford, which is in line with the proportions seen in the South East (90%) and England (90%).

Guildford has a higher proportion of sole proprietor businesses than several comparators: Sole proprietor businesses are those who are sole traders or company owner-managers. Guildford is home to 920 sole proprietor businesses, equivalent to 13% of the borough's total business base. This is lower than the average for the South East (14%) and England (13%) and both Colchester (15%) and Canterbury (16%), but higher than all other comparator areas.

Recent literature suggests that this form of employment is increasingly attractive, with this category accounting for a very large proportion of recent growth in overall employment¹. It encompasses a variety of non-standard arrangements, such as independent contractors and 'gig-economy' workers.



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¹ IFS. What does the rise of self-employment tell us about the UK labour market? (2020)

IN FOCUS: Guildford's Priority Sectors

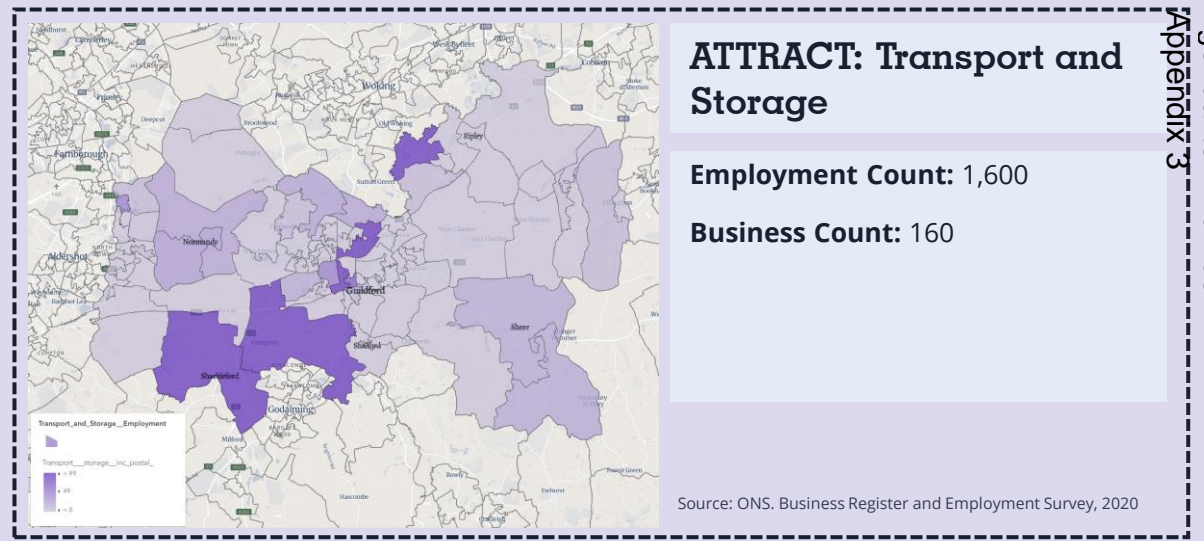
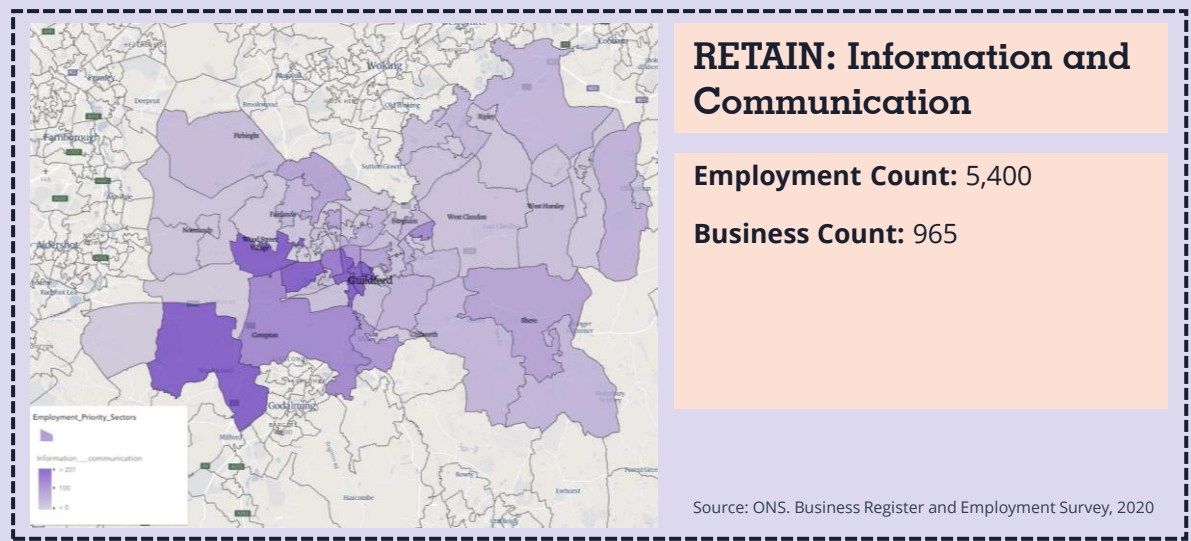
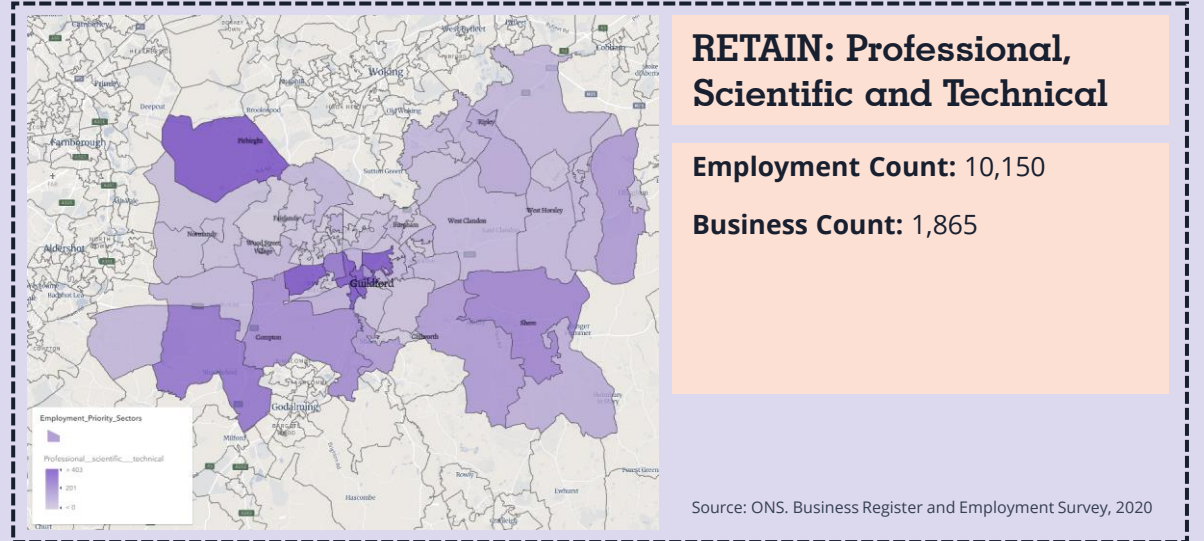
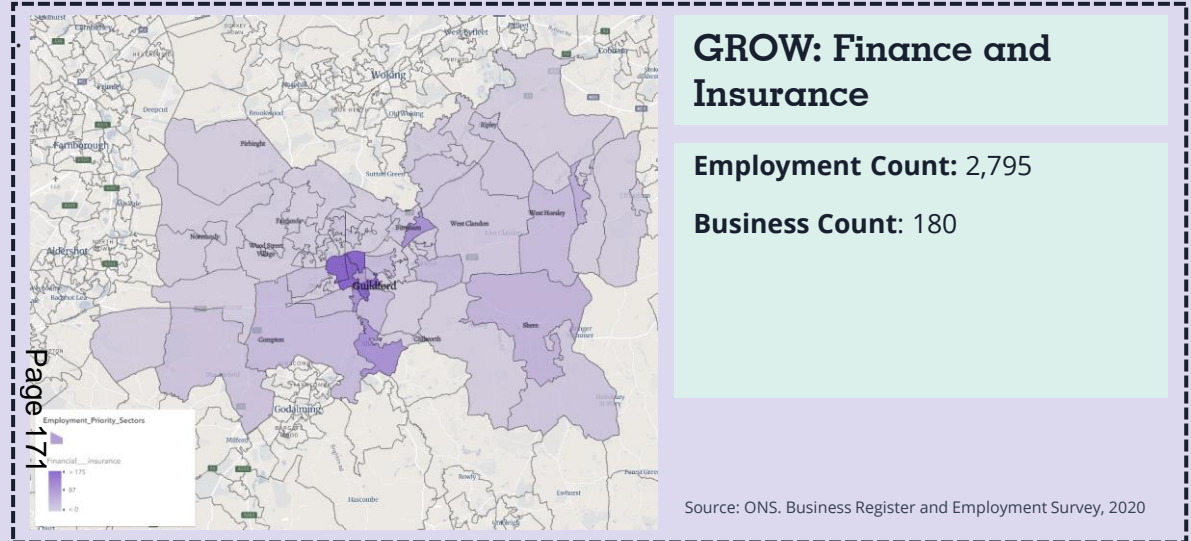
The table below summarises sectors in Guildford's that are priorities in terms of economic evidence and their policy alignment.

Category	Sector	Justification	Policy Alignment
GROW <i>Fast growing sectors that have some presence but could become more prominent and drive future economic growth</i>	Finance & Insurance	This sector represents only 3% of Guildford's economic output, 2% of businesses and 4% of employment, but it has experienced the second strongest rate of employment growth in recent years (+20%) and some business growth (+9%) yet the sector has experienced one of the largest declines in economic output of all of Guildford's sectors (-27%).	<ul style="list-style-type: none"> Finance is identified as an industry cluster in the Economic Strategy (2013).
	Health	As Guildford's largest employment sector, health supports 14% of total employment in the borough, but is not yet a significant specialism with only 1.1x as many jobs locally compared to the national level. Health ranks third in terms of GVA growth (+41%) and fourth in terms of employment growth (+10%). Guildford's specialisms in digital health form an important part of this sector.	<ul style="list-style-type: none"> Health and specifically digital health is identified as an industrial cluster in the Innovation Strategy (2019-2020).
RETAIN <i>Sectors that are embedded in the Borough, generally with larger employment bases, that should be retained due to their local importance</i>	Professional, Scientific & Technical	A specialised employment and business sector, professional, scientific and technical is Guildford's largest business sector and second largest employment sector. Despite this, professional, scientific and technical accounts for a smaller than expected proportion of Guildford's economic output. This sector has also experienced GVA, employment and business decline in recent years.	<ul style="list-style-type: none"> Professional services is identified as an industry cluster in the Economic Strategy (2013).
	Information & Communication	Specialised for economic output, employment and business, IT is the third largest contributor to Guildford's economic output (10%), is the second largest business sector and supports 6% of total employment in the borough. IT has experienced the second strongest level of GVA growth of all of Guildford's sectors (+47%) but little employment (+0%) and business growth (+2%). Guildford's specialism in video gaming forms an important part of this sector.	<ul style="list-style-type: none"> IT is identified as an industry cluster in the Economic Strategy (2013). Promotion of Guildford as the location of choice for innovation businesses is an ambition in the Innovation Strategy (2019-2020). Digital gaming is identified as an industry cluster in the Innovation Strategy (2019-2020) and high tech industries more generally in the Local Plan (2015).
	Retail	Retail accounts for 8% of total employment in Guildford and combined with wholesale represents the second largest contributor to Guildford's economic output. The sector has experienced the largest employment decline (-25%) with little growth in economic output (+2%) and no business growth (+0%).	<ul style="list-style-type: none"> Guildford's existing retail offer is identified as a strength in the Local Plan (2015) and Innovation Strategy (2019-2020).
	Arts, entertainment, recreation and other services	This sector is more concentrated in Guildford than at the national level, representing 7% of total employment and 6% of all businesses. The sector is, however, at present one of the lowest contributors to Guildford's GVA and has experienced decline in GVA, employment and businesses in recent years.	<ul style="list-style-type: none"> Guildford as an important visitor destination and attractive natural environment is identified in the Economic Strategy (2013), Local Plan (2015) and Rural Economic Strategy (2017).
ATTRACT <i>Sectors that are small but could play an important role in the Borough's future economy</i>	Transport & Storage	This is Guildford's is least specialised across economic output, employment and business. The sector has experienced the strongest business growth (+33%) of all sectors in Guildford but has been accompanied by decline in employment (-14%) and economic output (-3%) over the same period. It has seen significant growth as a sector at the national level.	<ul style="list-style-type: none"> One ambition of the Economic Strategy (2013) is to support businesses and help them address problems that are preventing them from realising their growth potential - Guildford has seen a large growth in transport & storage businesses that is not reflected in employment or economic output contributions.

IN FOCUS: Guildford's Priority Sectors – Employment

The following pages demonstrate the spatial distribution of Guildford's Priority Sectors across the borough.

GROW: Fast growing sectors that have some presence but could become more prominent. **RETAIN:** Sectors that are embedded in the borough that should be retained due to their local importance. **ATTRACT:** sectors that are small but could play an important role in the Borough's future economy.



IN FOCUS: Guildford's Priority Sectors – Employment

GROW: Fast growing sectors that have some presence but could become more prominent. **RETAIN:** Sectors that are embedded in the borough that should be retained due to their local importance. **ATTRACT:** sectors that are small but could play an important role in the Borough's future economy.

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Appendix 3

GROW: Health

Employment Count: 10,695

Business Count: 255

Source: ONS. Business Register and Employment Survey, 2020

RETAIN: Retail

Employment Count: 6,480

Business Count: 370

Source: ONS. Business Register and Employment Survey, 2020

RETAIN: Arts, entertainment, recreation and other services

Employment Count: 4,325

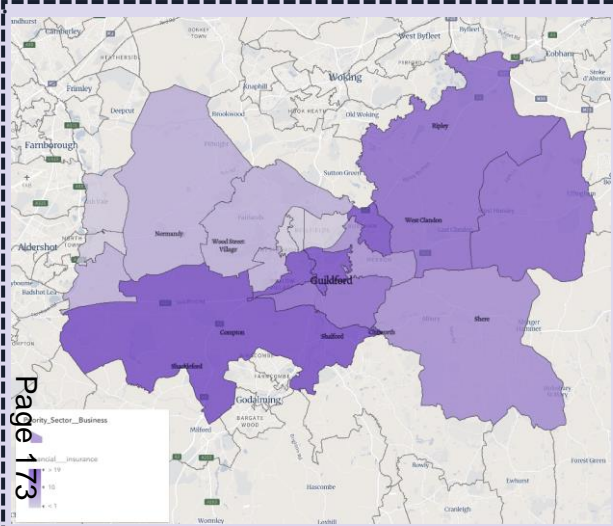
Business Count: 485

Source: ONS. Business Register and Employment Survey, 2020

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IN FOCUS: Guildford's Priority Sectors – Business

GROW: Fast growing sectors that have some presence but could become more prominent. **RETAIN:** Sectors that are embedded in the borough that should be retained due to their local importance. **ATTRACT:** sectors that are small but could play an important role in the Borough's future economy.

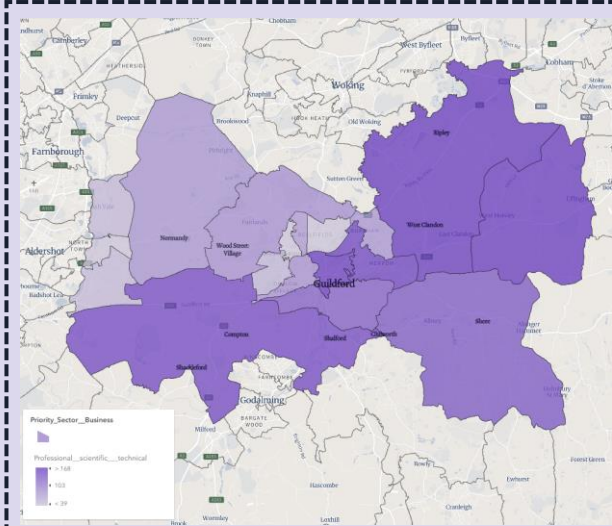


GROW: Finance and Insurance

Employment Count: 2,795

Business Count: 180

Source: ONS. UK Business Count, 2021

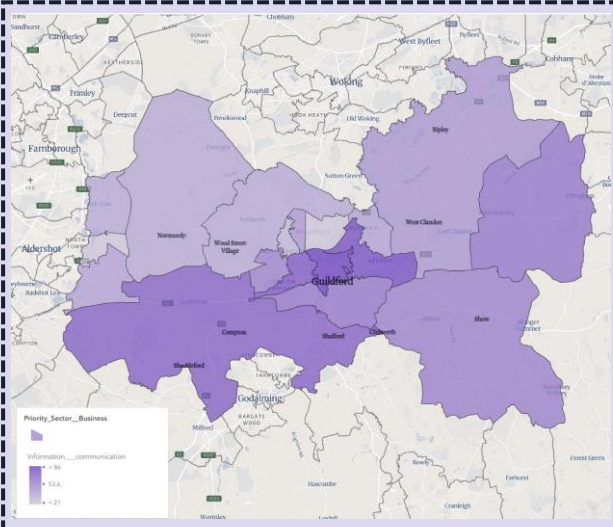


RETAIN: Professional, Scientific and Technical

Employment Count: 10,150

Business Count: 1,865

Source: ONS. UK Business Count, 2021

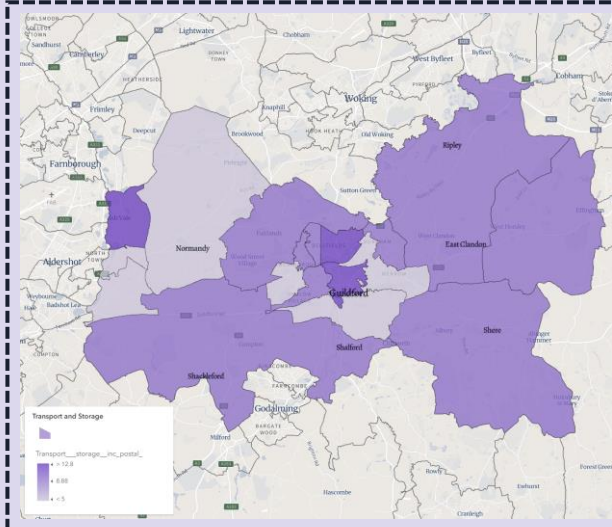


RETAIN: Information and Communication

Employment Count: 5,400

Business Count: 965

Source: ONS. UK Business Count, 2021



ATTRACT: Transport & Storage

Employment Count: 1,600

Business Count: 160

Source: ONS. UK Business Count, 2021

IN FOCUS: Guildford's Priority Sectors – Business

GROW: Fast growing sectors that have some presence but could become more prominent. **RETAIN:** Sectors that are embedded in the borough that should be retained due to their local importance. **ATTRACT:** sectors that are small but could play an important role in the Borough's future economy.

Agenda item number: 7 Appendix 3

GROW: Health

Employment Count: 10,695

Business Count: 255

Source: ONS. UK Business Count, 2021

RETAIN: Retail

Employment Count: 6,480

Business Count: 370

Source: ONS. UK Business Count, 2021

RETAIN: Arts, entertainment, recreation and other services

Employment Count: 4,325

Business Count: 485

Source: ONS. UK Business Count, 2021

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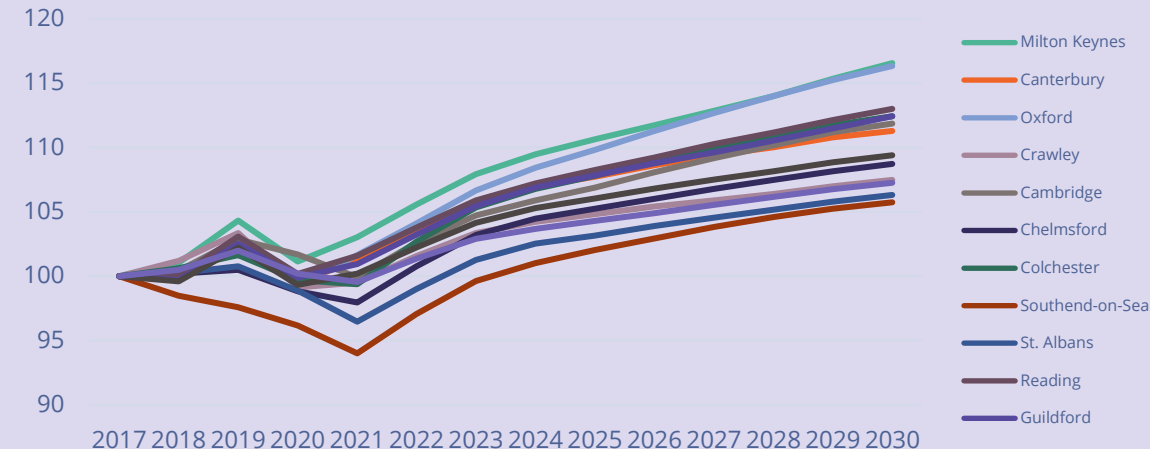
Guildford's economy is expected to grow at a slower rate than some comparators...

Guildford's economic output growth is forecast to outperform regional averages: Guildford's economic output (GVA) is forecast¹ to increase by +32% to £6.4bn by 2030. This is a stronger rate of growth than projected for both the South East (+25%) and the UK (+21%), but lower than several comparators such as Reading (+38%), Oxford (+40%) and Cambridge (+36%). These projections are based on historic trends and the existing sector mix of the borough.

Employment is also forecast to outperform regional averages: Employment is forecast to increase by +12% to 107,700 jobs by 2030, which is equivalent to an additional 11,900 jobs in Guildford. This is higher than the projected employment growth for the South East (+9%) and the UK (+7%), but lower than several comparators including Milton Keynes (+17%), Oxford (+16%) and Reading (+13%).

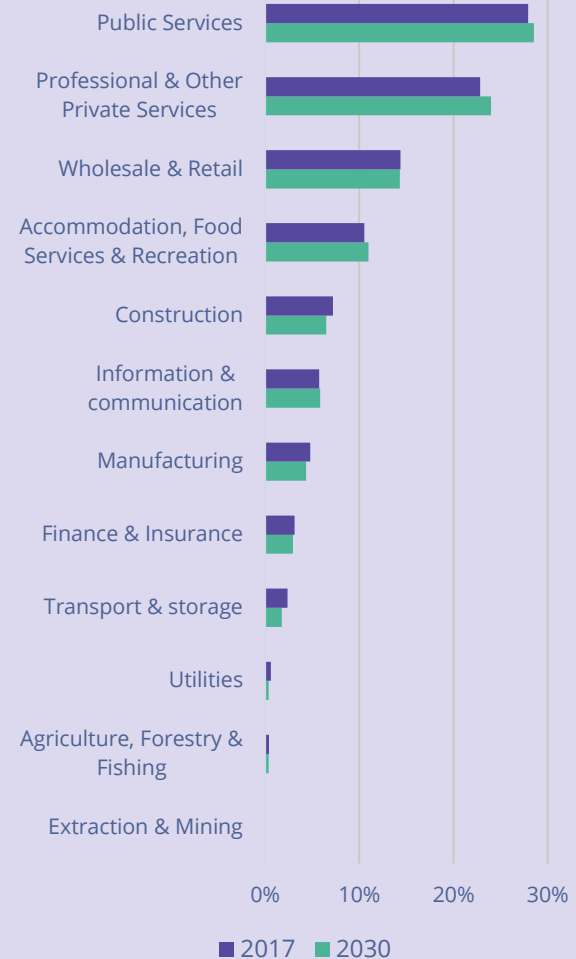
Professional services, public services and accommodation will drive employment growth: Employment growth is forecast to be strongest in professional and other private services (+3,900 jobs) followed by public services (+3,900 jobs) and accommodation and food services (+1,700 jobs). Despite overall growth, some employment decline is forecast for Guildford's transport and storage (-400 jobs) and utilities sectors (-200 jobs).

Forecast GVA Change, 2017-2030



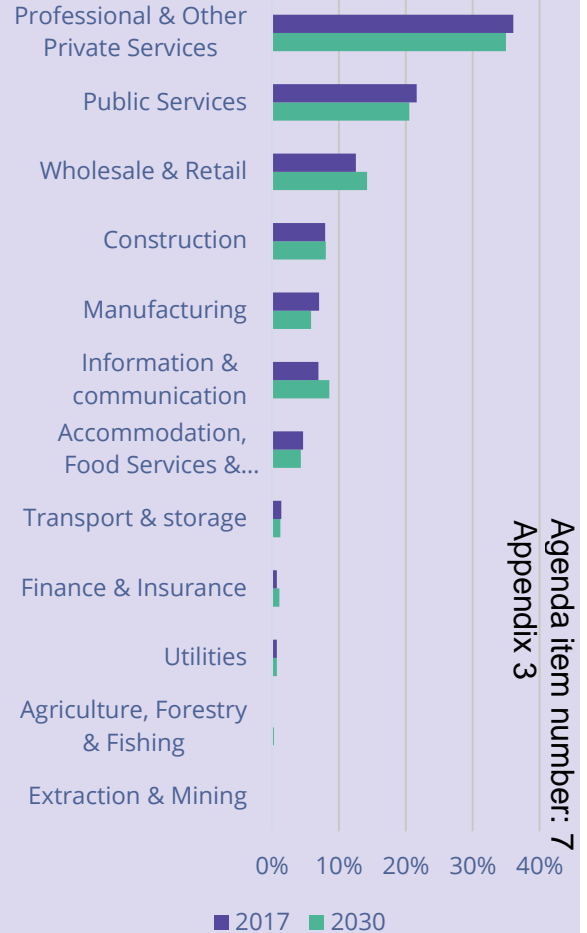
Source: Experian. Regional Planning Service (2021)

Forecast Employment Change by Sector



Source: Experian. Regional Planning Service (2021)

Forecast GVA Change by Sector



Source: Experian. Regional Planning Service (2021)

¹ Experian forecasts provide an indication of Guildford's economy in 2041. These projections are based on Guildford's economy as of 2017 and include both economic output (GVA) and employment forecasts.

IN FOCUS: Guildford's Green Economy

The Green Economy

The UK government published the *Ten Point Plan for a Green Industrial Revolution* in November 2020 to set out the plan for capturing the opportunity to capture growth through the UK's transition to net zero by 2050. As part of this, the government pledged to creating 2 million new green jobs by 2030. Yet defining what counts as a green job is not straightforward.

Defining the Green Economy

The Green Economy captures all activities that contribute and enable growth in environmental, renewable and low carbon activities in the UK. The Green Jobs Taskforce Report¹ focuses on the following sectors:

Sector	Sub-Sectors
Power	Renewables (such as wind, solar and hydropower), nuclear power, grid infrastructure, energy storage and smart systems technology
Business and Industry	Hydrogen production and industrial use, carbon capture, utilisation & storage (CCUS) and industrial decarbonisation
Homes and buildings	Retrofit, building new energy-efficient homes, heat pumps, smart devices and controls, heat networks and hydrogen boilers
Transport	Low or zero emission vehicles, aviation and maritime, rail, public transport and walking or cycling
Natural resources	Nature restoration, tree planting and decarbonising agriculture, waste management and recycling
Enabling decarbonisation	Science and innovation for climate change, green finance, circular economy and energy networks
Climate adaptation	Flood defences, retrofitting of buildings to be resilient to extreme weather/climate events, nature-based solutions to reduce climate impacts and civil and mechanical engineering for infrastructure adaptation

¹ Department for Business, Energy & Industrial Strategy. Green Jobs Taskforce report (2021).
² Department for Business, Energy & Industrial Strategy. Green Jobs Taskforce report (2021).
³ Place-based Climate Action Network. Just Transition Jobs Tracker (2021). <https://www.uk100.org/greenjobs>
⁴ Place-based Climate Action Network. Just Transition Jobs Tracker (2021). <https://www.uk100.org/greenjobs>
⁵ Place-based Climate Action Network. Just Transition Jobs Tracker (2021). <https://www.uk100.org/greenjobs>
⁶ Institute for Employment Studies. Green Jobs and Skills in London: cross-London report (2021).
⁷ Guildford Borough Council. Strategy and Communications Business Survey 2020 (2021)

Green Economy at Present

Across the UK there are already over 410,000 jobs in low carbon businesses and their supply chains, with turnover estimated as £42.6bn in 2019 and value of goods and services exported by the UK low carbon businesses exceeding £7bn².

The Future of the Green Economy

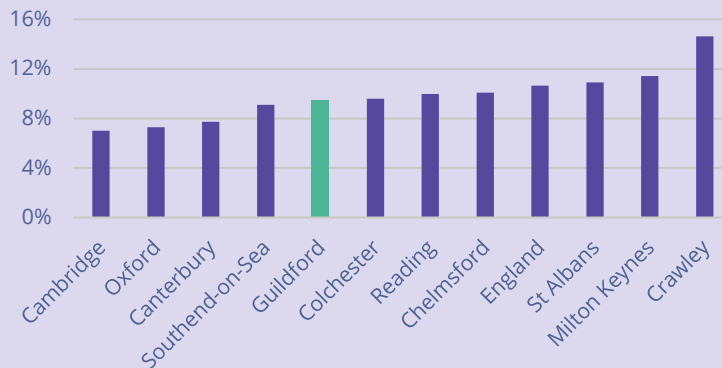
One in five jobs in the UK (approximately 6.3 million workers) will require skills which may experience demand growth or reduction as a result of the transition to net zero³. For the latter, they will likely need reskilling, upskilling, or to use their current skills differently.

The construction industry, followed by manufacturing and transport, are sectors where most focus is needed to both take advantage of the demand for the green economy and also provide skills and retraining for those jobs that require it.

Jobs Requiring Upskilling

7,631 jobs in Guildford are considered in need of upskilling, equivalent to 10% of the total employment base⁴. These are existing jobs that require significant changes in skills and knowledge to adapt to the net zero economy.

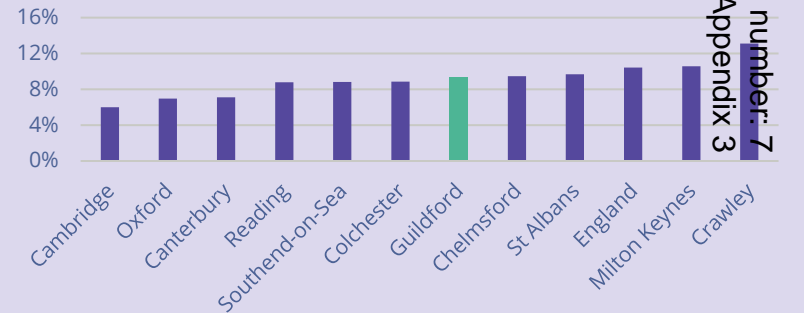
Proportion of employment requiring upskilling, 2019



Jobs in Demand

7,460 jobs in Guildford are expected to be in high demand, equivalent to 9% of the total employment base⁵. Due to their important role in the net zero economy in providing the skills and expertise for the transition to net zero.

Proportion of employment expected to be in high demand, 2019



The Potential of the Green Economy

Looking beyond the jobs with the clearest relevance in supporting the green transition, a variety of roles are expected to be relevant to the green economy of the future. For example, in London most jobs within green sectors are within high level managerial, professional or technical jobs, or skilled craft jobs⁶. Further to this, many green jobs of the future will replace existing jobs rather than create additional roles.

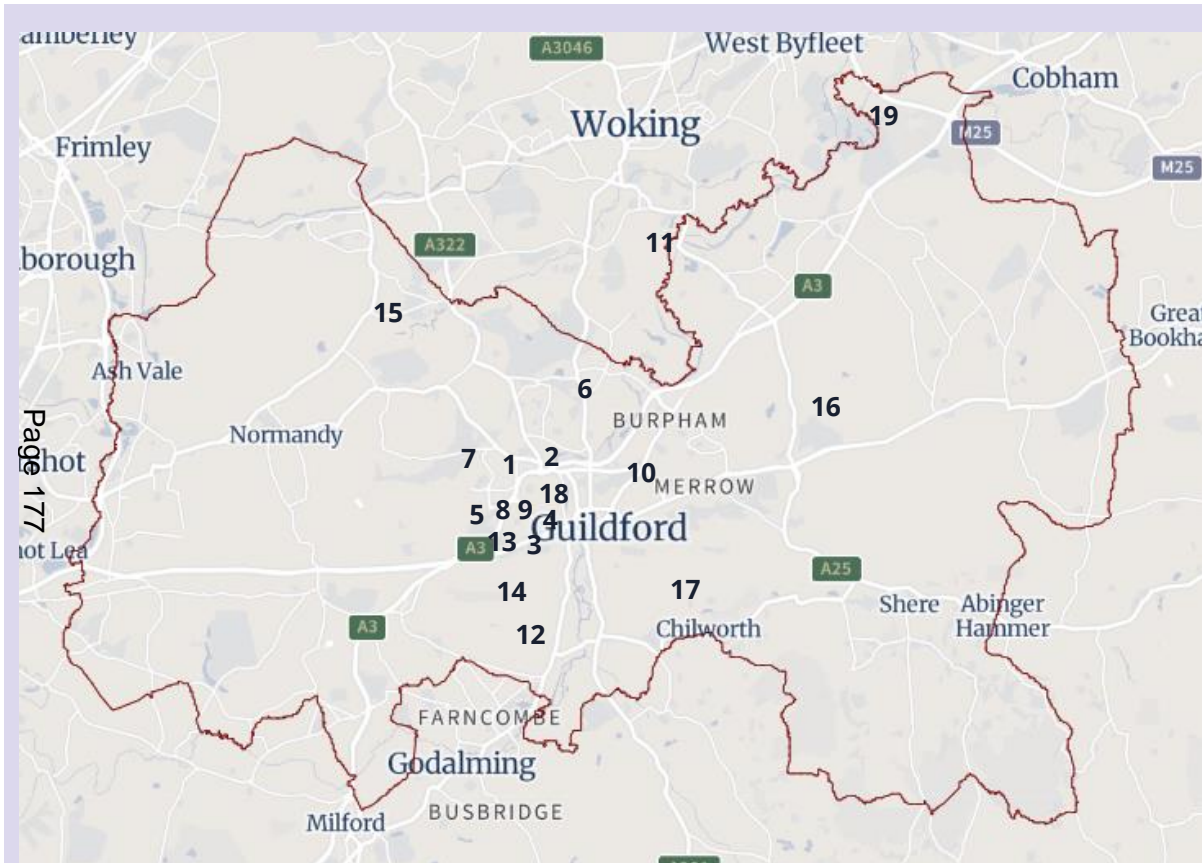
Given the sectoral importance of higher value professional, scientific & technical and information & communication sectors to Guildford's economy, Guildford is well-placed to capture a larger share of this green growth. This will require understanding the current and future skills needs of Guildford's employers, and support for the businesses to take the necessary steps to achieve net zero. A recent survey of Guildford's businesses⁷ highlighted desire to receive decarbonisation advice (44% of all respondents) and to be part of a local green business network (41%) as important support required for reducing their carbon footprint.

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Guildford's Economic Assets and Anchors

Some of Guildford's largest employers and key anchor institutions, which drive the borough's economic performance, are outlined below.



Key: 1: University of Surrey; 2: Activate Learning; 3: The University of Law; 4: Guildford Station Office Quarter; 5: Surrey Research Park; 6: Slyfield Industrial Estate; 7: NHS Royal Surrey Foundation Trust; 8: Guildford Business Park; 9: Middleton Industrial Estate; 10: Merrow Lane Industrial Estate; 11: Send Business Studios; 12: Quadrum Industrial Park; 13: Astolat Business Park; 14: The Guildway; 15: The Pirbright Institute; 16: Hatchlands Park; 18: Spectrum; 19: RHS Wisley.

Focus On: RHS Wisley

RHS Wisley is one of Guildford's most important visitor economy assets. It is one of five gardens run by the Royal Horticultural Society (RHS) and is the second most visited paid entry garden in the United Kingdom attracting over 1.4m visitors per year. An economic impact report written by Counterculture Partnership LLP estimates that it currently supports:

- Around 280 jobs for people living within the borough.
- Around 358 jobs for people living within the region.

These jobs, alongside visitor, operational and capital spending, are estimated to deliver £608m to the local economy each year and £676m to the regional economy.

They also estimate that delivering £72m of investments in a new National Centre for Horticultural Science & Learning and new Front of House Area will deliver additional economic benefits once fully delivered and operational. It is estimated that this will support:

- 40 additional direct jobs.
- 55 additional indirect and induced jobs.
- 19 temporary construction jobs.

Guildford is good place for long-term business establishment...

Business births in Guildford have been consistently above business deaths in recent years: Business births are, however, lower than average at 9% versus 11% nationally and lower than other areas such as Milton Keynes (13%), Reading (12%) and St Albans (11%).

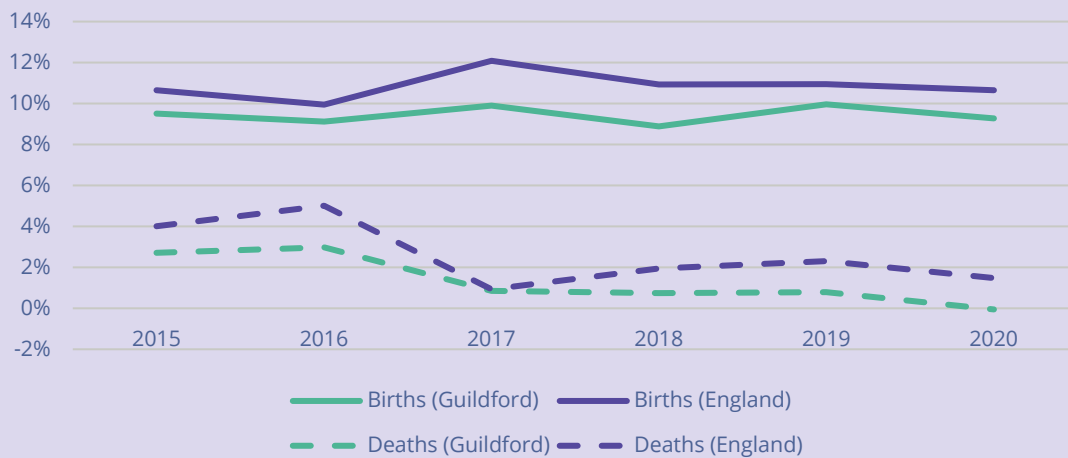
A lower proportion of new businesses survive their first year in Guildford compared to other locations: Of the new businesses that are set up, around 88% survive to one year which is in line with England but lower than in several comparator areas. This may link to the level of support and infrastructure available for start-up businesses in these locations, as well as the nature of supply chains and local business clusters.

Over the long-term, businesses that get beyond their first year have a higher chance of remaining operational in Guildford than in a number of comparator areas: 43% of businesses established in Guildford in 2015 were still operational by 2020 which is higher than the South East (40%) and England (41%) averages.

Relatively low short-term survival rates combined with stronger long-term survival rates suggests that Guildford is a good place to do business, but that new businesses starting up within Guildford may be in need of further support.

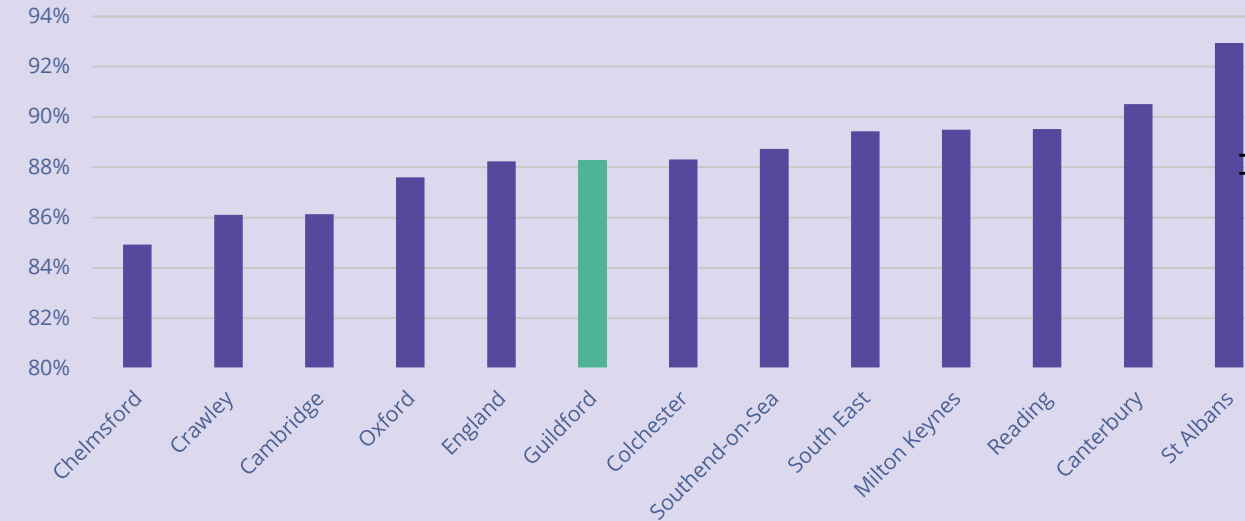
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Business Births and Deaths as a Proportion of the Active Business Base, 2015-2020



Source: ONS. Business Demography, 2021

Short-Term Business Survival Rates – First Year of Operation (Established in 2019)



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Long-Term Business Survival Rates – First Five Years of Operation (Established in 2015)



Source: ONS. Business Demography, 2021

Information, communication, professional and scientific industries attract the most inward investment...

Foreign direct investment (FDI) inward investment data provides an indication of the patterns of investment across the UK. Surrey, East and West Sussex has received around £2 billion in net inward investment each year between 2015 and 2019.

In 2019, Surrey, East and West Sussex received £2.01 billion in net inward FDI equivalent to 21% of the total net FDI received by the South East. This is a smaller proportion than Berkshire, Buckinghamshire and Oxfordshire (43%) but higher than Kent (3%) with the remaining FDI for the South East accounted for by Hampshire and the Isle of Wight (32%).

Inward FDI in Surrey, East and West Sussex reflects Guildford and the wider region's strengths across information, communication, professional and technical industries.

