



Coast to Capital Rural Statement



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Foreword

We are fortunate in having an extensive rural area in Coast to Capital, much of it of outstanding quality. It runs from the North Downs in Surrey through the Low and High Weald to the South Downs and the South Coast Plain beyond. Large parts have protected status; as well as the majority of the South Downs National Park, three Areas of Outstanding Natural Beauty (AONBs) lie mainly within our boundaries. Together with the rich heritage and leisure opportunities in Coast to Capital, the rural environment contributes to the quality of life which encourages people to live and visit, and businesses to invest here.

The rural economy is a significant contributor to Coast to Capital's prosperity:

- 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
- Our rural business and resident populations are growing, driving the need for more housing and employment space
- The rural economy is a diverse economy; the largest industry is the knowledge-intensive, professional, scientific and technical sector
- 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
- We are becoming increasingly well known for our rural tourism offer, including "active tourism" such as cycling, walking and sailing
- There are over a thousand rural manufacturing companies
- Viticulture and brewing are rapidly growing industries and include vineyards of international standing

Our people are also a key asset:

- Our rural residents tend to be highly skilled and qualified
- A high percentage is employed in the top occupational groups
- They are entrepreneurial - with significantly higher rates of self-employment than their urban counterparts
- There are strong communities in our rural towns and villages which support the social fabric and local services
- There are opportunities to increase the rural workforce e.g. through supporting women returners and affordable childcare

Economic growth

Coast to Capital's purpose is to promote economic growth and the rural area must be part of this, if our targets for productivity and employment are to be met. The future brings great opportunities, such as possible airport expansion at Gatwick and improved infrastructure. These will benefit our rural communities and businesses and we will make the most of them through our action plan which is to follow.



Julie Kapsalis .

Chair, Rural Economy Committee, Coast to Capital

Introduction

1. One of our most important assets is our rural area which comprises most of the land in the Coast to Capital area and includes two thirds of the South Downs National Park, the Chichester Harbour Area of Outstanding Natural Beauty (AONB) much of the Surrey Hills AONB and part of the Weald AONB, The West Sussex Landscape Strategy highlights '*the sheer variation and contrast within the landscape mile for mile*' and the wealth of historic landscapes in the county.
2. Such widely varied topography gives rise to a rich range of habitats and biodiversity and, as a result, large parts of Coast to Capital have protected status. These protected landscapes contribute greatly to the high quality of life which encourages people to live and businesses to invest in our area.
3. We are committed to conserving our natural capital but we also recognise that in Coast to Capital the rural area is growing - in terms of resident and business populations and economic importance. In Coast to Capital, as in the rest of the country, our rural areas can no longer be viewed simply as the suppliers of food, commuter labour and leisure opportunities for the urban areas.
4. People and businesses are moving from the city to the countryside and, with them, the focus of local economies and labour markets is changing. Better transport links and technological developments have helped to decrease the importance of location for business and are enabling the growth in rural home-based enterprises. As a result, employment in rural areas grew by 2% between 2008 and 2012 whilst that in urban areas declined over the same period

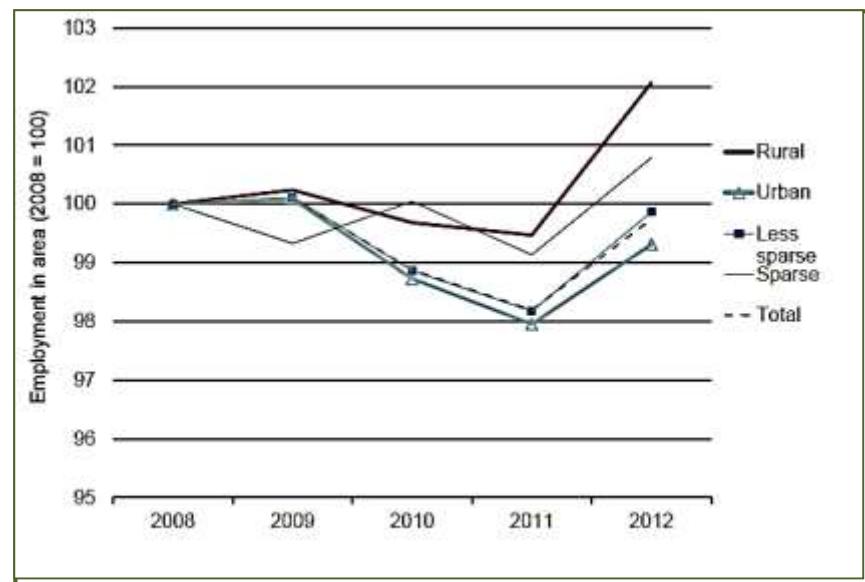


Figure 1: Rural/Urban employment growth 2008 to 2012

Source: Frontier Economics

5. The sectoral mix of rural economies has also changed nationally and in Coast to Capital; technology-based industries and professional and business services have grown whilst traditional rural industries have simultaneously decreased. Agriculture is no longer the dominant industry in the countryside, although it remains the predominant form of land use and has an important role in sustainable development.
6. Our purpose is economic development and our main aim is to unlock the growth potential of our area and increase jobs and productivity. We know that this has to be achieved sustainably - that is by preserving and enhancing our natural capital and the environment.

Purpose of the Rural Statement

7. The purpose of the Rural Statement is highlight the contribution of our unique rural area to the future economic, social and environmental success of Coast to Capital and to identify the priorities for action which will be included in the action plan which is to follow.
8. Although the Rural Statement uses the LEP geographical boundaries, it recognises the multiple inter-relationships with other areas. The North and South Downs and the Weald are not confined to Coast to Capital and nor is the South Downs National Park or the Surrey Hills AONB. Coast to Capital is not a single, self-contained economy and travel-to-work and inward and outward commuting patterns are complex.
9. Equally, within our boundaries, the Rural Statement highlights the fact that the rural area is heterogeneous, not homogenous. In individual rural localities, economic and social characteristics vary.

Rural proofing

10. The Rural Statement will help to rural-proof the strategies and action plans of Coast to Capital and its partners, through bringing rural issues to the fore and providing the evidence base. Rural proofing means that the needs of people, communities and businesses are properly taken into account and that policies and interventions are equally applicable to rural areas. For example, business support and business services tend to be concentrated in urban areas to provide economies of scale whilst rural residents often find services are reduced or inadequate -only

42% of households in the most rural areas have a regular bus service.

Rural competitiveness

11. The key to improving rural competitiveness is not only to recognise the interdependencies between rural and urban areas but also to develop strong rural areas in their own right which reflect the varied and rapidly changing nature of the rural economy and communities. The evidence suggests that: high-performing rural areas have five essential attributes:
 1. A highly skilled workforce
 2. An innovative economic base serving both national and global markets
 3. A physical environment that provided the basis of a high quality of life
 4. A strong sense of place and identity
 5. Good access to urban employment centres.

12. On the whole, we do well on these five measures¹ but there are opportunities to stimulate more growth, for example, through maximising the benefits of devolution and possible airport expansion at Gatwick to our area. There is scope for development of our rural business base, and to capitalise further on the economic and social benefits of our natural assets. We would also highlight the importance of good infrastructure including transport, broadband, mobile communications and housing.

¹ The possible exception of No. 4, "A strong sense of place and identity" although places within Coast to Capital have, or are developing, strong brands e.g. Brighton, Chichester, Goodwood, the Surrey Hills and the South Downs National Park).

13. Coast to Capital's interest is primarily in economic development; our main aim is to unlock the growth potential of our area and particularly to increase jobs and productivity.
14. Our aim is to achieve this sustainably, that is by preserving and enhancing our natural capital. The rich and varied landscape, biodiversity and cultural heritage of our rural area are key assets which attract and retain the high value businesses and skilled residents on which our future growth depends.
15. Growth in resident and business populations, increased demand for housing and possible airport expansion will bring challenges, but if managed in a planned and sustainable way, the economic and social benefits will be considerable.
16. Sustainable growth in Coast to Capital means that our Rural Statement comprises three main interdependent areas:
 - The rural economy:
 - Rural people and communities
 - The rural environment and sustainable development

Next steps

17. The Rural Statement sets out our analysis of these aspects of rural Coast to Capital and the challenges, opportunities and priorities for each of them which will be used as the basis of a focused action plan for the next three years, to be developed in consultation with our partners.

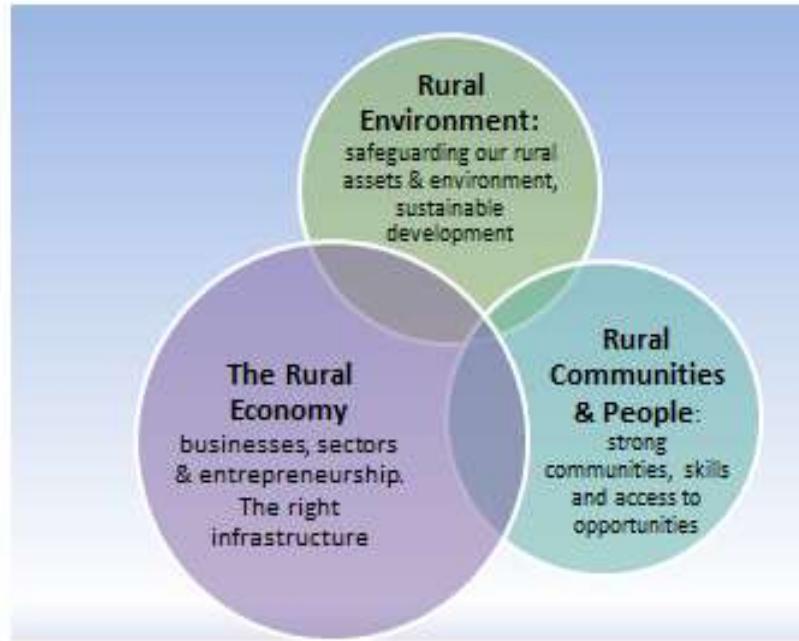


Figure 2: Our areas of interest for sustainable, rural economic growth

Coast to Capital's rural economy and priority sectors

18. The Coast to Capital rural population of 22% of all businesses is below the average for England, which is 26%² but there is wide variation at local level in the rural districts, from 27% in Mid Sussex to over two thirds (71%) in Horsham.

| Coast to Capital Local Authority District | % of rurally-based business |
|---|-----------------------------|
| Horsham | 71.50 |
| Chichester | 64.86 |
| Tandridge | 43.83 |
| Lewes | 35.51 |
| Arun | 29.20 |
| Mole Valley | 29.18 |
| Mid Sussex | 27.26 |
| Reigate and Banstead | 8.11 |
| Epsom and Ewell | 3.25 |
| Adur | 1.51 |
| Crawley | 0.58 |
| Brighton and Hove | 0.41 |
| Worthing | 0.00 |
| Croydon | 0.00 |
| Coast to Capital | 22.00 |

Table 1: Percentage of businesses based in rural areas

Source: Defra/IDBR 2012/13

19. The rural business population is much more sectorally diverse than is often assumed (see table 4 below) and it has some distinctive features in Coast to Capital:

- Our largest rural sector in terms of numbers of enterprises is professional, scientific & technical services which accounts for nearly 1 in 5 businesses
- The manufacturing sector is not only more concentrated in rural areas than urban ones in Coast to Capital , but is the second largest sector in terms of employment in the rural districts
- Nationally, the largest rural sector is agriculture forestry & fishing which is only the fourth largest in Coast to Capital.

| Industry | Rural enterprises | | Urban enterprises | |
|--|-------------------|-----|-------------------|-----|
| | No. | % | No. | % |
| Agriculture, forestry & fishing | 1,520 | 9% | 395 | 1% |
| Wholesale & retail trade, repair of motor vehicles | 2,430 | 14% | 9,000 | 16% |
| Professional, scientific & technical services | 3,140 | 19% | 11,550 | 20% |
| Construction | 2,060 | 12% | 7,425 | 13% |
| Tourism and recreation | 1,290 | 8% | 5,000 | 9% |
| Public Administration, Education and Health | 800 | 5% | 3,880 | 7% |
| Administrative & support service activities | 1,275 | 8% | 4,230 | 7% |
| Manufacturing | 1,080 | 6% | 2,605 | 5% |
| Other | 3,180 | 19% | 13,785 | 24% |
| Total | 16,775 | | 57,870 | |

Table 2: Coast to Capital Urban/Rural Businesses by Industry

Source: ONS, IDBR 2012

² Source: Office for National Statistics, IDBR, April 2011 – March 2012

20. Home-based businesses are an important feature of the rural economy in Coast to Capital as well as in the rest of the UK. Although reliable statistics are hard to find at local level, nationally 59%³ of all SMEs are home-based and it is generally accepted that the proportion is even higher in rural areas. This would mean that in the rural area of Coast to Capital, there are around 10,000 home-based businesses at a conservative estimate.

