

DRAFT ECONOMIC REGENERATION STRATEGY

“Invest for Success”

2003-8

January 03

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Economic Regeneration Strategy for Eastbourne

This Economic Regeneration Strategy will form part of the Community Strategy for Eastbourne and will be published during 2003.

This document will be the version that is consulted upon by the partners of the Eastbourne Strategic Partnership whose comments and contributions will be incorporated prior to final publication.

The Overarching Aim adopted by the Eastbourne Strategic Partnership for Regeneration and the Economy is:

To create an economically prosperous town that encourages investment, supports business development and enables local people to achieve their full potential

The Economic Regeneration Strategy is for the whole of the town not just the Borough Council although the Council's Regeneration Team activity will be targeted to delivering this strategy.

The strategy aims to show the links between improving the skill levels of local people so that they can take advantage of the employment opportunities to be created by the plans for business development. Higher skill levels offer the chance for better paid employment which will also have an impact in the amount of potential spend in the local economy. It is intended that this higher spend will filter into the surrounding economy and 'lift' the image and economic profile of Eastbourne.

A whole infrastructure of additional services is needed to enable people to take advantage of training and development opportunities. People need to be able to compete for and succeed in getting better-paid jobs and will need a whole range of lifeskills to enable them to take advantage of these opportunities.

In addition businesses will require a support and maintenance infrastructure and space to grow to ensure that they are strong well established and able to offer sufficiently well paid jobs to match the skill improvements in the workforce.

This strategy sets out the evidence and shows the actions that need to be delivered in order to make Eastbourne the successful place we all wish it to be.

The Eastbourne Strategic Partnership will be asked to adopt this strategy on behalf of the town and work with its partner organisations to deliver it.

The diagramme below sets out how the many different strategies all fit together and this document represents the Economic Regeneration Strategy as shown at 2 o'clock.

Figure 1: Eastbourne Strategic Partnership, Structure Diagramme

It is important to understand that this strategy cannot be delivered without linking with other strategies especially those for the Learning Partnership, the Borough Council's Housing Strategy, the Tourism and Seafront Strategy, and the emerging inclusive community development work.

All these pieces of work depend upon the success of each and it is important that their objectives are closely linked to ensure no duplication of effort but equally to ensure a joint approach to local issues.

No one organisation can possibly achieve its objectives without the involvement and support of partners. It is critical to the success of the Economic Economic Regeneration Strategy that all the partners support its strategic objectives. Each Strategic Objective shows the most likely lead organisation to meet the objective. There will be other that will assist but not all these are included. The partners all have their own particular organisational objectives.

What makes a successful economy:

In order for Eastbourne to be measured as a successful economy the town should display the following attributes. Some of these can be directly affected as outlined by the Strategic Objectives, others can be brought about by working with others in more related areas to the issue at hand. We would be able to say that Eastbourne is successful when all the following are shown:

Employment

- Ø High employment
- Ø Low unemployment
- Ø Job opportunities

Communications

- Ø Good transport links so choice of places to work
- Ø Good transport links for visitors to get here
- Ø Good electronic/non terrestrial communication links

Business

- Ø Successful businesses – wanting to grow, long life, well known names
- Ø Commitment by businesses and local people to the local area
- Ø Investment in and creation of new business premises
- Ø Few empty shops, business premises and domestic premises
- Ø A good range of shopping opportunities
- Ø Growth in VAT registered businesses
- Ø High level of GDP

Quality of Life

- Ø Investment in domestic property
- Ø Low levels of benefit dependency
- Ø Good quality communal environment
- Ø Motivated people
- Ø Well trained people
- Ø Low levels of social deprivation
- Ø Tolerant and inclusive community
- Ø A good quality place to live and visit – clean air, good climate
- Ø Low crime rates
- Ø Low levels of long term sickness
- Ø Active voluntary sector providing innovative activities
- Ø Activities for people of all ages to encourage personal development
- Ø A range of leisure activities
- Ø Commitment to contribute to recycling

By looking at the measurable indicators of an economic area we can establish whether the area is considered successful. The following are all indicators that can be statistically measured and indeed Central Government uses many of these when considering the 'need' of areas for further investment

Government Performance Indicators

The government has produced a list of performance indicators that can be used by local authorities as a measure for the vitality of the local economy. These include economic, social, environmental and community involvement issues and a selection is outlined below.

- The proportion of people of working age in employment
- Proportion of people claiming unemployment benefit who have been out of work for more than a year
- Proportion of young people (18-24 year olds) in full time education or employment
- Percentage increase or decrease in the total number of VAT registered businesses in the area
- Percentage increase or decrease in the number of local jobs
- Percentage of population of working age who are claiming key benefits
- Proportion of children under 16 who live in low income households
- Number of young people with 5 GCSEs
- Death rate by cause
- Affordable housing
- Attitudes to Community safety

Some of these indicators could be used to describe Eastbourne. Further exploration of the success indicators follows in this document.

Consultation

The Eastbourne Strategic Partnership has carried out extensive consultation among local people in developing the Community Strategy. The issues of most concern amongst Eastbourne people when considering regeneration and the economy are job opportunities and the strength of the local business community and a vibrant town centre.

In previous surveys of local people undertaken by Eastbourne Borough Council economic issues are considered to be a priority. Provision of jobs for local people, space for business development and support for tourism have all previously been priorities that local people have raised.