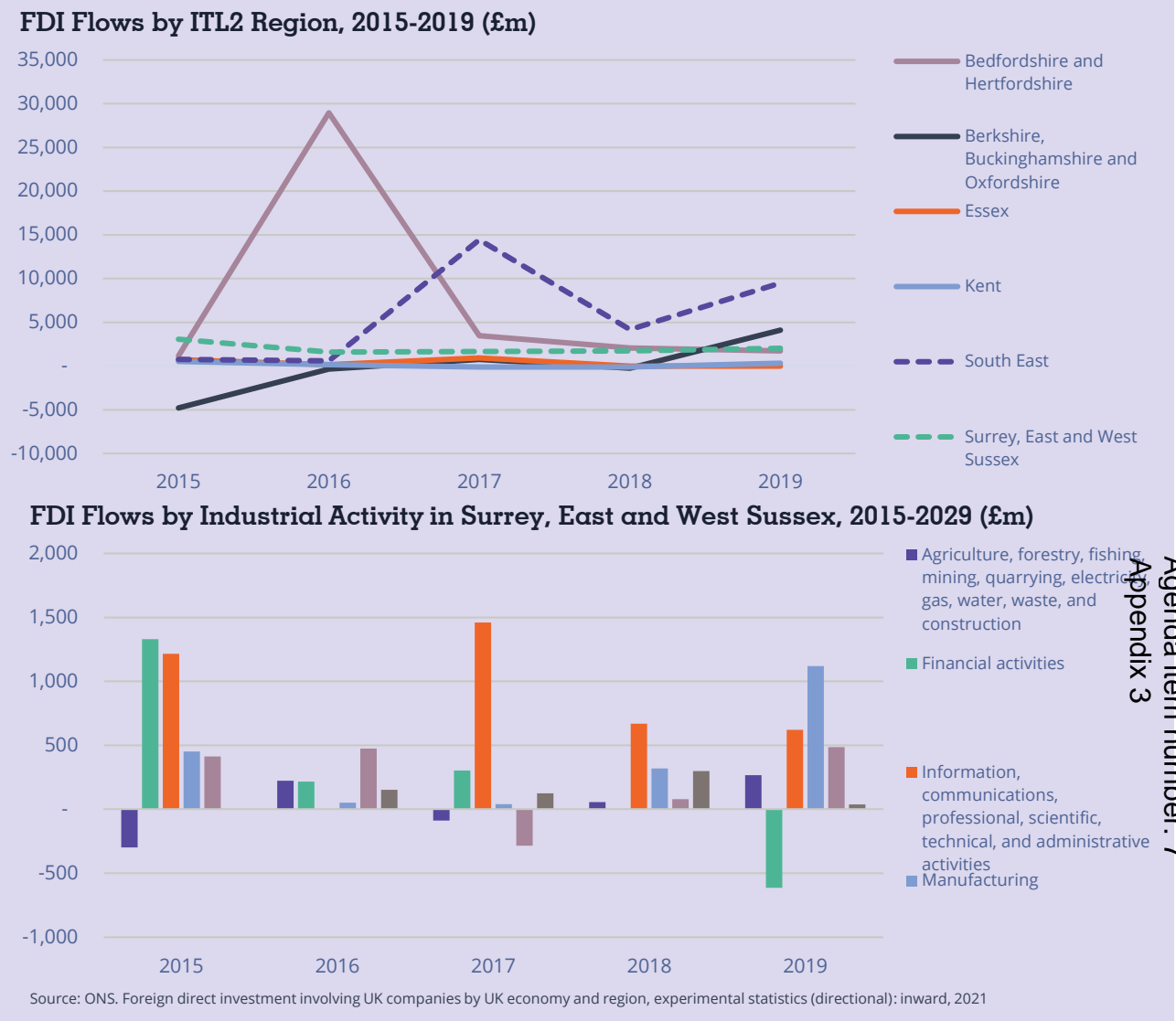
Between 2015 and 2019, Surrey, East and West Sussex received net:

- £4 bn for information, communications, professional, scientific, technical and administrative activities (39% of total net investment);
- £2 bn for manufacturing (20%);
- £1.2 bn for financial activities (12%);
- £1.2 bn for transport and other activities (6%); and
- £160 m for agriculture, forestry, fishing, mining, quarrying, electricity, gas, water, waste, and construction (2%).

Foreign Direct Investment

Foreign direct investment (FDI) inward investment data provides an indication of the patterns of investment across the UK. Inward flows measure the cross-border movement of funds within multi-national enterprises. FDI flows include changes in shareholdings (equity), debt and reinvested earnings associated with the stock of FDI. These are net values showing investments minus disinvestments.

FDI data is available at the International Territorial Level 2 (ITL2) geography in which Guildford is classified within the Surrey, East and West Sussex ITL2 region.

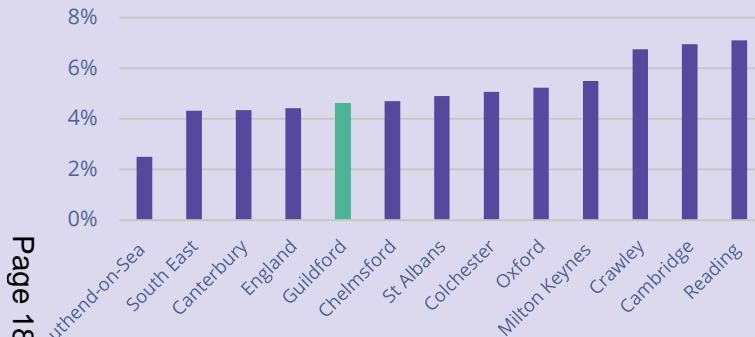


IN FOCUS: Innovation

Innovation in Guildford

Guildford is home to a number of innovative clusters, which benefit from the borough's proximity to London, its talent pool and quality of life. As a result, 5% of Guildford's businesses are considered to be high-growth enterprises¹.

Proportion of the business base considered high-growth, 2020



Key research institutions and assets provide ideal locations for innovation to take place:

- Surrey Research Park is home to over 170 companies who employ around 4,500 employees mainly in technical jobs².
- Surrey Technology Centre based at the Research Park specializes in incubating technology businesses, supporting 148 businesses with a collective turnover of £16.6m and 444 employees³.
- University of Surrey 5G Innovation Centre provides facilities and research opportunities for academics and industry partners to define and develop 5G/6G infrastructure.

Guildford has particular strengths in the following innovative sectors:

- Space;
- Gaming; and,
- Digital Health.

Space

As a strong knowledge-based economy, Guildford's space cluster forms part of a wider network of space, aerospace and satellite clusters across Basingstoke, Guildford, Farnborough and Bordon. Within Enterprise M3 there are 180 space organisations that support 3,245 jobs and generate £1.5bnn in turnover⁴.

Games Sector

Guildford is home to the third largest cluster of video games industry outside of London and Manchester. As one of the oldest development hubs in the UK, Guildford's games industry is home to over 60 games companies employing around 1,000 people.

The G3 Working Group Games Sector report⁵, highlights three areas of concern related to the future of the games sector:

1. Talent Pool – training local talent by strengthening links between education, work experience and careers; retaining existing talent particularly in the wake of Brexit and as a sector with high numbers of employees who are EU citizens; and attracting talent from other UK hubs and also overseas clusters, creating an environment that attracts start-ups and spin-offs.
2. Infrastructure – limited digital connectivity particularly outside of the town centre hinders games development and a lack of suitable, affordable premises in Guildford both contribute to companies moving further afield.

3. Finance and business development – games companies need financial and professional advice as well as investors showcasing to secure future funding and grow their businesses.

Digital Health

Digital technology in healthcare is a growing sector. Encompassing a broad range of sub-sectors including health technology, digital, media and mobile communications, digital health has applications across assisted living, efficiency in clinical practice, information processing and clinical resource efficiency.

The Enterprise M3 sub-region has major Med Tech (medical technology) capabilities, comprising around 200 companies and spanning across a range of applications. Enterprise M3 also has a supporting role in animal health initiatives, particularly due to the sensitivity of the region's food and tourism sectors to disease outbreaks.

An audit of health and medical business activities across Guildford, Waverley and Woking⁶ demonstrates Guildford's strength of activity. Of around 95 businesses connected to health and medical activities, 45 are located in Guildford (with 35 in Waverley and 15 in Woking).

Key local centres of innovation in digital health include: the Faculty of Health & Medical Science, University of Surrey; Department of Chemistry, University of Surrey; Cockpit Initiative, Royal Surrey County Hospital; and the Pirbright Institute Veterinary School.

In the qualitative engagements undertaken for this commission (see later chapters) respondents identified some challenges influencing development and demand for products:

- Brexit – anticipated regulatory changes; anticipated difficulties with trading and tariffs and decreased EU funding.
- Funding – grants and investments are noted as being less available than previously. This is particularly affecting start-ups and research organisations.

¹ A high growth business is defined as a business with ten or more employees that has experienced an average growth in employment of greater than 20%, per annum, over a three-year period (between 2017 to 2020). ONS. Business Demography (2022).

² Guildford Borough Council. Making Guildford Smarter Innovation Strategy 2019/20 (2020).

³ Guildford Borough Council. Making Guildford Smarter Innovation Strategy 2019/20 (2020).

⁴ Enterprise M3. EM3 Space Hub (2022) <https://enterprisem3.org.uk/hub/em3-space-hub>

⁵ G3. G3 Response: Building out Industrial Strategy – Cultivating world-leading sectors: The Guildford and surrounds Games Cluster (2016).

⁶ Economic Growth Management. Review of Digital and Other Advanced Health Technologies within Guildford, Waverley and Woking (2017).

Guildford's Visitor Economy

Well-connected to London, nationally and internationally, Guildford is home to a number of significant assets and events that attract local, domestic and overseas visitors alike:

- **Museums, galleries and cultural venues** such as RHS Wisley, Guildford Castle, Watts House, Loseley House, Hatchlands Park, Guildford Museum, Yvonne Arnaud Theatre and Guildford Cathedral;
- **Theatre, arts and events** including Electric Theatre, G Live and Guildford Summer Festival; and
- **Outdoor spaces** including the Surrey Hills AONB.

The *Economic Impact of Tourism on Guildford Borough 2019* study commissioned by Guildford Borough Council found that there were 5.52 million visitor trips to Guildford 2019, of which day trips accounted for 94% of total trips. This tourism generated £340.9 million in spending across the local area, and supported 6,262 jobs in tourism. Equivalent to 7.6% of total employment in the borough, tourism supports employment across a range of sectors including retail, catering, attractions, accommodation and travel. Key messages include:

Guildford is a popular day trip destination: The largest proportion of visits to Guildford are day trips, accounting for 27% of all day trips to Surrey in 2019.

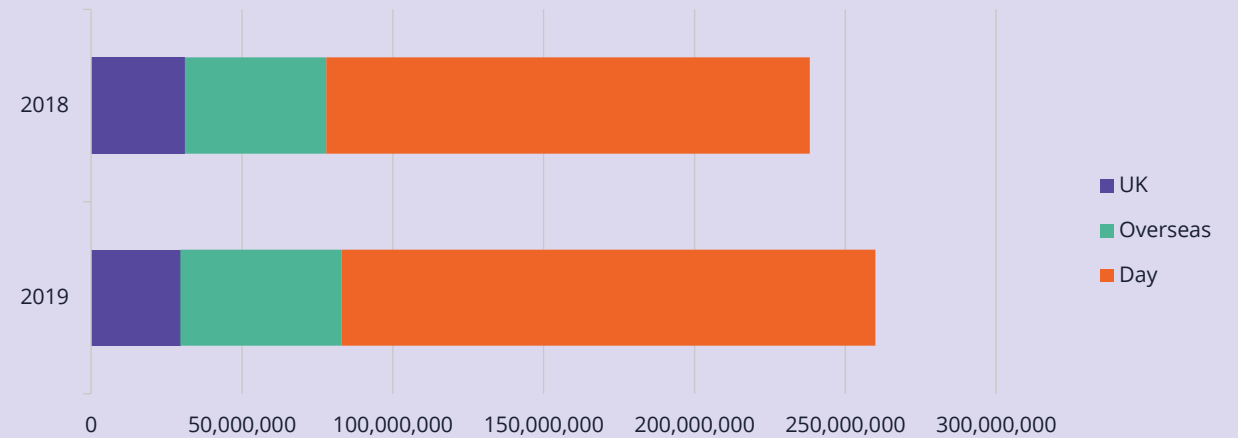
A large proportion of visitor spend is captured in Guildford: Guildford captured 41% of all visitor spend in Surrey in 2019. Similarly, Guildford saw a +11% uplift in visitor spend in 2019 compared to 2018, compared to +6% in the South East and +7% in England.

Guildford's attractiveness as a day trip destination could be driving its continued success: Year-on-year data demonstrates that day trips to Guildford have continued to increase (+7%), breaking away from the regional (-3%) and national (-3%) trend of decline.

Guildford's accommodation offer may be limiting overnight stays and the economic potential of tourism: Whilst overseas trips to Guildford also increased between 2018 and 2019 (+14%), the number of domestic overnight stays fell (-5%). Despite accounting for only 6% of visitor trips to Guildford, overnight stays accounted for 32% of total direct spend are therefore highly valuable to the local economy. Surrey Hotel Futures Study (2015) found that there is an undersupply of visitor and visitor accommodation in Guildford, which could in turn limit the borough's ability to host future events and reduce appeal as a business and visitor destination.

¹ Guildford Borough Council. The Economic Impact of Tourism in Guildford Borough 2019. Tourism South East.

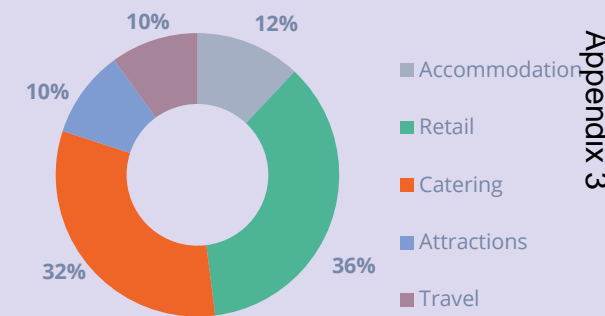
Trip Expenditure in Guildford, 2018 v 2019



Tourism Spending and Jobs in Guildford, 2019

	Direct	Indirect	Total
Spend	£260m	£80.9m	£340.9m
Jobs	4,617	1,645	6,262

Trip Expenditure by Type in Guildford, 2019



Source: Guildford Borough Council. The Economic Impact of Tourism in Guildford Borough 2019. Tourism South East.

4. People

What are the characteristics of Guildford's residents, skills landscape and labour market and what challenges do they face?

People: Summary

Guildford's population is supported by a large working-age and student population...



Home to 150,000 residents, working-age residents (aged 16-64) account for 67% of the population. The borough also has a larger share of residents aged 20-29 than seen nationally.

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Future population growth is forecast to be in Guildford's older age groups...



The proportion of residents aged 65+ is forecast to increase from 17% in 2018 to 22% in 2043, representing an additional 7,900 residents. This will impact Guildford's labour market.

Guildford's residents are highly qualified with high levels of economic activity...



40% of residents hold NVQ4+ qualifications (degree level or above) and unemployment in the borough is only 3.1%.

The largest skills gaps are in occupations less likely to be filled by Guildford's residents...



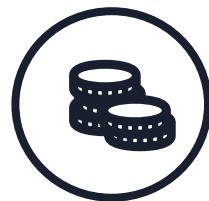
Occupations with the largest skills gaps are associate professionals and caring, leisure and other service Staff with 9.8% and 6.4% of skills gaps respectively.

There are some groups in Guildford likely to need more support than others...



Guildford has a relatively affluent resident population, but there are some groups who face deprivation challenges and are more likely to be impacted by the cost of living crisis.

Resident earnings are significantly higher than workplace earnings...



Resident earnings are 9% higher than workplace earnings. Residents earnings are £40,400 per annum on average versus £36,800 per for workplace earnings.

Residents seeking financial assistance are lower than average...



Guildford's claimant count is one of the lowest of all comparator areas at 1.7% of working-age residents, but levels are higher in Guildford town centre and the north of the town.

Why is this important?

- A larger working age population means that there are more people available for work.
- Population growth that indicates an ageing population will have impacts for health and social care, and the size of the labour market.
- The qualifications and occupations of Guildford's residents influence which types of jobs and in what sectors they may be able to support now and in the future.

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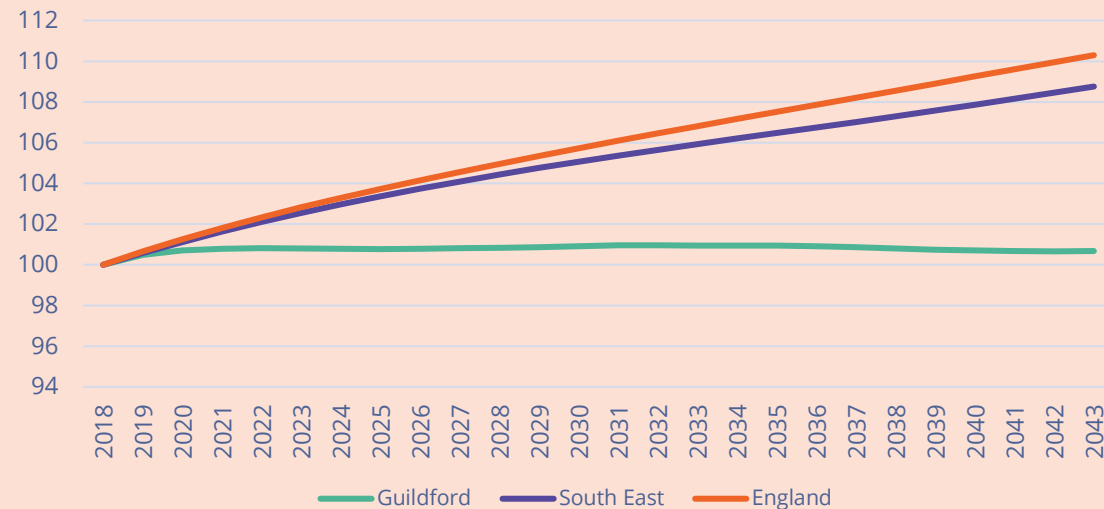
Guildford's population is supported by a large working-age and student population, though future growth is forecast to be in older groups...

Guildford is home to 150,000 residents, which is around 3% more than in 2015. Guildford's recent population growth is similar to several comparator areas, but lower than Chelmsford, Colchester and Canterbury. Guildford has:

- **A large working age population:** Residents aged 16-64 represent 67% of the total population compared to 63% nationally.
- **A large student population:** Residents aged 20-24 represent the largest share of Guildford's population and are likely students living in the borough (equivalent to 10% of the total population). Residents aged 25-29 are also higher than the national average.
- **Low projected population growth:** Guildford's population is expected to grow by a further 1,000 residents (1%) by 2043 which is much lower than the 9% and 10% growth projected across the South East and England respectively.
- **An ageing population:** The proportion of residents aged 65+ is forecast to increase from 17% in 2018 to 22% in 2043, representing an additional 7,900 residents.

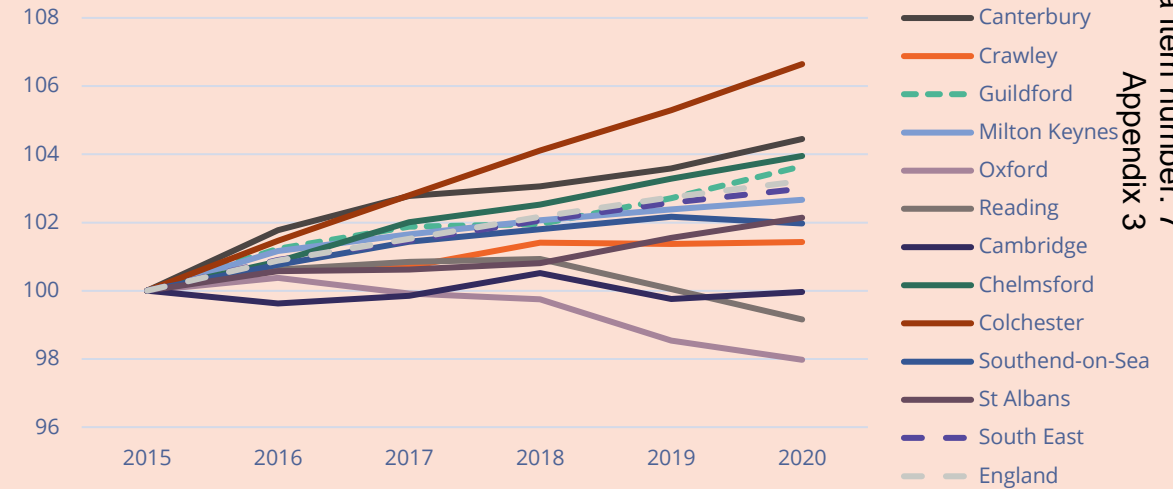
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Population Projections, 2018-2043

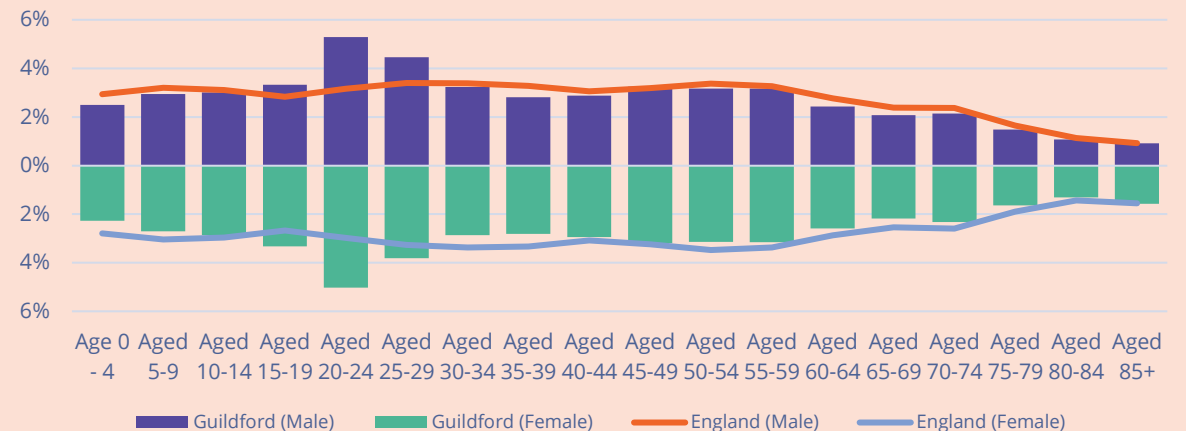


Source: ONS. Population Projections, 2018

Population Change, 2015-2020 (Index 100=2015)



Population by Age Group, 2020

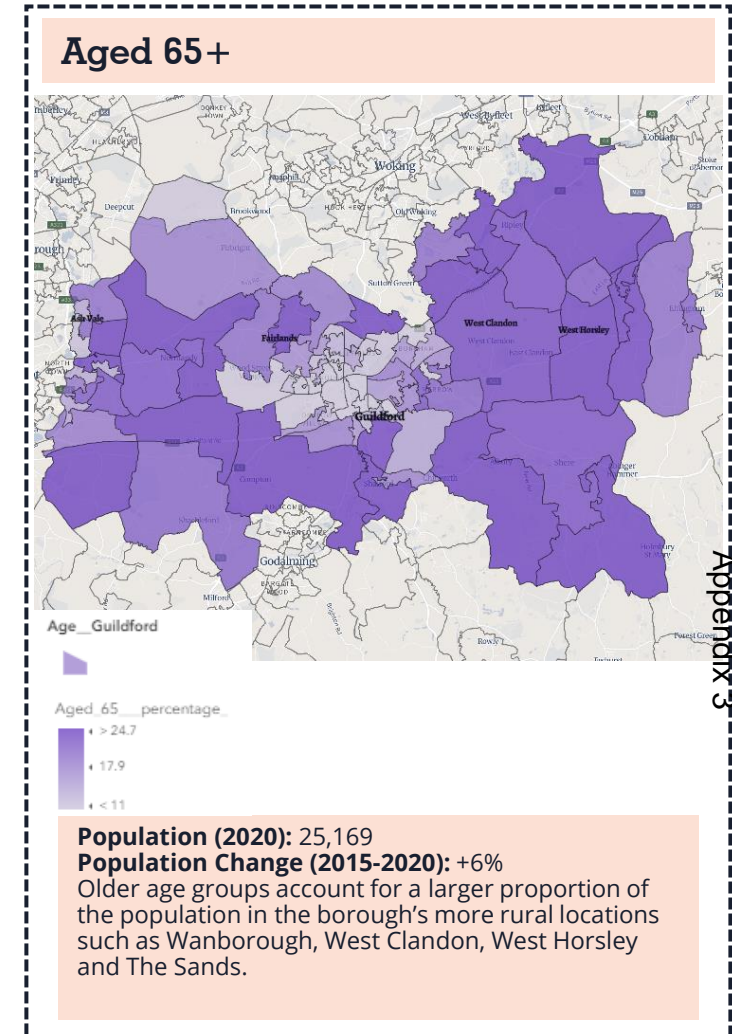
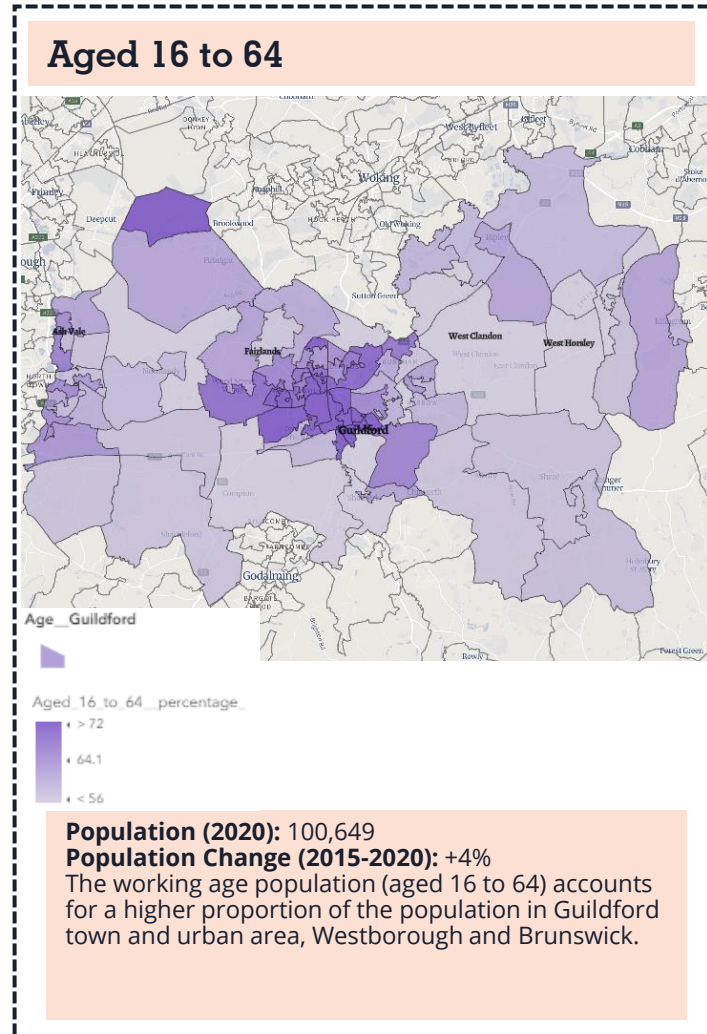
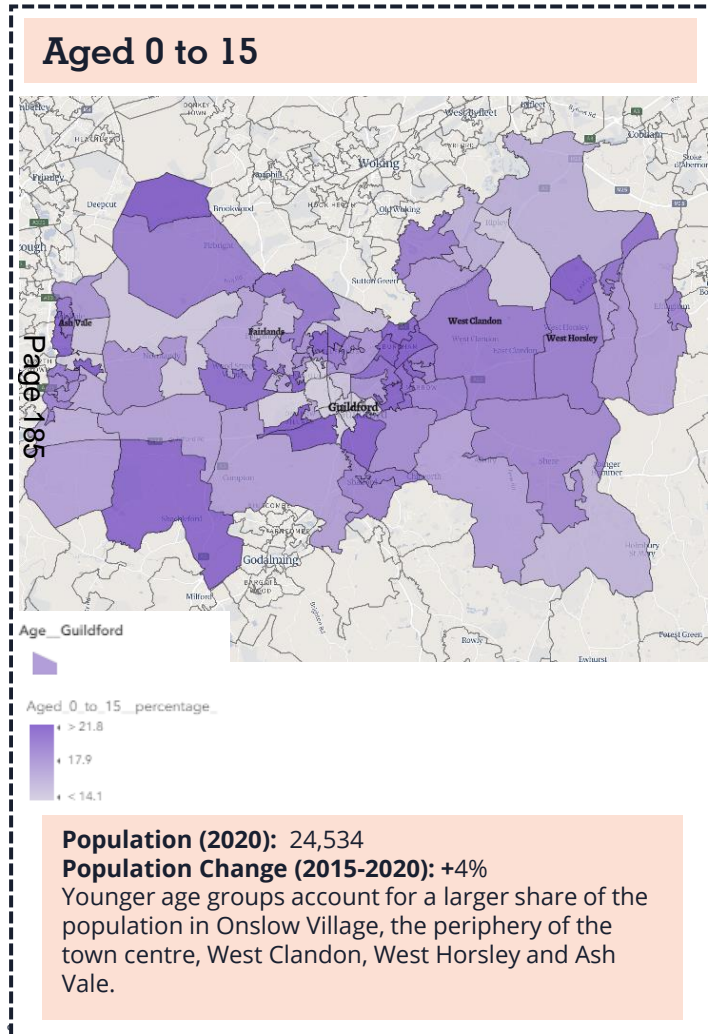


Source: ONS. Population Estimates, 2020

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Guildford's working age population is concentrated in the town whilst older residents live in the borough's more rural areas...

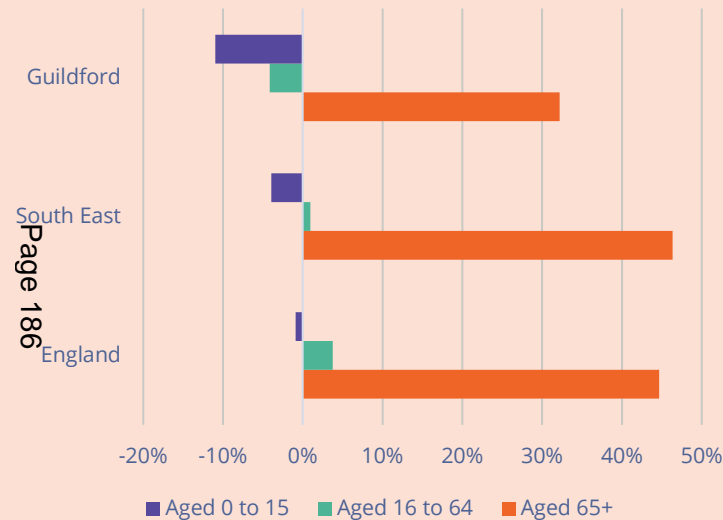
The maps below indicate where in the borough specific age groups tend to live. On the whole, these maps indicate that Guildford's urban area is home to a large working age population, with families and older people living in the borough's more rural locations.



IN FOCUS: Guildford's Ageing Population

An increasingly ageing population is a national challenge. The population aged 65 and over is growing and is projected to be 14.7 million by 2043 (expected to increase by 31%). The population aged 65+ in Guildford is 17% of the total population which is projected to increase to 22% by 2043¹.

Population Projections by Age Group, 2018-2043



Source: ONS. Population Projections, 2018

At a local authority level, an ageing workforce has implications across economic development, provision of health and social care services and the provision of suitable and in some cases specialist housing.

An Ageing Workforce

An ageing population means that more people will be in work for longer periods of time. The proportion of the working age population aged between 50 and the state pension age is expected to increase from 26% in 2012 to 34% in 2050 – an increase of over 5.5 million people nationally². Ensuring that the workforce has the training and skills required to up-skill and re-skill to adjust to technological and societal changes in the way we live and work are increasingly important.

A report by the Government Office for Science³ recommends priority areas for an ageing workforce including:

- Supporting an ageing population to lead fuller and longer working lives
- Adaptations to the workplace including negative attitudes to older workers and health needs, improving workplace design and adapting working practices
- Ensuring individuals re-skill throughout their lifetime
- Addressing falling participation in lifelong education and training
- Addressing barriers to later life learning
- Specific focus on technological and financial skills through life

Health and Social Care

Increased demand for services across health, housing, care and related sectors will likely spark growth in the care economy as people live for longer. As a result, demand for occupations such as managers, technology specialists and health professionals 'could rise nearly 20% by 2030', while demand for administrative and manual roles could decline just as steeply according to a report by McKinsey⁴. This is particularly important given Guildford's specialisms in Health and its growing Digital Health cluster.

Housing

In the UK, the majority of those aged 65 and over live in the mainstream housing market. Only 0.6% live in housing with care, which is 10 times less than in more mature retirement housing markets such as the USA and Australia, where over 5% of those aged 65+ live in housing with care⁵.

A report by the Local Government Association finds that there is a chronic undersupply of high quality, affordable and desirable accommodation in the right locations. The suitability of the housing stock is of critical importance to the health of individuals and also impacts public spending, particularly on social care and the NHS. For example, the Extra Care Charitable Trust by Aston University estimates that housing with care reduces the costs of social care for Local Authorities and over a 12-month resulted in reduced NHS costs by 38%.

In Guildford, the SHMA 2017 Addendum finds need for 1,061 units to be built between 2015 and 2034 (equivalent to 56 units per annum) of specialist housing including sheltered and extra care housing.

Case Study: Birmingham City Council

To address the undersupply of housing in the city, both for older people and other groups, Birmingham City Council has intervened directly and established its own housing trust. The Birmingham Municipal Housing Trust (BMHT) builds homes across Birmingham, by working in partnership with private developers. Over 2,500 homes have already been delivered or under construction and has led the way in building council owned homes for affordable rent through BHMT.

¹ ONS. Population Projections by Local Authority (2018).

² Government Office for Science. Future of an Ageing Population (2016).

³ Government Office for Science. Future of an Ageing Population (2016).

⁴ McKinsey & Company. The Future of Work (2019).

⁵ Local Government Association. Housing Our Ageing Population (2017).

Guildford's resident profile is dominated by more affluent groups, but there are some groups that may face challenges...

Experian MOSAIC data shows that the largest population 'groupings' in Guildford are more affluent and prosperous:

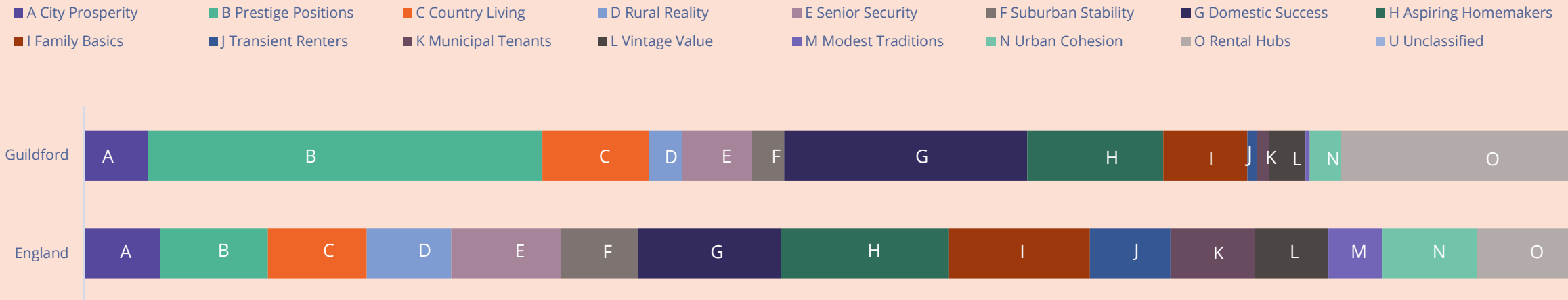
- 26% of households are classified as 'Prestige Positions' - these are families with financial security living upmarket lifestyles;
- 17% are classified as 'Rental Hubs' - these are educated young people privately renting in urban neighbourhoods;
- 16% of residents are classified as 'Domestic Success' - these are high earning families bringing up children and following careers in sought after residential areas; and
- 9% are classified as 'Aspiring Homemakers' - these are younger households who have recently set up home within a budget.

There are also some groups in Guildford who are likely to face more financial challenges. These include 'Family Basics' - families with children with limited budgets trying to make ends meet (6% of households) and 'Rural Reality'- householders living in rural communities in relatively low cost homes (2%).

MOSAIC Categorisation Definitions

- A. City Prosperity - High status individuals with substantial salaries and expensive urban homes.
- B. Prestige Positions - Established families with financial security living upmarket lifestyles.
- C. Country Living - Well off homeowners in rural areas benefiting from country life.
- D. Rural Reality - householders living in rural communities in relatively low cost homes.
- E. Senior Security - elderly people living independently in their owned homes.
- F. Suburban Stability - Mature couples or families living settled lives in mid-range housing.
- G. Domestic Success - High earning families bringing up children and following careers in sought after residential areas.
- H. Aspiring Homemakers - Younger households who have recently set up home within a budget.
- I. Family Basics - Families with children with limited budgets trying to make ends meet.
- J. Transient Renters - Young, single people who privately rent low costs homes for the short term.
- K. Municipal Tenants - long term social renters living in challenging areas.
- L. Vintage Value - Elderly people living in purpose built homes who may required increasing amount of financial or practical support
- M. Modest Traditions - Mature homeowners living in private modest homes enjoying a stable lifestyle.
- N. Urban Cohesion - Residents of settled multi-cultural urban communities.
- O. Rental Hubs - Educated young people privately renting in urban neighbourhoods.

MOSAIC Categorisation, 2021



Source: Experian. MOSAIC, 2021

Guildford is a popular location for international immigrants, while domestic residents are moving to locations outside the borough...

Long-term international migration to Guildford is strong: Since 2015/16, around 17,000 people have immigrated to Guildford from abroad, while around 9,000 people have left the borough for international destinations. This is a net inflow of around 8,000 people over this period.

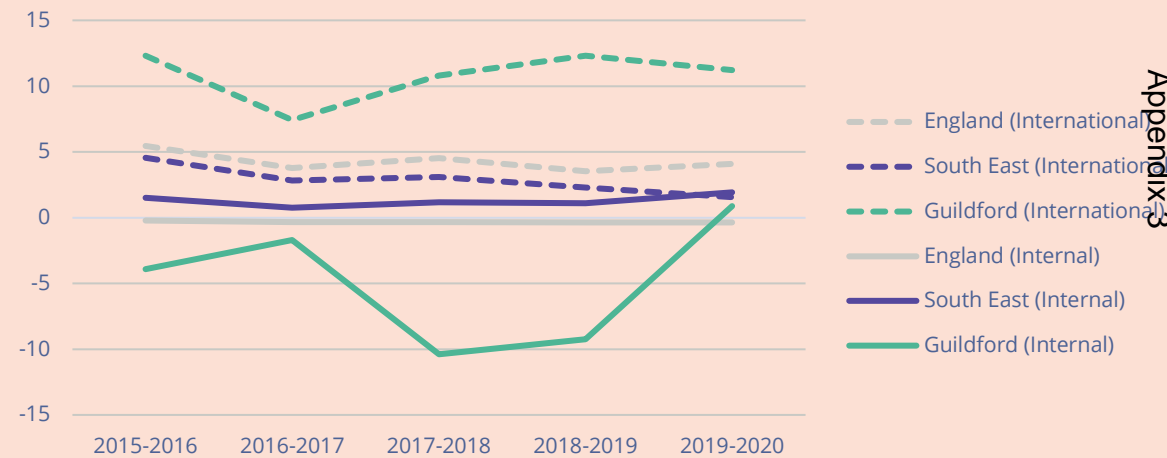
Domestic residents are moving to locations outside of Guildford: Since 2015/16, around 58,000 have immigrated to Guildford from other domestic locations, while around 62,000 people have left the borough for other parts of the UK. This represents a net outflow of around 3,600 people over this period.

National Insurance Number Registrations (NINo) provide an indication of international immigration to Guildford for the purpose of work.

NINo registrations are higher than several comparators: Around 9,700 people have registered for work in Guildford between 2015 and 2020, which is higher than Canterbury, Colchester, Chelmsford, Southend-on-Sea and St Albans.

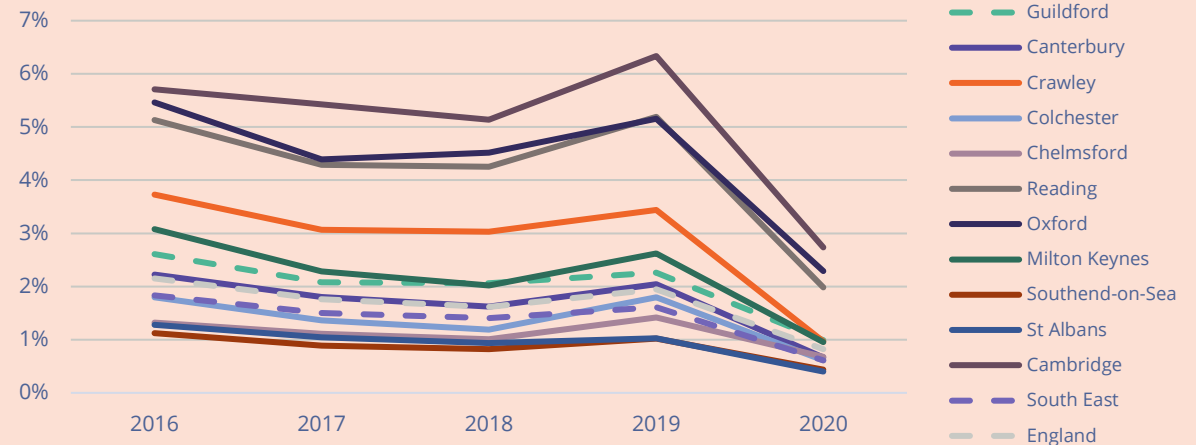
Fewer NINo registrations have taken place in recent years: A combination of COVID-19 and Brexit are likely to have impacted the decline in NINo registrations in 2020 versus previous years. Between 2015 and 2020 NINo registrations in Guildford declined by 61% which is lower than the decline across the South East (67%) but in line with national trends (61%).

Net Migration Flows per 1,000 Residents, 2015-2020



Source: ONS. Local Area Migration Indicators, 2021

National Insurance Number Registrations, 2016-2020



Source: ONS. Local Area Migration Indicators, 2020

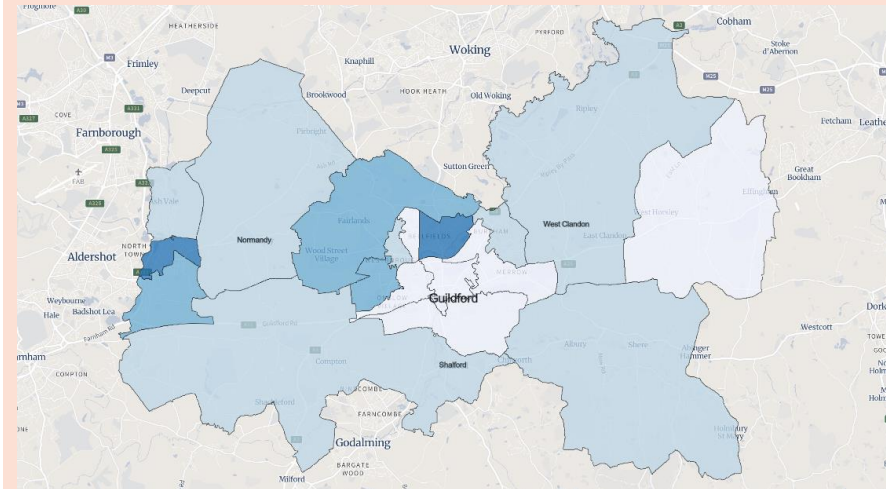
Guildford's residents are highly qualified...

Guildford's residents are highly qualified: 40% of residents hold National Vocational Qualification (NVQ) Level 4 (equivalent to degree level) or above compared to 30% of residents in the South East and 27% nationally.

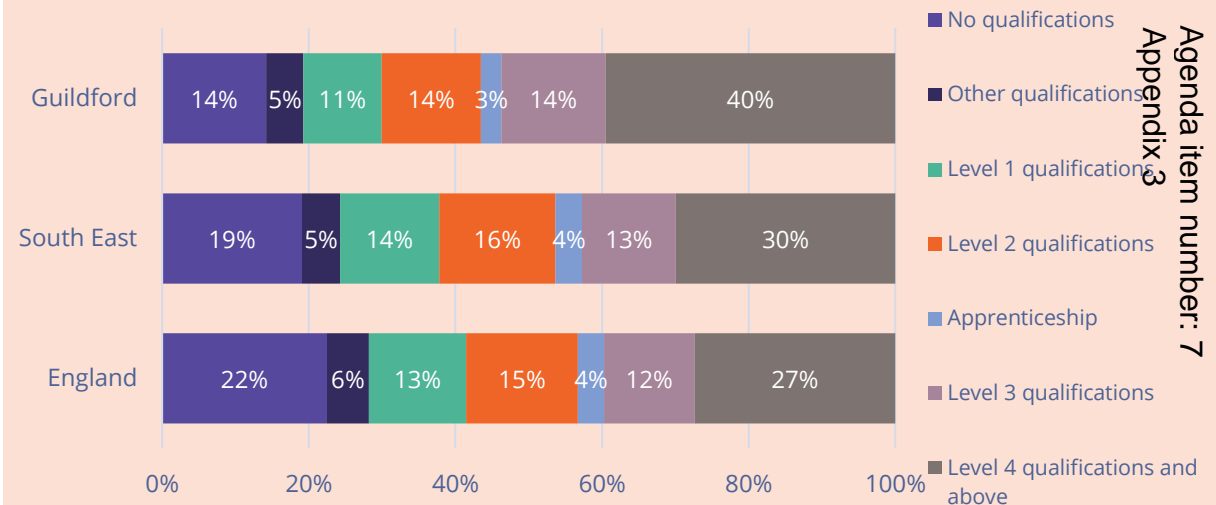
A lower proportion of residents have no formal qualifications: Only 14% of Guildford's residents have no formal qualifications which is lower than the South East (19%) and England (22%).