21. Home-based businesses, whilst an important generator of new businesses, are less likely to employ people. Of the 3.1m home-based businesses nationally only 400,000 employ 1 or more people but the remaining 2.1m non home-based SMEs, 870,000 are employers. Support for home-based businesses to expand could help to create significant numbers of jobs.

22. Urban areas have proportionally more large businesses than rural areas in Coast to Capital; 0.4% compared to 0.2%⁴, but there are some important large companies in the rural economy. These companies include⁵:

- Rolls Royce Motor Cars which has its global headquarters and assembly plant based in Goodwood
- The Goodwood Estate, which manages Goodwood House, the Festival of Speed, and the Glorious Goodwood horse racing event
- Tesla Engineering, a company which designs and manufactures resistive and superconducting electromagnets for science, medicine and industry
- Nature's Way Foods, Barfoots and Hall Hunters are all major companies involved in food production and intensively produced fresh produce

■ A.J Walter Aviation supply, exchange, repair and lease of aircraft spare parts and offers services in total repair process management, logistics, transport, engineering and aircraft project management services

23. The rural economy also contains important specialist industries such as fresh produce, food production and viticulture, supported by specialist land-based colleges such as Brinsbury and Plumpton and organisations such as West Sussex Growers Association. Technology-intensive food production is estimated to contribute around £1bn per annum in the Chichester area alone.

24. Forestry and forest enterprises are also an important sector, although woodlands are currently an underutilised asset in Coast to Capital. There is scope to support the rural economy through woodland enterprise development which can, if managed correctly, protect forests and encourage biodiversity.

25. Rural manufacturing is a significant sector and there is scope for further development, particularly in the wood-based products sub sector and manufacturing for construction e.g. bricks.

26. In summary, the rural economy is growing, is sectorally diverse and is increasingly knowledge-based. Both employment and numbers of businesses have grown in the last three years⁶. There is scope for further development through supporting business growth whilst preserving our natural capital.

³ Source: BIS National Small Business Survey 2014

⁴ Source: Ibid

⁵ Source: Bureau van Dijk: Fame database September 2014

⁶ Source: BRES 2012-2014; IDBR 2011-2013

Challenges for the rural economy

- 27.The Government's Rural Economy Growth Review⁷ points out that the components of growth - capital investment, skills, enterprise and innovation – apply in both rural and urban areas. However, businesses in rural areas tend to be more distant from the economic critical mass concentrated in urban areas and their associated productivity benefits (agglomeration effects).
- 28.These include access to knowledge, skills, suppliers and customers as well as access to business services such as finance and advice. A consequence of being at a distance from these concentrations of economic activity and services is that knowledge transfer tends to be weaker, take-up and application of skills is lower and less effective, supply chains are more restricted and markets are more difficult to access. As a result, productivity tends to be lower in rural businesses (although this is not the case in Coast to Capital due to its relatively knowledge-intensive sectoral mix)..
- 29.In theory, due to communications technologies, businesses are becoming less dependent on physical proximity to gain agglomeration effects. The take up and application of ICT has the potential to reduce the “tyranny of distance”. This has not happened to the extent that has been predicted because the reality is that the poor quality of much rural broadband infrastructure precludes this; average broadband speeds in rural areas are considerably lower than speeds in urban areas. In 2014 the average broadband speed in rural areas was 13 Mbit/s compared with 26 Mbit/s in urban areas⁸.

Average Broadband Speed (Mbit/s) by rural urban classification in England, 2014

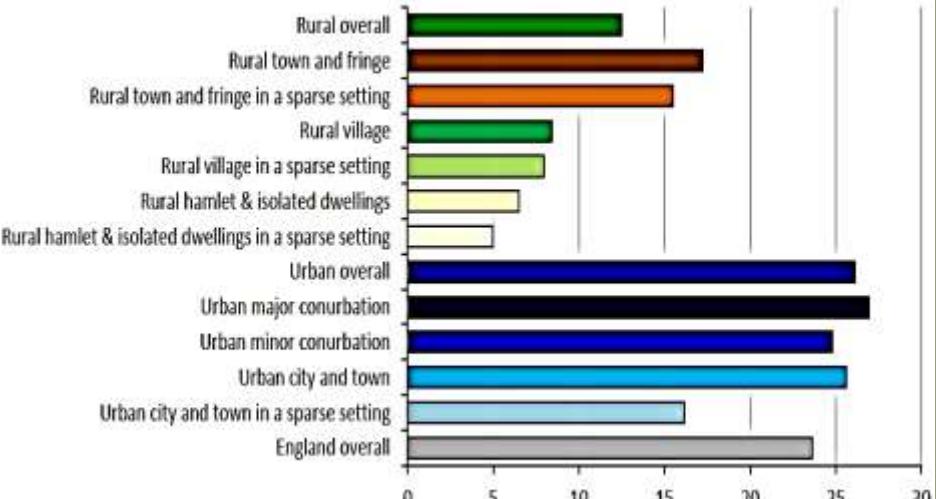


Figure 3. Broadband speeds in rural and urban areas England 2014

Source: Rural Statistics, Rural Broadband, May 2015

Defra, based on Ofcom statistics

- 30.As well as inferior information technology and communications, many services, including business support and training, tend to be less accessible for rural businesses as they are concentrated in urban areas, as are the larger pools of skilled labour. Rural businesses can find it more difficult to access the employees with the skills they require for growth and business networking opportunities are more limited. Generally, there is a shortage of premises for expansion, rural broadband connections are still often much slower than urban ones and can be unreliable,

⁷ https://www.gov.uk/.../uploads/.../Rural_Economy_Growth_Review.pdf

⁸ <https://www.gov.uk/government/publications/rural-broadband>

electricity supplies are subject to disruption and there are power cuts in many rural areas.

31.The British Chambers of Commerce, reporting to the Rural Affairs Select Committee (2010) suggested there were five main barriers to growth for businesses in rural areas:

- Digital and transport infrastructure
- Planning and rates
- Access to skills and labour
- Affordability of housing; and
- Access to finance

32.Issues for rural businesses highlighted by Coast to Capital and our partners' research have included these issues as well and others including:

- Reduced access to business support services
- Reduced access to skills and training provision
- High prevalence of home-based businesses with limited access to networking
- High housing costs
- Poor transport links including road, rail and bus
- Difficulty in recruiting skilled workers, often linked to housing costs, poor transport links and competition from London labour market, particularly for graduates
- Poor ICT infrastructure including broadband and mobile coverage
- Access to suitable premises – small rural industrial estates are relatively plentiful but premises can be outdated and of poor quality
- Unreliable electricity supply
- Planning restrictions and local opposition to expansion

- Dispersal of employment over a number of smaller sites make it more difficult to develop clusters and collaboration

The land-based industries

33.The land-based industries are particularly important in rural areas. As well as supplying other industries with raw materials, they have a large impact on land use and, consequently, the environment and visual appearance and quality of life in the rural area. The sector is more than just farming and forestry however; it comprises: agriculture, aquaculture, fencing, floristry, land-based engineering, trees and timber production, horticulture, animal care, equine, farriery, veterinary nursing, animal technology, environmental conservation, fisheries management, game and wildlife management, horticulture, landscaping and sports turf⁹.

34.In terms of Standard Industrial Classification codes (SIC) this translates into 16 subsectors set out in the table below. Using this broader definition above, there are an estimated 2,140 land-based companies in the Coast to Capital region, almost half of which are based in Chichester and Horsham districts, and they employ an estimated 11,280 people. This accounts for 2.8% of the businesses and 1.4% of jobs in the Coast to Capital economy. The number of businesses in the land-based sector has grown by around 6% since 2010, slightly faster than the region's business growth as a whole (4.4%).

35.Whilst the sector is relatively small in employment terms it is still an important part of the Coast to Capital regional economy, contributing an estimated £227 million to GVA in 2011 (0.6% of the total), a figure that grew 8% on average from 2007 to 2011 compared to 2% average growth in all industries in the region. The companies in the West Sussex Growers network are a significant part of the local economy, producing goods with an estimated

⁹ Lantra Strategic Plan 2009-2013

retail value of £1bn million and employing over 4,300 full-time staff as well as thousands of part-time and seasonal workers.

| Land Based Sector SIC Codes |
|--|
| 011 : Growing of non-perennial crops |
| 012 : Growing of perennial crops |
| 013 : Plant propagation |
| 014 : Animal production |
| 015 : Mixed farming |
| 016 : Support activities to agriculture and post-harvest crop activities |
| 017 : Hunting, trapping and related service activities |
| 021 : Silviculture and other forestry activities |
| 022 : Logging |
| 023 : Gathering of wild growing non-wood products |
| 024 : Support services to forestry |
| 031 : Fishing |
| 032 : Aquaculture |
| 161 : Sawmilling and planning of wood |
| 283 : Manufacture of agricultural and forestry machinery |
| 462 : Wholesale of agricultural raw materials and live animals |
| 750 : Veterinary activities |

Table 3: The land-based industry sub sectors

Source: Lantra

36. As well as their economic contribution, the land-based industries are important as they enhance the quality of life of everyone in the region: supplying high quality, locally produced food, ensuring the health and welfare of animals, providing leisure activities and tourist attractions, producing non-food crops including bio-fuels,

enriching the rural and urban environment, and protecting our natural heritage, particularly in the South Downs National Park. These activities have important and often complex interrelationships with high-profile environmental and economic issues such as climate change, fuel and energy security, and food security.

Farming

37. The agricultural land in the Coast to Capital LEP area is of variable quality, reflecting the diverse geology and landscape. It includes large areas of chalk downland and heathland as well as fertile high quality land along the coast where the horticultural industries are concentrated.
38. According to Defra, the farming industry as a whole shows large variations in productivity and profitability¹⁰ and the key market failures facing the sector are:

- Low levels of innovation due to lack of information and networking, skills and government support
- Education and skills among farmers: there is a correlation between farm business performance and higher education levels – more than 50% of low performing farms are led by farmers which have no higher education compared to less than 30% of high performing ones
- Lower take up of training in the sector as whole and a higher proportion of skills shortages compared to the national average due to increased costs and the difficulties of changing to new working practices brought about by new technologies and products

¹⁰ Defra; Programme Document for the Rural Development Programme for England. Appendix A

- A tendency to short term or seasonal thinking and low rates of adoption of longer term strategies such as sustainable land management
39. In Coast to Capital, a mixture of factors including high land prices and topography mean that farms tend to be smaller than average, although this is not true for all areas, for example, the South Downs National Park. However, the Rural Surrey Local Action Group's Local Development Strategy 2014 concludes that Surrey's farm holdings are characterised by being smaller than the English and South East average with only 15.7% being over 100ha compared to 23.6% in the south east.
40. Despite these challenges the sector is proving to be adaptable and innovative. Whilst not yet fully adopted by all farms there is increasing use of technology to help boost productivity, yields, and profit margins; examples include GPS steering systems to improve seed and fertiliser dispersal, smartphone applications and farm management software, electronic tagging, robotic feeders and milking machines, automatic weeding machines, and drones used to map areas of crops that need weeding, pesticides, or fertilisers.
41. Some diversification of businesses is happening, for example by providing tourist accommodation and attractions, meeting the growing market for locally produced food and drink, viticulture, and increasing opportunities for producing alternative energy, for example, wood fuel. It is estimated that half of the farms in the South Downs National Park have diversified into new businesses.
42. The sector skills assessment by Lantra highlights the skills that will be required to continue to meet these challenges and adapt to the innovations that are emerging throughout the sector. These include business management, supply chain management, and marketing skills. environmental skills covering fertiliser, pesticide, and water management, sustainable crop and woodland planning, and carbon foot-printing. Technological skills in ITC, including GPS systems, software management, and usage and maintenance of robotics and advanced machinery will also be in increasing demand.
43. Farming has faced a particularly challenging time recently. In addition to the barriers above, the effects of the recent very wet winter and flooding in many areas have added to the difficulties faced by small farmers in particular.
44. The main challenges facing the farming industry in Coast to Capital are:
- Skills for diversification and implementing new technologies
 - Dealing with regulation
 - Mitigating and adapting to climate change, particularly flooding
 - Profitability and productivity
- ### Food production and food security
45. The Environment, Food and Rural Affairs Select Committee has recently produced a report¹¹ on food security to plan to adapt to the impact of climate change, population growth and increasing global demand for food. The Food Security report calls for 'sustainable intensification' – producing more food with fewer resources and calls on Defra to stem decline in UK food self-sufficiency which is currently 77% down from 87% in the past two decades. The Food Security report calls for:

¹¹ Environment, Food and Rural Affairs Committee: Food security Second Report of Session 2014–15

- supermarkets to shorten supply chains
- UK farmers to extend seasonal production of fruit and vegetables
- Reduced dependence on imported soybean for animal feed
- A detailed emissions reduction plan for the agricultural sector
- More resilient production systems to cope with severe weather events

46.The report also welcomes the Government's new £160m AgriTech Strategy to increase the application of technology in farming practice but warns that the funding is insufficient.