This document will be consulted upon amongst the partners of the Eastbourne Strategic Partnership and amongst the wider community of the town. It is anticipated that Eastbourne Reborn will champion its adoption by the Eastbourne Strategic Partnership.

The publication date for the Community Strategy is June 2003. It is anticipated that the publication of the Economic Regeneration Strategy will also be at this time.

Links

The Economic Economic Regeneration Strategy is one of a number that form the Community Strategy. This strategy has links to others including Housing, Learning & Skills, the Health Improvement Plan, the Basic Skills Strategy, Workforce Development Strategy, Tourism and Seafront Strategy, Crime and Disorder Strategy. It is important that these links are understood but that action is not duplicated.

Strategic Fit

The Economic Regeneration Strategy also fits with the Regional Economic Strategy produced by South East England Development Agency (SEEDA) and with East Sussex Economic Partnership's plan.

The East Sussex Economic Partnership's Economic Development Strategy for East Sussex 2003-2013 acknowledges many of the issues that face Eastbourne. The issues of low pay, low skill, low output, low growth are examined with the performance targets based around similar aspirations as are contained within this document.

The Regional Economic Strategy for South East England 2001-2012 published by SEEDA outlines the need to link economic growth and prosperity with skill development and training.

The Eastbourne Economic Regeneration Strategy outlines the specific areas of need of investment for the community and shows some of the differences between where Eastbourne is economically and the region as a whole. As SEEDA's strategy is about continued growth based on the regions existing strengths then Eastbourne needs to represent its gaps to SEEDA and claim investment to help the town go some way towards meeting the regional targets.

Employment and Unemployment:

Unemployment

Eastbourne	2.6%
East Sussex	2.3%
National average	3.0%

National Highest (Lewisham)	9.7%
National Lowest (City of London)	0%
2nd lowest nationally: Mole Valley	0.6%

Source: East Sussex Unemployment Bulletin October 2002

Eastbourne has relatively low unemployment compared to other areas and the national figure but this masks pockets within the Borough of high levels of unemployment. In Devonshire Ward (town centre) unemployment is 7.7% three times the local average, and in Hampden Park the next highest pocket, it is 4.5%.

Crawley is our local economic 'hot spot' and unemployment in the Crawley Travel to Work Area (TTWA) is 0.9% compared to 3.3% in Hastings TTWA and 2.2% in Eastbourne TTWA (Source: East Sussex County Council Unemployment Bulletin, October 2002)

Employment

The table below shows the comparison between the percentage of the population of working age and actual jobs in the local area

Eastbourne Employment : 41,000	79.6%
UK	27,100,000 78.4%
South East	907,000 82.8%
East Sussex	225,000 80.8%
Eastleigh, Hampshire	54,000 89.3% (highest in region)
Hastings	35,000 75.8% (lowest in region)

Source: Region in Figures, ONCS October 2002

If Eastbourne had the equivalent employment to the highest local authority in the region this would equate to an additional 10% employment and would mean over 4000 new jobs in the town.

There have been suggestions recently as to the number of older people who are likely to be lost from the employment market over the next few years and their need to have ensured adequate pension provision. As Eastbourne has a high proportion of retired people already in the population it may be that we will face the issues of older people on low incomes and the need to 'top up' any pension payments with paid employment. These people currently assist already in the economic contribution via the voluntary sector and it may be that paid

employment will become a more important issue in the future.

Local Employment Profile

The number of businesses in East Sussex is 19521 in December 2002. The proportion by size:

1-10	86%
11-49	11%
50-199	2%
200+	1%

The number of businesses in Eastbourne is approximately 2500 and represents a wide range of businesses and industries.

The pie chart at figure 2 below shows the industries that make up the employment profile for Eastbourne. The service sector is the largest single employment sector and is set to grow. Manufacturing is correspondingly small with 7% of employment, but companies in Eastbourne have indicated they need space to expand. Often the expansion will not mean increases in employment but in safeguarding the presence of the company and retaining jobs. It is important to note the value in earnings potential between the different sectors. It is likely that the service sector will provide relatively lower wage and skill levels and the manufacturing sector in higher wage levels and skill levels for the majority of employees.

The service sector generally offers scope for more managerial and supervisory employment whilst the manufacturing sector offers greater technical skill development and possibly scope for innovation in product development and design.

In future the largest potential for employment growth is likely to be in the service sector. Sites have been identified in the Borough Plan for business development at Sovereign Harbour, St. Anthony's and at South Broadwater.

STRATEGIC OBJECTIVES	LEAD ORGANISATION
1. Increase the level of employment to the South East average (currently 82.8%) by 2010	Chamber of Commerce; Eastbourne Reborn
2. Reduce the level of unemployment in the town centre and Hampden Park by 25% by 2010	Learning Partnership; EBC; Employers

3. Establish an Enterprise Hub in Eastbourne – to provide 60 new companies and 190 new jobs by 2005	University of Brighton, EBC, Employers
4. Establish business links with Brighton University – to provide opportunities for the transfer of academic study for the benefit of business by 2005	University of Brighton, Employers
5. Redevelop the town centre to provide new business opportunities and new employment opportunities by 2015	EBC, TCMI, developers etc.
7. Encourage the business sites to come forward for development – 50 acres of land and up to 3000 new jobs to be created by 2010	Land owners
8. Attract more public sector organisations to come to Eastbourne by 2011	EBC, Employers

Figure 2: Eastbourne Industry by sector

Fig 3: Economic Profile of East Sussex

Fig 4: Economic Profile of South East Region

Sectoral Strength

It is likely that the future growth of employers will be within the service sector. We are aware of the potential for increases in employment within the public sector in particular, as East Sussex County Council are increasing their presence in Eastbourne and the developments at the District General Hospital, and in education provision will all mean a greater number of jobs in these sectors.