Lack of qualifications is concentrated in Guildford's towns: A higher proportion of residents (more than 20%) in the north of Guildford town and in Ash have no qualifications.

Proportion of the Population with No Qualifications, 2021



Qualifications Level, 2021



Source: ONS. Annual Population Survey, 2021

Professional occupations dominate Guildford's workforce profile...

A large proportion of Guildford's residents work in professional occupations: Professional occupations account for 34% of total occupations in Guildford which is higher than the South East (27%) and England (26%) averages.

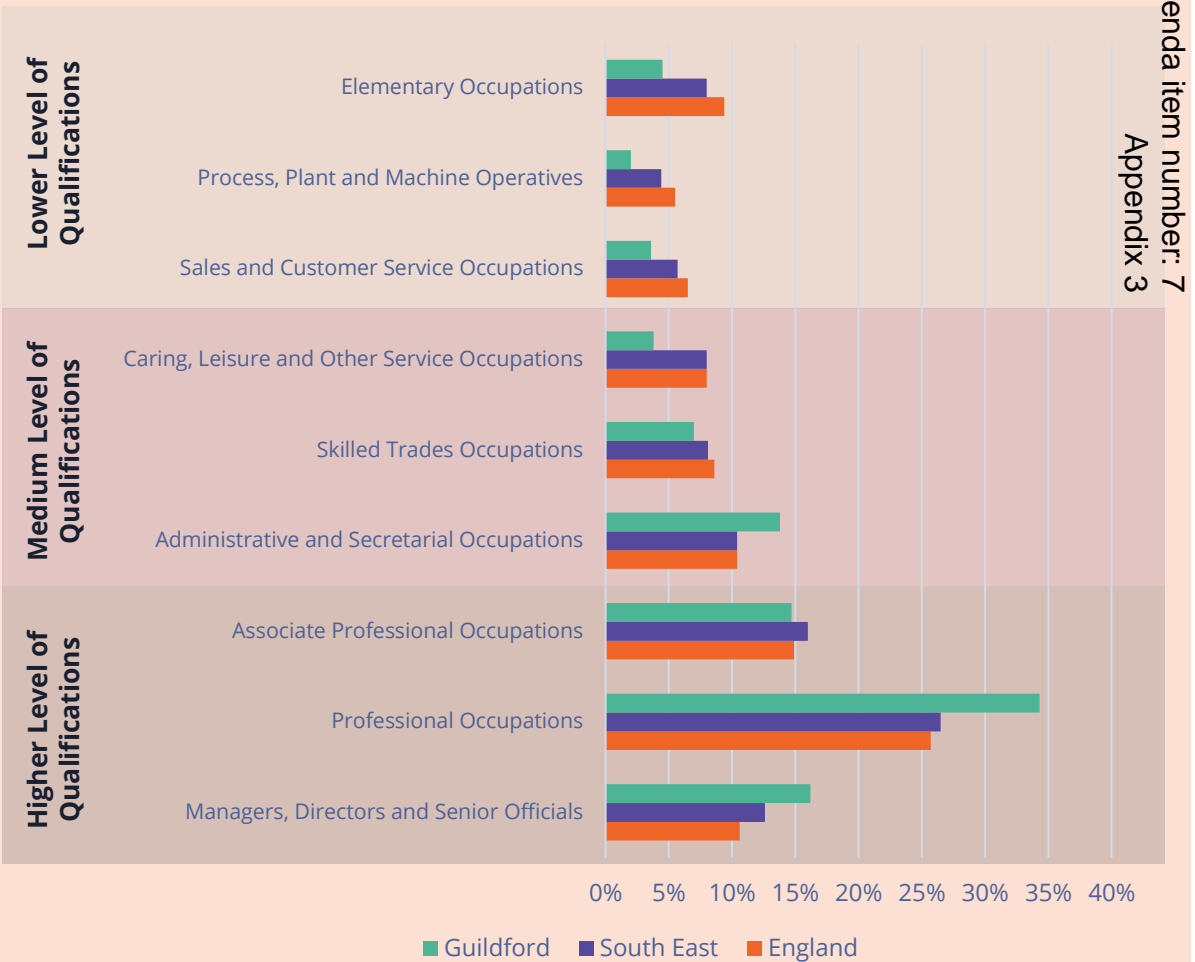
Occupations that typically require higher level qualifications are higher than average in Guildford: 65% of Guildford's residents are employed in managerial, professional and associate professional occupations which is higher than the South East (55%) and England (51%).

Occupations that typically require a lower level of qualifications are underrepresented: 10% of Guildford's residents are employed in elementary, operative and sales and customer service roles which is lower than the proportion in the South East (18%) and England (21%).

This has implications for the composition of Guildford's local workforce: A lower proportion of residents working in roles that require fewer formal qualifications likely means that everyday service roles in retail, care, utilities and similar are fulfilled by people that live outside of the borough.

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Guildford Occupational Profile, 2021



Source: ONS, Annual Population Survey, 2021

Note: Level of Qualifications refers to the formal educational attainment generally required to access certain occupations. This does not reflect the level of skill or experience required to perform a given role.

The largest skills gaps are in occupations less likely to be filled by Guildford's residents...

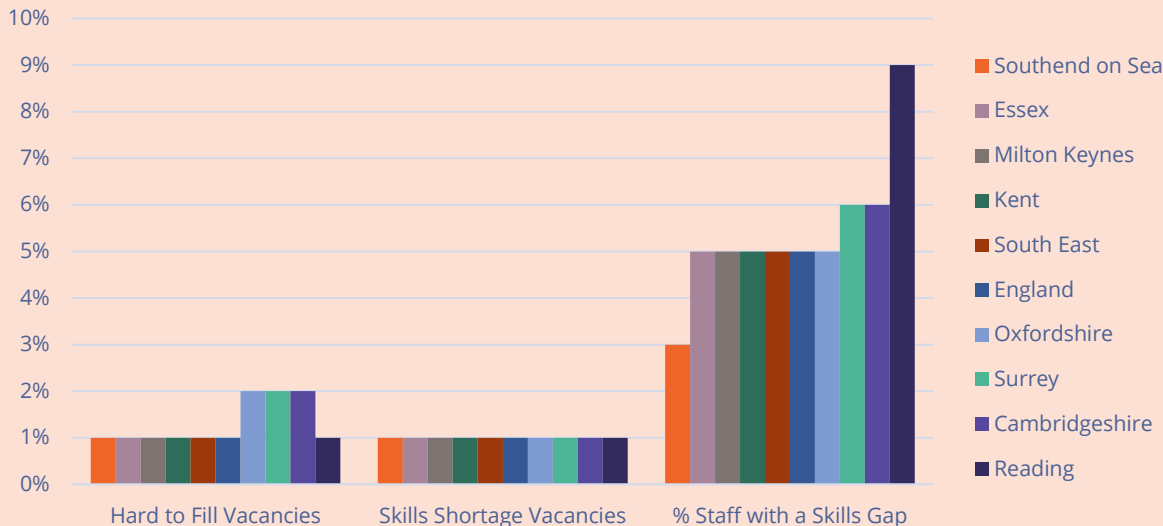
Some businesses in Guildford struggle to fill their vacancies: Hard-to-fill vacancies in Surrey are 2% which is in line with Oxfordshire and Cambridgeshire but higher than several comparator areas.

Vacancies that exist because of the need for applicants to have appropriate skills, qualifications or experience are in line with comparator areas: 1% of businesses reported skills-shortage vacancies across all areas.

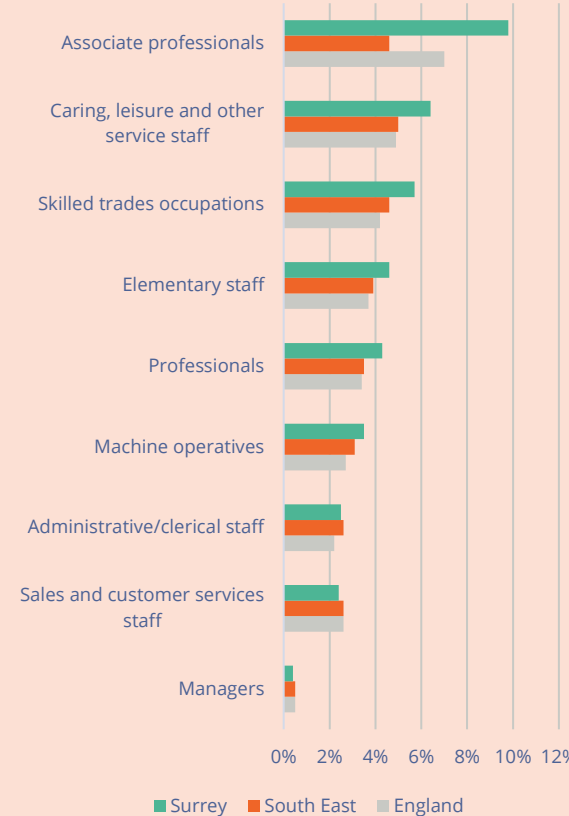
Skills gaps are most common in the business and other services sector: Whilst 6% of all of Surrey's businesses report at least one member of staff having a skills gap, 7% of businesses within the business and other services sector report a skills gap.

Occupations with the largest skills gaps are associate professionals and caring, leisure and other service staff: 10% of Surrey's businesses report skills gaps in associate professional roles and 6% in caring, leisure and other service roles. As demonstrated on the previous page the smaller share of Guildford's residents work in these roles which may indicate businesses facing challenges recruiting those with the appropriate skills locally.

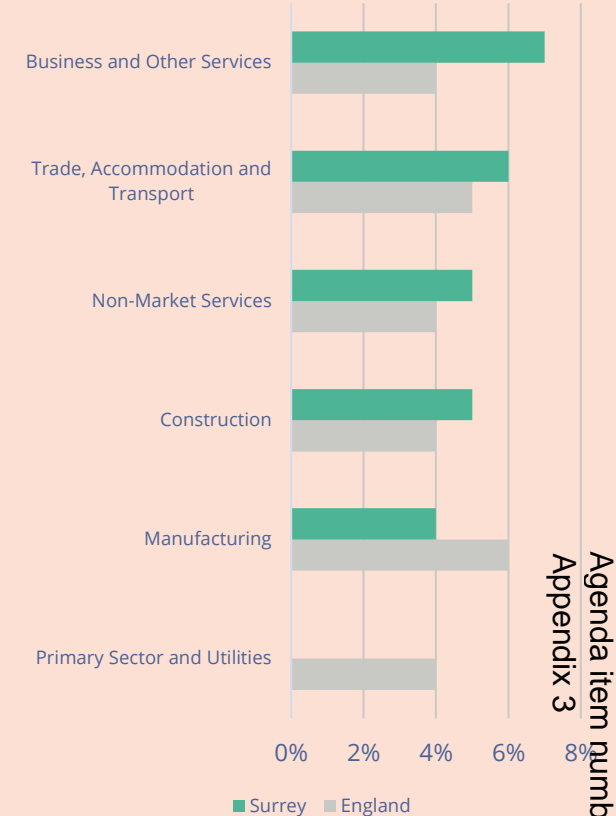
Skills Need, 2019



Skills Gaps by Occupation, 2019



Skills Gaps by Sector, 2019



Source: Department for Education. Employer Skills Survey, 2021

Note: Employer Skills Survey data is only available at the Local Education Authority (LEA) level in which Guildford is part of Surrey. Information concerning the Primary Sector and Utilities for Surrey is unknown.

Skills Need Definitions

Hard-to-fill vacancies: Vacancies which are proving difficult to fill as defined by businesses.

Skill-shortage vacancies (SSVs): Vacancies which are proving difficult to fill due businesses not being able to find applicants with the appropriate skills, qualifications, or experience.

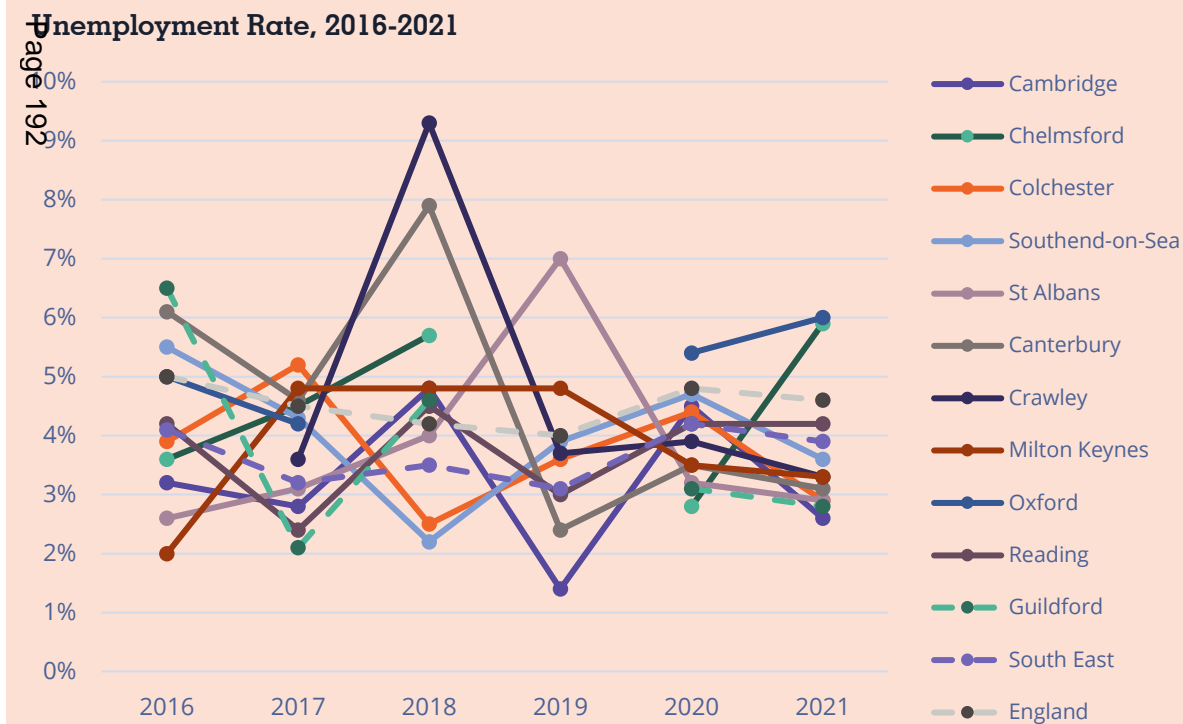
Skills gaps: A "skills gap" exists where an employee is deemed by their employer to be not fully proficient, i.e., is not able to do their job to the required level.

Economic activity in Guildford is strong, with low levels of unemployment...

Guildford has low levels of unemployment: Only 3.3% of Guildford's population are unemployed which is lower than the South East (3.6%) and England (4.3%). Overall 75,100 of Guildford's 95,700 working-age residents (aged 16-64) are in employment (78.5%) with a further 18,100 residents economically inactive (18.9%).

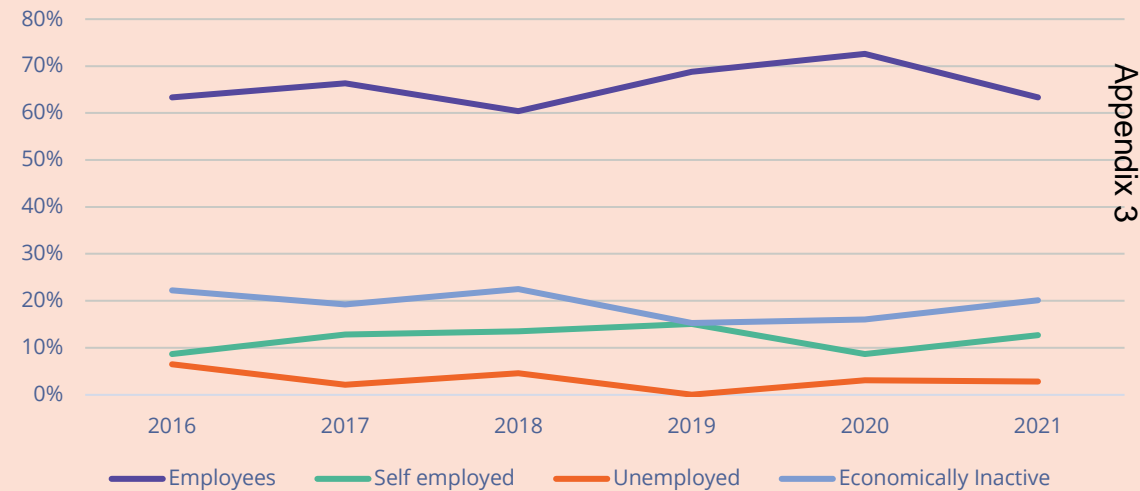
A higher proportion of Guildford's residents are self-employed: 12.7% of Guildford's population are self-employed compared to 10.5% in the South East and 9.5% in England.

Economic inactivity in Guildford is lower than the national average: 18.9% are economically inactive (aged 16-64) which is in line with the South East (19.0%) and lower than England (21.2%).



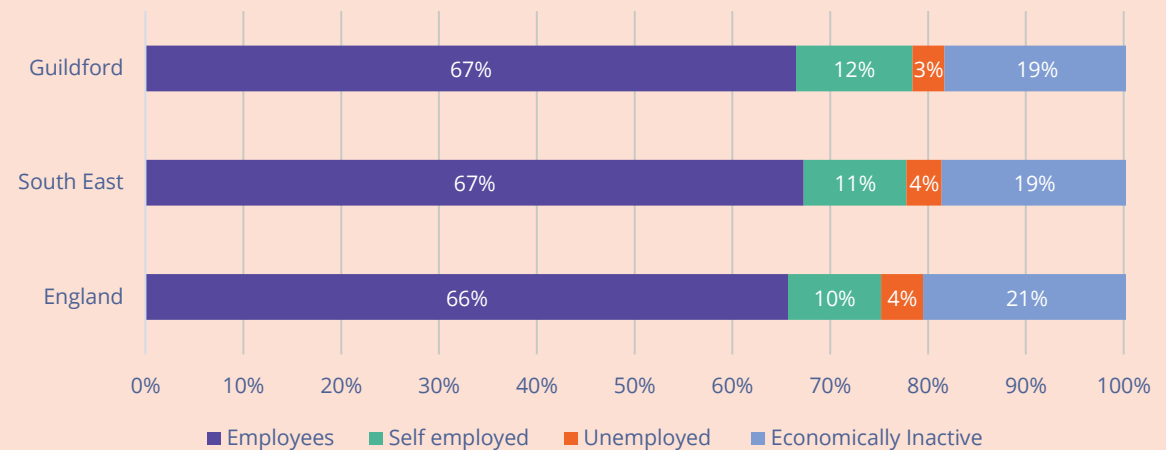
Source: ONS. Annual Population Survey, 2021

Economic Activity and Employment Over Time, 2016-2021



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Economic Activity, 2021



Source: ONS. Annual Population Survey, 2022

Guildford has higher levels of self-employment than elsewhere...

A higher proportion of Guildford's residents are self-employed than in other places:

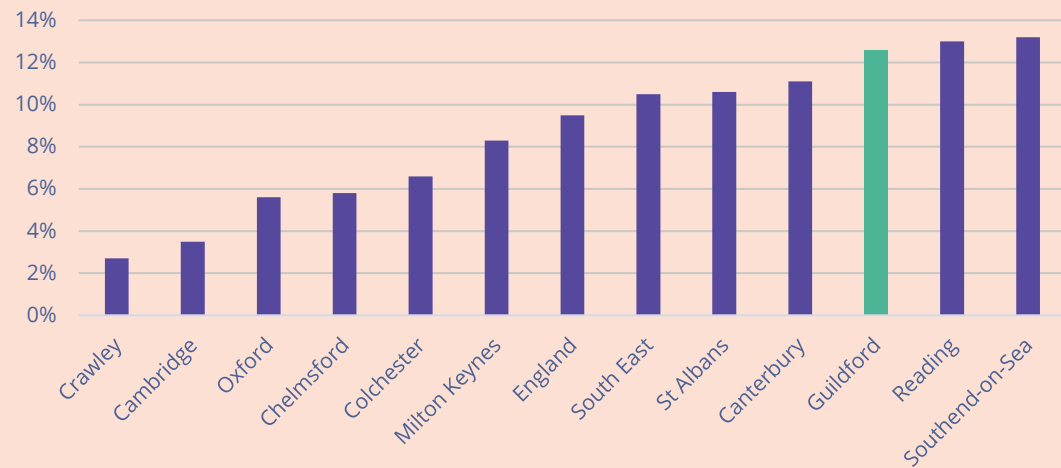
Equivalent to 12.6% of the working age (aged 16-64) population, there are 12,200 self-employed residents in Guildford. This proportion is higher than the average for the South East (10.5%) and England (9.5%) and all comparator areas except from Reading and Southend-on-Sea. Higher levels likely reflect the dominance of professional occupations in Guildford's resident profile.

Self-employment in the UK has been increasing over the past two decades:

In Guildford, self-employment has increased from 8.7% in 2016 to 12.6% in 2021. This increase is greater than that seen in all comparator areas and has occurred at a time when levels of self-employment have fallen regionally (-2%) and nationally (-1%). Higher levels of self-employment in urban areas is associated with business creation and innovation whereas in rural areas this is more likely to be linked to a lack of employment opportunities.

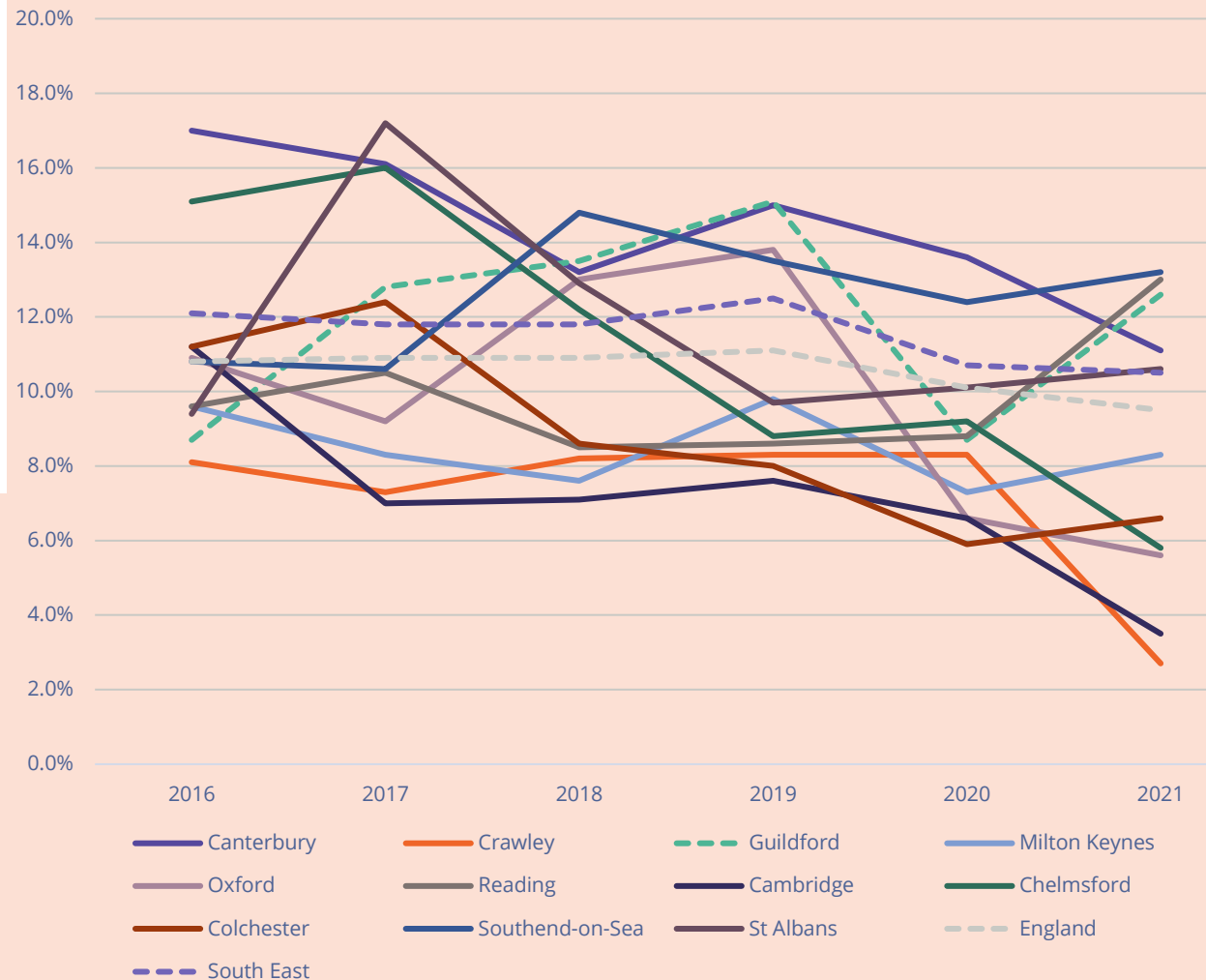
Despite this longer term growth, Guildford's self-employment rate did temporarily fall in 2020 at the onset of the COVID-19 pandemic: In 2020, Guildford's self-employment rate fell to 8.7%, ranking below that for the South East (10.1%) and England (10.1%). This is further explored on page 89.

Self Employment as a % of those aged 16-64, 2021



Source: ONS. Annual Population Survey, 2021

Self Employment as a % of those aged 16-64, 2016-2021



Source: ONS. Annual Population Survey, 2021

The claimant rate in Guildford is low, and residents were less reliant on support than elsewhere during COVID-19...

Guildford's claimant rate is the lowest of all comparators: Guildford's claimant count as a proportion of working-age residents (aged 16-64) is 1.7% in July 2022 which is lower than all comparators, the South East (2.9%) and England (3.8%).

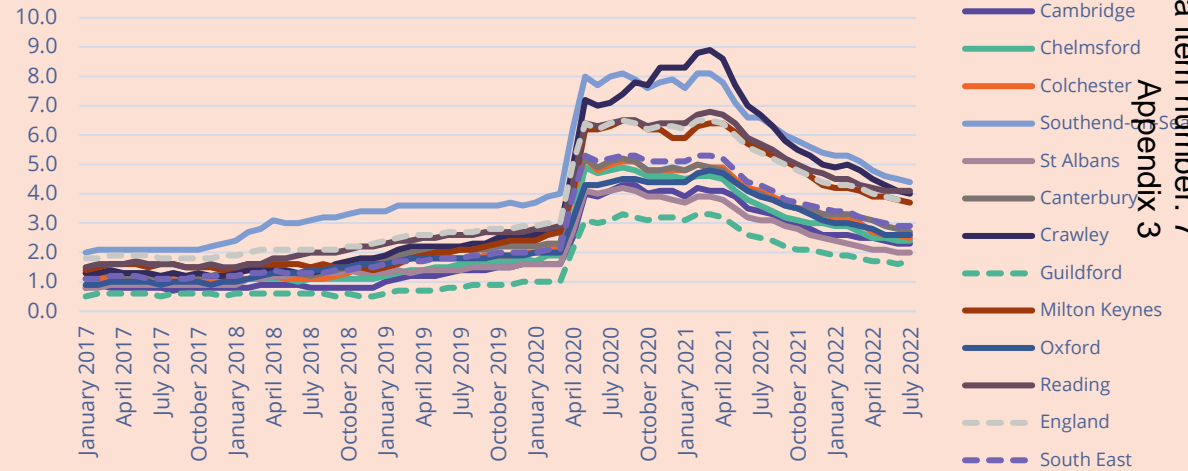
Claimant count is highest in Guildford and the north of the town: Claimant count is highest in Guildford town at 220 claimants in July 2022.

Claimant Count as a Proportion of Residents Aged 16-64, July 2022

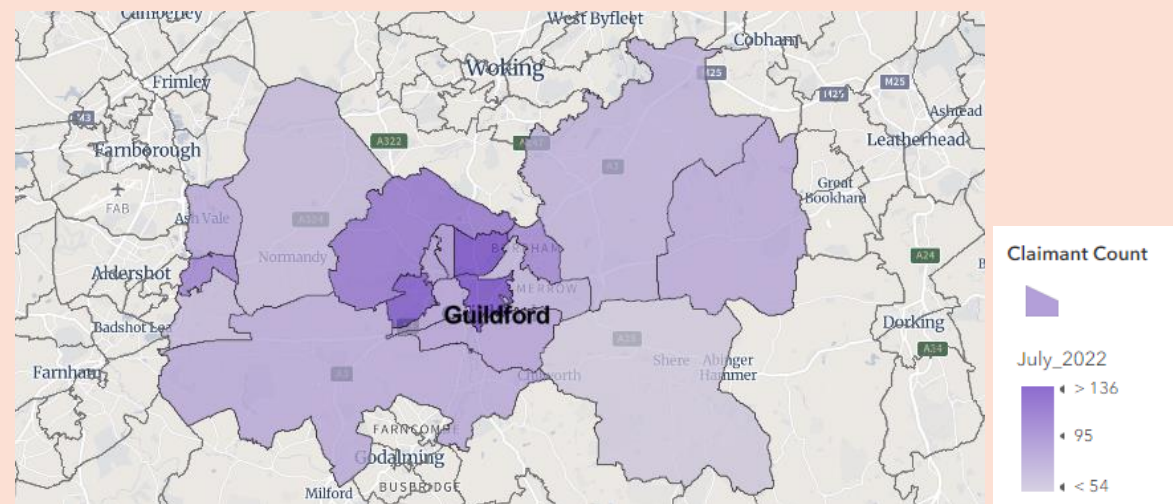


Source: ONS. Claimant Count, 2021

Claimant Count as a Proportion of Residents Aged 16-64, 2017 – 2022



Claimant Count Mapped, 2022



Source: ONS. Claimant Count, 2021

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Workplace wages in Guildford are relatively high, though resident earnings are higher than workplace earnings...

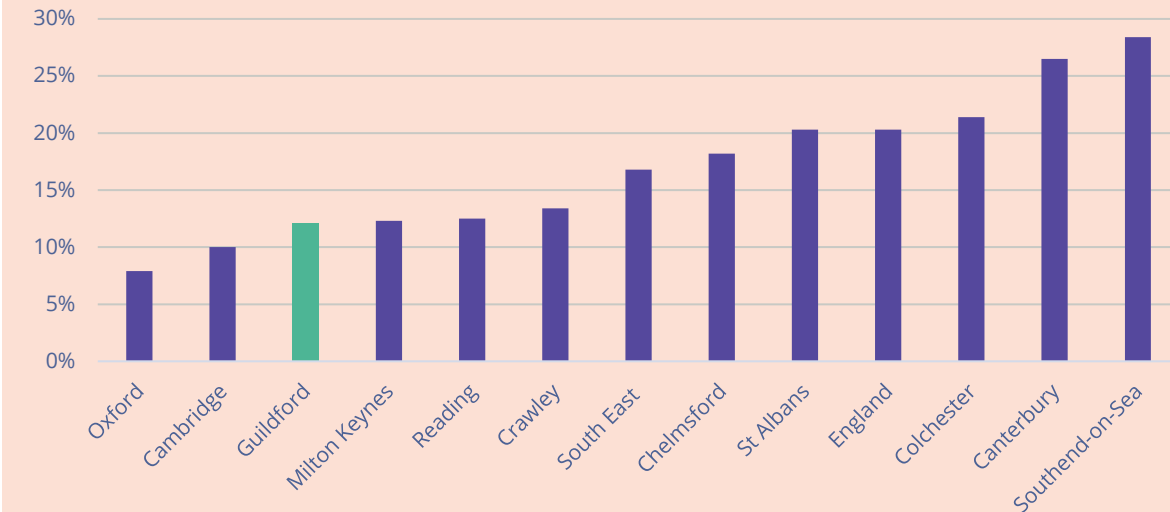
Resident earnings are higher than almost all comparators: Annual resident earnings in Guildford are £40,400 per annum in 2021 which is higher than all comparators except from St Albans (£45,700), and is higher than the South East (£34,000) and England (£31,500).

Workplace earnings are also higher than all comparators: Annual workplace earnings in Guildford are £36,800 in 2021 which is higher than all comparators, the South East (£32,800) and England (£31,500).

Resident earnings are 9% higher than workplace earnings: Residents in Guildford earn £40,400 per annum versus £36,800 per annum. This suggests a large proportion of residents are commuting to higher paid positions outside the borough.

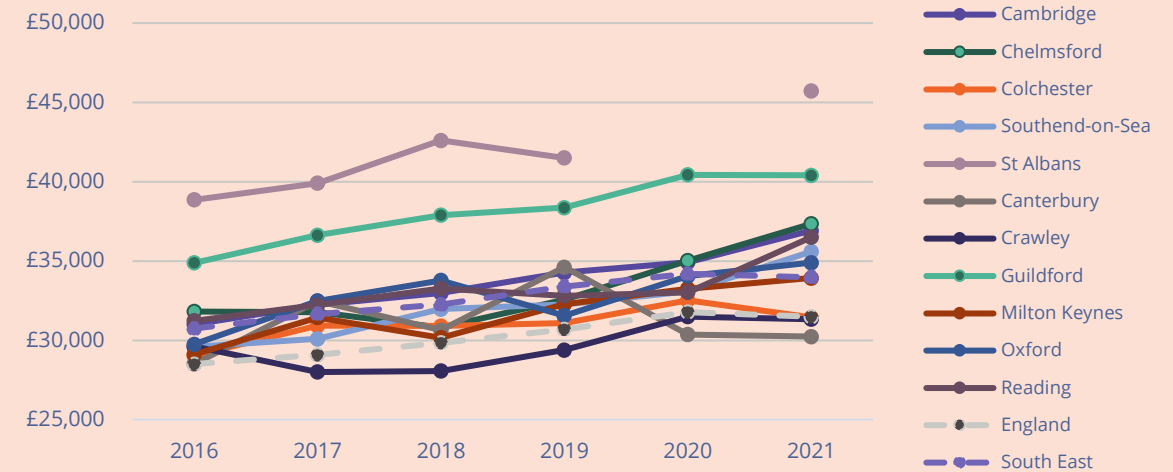
Workers earning below the Living Wage Foundation Rate are relatively low: 9,000 jobs or 12% of total jobs earn below the Living Wage Foundation rate of £9.30. This is lower than most comparators except from Oxford and Cambridge - though it is not an insignificant figure.

12% of Workers Earning Below Living Wage Foundation Rates, 2020

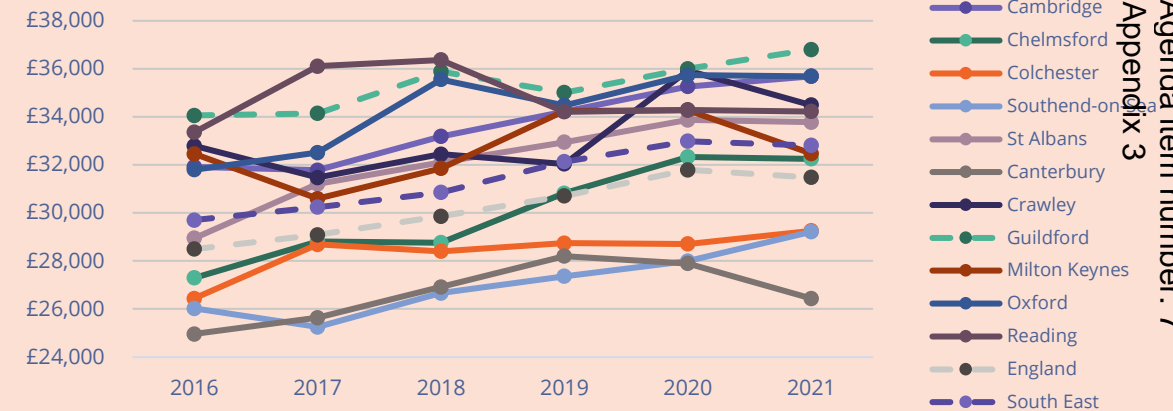


Source: ONS. Annual Survey of Hours and Earnings (ASHE), 2020

Annual Resident Earnings, 2016-2021



Annual Workplace Earnings, 2016-2021



Source: ONS. Annual Survey of Hours and Earnings, 2021

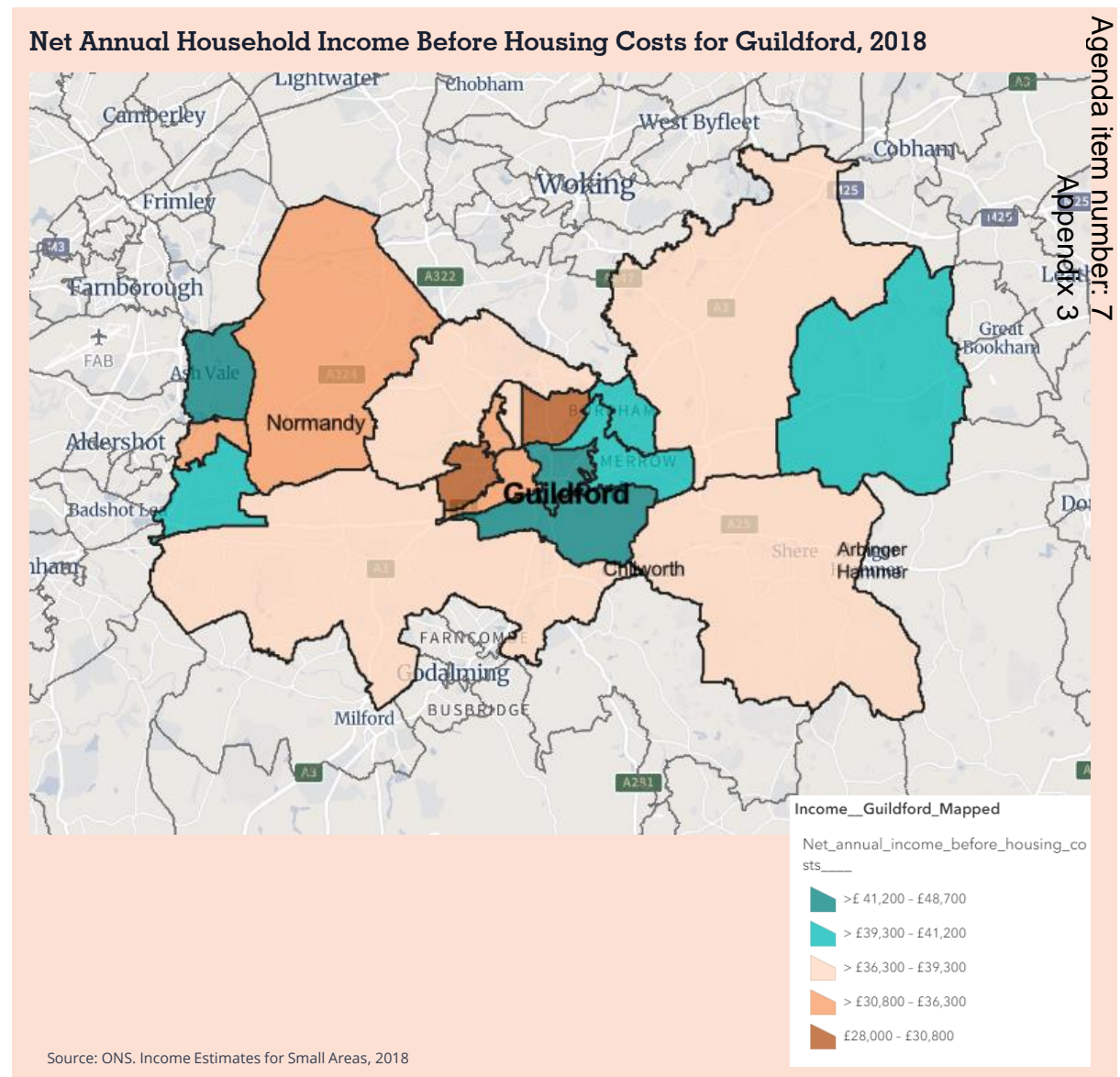
Note: Annual resident and workplace earnings refer to full-time workers only. Full-time workers are defined as those who work more than 30 paid hours per week or those in teaching professions working 25 paid hours or more per week. In ONS published reports, the standard practise for presenting earnings estimates is to use the figure for full-time workers rather than the total workers figure.

Household income is lowest in the periphery of Guildford's urban areas...

Household income is highest in Guildford's urban areas: Median household income ranges from £41,200 to £48,700 per annum in Guildford town and Ash Vale.

The north and west of Guildford town have the lowest average household income levels: Household income in these areas ranges from £28,000 to £30,800 per annum.

Household income is lower in some of Guildford's more rural locations: Some of the lowest household incomes are in Normandy at around £30,800 and £36,300 per annum.



IN FOCUS: Talent

Guildford is home to a number of anchor institutions that educate a large population in a diverse and highly skilled range of careers and vocations. Beyond the borough, Guildford's proximity to London and the wider South East region provides a large pool of talent to support its key economic sectors.

Pairing skills need with skills and training provision locally is an important component of attracting and retaining talent to support Guildford's priority sectors. Several of Guildford's key anchor institutions for training and skills are explored in more detail below.

University of Surrey

Retaining students who have completed their studies is an important component of ensuring graduates work in local businesses and drive further economic growth. Top sectors for University of Surrey graduates include healthcare, education, finance, computing and engineering. These specialisms support Guildford's specialisms in information & communication, professional, scientific & technical, health and finance & insurance.

University of Surrey, 2022



Activate Learning: Guildford College

Guildford' College's newly redeveloped campus supports training in over 100 courses across Art, Design and Digital Creative; Beauty Therapy; Business and Enterprise; Construction Early Years; Engineering; Esports; Hairdressing; Health and Social Care; Hospitality; IT and Computing; Media; Media Makeup; Performing and Production Arts; Teaching and Education and Tourism. The College also works closely with local employers to provide relevant and tailored training.

Enterprise M3 Skills Action Plan & Local Skills Report 2020/21

As one of the most highly skilled areas in the UK, Enterprise M3 LEP identify priority projects that accelerate and expand education and training in:

- High level digital skills for workers in an increasingly digital economy and specialist roles – EM3's business innovators and knowledge and design-based economy create high demand for a strong supply of people with digital skills;
- The sustainable buildings construction industry – EM3 has large construction and housing developments that mean demand for construction skills is high; and
- Technical jobs in low carbon sectors – EM3 has strategic priorities to drive clean growth, to decarbonise transport and buildings, to pursue a green energy strategy and to protect natural capital.

The report also identifies that the appeal of semi-rural, less densely populated areas such as Surrey have grown during the pandemic, and that the creation of good jobs is among a combination of factors that will maintain the appeal of the area to the young and highly skilled needed to sustain a high growth economy.

Partnerships between Talent and the Economic Strategy

Providing an attractive environment to live and work is a key component of attracting and retaining talent within the borough. Part of this is ensuring that there is appropriate housing tenure mix in the right locations for learners, young professionals and other individuals looking to live and work within the borough. This is explored in more detail in housing need on page 56.

A second component is strengthening links between employers, educational institutions and individual learners. Guildford is home to some of the best performing schools in the country. From primary and secondary education through to university and vocational training, links between employers, educational institutions and individuals entering the workforce can be lifelong. Opportunities to strengthen these links can include work placements and internships, educational training sessions, insight days and graduate opportunities.

Skills Need

Based on Guildford's priority sectors and the skills gaps identified on page 40 it is therefore important to consider how the following sectors and occupations can be supported through talent attraction and retention. Two examples are outlined below:

- Health – a priority sector for retention with a local specialism in Digital Health, yet there is a larger than average skills gap in caring, leisure and other service staff within Surrey; and
- Information & Communication – a sector priority for growth, the University of Surrey offers a range of computing courses and Guildford is home to world-class gaming companies.

5. Property

What are the characteristics of Guildford's property market and how does it support key local industries?

Page



Property: Summary

Guildford is a desirable office location but has less space than elsewhere...



Guildford has a lower quantum office space than several of its comparators. This restricts the amount of professional office-based economic activity that can take place.

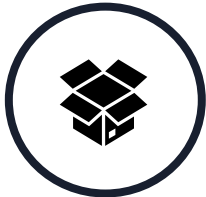
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Office quality and location are limitations and are influencing vacancy...




Take-up of new office space in Guildford indicates that occupiers favour town centre locations, and some persistent vacancies may link to a lack of high quality and flexible space near public transport nodes.

Small and flexible office space is in demand...