47.There are agri-environmental schemes in place across the South Downs National Park which fund farmers and land managers to deliver effective environmental management on their land. 57% of the National Park (93,561ha) is covered by agri-environment schemes, including 66% of all agricultural land and spending on the schemes has doubled between 2005 and 2010¹².

Woodlands and Forestry

48.The Forestry Commission estimates that at present only a third of England's woodland is harvested and, within this, the contribution from broadleaf woodlands is considerably lower. Bringing more woodlands into active management has public benefits as well as commercial ones; it can increase biodiversity and help towards climate change mitigation as well as increasing the supply of sustainable fuels. The primary market failures in the forestry sector according to Defra¹³are that woodlands are not exploited fully as the income from timber is often below the cost of production, forestry skills are poorly developed and supply chains are unconnected.

¹² Natural England (2011) *Agri-environment Scheme Uptake for the South Downs National Park*, Natural England

49.Coast to Capital includes large areas of woodland, an estimated 61,200 hectares¹⁴, making it one of the most wooded LEPs in the country as well as the South East. Surrey is the most wooded county in England and the South Downs National Park is the most wooded National Park in the country. The Surrey Hills AONB is 40% woodlands cover, making it the most densely wooded of all the AONBs and National Parks and it is a leading centre of the wood fuel industry.

50.Nevertheless, the Forestry Commission estimates that a relatively small proportion of the productive volume from woods in Coast to Capital is currently reaching the market but that this could be significantly increased with the right support and investment. Much of the woodland is in private and fragmented ownership and this will require working with landowners to make it attractive for them to bring these woodlands into more productive use. According to the Forestry Commission, better exploitation of our woodland resources could produce 60,000m³ of wood per year, equal to 140 million kwh, enough to fuel 9,000 homes, and worth £8 million per year in oil equivalent terms. There is substantial potential for encouraging the use of timber in construction, particularly low carbon construction.

51.The main challenges facing the forestry industry in Coast to Capital are:

- Improving supply chain connections and supply chain management
- Better management of existing woodlands
- Skills and business development for forest enterprises

¹³ Defra; *Programme Document for the Rural Development Programme for England*. Appendix A

¹⁴ Forestry Commission 2014

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- Developing new markets for district heat supply and timber
e.g. housebuilding and regeneration projects

Tourism and hospitality

52. Coast to Capital has many advantages in terms of tourism which could be exploited further to promote growth in the industry and increase its contribution to the area's economy. As well as its natural capital, proximity to London, the presence of Gatwick airport and fast access to the continent, there is also considerable architectural heritage and attractions including historic market towns and villages, the Weald and Downland Open Air museum, Amberley working museum estates and gardens such as Arundel, Petworth and Nymans as well as cultural activities of world-standing including Glyndebourne and Goodwood Festival of Speed.

53. Coast to Capital has a significant tourism and hospitality industry of 8,950 businesses using the international definition of the tourism sector¹⁵. It makes up slightly more than 10% of the area's 83,875 businesses¹⁶. Coast to Capital has experienced relatively strong growth in the business population since 2010 and the tourism sector has shown an increase of 1,110 or 14% over this period. However, this is below the Coast to Capital growth rate of 16.6% in the business base as whole.

54. Figure 4 below shows the shares of rural tourism and recreation businesses by local authority district. The local authority districts with the largest shares of rurally-based tourism and recreation businesses are Chichester, Horsham, Arun, Tandridge, Mole Valley and Lewes. With the exception of Arun, these are the five local authority districts which are classified by Defra as either largely or significantly rural in terms of population settlement.

¹⁵ See: ONS: *Measuring Tourism Locally Guidance Note Two: Local Economic Impact Modelling*

Approaches. See appendix A for SIC codes. Where possible, we have used 5 digit SIC codes and the international definition of the tourism sector to give as accurate a picture as possible.

¹⁶ ONS Business Count – Enterprises 2015

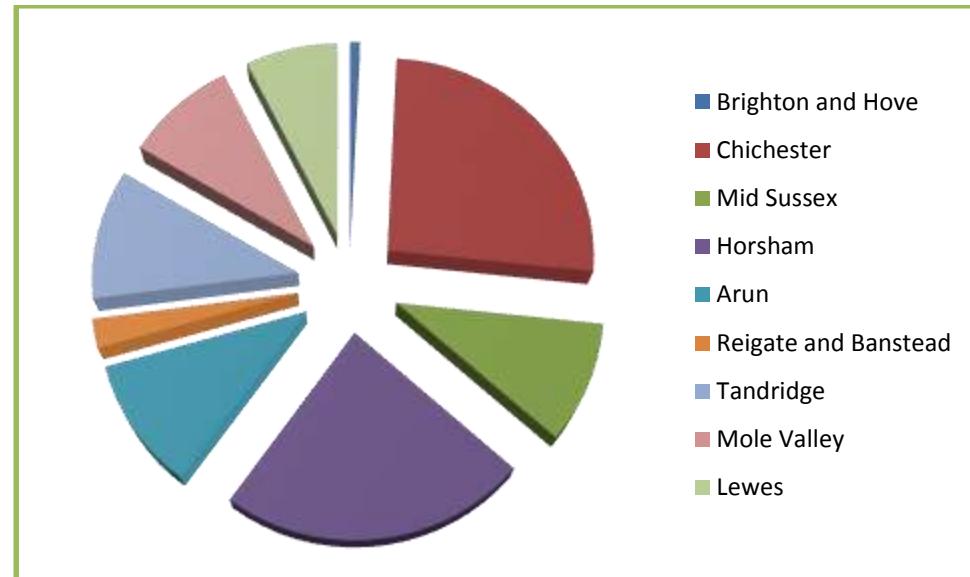


Figure 4: Share of Rurally-based Tourism and Recreation Enterprises in Coast to Capital LADs

Source: Defra Rural Urban Classification /ONS IDBR 2012/13

55. Although the tourism sector in Coast to Capital is relatively large, it is predominantly located in urban rather than rural areas according to Defra's rural urban classification (RUC) system¹⁷ which shows significant numbers of urban tourism and recreation businesses in Brighton and Hove, Croydon, Reigate & Banstead and Worthing (see Table 1).

¹⁷ Defra's RUC statistics are based on the Interdepartmental Business Register (IDBR) data and have not been updated since 2012/13. Defra also uses a different definition of the sector. Therefore they are not directly comparable with our analysis of business numbers, although useful for urban/rural split.

| Local Authority | Rural | urban |
|----------------------|-------------|-------------|
| Brighton and Hove | 10 | 1505 |
| Chichester | 330 | 180 |
| Mid Sussex | 125 | 305 |
| Horsham | 300 | 110 |
| Adur | ** | 140 |
| Arun | 135 | 295 |
| Crawley | ** | 165 |
| Worthing | ** | 300 |
| Croydon | ** | 800 |
| Reigate and Banstead | 30 | 365 |
| Tandridge | 135 | 140 |
| Mole Valley | 115 | 235 |
| Lewes | 95 | 235 |
| Epsom and Ewell | ** | 225 |
| Total | 1290 | 5000 |

Table 4: Rural Urban Classification of Tourism and Recreation Enterprises in Coast to Capital LADs

Source: Defra Rural Urban Classification /ONS IDBR 2012/13

Tourism employment

56.The rural tourism sector accounted for 15,150 jobs in 2014¹⁸ or about 18% of all tourism and hospitality employment in Coast to Capital. The detailed data on rural tourism employment is non-disclosive but the largest subsectors in order of size were:

1. Catering including pubs, bars and restaurants which accounted for 47% of rural tourism jobs
2. Hotels and other accommodation which provided 15% of rural tourism jobs
3. Sports-related employment which makes up 11%
4. A further 10% of jobs were in recreational and cultural activities including the performing arts
5. Transport was estimated to have provided 6% of total rural tourism jobs, though it is difficult to distinguish accurately between tourism and non-tourism related transport.

Key employment subsectors

57.Catering is clearly very important to the rural tourism sector and the area contains a relatively large number of country house hotels offering dining, country pubs and restaurants, many of which are of a high standard and featured in various guides including the Good Food Guide, particularly in West Sussex. Although not included in the tourism statistics, the rural catering sector is supported by a growing local high quality food production industry as well as viticulture and brewing, activities for which Coast to Capital is becoming increasingly well-known. The food and drink sector is supported and promoted by a number of networking organisations such as South Downs Food, West Sussex Growers and others.

58.The relatively strong presence of sports-related employment indicates the growing popularity of Coast to Capital as a destination for “active tourism” such as cycling, walking and equitation. Cycling and walking are particularly popular with day visitors due to the availability of a large amount of superb countryside in easy reach of London much of it with protected status and/or public access.

¹⁸ Business Register and Employment Survey. Rural Middle Super Output Areas in Coast to Capital.

59.Cycling is an increasingly important leisure activity in the area and the Surrey Hills AONB is now a national centre for both on and off road cycling with many high profile events such as the Prudential Ride London event which is broadcast in 76 countries. Much more could be done to maximise the economic benefits of cycling to the area and to promote it nationally and internationally.

60.Recreational and cultural employment reflects the presence of a range of visitor attractions in the rural area.

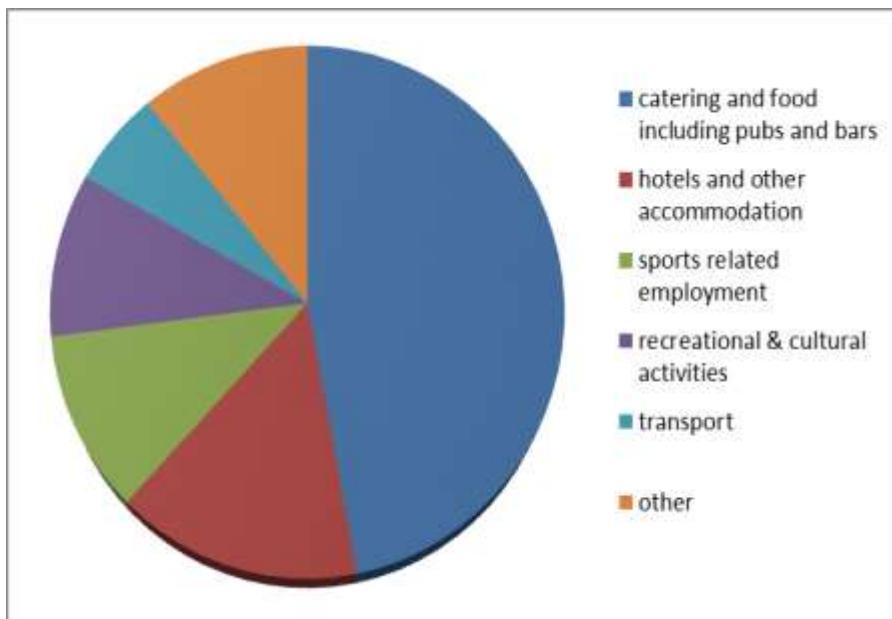


Figure 5: Tourism Employment in rural Coast to Capital
Source: BRES 2014

Room for growth

61.The evidence suggests that there is room for growth in the Coast to Capital rural tourism sector given the strength of our assets and attractions. As well as having lower concentrations of businesses than urban areas, the rural tourism industry in Coast to Capital underperforms compared to urban tourism in the area in terms of spend per day visit;

62.Brighton and Hove is the place where most money is spent by day visitors at a rate of £46 per day visit whereas in predominantly rural West Sussex, spend per day visit is just £28.

| Domestic day visits 2013 | Total number of day visits (millions) | Total expenditure attributed to day visits (£ millions) | Spend per day visit |
|-----------------------------|--|---|------------------------|
| Brighton and Hove | 11 | 523 | £48 |
| East Sussex | 14 | 474 | £34 |
| Surrey | 23 | 683 | £30 |
| West Sussex | 19 | 546 | £29 |

Table 5 – Domestic day visits and spend 2013

Source: Great Britain Day Visits Survey 2015

63.Domestic overnight visits present an opportunity to increase spend in the area as per visit spend is £157 in the Coast to Capital region, much higher than the day visit spend. Chichester is the area with the highest overnight spend with £201 per visit, followed by Arun (£178), Brighton and Hove (£176), and Crawley (£161).

64.One of the factors in the relatively weak performance on overnight visits may be a shortage of good quality visitor economy in the rural area, highlighted in a report commissioned by Coast to

Capital¹⁹. Another may be that the area is simply not seen as more than a day trip destination. Although rural Coast to Capital contains three visitor attractions in Visit England's top 20 survey of most visited places in the South East in 2014 – Polesden Lacey in Mole Valley, Godstone Farm in Tandridge and Nympsfield Long Barn in Mid Sussex which together attracted 929,000 visitors in 2014 – this may not lead to people staying in the area overnight or visiting more than one attraction.