There is significant employment within the service sector that is provided by the tourism sector. Currently the tourism sector supports 4200 jobs in Eastbourne. It is likely that this level of employment will continue even if technology efficiencies reduce the density of

employment in each business. The tourism sector is very labour intensive but it is hoped that additional investment and development in new technology will provide investment opportunities for existing businesses (see section on Clusters). There are also plans to provide additional space for tourism investment that will create additional jobs.

The changes and decreases in employment will be likely to be in the manufacturing, printing and publishing and distribution sectors. It is likely too that unless suitable space can be found for the expansion of local companies that further reductions will take place in the manufacturing sector and its suppliers.

There is currently a decline in the number of residential care homes. This has been caused by the recent changes in building standards regulations and the funding for residential care changes. This has caused a decrease in the number of jobs in this sector.

The growth in the educational sector and provision in Eastbourne both at the University of Brighton and at Sussex Downs College has meant an increase in jobs in these areas.

There are proposed developments for the town centre in the retail sector, further investment in the tourism sector, (see the Seafront Strategy for specific detail) and these will strengthen the provision of jobs in these sectors. In particular the proposed town centre development could provide up to 1000 new jobs.

Town Centre Retail

If one of the measures of a successful economy is commitment by local businesses and local people to the town then there must be some means of appreciating this. The Town Centre Management Initiative is a partnership between the retail operators in the town centre and is concerned with attracting more shoppers to spend more money in the town centre. The more people who come to the town centre and the larger amounts they spend are a measure of the success of the shopping offer. One of the aims of the town centre development is to improve the range and selection of stores. It is important to try to move the selection of goods more up-market and reduce the number of discount product stores.

Currently one of the reasons why Eastbourne is not able to offer as wide a choice of 'high street' names as its competition is because the unit size of stores in the town is too small and the area of 'prime pitch' is too small. Prime pitch is the area of the town with the highest footfall of shoppers.

During the consultation prior to the development of the Community Strategy focus groups discussed what they felt were key issues for Eastbourne. The redevelopment of the town centre was the single issue that was mentioned most often

Local people are not happy with the choice of shops in the town centre, they have singled out discount stores and charity shops as detracting from the shopping offer of Eastbourne. They have specifically requested more up market stores (particularly amongst women but of all age groups), together with a wish that Eastbourne should emulate Brighton, Tunbridge Wells and Bluewater shopping experiences.

The level of empty shops is a measure of success of a town centre and Eastbourne' void

level stands at 8% as at December 2002.

<u>Eastbourne Town Centre Shop</u>					
<u>Voids</u>					
Street	Total units	1995 voids	1995 %	2002 voids	2002 %
Grove Road	56	8	14.28	7	12.50
South Street	62	4	6.40	3	4.84
Cornfield Road	36	3	8.30	1	2.78
Station Parade	15	0	0.00	5	33.33
Terminus Road	164	18	10.90	7	4.27
Station	9	0	0.00	1	11.11
Seaside Road	69	19	27.50	6	8.70
Pevensey Road	30	3	10.00	4	13.33
Susans Road	37	8	21.60	6	16.22
	478	63	13.18	40	8.37

Source: TCMi Eastbourne, December 2002

Nationally 1997 Void level 13%

Eastbourne 1995 Void level 13%

Nationally March 2002 11.5%

Eastbourne December 2002 8%

Source: Town Centre Management, The Next Decade – ATCM Spring Conference, March 2002

Tourism

The developing Tourism and Seafront Strategy will form a sister strategy to this one and it is not intended to pre-empt or duplicate any issues here. Simply it is intended to recognise the contribution of tourism to the overall economic well-being of Eastbourne. The industry sector is the single largest employment sector and supports in the region of 4200 jobs within the community.

It is acknowledged that the majority of employment in the tourism sector is at low pay levels and also at low skill levels. Much work has already been done with Sussex Downs College, Sussex Enterprise and others to encourage businesses to take up training opportunities. This has had some measure of success but much more is needed if the industry is to relinquish its image of low pay and to attract full time, long term, skilled employees.

There are planned developments for the seafront that will create further employment and investment opportunities and it is important to ensure that local people have the skills ready to take advantage of these.

The Council has historically taken the responsibility of marketing the town as a visitor destination and there are plans to develop a marketing strategy to focus on groups within the visitor market. This idea is to exploit Eastbourne's assets for the benefit of those with a particular interest in what Eastbourne can fulfil.

The tourism sector has such a high profile that local people see it as the only industry in the town. Some responses from the recent consultation have suggested that further investment in this sector is the only means of employment growth for the future. During the discussion with the business community the tourism sector was the second most favoured sector for encouragement (behind manufacturing and IT). It will be important to maintain a high awareness of Eastbourne but to show that stereotypical images are out of date.

The conference visitor is the most valuable visitor we have to the town and it is important to ensure that this segment is maintained. Competition from other locations both nationally and internationally has always been an issue and top class facilities are always needed to ensure this sector is protected. Investment and development of facilities at the Devonshire Park Centre together with quality accommodation is key to this strategy. The new conference exhibition space in the new cultural building will assist in meeting the expectations of conference organisers.