Since 2020 there has been an increase in the number of leases signed for smaller office spaces (less than 10,000 sq ft). This reflects wider macro-economic trends following the COVID-19 pandemic.

Guildford has a lower quantum of industrial space, and particularly smaller spaces...



Guildford has less industrial space than several comparator areas. This is restricting industrial economic activity. High rental values also indicate that this space is in demand locally.

Smaller industrial spaces are increasingly in demand...



Smaller industrial units (less than 10,000 sq ft) are increasingly in demand whilst several larger industrial sites remain unoccupied. This reflects the Council's recent investment in Middleton Industrial Estate.

Housing affordability is low, with some areas less affordable than others...



House prices are 10.8x higher than average resident earnings and 13.2x higher than workplace earnings. House prices are highest in Guildford's rural areas.

Several large-scale housing developments are in the pipeline...



Guildford has high housing need, and developments in Guildford town centre such as the station redevelopment, Weyside Urban Village and North Street will meet some of this need.

Why is this important?

- Ensuring that commercial space meets the needs of existing and potential businesses and employers in the borough is important for supporting economic growth.
- Understanding which locations are more attractive for commercial occupiers can indicate where infrastructure investments should be focused.
- Housing affordability is important for retaining graduates and attracting.

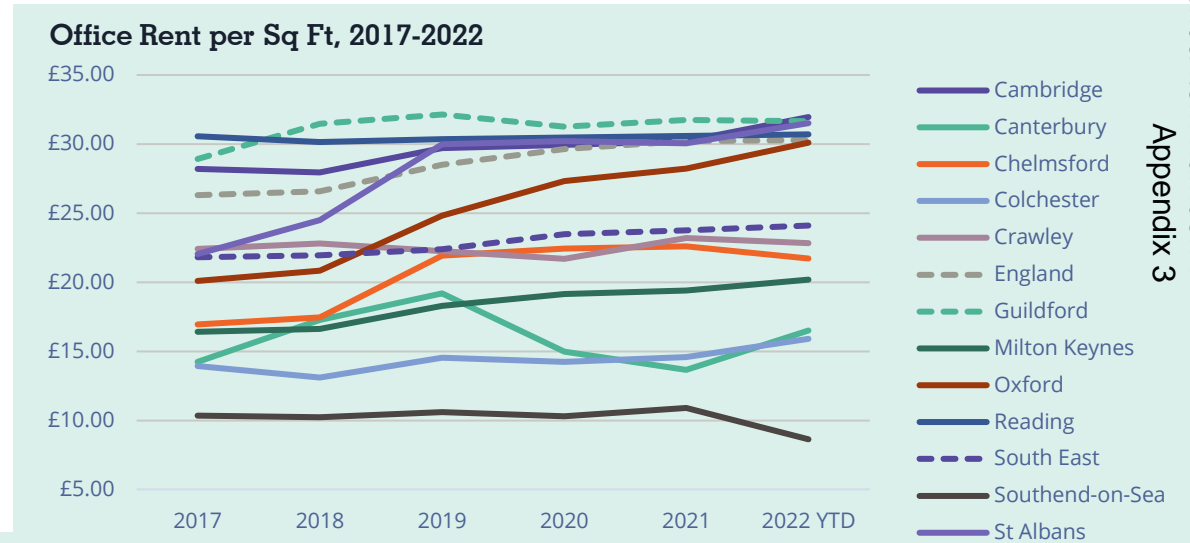
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Guildford is a desirable office location but high rents and lack of quality premises may be limiting growth...

High rental values: Office space in Guildford is on average £31.70 per sq ft, which is second highest of all comparator areas (except from Cambridge) including several more productive cities and towns such as Oxford (£30.10), Reading (£30.70) and Milton Keynes (£20.20). Rents are also well above the average for the South East (£24.10) and England (£30.30). The overall price gap between Guildford and other place has, however, narrowed in recent years but this rate will be prohibitive to some smaller, start up businesses that require lower rates on flexible terms.

Comparatively low supply of office space: Guildford's mixture of town centre and out-of-town business parks provide 3.7 million sq ft of office floorspace for businesses across the borough. This quantum of floorspace is comparatively low, out-performing only St Albans, Colchester, Southend-on-Sea and Canterbury. This is likely to be impacting absolute economic output.

Comparatively lower quality: Only 15% of Guildford's office stock is considered to be rated 4-5 stars (equivalent to Grade A-B) which is lower than several comparator areas including Crawley (38%) which is Guildford's next closest comparator in terms of the quantity of office stock. The new space that is being delivered in Guildford is Grade A-B and take up of this space has been relatively rapid.

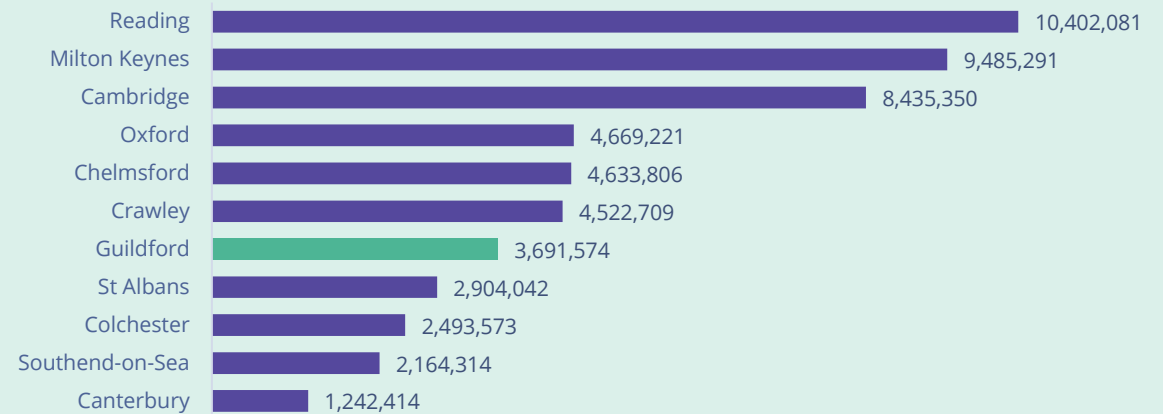


Office Quality By Floorspace, 2022



Source: Costar. Costar Analytics, 2022

Total Office Floorspace, Sq Ft (2022)



Source: Costar. Costar Analytics, 2022

Demand is increasing for smaller, high quality and well-located office space...

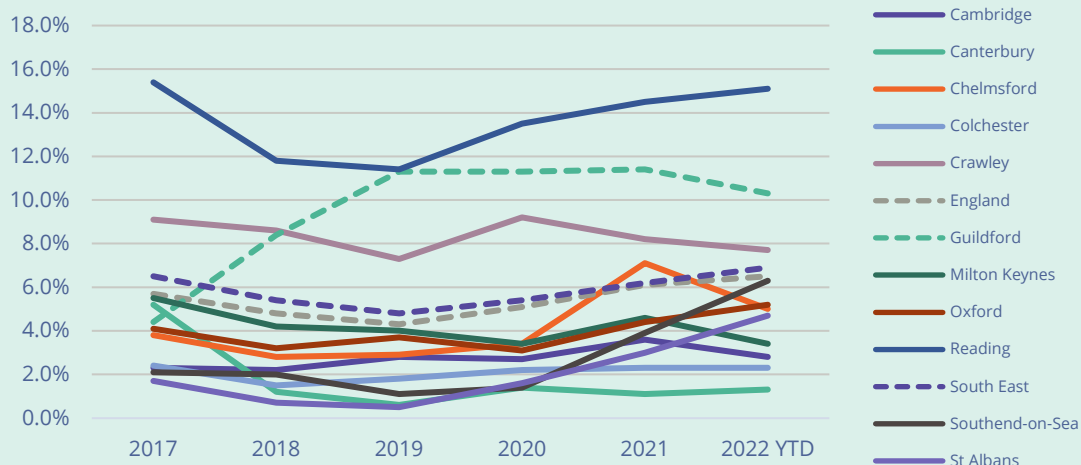
Guildford's leasing activity has picked up since the onset of the COVID-19 pandemic, with over 180,000 sq ft leased in 2021 and 75,000 sq ft leased in 2022 to date (August 2022). Key deals include:

- Several signed leases for larger office space (10,000 sq ft or more) by single occupiers across law, gaming and consumer goods – the majority of which are for periods of 10 years or more; and,
- There has been an increase in the number of leases for smaller sizes (sub-10,000 sq ft).

The number has remained steady, although there was a spike in 2020. The largest sale in recent years is Onslow House in Guildford town centre. As a majority let to EA Games, the property was sold to an investor for £38 million in 2020.

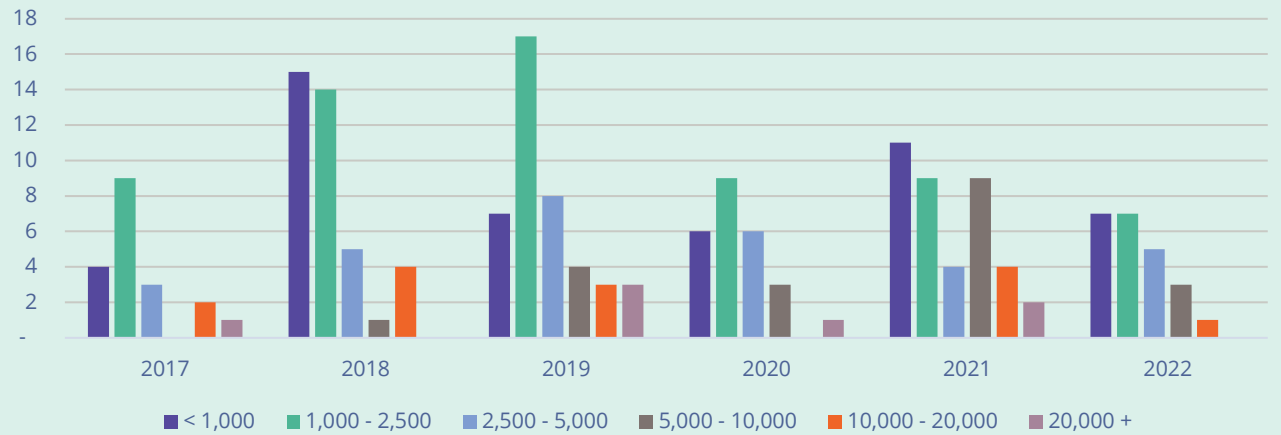
High vacancy rates: Vacancy rates in Guildford increased significantly between 2017 and 2019, with vacancy rates being second only to Reading in 2022 at 10.3%. Discussions with agents suggest that this is driven by vacancies in large, low quality spaces that are located outside of the town centre and further away from public transport connections. In a post-pandemic world occupiers are increasingly demanding flexible high quality space in town centre locations.

Vacancy Rates, 2017-2022



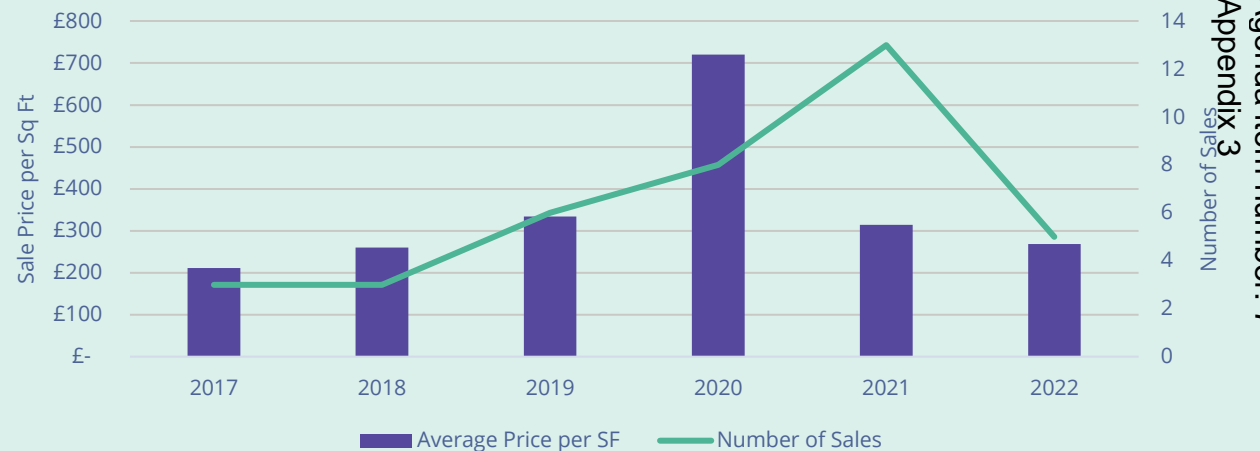
Source: Costar. Costar Analytics, 2022

Lease Transactions by Size, 2017-2022



Source: Costar. Lease Comps, 2022

Key Sales Transactions, 2020-2022



Source: Costar. Sales Comps, 2022

Guildford's Office Clusters

Guildford Town Centre Employment Core

- Floorspace: Unknown
- Vacancy: 9,555 sqm
- Quality of Environment: Very good
- Rental Value: £20-30/SF

Guildford Business Park

- Floorspace: 29,000 sqm
- Vacancy: 1,670 sqm
- Quality of Environment: Very good
- Rental Value: £30-37/SF

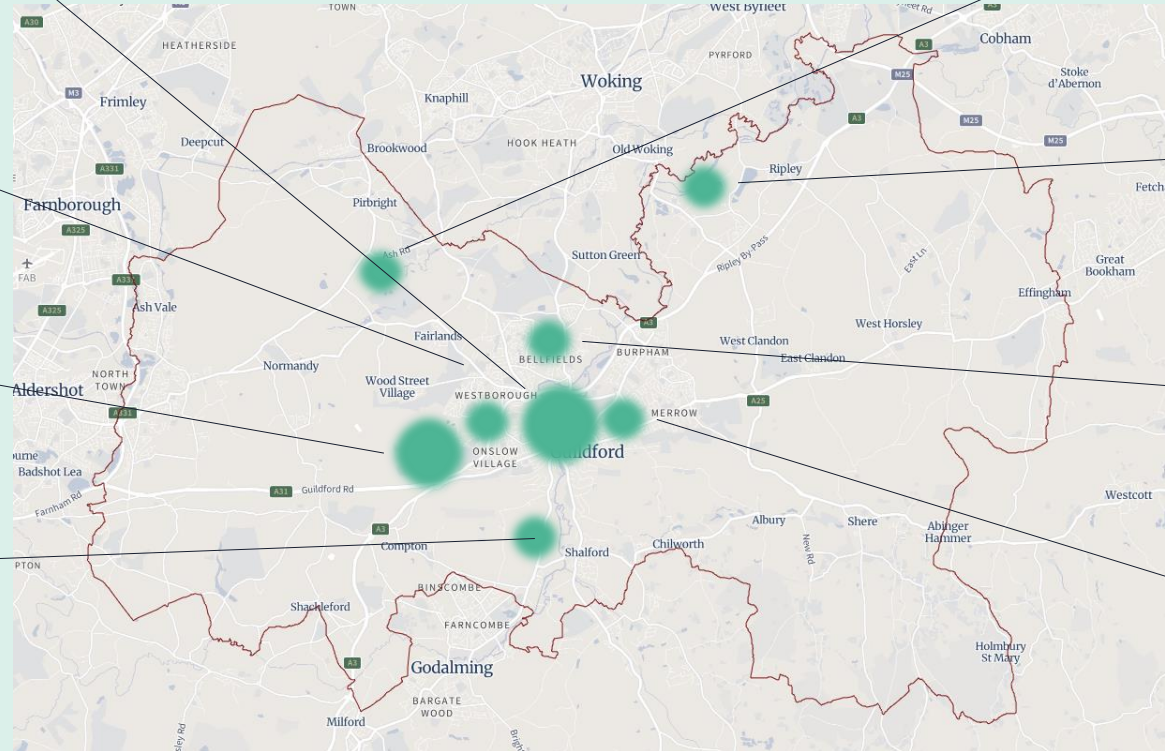
Surrey Research Park

- Floorspace: 65,000 sqm
- Vacancy: 307 sqm
- Quality of Environment: Very good
- Rental Value: £22-26/SF

The Guildway

- Floorspace: 12,500 sqm
- Vacancy: 488 sqm
- Quality of Environment: Very good
- Rental Value: ~£25

Office clusters map



The Pirbright Institute

- Floorspace: 41,800 sqm (+8,100 under construction)
- Vacancy: 0 sqm
- Quality of Environment: Very good
- Rental Value: N/A

Send Business Centre and Tanner Studios

- Floorspace: 7,800 sqm
- Vacancy: 0 sqm
- Quality of Environment: Very good
- Rental Value: ~£22.50

57 and Liongate Ladymead

- Floorspace: 15,665 sqm
- Vacancy: 0 sqm
- Quality of Environment: Good
- Rental Value: ~ £23

London Square, Cross Lanes

- Floorspace: 11,260 sqm
- Vacancy: 655 sqm
- Quality of Environment: Good
- Rental Value: ~£34

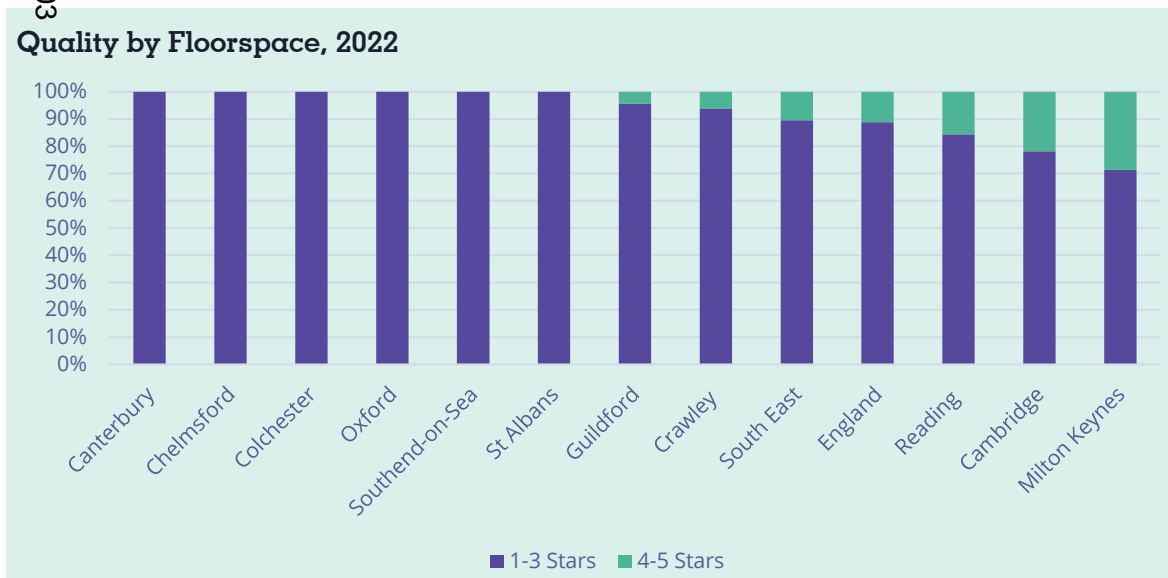
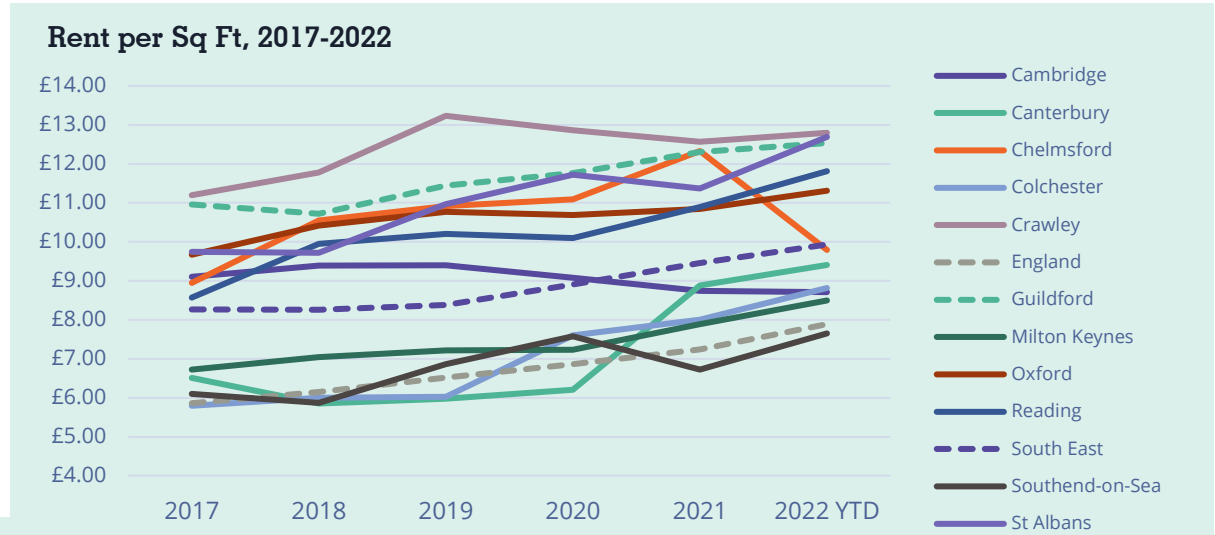
Guildford's industrial space is in demand and there is comparatively low levels of stock...

Comparatively low supply of industrial space: Guildford's 3.4 million sq ft of industrial stock is one of the lowest of all comparator areas with the exception of Cambridge, Canterbury and Southend-on-Sea. Of over 200 industrial properties in Guildford the largest proportion are 10,000 – 25,000 sq ft (29%) followed by 5,000 – 10,000 sq ft (19%) and less than 2,500 sq ft (18%).

Relatively low delivery of new industrial space: Guildford has seen +5% growth in industrial floorspace since 2017 which is lower than comparators such as Cambridge (+21%) and Crawley (+12%) but exceeds Reading, Oxford, St Albans and Southend-on-Sea.

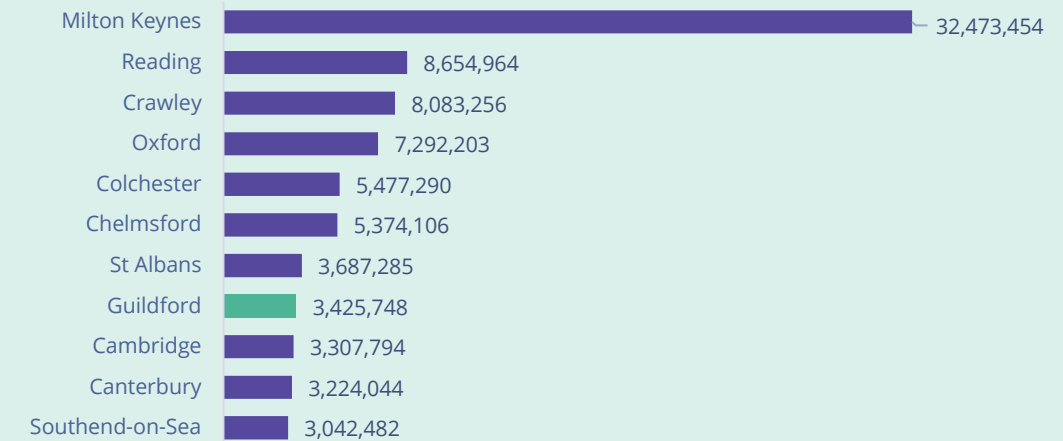
High rental values: Rental values are £12.53 per sq ft in 2022 which is above all comparator areas (except from Crawley and St Albans) including Reading (£11.81) and Milton Keynes (£8.50). This is despite a lack of high quality stock.

Lack of quality industrial stock: Only 4% of Guildford's industrial stock is rated 4-5 star (equivalent to Grade A-B) which is comparatively lower than several comparators including Milton Keynes and Cambridge. This may have changed following investment on Millmead Estate.



Source: Costar. Costar Analytics, 2022

Total Industrial Floorspace, Sq Ft (2022)



Source: Costar. Costar Analytics, 2022

Guildford's small and medium-sized industrial premises are popular...

Guildford's key leasing deals:

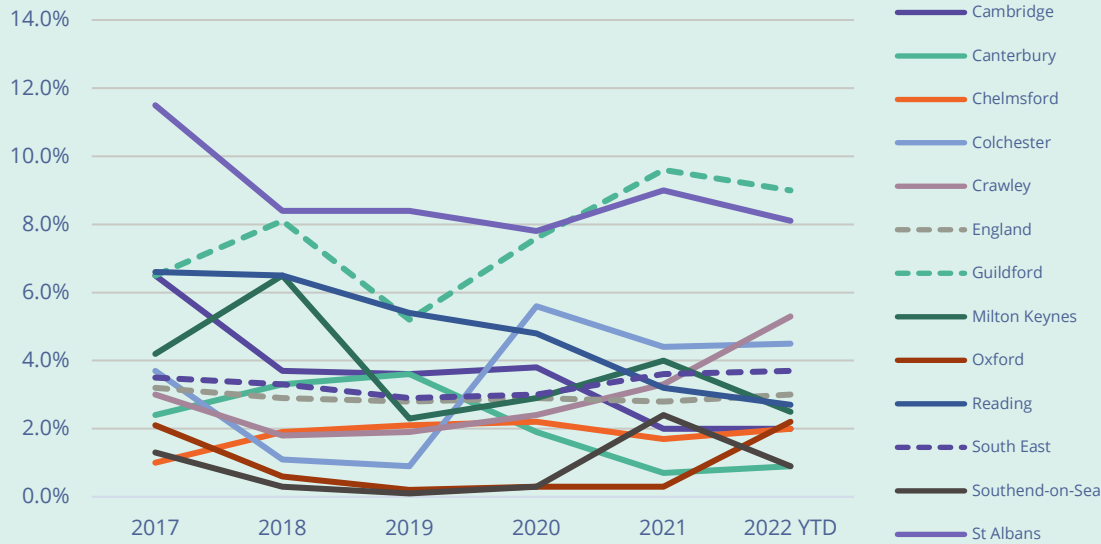
- Smaller premises (sub 2,500 SF) continue to be in very high demand;
- Medium-sized units (2,000 – 10,000 SF) are expected to continue to bounce back from the COVID-19 disruption.

Recent sales have taken place as part of portfolio purchases by investors on Weyvern Park and Henley Business Park in 2021, with a further multi-property sale on Riverside Business Centre and Riverway Industrial Estate in 2020.

High vacancy rates: Guildford's industrial vacancy rates are higher than all comparator areas at 9.0% in 2022. However, these vacancy rates are driven by unoccupied older and larger vacant units such as 2-3 Dennis Way (previously Alexander Dennis) and other vacant properties associated with redevelopment on Guildford and Midleton Industrial Estates.

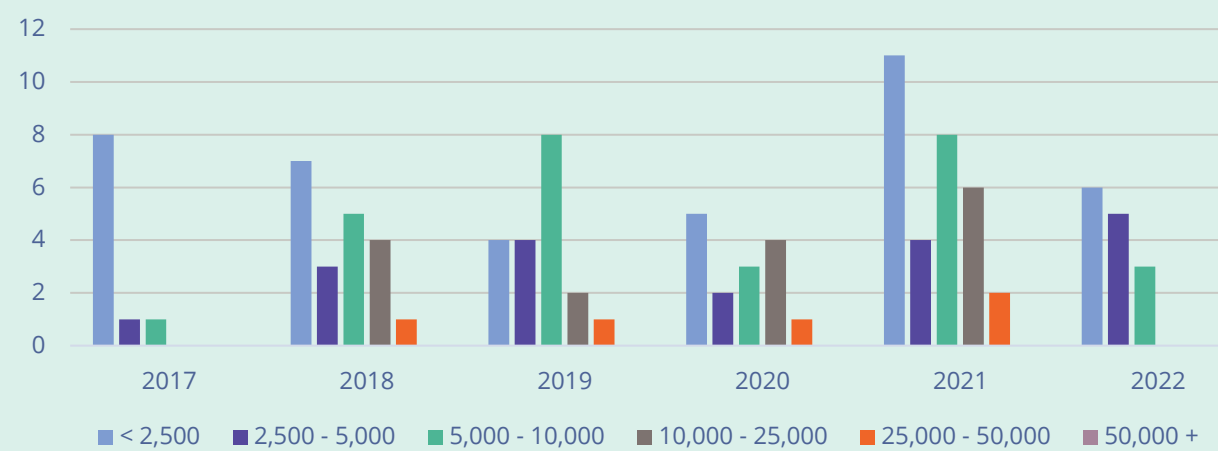
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Vacancy Rates, 2017-2022



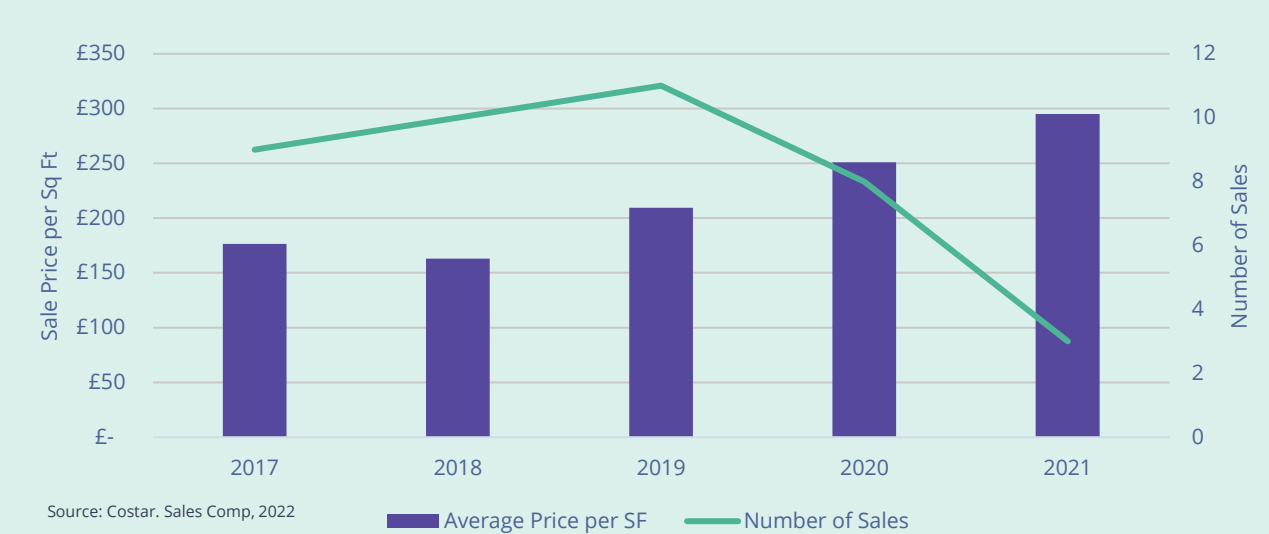
Source: Costar. Costar Analytics, 2022

Lease Transactions by Size, 2017-2022



Source: Costar. Lease Comp, 2022

Sales Transactions, 2017-2022



Source: Costar. Sales Comp, 2022

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Guildford's Industrial Clusters

Henley Business Park

- Floorspace: 19,627 sqm
- Vacancy: 3,175 sqm
- Quality of Environment: Very good
- Rental Value: £11-13/SF

Lysons Avenue, Ash Vale

- Floorspace: 32,000 sqm
- Vacancy: 478 sqm
- Quality of Environment: Poor
- Rental Value: £10-13/SF

Middleton Industrial Estate

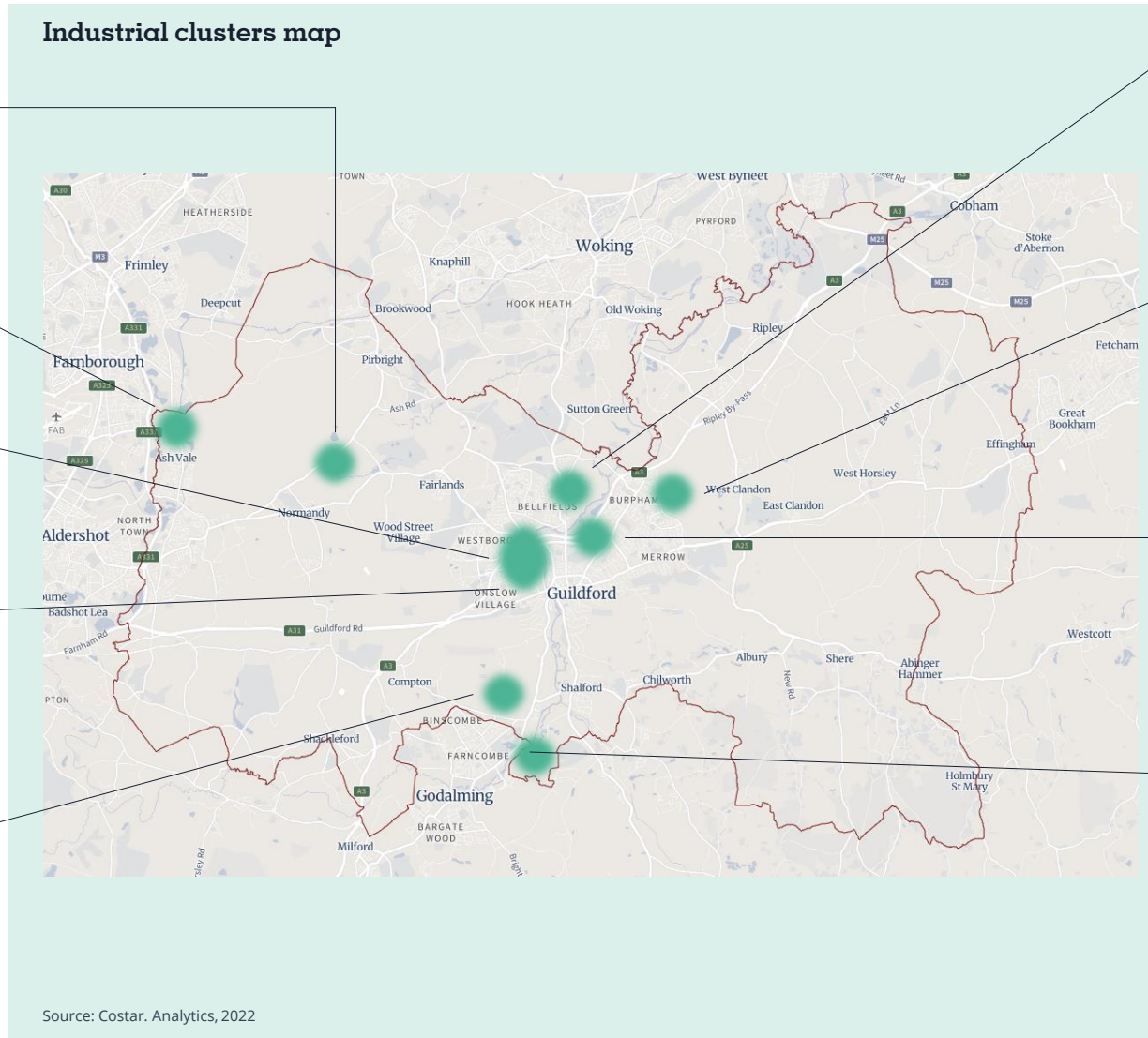
- Floorspace: 13,870 sqm
- Vacancy: 858 sqm (B1)
- Quality of Environment: Very good
- Rental Value: £7-10/SF

Cathedral Hill and Guildford Industrial Estate

- Floorspace: 45,300 sqm
- Vacancy: 956 sqm (B2) 2,333 sqm (B8)
- Quality of Environment: Very good
- Rental Value: £14-16/SF

Quandrum Park

- Floorspace: 9,800 sqm
- Vacancy: 466 sqm
- Quality of Environment: Very good
- Rental Value: £10-12/SF



Slyfield Industrial Estate

- Floorspace: 180,000 sqm
- Vacancy: 7,415 sqm
- Quality of Environment: Very good
- Rental Value: £6-12

Merrow Lane

- Floorspace: 31,960 sqm
- Vacancy: 1,024 sqm (B2)
- Quality of Environment: Very good
- Rental Value: £9.91-12/SF

Woodbridge Meadows Industrial Estate

- Floorspace: 31,000 sqm
- Vacancy: 0 sqm
- Quality of Environment: Very good
- Rental Value: N/A

Astolat, Peasmarsh and Riverway Industrial Estates

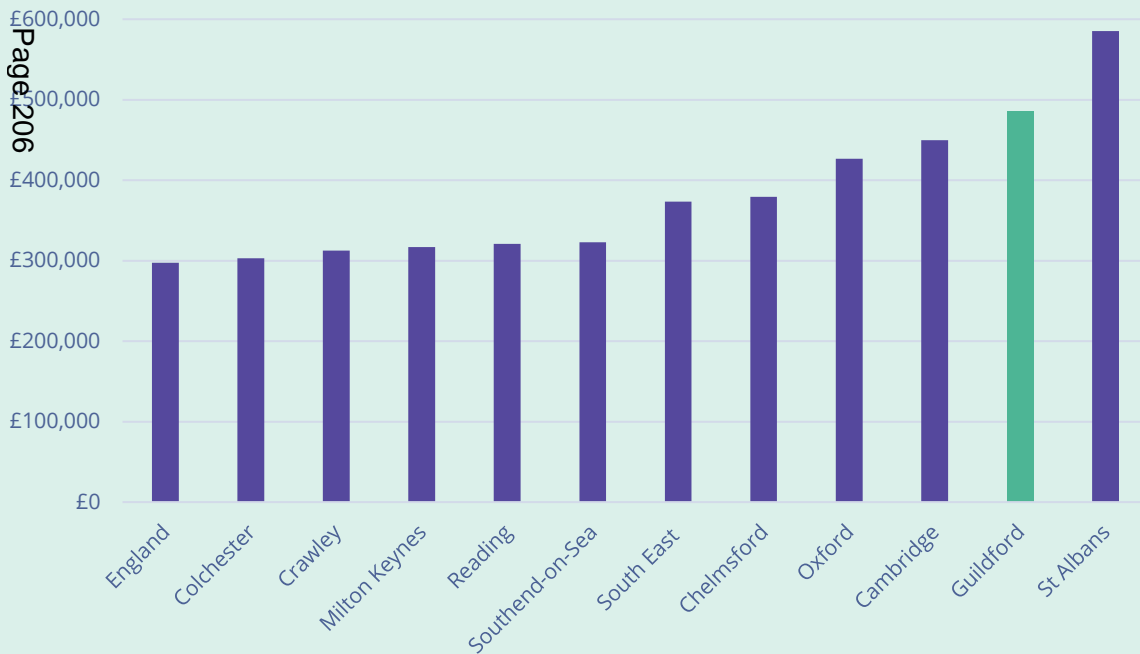
- Floorspace: 18,730 sqm
- Vacancy: 3,270 sqm
- Quality of Environment: Very good
- Rental Value: £10-16

House prices in Guildford are higher than average...

House prices in Guildford are relatively high: Median house prices in Guildford are around £485,000 which is higher than all comparator areas except from St Albans. This is 30% higher than the average house price in the South East (£374,000) and 63% higher than the England average (£297,000).

House price growth has been lower than other areas: Given house prices were already relatively high, house price growth over the past five years has been slower than other comparators. Guildford has seen +19% growth in the median house price between 2016 and 2021, which is lower than most comparators except from Reading, Oxford and Cambridge.

Median House Price, 2021

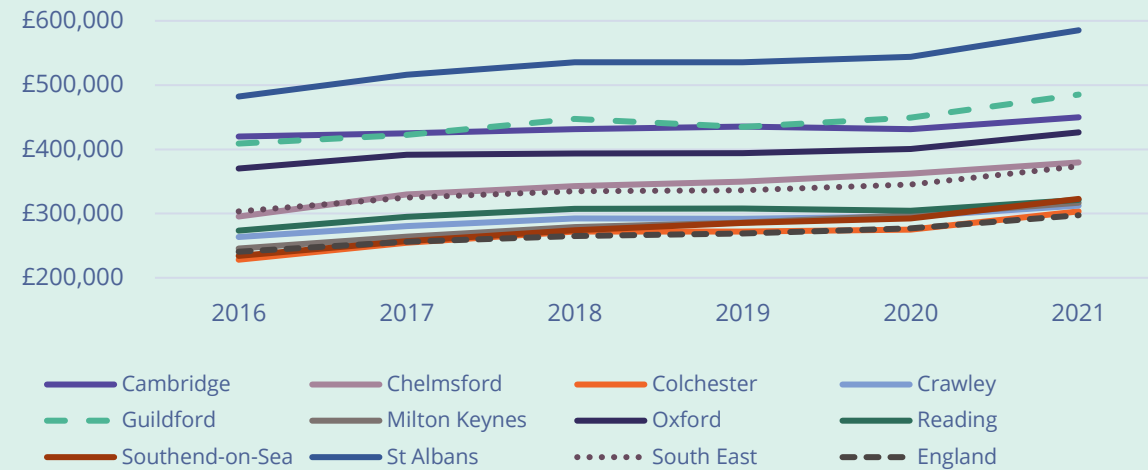


Source: House Price Statistics for Small Areas. Median Price Paid for Administrative Geographies, 2021

Median House Price Change, 2016-2021



Median House Price Change by Comparator, 2017-2021



Source: House Price Statistics for Small Areas. Median Price Paid for Administrative Geographies, 2021

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Housing affordability is a major issue, with some areas less affordable than others...

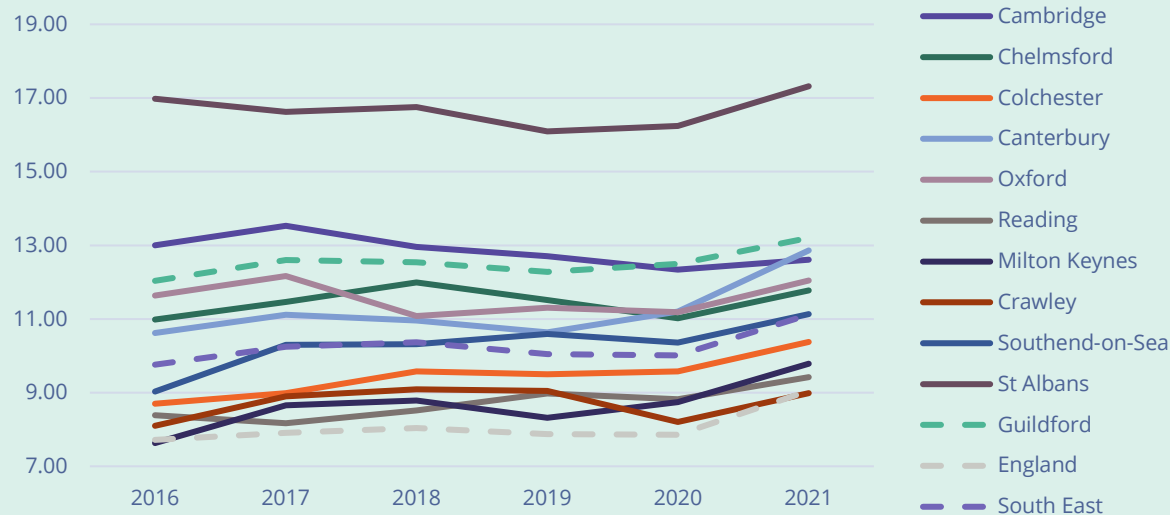
House price affordability is low: House prices in Guildford are 10.8x higher than average resident earnings. This is higher than most comparators except from St Albans, Cambridge and Oxford.

House prices are even more unaffordable for those that work in the borough: House prices are 13.2x higher than average workplace earnings which is higher than all comparators except from St Albans and suggests that house prices are therefore even more unaffordable for those who work in the borough.

House prices are highest in Guildford's rural areas: House prices are highest in Tillingbourne, Clandon and Horsley (approx. £908,000) and lowest in Guildford's urban areas (approx. £354,000). Even the lowest median house prices are above the England average (£297,000).