65. A report for Coast to Capital on the potential for increasing international business tourism²⁰ found that only 12% of Gatwick's international passengers visited the Coast to Capital area due to the perception of the area as a route to London through Gatwick and the ports and limited awareness of the offer in the surrounding area. Overall, the report concludes that the Coast to Capital area "*lacks coherence as a destination and as a brand*".

66. Data on inbound tourism from outside the UK provides an indication of the level of international recognition that Coast to Capital receives, although the data is only broken down to county boundaries. Of particular interest is the level of business-related trips and how valuable they are to the local economy; in East Sussex and Brighton and Hove they account for 7% of trips and 10% of spend, in Surrey they account for 19% of visits and 31% of spend, and in West Sussex it is 13% of visits and 20% of spend.

67. Given the numbers passing through Gatwick, one possible route to increasing rural tourism is to try to attract a greater proportion of this lucrative market to visit and/or stay in the rural area.

| Inbound Tourism 2013 | Nights (All Purposes) 000's | Nights (business) 000's | Spend (All Purposes) £millions | Spend (Business) £millions |
|----------------------|-----------------------------|-------------------------|--------------------------------|----------------------------|
| East Sussex | 2,796 | 194 | 158 | 15 |
| Brighton and Hove | 2,225 | 155 | 125 | 12 |
| Surrey | 4,227 | 822 | 247 | 76 |
| West Sussex | 2,722 | 351 | 152 | 30 |

Table 6 – Inbound Tourism nights and spend 2013

Source: International Passenger Survey 2015

Conclusions

68. In spite of the many potential advantages Coast to Capital has in attracting rural tourism, there are a number of challenges facing the sector including:

- Low awareness and lack of a strong identity for rural Coast to Capital as a tourist destination, particularly as a place for staying for more than a day. Although the South Downs National Park and Surrey Hills are building stronger brand awareness and there are a number of attractions and events with high visitor rates and strong identities, more remains to be done
- Weak linkages and low levels of collaboration between tourism businesses and destinations in the area with many local offers competing for attention
- Lack of higher quality accommodation in some areas
- Skills, productivity, management and marketing in rural tourism businesses, a high proportion of which are micro businesses

¹⁹ Source: Coast to Capital LEP *International Business Tourism Development*, Team 2012

²⁰ Ibid

69.The solutions that Coast to Capital proposes are a more co-ordinated and joined up approach between areas, attractions and destinations e.g. market towns and a more strategic approach to developing stronger branding for the rural area. In addition, a number of subsectors or types of tourism would benefit from strategies and interventions to maximise their potential benefit to the rural economy. These include, but are not limited to:

- Active tourism e.g. cycling and walking (large parts of the South Downs Way the North Downs Way and the Pilgrims' Way go through Coast to Capital), equitation, sailing and water sports
- Food and drink-related tourism
- Themed attractions, e.g. historic houses, market towns, or cultural activities and events which could be linked together and make a joined-up offer, possibly including accommodation.
- Encouraging visitors to events to also visit the local area
- Developing more business-related tourism

Technology- intensive food production/horticulture

70.The exceptionally high light levels in our area are in our area are a major draw for horticulture and fresh produce companies and the sector is of national significance comprising an estimated 500 plus businesses in the Coast to Capital area²¹, clustered around Chichester, Mid Sussex, and Horsham and including a number of high-value, intensive food producers. West Sussex Growers Association estimates that 70 companies alone are responsible for produce worth £1bn million at retail value.²² The sector has the largest glasshouse area in England, and provides an estimated 4,290 full-time equivalent (FTE) jobs and almost twice as many seasonal jobs.

²¹ Bureau Van Dijk FAME 18th September 2013

²² West Sussex Growers Association – ‘Growing Together: A Strategy for the West Sussex Growing Sector’ March 2010

71. It has significant potential for growth and for helping the move to a low carbon economy. The plan set out by the West Sussex Growers Association is for a sustainable production hub that would cover renewable energy use, carbon capture, provision of lower cost cooling facilities, and waste management which could reduce CO2 emissions by 25,000 tons a year, provide energy to 6,000 homes, and create 750 to 1,000 jobs.

72.Due to the seasonal nature of the sector, identifying a precise employment figure can be difficult, with estimates in the Coast to Capital area ranging from 700 to 4,000²³ full time workers and another 7,000 seasonal workers. The skills demand is higher than the supply, with insufficient students leaving education with the desired skills in the local area, in spite of the fact that horticulture is one of the largest areas of Apprenticeship provision at Brinsbury College. A poor image of the sector among potential workers can make recruitment difficult. There is also an increased demand for R&D in the sector; however, the availability of money and expertise is limited.

73.The main challenges to the growth of the horticulture and fresh produce industry in Coast to Capital are:

- Skills shortages and gaps
- Capital for investment in new technology and the skills to exploit it
- Attractiveness of the sector among potential workers
- Water supplies are also an issue, with limits placed on licences for water abstraction

²³ BRES 2011/ West Sussex Growers Association – ‘Growing Together: A Strategy for the West Sussex Growing Sector’ March 2010

Food and Drink

74. Local produced food and drink is an area for which rural Coast to Capital is becoming increasingly well-known, supported by a number of festivals, award schemes and local directories and distributed through a growing number of independent farm shops and markets.
75. Viticulture is also an important subsector in Coast to Capital with a number of award winning vineyards including Denbies, England's largest single wine estate, Lurgashall, Nutbourne, Ridge View and Nyetimber in West Sussex. Brewing is also a growth sector with many new micro and small breweries adding to established local breweries such as Hepworths in Horsham, Harveys in Lewes. Camra reports over 60 breweries in West Sussex alone.

Rural economy: Summary of the challenges, opportunities and priorities

The challenges

76. Local research and intelligence indicates that Coast to Capital's rural businesses face the following issues:
- Poor transport connectivity and higher housing costs mean access to skills and labour are restricted
 - Access to skills: although Coast to Capital is well served with higher and further education institutions, including specialist provision for the land-based industries, there is more to do to meet rural business's skills needs, for example, providing a wider range of apprenticeships and more technical skills
 - Lack of move-on premises and outdated commercial premises on small industrial estates are a major constraint on growth

- Inadequate broadband speed, unreliable broadband and poor mobile telephone communications all have a direct impact on productivity
- Unreliable electricity and other utilities such as water
- Planning restrictions and local opposition to business expansion are perceived to be restricting
- Limited networking opportunities for example for home-based businesses

77. The effect of these issues can mean there are lower levels of knowledge-transfer and innovation as well as restricted supply chains and weaker market penetration. Access to services and skills, suppliers and markets are also more difficult for rural businesses who also receive poorer business support services as well as lower quality broadband and infrastructure. These disadvantages tend to result in lower productivity and growth. Addressing these challenges could improve competitiveness and create new businesses and jobs.

Rural economy: the opportunities

78. There is room for growth in the rural business base in Coast to Capital:
- The rural area's share of the total business population is below the average for England at 22% of total businesses compared to 26% nationally. Matching the national average would give us nearly another 700 businesses
 - Our rurally-based businesses tend to be smaller - businesses with no employees make up 18% of rural businesses compared to 12% of the urban total²⁴. If we closed the gap and each additional, employing business took on just one employee, it would create over 1000 jobs
 - There are half as many large businesses with over 250 employees in the rural area. These make up 0.2% of the total

²⁴ Source: Office for National Statistics, IDBR, April 2011 – March 2012

compared to 0.4% of the urban business population. Addressing the lack of premises for expansion and improving infrastructure would enable more large employers to locate here

- Our proximity to London provides an opportunity for us to grow the supply of food, leisure and other products and services to London markets
- Our key rural sectors could benefit from additional support to achieve their growth potential and overcome the challenges that rural businesses face

79.Gatwick airport provides around 21,000 jobs, of which around 2,500 are directly employed by Gatwick Airport. Gatwick Airport estimates it provides a further 10,000 jobs indirectly and contributes around £2 billion annually to the economy. Clearly, this has a major impact on the Coast to Capital rural economy.

80.Expansion at Gatwick could bring up to another 22,000 airport-related jobs by 2050 and contribute another £1.73 billion per year to the local economy, according to Gatwick Airport Ltd.'s estimates.

81.Should Gatwick's bid for a second runway receive approval, we intend to work closely with Gatwick Airport to make sure that local people and businesses benefit, particularly in the rural area, for example through supporting local supply chains and new business start-ups so that they can take advantage of the new opportunities and also through continuing to support internationalisation, capitalising on Gatwick's flights to over 200 destinations. We will also work closely with Gatwick to support their aims for sustainable development.

Rural economy: our priorities

1. Growing the rural business population and supporting entrepreneurship
2. Meeting businesses' skills needs
3. Supporting priority business sectors
4. Improving infrastructure including ICT & transport
5. Finding more employment sites and premises

Coast to Capital's rural people and communities

82.According to the last Census in 2011, the Coast to Capital population is 85% urban and 15% rural whereas in England as a whole 18% of the population live in rural areas²⁵.

83.In common with rural areas nationally, the rural population in Coast to Capital has a greater proportion of older people and markedly fewer young people. the 20 to 35 age group makes up more than a fifth (21%) of the population in urban areas but only 13% in rural areas. Conversely the 65+ population accounts for 17% of the urban population and 21% of the rural population, highlighting the older age profile of the rural population. The areas with the highest concentrations of older populations are Horsham, Arun, Chichester, Lewes, and Mole Valley.

84.The working age population as a percentage of the whole is therefore lower in the rural areas than in the urban ones, contributing to potential shortages of skills and labour for rural businesses. The high house prices and transport costs are a factor in the exodus of young people to the cities.

Earnings

85.There is a significant rural /urban wage gap in Coast to Capital. The mean weekly wage is £396 in rural districts (workplace measure) and £432 in urban areas. There is also gender pay gap in rural areas; females earn 79% of the average gross weekly wage in rural areas.

²⁵ Source: Census 2011 – Population, Urban - Rural split

²⁶ The economically active category includes both employed and unemployed people (actively seeking work) and is expressed as a percentage of the total

Coast to Capital Urban/Rural Age Profile

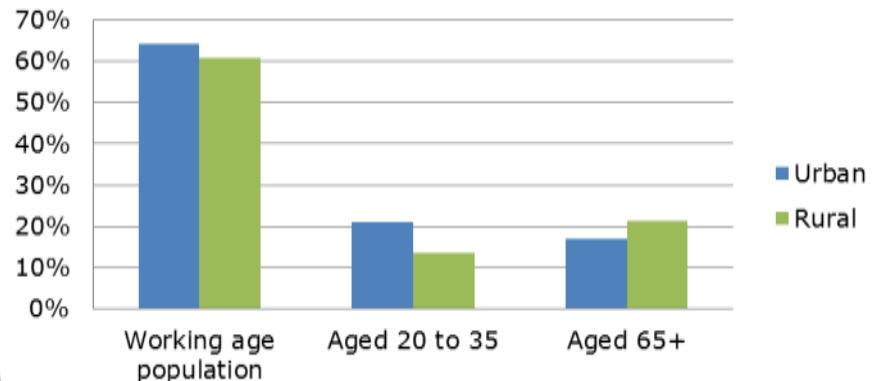


Figure 6 – Coast to Capital Urban/Rural Age Profile,

Source: Census 2011

Economic activity, employment and unemployment

86.In Coast to Capital, economic activity and employment rates between urban and rural districts tend to be broadly similar. In 2015, the economically active²⁶ made up around 81% of residents in both the five rural and significantly rural local authorities and the nine urban ones in Coast to Capital. Rural and urban employment rates²⁷ were also broadly on a par in 2015 at 78% and 77% respectively.

87.Self-employment rates differ more markedly however, with 15.4% of employees in the five largely rural and significantly rural local authorities opting for self-employment compared to 12.8% of urban residents at local authority district level. Within the five

population whereas the economically inactive are neither employed nor unemployed e.g. the retired or carers.

²⁷ The number of people in employment including self employment expressed as a percentage of the working age population aged 16-64.

more rural local authority districts in Coast to Capital, the self-employment rates range from 11% to 35% and among rural males and females the variation is even greater.