Business Improvement Districts.

This new legislation will permit a group of businesses in a defined geographical area to work

together to raise funds on the basis of the rateable value of the business premises. This additional income is to be delegated to the business group to spend as it decides on environmental or other improvements for the benefit of the businesses located there.

Currently two business groups have been identified, the town centre and the seafront. The groups will aim to have plans in place in advance of the legislation so that when it is enacted the activities can begin.

Strategic Objective	Lead Organisation
9. Encourage retail development in the town centre and increase the areas of 'prime pitch' by 2015	TCMI, Developers, EBC
10. Encourage educational and training providers to plan for this development to produce a ready trained workforce by 2015	Learning Partnership
11. Encourage inward investment in the town centre – on going	EBC
12. Encourage a wide range of retail choice in the town centre – on going	TCMI, EBC
13. Encourage greater footfall in the town centre – on going	TCMI
14. Encourage greater local spend in the town centre – on going	TCMI
15. Encourage local shopping across the town – on going	TCMI
16. Create two Business Improvement Districts in the town by 2005	TCMI

Clusters

A 'cluster' is a group of companies in an area that are in the same type of industry. Eastbourne has a number of such clusters including pump engineering, print, design and multi media, personal care products, sports participation and development, culture, and of course tourism and hospitality. SEEDA has initiated a special fund to assist companies in clusters to articulate needs and work up projects to develop business opportunities for the benefit of these companies.

To date Eastbourne has registered its interest in three clusters:

- Ø Pump engineering
- Ø Print, design and multi media
- Ø Tourism

The pump engineering cluster has already been recognised as a cluster of particular note by the DTi and has warranted particular funding. The activities will concentrate effort on provision of skills, potential for inward investment and supply chain development.

It is important to understand the economic impact of these different sector clusters on the local economy and further research will be required to ensure that valuable employment opportunities are retained within the town.

All clusters will be working closely with the University of Brighton and Sussex Enterprise and SEEDA to develop shared objectives amongst the companies.

Strategic Objectives	Lead Organisation
17. Work with identified cluster companies to attract funding from external resources to develop projects to meet their needs by 2004	Clusters, SEEDA, University of Brighton
18. Ensure local training and education suppliers are aware of the future development needs of these companies by 2004	Learning partnership
19. Ensure there is accurate economic data on the value of the cluster companies to the local economy by 2004	Clusters, SEEDA, University of Brighton

20. Work with neighbouring authorities to share research data for the benefit of the local economy by 2004	EBC, Wealden, Lewes, ESCC and others
21. Link the developing needs of these high value added companies to the developments of the Enterprise Hub project starting in 2003	Enterprise Hub project

Location of Employment

The locations for employment are currently as follows:

Town Centre: retail, office, hospitality, health care, public sector, leisure

Edge of town: manufacturing, distribution, out of town retail, district shopping, distribution, health care,

Seafront: hospitality, health care, leisure

In the future it is likely that these employment locations will remain but the Seafront and Sovereign Harbour will become more important and provide additional employment space.

In order for people to be able to access employment in these locations the public transport system will have to be developed to meet these needs. As Green Transport Plans are developed it will become more important to reduce car dependency and for journeys to work to be shared.

Strategic Objective	Lead Organisation
22. Support employment provision within the Seafront strategy and encourage training and education providers to meet the employment needs – from 2004	Learning Partnership
23. Support business development in line with the Seafront Strategy – from 2004	EDEAL, Sussex Enterprise , EBC, Chamber of Commerce, EHA
24. Support business development at Sovereign Harbour – from 2003	EBC, Chamber of Commerce, EDEAL, Sussex Enterprise

<p>25. Use the Borough Council's Capital Strategy to improve the tourism infrastructure for the town e.g. investment in new cultural facility, continuation of attraction of conference business in the town using the Devonshire Park Centre – from 2003</p>	<p>EBC</p>
<p>26. Encourage further investment in facilities to attract and support the conference sector from 2004</p>	<p>EBC, EHA, Chamber of Commerce</p>

In preparation of the Borough Plan research was carried out that indicated significant business expansion is predicted within 5 years. This research showed that the greatest potential for expansion in jobs (over 900) is within the office and service sector (B1 planning use class) and over 500 new jobs in the industrial and manufacturing sector (B2 planning use class). For the full detail please refer to the Eastbourne Borough Council publication: Background Paper No.6: Business Survey.

The space expansion amounted to over 33,000 square metres of business space across all planning use classes.

It was not clear from this research what types of jobs would be created but in a survey carried out in the summer of 2002 a small number of companies were surveyed regarding their training, employment and growth plans. This survey asked whether companies had difficulties recruiting staff. Over 26% said they always have difficulty recruiting. In addition businesses have trouble finding specifically qualified and experienced employees and those particular skills missing in the workforce are engineers and legal professionals.

Although this is an existing national problem it is important to note that in an area of low economic activity it is even more difficult to compete for, attract and retain people.

Overall the survey picked out a long list of recruitment difficulties and these are shown below

	Industrial	Professional	Retail

Recruitment Difficulty	Butchers, HGV Drivers, electricians, groundworkers, engineers, fabricators, glass handlers, mechanics, scaffolders, metal workers, surveyors, timber trade, shift workers, management and executive level	Librarians, financial services, general skills and admin, legal accounts, structural and civil engineers	Sales personnel, shift workers, people with good interpersonal skills

Strategic Objective	Lead Organisation
26. Encourage local companies to work with education and training providers to ensure their skill shortages are known and addressed	Chamber of Commerce; Learning Partnership

In future the opportunities for growth are in retaining existing companies in Eastbourne and permitting them to expand. We must also work with the businesses to ensure that the local schools and colleges provide training opportunities for local people to take up and that employment opportunities are made available to local people.