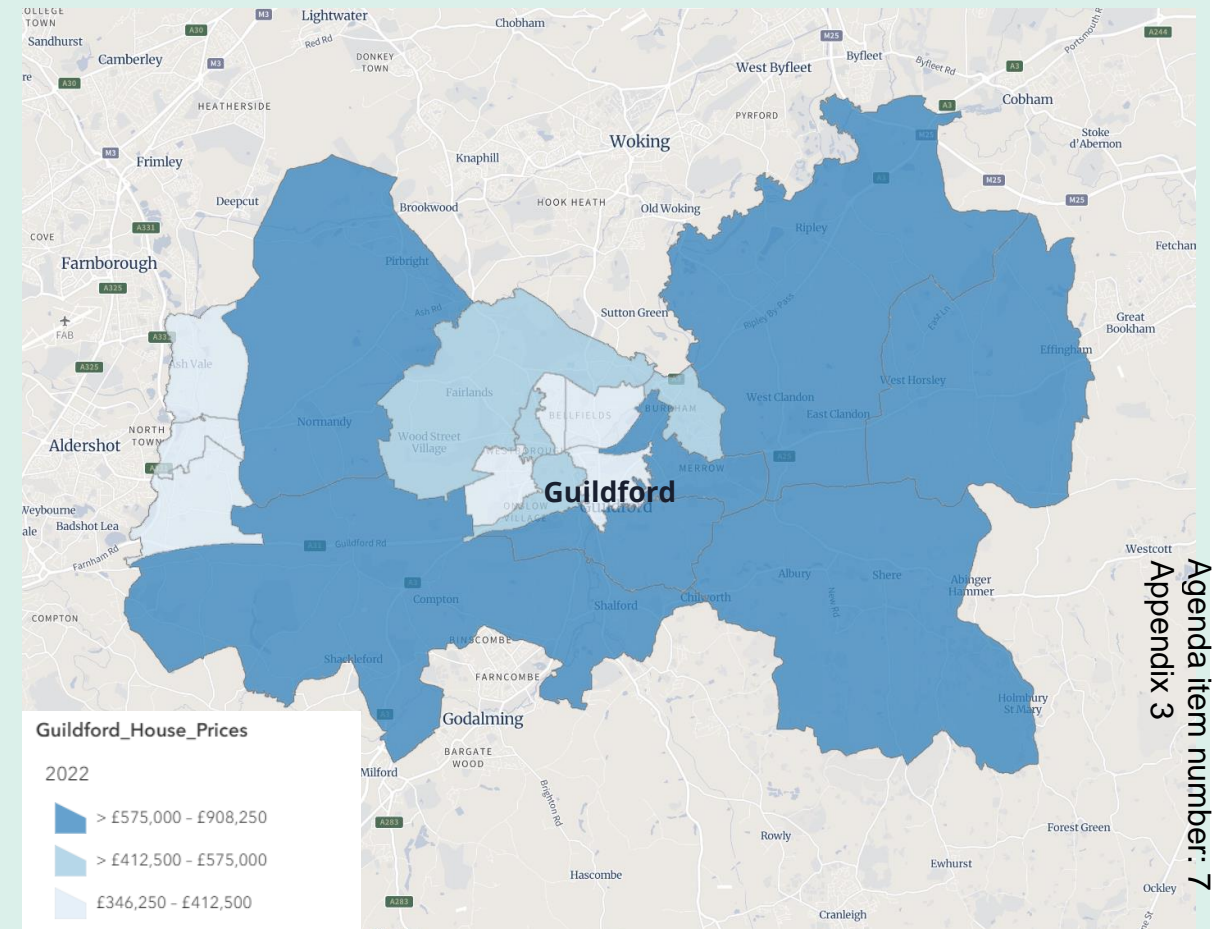
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House Price Affordability (House Price to Workplace Earnings Ratio), 2015-2020



Source: ONS, House Price to Workplace-Based Earnings Ratio (2021)

Median House Price by MSOA, March 2022



Source: ONS, House Price Statistics for Small Areas, 2022

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IN FOCUS: Housing Need

10,678 homes are to be delivered over the Guildford Local Plan period (2015-2034). This is equivalent to an annual housing delivery target of 562 units.

Larger dwelling sizes are required for market housing provision: Three bedrooms (40.4%) and two bedrooms (28.6%) are most in need.

Smaller dwelling sizes are required for affordable homes: One bedroom (40.9%) and two bedrooms (31.7%) are most in need.

Housing Need, 2015-2034

Types of homes	Market Housing	Affordable Housing
One bedroom	9.1%	40.9%
Two bedrooms	28.6%	31.7%
Three bedrooms	40.4%	23.9%
Four bedrooms or more	21.9%	3.5%

Source: Guildford Borough Council. Strategic Housing Market Assessment, 2013

Guildford is falling behind its housing delivery target: Between 2015/16 and 2020/21, the annual housing delivery target has only been exceeded in 2020/21 (609 units). Affordable housing delivery has accounted for 22% of all homes delivered over the same period, though the proportion of affordable homes has fallen in recent years.

Housing mix that is delivered may not be appropriate: The latest Annual Monitoring Report (2021) identifies that a historic lack of identification of a suitable range of both smaller and larger sites has contributed to the insufficient delivery of an appropriate mix in the types and tenures of homes (including affordable homes) that have been delivered.

There is an undersupply of medium-sized market homes: Provision of dwellings of four bedrooms or more exceeded need (31% vs 22% required) as did one bedroom properties (16% vs 9%).

Market Housing Delivered, 2014-2021



Source: Guildford Borough Council. Annual Monitoring Report, 2021

There is an undersupply of smaller affordable homes: One bedroom properties only accounted for 20% of homes delivered (vs 41% required). At the other end of the spectrum, no affordable housing was provided for properties with four bedrooms or more despite a need for 3.5% across Guildford.

Affordable Housing Delivered, 2014-2021



Source: Guildford Borough Council. Annual Monitoring Report, 2021

Larger sites in the pipeline are driving undelivered housing: The increasing significance of larger planning permissions within the borough has led to the outstanding capacity (i.e. sites with planning permission for new homes that have not been built) remaining reasonably high in 2019/20 at 3,169 (3,038 homes in 2018/19 and 2,522 in 2017/18).

Proportion of New Homes Approved by Site Size, 2014-2021

Year	Site Size (Net Number of Homes)				
	Fewer than 5	5-15	16-50	51-200	200+
2014/15	16%	18%	8%	8%	-
2015/16	34%	26%	40%	-	50%
2016/17	83%	11%	3%	3%	-
2017/18	12%	11%	6%	-	-
2018/19	11%	12%	-	23%	54%
2019/20	9%	7%	15%	69%	-
2020/21	27%	4%	27%	42%	-

Source: Guildford Borough Council. Housing Delivery Action Plan, 2021

IN FOCUS: Housing Pipeline

A number of residential developments are in the pipeline for delivery across Guildford to support the sustainable development of the borough over the coming years. Several of the largest schemes are summarised below.

Guildford Station Development

A £150m regeneration of the land surrounding Guildford Station secured planning permission in February 2018. This plan includes the transformation of Guildford's station car park into a new Station Quarter which will include:

- A new station plaza;
- 438 new homes;
- 3,427 sqm shops and eateries;
- 1,877 sqm of new offices; and,
- Enhancement of the station environment and gateway to the town centre.

Weyside Urban Village (formerly Slyfield Area Regeneration Project)

The redevelopment of part of the western bank of the River Wey in Guildford will deliver:

- Up to 1,550 homes (of which 40% affordable);
- A local centre comprising up to 1,800 sqm of retail, healthcare, community, nursery and flexible employment uses;
- Up to 500 sqm of flexible community facilities;
- Up to 6,600 sqm of flexible employment space;
- Up to 30,000 sqm of a new Council Depot Site;

- 6 Gypsy and Traveller pitches; and,
- Associated road infrastructure, landscape (including Sustainable Drainage Systems) and amenity space.

Other Developments

The Guildford Local Plan has identified a range of opportunities to be realised over the plan period (2015-2034). These include:

- North Street, Guildford (approx. 400 homes);
- Gosden Hill Farm, Guildford urban area (approx. 1,700 homes);
- Blackwell Farm, Guildford urban area (approx. 1,500 homes);
- Land to the south and east of Ash and Tongham (approx. 1,750 homes);
- Former Wisley Airfield, Ockham (approx. 2,000 homes); and,
- Land at Garlick's Arch, Send (approx. 550 homes).

Weyside Urban Village Illustrative Masterplan, 2020



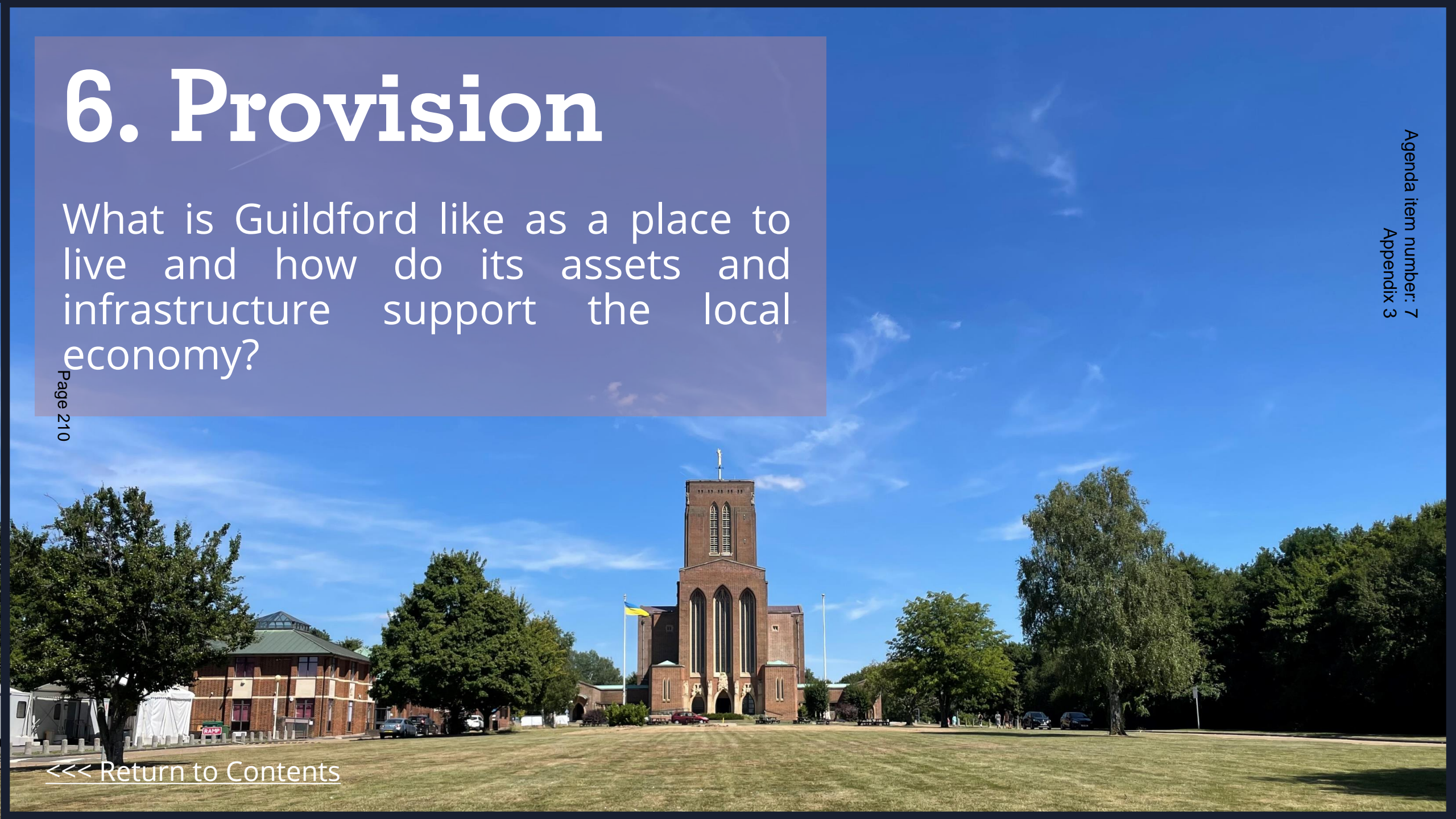
6. Provision

What is Guildford like as a place to live and how do its assets and infrastructure support the local economy?

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Provision: Summary

Guildford has important road and rail connections...



The A3 and proximity to the M25 provides important road connections to London, Portsmouth and the rest of the country. Rail provides direct routes into central London in under 40 mins and to major airports.

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Public transport connections could be strengthened...



Some parts of Guildford are unreachable within a 45-minute journey of Guildford town centre by public transport. New rail stations in East and West Guildford are proposed to alleviate some accessibility issues.

Guildford faces significant traffic congestion issues that impact residents and business...



Guildford is the 7th most congested borough in the country. Traffic congestion is particularly a problem around Guildford town centre and the A3/M25 junction.

Guildford's businesses have relatively low access to the fastest broadband...



Only 65.3% of Guildford's premises have access to the fastest broadband speeds known as Gigabit broadband. The fastest speeds are particularly important for high value businesses.

Barriers to housing and services and education and skills drive pockets of deprivation...



There are some pockets of deprivation in the north of Guildford and north of Ash. Deprivation is driven by barriers to housing and services and education and skills.

Some rural areas lack access to retail and outdoor space...



Guildford has an attractive living environment but rural areas face challenges in access to suitable retail and outdoor space.

Energy demand and flood risk are key considerations for future development...



Potential development will need to be supported with additional energy generation and mitigation of flood risk in Guildford town centre.

Why is this important?

- Transport connectivity that is efficient and reliable to key economic centres is an important attractor of businesses and workers.
- Digital connectivity is increasingly important for businesses, with the fastest broadband speeds crucial to businesses within IT and related industries.
- Understanding which areas face greater challenges can indicate potential locations for investment in training and employment opportunities.

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Guildford has important road and rail connections, but public transport connections could be strengthened...

Guildford has important road connections: The A3 provides direct road links into central London and out towards Portsmouth and the coast. At only 20 minutes from the M25, residents and businesses in Guildford have easy access to the rest of the UK's road network.

The borough has strong links to major airports: The UK's two largest international airports, Heathrow and Gatwick, are only 40 minutes by road and Gatwick is only 40 minutes by rail from Guildford mainline station. The proximity of these airports creates access to global markets. However, there are growing problems with increased congestion and journey times on some routes.

Rail connections support regional commuter activity: The direct rail service to London Waterloo takes under 40 minutes. There is also good rail access to Reading, Portsmouth and Southampton. Some areas are less well-connected by rail, although new train stations are proposed at Guildford West (Park Barn) and Guildford East (Merrow).

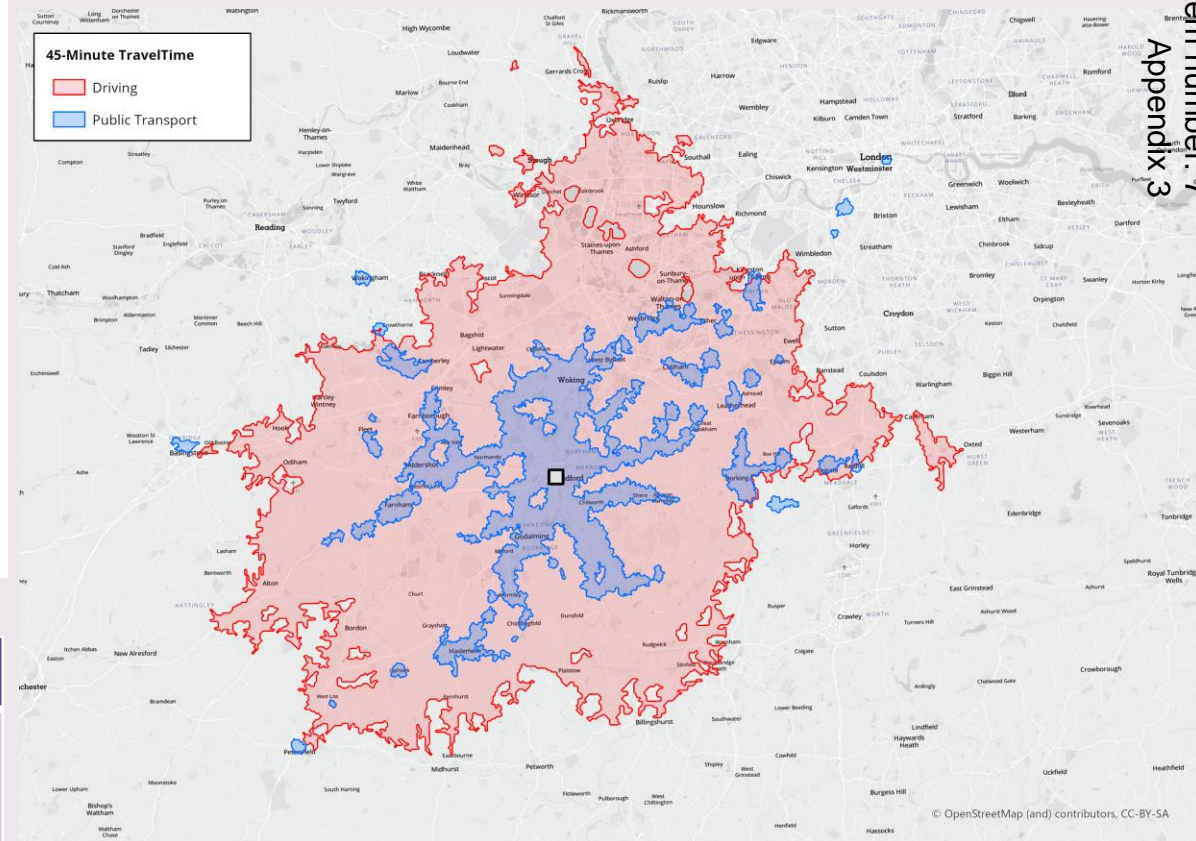
Intraborough connectivity is weak in rural areas: Some parts of Guildford are unreachable within a 45-minute journey of Guildford town centre by public transport. Bus services are a particular challenge Guildford's rural areas.

Population Catchments within a 45-Minute Journey of Guildford Railway Station

	Key Locations Accessible within 45 minutes	Total Population	Working Age Population (Aged 16-64)
Public Transport	London Waterloo, Clapham Junction, Woking, Weybridge, Dorking, Leatherhead, Wokingham, Basingstoke, Farnham, Farnborough, Godalming, Haslemere	601,469	382,324
Driving	Windsor, Slough, Heathrow Airport, Basingstoke, Woking, Weybridge, Dorking, Leatherhead, Basingstoke, Farnham, Farnborough, Godalming, Haslemere	1,821,010	1,129,725

Source: TravelTime Isochrone Analysis and ONS Population Estimates for Small Areas (2020).

Guildford's 45-Minute Catchment by Mode of Transport



This map demonstrates Guildford's connectivity by public transport and car-based travel on a departure time from Guildford Railway Station at 9am on a Wednesday morning.

Source: TravelTime Isochrone Analysis. 09:00 departure from Guildford Railway Station on 14-09-2022 (60 minute range).

IN FOCUS: Congestion

Guildford's Traffic Congestion

Guildford is the 7th most congested borough in the country¹. It is a particular challenge around Guildford town centre and impacts town centre experience, journey times around the borough and the attractiveness of the borough for businesses that depend on the road network for their workforce or business.

Guildford's Road Network

Car dependency is particularly high in Guildford and Surrey: Surrey's existing road network is heavily used, with motorways carrying 80% more traffic than the average for the South East, and A-Roads carrying 66% more traffic than the national average². There is serious congestion on the A3 trunk road between the Ripley Junction and the A3/M25 Junction 10 Wisley interchange junction and in Guildford town centre.

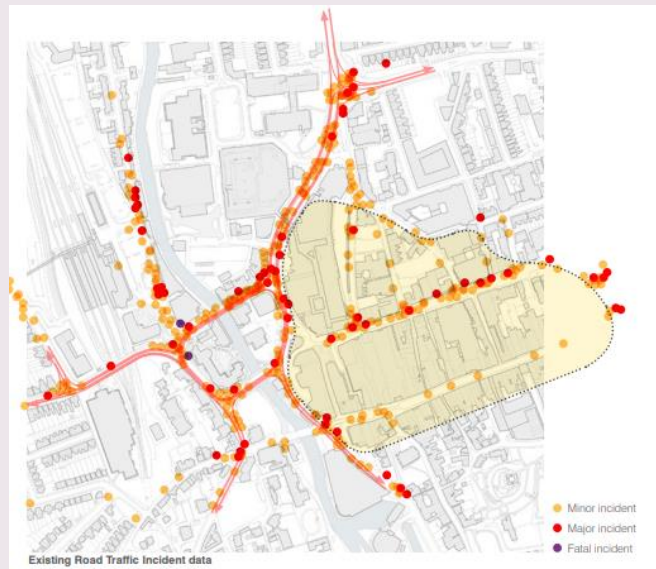
Guildford's congestion challenges are directly related to infrastructure challenges in the town centre. These include:

- Limited number and capacity of crossings over the railway and River Wey;
- Higher pollution levels, traffic accidents, disjointed cycle routes and unpredictable bus service;
- Housing issues;
- Lower-wage service roles are located in the town centre (such as retail and hospitality) which require commuting due to unaffordability of housing in the area; and
- High levels of car ownership.

Impacts of Guildford's Traffic Congestion

Guildford's previous Economic Strategy (2013) identifies congestion as a key issue affecting Guildford's future economic development. Cars put pressure on key points of the road network in peak hours, leading to delays and unreliability for visitors and businesses in the area. There are also consequences for non-car users including pedestrians and cyclists. The map below demonstrates road traffic incidents across Guildford town centre.

Existing Road Traffic Incident Data, Guildford Town Centre



Source: Guildford Borough Council. Stage 1 Strategic Spatial Masterplan (2021).

Adapting Guildford's Road Network

The Gyratory system in Guildford town centre is a key congestion point that constrains growth, limits pedestrian and cycle links to the riverside. Modifications to the road network are in development as part of the Guildford Strategic Spatial Masterplan³.

Alternative Modes of Transport

Congestion in Guildford Town Centre increases pressure on the whole road network, impacting public transport and active travel modes. Several initiatives are being developed to promote active travel in Guildford including:

- Guildford Sustainable Movement Corridor linking key sites around the town centre such as the rail station; Royal Surrey County Hospital, Surrey Research Park, University of Surrey, Slyfield Industrial Estate and existing urban communities;
- Park and Ride sites at Merrow and Artington linking to Guildford town centre; and
- Cycle parking and Brompton Bike Hire at Guildford Rail Station.

Cycle Hire and Parking Provision at Guildford Station, 2022



¹ University of Surrey. Regrowing Guildford (2021).

² University of Surrey. Regrowing Guildford (2021).

³ Guildford Borough Council. Stage 1 Strategic Spatial Masterplan (2021).

Guildford's digital connectivity trails behind most comparators, with connectivity lower in rural areas...

Digital speeds are a priority for Guildford's residents and businesses. With specialisms across gaming, AI, space and cybersecurity, digital infrastructure is important for unlocking Guildford's potential across digital industries.

The majority of Guildford's premises have broadband speeds capable of working from home: 96.3% of Guildford's premises have Superfast broadband compared to 96.0% nationally.

A lower proportion of Guildford's premises have the faster broadband speeds that meet business requirements compared to the England average: 71.8% of Guildford's premises have Ultrafast broadband compared to 86.0% nationally.

A lower proportion of Guildford's premises have access to the fastest broadband speeds: Only 65.3% of Guildford's premises have Gigabit availability which is higher than 46.0% nationally but lower than most comparators except from Canterbury, Chelmsford and Colchester. The ability to access the fastest broadband speeds are particularly important for the productivity of Guildford's high value businesses, and the attractiveness of the area to modern occupiers.

A lower proportion of Guildford's premises do not have access to minimum broadband speeds: 2.0% of Guildford's premises have broadband speeds below the Universal Service Obligation (USO) compared to 0.2% nationally. This is equivalent to 102 premises across the borough.

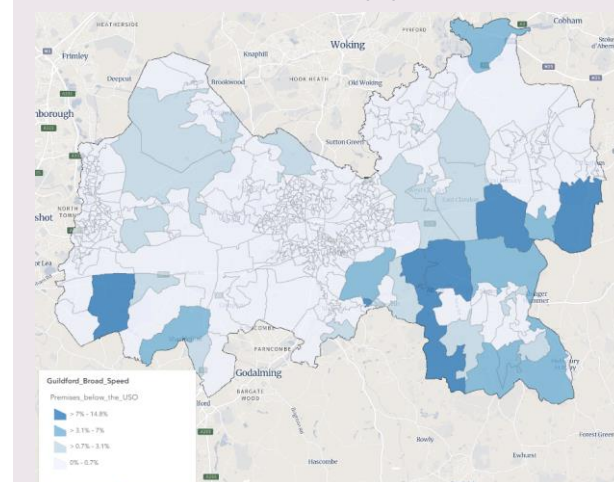
*Gigabit-capable broadband means download speeds of at least 1 gigabit-per-second (1 Gbps or 1000 megabits per second, Mbps)



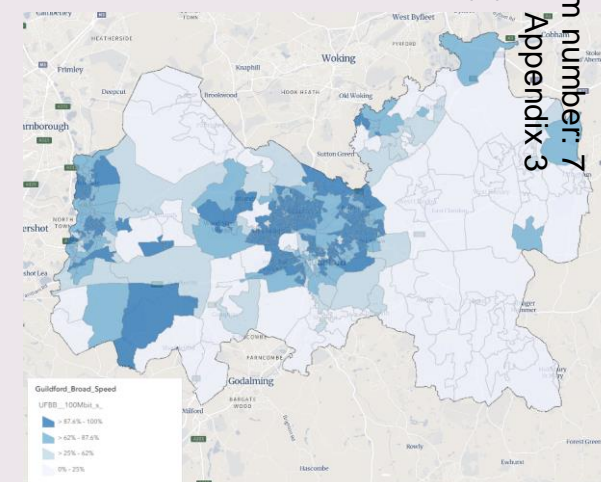
Source: Ofcom. Connected Nations, 2021

Digital Connectivity in Guildford, 2021

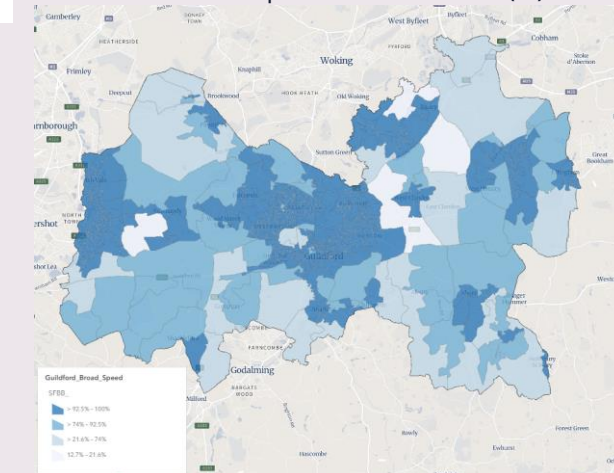
Premises Below the USO (%)



Premises with Ultrafast Broadband (%)



Premises with Superfast Broadband (%)



Definitions: Broadband Connectivity

% of premises below the USO: Percentage of premises that do not have access to download speeds at or above 10Mbit/s and upload speeds at or above 1Mbit/s.

Ultrafast availability % premises: Percentage of premises that have Ultrafast Broadband (300Mbits/s or greater) coverage from fixed broadband.

Superfast availability % premises: Percentage of premises that have Superfast Broadband (30Mbit/s or greater) coverage from fixed broadband.

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Guildford has some pockets of deprivation with particular challenges around housing/services and education/skills...

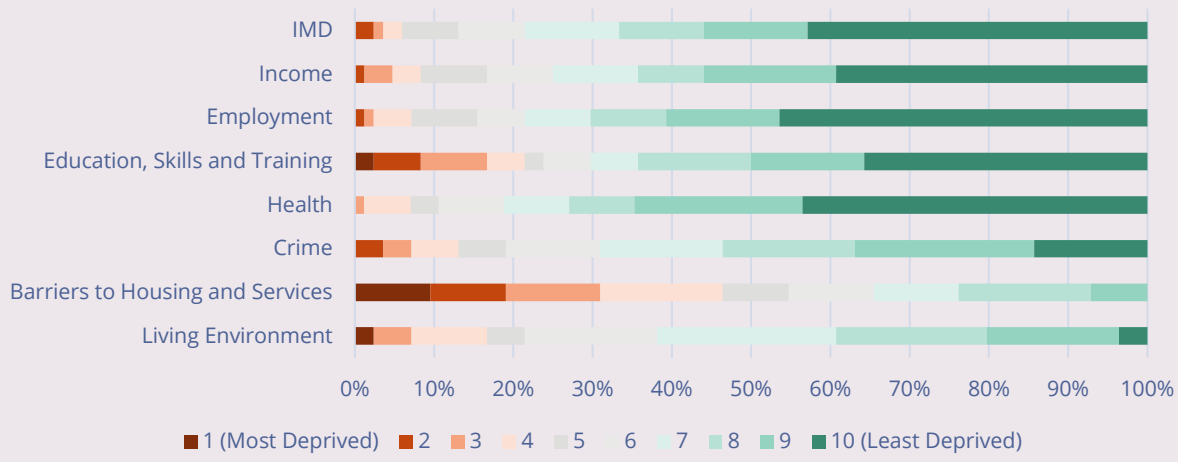
Guildford performs relatively well in terms of levels of deprivation: Only three out of eighty four neighbourhoods (LSOAs) within Guildford rank within the top 30% most deprived nationally.

There are however some pockets of deprivation north of Guildford town and north of Ash: The most deprived neighbourhoods in Guildford are located in Guildford town centre, Wood Street Village and Ash.

Barriers to housing and services drives deprivation in Guildford: 26 out of 84 neighbourhoods rank within the top 30% most deprived neighbourhoods nationally for this domain. This is likely to link to the cost of housing relative to wages, and the accessibility of local services to people living in areas without strong public transport connectivity. Earlier analysis shows that average house prices are 13.2x higher than annual wages for workers and 10.8x higher for residents demonstrating the scale of the challenge.

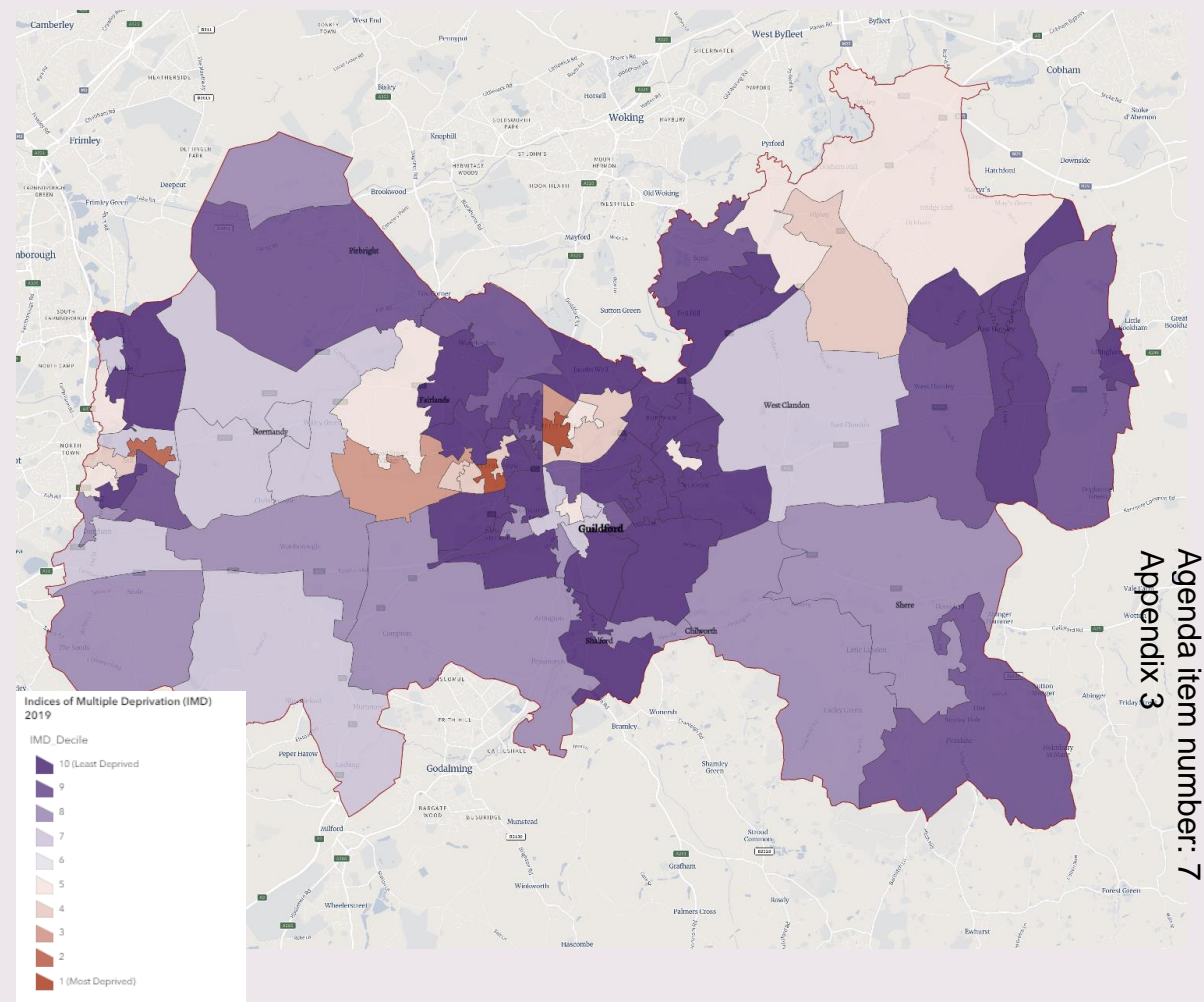
Education, skills and training is the second highest driver of deprivation in the borough: 14 out of 84 neighbourhoods rank within the top 30% most deprived neighbourhoods nationally for the education domain. This measure reflects attainment and skills of the local population, and suggests that some neighbourhoods have lower levels of skills and training to access quality employment.

Drivers of Deprivation, 2019



Source: Ministry of Housing, Communities and Local Government, Index of Multiple Deprivation (2019)

Index of Multiple Deprivation in Guildford, 2019



Source: Ministry of Housing, Communities and Local Government, Index of Multiple Deprivation (2019)

Guildford's living environment is attractive but rural areas face challenges accessing suitable retail and outdoor space...

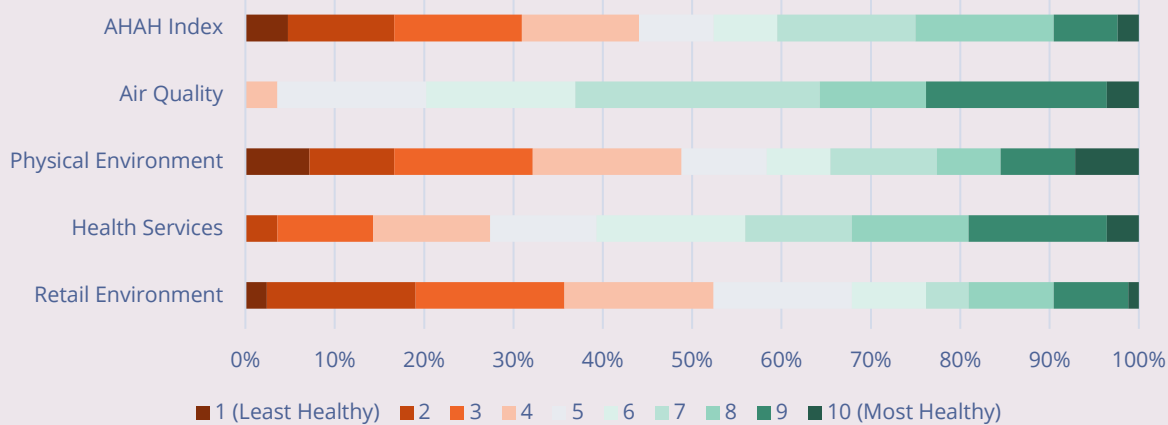
The map and chart display data from the national Access to Healthy Assets and Hazards (AHAH) index, which is a multi-dimensional index for Great Britain measuring how "healthy" neighbourhoods are derived from data on access to retail outlets, health services, good air quality and the natural environment.

Guildford has a high quality living environment but some areas perform better than others: 26 of Guildford's 84 neighbourhoods rank within the top 30% least healthy in the AHAH Index. Neighbourhoods that are lower scoring include Guildford town centre, Pirbright, Puttenham, West Clandon and East Clandon. This is primarily driven by the quality of retail and the physical environment.

Quality of the retail environment is driving 'unhealthy' score in the AHAH Index: 30 out of 84 neighbourhoods rank within the top 30% least healthy in the retail environment domain. This domain measures the level of access to fast food outlets, pubs, off-licenses, tobacconists and gambling outlets.

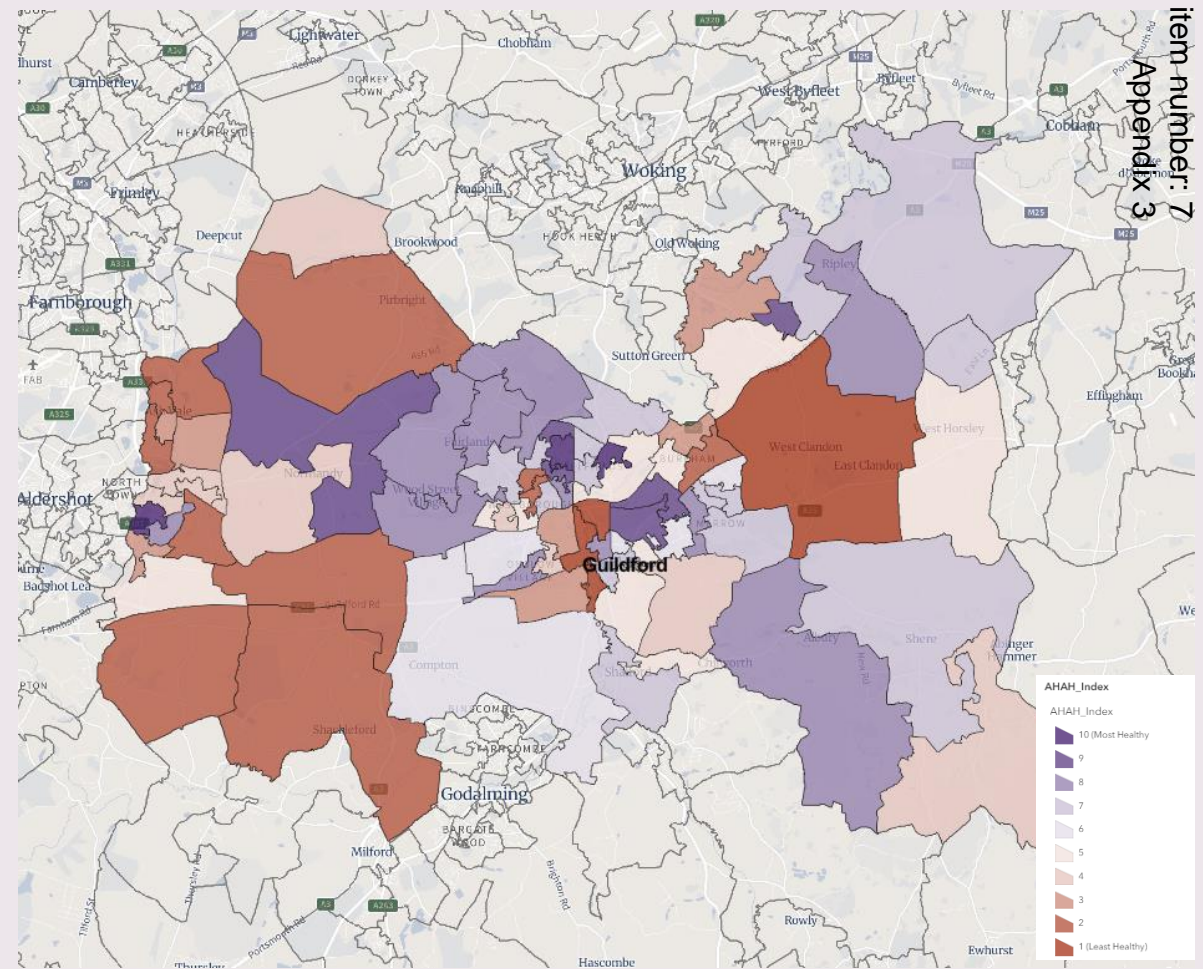
Physical environment is the secondary driver: 27 out of 84 neighbourhoods rank within the top 30% least healthy in terms of access to green/blue space. Whilst many parts of Guildford are rural, this measure considers the level of community access to usable blue and green space.

Drivers of Guildford's Living Environment Quality, 2019



Source: Consumer Data Research Centre. Access to Healthy Assets and Hazards Index (2019)

Access to Healthy Assets and Hazards Index in Guildford, 2019



Source: Consumer Data Research Centre. Access to Healthy Assets and Hazards Index (2019)

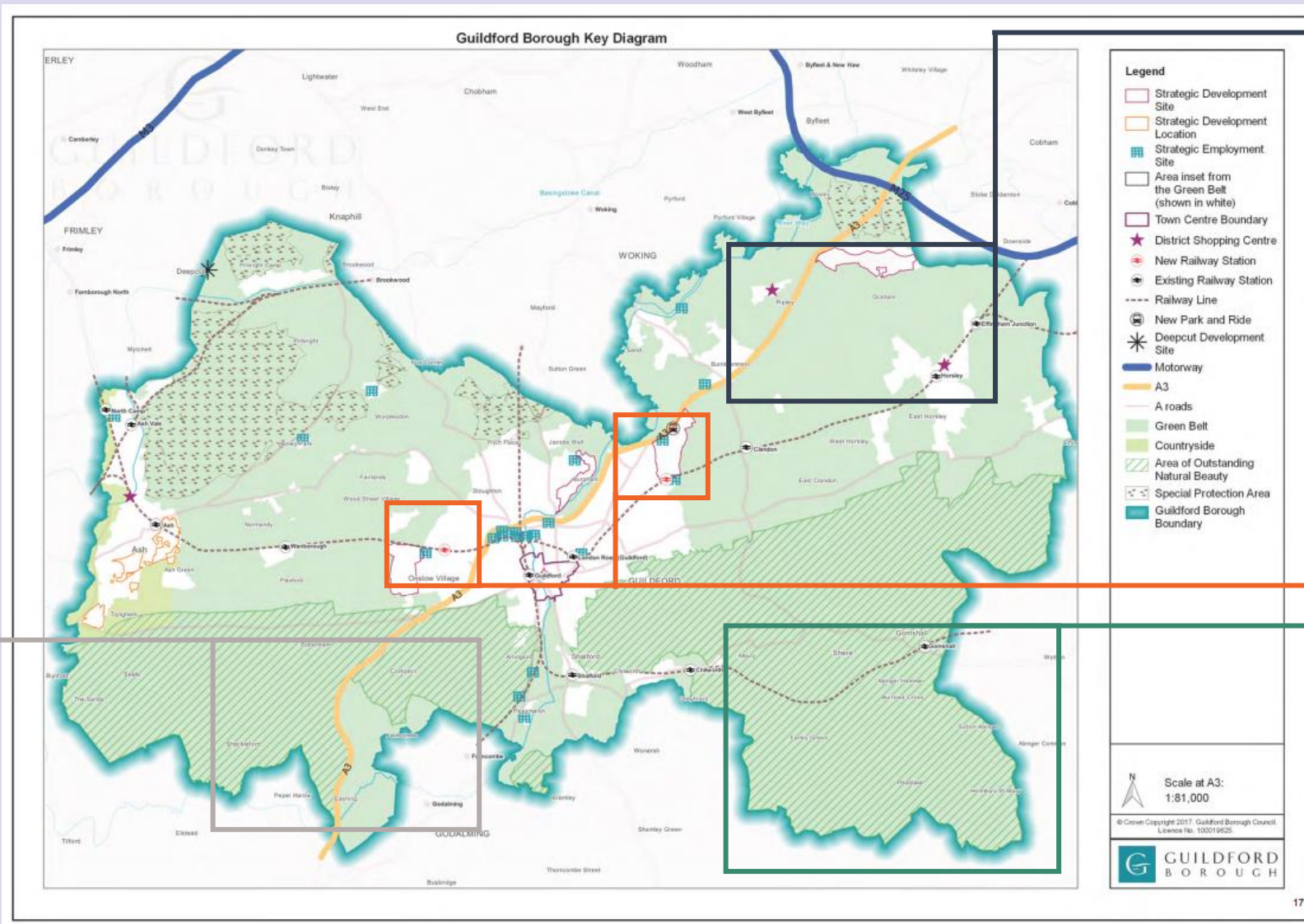
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IN FOCUS: Guildford's Key Infrastructure

The Guildford Local Plan (2015) provides a comprehensive overview of Guildford's key infrastructure across:

- Strategic Development Sites;
- Strategic Employment Sites;
- District Shopping and Town Centres;
- Road Network;
- New Public Transport; and
- Special land designations.