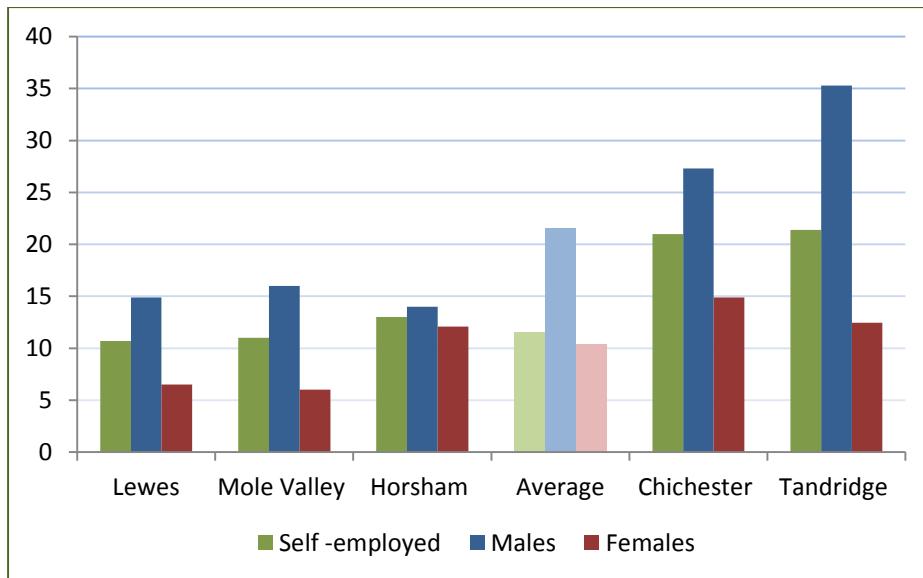


Figure 7: Self-employment rates in Coast to Capital's rural area by district and gender as a percentage of the working age population 16-64

Source: ONS Annual Population Survey 2015

88. Male self-employment rates significantly outstrip female ones, apart from in Horsham where they are 14% and 12% respectively. Male self-employment is particularly high in Tandridge at 35%. If rural female self-employment was increased to the same rate as male self-employment, approximately 17,000 jobs would be created.

89. Of those in employment, people in the five more rural districts are more likely to be employed full-time than those in the nine urban ones. (75% compared with 72%)²⁸. In both rural and urban districts males are much more likely to work full time than females but rural females are more likely to work full time than urban ones (59% compared to 53%).

| Defra classification | Local Authority District | Full time | Part time | Male FT | Male PT | Female FT | Female PT |
|--------------------------------------|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Largely Rural | Chichester | 70 | 30 | 87 | 13 | 51 | 49 |
| Largely Rural | Horsham | 71 | 29 | 87 | 14 | 55 | 45 |
| Significant Rural | Lewes | 74 | 26 | 96 | 4 | 51 | 49 |
| Significant Rural | Mole Valley | 79 | 21 | 88 | 12 | 70 | 31 |
| Significant Rural | Tandridge | 79 | 21 | 88 | 12 | 68 | 32 |
| Five Rural Districts Average: | | 75 | 25 | 89 | 11 | 59 | 41 |

Table 7: Full and part time employment by rural local authority district in Coast to Capital (%age of those in employment)
Source: ONS Annual Population Survey 2015

90. Rural residents are also on average less like to be unemployed. In the five largely rural and significantly rural districts, the unemployment rate is 3.7% compared to 4.7% in urban areas according to the Annual Population Survey 2015. At district level however, it is not necessarily the case that the rural districts have lower unemployment rates than the urban ones. Figure 5. shows that rural Lewes has one of the highest unemployment rates while two urban districts, Epsom & Ewell and Mid Sussex, have the lowest unemployment rates of all districts.

²⁸ Source: ONS Annual Population Survey 2015

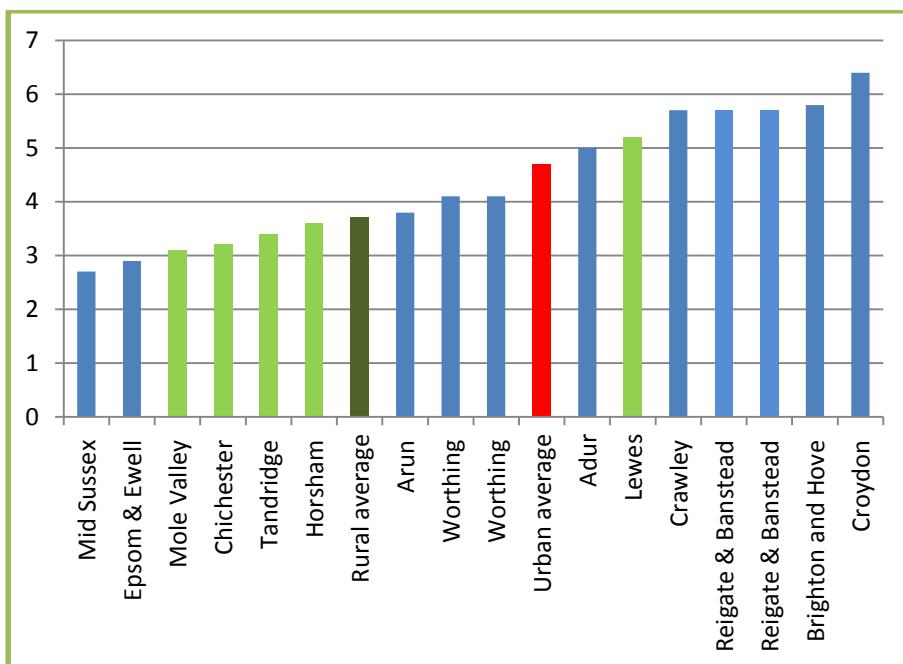


Figure 8: Unemployment rates by rural/urban local authority district
Source: ONS Annual Population Survey 2015

- 91.Rural residents tend to be more highly qualified than their urban counterparts at all levels. On average, rural districts are more likely to have residents who are educated to Level 4 or above (40% compared to 37%) and this holds true at all levels of qualification.
- 92.Mole Valley has the highest qualified residents with 47% having an NVQ 4 whilst Tandridge has the fewest among the rural districts with 38% of residents qualified to this level.

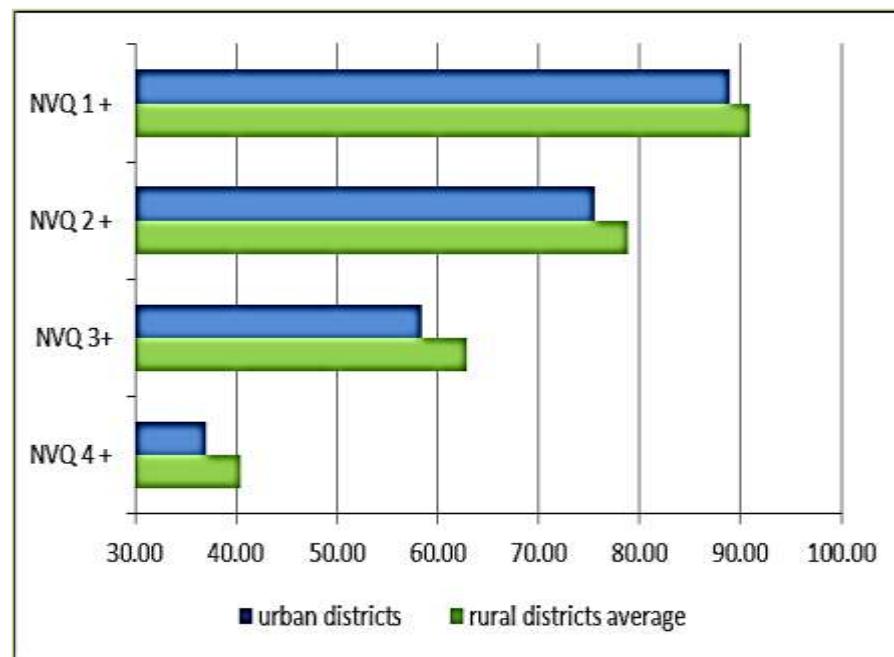


Figure 9: Qualification levels in rural and urban districts in Coast to Capital as a percentage of the working age population
Source: ONS Annual Population Survey 2015:

- 93.The highest percentage of employment in both urban and rural Coast to Capital is in the top three occupational groups. According to the Census 2011, the largest occupational group in both rural and urban areas is group 2, the professional occupations, which make up 19% of employed residents in both urban and rural areas. However, there are proportionately more residents in rural areas who are employed in the top occupational group of managers, directors, and senior officials at 16% compared to 12% in urban areas .
- 94.There is also a 3% higher share of skilled trade occupations in rural areas in comparison to urban employees. (13% compares to 10%).

This means that the lower skilled occupations make up a smaller proportion of rural employment (18%) than urban employment (22%). As might be expected, more rural employees work in agriculture but they are also more likely to work in manufacturing, construction, and professional, scientific, and technical activities. Urban residents are slightly more likely to work in wholesale & retail, information and communication, and financial activities.

Travel to work

95. Unsurprisingly, employees who live in rural areas are more likely to face longer commutes than those who live in urban settings. 34% of urban living employees commute 5km or less whilst only 18% commute 5km or less in rural areas. 53% of rural employees commute 5km+ compared to 45% of urban employees. Not all

Figure 10 Employment by occupational group in rural and urban Coast to Capital

Source: Annual Population Survey 2015

rural employees have long commutes as there are high rates of homeworking; 19% of employees work from home compared to 11% of urban employees²⁹. There are high concentrations of home workers in Adur, Chichester, Mid Sussex, and Mole Valley.

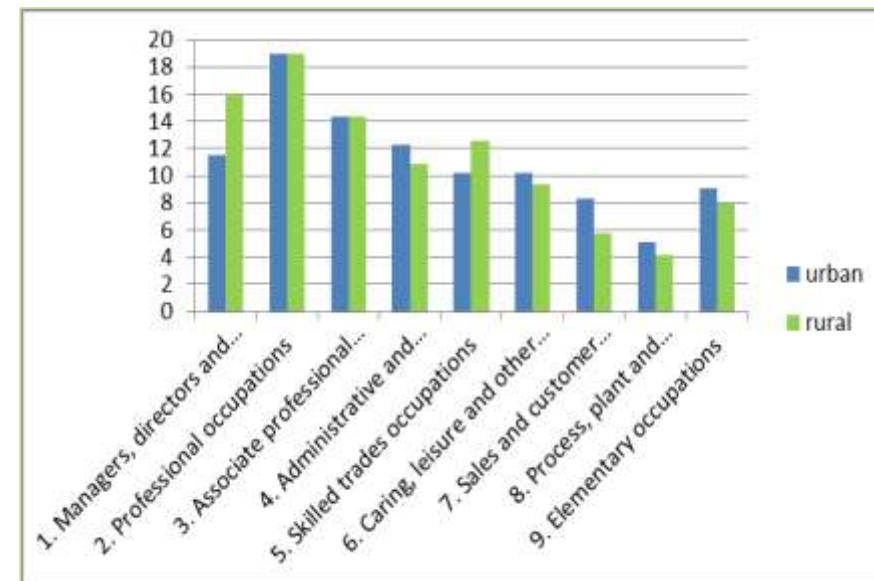
96. There is also a strong connection between housing costs, income and travel patterns; the low paid tend to travel from cheaper housing areas to more affluent areas, whilst the well paid commute to London and other major employment centres.

Household deprivation

97. Households in rural areas are less likely to be deprived on three or more of the dimensions of deprivation than those in urban areas. This group accounts for 2.5% of households in rural areas compared

²⁹ Source: Census 2011 – Distance Travelled to Work, Urban Rural split

³⁰ Source: Census 2011 – Dimensions of Deprivation



to
4.7%
in
urban

settings³⁰. However, the rural areas of Tandridge and Arun have higher than average 3+ dimension households.

House prices

98. On average the house prices in rural areas are higher than in urban locales. Arun and Lewes appear to be the districts with the largest rural to urban gap - house prices in rural areas are just over 30% higher in these districts than in the urban areas³¹.

99. Epsom and Ewell is the one area where urban house prices are higher than rural ones, but this may be partly due to the small area classified as rural. In terms of actual price Mole Valley and Reigate and Banstead have the highest value rural homes, each over £400,000 on average.

³¹ Source: Land Registry, Price Paid data: April 2012 – March 2013

100.In summary, the rural population performs relatively well on many socio-economic indicators including skills, qualifications and employment and has lower levels of unemployment and poverty than urban residents. However, rural populations face higher house prices and higher rates of fuel poverty as well as lack of access to key services and local amenities. Rural communities also have proportionately higher levels of older people which can place a further strain on local services and the lack of younger people can act as a barrier to business growth. Isolation among some resident communities can be hard to identify and the dispersed rural population is harder to reach with services. Those who rely on public transport can be disadvantaged in accessing employment and learning opportunities.

101.In addition to these issues, community assets such as local shops, public houses, community halls and facilities are vulnerable and may be lost which affects community cohesion. The Localism Act requires local authorities to keep a register of assets of community value whose main use further the community's social well-being or social interests. Community organisations and local people can get together to bid to buy listed assets when they come on the market but take up is often limited.

Market Towns

102.Our market towns are a key part of the infrastructure of our rural area. Towns such as Midhurst, Arundel, Storrington, Petworth, Dorking, Steyning, Billingshurst, Henfield and Pulborough not only provide a network of attractive places to visit, they underpin the functioning of the rural economy. For residents of local communities, market towns provide, not just access to shops, but also to employment, education, health, transport and cultural and community activities. As such, they are a significant factor in the overall quality of life. Market towns are an increasingly popular destination for businesses relocating from urban areas.