GDP Comparisons

1998 was the most recent measure of Gross Domestic Product and at that time East Sussex had the lowest GDP the South East Region and one of the lowest in the country.

Location	Unit
UK	100
East Sussex	63 lowest in South East
Isle of Wight	67 next lowest in South East
Berkshire	151 highest in South East

South East	109
Inner London – West	456 (highest nationally)
Sefton (Merseyside)	58 lowest nationally

If East Sussex and the Isle of Wight were taken out of the South East comparison the average for the region would be 114.5. Thus we can see that the poor economic performance of East Sussex (and Eastbourne within it) reduces the average for the South East as a region. We should realise of course, that Hastings performs more poorly than Eastbourne and will also reduce the average for East Sussex.

Strategic Objective	Lead Organisation
27. Encourage local education and training providers to take an interest in the future plans for business expansion in Eastbourne by 2004	Learning Partnership
28. Encourage graduates from University of Brighton to start up in business in Eastbourne by 2004	Enterprise Hub
29. Encourage businesses to plan for growth and ensure they are in touch with business support agencies to assist – from 2003	EDEAL, Chamber of Commerce, Sussex Enterprise
30. Establish referral system between main organisation supplying support to local businesses by 2005	EDEAL, Sussex Enterprise, Chamber of Commerce, EBC

It is important that space is available for local businesses to expand into. The sites identified in the Borough Plan (apart from Sovereign Harbour) are not easy options. The sites at South Broadwater and at St Anthony's both require costly pre-development work to bring the land out of the flood plain with land fill. In addition both sites require new road access although it is possible that St Anthony's would be accessible from the existing industrial estate provided existing land-owners are willing to provide such access.

Strategic Objective	Lead Organisation
31. Work with landowners to bring sites forward for business development by 2011	Land owners
32. Investigate all possible sources of external funding for development of business sites by 2011	EBC
33. Challenge the East Sussex County Structure Plan allocation of development sites	EBC, Chamber of Commerce, ESCC

The site at South Broadwater is more difficult as no development can take place without new road access. This is dependent on the ‘package’ development of the whole of the site so that the costs can be defrayed across all of the varied development. Due to the high cost of development and the low returns on such investment it is possible that these developments will never come to fruition. This issue will be raised as part of the review of the East Sussex County Structure Plan that is due to take place in 2003.

Sovereign Harbour is available as a site now although there are specific planning issues currently with the site as it is subject to a planning appeal. Until this is resolved no development can take place on this site. The Planning Appeal is to take place in February 2003 and the outcome of the Inspector’s decision is expected around July 2003.

From time to time sites become available in the town for redevelopment. These sites are often previously developed business land but due to the high price commanded by residential development land and the need to provide additional housing especially on ‘brown field’ i.e. previously developed land upon application their use is often changed to residential. Policies within the new Borough Plan are designed to provide an examination of each site at the time of application for change of use.

Strategic Objective	Lead Organisation
33. Protect some town centre brown field sites for business development to safeguard existing jobs and provide additional business space by 2011.	EBC

These ‘windfall’ sites are extremely valuable to the provision of housing and often

affordable housing but do reduce the amount of land available for business use. The Borough Plan has suggested that the redundancy of the site for business use must be evidenced before a change of use should be granted and this may well enable some sites to remain in business use. It is important that the potential use for these sites is taken into account as often such sites are surrounded by existing residential developments and the good neighbourliness needs to be taken into account.

The types of employment to be created as a result of the type of inward investment and retention enquiry we receive are as follows:

Jobs to be Created

Retail	Catering/Hospitality	Light manufacture
Call centre	Conference	Care Staff
Building Society	Steam Cleaning	Travel Agency
Furniture restoration	Boat repair/sales	Car cleaning/Valeting

Jobs Safeguarded

Service station	Motor services	Estate Agency
Retail	Call Centre	Warehouse and distribution

Source: Regeneration Team; December 2002

Seaside Road Regeneration

Seaside Road is a secondary shopping street in the town centre that has some interesting historic buildings, but had suffered considerable lack of capital investment and had suffered severe isolation as a result of the focus of the town centre remaining on the Arndale Centre. Seaside Road however attracted funds from the National Lottery Heritage Fund for investment in a grant scheme to replace shop fronts with original Victorian designs and to assist property owners to refurbish their properties to the former standard of Victorian

design. During the past 5 years over £12 million has been invested in the buildings and roads in the Seaside Road area. The area has changed from a run down retail street with few shoppers and very few residents to a much better mix, including retail, restaurants and new housing with more to come in the future.

Town Centre Management Initiative

The Town Centre Management Initiative is a partnership between Eastbourne Borough Council, some of the larger national retailers, the Enterprise Centre, the Arndale Centre and the Chamber of Commerce. The Council acts as an employer of convenience for the Town Centre Manager whose main role is to create greater footfall in the town centre. The concerns of the retail operators are for greater numbers of shoppers who will spend more money in the shops.

