

Coast to Capital Board Meeting No. 30 14 July 2016	Ref No. 30.13
Report Title: Rural Economy Committee Progress Report	
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Recommendation

The Board is asked to note the contents of this paper

Background

1. The Rural Economy Committee has recently been confirmed as a sub-committee of the Coast to Capital Board. It was previously the Rural Strategy Group, set up in 2014 to provide increased focus on the economic development of Coast to Capital's extensive rural area. As well as comprising the majority of the land, the rural area contains over a fifth of the businesses and 15% of residents. The rural economy contains much more than just traditional rural businesses such as agriculture (see 10 key facts overleaf). It is responsible for 27% of Coast to Capital's output.
2. The Rural Strategy Group meets quarterly and has twenty members, drawn from a wide range of organisations including businesses. Representatives from the Environment Agency and Natural England provide expert input on technical areas such as climate change.

Rural Economy Committee: progress

3. The Coast to Capital Rural Statement was launched on 6 July at Brinsbury Campus of Chichester College and is available on the website. It focuses on three interlinked areas, of which the rural economy is highlighted as the LEP's main priority. The three areas are:
 - The rural economy
 - Rural people and communities
 - Rural environment and sustainable development.
4. The report identifies the opportunities for expansion in the rural economy and points out that this will be essential, if we are to meet our aims for increased growth in productivity and jobs. The next step will be to draft an action plan to accompany the Rural Statement.

5. Key areas for action identified in the Rural Statement are:
 - Making the most of **opportunities for growth** such as potential expansion at Gatwick airport
 - Addressing **known growth constraints** including the lack of high quality business premises in rural areas, poor broadband and telecommunications, weak transport links, skills shortages and gaps
 - Developing our **rural industry strengths**, including the professional, scientific and technical sector, rural manufacturing, technology-intensive horticulture and fresh produce and “active” tourism such as cycling
 - **Help for rural businesses**, including the estimated 10,000 home-based businesses, which can miss out on the business support and networking available to urban businesses
 - Strengthening **rural communities**, supporting market towns and helping to address housing shortages, particularly affordable housing
 - Supporting **sustainable development** including the environment, energy and water security

 6. The main LEP funding for the rural development agenda is the European Agricultural Fund for Rural Development (EAFRD) of £3.8m. Rural Economy Committee members also work closely with partners to make sure that their strategies are rural proofed and that, for example, rural businesses get their fair share of grant funding.
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10 key facts about the Coast to Capital rural economy

1. Over a fifth of our businesses are in rural locations, accounting for 27% of our output and including world class companies such as Rolls Royce Motor Cars at Goodwood, Tesla Engineering in Storrington, AJ Walter Aviation in Slinfold and Denbies, the UK’s largest vineyard outside Dorking
2. Our rural business and resident populations are growing, driving the need for more housing and employment space
3. The rural economy is a diverse economy; the largest industry is the knowledge-intensive, professional, scientific and technical sector
4. We have a technology-intensive food production and horticulture sector of national significance, made up of over 500 companies, attracted by the exceptionally high light levels and unique topography of our area and worth an estimated £1bn per annum in GVA
5. We are becoming increasingly well known for our rural tourism offer, including “active tourism” such as cycling, walking and sailing
6. There is a large rural manufacturing sector with over a thousand manufacturing companies
7. Viticulture and brewing are rapidly growing industries and include vineyards of international standing as well as over 60 breweries
8. Our rural residents are highly skilled and qualified and a high percentage is employed in the top occupational groups
9. They are entrepreneurial - with significantly higher rates of male self-employment than their urban counterparts
10. If female rural self-employment rates were increased to match those of men, this would result in another 17,000 jobs