103.Market towns face mounting economic and social challenges, notably maintaining a vibrant retail sector in the face of major growth in on-line and out-of-town retailing. Research produced by the Local Data Company which monitors the retail industry, has found that, over the last 10 years, out of town retail has risen by 36% whilst in-town retail has risen by just 13%. The major supermarkets have increased their market share from 35% to 43% of all retail sales and although the internet currently accounts for around 10% of all sales, it is forecast to have a 35% share by 2020. It is hardly surprising that the vacant shops rate has tripled since 2007 and now around 14%, particularly given the current economic circumstances.

104.The chart below illustrates graphically the rapid change in shopping habits and the challenges to traditional high streets. In common with other areas, our high streets in market towns and rural hub towns were largely developed in the mid 19th century, the heyday for the high street retailer which has contributed to the current over supply of retail space and consequent high number of empty shops. The high street is an important visual indicator of how a town is faring and affects business confidence as well as how residents view their town. The challenge is to find new purposes for the high street as well as to support traditional uses.

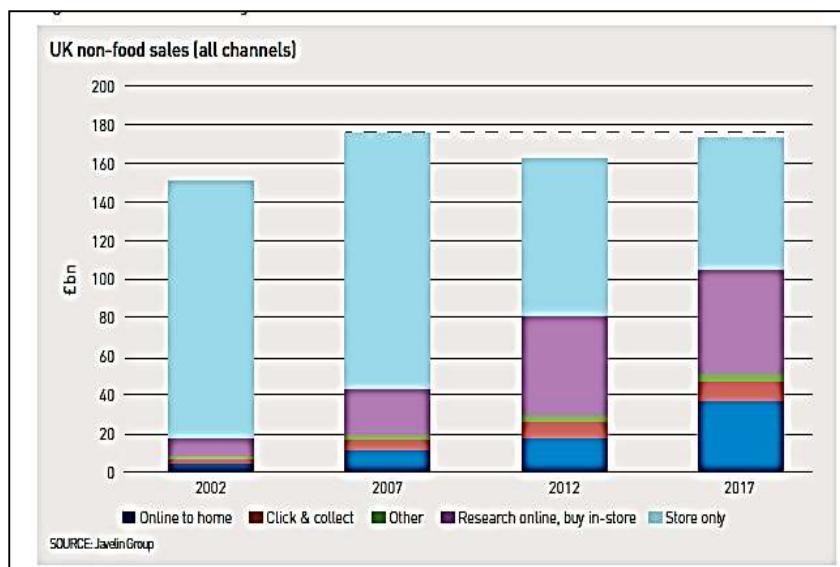


Figure 11: Change in non-food retail shopping habits 2002 -2017
Source: 'Beyond retail: redefining the purpose of town centres 2013'

105. As well as the threats to the high street from out-of-town and on line retailing, a report commissioned by West Sussex County Council also identified challenges such as attracting sufficient numbers of visitors and providing sufficient high quality accommodation for those towns dependent on the visitor economy. It also highlighted the fact that although retail is the most visible sector in market towns, it typically makes up around 10% of a town's business population and the other 90% of businesses can lose out on support services. Other common issues include traffic congestion, parking and transport and, more recently, ICT infrastructure, the quality and reliability of which remains highly variable in rural areas.

106. There are also social and environmental pressures brought about by the growth in housing and population which, if it is not matched by a commensurate growth in employment opportunities, can result

in towns becoming dormitories as new residents commute out of town to work. When new residents contain a higher proportion of older age groups, the population increase from housing development can also accelerate the trend towards an ageing population which is already happening faster in rural areas than in urban ones.



Empty shops in Leatherhead

Summary of challenges, opportunities and priorities for rural people and communities

Rural people & communities: the challenges

107. In spite of the relative affluence and prosperity of the rural area in Coast to Capital there are also disadvantages for people and communities; the cost of living is higher, commuting distances are longer and there are rural locales with higher than average

concentrations of household deprivation and higher rates of fuel poverty. Access to key services and amenities can also be difficult, particularly for those who rely on infrequent bus services and poor rail links.

108. House prices are significantly higher in rural areas in Coast to Capital than urban ones combined with which there is a significant rural/urban wage gap in Coast to Capital. The mean weekly wage is £396 in rural districts (workplace measure) and £432 in urban areas.

109. The ageing population is also a key factor in rural areas, exacerbated by the difficulty in retaining young people. The high cost of housing and the rural/urban wage gap mean that young people are often driven out of the rural area contributing to the relatively faster ageing of the rural population. This can contribute to the skills shortages experienced by local businesses in our rural priority sectors.

110. Community assets such as shops, pubs and village halls are often under threat. Market towns which perform a vital function as suppliers of services to residents and businesses are facing significant challenges, most visibly the threat to high streets by out of town and on-line retail, but also the challenges faced by the visitor economy and the needs of other less visible business sectors, e.g. premises, reliable broadband etc., who make up over 80% of market town local economies.

Rural people & communities: the opportunities

111. We have a large, highly skilled and qualified resident rural workforce as well as four universities and twelve colleges in our area. These include specialist land-based colleges such as Plumpton and Brinsbury and a wide range of specialist training provision. This could be tailored to link more directly to rural businesses' needs and linkages strengthened between rural businesses and skills providers. Encouraging more local recruitment

by rural businesses would help to fill skills shortages and gaps and reduce outward commuting and congestion.

112. Our market towns provide retail facilities and access to services but could provide a wider service offer to local businesses, develop innovative solutions to the oversupply of shop premises and widen their appeal and offer to all age groups, helping to retain young people.

113. Many local communities are strong and well organised but there are opportunities for further development to meet local needs through, for example, Community Land Trusts.

Rural people and communities: our priorities

1. Promoting access to work, learning opportunities, skills and services for all
2. Building community cohesion and protecting community assets in our towns, villages and dispersed communities
3. Supporting our market towns and helping them to repurpose their high streets, extend their service offer & improve their appeal to all age groups

Coast to Capital's rural environment

114.The natural capital of Coast to Capital is one of our most important cultural and economic assets and provides a major contribution to the rural economy underpinning among other sectors, tourism and the land-based industries and contributing to the attractions of the area and the quality of life of those who live there. Environmental protection and enhancing our natural capital also provide major opportunities for further development and growth in their own right.

Woodland

115.A fifth of Coast to Capital is covered by woodland, twice the national average. Surrey and West Sussex are respectively the first and second most wooded counties in England. This includes a legacy of ancient woodland in the High Weald as well as the plantations and woods on the downland edge and the newer woodlands on the acidic soils in the Greensand Hills in Surrey. Many of these unique landscapes are historic, dating back to the mediaeval and post-mediaeval period.

Coastland

116.The South Coast Plain within West Sussex, in contrast to the high, white coastal cliffs and chalk downs of East Sussex, is distinguished by its tidal estuarine environment with many creeks and inlets, centred on Chichester Harbour, Pagham Harbour and parts of the Manhood peninsula. These areas contain a wealth of marine and coastal habitats and species. Although, the Coastal Plain is known for its resorts and holiday destinations, its sunny climate and high grade farmland means it also supports valuable agriculture and horticulture.

Heritage

117.The settlement pattern of the Coast to Capital rural area is also distinctive, defined by its network of small market towns, villages and hamlets which often retain their mediaeval street patterns. The rural area of Coast to Capital contains many heritage sites, historic buildings, cultural and leisure attractions, making it a popular destination for visitors as well as a desirable place to live and work.

118.Our rich and diverse variety of landscapes, habitats and species include:

- lowland farmland including calcareous grassland; lowland heathland; lowland meadows, traditional orchards and hedgerows
- wetlands, rivers and streams including a number of river catchments –the rivers Mole, Arun, Adur, Ouse, Cuckmere and Medway as well as chalk streams, coastal and floodplain grazing marsh, lowland fens, ponds and rivers
- chalk uplands and downland
- coastal and marine areas including coastal vegetated shingle, saline lagoons such as Pagham
- woodland including ancient woodland and riverine woodland
- rare and protected species including amphibians and reptile, birds, fish and mammals

119.Identifying the opportunities for enhancing the natural environment's contribution to wellbeing and growth is as important as mitigating the effects of climate change and addressing other threats. The National Ecosystem Assessment³² points out that the natural world, its biodiversity and its constituent ecosystems are critically important to our well-being and economic prosperity but are often undervalued in conventional

³² 'UK National Ecosystem Assessment' June 2011 UKNEA

economic analysis and policy. As a result, about 30% of our ecosystems are declining according to the UKNEA analysis, and many others are in a degraded state. The ecosystem services approach can help to address this situation by recognising the importance of maintaining healthy ecosystems and the benefits that are derived from them including:

- Supporting services such as nutrient cycling, soil formation and other natural processes
- Provisioning services such food, fuel and water production
- Regulating services such as water purification and flood protection
- Cultural services such as recreation and enjoyment of natural aesthetic value.

120.These systems and processes are complex but through undertaking an analysis of the economy's dependency on the environment, opportunities can be identified for further developing and exploiting ecosystem services whilst protecting and enhancing our natural capital. Opportunities might include investment in renewable energy, carbon capture and storage or increasing local food production through supply chain support.

121.When properly managed, the landscape can deliver benefits in mitigating the impact of climate change. For example, coastal wetlands have been demonstrated to buffer the effects of storms and help to manage flooding. Woodlands are highly adaptive ecosystems which in England currently remove an estimated 2.2.million tonnes of CO₂³³. Whilst environmental issues are also important in urban areas, the extent of our rural and coastal areas and the impact of land management through our land-based industries mean that the environment is of great significance in our rural strategy. The Climate Change Risk Assessment

identifies floods, changing rainfall patterns and increased temperature as major threats to the rural economy and agriculture in particular. The threat from flooding requires not just investment in flood defences but actions to prevent flooding in the first place. These threats indicate that further changes in agricultural practice are needed, for example in water management and water capture.

122.The Environment Agency is supporting schemes to create 'lazy rivers' which follow old meandering patterns. Rivers have been squeezed into straight, fast-flowing channels over hundreds of years to hurry rainwater off fields, but that has contributed to flooding land elsewhere downstream. Fast-flowing rivers also carry silt which causes rivers to clog up. Recreating the older, slower flowing river patterns can help to prevent flooding.

Challenges for Coast to Capital's rural environment

123.Biodiversity – there are constant and wide ranging threats to biodiversity from climate change, development, population growth, lack of habitat management and agricultural intensification. The National Ecosystem Assessment notes that over 40% of priority habitats and 30% of priority species are in decline. Although West Sussex and Surrey are fortunate in having a large number of protected areas and active biodiversity conservation organisations, large parts of the landscape remain unprotected according to the Sussex Biodiversity Partnership.

124.Pollution and environmental damage. The estimated total cost of water pollution nationally to the natural environment including rivers is between £0.75bn and £1.3bn. Farmers play an important role in the conservation and stewardship of the natural environment. However, pollution from agriculture is a key issue

³³ Forestry Commission Woodlands Indicator 8

as, according to Defra³⁴, an estimated 90% of ammonia emissions come from agriculture, damaging ecosystems, water supply and biodiversity with an estimated cost to the environment of £992m in 2010.

125.Competition for land use - growth brings growing demand for resources and, in terms of land, multiple competing uses include food production, energy generation, minerals and housing development. Together, these bring increased pressures on many aspects of the environment and, for example, can affect ecology and biodiversity, protected landscape, cultural heritage, increased pressure on floodplains and quality and resources of the water supply.

126.These national issues are largely reflected in Coast to Capital; the environmental issues identified in our strategies and those of our partners in Coast to Capital are set out in the summary.

Sustainable development.

127.There are many different definitions of sustainable development. A frequently used definition from the United Nations General Assembly is: “*meeting the needs of the present without compromising the ability of future generations to meet their own needs*. The current UK Government definition is “*making the necessary decisions now to realise our vision of stimulating economic growth, maximising wellbeing and protecting our environment, without negatively impacting on the ability of future generations to do the same*.”

128.The UK Sustainable Development Strategy: “*Securing the Future*” set out five ‘guiding principles’ of sustainable development:

- Living within the planet’s environmental limits
- Ensuring a strong, healthy and just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly

129.These aims are broadly in line with our thinking in this document but our commitment to sustainable rural growth means that we will also take an active approach to encourage the move to a low carbon economy and society, building energy and water security and mitigating the effects of climate change and other environmental challenges.

130.According to the principles outlined in the UK Sustainable Development Strategy, positive planning has an important role to play in the delivery of sustainable development. Section 39 of the Planning and Compulsory Purchase Act, 2004 places the concept of ‘Sustainable Development’ at the heart of the planning system. The 2004 Act seeks to ensure that appropriate development is delivered whilst ensuring the long term objectives of environmental protection, social development and sustainable economic growth are met.

131.The National Planning Policy Framework (NPPF) encourages local planning policies to ‘support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development’. This includes support for the ‘sustainable growth and expansion of all types of businesses’. It also recognises the importance of retaining and developing local services and community facilities in rural areas.