VAT Registration

Eastbourne has a low level of VAT registered businesses indicating the small size of businesses. Of the 2700 estimated businesses in Eastbourne only 1775 (65.7%) are VAT registered. This compares to 14,620 (75%) VAT registered companies in East Sussex against 19,521 (Source: East Sussex County Council October 2002) estimated companies. This would indicate again that Eastbourne has a large number of smaller businesses, sole traders and partnerships trading at a low level.

Business Support

There are a number of organisations in Eastbourne that support local businesses to become more competitive. The Eastbourne & District Enterprise Agency (EDEAL) was established in 1986 as an effort to support a major redundancy situation when Birds Eye announced the closure of a major food processing plant in Eastbourne. EDEAL was created to assist those ex-employees who wished to set themselves up in business. Eastbourne Borough Council provides a grant to EDEAL each year for the purposes of enabling the agency to offer a free initial consultation to discuss business ideas with a professional advisor.

EDEAL now offers a great range of training and on-going support to new and small businesses with a track record of continuity and success.

The Chamber of Commerce in Eastbourne has an even longer history, of over a century of representing the issues and needs of the business community in Eastbourne. The Eastbourne Chamber is the largest Chamber in the South East and represents over 600 businesses. Whilst in some areas the Chamber of Commerce is retail dominated that is not the case in Eastbourne which has a strong representation from the manufacturing and professional services companies.

The regeneration partnership for Eastbourne, Eastbourne Reborn was born out of the recognition by the Council of Management of the Chamber that this is a key issues for the local community. The need to promote skill acquisition, social inclusion and economic regeneration is fundamental to the work of Eastbourne Reborn.

The Eastbourne Hotels Association is the organisation that directly represents the hospitality industry as opposed to the tourism industry in total. This organisation works closely with the Chamber of Commerce, is represented on Eastbourne Reborn and is a strong organisation that represents the interests of the visitor accommodation sector.

One sector of the Hotels Association concerns itself with promoting the conference market and joins forces with the Tourism Development section of the Council to promote the town to conference buyers and organisers.

Sussex Enterprise is a core chamber and an associate of the British Chambers of Commerce, this means that it has a wide representation of a cross section of the businesses across East and West Sussex. In total it has over 2000 members and represents the larger corporations of the area.

Strategic Objective	Lead Organisation
34. Increase the number of VAT registered companies by 5% by 2005	Business support organisations

Size of Business

The DTi definition of a Small & Medium Enterprise (SME) is an independent company or firm that employs less than 250 people. East Sussex has a very large number of small and very small enterprises. 71% of firms employ less than 5 people, and 94% employ less than 25 people with less than half a percent of companies employing more than 200 people. It is important also to recognise that the same number of people are represented in the large number of small firms as are employed by the handful of large companies. Small firms are therefore bearing a large burden of employer responsibility.

It is important to recognise that with such a large number of very small businesses a downturn in the economy may take some time to be recognised as small firms can fold without much public notice being taken. One large company that closes will have a large effect on the local economy.

The comparison is shown below

Number of Employees	East Sussex %	South East %	Great Britain %
Under 5	70.9	71.0	67.7
5-10	15.0	14.3	15.8
11-24	8.1	7.9	8.9
25-49	3.3	3.5	4.0
50-99	1.6	1.8	2.0
100-199	0.7	0.9	1.0
200+	0.4	0.6	0.6

Source: East Sussex County Council, Focus 2002

It is important that the employment provided within these small companies is sustainable i.e. long term and viable. It is likely that with so many small businesses the capacity for strategic planning will be less but the ability to respond to changes in markets would be easy provided these businesses are aware of the opportunities. It is therefore important that business support services are brought to their attention.

The Eastbourne & District Enterprise Agency Ltd. currently advises over 2000 clients annually on all matters to do with being in business. The government's Small Business Service is the main means by which the information is made available to local businesses. EDEAL is the local access point for these services and information that are provided through the franchisee Sussex Enterprise.

A further concern regarding the small size of businesses is that many do not plan for a future. Often the company is a means for the owner/manager to earn an income and to provide some form of pension for his or her own retirement. It is these 'lifestyle' businesses that are unlikely to train their staff, or to plan to grow and will fold on the retirement age of the proprietor.

It is important that these businesses are encouraged to become more professional in their management and to be introduced to the benefits of succession planning, management

development and marketing so that the business can remain a going concern and continue to provide employment.

Strategic Objective	Lead Organisation
35. Continue to grant aid EDEAL as a means of support and information to local small businesses	EBC
36. Continue to support EDEAL to be able to offer free advice to people wishing to be self employed	EBC
37. Target business support into areas of low start up e.g. women, social enterprises and businesses with high growth potential from 2003	Enterprise Hub, EDEAL

Communications

Road

Eastbourne has always struggled to maintain good communication links, and has lobbied very hard to ensure that land based communication links retain a high priority with strategic investors such as train companies, and government transport providers. This has culminated in the retention of the A27 Polegate by-pass in the road improvement strategy, the improvements in access to Eastbourne with the A22 new route. However for the future it will be important to ensure that Eastbourne people support any future road improvements.

Rail

Pressure is on for the current rail franchisee, GoVia to improve rolling stock and the standard of service on the rail network. Currently rolling stock is being tested and will be available for use by 2004. In order to ensure that the standard of service is improved a continuous dialogue has been established between Eastbourne Borough Council, the Chamber of Commerce and the train operator.