Guildford's infrastructure provides a critical role in enabling and supporting the development and growth of the local economy and population. Some of the non-residential developments are further explored on this page.



Road Network

- The A3 provides direct road links into central London and out towards Portsmouth and the coast.

District Centres

- District Centres at Ripley, Horsley and Ash provide important local centres for community facilities, education and retail services.

Shopping Centres

- Shopping Centres at Ripley, Horsley and Ash provide important local centres for community facilities, education and retail services.

Public Transport

- New train stations are proposed at Guildford West (Park Barn) and Guildford East (Merrow).
- A new Park and Ride is in operation at Merrow.

Green Infrastructure

- Surrey Hills Area of Outstanding Natural Beauty and other green space provide opportunities for leisure, sports and recreation across the borough.

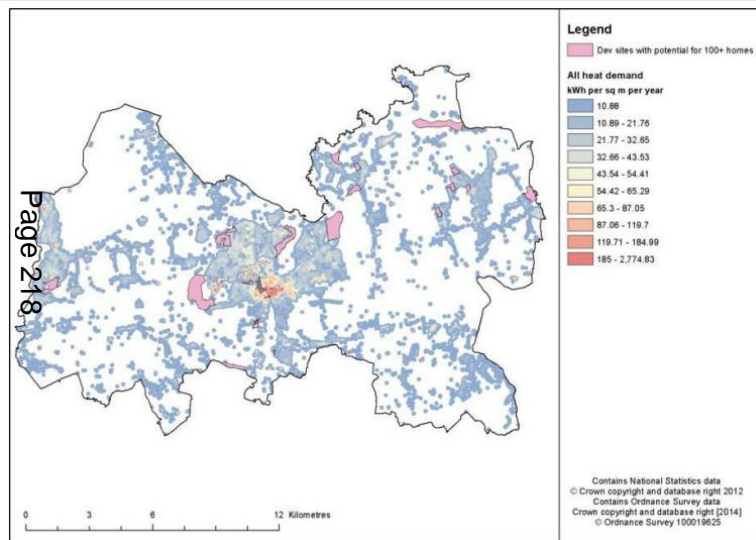
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IN FOCUS: Power

Energy Demand in Guildford

The Guildford Renewable Energy Mapping Study (2015) estimated that energy demands in Guildford were estimated to be 3,416 GWh in 2012. The heatmap below shows areas and buildings with the highest heat demands (energy consumption for heating) across the borough – including both residential and non-residential buildings.

Large Development Areas With Existing Heat Demand



Potential future development sites as identified in what was at the time the draft Local Plan (2014) are overlaid to assess their proximity to existing heat demands and therefore potential for district heating. The study finds that the following sites are considered as heat ‘priority areas’ likely to have the most potential for viable district heating networks:

- Central Guildford
- Royal Surrey County Hospital and surrounding area
- University of Surrey Stag Hill Campus and adjacent industrial sites

The study considers the potential for low and zero carbon energy generation across Guildford in terms of large and medium scale wind, solar photovoltaics (PV), hydro power and water source heat pumps. Designations such as Areas of Outstanding Natural Beauty (AONB) and the Green Belt are identified as potential planning constraints on the delivery of renewable energy across the borough, though the study recommends that the deployment of renewable technology in a given location should be considered on a case-by-case basis.

Surrey’s Climate Change Strategy 2020

In terms of energy generation, Surrey’s Climate Change Strategy identifies an ambition “to support the national decarbonisation ambition by leading renewable energy generation expansion and bringing low carbon heating into Surrey homes through smart, decentralised systems.”

The South East region is identified as having the potential to expand its energy generation capacity to generate 36% more electricity from PV schemes than other areas of the UK due to greater sunlight hours amongst other factors. The region also ranks third in the country for wind energy generation potential, and the level of development seen across the county presents opportunity for the potential integration of new decentralized energy system models. As a result, the Strategy identifies a target of 15% of energy to be generated from solar PV by 2032 which will save 69,000 tonnes of CO2 per annum by 2050 on public and commercial buildings.

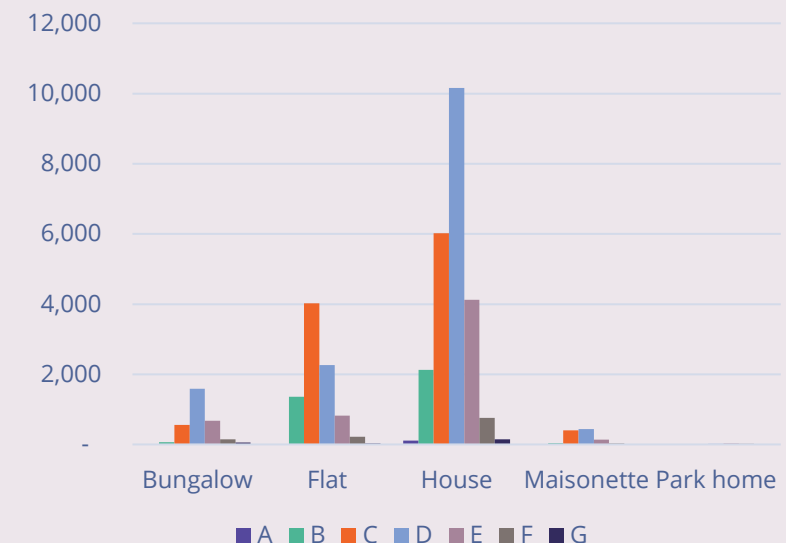
Energy Performance

Energy Performance Certificates (EPCs) indicate the potential energy efficiency of domestic and non-domestic buildings across England and Wales. As a result of the UK government’s 2050 net zero goals, changes in government policy and building regulations will put significant pressure on owners of real estate to improve the sustainability of their buildings. Additionally, the embodied carbon held in existing properties is considerable, and retrofitting often presents a considerable carbon saving relative to demolishing and rebuilding.

Legislation introduced in 2018 set a minimum energy efficiency standard (MEES) for non-domestic buildings to achieve a set level of energy efficiency. Benchmarked through EPCs (energy performance certificates), properties must hold an EPC grade of E or above in order to be let or sold. By 2030, all non-domestic properties will need an EPC grade B or above unless holding an exemption. Based on properties with EPC lodgements since 2012, this will require in excess of 1,835 properties or 83% of industrial properties in Guildford to improve their energy performance.

A similar bill for the letting of residential buildings is currently in progress as the Minimum Energy Performance of Buildings Bill, in which all residential buildings to let will need to be grade C or above to be let by 2028. Based on properties with EPC lodgements since 2012, 60% of domestic dwellings are rated as EPC band D or below, which is equivalent to 21,701 properties. Guildford’s flats are most efficient with 62% rated C or above, followed by maisonettes (42%), houses (35%), bungalows (20%) and park homes (2%).

Number of Domestic EPC Lodgements by Performance Band



Source: DLUHC. Energy Performance of Buildings Data: England and Wales, 2022.

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IN FOCUS: Flood Risk

Flooding is a major issue for Guildford Town Centre. The map below shows that much of the river corridor is in Flood Zone 3B which means that the area is at higher risk of fluvial flooding, the primary cause of flooding in Guildford.

As a result, flood risk management is a key element of Guildford's plans and strategies. A partnership between Guildford Borough Council, Surrey County Council, the Environment Agency, Thames Water and M3 Local Enterprise Partnership has been developed to consider strategies towards flood management.

The strategies outlined in the Strategic Spatial Masterplan Report (2021) for the flood zone are summarised below:

- A green linear park with flood storage and water detention ponds;
- Multiple drainage channels running back to the green linear park and river;
- New flood defences to enable development plots to come forwards;
- Buildings raised above the floodplain;
- Greening throughout the public realm and roofscapes;
- All hard landscaping and street furniture within flood zones resilient to inundation;
- A combination of hard and soft landscaping used in the town centre specifically Bedford Wharf, train station and Town Wharf for flood storage, attenuation and prevention; and
- The rebuilt Town Bridge will be slightly raised to clear the flood risk zone and connect riverside walks on both banks.

Vulnerable Areas

According to the Guildford Infrastructure Delivery Plan (2017), approximately 720 properties in the borough's hotspot areas are at risk of flooding.

The Guildford Infrastructure Delivery Plan Baseline (2013) provides detailed information on the impacts and opportunities of flood risk management. It notes that further development in the more urbanised areas could potentially increase surface water.

Whilst flooding is limited to open spaces and rural and semi rural areas, Guildford town centre on both banks of the River Wey, parts of Ash within the Blackwater Valley and some properties in villages along the River Tillingbourne especially are at high risk. Approximately 1,000 properties within the borough are at a 1% risk of flooding from rivers.

Major infrastructure within Guildford is also at risk during a flood event such as routes between Ladymead and Parkway (the A25), Guildford Fire Station and the Royal Surrey County Hospital potentially being blocked.

Requirements for Developments

Developers will be required to fund suitable measures to minimise surface water run-off produced from their development proposals which should also include the development of Sustainable Drainage Systems (SuDS).

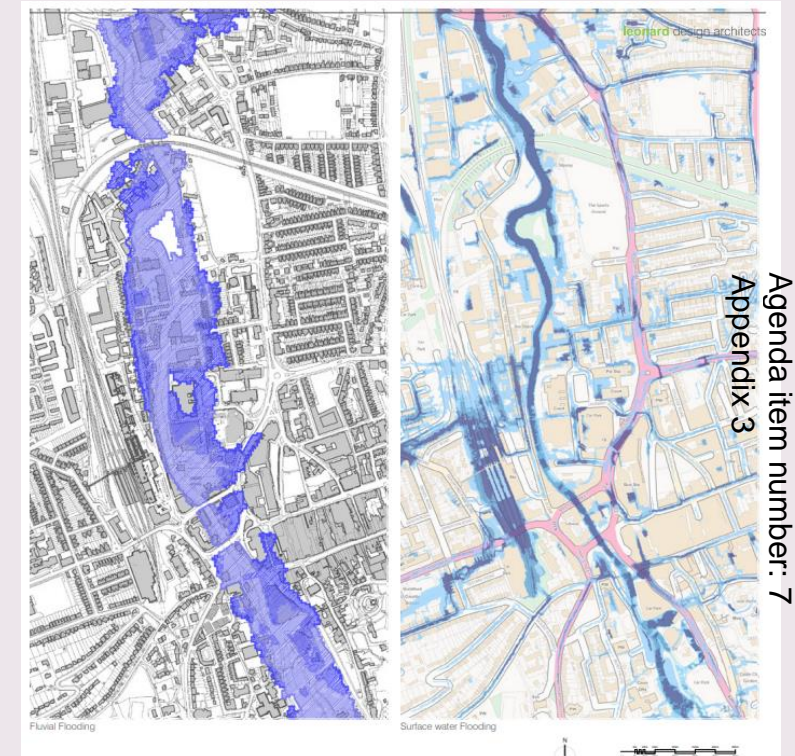
National Planning Policy Guidance:

Zone 2- Medium risk (Parts of the Friary and Woodbridge Meadows is in Zone 2).

Flood Zone 3a- Land having a 1 in 100 or greater annual probability of river flooding or land having a 1 in 200 or greater annual probability of sea flooding. (The outer river corridor is in Flood Zone 3a).

Flood Zone 3b- Highest risk. The functional flood plain. This is where water has to flow or be stored in times of flood and has a 5% probability of flooding or a 1:20 chance. (Much of the river corridor is in Flood Zone 3B).

Flood Risk in Guildford Town Centre



Source: Guildford Borough Council. Stage 1 Strategic Spatial Masterplan (2021).

7. Place

How is Guildford's town centre performing as a culture, leisure and retail destination?



Place: Summary

Guildford has important town centre anchors...



The Friary, Guildford Castle, G Live, Stoke Park, Electric Theatre, Tunsgate Quarter and Guildford Station are all important anchors in the town centre.

Guildford's town centre is a important retail destination for the region...



43% of shops sell comparison goods which is second highest of all comparators. Major anchors include Marks and Spencer, Primark and House of Fraser.

Rental values are high in Guildford and there is a high proportion of national chains...



National chains dominate Guildford's retail offer. Some are important anchors but it leaves the town centre highly vulnerable to macro-economic shifts in the retail market.

Guildford's town centre is in need of diversification to increase resilience and meet consumer needs...



Only 6% of Guildford's retail units are convenience stores such as corner shops, supermarkets and other essential goods store such as pharmacies.

Retail vacancy in the town centre is relatively high...



Retail vacancy rates of 18% are higher than several comparator areas. High rental values or inadequate space may be deterring other retailers from take on space.

Leisure uses account for a smaller share of town centre uses...



A lower proportion of Guildford's retail space is used for leisure activities such as restaurants, cafes and bars. These uses are important for extending time spent in the town centre and increasing vibrancy.

Regeneration provides the opportunity for addressing some of Guildford's key challenges...



Regeneration in Guildford town centre provides the opportunity for the delivery of leisure, F&B and employment space as well as addressing key issues around placemaking and flood risk.

Why is this important?

- Guildford's retail position is an important attractor of visitors to the town centre who may also spend in other leisure venues.
- JLL's recent report identifies the need to diversify the high street to meet changing consumer needs. This may have implications for the demand for retail employment.
- The availability and variety of leisure uses are increasingly important for town centre vitality.

Town Centre Anchors

University of Surrey

A public research university with three main faculties: Faculty of Arts and Social Sciences, Engineering and Physical Sciences and Health and Medical Sciences. Surrey Sports Park is situated close to the main University campus, on its Manor Park site.

Guildford County Court

Guildford County Court is a judicial court for civil cases.

Guildford Station

Guildford Railway Station is the main station that serves the town and is roughly an hour away from London Waterloo via Woking. The other station serving the town centre is London Road station on the New Guildford Line.

Electric Theatre

The community arts venue for Guildford which promotes musical arts at all levels from community workshops to concerts by internationally well-known artists.

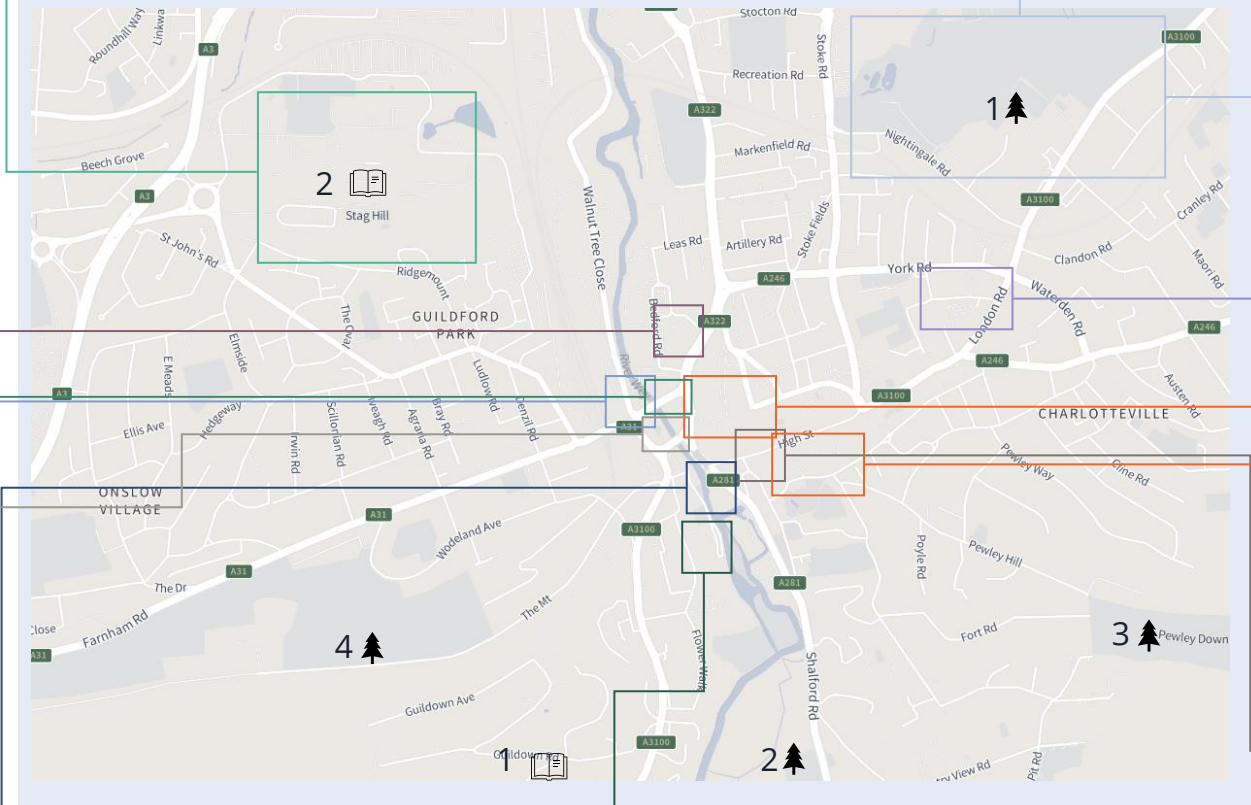
Academy of Contemporary Music

Offers specialist programmes in Music Performance, Song writing, Production, Business, Games Development and more.

Guildford Museum

A local history and archaeology museum with a specialist needlework collection.

Key Anchors in the town centre



Guildford Borough Council

Libraries:

1. Guildford Library and 2. University of Surrey Library



Parks:

1. Stoke Park 2. Shalford Park, 3. Chantry Wood and 4. Loseley Park



Guildford Spectrum

Guildford Spectrum is a leisure Complex offering ice skating, ten pin bowling, swimming and a whole range of sporting activities.

Stoke Park

Stoke Park is a 52-hectare park on the edge of the town centre and is the largest and most popular park in Guildford. It is described as the 'lung of the town'.

The Friary Guildford

The Friary Guildford is the town's largest shopping centre and is located in the heart of Guildford alongside the High Street. The shopping mall contains over 50 stores, including contemporary fashion shops and high-street brands.

Guildford also has the Tunsgate Quarter, a modern upscale mall with designer label fashions alongside home and lifestyle stores.

Guildford Live

G Live is Guildford's premier entertainment venue 1,700 standing or 1,031 seated auditorium that hosts a range of brilliant nights out

Guildford Castle

The castle dates back to 1066. The gardens are very popular and features a statue of Alice Through the Looking Glass. The keep now contains a visitor centre, open between April and September. The castle's old gatehouse now houses part of Guildford Museum.

Guildford's town centre is an important retail destination within the region...

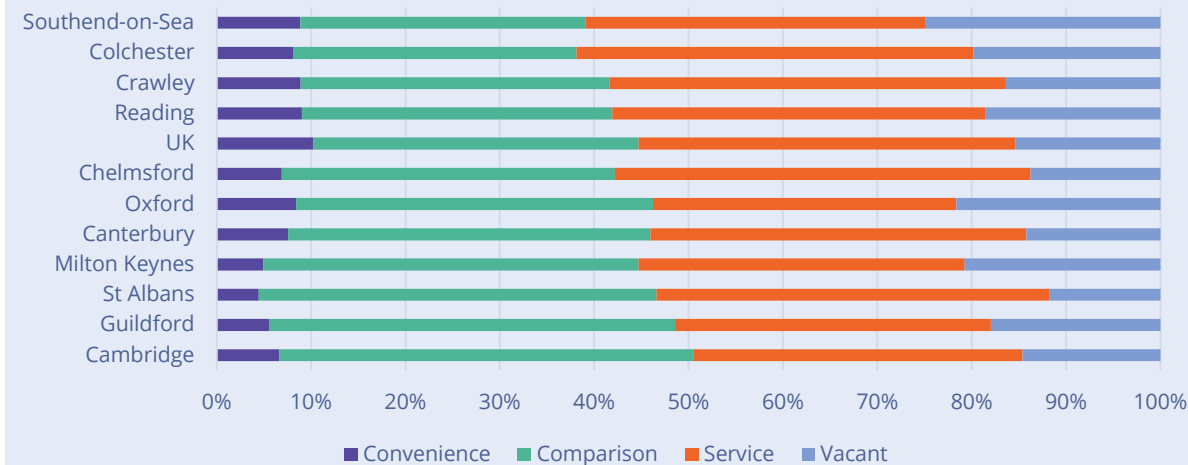
There has been a national decline in chain-led comparison retail in town centres in recent years. At the same time, consumer demand for services, entertainment, leisure, culture and independent retail has increased.

Guildford has the second highest proportion of comparison retail: 43% of shops in Guildford are comparison retail which is second only to Cambridge. This leaves it highly vulnerable to macro-economic shifts in the retail sector.

Guildford has a smaller proportion of in-demand services, leisure and experiential activities compared to comparator locations: 33% of Guildford's retail outlets provide services which include leisure and recreational uses such as cafes, bars and restaurants. These uses are high in demand from consumers.

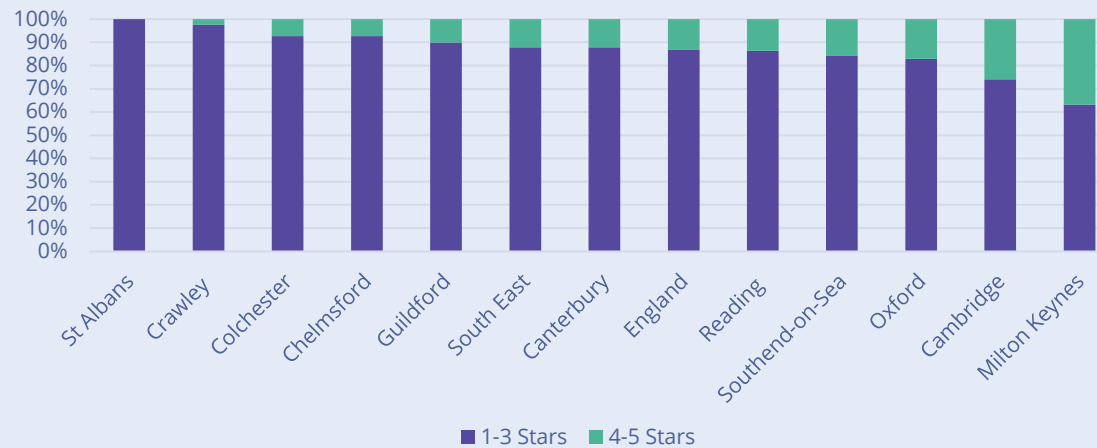
Retail vacancy in Guildford is relatively high: 18% of retail space in Guildford is vacant which is higher than several comparators including St Albans, Chelmsford, Canterbury, Cambridge and Crawley.

Retail Units by Type, 2022

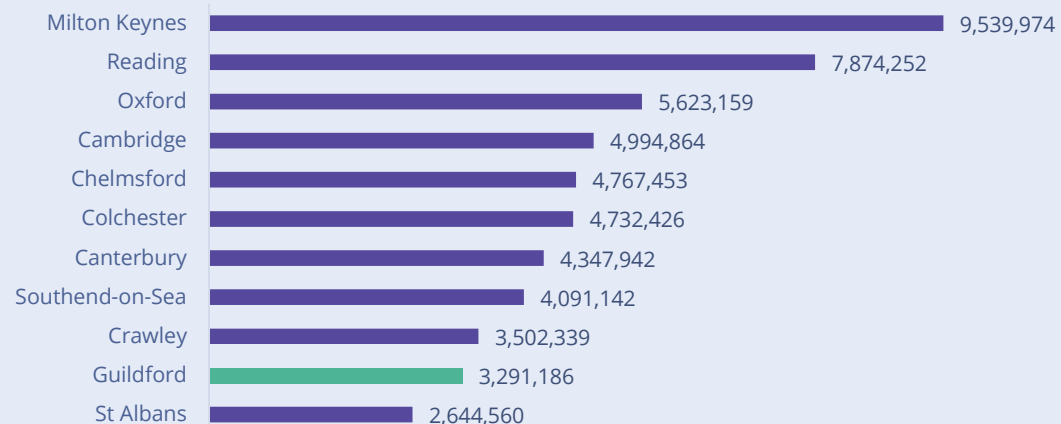


Source: Goad Experian. Retail Composition, 2022

Quality, 2022



Retail Floorspace, 2022



Source: Costar. Data Analytics, 2022

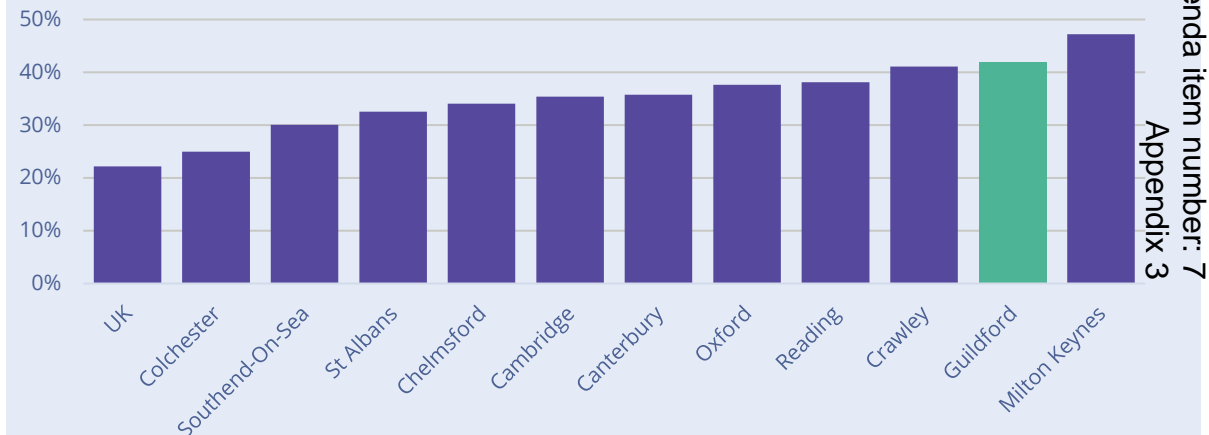
Guildford's town centre is a popular location but is at risk of decline...

Retail space in Guildford is more expensive than all comparator areas: Rent reached £55.45 per sq ft in Guildford in 2021 which is higher than all comparator areas, the South East (£23.09) and England (£22.30).

Guildford has the second highest proportion of retail units occupied by national chains: 42% of Guildford's retail offer is provided by chain stores which is second highest of all comparator areas after Milton Keynes, and is almost double the UK average (22%). Major retailers are attractive anchors in town centres, though their often large store requirement presents a risk of large empty units as has been seen with the closure of Debenhams, House of Fraser and British Home Stores in recent years. Chain retailers are also highly vulnerable from collapse, and demand is now higher for independent than national retailers.

Use of retail and leisure destinations in Guildford remains below the UK average: Compared to a February 2020 baseline (just before the onset of the COVID-19 pandemic) the level of activity in Guildford's retail and recreational spaces - including restaurants, cafes, shopping centres, theme parks, museums, libraries and cinemas - is below the UK average. Lower usage combined with a high proportion of chains leaves the town centre at risk.

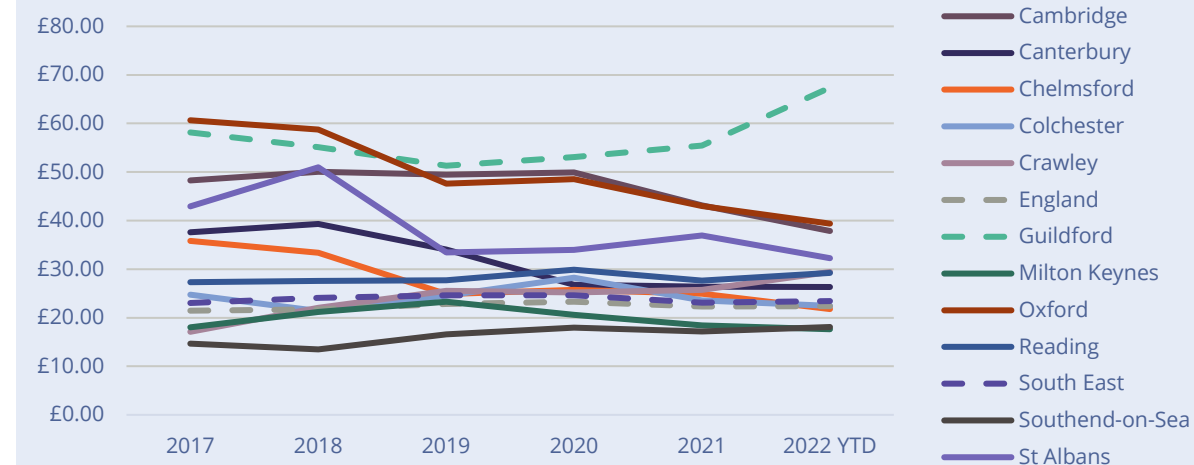
Proportion of National Chain Stores Occupying Units in Guildford Town Centre, 2022



Source: Goad Experian. Retail Composition, 2022

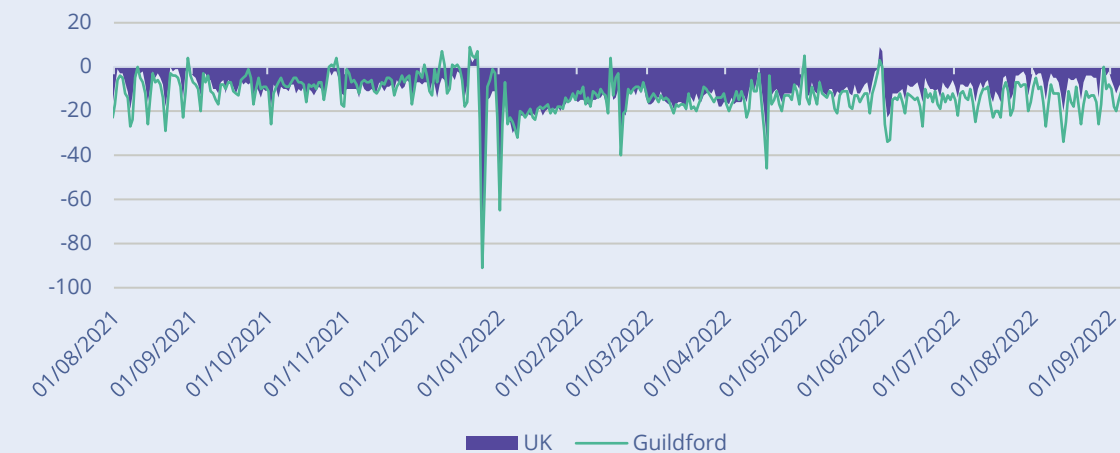
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Rent per Sq Ft, 2017-2022



Source: Costar. Data Analytics, 2022

Activity in Retail & Leisure Destinations, August 2021-September 2022



Source: Google. Google Mobility, 2022

Note: Activity measurement is relative to the February 2020 baseline as developed at the onset of the COVID-19 pandemic. Values above 0 indicate increased activity relative to February 2020, whilst values below 0 indicate reduced activity in these spaces relative to February 2020.

Competitive Position: Guildford (JLL, 2022)

An updated *Competitive Positioning* report (2022) produced as part of the development of the *Stage 2 Guildford Town Centre Masterplan* provides analysis of Guildford's 'competitive position' identifying strengths, weaknesses and opportunities for the town and borough. The report is to help inform future placemaking and regeneration opportunities in Guildford.

National Trends

- Independent and local businesses are increasing in popularity.
- Independent restaurants are also increasingly entering the food sector and seeking smaller premises for restaurants.
- Demand for smaller restaurant space has also led to the emergence of food market halls, collections of small food stalls in a large market arrangement.
- The COVID-19 pandemic has increased the shift to online retail at the expense of physical stores, with major retailers such as Topshop and Debenhams now unavailable on the high street.

Guildford Market Review

- The High Street is the main shopping area in Guildford and is characterised as a strong traditional high street with upper/mid market fashion retailers to support its affluent population. There are three other shopping centres in Guildford, equating to 294,000 sq ft of retail space.
- Vacancy increased have increased by 17.8% since the end of 2021, reflecting national trends.
- The shift to online retail is reflected in the closure of Guildford's Debenhams store. This property is now proposed as a mixed-use development named St Mary's Wharf.

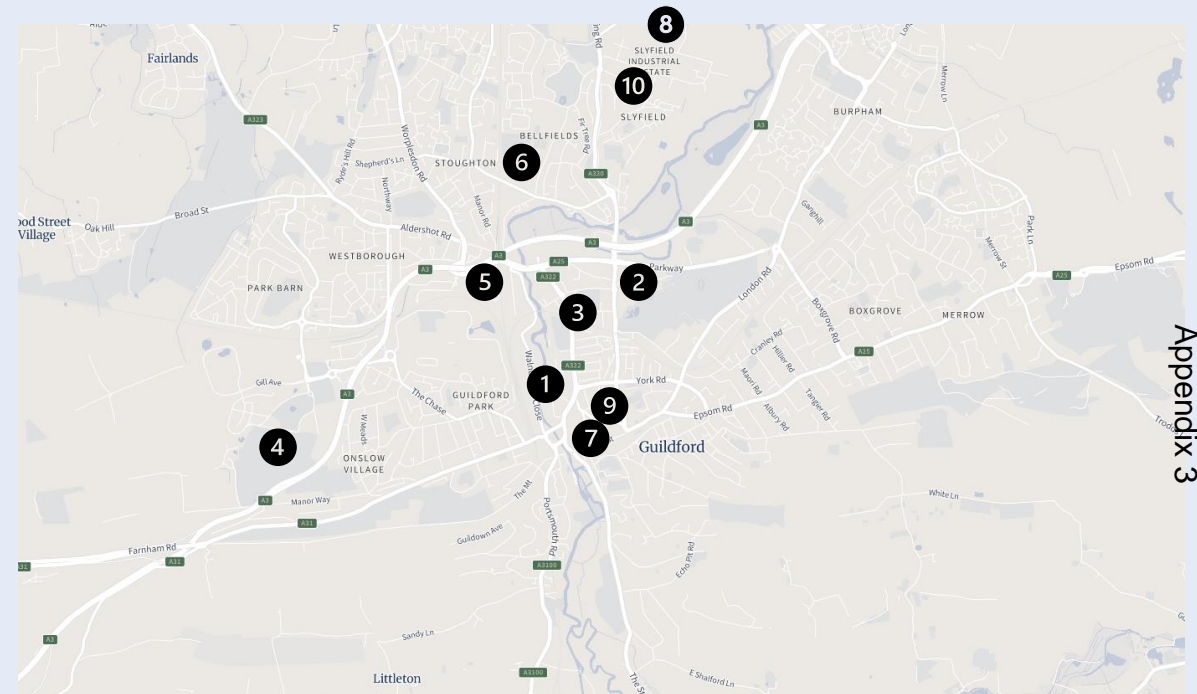
Retail and F&B

- The majority of F&B in Guildford is located in the town centre with clusters around the High Street and North Street. Friary Street is also F&B focused and boasts a range of chain restaurants. However, independent F&B tends to be located on the outskirts of the town centre.
- Overall, there is a good provision of F&B that includes a range of both chain operators and independent establishments.

Future Assessment

The report finds that the future of Guildford's street relies on its ability to bring physical retail and leisure closer together to increase the number of daytime occupiers and address the undersupply of F&B and the threat of changing retail habits.

Therefore, when considering the provision of new spaces in the town centre, there is a need to move away from the traditional standard high street which Guildford has a reputation for, to spaces that can be transformed into multiples spaces. By diversifying the high street, the changing needs of consumers can be met and the vitality of the high street restored. Otherwise, it is likely that Guildford would be left behind in comparison to surrounding competitors.



1. Odeon Cinema Guildford
2. Guildford Lido
3. Woodbridge Road Sports Ground
4. Surrey Sports Park
5. Air Hop
6. Guildford Ski Slope
7. Unplug and Play (board games café)
8. Madhatter's Soft Play
9. Castle Green Bowling Club
10. Blue Spider Climbing (formerly Craggy Island)

IN FOCUS: Town Centre Masterplan

Delivering Change

Guildford Borough Council is currently developing a new vision for Guildford town centre. As part of this process, two Strategic Masterplan studies have been published to inform the direction on how the future Guildford Masterplan will be developed. Published in September 2022, *Guildford Town Centre Masterplan Stage 2* informs the range and extent of uses within the Concept Masterplan which, along with consideration of movement routes, greening, community space and placemaking principles. A Concept Masterplan outlines what will be delivered as part of this redevelopment.

Creating a Sustainable Guildford

The vision for the masterplan is to create a new heart of Guildford along its waterfront, and provide new homes, jobs and community facilities to support the sustainable development of Guildford. Strategies the report aims to address are:

- Flooding;
- Transportation; and
- Infrastructure.

The Development Zones

The masterplan has led to the creation of linked Development Zones along the Greenway to allow for flexibility in the phasing and the timetable of delivery. The key proposals for each are set out on the remainder of the page.

1. Millbrook / Millmead

- Enhancement South of Town Bridge to provide improved pedestrian and cycling routes into the town centre.
- Redevelopment of Millbrook Car Park to provide key flood defences, new green space along the water's edge as well as an increased number of public parking spaces and waterfront homes.
- Conversion of concrete into green space at Millmead Car Park with flood defences to protect existing homes and businesses.
- Conversion of Millmead House into new homes.

2. Town Wharf

- Regeneration of the existing Legal & General managed scheme on Friary street, and, the creation of two brand new Town Squares on Town Wharf East and West.
- Creation of links between Friary Street, High Street and North Street to the waterfront.
- Mixed use development including experiential retail, leisure, culture, arts, commercial and residential, with events in the squares and on the waterfront.

3. Bedford Wharf

- Relocation of both courts into a new multi level facility and better site utilisation for a cinema.
- Creation of new employment space, leisure, hotel, community uses and homes to create a vibrant mixed use district as an example of a modern 15 minute neighbourhood.

4. Woodbridge Meadows

- Re-provision of the existing employment space on the site.
- Creation of residential uses above employment spaces.
- Creation of a mixed use urban village at Woodbridge Meadows.
- Develop a self-sufficient village for the local community, providing the necessary amenities.

Town Centre Development Zones



8. Perspectives

What do stakeholders perceive to be Guildford's greatest economic strengths, weaknesses, opportunities and threats?



The Engagement Process

Qualitative consultations and roundtables were held with over 50 stakeholders and businesses across Guildford between September and November 2022 to explore their perceptions of the borough, understand their challenges, and discuss their plans.

Groups consulted, among others, include: Guildford Borough Council; Enterprise M3 LEP; Surrey County Council; University of Surrey; Aspire College; Experience Guildford; Royal Surrey Hospital; Allianz; Surrey Satellite Technology; DiscoverIE; Naturemetrics; Supermassive Games; Watts Gallery; Harbour Hotel; Surrey Hill Enterprises; Bigmouth Group; Hampton Estate; Broadband for Surrey Hills; Clutton; Surrey Research Park; Hogs Back Brewery; LC Energy; and, Surrey Community Action.

These roundtables and consultations were structured around six key questions:

1. **ASSETS:** What are Guildford's main economic assets (e.g. its population, the research park, university, college, hospital, sports centre etc)? What value do they bring to the local economy?
2. **EMPLOYERS:** Who are Guildford's most important employers? Do you know if they are committed to remaining in Guildford over the long-term?
3. **CONSTRAINTS:** What factors do you think are constraining Guildford's economy (e.g. skills, energy, house prices, digital infrastructure)? Do you expect any to become more acute over time?
4. **COMPETITORS:** Which towns and cities do you consider to be competitors for inward investment? How do you think your economy performs against these?
5. **AMBITIONS:** What is your ambition for Guildford's future economy? Are there any themes you think the economic strategy should consider?

6. **GAMECHANGERS:** Are there any planned or in-train proposals that you think could make a significant difference to the local economy? Do you have any other policy or project ideas that you think could also make a positive impact?

A summary of the key messages arising from these discussions are set out below, structured around the borough's strengths, weaknesses, opportunities and threats.

Strengths

- Guildford has enviable green and blue assets which are highly attractive to businesses and workers alike.
- The borough is well-located and well-connected to other towns and cities, and major international airports.
- Guildford has a large number of important economic anchor that drive both the borough and regional economy. Examples include Surrey Research Park, Surrey University, Royal Surrey Hospital, The Surrey Hills Area of Outstanding Natural Beauty, Surrey Business Park, London Square and Tannery Studios.
- The borough's residents are highly-skilled, well-educated and largely of working age.
- Guildford Town Centre has traditionally attracted visitors from a wide catchment due to its character and offer.
- Guildford Borough Council and its partners are pursuing a large number of projects that will support the borough's economic growth (e.g. Weyside Urban Village, Friary Quarter, Guildford Park Road, Guildford Sustainable Movement Corridor, and Wisley Interchange Highways Upgrades).

- The borough has a strong and valuable visitor economy which supports a significant number and types of roles.

Weaknesses

- Guildford is becoming less attractive to businesses than neighbouring locations as it lacks modern office stock on flexible terms in the right locations.
- Guildford is not perceived as a dynamic and innovative place by businesses and workers, partly due to a recent lack of development. This is impacting the borough's ability to attract businesses and workers in modern, highly-productive sectors.
- Traffic and congestion are very high impacting business productivity and the attractiveness of the borough for inward investment.
- The borough has infrastructure constraints limiting development and economic growth (e.g broadband, active travel connectivity, and mobile connectivity) – notably in rural areas.
- Exceptionally high house prices make it difficult for those with lower skills and wage levels to live locally, which makes it hard for businesses to attract and retain employees working in foundational roles that are essential to the day-to-day functioning of the economy.
- High housing costs are also a barrier to attracting and retaining the highly skilled staff high value businesses require – this is particularly the case for skilled graduates who often prefer to live in London for a similar cost.
- The borough currently lacks a clear brand and identity meaning investors and visitors struggle to understand what Guildford is and stands for. There are a wide range of views, and former campaigns, which focus on very different aspects of the borough from its heritage and green space offer to its industrial and cutting-edge research strengths.

Strengths and Opportunities

- Guildford's town centre offer is no longer as attractive as it could be for visitors and workers – in particular due to its lack of independents and Food & Beverage outlets.
 - The town is highly zoned, with most high-value economic activity taking place outside the town centre. This leaves the town as a whole disjointed, it encourages car usage, and it means there is lack of interaction between businesses, workers and town centre activities.
 - There are pockets of poverty and deprivation across the borough which need to be addressed.
 - There is a lack of visitor accommodation across the borough, particularly in rural areas. This is restricting the potential of the visitor economy as overnight trips contribute more to the local economy than daytrips.
- Poor wayfinding and a lack of joined-up place marketing means many of the borough's attractions remain hidden. There is also no co-ordinated events calendar meaning businesses, visitors, and residents are not aware of what is happening across the borough.

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Opportunities

- The borough has a number of high-growth, knowledge intensive and productive sectors that present an opportunity for future economic growth. These include Professional Services, Information Technology and Health, as well as niche sub-sectors such as Space & Satellite Technology, Video Gaming, Digital, Pharmaceuticals, and Medical Technology.
- Guildford Borough Council own a lot of industrial land which provides opportunities for the intensification and expansion of industrial premises and associated economic sectors.

- Guildford is part of two High Potential Opportunities (HPOs) related to Satellite Technology and Video Games. The borough can leverage these to attract more inward investment and Foreign Direct Investment.
- Surrey University is considering expanding outside of its existing campus which presents opportunities to diversify the town centre if partners can work collaboratively to find suitable opportunities.
- Residents, visitors and investors are often not aware of the borough's economic specialisms, influencing perceptions and inward investment. There is an opportunity to better communicate and celebrate local economic strengths.
- The Shaping Guildford's Future Masterplan presents a major opportunity to strengthen and diversify Guildford Town Centre.
- Guildford Town Centre has opportunity sites that can be used to support economic development and housing growth.
- The borough has a number of opportunity sites that present opportunities for commercial expansion, not least Burnt Common, Blackwell Farm and Wisely Air Field.
- Proposals for a new train station to the west of the town would unlock opportunities for new homes and commercial space, and should help reduce traffic.
- Surrey County Council, Enterprise M3 and Surrey University offer a wide range of initiatives and programmes that the borough and its businesses can better leverage to support economic growth.
- Partners believe that match funding from Guildford Borough Council for a range of economic development initiatives could increase the depth and breadth of their impact locally.
- Guildford has a valuable and diverse rural economy linked, in part, to its productive landscape. This should be supported given its contribution to the visitor economy, local employment, and local supply chains.