132.Rural Local Authorities have to achieve a balance in contributing to economic growth, meeting the needs of their communities – including

³⁴ Defra; Programme Document for the Rural Development Programme for England. Appendix A

delivering their targets for new housing - and responding to the environmental and sustainability requirements of their areas.

Transport and infrastructure

- 133.According to Defra³⁵, between 2008 and 2012 on average people living in the most rural areas travelled 50 per cent further per year than those in England as a whole and 63 per cent further than those living in urban areas. In Coast to Capital, there is a far higher reliance on the car as the main mode of transport, 43% use a car or van as their main mode of transport to work, compared with 34% of urban employees³⁶. In 2012, 42% of households in the most rural areas had a regular bus service close by compared with 96% of urban households.
- 134.Gatwick Airport and the possibility of a second runway clearly has a bearing on the rural area. Gatwick Airport's assessment is that 22,000 local jobs and 100,000 catalytic jobs will be created and that the investment in transport will spread the benefits of airport expansion across a much wider area. All these things can benefit the rural economy and communities.
- 135.Gatwick Airport aims to be the only UK airport capable of achieving a 60% public transport mode share for passengers and they are committed to minimising the adverse effects of airport expansion on the natural environment and on local communities. We support this aim and intend to work closely with Gatwick to develop a sustainability strategy for airport expansion in the rural area that maximises the benefits in terms of improved transport and reduced congestion and local CO2 emissions.

Summary of challenges, opportunities and priorities for the rural environment and sustainable development

Rural environment:- the challenges

- 136.Our strategies and those of our partners have identified the following environmental issues among others:
- Flooding– along the coast but also inland there is a large number of areas at risk from flooding
 - Coastal erosion and the cost of uncertainty over future flood defences
 - Climate change uncertainty and the need to mitigate and adapt to the effects
 - Protecting the South Downs Chalk Aquifer from groundwater pollution and water source pressure
 - Investment in water capture schemes is also needed to prevent flooding
 - Pressures on land use, including balancing ecology and bio diversity with growth and industrial development, for example, oil and gas extraction
 - Loss of lowland heath to invasive species and planted woodland
 - Lack of environmental longer term management in some areas
 - Damage to water resources and supply as a result of pollution e.g. nitrates
 - Development erosion of the historic landscape character
 - Semi-natural habitats such as woodlands, hedgerows and trees are under threat in many places
 - Many species are under threat from development, climate change, pollution and other threats
 - The wider impacts of climate change are a major issue
 - Tree pests and diseases can have a major impact on hedgerows and hence, landscape

³⁵ <https://www.gov.uk/government/statistics/transport-and-travel-in-rural-and-urban-areas>

³⁶ Source: Census 2011 – Method of Travel to Work, Urban Rural split

Rural sustainable development: the challenges

137. Our strategies and those of our partners have identified the following sustainable development issues in rural Coast to Capital:

- Finding the balance between the need for land for employment and housing and for preservation of the environmental assets
- Higher housing costs and lack of affordable housing
- Poor road and rail transport links, for example the A27 require urgent action and greatly extended sustainable transport solutions are required
- The need to secure a shift to the low carbon economy
- The need for greater energy security e.g. through biomass
- Improving green and blue infrastructure in new development

Rural environment: & sustainable development: the opportunities

138. There is an opportunity to increase the synergy between rural economic and community development and the environment. For example, supporting more viable rural-land management businesses will bring economic and community benefit as well as environmental outcomes. Lack of management skills is a key issue leading to a loss of biodiversity, and access to suitable markets (e.g. for timber, woodland producers).

139. Identifying the opportunities for enhancing the natural environment's contribution to wellbeing and growth, through for example, better water management to reduce flooding, is as important as identifying the potential impact of climate change, pollution, overdevelopment and other threats. The value of ecosystem services is difficult to quantify but they can deliver major benefits as well as opportunities for growth.

140. We are fortunate in having organisations such as the South Downs National Park, the AONBs and the Local Nature Partnerships, who are expert in understanding the issues and opportunities. We also have the support of the Environment Agency and Natural England.

141. Through Local Growth Fund, we have been given the opportunity to develop capital schemes to improve resilience and to address infrastructure deficits including sustainable transport.

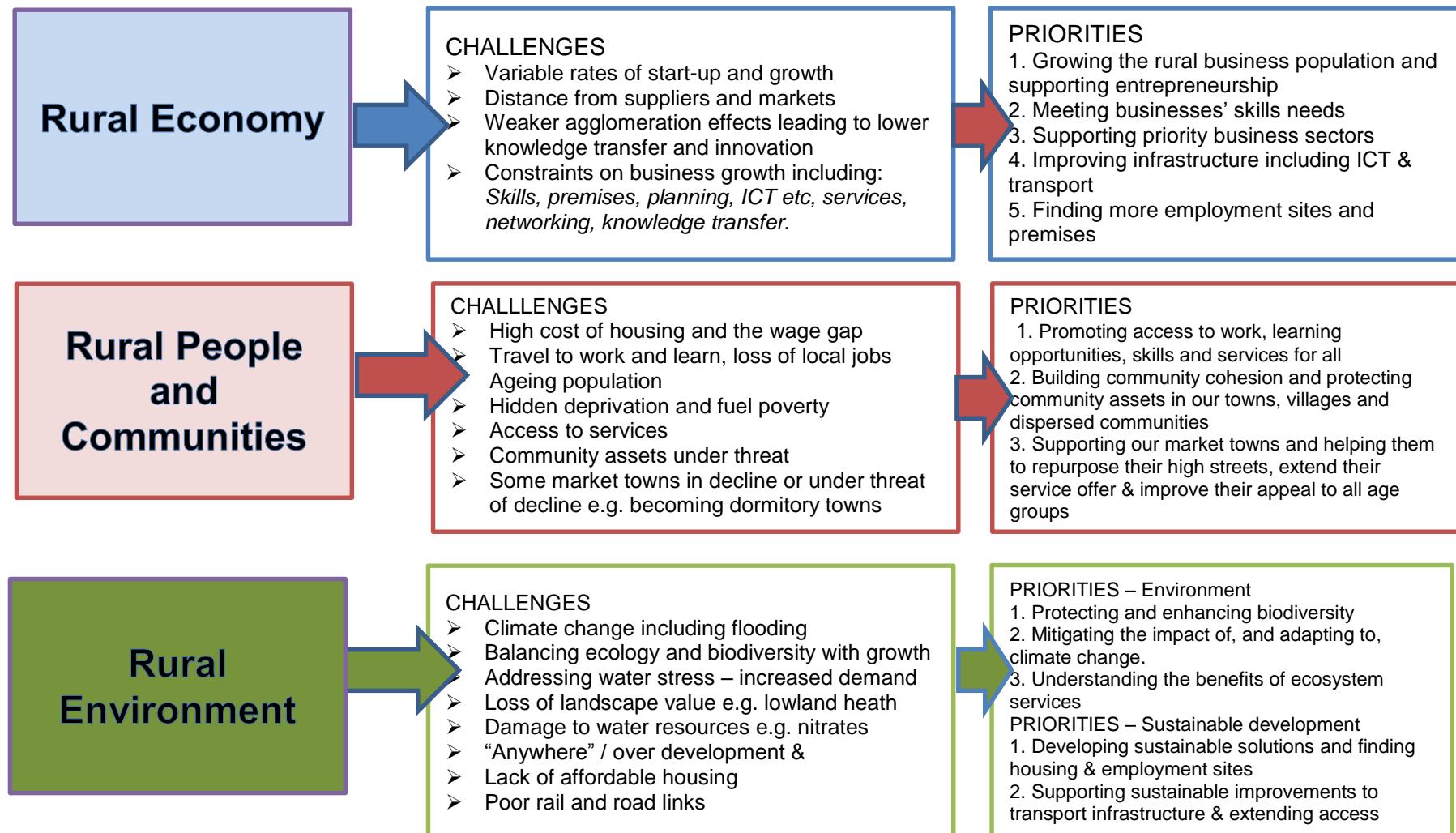
Rural environment: our priorities

1. Protecting and enhancing biodiversity
2. Mitigating the impact of, and adapting to, climate change.
3. Understanding the benefits of ecosystem services

Rural sustainable development: our priorities

1. Developing sustainable solutions and finding suitable opportunities for land use including housing & employment sites
2. Supporting sustainable improvements to transport infrastructure & extending access

Summary of priorities



Rural policy and strategy context

142.National rural policy is set out in the Defra's Rural Statement 2012³⁷ under three priorities of:

1. Economic growth – supporting rural businesses to make a sustainable contribution to national growth;
2. Rural engagement – engaging with rural communities;
3. Quality of life - ensuring rural people to have fair access to public services and to be actively engaged in shaping the places in which they live.

143.The statement points out that a fifth of the English population lives in rural areas which make up 86% of the country and contain over half a million businesses which make a substantial contribution to national productivity. It notes the issues in rural areas include economic, geographic and demographic factors resulting in rural poverty, economic underperformance, social isolation, reduced access to services and the trend towards an ageing population which is more pronounced in rural areas. All of these issues have been identified in the Coast to Capital LEP area.

144.The national policy focus on economic growth, sustaining rural communities and ensuring access to services in rural communities is one which Coast to Capital strategies support as we recognise the issues to which these initiatives have been designed to respond. There is a broad fit with some of the rural elements of our Strategic Economic Plan and our European Structural and Investment Funds (ESIF) Strategy.

145.Policy in relation to the natural environment is set out in a white paper: "The Natural Choice: securing the value of nature (2011)"³⁸ which recognised that a healthy natural environment is one of the foundations of sustained economic growth, prospering communities and personal wellbeing. It explains how the value of nature can be mainstreamed across society by facilitating local action e.g. through Local Nature Partnerships (See below) and Catchment Partnerships, strengthening the connections between people and nature, creating a green economy and showing leadership in the EU and internationally. The Natural Capital Committee advises the Government on how it should prioritise action to protect and improve natural capital. It monitors and reports on the state of our national natural capital and has committed to producing a twenty five year plan.

Rural Development Programme for England (RDPE)

146.The Rural Development Programme for England (RDPE) is part of the Common Agricultural Policy, and is jointly-funded by the EU and the UK Government. It is worth £3.5bn over the next programming period for European funding from 2014 – 2020. The Rural Development Programme for England provides money for projects to improve agriculture, the environment and rural life. Funding goes to schemes for:

- Catchment Sensitive Farming: reduce agricultural water pollution
- Countryside Productivity Scheme
- Countryside Stewardship
- Energy Crops Scheme
- Environmental Stewardship Growth Programme: grants for the rural economy
- LEADER funding: (see Local Action Groups below)

³⁷ <https://www.gov.uk/government/publications/rural-statement-2012>

³⁸ <https://www.gov.uk/government/publications/the-natural-choice-securing-the-value-of-nature>

147.In addition to rural policy, national planning policy, environmental policy and policy on the natural environment as well as localism all have a direct bearing on the rural area. These have been referred to in the previous sections where relevant.

Our strategies, our partners and their plans

Our Strategic Economic Plan (SEP)

148.The primary focus of our Strategic Economic Plan is on stimulating growth in jobs, new homes and employment space. It sets out a number of key growth locations and identifies key business sectors and enterprise priorities on which to target support. It highlights the deficits in infrastructure that are inhibiting growth, including transport, flood defences and broadband, and the need to unblock the housing market and tackle the low skills equilibrium in some areas.

149.The SEP highlights the size and importance of our rural economy and its sectoral diversity. It proposes that the contribution of the rural areas to our economy as a whole will be maximised only if a number of significant challenges are overcome. These include:

- Access to education and learning constrained by poor transport
- Access to jobs likewise constrained
- Difficulties with the movement of goods and business people
- Pressure on the road system and tourism hot-spots from visitors
- Dispersal of employment over a number of smaller sites making it more difficult to develop cluster and collaboration
- Digital exclusion
- Isolation of some communities and individuals, particularly those who are not in employment

- High housing prices and costs excluding first time buyers and young people

150.The SEP also highlights the fact that our woodlands are a major and underutilised asset and that this presents a key opportunity for us to deliver growth in jobs as well as increase economic output in our area.