Negotiations are currently taking place regarding the possibility of locating a new station at Stone Cross to serve the increased population of Stone Cross and North Langney. Also discussions are taking place regarding the re-establishment of the link line between Polegate

and Pevensey & Westham. However if this were to be re-instated there would be significant impact on the surrounding area to create space, rework the road network, and on Eastbourne as this link would effectively by-pass Eastbourne altogether. Any new stations to be added to the network cause huge impact with Railtrack and also with the train operators as the signalling infrastructure is currently at capacity.

It is planned that the rail track from Hastings to Ashford will be electrified in the long term, which will improve the eastward links. For the mean time further investment in new diesel engines in 2004 will help to maintain an acceptable standard of service. This may also encourage use of the Eurostar network as a genuine trans-european transport network and will practically link Eastbourne to the network.

Transport Interchange

As part of the future town centre retail development it is intended to provide a transport interchange in the location of the existing main line railway station. This may mean the relocation of the station further up the line, a bus station and car parks. In addition discussions have been taking place regarding the availability of park and ride facilities based around Cross Levels Way.

Mobile Phone Network

Despite the increase in mobile phone masts there are still areas of the town where signal coverage is poor. However there have been difficulties in finding acceptable locations for additional masts. There have been concerns about the health aspects of locating masts on school property and the public liability of locating masts on existing street furniture and on public buildings or publicly owned land. The Eastbourne Borough Plan sets out the planning policy guidelines regarding the location of communications masts.

Broadband

Although broadband Internet technology is available in parts of Eastbourne it is not currently readily available in all locations. BT the main provider is currently expecting the availability to be led by demand but until businesses realise the importance and capabilities of this type of communication the demand will remain low. Some businesses are very aware of the capabilities and use the Internet as an integral means of communication but others are slow to 'catch up'.

Air

Although Eastbourne is only one hour away from Gatwick Airport it is currently outside the circle of benefit of the positive economic impact of the airport. This means that future plans for the development of Gatwick may not have significant impact on the Eastbourne economy. Further research into the potential of the impact needs to be carried out to ensure that the potential benefit is felt in the town.

Non Road Transport

The cycle network is currently growing but is relatively little used. The main issue is the lack of continuity between cycle lanes, they fade away in many instances leaving the cyclist with a choice between the main road and the pavement.

Strategic Objective	Lead Organisation
38. Lobby for further improvement in transport infrastructure via South Coast Multi Modal Study, London Orbital Study and Air Transport Study to reduce journey times to national and international transport network and Channel Tunnel from 2003	Chamber of Commerce, EBC, ESCC
39. Lobby to ensure that all of Eastbourne has access to the broadband network and promote awareness and benefits of broadband from 2003	Chamber of Commerce, EBC, ESCC
40. Ensure all of Eastbourne is accessible to the mobile phone network	Chamber of Commerce, EBC

Our Place in Europe

Business Perspective

Eastbourne is located in a peripheral position within the UK which is also in a peripheral position in Europe. It is important that the European dimension to the local economy is understood. Many of our most valuable businesses are the UK representative of a European organisation or the European representatives of their global organisation.

Eastbourne is well located to take advantage of the business opportunities available in mainland Europe via the Channel Tunnel, the Newhaven/Dieppe link and via Gatwick. Improvements to the road and rail network can make this location beneficial and easy to attract visitors from northern Europe and for businesses to export via these routes into European markets.

It is also potentially a disadvantage in that incoming visitors will only find their way to Eastbourne by active choice and not easily via the existing transport network that does not work in favour of Eastbourne.

The European Commission is a source of external finance on a very wide range of issues. Eastbourne has been active in attracting funding for a number of projects from named funds and can continue to benefit from the Interreg fund that links East Sussex and Kent with the coastal areas of northern France. Funding is available for economic development projects until 2005.

Twinning and social partnership is something that has never been developed in Eastbourne as the Council's policy has always been (and still is) not to commit to any one area as we wish to be seen as a welcoming tourist destination and not to favour any particular town.

Partnerships between particular organisations for particular activities have taken place and some successful friendships have been built. For public and voluntary sector activities there is some funding available to build up joint activities. Eastbourne has not been very active in developing such partnerships partly because the Council has not encouraged these and partly because of the cost and logistics of actually going ahead.

However there is currently funding available for joint projects for those organisations that are willing to fund the cost of the development of an international partnership.

Household Income

Eastbourne has a variety of housing tenures available in the town. In total there are currently around 40,000 households in the Borough of which 76% are owner-occupiers, 14% rent from the Council or a Housing Association, and 10% rent privately.

East Sussex is in the lower half of the South East Region when measured by Average Disposable Household Income per capita but is above average when compared to the national figure.

East Sussex	103	
Surrey	131	(South East highest)
Portsmouth	87	(South East lowest)
South East average	105	
UK	100	

Source: ONCS Website www.statistics.gov.uk

In a buoyant economy house prices inflate and this has happened very quickly over the last 5 years. House prices in East Sussex have increased by 93% between 1997 and 2002. The table below shows how the increases have materialised across the county.

Area	1997 average price of Semi	2002 average price of Semi	% increase 1997-2002
Eastbourne	63,100	119,900	+90%
Hastings	52,700	100,800	+91%
Lewes	69,300	151,300	+118%
Rother	65,800	128,800	+96%
Wealden	71,600	127,600	+78%
East Sussex	66,100	127,800	+93%
South East	75,100	145,400	+94%
England & Wales	63,900	106,200	+66%

Source: East Sussex County Council 2002

Average earnings in East Sussex compared to the region and nationally for 2000 were as follows:

East Sussex Male 21,100 Female £18,400

 All £20,100

Surrey Male £29,200 Female £19,700

 All £25,600

South East Male £25,600 Female £18,400

 All £23,000

National Male £24,300 Female £17,600

All £21,800

The issue of affordability becomes ever more important when the private sector housing market booms. The Housing Strategy looks at ways of ensuring social housing and affordable housing is available for those who cannot access the private housing sector.