Threats

- Guildford has lost a significant number of valuable businesses to competitor towns (e.g. Reading and Woking) and this is likely to continue without investment in business accommodation and the town centre.
- Higher-level skills are essential to support high-growth and knowledge intensive industries, but Brexit has made it harder to attract people with these skills impacting some of the borough's most important sectors.
- There has been a loss of office space to student accommodation around the station via Permitted Development Rights. This may continue without tighter planning controls.
- The borough's housing challenges may see the private sector put more pressure on our public bodies to convert productive employment space or green field sites to residential uses.
- Planning constraints, entrenched by local opposition are holding back local development – including for commercial property which is essential for economic development.
- Guildford Town Centre is slowly adapting to macro-economic retail trends, but the high number of chain retailers versus independent chains and services leaves it highly vulnerable to future fluctuations. The number of vacant units in prominent locations is also rising.
- Issues relating to housing costs are likely to be exacerbated over time if supply-side issues are not addressed across the borough, including in rural areas.

Asks

During the consultations and roundtables we discussed stakeholders' main asks from Guildford Borough Council and other organisations involved in economic development. Those that were mentioned most frequently are set out below.

- Stronger **relationships** between the Council and business community;
- Better **marketing** and communication of local economic strengths;
- Improved **digital connectivity** across both rural and urban areas;
- Provision of more flexible, high-quality and accessible **business space**;
- Introduction of new commercial uses into the **town centre** and around the **station**;
- Funding to support **business growth and expansion** (like LEADER);
- Focus on tackling **deprivation** and supporting less prosperous communities;
- More '**pro-business**' approach to planning policy decision making;
- A more **diverse, experiential, modern** and **independent** town centre experience;
- Provision of a more diverse **housing mix**, including for young professionals and those with lower incomes;
- Improved **physical connectivity** between different 'nodes' across the borough (inc rural areas);

- Improved **active travel** connectivity;
- Reduced **congestion** in and around the town of Guildford;
- Development of a clear **place brand** and **identity** that is marketed to attract tourists and visitors;
- Increased overnight **visitor accommodation** across the borough, particularly in rural areas;
- Better **wayfinding** and promotion of **heritage, cultural and natural** assets within the borough; and,
- Closer working with **Visit Surrey** platform to 'get the basics right' r.e. the visitor economy (promotion, events calendar, signage, directory, tourist information etc).



9. Precedents

How do other borough councils approach Economic Development?

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Breckland Council

Breckland is located in Norfolk, to the west of Norwich. The area comes under the jurisdiction of Norfolk County Council (Conservative) and Breckland Council (Conservative). Its most well-known towns include Thetford, Swaffham and Dereham.

The Leader of Breckland Council is Cllr Sam Chapman Allen (Conservative) who is also the chair of the District Councils Network. He has a clear view that district and borough councils are best placed to bring positive change to their areas given they are closest to their residents and places.

Reflecting this, Breckland Council has a prominent Economy and Growth directorate. Led by an Assistant Director, the directorate is broken down into three teams:

1. **Strategic Growth:** This team has a strategic regeneration remit, focused on bringing forward employment and housing development. They are involved in direct delivery, as well as supporting development through unlocking sites, assembling land, and delivering enabling infrastructure.
2. **Business Development:** This team has an economic development remit, focused on supporting businesses and attracting investment into the area. They also provide relationship management function and an interface between the Council and its business base.
3. **Place Making:** This team is focused on improving the area's five market towns to make them better places to live, work and visit. This involves a lot of partnership working with town councils, the County Council and Local Enterprise Partnership.

Each team is led by a service manager, accompanied by at least two permanent supporting officers. The teams expand via temporary staff on a project-by-project basis when funding is secured.

The view of the Assistant Director is that having a permanent core team is essential to ensure that funding and project opportunities are pursued as and when they arise. The team has specific resource focused on tracking and monitoring funding and partnering opportunities to support this.

Over the last five years the team has been highly successful in delivering economic development and regeneration projects that have led to a range of positive outcomes for the area's residents and places. Examples include:

- Securing grant funding for a new electricity sub-station near the Snetterton Business Park to support its expansion;
- Re-development of a former community centre into a homeless shelter in Thetford; and,
- Securing of Heritage Acton Zone status for Swaffham and implementing a wide range of conservation and restoration projects using associated funding.

The team has drawn on a wide range of sources to fund its staff and projects, all of which have been secured by the permanent core team. These include Heritage Action Zone Funding, Housing Delivery Funding, Pooled Business Rates Income and significant income via S106 and CIL for economic development. They have also been highly successful in working with other organisations (such as town councils and the County Council) to part-fund temporary posts and projects.

For example, the team are currently developing action-oriented delivery plans for each of the district's five market towns. These will set the direction for regeneration and economic development projects in each for the next decade. These were co-funded by Breckland Council and the area's respective town councils.

To ensure that the team delivers tangible and concrete outcomes for its residents and taxpayers, they keep a set of stringent and stretching Key Performance Indicators (KPIs) which are reviewed on a bi-annual basis with Members. These focus on a wide range of areas, such as jobs created, jobs safeguarded, houses delivered, employment space created and income generated.

Maidstone Borough Council

Maidstone is the County Town of Kent and brands itself as the 'Business Capital of Kent'. It comes under the jurisdiction of Kent County Council (Conservative) and Maidstone Borough Council (Liberal Democrat).

Economic development is Maidstone Borough Council's number one priority, and is identified as the *first* priority in the organisation's Strategic Plan (2019-2045):

"Embracing Growth and Infrastructure: We want Maidstone Borough to work for the people who live, visit and work; now and in the future. We want a Borough where there is a variety of jobs, housing need is met and infrastructure is in place to meet the growing needs of our residents and economy. We also want to ensure we lead and shape our place as it grows, including leading master planning and investing to bring about high quality housing and jobs in the Borough".

Work in this area is delivered by the Council's Economic Development and Regeneration team. Led by a Head of Regeneration and Economic Development, the team consists of a Regeneration and Economic Development Manager, Economic Development Officer, Assistant Economic Development Officer and a Business Centre Co-Ordinator. The team is funded by a combination of European Funding, Business Rates Pool Funding and core funding.

The team's role is to deliver the [Maidstone Economic Strategy](#) which was recently produced and published. The remit of the team includes: increasing business start-up, enterprise and entrepreneurship; supporting business expansion, access to finance and exports; supporting innovation and enterprise; encouraging businesses to reduce their carbon footprint; skills development; supporting town centre diversification; inward investment; and, placemaking initiatives.

Most notably the Council has recently directly delivered two important workspace projects:

1. **Maidstone Business Terrace:** This is a high-quality 7,000 sq ft flexible workspace in a former Council office in Maidstone town centre that provides space to support the acceleration of start-ups and small businesses. Tenants have access to office space, meeting space and a range of amenities alongside intense business support to enable them to grow and prosper. The space is oversubscribed and primarily used by small businesses in professional sectors.
2. **Maidstone Innovation Centre:** This is a brand-new hub for med-tech, life science and health care businesses adjacent to the Kent Institute of Medicine and Surgery. It focuses on helping start-ups and small businesses in these fields through support programmes and flexible accommodation that allows businesses to grow and scale. This was funded by European Funding and Government.

These projects not only support the objectives of the team around start-ups, enterprise and innovation, but they also generate an income stream for the Council to fund the team and their wider activities.

The team also plays an important role in supporting Maidstone Town Centre to adapt and diversify to changing macro-economic conditions in the retail market. This involves tactical placemaking investments but also larger scale regeneration initiatives that make a tangible impact on residents and the town centre. Two key projects include:

1. **Bus Station:** This is a £1m investment project to improve the town centre's ageing bus station. It will focus on improving the look, feel and function of the station to make the area feel more welcoming.
2. **Skills Centre:** The Council are working with a local college to open a Community Skills Centre. This will fulfil dual ambitions of enhancing skills provision and increasing footfall in the town centre.

Like Breckland Council, the team have a series of KPIs in place to measure and monitor performance and ensure they are delivering value for money.

Westminster City Council

Westminster City Council is one of the most high-profile local authorities in the country given its links to politics, business and royalty. It has been Conservative-led since its creation in 1964, but is now Labour-led following the recent local elections.

The Council has a very prominent Economic Development Team that has evolved significantly over the last decade. The team originally had four team members, funded by the Council, that primarily focused on delivering affordable workspace to support micro and small enterprises. This is because (a) these businesses were being pushed out of the city by rising commercial property prices, (b) start-up rates were falling and (c) the market was not delivering suitable affordable space to meet their needs.

The team has successfully catalysed over 12 affordable workspaces. High profile examples include:

- **Great Western Studios**
81,000 sq. ft. studio space for creative industry businesses in Westbourne. The current site opened in 2010 and supports over 150 businesses. The council was an investment partner in this highly successful project.
- **Paddington Works**
16,250 sq. ft. affordable business space and enterprise training centre for 160 start-up businesses, particularly those run by local residents. Opportunity arose via section 106 obligations for a new housing development. The council is a co-founder and investment partner in this project which launched in October 2018.

- **Somerset House Studios**
44,000 sq. ft. affordable studio space in Somerset House for 100 businesses in the creative industries (primarily artists and designers). The project turned unused former Government offices into space for start-up businesses. The council provided financial support for this and it opened in 2016.

Since then the team, which is now a full directorate, has expanded to over 75 officers with plans to reach 80 in the coming year. There are six key activities that are now undertaken by the team:

1. **Street Markets:** running six high-profile markets in the borough.
2. **Employment and Skills:** involves coaches, brokerage and employer engagement (30 officers).
3. **Responsible Economy:** six officers focused on providing business and sectoral support.
4. **High Streets:** support for high streets not within strategic regeneration areas.
5. **Business and Enterprise:** provision of workspaces targeted at small businesses to support the local economy and provide a commercial income stream to the Council.
6. **Investment Service:** three officers focused on attracting businesses and investment into the borough.

Following a forthcoming restructure, the directorate will be led by a Director of Economy, Head of Economic Development and Head of Employment and Skills.

Outside the four core members of staff, the entire directorate is funded from section 106 funds, CIL income, corporate social responsibility funds from anchor businesses (responsible economy/markets/high streets), and/or from external funding (employment and skills programmes). Some of the workspace projects also provide an income stream to support the activities of the team.

When pursuing a new project the team have agreed with Members that they should focus on:

1. Addressing a market failure; and,
2. Delivering a positive economic and/or financial return on investment.

The team has full cross-party support and expects to continue operating in a similar way despite the recent administration changes.

Ashford Borough Council

Ashford is a large town in East Kent which brands itself as 'the' place for business and 'London without the cost, the congestion, the hassle'. It comes under the jurisdiction of Kent County Council (Conservative) and Ashford Borough Council (Conservative).

Economic Development is one of the borough's number one priorities and is identified as a priority in their Corporate Plan (2022-2024). The overarching ambition of the Council is for Ashford to be *"a thriving, productive and inclusive borough in 2030 and beyond; a vital part of Kent and the South East where local business, social enterprises, communities and the public sector provide collective leadership to promote shared prosperity, happiness and wellbeing"*.

One of the three main pillars of the Corporate Plan is Targeted Growth. The long-term aim of this pillar is to create a *"thriving, productive local economy supporting a range of businesses and industry offering good work to local people and is recognised as a high quality visitor destination"*. The other pillars are Green Pioneer and Caring Ashford.

Work in this area is led by the Council's Economic Development team, which is broken down into three sub-teams: Business and Inward Investment (3x officers), Town Centre Regeneration (3x officers) and Culture & Tourism (2x officers). The team is funded centrally by the Council with staff costs of c.£300k p/a.

The Economic Development team has a very broad remit ranging from traditional economic development activities through to physical regeneration. Example activities undertaken by

The team include:

- Attracting and supporting inward investment (e.g. via the [Ashford For Website and Campaign](#)).
- Providing bespoke and dedicated business support services (e.g. via [Kent Invicta Chamber of Commerce](#)).
- Attracting people to visit Ashford and providing visitor support services (e.g. via [Love Ashford](#) or [Visit Ashford and Tenderden](#)).
- Using planning policy mechanisms to help deliver new employment opportunities across the borough (e.g. via [Local Plan policies](#)).
- Co-ordinating and facilitating the roll out of faster broadband across the district.

Over the last few years the team has delivered and enabled several high-profile projects that have significantly changed the reputation of Ashford as a place to do businesses. The most prominent examples include:

- **Ashford International Film Studios:** Ashford Borough Council recently granted planning permission to Quinn Estates, U+I and The Creative District Improvement Company to deliver [Newton Works](#), a £250m mixed-use regeneration project on the site of Ashford's former Victorian railway works. Centred around state-of-the-art [TV and film production space](#), the development is set to support 2,000 new jobs and will create a new hub for the creative industries, which will benefit from Ashford's connectivity to London and Europe. The

Council's Economic Development team has played a key role in the project by helping secure £14.7m from the Levelling Up Fund to fill the viability gap faced by the TV and film production aspect of the scheme.

- **Brompton Factory:** Brompton, the UK's largest bicycle manufacturer, has recently announced its intention to submit a planning application to develop a new [global headquarters](#) in Ashford. Once fully operational, the proposed development will result in around 4,000 jobs being supported locally, including direct, indirect and induced employment. Ashford Borough Council also plans to transform 60 acres of the site into a rewilded public nature reserve with a community cycle path and a network of trails. The Economic Development played a crucial role in this through its inward investment campaigning and beat the likes of Birmingham, Manchester and Nottingham to the investment.
- **Elwick Place Regeneration:** [Elwick Place](#) is a 100,000 square foot leisure and restaurant development in the heart of Ashford Town Centre which opened in December 2018. It includes the first ever newly built Picturehouse cinema, nine retail and restaurant units and a Travelodge hotel. It is located on a former Brownfield site and the project was led by Ashford Borough Council who funded the £75m project through its capital programme and financed from the Public Works Loan Board. The scheme was delivered by Stanhope and Lendlease and opened in December 2018. Despite the pandemic the units are now fully occupied and the development has transformed the town centre.

London Borough of Bexley

The London Borough of Bexley (LBB) is one of Bromley's closest neighbours. It is a conservative-led authority with the party holding a strong majority.

The Council has had a prominent Economic Development team for over a decade. It is currently overseen by a Head of Economic Development who reports into an Assistant Director for Housing and Strategic Planning.

The team undertakes three broad functions as set out below: Employment and Skills; Town Centre Management; and, Engine House. There is a core group of employees paid for by the Council (totaling c.£250k) with the rest funded by external grants, contracts and income.

The activities of the team are valued by the Council given the positive press they generate and the practical outcomes they deliver. Progress and success is measured against a series of metrics such as jobs created, business supported, positive feedback received and positive PR generated.

Employment and Skills

Bexley's Employment and Skills function has around 30 staff, overseen by two managers. They are based in a standalone unit in Erith to be closer to residents and businesses in the borough's most deprived wards.

The function currently runs nine programmes, only one of which is part funded by the Council. All others are externally funded including devolved programmes.

The team is predominantly client based and provides specialist advice to individuals and businesses. Their work predominantly involves training, recruitment and addressing skills gaps. Six staff work on supporting employers, including SMEs and sole traders.

Town Centre Management

The Town Centre Management function has one town centre manager and two officers. They collectively offer a business account management function and operate as the front door to the Council. They also oversee two business improvement districts (BIDs) in Bexley and Sidcup.

The Engine House

The Engine House is a Council-owned innovation centre and flexible workspace between Abbey Wood and Belvedere. It offers over 50,000 sq ft of flexible studio and office space for creative businesses and has more than 50 modern studios and fixed desk spaces. Specialist 3D printing, laser cutting, and engraving is also available for production-based businesses.

The centre benefits from an in-house business development team to support entrepreneurs set up, scale and grow their businesses. Support packages are also available to give local businesses and entrepreneurs free co-working space for up to six months.

The centre operates as a standalone limited company, but the build was funded by the Council and was a conversion of the previous Thames Innovation Centre. It makes a modest surplus and it is anticipated that this will rise as the business model evolves and is refined.

The space is run by four staff covering people, finance, facilities, reception and outreach. Staff wages are paid for by the asset income and there is no dependency on the Council.

10. Pandemic

How has Guildford's economy, population and property been impacted by the COVID-19 pandemic over the last two years?

Pandemic: Summary

Guildford's commercial property market is rebounding from the impacts of COVID-19...



Page 238 Leasing and sales activity across office, industrial and retail has increased since disruption in 2020.

Guildford's office stock may be less attractive than pre-2020...



Rental values have declined and several larger occupiers have not renewed leases in the town.

Guildford's residents received support from the Coronavirus Job Retention Scheme...



At its peak in July 2020, 10,800 employees or 16% of Guildford's eligible workforce received financial support via Coronavirus Job Retention Scheme (also known as furlough).

Guildford's residents were less likely to require financial support than elsewhere...



Guildford's claimant count remained below regional and national averages throughout the pandemic – likely due to the occupational and industrial profile of the borough's residents.

Economic inactivity remains above pre-COVID levels...



Lockdown restrictions reduced levels of commuting as more residents worked from home, and activity in retail and leisure destinations suffered heavily.

Guildford's urban areas were most likely to seek financial assistance...



Claimant counts increased by the largest amounts in Guildford and Ash, with Ash Vale, Albury, Shere and Wood Street Village also experiencing increases.

Commuting in and around Guildford significantly reduced during the pandemic...



Passenger levels at Guildford Railway Station fell from 6.9 million in 2019-20 to 1.5 million in 2020-21. Decline in rail usage was sharpest in some of Guildford's commuter towns and villages such as Horsley, Clandon and Shalford.

Why is this important?

- Understanding ongoing demand for commercial premises can help inform property investment decisions.
- Impact on residents can highlight areas and residents more vulnerable to future economic shocks.
- Commuting patterns indicate the scale of the opportunity for Guildford to better provide amenities and workspace that support residents that choose to work remotely.

Guildford's commercial property market is rebounding from the impacts of COVID-19, with industrial property increasingly in demand...

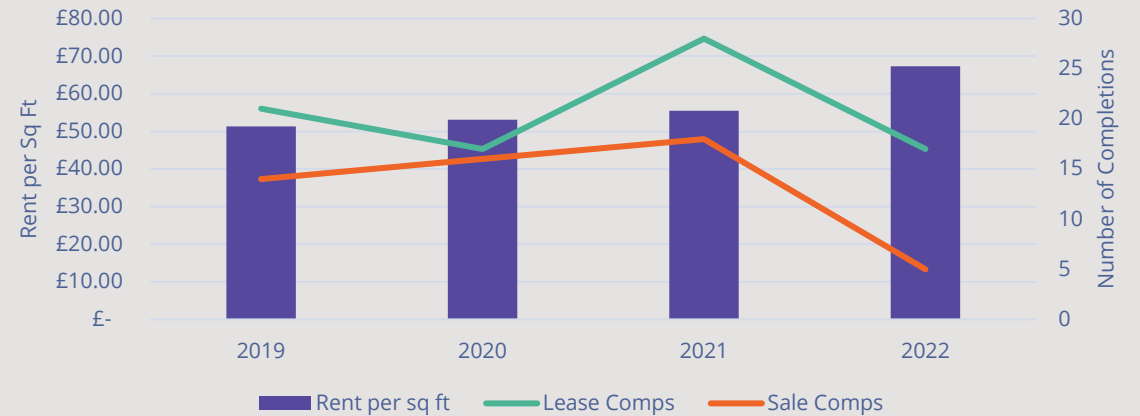
While it is too early to draw full conclusions from the commercial property in 2022, Guildford's property market seems to reflect national trends in increasing demand for industrial space and in some cases the consolidation or re-thinking of corporate office space. Guildford's reputation as an important retail destination continues to be reflected in its commercial property position.

Industrial property is in demand: Industrial rental values have increased since the onset of COVID-19.

Retail property is remains attractive: Rental values in Guildford have increased from £51.29 per sq ft in 2019 to £67.34 per sq ft in 2022.

Guildford's office stock may be less attractive than pre-2020: Office leasing and rental values have declined from £35.15 per sq ft in 2019 to £31.66 in 2022.

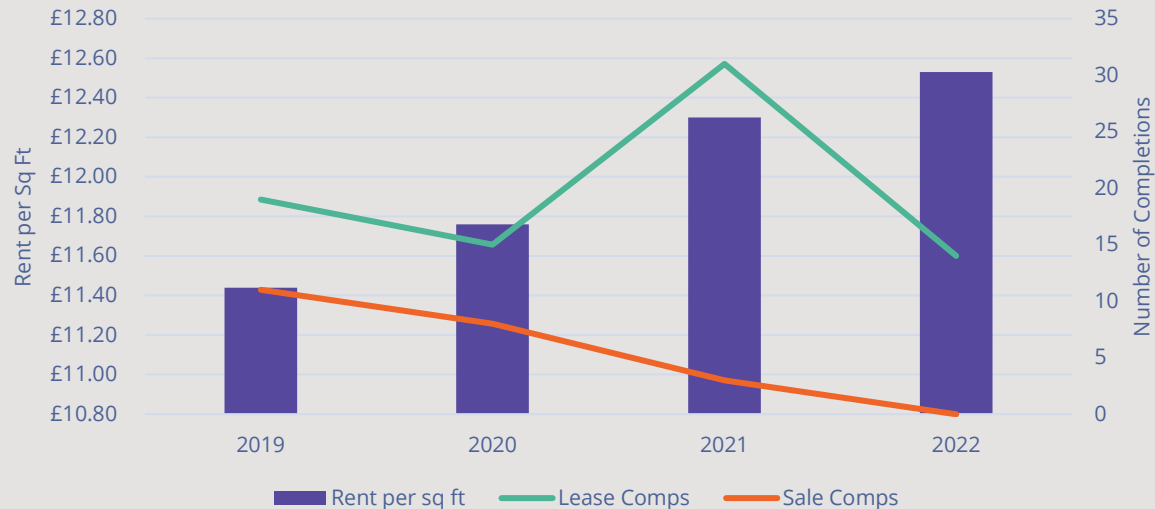
Retail Activity in Guildford, 2019-2022



Office Activity in Guildford, 2019-2022



Industrial Activity in Guildford, 2019-2022



Source: CoStar, 2022

Source: CoStar, 2022

Guildford's labour market shows signs of recovery post-COVID, but economic inactivity remains above pre-COVID levels...

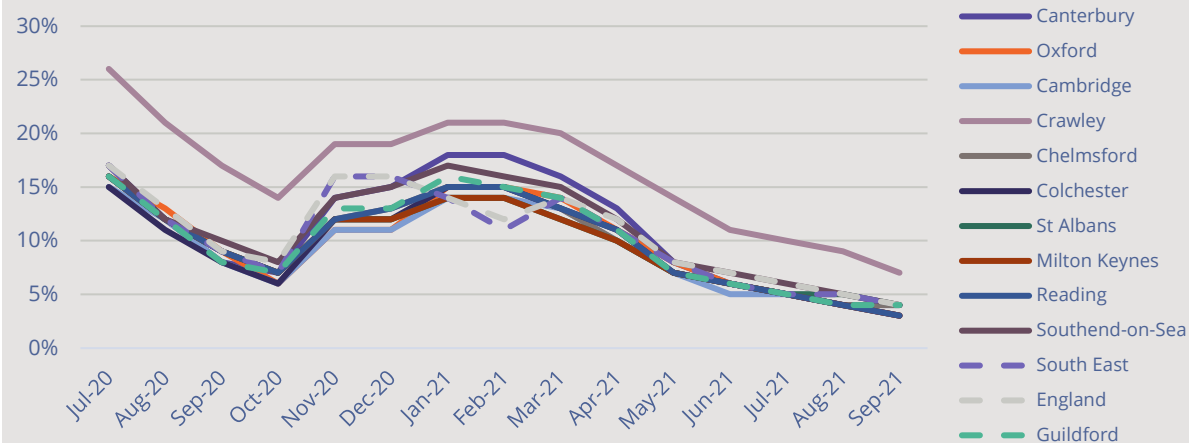
Guildford's workforce benefitted from the Government's furlough scheme: At its peak in July 2020, 10,800 employees or 16% of Guildford's eligible workforce received financial support via Coronavirus Job Retention Scheme (also known as furlough).

Unemployment reached its highest levels during COVID-19: In 2021, Guildford's unemployment rate reached 4.6% in September 2020.

Guildford's self-employment rate temporarily fell in 2020 at the onset of the COVID-19 pandemic: In 2020, Guildford's self-employment rate fell to 8.7%, ranking below that for the South East (10.7%) and England (10.1%). Nationally this trend is likely due to a large increase in workers moving from self-employment to employee status (but remaining in the same job) between April and September 2020. This is particularly true for those in the most highly skilled occupations - and partly explains Guildford's fast recovery to a rate of 12.7% self-employment in 2021¹.

Guildford's economic inactivity rate remains slightly higher than pre-COVID: Guildford's economic inactivity rate has increased from 17.4% in March 2020 to 18.9% in March 2022. This represents an additional 800 residents not involved in the labour market.

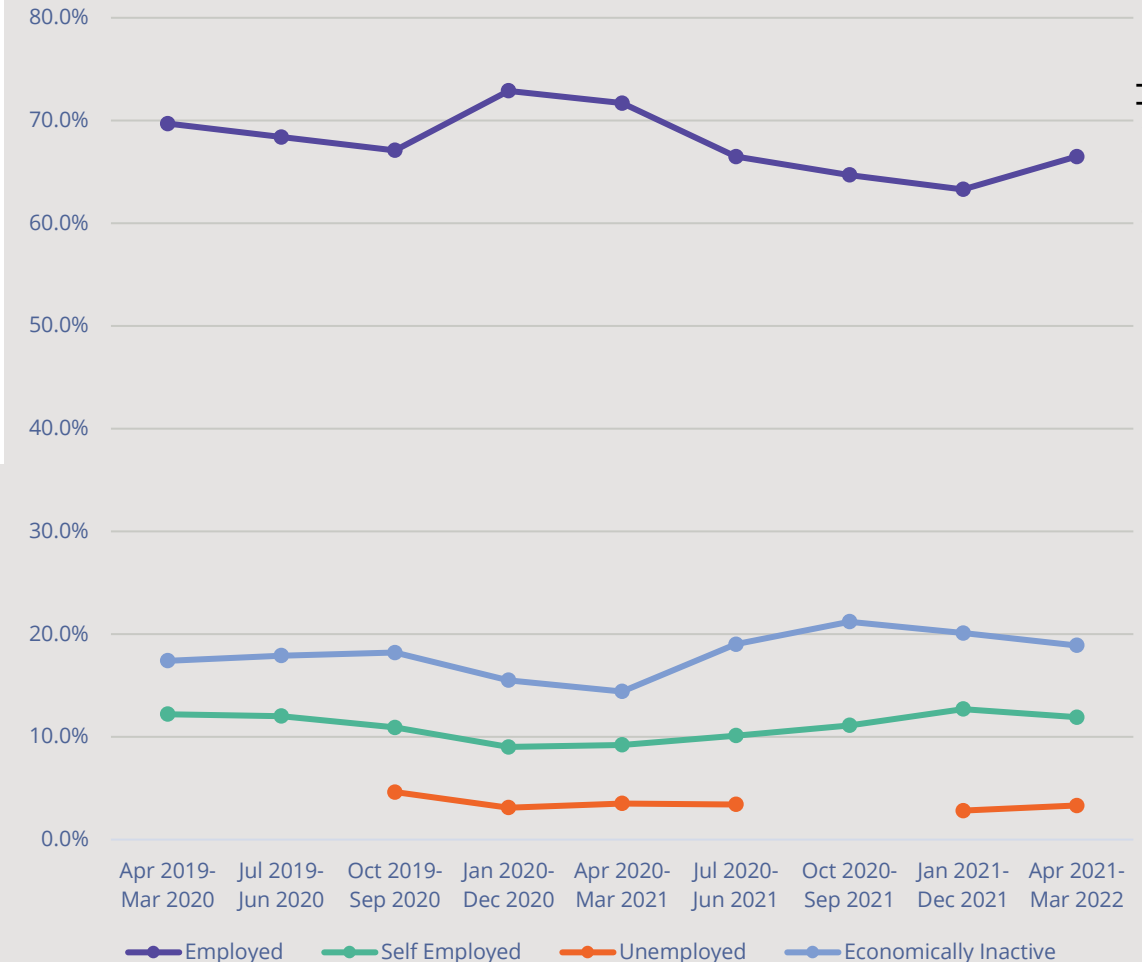
Coronavirus Job Retention Scheme Take-Up as a % of Eligible Employment, July 2020 – Sept 2021



Source: ONS. Annual Population Survey, 2022

¹ ONS. Understanding changes in self-employment in the UK: January 2019 to March 2022 (2022).

Guildford's Economic Activity, 2019-2022



Source: ONS. Coronavirus Job Retention Statistics, 2021

Note: Due to a small sample size the unemployment rate at the Guildford level is unavailable for March 2020, June 2020 and Sept 2021.

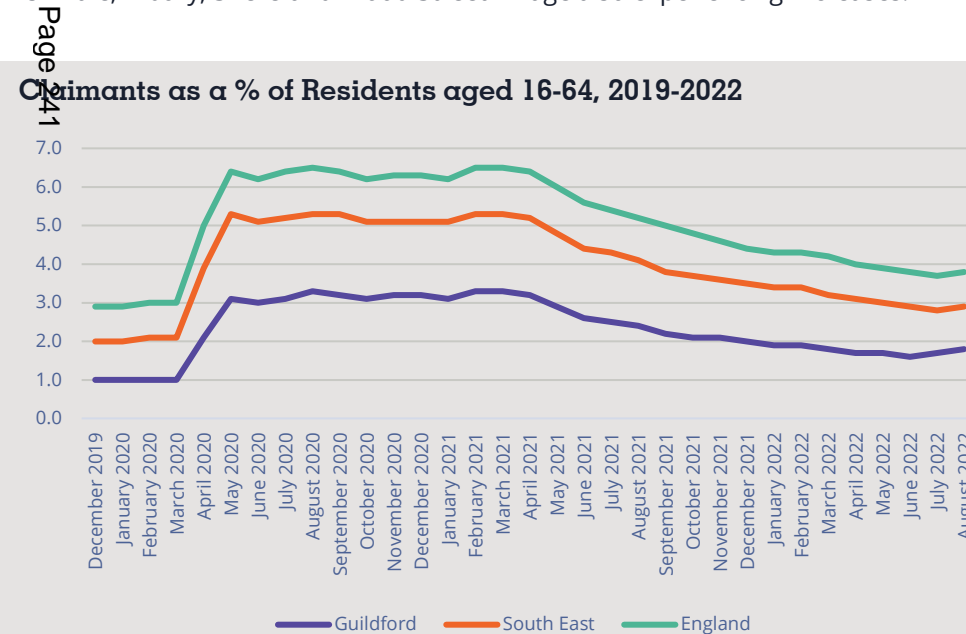
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Guildford's residents were less likely to require financial support, but some residents were more in need than others...

Guildford's claimant count increased at the onset of the COVID-19 pandemic: The number of claimants in Guildford increased from 1,015 people in February 2020 to 3,110 people in July 2020. This represented an additional 2,095 claimants at the height of the COVID-19 pandemic.

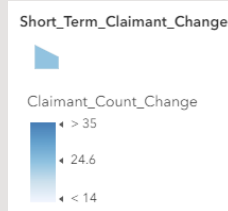
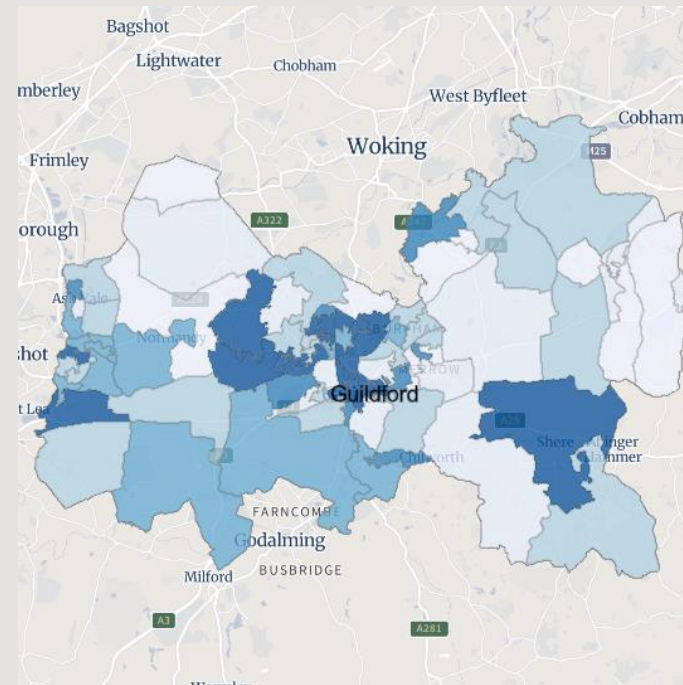
Guildford's claimant count remained lower than regional and national averages throughout the pandemic: Guildford's claimant count as a proportion of working-age residents (aged 16-64) peaked at 3.3% in August 2020 which was lower than the South East (5.3%) and England (6.4%).

Guildford's urban areas were most likely to seek financial assistance: Claimant counts increased by the largest amounts in Guildford and Ash, with Ash Vale, Albury, Shere and Wood Street Village also experiencing increases.



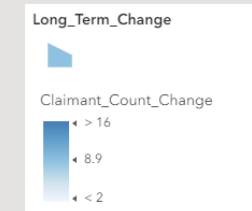
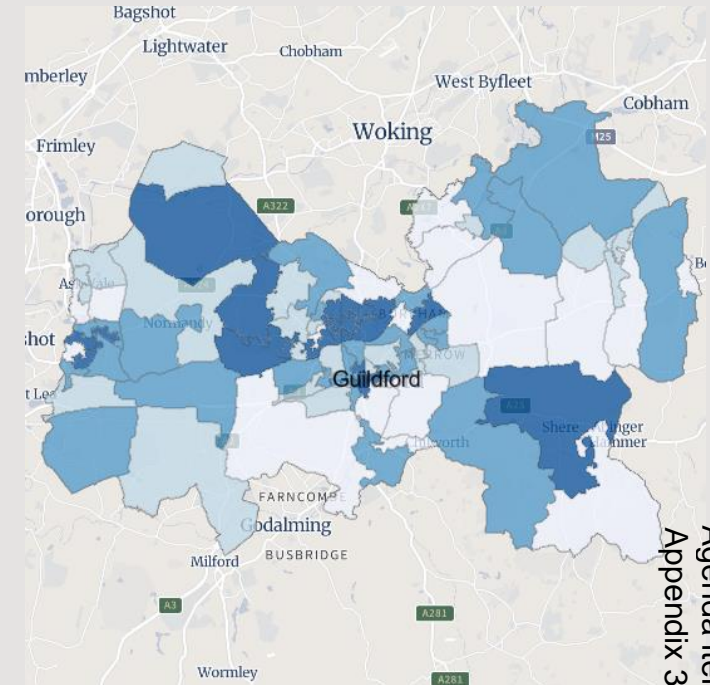
Source: ONS. Claimant Count, 2022

Claimant Count Short-Term Impact (Feb 2020 – July 2020)



Source: ONS. Claimant Count, 2022

Claimant Count Long-Term Impact (Feb 2020 – June 2022)



Source: ONS. Claimant Count, 2022

Retail, leisure and commuting were all impacted by the COVID-19 pandemic...

Retail and leisure destinations were heavily impacted by COVID-19: Activity in Guildford's retail and leisure destinations fell by 87% in April 2020 compared to February 2020 levels. Lockdown restrictions during 2020 and into 2021 are reflected in reduced usage of restaurants, cafes, shops and other leisure destinations over this period.

Usage of retail and leisure destinations remains below pre-pandemic levels: Mobility in Guildford's retail and leisure destinations remained 16% below February 2020 levels in the week ending Wednesday 7th September 2022 which is lower than the level seen nationally (9%).

Activity in transit hubs remained low throughout 2020 and 2021: Lockdown restrictions, increased working from home and increased use of private methods of travel all contributed to lower usage of public transport during the 2020 and 2021.

Transit hubs are increasingly being used but remain below pre-pandemic levels: Mobility in Guildford's transit hubs remained 32% below February 2020 levels in the week ending Wednesday 7th September 2022 which is lower than the level seen nationally (21%).

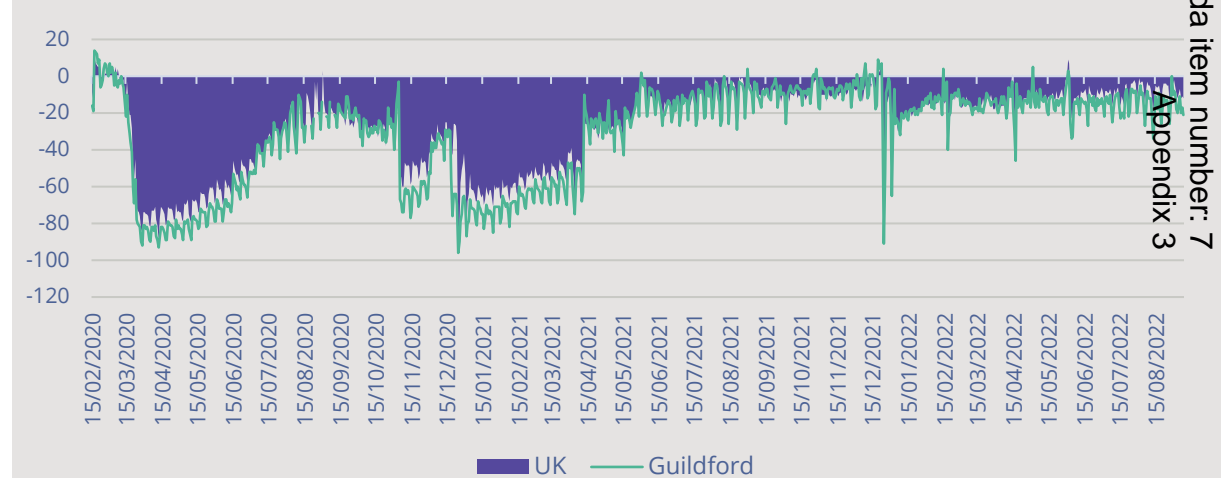
Definitions: Place Categories

Retail and Recreation: Mobility trends for places like restaurants, cafes, shopping centres, theme parks, museums, libraries, and cinemas.

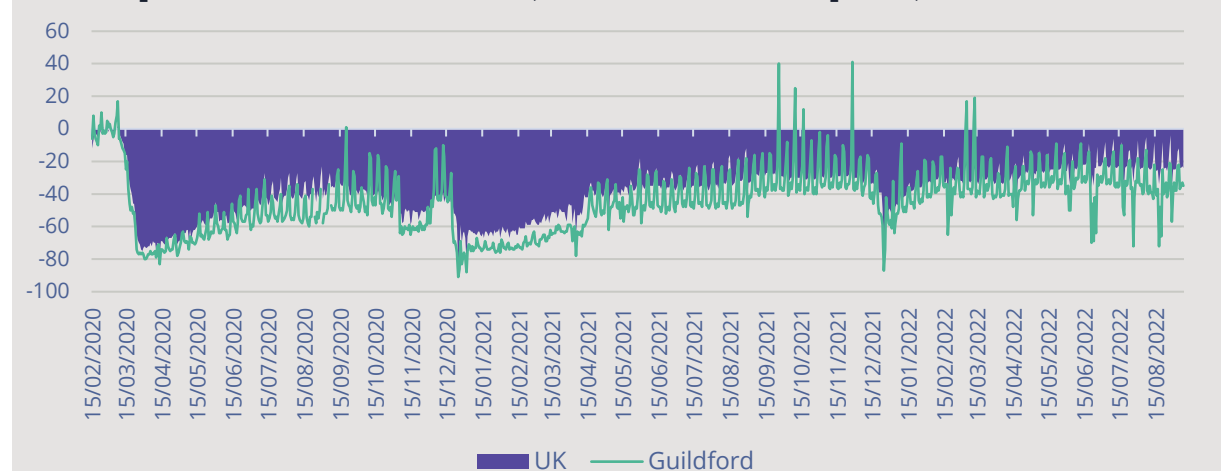
Transit Hubs: Mobility trends for places like public transport hubs such as subway, bus, and train stations.

all impacted by the COVID-19 pandemic...

Activity in Retail and Recreation Destinations, 2020-2022 (Baseline 0 = February 2020)



Activity in Transit Hubs, 2020-2022 (Baseline 0 = February 2020)



Source: Google. Google Mobility, 2022

Note: Activity measurement is relative to the February 2020 baseline as developed at the onset of the COVID-19 pandemic. Values above 0 indicate increased activity relative to February 2020, whilst values below 0 indicate reduced activity in these spaces relative to February 2020.

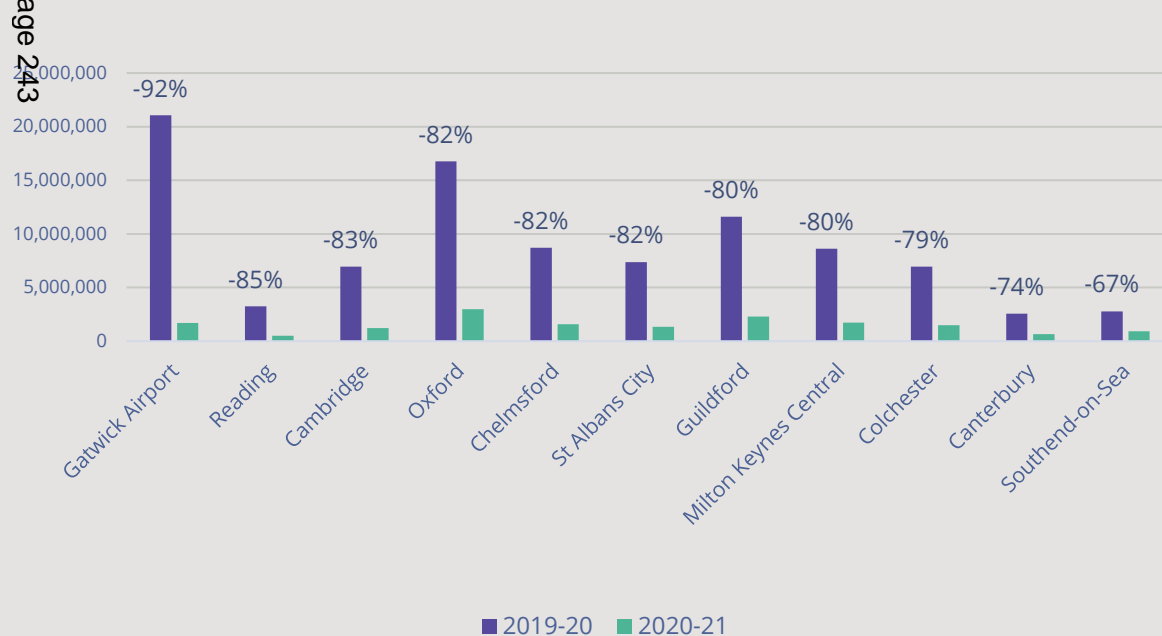
COVID-19 significantly impacted commuting in and around Guildford...

Guildford's main railway station was significantly impacted by COVID-19: The station saw over 6.9 million passenger entries, exits and interchanges in the year 2019-20 which fell by 79% to around 1.5 million in 2020-21.

Railway usage was less impacted in Guildford than in a number of comparator areas: While 79% is a significant reduction in rail usage, major railway stations in comparator areas such as Gatwick Airport (Crawley) and other commuter towns such as St Albans, Milton Keynes and Reading saw larger reductions in rail usage.

Decline was sharpest in some of Guildford's commuter towns and villages: Horsley saw the largest drop in passenger numbers (-86%), followed by Clandon (-83%), Shalford (-83%), Effingham Junction (-82%) and North Camp (-82%).