151.The SEP also highlights as priorities:

- Establishing rural business networks
- Supporting rural enterprise in a new wood fuel initiative
- Addressing transport in rural areas
- Ensuring broadband reaches all parts of rural areas
- Support for rural tourism

152.Coast to Capital has so far been awarded £237 million of Local Growth Fund to deliver its SEP priorities. The following priorities are being funded which are directly relevant to the rural area:

- Successful businesses: business finance and business trade – equity debt and grant funding for businesses
- Wood fuel initiative with Forestry Commission – sustainable use of primary natural resource to produce wood fuel as a renewable energy source and local building materials
- Growth is digital – 5G research, e-commerce skills, ultrafast fund and superfast broadband roll-out
- Advanced Engineering Centre – collaboration between University of Brighton and Ricardo in a new centre of excellence to deliver leading automotive and emissions research
- Sustainable transport packages – will tackle congestion and improve sustainable transport in areas across the Coast to Capital area
- Intelligent transport system traffic management, strategic road maintenance and flood and critical incident alleviation

- Resilience

Our European Structural and Investment Funds (ESIF) strategy

153. Our ESIF Strategy sets out our ten priority areas for use of our allocation of £61.4m between now and 2020 which provides revenue funding for the Successful Businesses, Competitive Advantage and Skills and Workforce pillars in the SEP. The ESIF Strategy includes support for

- SME innovation and R&D, through supporting university and SME collaboration
- Business competitiveness including support for start-ups and growth companies, for internationalisation and for businesses in our priority sectors and their supply chains
- Adoption of low carbon technologies and solutions
- Skills to support future growth including higher level skills and intermediate skills for our priority sectors and other sectors of importance
- Employment-focused social inclusion initiatives for those in target groups and communities
- Support for the rural economy and for rural businesses including tourism and forest enterprises

154. The last of these is particularly relevant to the rural area; in our plan for the use of the £3.8m of European Agricultural Fund for Rural Development during the next programming period until 2020, we have set out the following:

- EAFRD Priority 1. Building knowledge and skills in rural areas
- EAFRD Priority 2. Funding new and developing non-agricultural, micro, small and medium sized rural businesses
- EAFRD Priority 3. Supporting tourism activities in rural areas

155. We will work with Defra, the Managing Authority for EAFRD to help to ensure that calls for projects reflect these priorities and the additional priorities in the Rural Statement.

Rural stakeholders and partners

156. Key stakeholders and partners with an interest in the rural area are summarised below followed by table with an analysis of who is focusing on what in terms of action to identify shared areas of interest as well as gaps.

The South Downs National Park

157. As a National Park, the SDNPA has statutory purposes and socio-economic responsibilities as specified in the Environment Act of 1995.

- To conserve and enhance the natural beauty, wildlife and cultural heritage of the area
- To promote opportunities for the understanding and enjoyment of the special qualities of the Park by the public

158. Working in partnership with other Local Authorities and other organisations, it is also the duty of the Authority to seek to foster the economic and social well-being of the local communities within the National Park. It has four main objectives in its corporate plan:

1. A thriving living landscape - support the development of the South Downs National Park as a special, thriving living and working landscape
2. People connected to places - provide opportunities for people within and outside the South Downs National Park to connect to its unique and special places
3. Towards a sustainable future - encourage sustainable actions by businesses, communities and individuals across the National Park, and manage our own corporate impact
4. An efficient and effective organisation that supports Partnership working – manage our own resources to deliver high levels of

customer service and working to improve the capacity of our partners to deliver shared outcomes

159.The National Park's Partnership Management Plan commits it to promoting opportunities for diversified economic activity in the National Park, particularly where these draw upon and enhance the special qualities of the area. Through its first Local Plan, which is currently in preparation, it will seek to:

- support towns and villages to enhance their roles as social and economic hubs
- maintain and improve access to community facilities and
- ensure housing and other development is closely matched to social and economic needs, as well as being of the highest standards of design and sustainability

160.The SDNPA's draft Community Infrastructure Levy (CIL) schedule seeks to promote these objectives and to raise new resources for landscape scale infrastructure improvements. It is committed to delivering such improvements in partnership with Coast to Capital and the two other LEPs which cover part of the National Park. It is important that the economic investments of the LEP and National Park are co-ordinated. In particular, the National Park's Local Plan and IDP should align with the objectives and investments of the SEP and vice versa. Utilising the natural capital of the SDNP should unlock sustainable developments which stimulate the rural economy through the active conservation of the landscape.

Areas of Outstanding Natural Beauty (AONBs)

161.Coast to Capital benefits from the presence of the Surrey Hills and Chichester Harbour AONBs as well as part of the High Weald AONB. AONBs carry a level of protection second only to that of National Parks and have statutory management plans with objectives similar to those of the National Parks but without the planning authority status.

Local Action Groups

162.Local Action Groups are responsible for LEADER, a delivery method for part of the Rural Development Programme (RDP) funds which uses local knowledge to promote a joined-up 'bottom up' community-led approach to disbursing RDP grants. In Coast to Capital, there are three LAGs responsible for LEADER.

- Central Sussex LAG
- Sussex Downs and Coastal Plain LAG
- Rural Surrey LAG

163.Following a recent boundary review, the three LAGs between them now cover the whole Coast to Capital rural area with no 'white spaces'. They have recently each produced a Local Development Strategy (LDS) in consultation with Coast to Capital and other partners.

164.The Central Sussex LAG's LDS has three high level priorities:

1. A vibrant economy with quality jobs
2. A robust land based sector
3. A great place to live work and visit

165.The Sussex Downs and Coastal Plain LAG's LDS also has four high level priorities:

- 1 Micro and small enterprises that thrive and grow
2. A resilient land based sector
3. A robust year round visitor economy which celebrates the area's landscape, environment and heritage
4. An innovative service infrastructure which addresses the unmet needs of local people and supports resilient and resourceful communities.

166.The Rural Surrey LAG's LDS has six priorities:

1. Growing Surrey's economy through supporting rural start-up businesses and encouraging the growth of established businesses, either on or off farms
2. Making Surrey's agriculture and horticulture more competitive and sustainable
3. Maximising the potential of Surrey's metropolitan proximity, local economies and communities through rural tourism
4. Supporting the effective management of Surrey's woodlands therefore increasing productivity and adding value to the wood products
5. Making Surrey's rural areas better places to live through the improvement of rural services and facilities
6. Preserving and promoting Surrey's rural culture and heritage

167 All LAGs are expected to deliver the LEADER priorities of:

- Increasing farm productivity
- Micro and small enterprises and farm diversification
- Rural tourism
- Rural services
- Cultural and heritage activity
- Increasing forestry productivity

Local Nature Partnerships

168 Local Nature Partnerships Local Nature Partnerships (LNPs) are focused on improving the natural environment and are partnerships of a broad range of local organisations, businesses. They were set up as a result of a commitment made in the Natural Environment White Paper (see above). They aim to make sure that its value, and the value of the services it provides to the economy and the people who live there, is taken into account in local decisions, for example about planning and development. There are two LNPs covering the Coast to Capital area, Surrey and Sussex. The LEP works closely with the LNPs in developing its environmental priorities.

169 The Sussex Local Nature Partnership has two main objectives:

1. Conserve, enhance and expand Sussex's Natural Capital
2. Ensure that Sussex residents share in the benefits provided by healthy, well-functioning ecosystems

170 The Surrey Local Nature Partnership has three strategic priorities set out in its Natural Capital Investment Strategy for Surrey:

1. Sustainable Land Management: to halt losses and enhance and expand natural capital
2. Smart Economic Growth: to grow Surrey's economy in a sustainable location and the creation of jobs and skills
3. Health, wellbeing and quality of life: reducing the risks of pollution and flooding etc. as well as enhancing the benefits and opportunities for recreation etc.

Local Authorities

171 The majority of the Coast to Capital rural area is included within the boundaries of the two county councils, West Sussex County Council and Surrey County Council. (The rural area of Lewes is included within the boundary of East Sussex County Council and also within the South East LEP.) West Sussex County Council has set up the Rural West Sussex Partnership (see below) to lead on rural strategy whilst Surrey County Council has recently been instrumental in setting up SCREF (see below) to bring the wider range of partners with rural interests together.

172 The County Councils, districts and boroughs have a variety of strategies and plans dealing with rural issues as well as their statutory responsibilities through PPS7 and other planning and environmental legislation (see above). They all produce planning frameworks which are supported by a wide range of documents which include rural issues for example employment land reviews, energy and sustainability studies, housing plans etc. Some of these focus directly on rural issues, for example, West Sussex County Council has published a landscape strategy, the purpose of which is to protect and enhance the character of the West Sussex

landscape as an asset for future generations. The plans are too numerous to summarise here but have been taken into account in the mapping of priorities in the tables in the following chapter.

Rural Partnerships

173.Rural West Sussex Partnership brings together a range of partners to champion the wider rural economy, ensure rural proofing of interventions and investment by other organisations and to engage with all rural partners to provide linkages to wider economic development. The Action Plan 2016 sets out priorities including:

- Access to broadband and mobile communications
- Engaging with funding streams such as ESIF and Local Growth Fund to ensure rural proofing
- Rural economic development including, business support, skills, key sectors

174.The Surrey Countryside and Rural Enterprise Forum (SCREF), has been established to provide more opportunities for collaboration, innovation and value for money in delivering key improvements in the Surrey countryside. The purpose of the Forum is to:

- Develop a shared vision for countryside and rural initiatives in Surrey
- Agree shared priorities for action, based on evidence of need
- Facilitate delivery of priority partnership projects to improve the rural economy and environment in Surrey
- Building support networks to collaborate and ensure the successful implementation of priority projects
- Influence policy on countryside and rural matters in Surrey
- Facilitate communication exchange with partners about the work of the Task Groups
- Ensure that organisations and networks who manage the Surrey countryside are engaged

175.SCREF has recently produced its own Rural Statement which identifies issues under a wide range of headings:

- Community representation and engagement, Young people, Older people, Health and wellbeing, Transport, Schools, Crime, Village and community buildings, Community services and enterprise, Libraries, Broadband, mobile connectivity and digital inclusion, Rural towns, Highways, Planning, Emergency services, planning and response, Energy and fuel, Farming, Food and drink, Visitor economy, Woodland, Historic environment, Landscape and habitats, Outdoor recreation and access, Environmental education and learning and Climate change.

176.Action in Rural Sussex (AIRS) provides practical help and support to communities across both East and West Sussex enabling them to be vibrant, living and working places. It has three main aims:

1. To reduce the incidence and impact of disadvantage and poverty on people living in rural areas
2. To increase the capacity of rural communities to manage change for the benefit of all their members
3. To inform and amplify the voice of rural communities to influence public policy.

Alignment of rural strategies and plans

Rural Economy – specific, targeted RURAL- focused interventions

| RS Area of interest and issues/ Partner strategy/plan | Support for rural businesses e.g. advice, networks, finance | Agriculture and food production horticulture. | Forestry, woodlands and wood based enterprise | Rural Tourism & visitor economy | Rural Micro/ HBB /start ups | Rural Broadband | Rural Business Skills | Workspace and equipment |
|---|---|---|---|---------------------------------|-----------------------------|-----------------|-----------------------|-------------------------|
| Action in Rural West Sussex (AIRS) | | | | | | | | |
| Central Sussex LAG LDS | | | | | | | | |
| Coast to Capital ESIF | | | | | | | | |
| Coast to Capital SEP | | | | | | | | |
| Rural Surrey LAG LDS | | | | | | | | |
| RWSP | | | | | | | | |
| SCREF | | | | | | | | |
| South Downs National Park | | | | | | | | |
| Surrey Community Action | | | | | | | | |
| Sussex Downs and Coastal Plain LAG LDS | | | | | | | | |

Rural Environment – specific, targeted RURAL- focused interventions

| RS Area of interest and issues/ Partner strategy/plan | Safeguarding natural assets and land management | Biodiversity | Green economy and ecosystem services Forestry | Safeguarding heritage, built environment | Sustainable development – physical | Environmental threats – flooding | Environmental threats- climate change | Green infrastructure – transport |
|---|---|--------------|--|--|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| Central Sussex LAG LDS | | | | | | | | |
| Chichester Harbour AONB | | | | | | | | |
| Coast to Capital ESIF | | | | | | | | |
| Coast to Capital SEP | | | | | | | | |
| Rural Surrey LAG LDS | | | | | | | | |
| RWSP | | | | | | | | |
| SCREF | | | | | | | | |
| SEP | | | | | | | | |
| South Downs National Park | | | | | | | | |
| Surrey Community Action | | | | | | | | |
| Surrey Hills AONB | | | | | | | | |
| Surrey LNP | | | | | | | | |
| Sussex Downs and Coastal Plain LAG LDS | | | | | | | | |
| Sussex LNP | | | | | | | | |

Rural Communities – specific, targeted RURAL- focused interventions

| RS Area of interest and issues/ Partner strategy/plan | Community skills | Access to services | Community capital, social enterprise etc. CLAs etc. | Community assets e.g. shops | Community transport | Market towns |
|---|------------------|--------------------|---|-----------------------------|---------------------|--------------|
| Action in Rural Sussex (AIRS) | | | | | | |
| Coast to Capital ESIF | | | | | | |
| Coast to Capital SEP | | | | | | |
| Central Sussex LAG LDS | | | | | | |
| Rural Surrey LAG LDS | | | | | | |
| RWSP Action Plan | | | | | | |
| SCREF | | | | | | |
| South Downs National Park | | | | | | |
| Surrey Community Action | | | | | | |
| Surrey LNP | | | | | | |
| Sussex Downs and Coastal Plain LAG LDS | | | | | | |
| Sussex LNP | | | | | | |



Coast to Capital Rural Statement

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