Major Station Rail Usage, 2019-20 vs 2020-21



Source: Office for Rail and Road. Passenger entries and exits and interchanges by station, 2021

Passenger Entries and Exits by Station

Station name	2019-20	2020-21	Change 2019-2020
Guildford	6,936,796	1,488,672	-79%
London Road (Guildford)	945,828	202,980	-79%
Ash Vale	421,022	88,390	-79%
Horsley	382,510	54,926	-86%
North Camp	332,730	59,002	-82%
Effingham Junction	267,442	47,852	-82%
Ash	245,978	67,150	-73%
Clandon	185,012	31,444	-83%
Shalford (Surrey)	114,284	19,330	-83%
Wanborough	88,364	17,994	-80%
Gomshall	54,150	17,294	-68%
Chilworth	21,704	5,904	-73%

Source: Office for Rail and Road. Passenger entries and exits and interchanges by station, 2021

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Additional data

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Some of Guildford's higher value sectors have experienced growth in recent years...

Over the past five years Guildford has seen growth in the economic output of most productive sectors: Since 2015, information & communication has seen a 47% increase and human health and social work activities has increased by 41%.

Despite this, some higher value industries in Guildford have seen a decline in economic output: Most notably, financial and insurance activities have declined by 27%, and professional, scientific and technical activities have declined in output by 19%.

Employment growth has been strongest amongst some of Guildford's smaller sectors: Manufacturing has increased by +43% (or 1,500 jobs), financial and insurance has increased +20% (or 500 jobs) and construction by +14% (or 500 jobs).

Conversely, some of Guildford's important employment sectors have experienced employment decline over this same period: Retail has declined by -25% (or 2,000 jobs), followed by property (-17% or -250 jobs) and transport and storage (-14% or -250 jobs).

Business growth has been concentrated in some of Guildford's foundational services. The number of transport and storage businesses has increased +33%, followed by property (+18%), mining, quarrying & utilities (+11%) and business administration & support services (+7%).

There has been some business decline in industries with trading conditions likely to have been impacted by the COVID-19 pandemic: Wholesale (-7%), arts, entertainment, recreation and other services (-7%) and motor trades (-3%) have all experienced decline.



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Guildford has a variety of specialisms including technical services...

The charts to the right indicate Guildford's sector specialisms for GVA, employment and businesses. **Green** is used to highlight where sector activity is >1.2x more concentrated in Guildford's economy relative to the national economy.

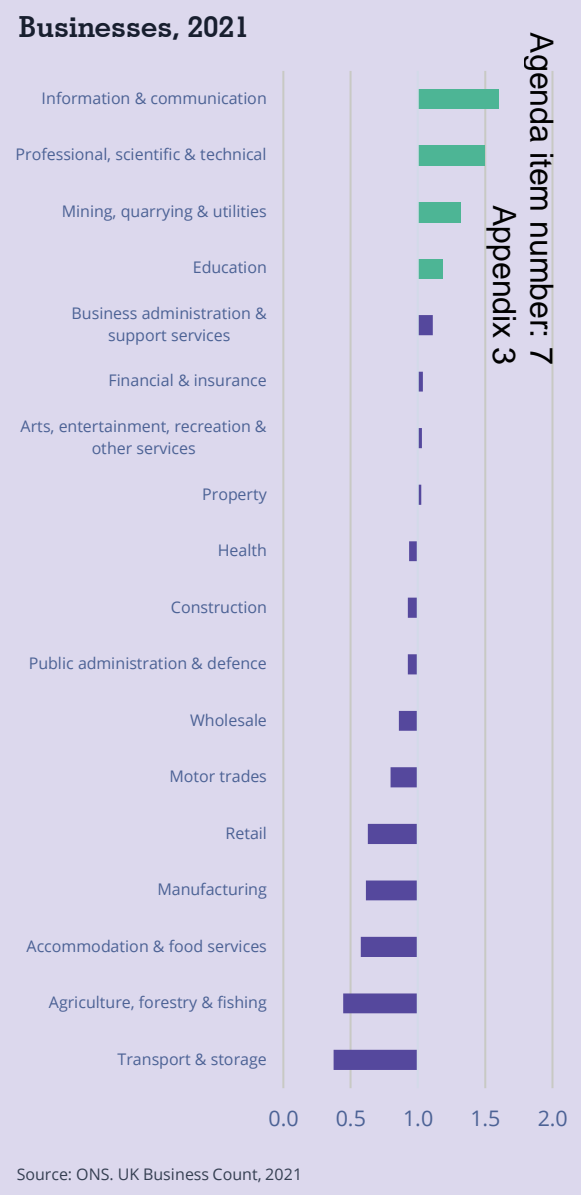
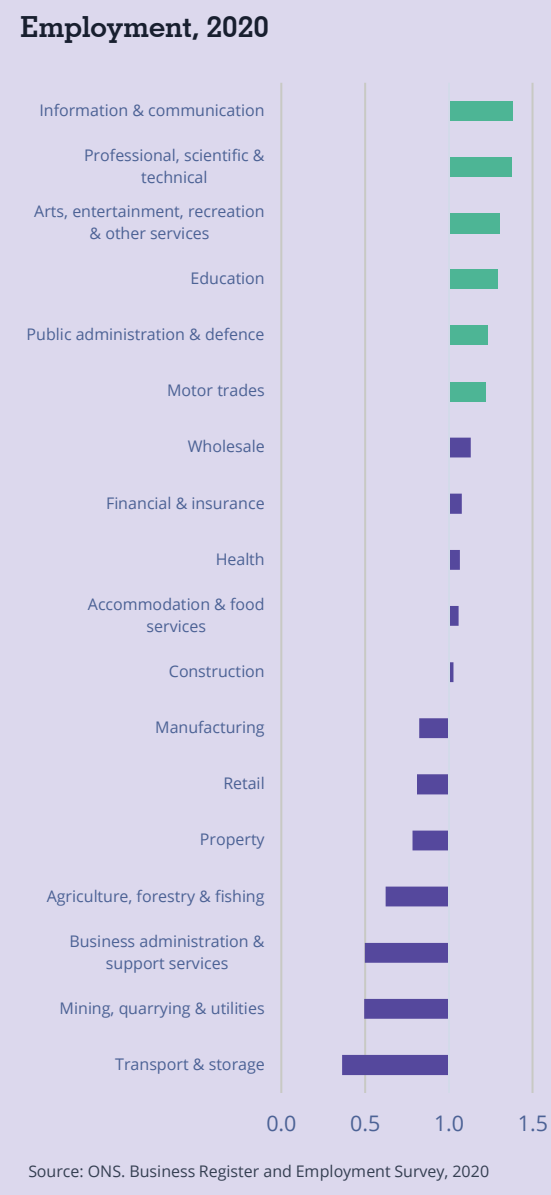
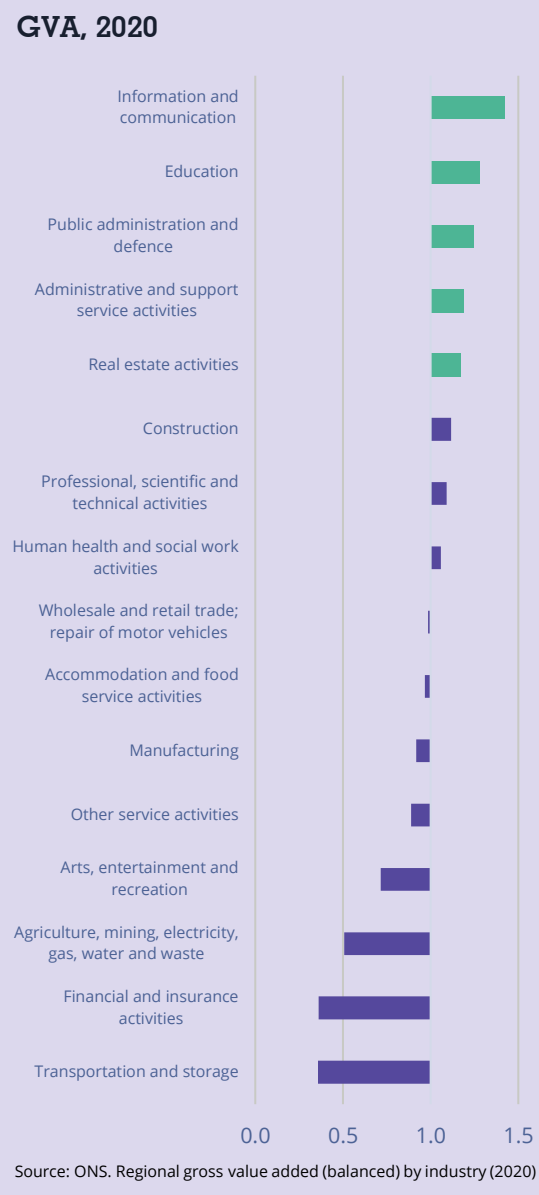
Specialised economic output: Information & communication contributes 1.4x as much to Guildford's total economic output than at the England level. Other specialised sectors include education, public administration and defence, administrative and support service activities and real estate activities.

Specialised employment sectors: Information & communication, professional, scientific & technical, arts, entertainment, recreation & other services, education, public administration & defence and motor trades.

Notably, there are 1.4 times as many jobs in both information & communication and professional, scientific & technical in Guildford than at the England level, and there are 1.3x as many jobs in arts, entertainment, recreation & other services.

Specialised business sectors: Information & communication, professional, scientific & technical, mining & quarrying activities and education are all specialised business sectors in Guildford. Most significantly, there are 1.6x as many information & communication businesses in Guildford than seen at the national level.

These are all unique specialisms that present opportunities that can be built upon to accelerate economic growth in the borough. Some of these are, however, at risk given the employment declines seen over the past five years (i.e. in professional, scientific & technical and arts, entertainment, recreation & other services).



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Equality Impact Assessment

The purpose of an assessment is to understand the impact of the Council's activities* on people from protected groups and to assess whether unlawful discrimination may occur. It also helps to identify key equality issues and highlight opportunities to promote equality across the Council and the community. The assessment should be carried out during the initial stages of the planning process so that any findings can be incorporated into the final proposals and, where appropriate, have a bearing on the outcome.

(*Activity can mean strategy, practice, function, policy, procedure, decision, project or service)

Name of person completing the assessment	Francesca Castelo	Date of assessment	19/12/2022
--	-------------------	--------------------	------------

Name of the proposed activity being assessed	Economic Development Strategy and Action Plan	Is this a new or existing activity?	Existing
--	---	-------------------------------------	----------

Who will implement the activity and who will be responsible for it?	The Economic Development Strategy and Action Plan is a Council-wide activity, with the Economic Development Team being primarily responsible for managing its delivery. External partners and stakeholders will also be key in developing and delivering the Economic Development Strategy and Action Plan.
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1. Determining the relevance to equality

What are the aims, objectives and purpose of the activity?	To implement a renewed Economic Development Strategy and Action Plan that outlines a renewed vision and priorities to support the local economy.
--	--

Is this a major activity that significantly affects how services or functions are delivered?	No	Who will benefit from this activity and how?	Residents, businesses/employers and visitors to the borough by maintaining and improving economic prosperity in the area, which is of benefit to everybody.
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Does it relate to a function that has been identified as being important to people with particular protected characteristics?	No, however a separate EIA will be conducted for the Economic Development Action Plan later on.	Who are the stakeholders? Does the activity affect employees, service users or the wider community?	Residents, businesses/employers, community groups, local authorities, education and skills partners, service providers, business representative organisations (e.g. Surrey Chambers of Commerce, FSB)
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Based on the above information, is the activity relevant to equality?

<p>Yes – continue to section 2</p> <p>No – please record your reasons why the activity is not relevant to equality</p>	Yes
---	-----

<p>2. Is the proposed activity accessible for all the protected groups listed below? <i>(Consider in what ways the activity might create difficulties or barriers to parts of the workforce, community or protected groups. How might one or more groups be excluded because of the activity?)</i></p>			
Protected groups	Yes	No	Evidence
Disability	✓		<p>As a high level document, the Economic Development Strategy and Action Plan is designed to benefit, and thus be accessible to, all groups.</p> <p>Discussions with the Web Team and the Consultants are being undertaken to ensure both the Economic Development Strategy and Action Plan meets accessibility requirements so it is accessible to people with disabilities. We would consider providing alternative formats if requested.</p> <p>Ongoing engagement with businesses, residents and partner organisations will be conducted (e.g. through business forums/groups such as the Guildford Economic Partnership, see below) to monitor and review the Economic Development Strategy. Difficulties and barriers to</p>

			stakeholders identified in further consultations will be removed or minimised by working together with stakeholders and partner organisations (i.e. organisations helping to deliver economic growth locally)
Race	✓		Yes, it will be accessible to everybody.
Gender	✓		See above
Sexual orientation	✓		See above
Age	✓		Yes, it will be accessible to everybody. Alternative formats (e.g. print) will be considered when requested.
Religion or belief	✓		Yes, it will be accessible to everybody.
Transgender or transsexual	✓		See above
Marriage and civil partnership	✓		See above
Pregnancy or maternity	✓		See above

3. Is it likely the proposed activity will have a negative impact on one or more protected groups?

Protected groups	Yes	No	Evidence
Disability		✓	This Economic Development Strategy and Action Plan has been designed to benefit the borough as a whole. It seeks to address high level economic issues in the borough (e.g. improving broadband) and does not go into detail with any specific groups, such as those in protected characteristics. If any negative impacts on one or more protected groups are identified, steps will be taken to address these by working together with stakeholders and partner organisations.
Race		✓	See above
Gender		✓	See above
Sexual orientation		✓	See above
Age		✓	See above
Religion or belief		✓	See above
Transgender or transsexual		✓	See above

Marriage and civil partnership		✓	See above
Pregnancy or maternity		✓	See above

4. What action can be taken to address any negative impact? What measures could be included to promote a positive impact? *(Consider whether it is possible to amend or change the activity due to the likely adverse impact whilst still delivering the objective. Is it possible to consider a different activity which still achieves the aims but avoids an adverse impact? Is an action plan required to reduce any actual or potential adverse impact?)*

- a. Improving stakeholder's access to information – different businesses/residents have differing ways of accessing information (e.g. social media, through organisation newsletters, word of mouth). Thus, it is important all business opportunities arising from the Economic Development Strategy and Action Plan must be promoted in a range of different platforms, leveraging on partnerships with key organisations to spread opportunities more widely (e.g. partner newsletters/clinics/events, word of mouth, social media).
- b. Improving accessibility of business opportunities – Certain groups/individuals/businesses are more able to engage with business opportunities than others (e.g. experience/confidence, location/travel, familial responsibilities). Businesses and partner organisations will be consulted to discuss how we can make business opportunities more accessible to a wider range of groups/individuals, such as those in protected characteristics, early on in the planning stage (e.g. providing services online/via video call, suitable times for events, using venues with good transport links)
- c. Improving Council's engagement with businesses – The Economic Development Strategy and Action Plan proposes an overarching business groups, the 'Guildford Economic Partnership' (GEP), which will sit above a series of thematic sub-groups that reflect our business base and economic specialisms. The GEP board will include a nominated representative from each sub-group, alongside anchor institutions that are responsible for promoting economic growth locally (i.e. GBC, Enterprise M3, Surrey County Council and the University of Surrey). The GEP and the sub-groups will serve as a platform to give businesses a voice on matters relating to them and the wider economy, and will provide opportunities to review and monitor the Economic Development Strategy and Action Plan.

5. What are the main sources of evidence that have been used to identify the likely impacts on the different protected groups? (*Use relevant quantitative and qualitative information that is available from sources such as previous EIA's, engagement with staff and service users, equality monitoring, complaints, comments, customer equality profiles, feedback, issues raised at previous consultations and known inequalities*).

2017 Rural Economic Strategy EIA (21/03/2017)

2013 Economic Development Strategy EIA (30/10/10)

2020 Business Survey

Business consultations (see below)

6. Has any consultation been carried out (e.g. with employees, service users or the wider community)? Please provide details

From September 2022 to November 2022, stakeholder consultations have been conducted with businesses a range of different sectors and geographies (e.g. town centre, rural, digital/games, tourism/visitor economy, brewery), alongside the Council's key partners (e.g. University of Surrey, Enterprise M3 LEP, Surrey County Council, Royal Surrey County Hospital).

Workshops were held with business stakeholders from different sectors (e.g. games, leisure and hospitality, manufacturing, space, finance), geographies (i.e. rural and urban) and sizes (i.e. SMEs and large/multinational businesses) on 12 September, 11 October, 19 October and 30 October. The discussions aimed to understand business needs, their perceptions on Guildford's strengths, weaknesses, threats and opportunities, as well as ideas on what the Council can do to facilitate economic development in the borough.

Throughout September to November 2022, 1 to 1 stakeholder consultations were also held with the Council's key partners who will/can help in the delivery of the Economic Development Strategy and Action Plan (i.e. Enterprise M3, University of Surrey, Experience Guildford, Surrey County Council, Activate Learning, Royal Surrey County Hospital)

7. Is further consultation required as a result of any negative impact identified? If so, what groups do you intend to engage with and how?

No negative impacts to particular groups have been identified in the stakeholder consultations held so far.

The Action Plan will be subject to further consultation with the Council's key partners (as identified in the document e.g. University of Surrey, Surrey County Council, Experience Guildford etc) to ensure their support in delivering the actions and vision of the Economic Development Strategy.

In addition, it is envisioned that there will be an ongoing review of the Economic Development Strategy and Action Plan with businesses and partner organisations (e.g. local authorities, business representative organisations like Surrey Chambers of

Commerce, FSB) to ensure both documents are relevant and reflect that needs of businesses and residents.

Both of the consultations mentioned above will provide an opportunity to highlight areas where differential impact resulting from the Economic Development Strategy and Action Plan could be an issue and how it can be addressed.

8. Conclusion of Equality Impact Assessment - please summarise your findings

The policy is a high level strategic document and any actions are taken as a result of this policy document will need individual scrutiny by the Council where the impact will be assessed.

No changes to the Strategy and Action Plan are required as it does not concentrate enough on specific Equalities groups. Where there may be negative implications to specific groups arising from further consultations, discussion and coordination with stakeholders and partners will be undertaken to address these.

Name of person completing assessment: Francesca Castelo

Date: 20/12/2022

Job title: Policy Officer – Economy and Innovation

Signature: *F. Castelo*

Senior manager name: Abi Lewis
22/12/2022

Date:

Signature: A. Lewis

Executive Report

Ward(s) affected: Friary & St Nicolas

Report of Strategic Director of Place, Dawn Hudd

Author: Abi Lewis, Executive Head of Regeneration & Planning Policy

Tel: 01483 444908

Email: abi.lewis@guildford.gov.uk

Lead Councillor responsible: John Rigg

Tel: 07870 565794

Email: john.rigg@guildford.gov.uk

Date: 22 February 2023

The Tumbling Bay Weir

Executive Summary

The Tumbling Bay Weir collapsed unexpectedly in November 2019, following which the Council and National Trust agreed to commission a temporary solution to restore water flow along the Navigation, sharing the cost equally. This was despite a lack of clarity of ownership and liability for replacing the Weir, so any structure installed as part of the works passed to the owner of the Weir.

There has been significant public interest in the Weir over the past 18 - 24 months, with the Council and National Trust facing criticism for a lack of activity to resolve the ongoing land ownership matters and perhaps more crucially, for the continued closure of the tow path.

The purpose of this report is to consider the mandate (Appendix 1) and recommendations in this report to decide the level of involvement the Council intends to have in reaching a permanent solution to the Weir.

Recommendations to Executive

- (1) To note that the legal research undertaken concludes that the Council does not own the tow path, Weir or bridge, and neither does the Council have any obligations to maintain the assets.
- (2) To progress with "Option 1" as outlined in Section 10 of this report.
- (3) To communicate publicly the Council's rationale for progressing with "Option 1".
- (4) To continue to be available to engage with the National Trust or other Parties should other currently unknown options become available.

Reason(s) for Recommendation:

The Council is receiving continued public criticism and is facing pressure to provide a permanent solution to the collapsed Tumbling Bay Weir and footbridge. A decision is required from Executive to provide clarity on the level of the Council's ongoing involvement in this matter.

Is the report (or part of it) exempt from publication?

Yes, Appendix 2, by virtue of paragraph 5 of Part 1 of Schedule 12A of the Local Government Act 1972: "Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings".

The content of Appendix 2 is restricted to all councillors.

The exempt information in Appendix 2 is not expected to be made public because the reasons for the exemption will remain live for the duration of the project. This decision will be reviewed at the end of the project.

The decision to maintain the exemption may be challenged by any person at the point at which the Executive is invited to pass a resolution to exclude the public from the meeting to consider the exempt information.

1. Purpose of Report

- 1.1 The purpose of the report is to outline the options available to the Council regarding the Tumbling Bay Weir and to seek clarity from the Executive on how the Council should progress.

2. Strategic Priorities

- 2.1 The recommendations in this report relate loosely to the following priority in the Council's Corporate Plan 2021-2025:
- Make every effort to protect and enhance our biodiversity and natural environment.

3. Background

- 3.1 The Tumbling Bay Weir (Millbrook Weir) collapsed unexpectedly in November 2019. Subsequently the Council agreed with the National Trust to install a temporary solution at a cost of approximately £800,000 in early 2020, to be funded equally between the two organisations. Whilst land ownership and maintenance responsibilities were not established at this time, the urgency relating to the risk of disruption to the water supply across the town centre was impetus for the Council to support a resolution.

- 3.2 As a consequence of the Weir collapse and temporary solution implemented, the National Trust closed the tow path over the Weir as it is understood this was not supported by the temporary solution. The tow path remains closed until National Trust consider that it can be safely reinstated. It is important to note that the tow path is not a Public Right of Way.
- 3.3 There is significant public interest in the Weir, in part stemming from the loss of footbridge across the Weir which links Millmead to the Meadows and tow path. Pedestrians are currently required to divert through Flower Walk or along Shalford Road (which is not accessible to all). Owing to the Council's previous involvement in the temporary Weir, there is a continued public perception that the Council is responsible, in part or whole, for the structure.
- 3.4 Extensive research has been undertaken by the Council's solicitors exploring ownership and maintenance responsibilities relating to the Weir, footbridge and sluice gates (Appendix 2). This research indicates that the Council is not responsible for this asset.
- 3.5 Following the implementation of the temporary Weir there was little to no ongoing coordination between partners with a potential interest in the asset. Guildford Borough Council therefore coordinated an initial meeting in March 2022 between the National Trust, Thames Water, the Environment Agency and Surrey County Council to restart discussions around options to resolve the Weir.
- 3.6 Following the initial meeting, a report was commissioned by the National Trust on behalf of the various organisations, reviewing the expected longevity of the temporary repair. This is considered – with regular and appropriate maintenance – to exceed the 5-year lifespan originally discussed at the time that the temporary Weir was implemented
- 3.7 Reflecting the legal advice regarding the Council's ownership and responsibilities and the ongoing public interest in the Weir, a mandate has been developed setting out the options on the extent to which the Council could be involved in the Tumbling Bay Weir. This is attached at Appendix 1 for the Executive to review and consider, in alignment with this report recommendation.
- 3.8 The agreement for the works to "temporarily rehabilitate" the Weir is clear that the ownership of any physical property incorporated into the Weir is passed to the legal and beneficial owner of the weir. The Council's position in relation to any further repair and maintenance has been reserved. Therefore, there is no automatic requirement for the Council to deliver any continuing maintenance of the rehabilitation and further legal research conducted indicates that the Council is not responsible.
- 3.9 Fish Pass

Whilst not part of the recommendations in this report, it is also worth noting that with any significant works to weir structures there is a legal requirement on the owner or occupier to install fish and eel passes. This requirement was set out and conditioned as part of the permissions from the Environment Agency (EA) for the temporary rebuild of Millbrook Weir. A 2-year timescale was set for the fish and eel passes to be constructed.

- 3.10 Prior to the collapse of the weir the Council had agreed to provide £60,000 to the EA to support their delivery of Millmead Island fish pass, which is on already on the provisional programme. This was on the basis that the project directly supported the objective in Guildford's Corporate Plan at that time: "Support the River Wey Catchment Management Partnership to improve the water quality of the river and the management of its catchment." The fish pass at Millmead Island is part of a series of works to improve fish migration between the Thames and Tilford. It is a critical flagship project in an urban area to improve river habitats and interpretation. The EA will derive most of the funding and lead and deliver the project.
- 3.11 With the EA's subsequent works to the Millmead Weir there is now also a requirement on them to install fish passage. A proposal was put forward by the EA to deliver a fish and eel pass beside the Millmead weir that could be jointly funded by all.
- 3.12 Detailed design is underway by the EA with an intention to build next financial year. To enable delivery of the fish pass next year, the EA is seeking an equal share of the costs in the region of £200,000 from the Council and the National Trust.
- 3.13 The successful delivery of the fish and eel passes alongside Millmead Weir would remove the legal obligation and any restrictions under these regulations from decisions about the future of Millbrook weir. The Council's contribution of £60,000 towards this is already included within the provisional Capital Programme, and the borrowing implications incorporated into the Medium-Term Financial Plan (MTFP), it was approved by Executive in January 2018. A further report will need to be brought forward to Executive in relation to any contribution to the Fish Pass.

4. Consultations

- 4.1 As outlined above, Officers have reinitiated dialogue between the National Trust, Environment Agency, Surrey County Council and Thames Water with several meetings and a site visit having taken place between March and July 2022.

- 4.2 In parallel, several discussions have been held with the National Trust who have indicated an interest in working with the Council to seek a resolution to the Weir and sharing responsibility to resolve this, as well as the ongoing operation and maintenance. Officers have also had discussions with the Environment Agency regarding their works to Millmead Weir (upstream of the Tumbling Bay Weir) and work to design a fish and eel pass linked to both.
- 4.3 Strategy and Resources Executive Advisory Board discussed the Weir mandate on 10 October 2022 and agreed a number of recommendations to the Executive:

“In conclusion, the EAB agreed that, although the recommended option in the mandate was to ‘Do Nothing’ to reflect the Council’s lack of resources and absence of responsibility for the maintenance or repair of Millbrook Weir, footbridge and sluice gates, this option was not supported.

As an alternative, the Board decided to recommend to the Executive that the Council undertake a public relations exercise to inform residents of the Council’s position in this regard and its intention to represent them by acting as a convenor to persuade the relevant parties to fulfil their obligations to implement a permanent resolution to the Millbrook Weir issue and restore public access in the area. This public communication could be in the form of an open letter from the Joint Chief Executive, possibly referring to the fish pass financial commitment, together with letters to the relevant agencies explaining the Council’s proposed stance in this matter”.

- 4.4 With regard to the latter part of the recommendation outlined above, it may be more appropriate for an open letter to be issued from the Leader or Lead Councillor rather than the Joint Chief Executive.

5. Financial Implications

- 5.1 The Council has already spent £440,000 on the temporary Weir repair, with National Trust covering the other 50% cost, which will not be recovered from the owner. This was funded through internal borrowing.
- 5.2 There is no financial allocation within the approved or provisional capital programmes to fund any work on The Weir, including project management and legal costs arising from this. Progressing with the recommendations outlined in this report will not result in the Council incurring additional expenditure.
- 5.3 Should the Executive decide to progress with an option beyond the main recommendations, the Council will need to identify a relevant source of funding, taking into consideration the existing commitments across the capital programme. The Executive will also need to consider the

associated revenue implications of a capital contribution, acknowledging that any financial commitment will need to be funded through borrowing and incur a Minimum Revenue Provision charge on the revenue account. Typically for every £500,000 borrowing the revenue cost is £35,000 per annum.

6. Legal Implications

- 6.1 The Council's internal legal officers have completed an extensive review of existing documentation relating to the sluice gates, weir and footbridge at the site of the collapsed Weir. A privileged legal briefing note is attached at Appendix 2, summarising the outputs of this research and the Council's position with regards to ownership and maintenance liabilities.

7. Human Resource Implications

- 7.1 The Council has an extensive existing Capital Programme being delivered by the Corporate Programmes team, with support from enabling services across the Council e.g., finance, procurement, and legal officers. There is insufficient capacity within the existing staffing establishment to progress with any of the options outlined in the mandate beyond management of communications with the relevant third parties.
- 7.2 Should the Executive decide to progress with a level of involvement in the Weir that extends beyond the recommendation, this will require the appointment of a Project Manager (either interim or recruitment of permanent staff) and allocation of sufficient budget to cover this.

8. Equality and Diversity Implications

- 8.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.2 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report. However, an Equalities Impact Assessment would need to be completed should Executive decide to take a role in seeking a permanent solution to the Weir.

9. Climate Change/Sustainability Implications

- 9.1 There are no climate change implications associated with this report. Regarding sustainability implications, the Tumbling Weir structure is crucial in the management of water levels and flow on the Navigation, particularly during periods of flood.

10. Summary of Options

- 10.1 The Options available to the Council are outlined within the Tumbling Bay Weir mandate. To summarise, these comprise:
- **OPTION 1 (Recommended):** Do nothing as the land and the Tumbling Bay Weir are not owned by the Council. The Council should carry out a public relation exercise to inform residents of the Council's position (as per the Executive Advisory Board recommendation). This will not resolve the ownership and maintenance issues.
 - **OPTION 2:** The Council makes a one off limited financial contribution of £tbc to another organisation leading the work and taking ongoing responsibility, likely to be the National Trust.
 - **OPTION 3:** The Council takes a more active role in the project. In order to do this, the Council would need to recruit a suitable project manager to take the lead in coordinating a collective agreement on next steps with key stakeholders over the next 6 months. This option incurs an initial £50,000 revenue cost and £000's in contributions this and future years. This will be growth in the MTFP and savings will need to be found to cover this cost.
 - **OPTION 4:** Assume full legal responsibility for the Tumbling Bay Weir and agree a transfer of the land and Weir to Guildford Borough Council ownership.

11. Conclusion

- 11.1 The recommendations in this report reflect the Council's position in terms of its land ownership and maintenance responsibilities following extensive legal research. The Council's financial and staffing resources are committed to delivering an existing significant capital programme. Should the Executive decide not to progress with the recommendations outlined, a decision will be required from Executive as to whether these resources should be redirected from the delivery of the capital programme to the Tumbling Bay Weir.

12.0 Background Papers

None.

13.0 Appendices

Appendix 1: Tumbling Bay Weir mandate

Appendix 2: Legal advice relating to the Weir ownership (Exempt)



MANDATE

**The Tumbling Bay Weir
8th August 2022**

This project is not CONFIDENTIAL

Plans may be sensitive

Version 1
Last Update



Mandate - Project Code

Mandate Overview & Ownership

Mandate Overview

Mandate Title	The Tumbling Bay Weir
Brief Description of Mandate	Consideration of options relating to the Tumbling Bay Weir which collapsed in 2019 and was replaced with a temporary weir (which has a limited lifespan of 5 – 10 years) by National Trust and GBC.
Overall Status	Not yet commenced
Estimated Start Date	August 2022
Estimated End Date	August 2023
Priority Matrix Score	
Mandate Reference Number	PR000849

Ownership

Mandate Owner	Abi Lewis
Directorate	Strategic Services
Service Area	Regeneration & Corporate Programmes
Service Team	Capital, Transport & Infrastructure
Project Manager	Yet to be appointed
Programme, Sub-Portfolio, or Project	Project



Compelling Case for Change

Why do we need to undertake this project?

The Tumbling Bay Weir collapsed in November 2019 and the Council agreed with National Trust at the time to share the costs of installing a temporary structure to restore water flow in the Navigation. Ownership and liability for replacing the Weir is currently not established. The footpath remains closed, and the Council (and National Trust) continue to face significant public pressure to restore public access, as well as installing a permanent Weir.

Key Deliverables

Key Deliverable	Description	Period	Status
To be defined by CMB & Executive Liaison	Permanent Weir? New footbridge? Fish pass installation?		

Success Criteria

Success Criterion	Description	Status
To be defined by CMB & Executive Liaison	Reputationally it would be a success for this issue to be resolved at zero or minimum cost to the Council.	
	That another organisation takes full ownership and responsibility for the Weir and footbridge.	

Strategic Objectives

Strategic Objectives (Corporate Plan)	<p>This work does not target any of the Council’s core strategic objectives but could loosely link to:</p> <p><i>Protecting our environment</i> - Make every effort to protect and enhance our biodiversity and natural environment</p>
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Project Categorisation and Ranking

Question	Provide a Ranking for this Project	Score
Health & Safety	0 - N/A - No health or safety concerns	0
Physical Security	0 - N/A	0
Cyber Security	0 - N/A	0
Keep the Lights On (KTLO)	0 - N/A - Or works to services we plan to stop	0
Regulatory Compliance	0 - N/A	0
Net Present Value (NPV)	0 - None - Negative NPV	0
Quality Assurance	0 - N/A	0
IT Application Project	0 - N/A	0
Homes and Jobs: Residents having access to the homes and jobs they need	0 - N/A	0
Environment: Protecting our environment	2 – Low	10
Community: Empowering communities and supporting people who need help	0 – N/A	0
Improved GBC	0 - N/A	0

Project Categorisation and Ranking Aggregation

Project Categorisation and Ranking Total (Priority Matrix Score)	10
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Impact Assessment

Are the anticipated outputs from this project going to impact on other projects	Millmead Weir replacement (EA led scheme) which Parks & Countryside team is involved
List Services or Projects Impacted	Parks & Countryside

Impact Assessments Required

Equality IA	Privacy IA	Business IA	Environmental IA	Climate Change IA
Yes	N/A	N/A	Yes	N/A

Impact Assessment Further Information & Links

Impact Assessment Information & Links	Not completed at this stage but will need to be developed.
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Waverley Collaboration Considerations

What does Waverley currently do to provide this service	N/A
What discussion has been had with Waverley about this mandate	None to date but could be an opportunity to discuss whether Waverley has “spare” project management resource to support the progression of any actions relating to this mandate.
What opportunities are there for savings through the collaboration	None – not relevant as one-off, location specific project



Strategic Benefits

Estimated Financial Benefits

Financial Benefits

Item	N/A
Description	N/A
Benefit Type	N/A
Estimated Value of Benefit	N/A
Key Financial Benefit	N/A
Owners	N/A

Non-Financial Benefits

Item	Restores an important public amenity and resolves ongoing public criticism about delays to repair and reopen towpath.
Description	The Council has faced significant public criticism about the delays to deliver a long-term solution to the Weir and footpath, despite not being the owner of either. There is a need to reset public understanding around responsibility for the assets.
Benefit Type	Organisational
Key Financial Benefit	Yes
Measure of the Benefit	
Delivery Date	
Owners	Abi Lewis

Strategic Assumptions

Assumptions

Assumption	Description
Ownership	Assumes that GBC does not own the Weir structure as per the legal research completed, and currently no other party has assumed ownership and responsibility for it and the footpath.
Lifespan of the temporary Weir	Assumes that the temporary Weir has a lifespan that extends beyond the original 5 years quoted.



Strategic Issues

Issues

Issue	The Weir scores very low against GBC corporate priorities.
Description	There is an issue that when assessed against the Council’s corporate priorities, the Weir scores very lowly (10) in relation to other capital projects such as Guildford Park Road (126) and Shaping Guildford’s Future (110).
Issue Category	Financial
Key Issue ?	Yes
Status	Red
Target Resolution Date	
How was the issue resolved	
Resolution Date	
Owner	Victoria Worsfold

Issue	GBC viewed by public as landowner or having an element of responsibility for the structure
Description	There is an issue that the Council spent £440,000 on the temporary Weir repair (with NT covering the other 50% cost), which will not be recovered from a third party. GBC is now viewed by members of the public of having some ownership of the Weir.
Issue Category	Reputational & financial
Key Issue ?	Yes
Status	Red
Target Resolution Date	
How was the issue resolved	
Resolution Date	
Owner	Victoria Worsfold

Strategic Risks

Risks

Risk	There is a risk that taking a proactive approach will result in further expectation that GBC is responsible for implementing and funding a resolution, and costs could escalate.
Description	



Date Raised	25/02/2022
Risk Category	Financial
Current Likelihood & Impact	12 (3x4)
Rationale for Current Score	Some pressure to make progress already exists (from community & politically) and the potential ramifications of GBC continuing to position itself as responsible for repairs are significant.
Current Controls in Place	Present mandate to CMB and Executive Liaison to agree strategic direction
Mitigating Action	Conversations ongoing with key external stakeholders
Mitigated Likelihood & Impact	1 (1x1)
Target Mitigation Date	31/03/2022
Key Issue ?	Yes
Status	Red
Owner	Abi Lewis
Risk	The Council will incur reputational damage should the issue not be successfully resolved.
Description	
Date Raised	25/02/2022
Risk Category	Reputational/ political
Current Likelihood & Impact	12 (3x4)
Rationale for Current Score	Some pressure to make progress already exists (from community & politically) and the potential ramifications of GBC continuing to position itself as responsible for repairs are significant.
Current Controls in Place	Present mandate to CMB and Executive Liaison to agree strategic direction
Mitigating Action	Conversations ongoing with key external stakeholders
Mitigated Likelihood & Impact	1 (1x1)
Target Mitigation Date	31/03/2022
Key Issue ?	Yes
Status	Red
Owner	Abi Lewis
Risk	There is a risk that no third party accepts ownership and responsibility for the Weir and footpath and no permanent solution is implemented, risking future long-term collapse and costly emergency interventions.
Description	It is unlikely that any of the third parties will want to accept liability for the Weir or footpath given the financial implications.
Date Raised	01/09/2021



Risk Category	Financial/ Reputational
Current Likelihood & Impact	25 (5x5)
Rationale for Current Score	
Current Controls in Place	
Mitigating Action	Hold initial meeting with partners to agree common interests. Consider whether there are any statutory requirements on parties to repair or maintain weir.
Mitigated Likelihood & Impact	20 (4x5)
Target Mitigation Date	31/03/2022
Key Issue ?	Yes
Status	Red
Owner	Dawn Hudd; Abi Lewis

Strategic Dependencies, Constraints, Opportunities

Dependencies

Dependency Item	Description
The Savings Programmes	The Savings Programme is looking to identify revenue savings through the capital programme.

Constraints

Constraint Item	Description
Existing committed capital programme and revenue consequences	The Council has an extensive capital programme, with a number of projects likely to require increases in approved budgets.

Opportunities

Opportunity Item	Description



Economic Case – Scope & Options

Scope

In Scope	To be defined by the Option chosen
Out of Scope	“

Project Requirements

Requirement	Description



Options

Do Nothing	The land and the Tumbling Bay Weir are not owned by GBC. GBC has no obligation to be involved but is under pressure from the public to do so. Communicate rationale very publicly. Zero cost.
Do Minimum	GBC makes a limited financial contribution of £tbc to someone else leading the work, likely to be National Trust.
Do More	<p>This option incurs an initial £50k revenue cost and £000's in contributions this and future years.</p> <p>GBC takes a more active role in the project. In order to do this, GBC would need to recruit a suitable project manager to take the lead in coordinating a collective agreement on next steps with key stakeholders over the next 6 months. Would need to recruit a project manager to take the lead in co-ordinating a collective agreement on next steps with key stakeholders over the next 6 months (£50k).</p> <p>There are a number of different activities required to progress the project. Responsibility for these would be set out in the collective agreements:</p> <ol style="list-style-type: none"> 1. Reach Heads of Terms with key stakeholders regarding Millbrook Weir reflecting ownership agreement and liabilities. (cost tbc) 2. Undertake all necessary surveys to confirm lifespan of the Weir. (£15k approx.) 3. Agree responsibility for a maintenance regime, inc. annual inspection, and cost liability of the Millbrook Weir (to manage risk of collapse and legal action) (cost tbc) 4. Investigate options for a temporary bridge over the Millbrook Weir (not statutory) in response to public pressure <p>The National Trust is keen to progress with Points 2 - 4 in the short term to help address existing public criticism over a perceived lack of action in resolving the access to the towpath.</p> <p>The Environment Agency is currently replacing its Weir (Millmead) and has approached the Council for a contribution to deliver an associated fish pass, so a further related action is as follows:</p> <ol style="list-style-type: none"> 5. Seek agreement with the Environment Agency on implementing a Fish Pass linked to the Millmead Weir (statutory obligation) costs will be associated with this (£200k approx.) <p>(£1-2M ROM tbc)</p>
Do Most	<p>Assume full legal responsibility for the Tumbling Bay Weir and agree a transfer of the land and Weir to Guildford Borough Council ownership.</p> <p>Once resolved, deliver a permanent Weir and Footbridge and absorb all associated costs (inc. maintenance and support costs) (£2-5m ROM tbc)</p>
Do Something Different	There was an option to take a Masterplan Approach to the 3 Weirs which would co-ordinate their design and operation to reduce and minimise on-going maintenance requirements and cost. Unfortunately, this was discounted due to spending constraints on the EA secured funding.



Commercial Case – Route to Market

What goods, works, or services are required	In order for this work to progress to the next stage Project Management resource may need to be procured.
Procurement Officer(s)	Adrian Swift
How will the goods, works or services be procured	Via Commensura potentially
Contract Management Strategy	
Evaluation Approach	
Selection and Contracting Criteria	
Procurement Timescale (& History)	

Contracts

Updates

Description	Update Date	Updated By
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Financial Case – Costs, Funding, Savings, Purchase Orders

Initial Rough Order of Magnitude (ROM) Estimated Cost	
Estimated Total Whole Life Cost (WLC) of Project	
Whole Life Period of Asset (for Net Present Value)	
Total Project Cost Forecast this Financial Year	
Commentary on Costs, Budgets & Funding	

Business World Reference Numbers

Title	Budget	Forecast	Actual
Total			

Funding

Date	
Funded Item	
Cost Centre Code (Business World)	F5530 (being used as a holding account)
Project Cost (Business World)	

Costs & Budgets

Item	Resource costs to deliver the next stage
Period	
Category	
Revenue or Capital	Revenue
Budget (£s)	£50k initially
Cost Centre (Business World)	
Forecast (£s)	



Actual (£s)	
Reason for Deviation	
Purchase Order Number	
Cost Code (deprecated)	

Costs & Budgets Totals

Amount (£)	
Internal or External	
Funding Source	GBC Revenue/ Capital contribution plus potentially £20k UK Shared Prosperity Fund UKSPF was a flexible bid so should be reviewed in BJC for addition funding opportunities

Funding Totals

Funding Source	Amount
Total	

Savings – No savings or revenue raising

Year	N/A
Description of Saving	N/A
Saving	N/A
Type of Saving	N/A
Comment - Savings Delivered	N/A

Saving Totals

Savings	Amount
Total Savings	N/A

Purchase Orders

Invoices

Reference



Management Case – Delivery Plan

Governance	Report to EPB, Capital Transport & Infrastructure Board and MPPB
Assurance	N/A
Stakeholder Engagement & Communications	Ongoing liaison with local papers
Contract Management & KPIs	Pick up in Business Justification Case (BJC)
Change Control	



Stakeholders

Internal Stakeholders

List of Internal Stakeholders	Legal, Finance, Procurement, Parks & Countryside, Engineers, Communications Councillors
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External Stakeholders

List of External Stakeholders	National Trust, Environment Agency, Surrey CC, Thames Water Residents & businesses
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Resources

Internal Resources

Internal Resources	This will require leadership from Abi Lewis and Dawn Hudd, with legal advice from Claire Beesly. Will also need a finance, procurement, communications interface.
Staff Implication	Junior project manager within Capital Programmes available to progress day-to-day activity. A PM may need to be procured if the Council decides to progress with “do minimum” or “do more” options.

External Resources

External	
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Tasks & Milestones

Task				
Description				
Start Date	End Date	% Complete	Status	Key Milestone

Progress Updates

Date Added	Review by CMB on 17 August 2022, ELG 31 August 2022, EAB 10 October 2022
Added By	Abi Lewis
Item	
Progress	
Planned Activities	
Target Date	

Project Team & Reviewer List

Name	Project Role
Hanna-Liisbeth Lumi	Project Manager

Authors

Abi Lewis	Head of Regeneration & Corporate Programmes
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Governance Approvals and Reviews

Approvals to Date

Subject	
Note	
Added By	
Next Review Gate	Next Review Gate Date

Approvals Required

Stage	Approval Type	Required By	Approval to Proceed	Open / Closed
	Enabler		Not Applicable	Open

Approvers

Approver	
Approved	
Approval Comments	

Strategic Direction

Strategic Direction Required	
Strategic Direction Given	

By virtue of paragraph(s) 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda item number: 8
Appendix 2

Document is Restricted

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