The exploration of issues that face low income households are at the heart of this Economic Regeneration Strategy. If local people are able to develop their skills and match these to the needs of the local employment market then there is some possibility of regeneration.

Strategic Objective	Lead Organisation
41. Through grant aid to voluntary organisations ensure accurate, free, impartial advice is available on all housing issues from 2003	EBC

Investment in Housing

Currently the housing market in Eastbourne is booming with large increases in values. This allows home owners to borrow against the growing equity in their property to improve their homes. This can be measured by the increase in planning applications for home improvements.

This same value is also felt through the land values. Often sites that have previously been used for business purposes but are surrounded by residential development have provided valuable 'wind fall' sites for housing development that have assisted in meeting our allocations for housing on previously developed land.

It is important to appreciate the impact that housing development has on the local economy. Employment of sub contractors and trades people is currently high. There is a shortage of building trades people to do work both on major developments and to carry out improvements to domestic property. This creates inflation in prices for home improvements.

Links to Housing Strategy

The Housing Strategy looks at ways of delivering the housing needs across Eastbourne and highlights the particular needs of different sectors of the community. This includes housing for young people, older people and those on low incomes. It does provide some guidance for

owner occupier housing but this is mainly in energy efficiency and in grants for improvements.

The strategy look at the links between provision of housing and regeneration including provision of jobs and training in the construction industry, and provision of key-worker housing as part of large housing developments to support the national need for public sector employees in areas of high house price inflation.

Through the provision of community facilities as part of large scale housing developments encourage development of community and volunteer activities.

A strong theme through the Housing Strategy is to promote the need to occupy empty property. The Empty Homes strategy looks to address the need to bring empty property back into use.

The Housing Strategy helps to address some of the issues around homelessness. Although these are not specifically the concern of the Economic Regeneration Strategy, the cycle of no home, no training, no job certainly is an issue. If people are not able to access the network of support that is designed to help them then their potential contribution to the economy is lost. It is very important that the number of homeless is reduced and joint efforts are in place to reduce the chance of individuals slipping through the net. Currently the joint agency support for young people is helping to encourage young people into decent housing, with training and eventually into employment. The Foyer is directly able to assist in this but there are other providers that are available. It is the move on accommodation particularly for young people that is now the issue as young single people are the least likely to be able to afford homes in the private sector and do not qualify for social housing.

Benefits Dependency

A recent survey by the Citizens Advice Bureau (September 2002) found that 29.5% of clients are in receipt of Income Support. This compares with ONCS Data for March 2002 that states that in Eastbourne 9% of the economically active population are on Income Support.

Ten percent of the households in Eastbourne are in receipt of Council Tax Benefit and Housing Benefit it worth around £2000 a year to all those households in receipt of this benefit.

There has been some concern that for some households the income possible from benefit is greater than that possible from employment. It is possible that in some circumstances this could be the case but those who work with benefit claimants maintain that it is not an easy means of receiving income.

It is often those who are least likely to find employment due to low skills levels that are most likely to remain within the benefits system. One of the reasons for this is that the benefits system is so complicated. The risk of coming off benefit and going into training or employment is that if the situation should change, going back to benefit takes a long time to sort out and the benefits agencies are slow in being able to accommodate changes in

circumstances. Consequently debt builds up and individuals are put at further personal inconvenience.

Education and Training

Eastbourne is an area of low skill acquisition and low staying on rates in education. The aspirations of local people are low and there is little motivation or aspiration amongst local people for entrepreneurship. Thus the creation rate of business is relatively low and the adult learning and training take up is also low. Investment in training by local companies is low and as a result the potential in the local population remains untapped.

If the skill levels are to be increased in order to unleash the earnings potential then local people will have to be the catalyst for this. If the motivation amongst employers is so self-centred as to not realise that training employees is a positive move then there is little hope for the local economy.

Because the size of the companies is so small it is not easy for employers to release their valuable staff for training. However it is paralysing for the business not to develop the potential of the workforce (however small) and if the company is to succeed and survive it must grow and progress. If it does not it will stagnate and eventually fail.

The Learning Partnership has acknowledged much of these issues and has developed its own strategies to meet the training and development needs of local people. The specific action points are not included here but are available in the Learning Partnership strategic documents.

The Learning Partnership has developed excellent links between education and training providers as well as the schools and colleges and the business community.

The Workforce Strategy specifically deals with efforts to encourage young people to consider their future employment with local companies and is also keen to develop aspirations amongst local young people that they should be able to train and work locally.

This strategy also looks at ways of local employers working more closely with local schools and colleges to encourage young people to consider employment in industry sectors that are represented locally. The engineering and manufacturing sectors are particularly keen to do this as they often have difficulty in recruiting skilled people. If they can establish a cycle of learn, train, and work within the local business community then good skills will not be lost from the town.

It is not just the education and training of employees for work related skills that is important, there are a number of areas of personal development where individual people need to develop skills, for example, parenting, money management, cooking and nutrition, healthy lifestyles, assertiveness, language and more.

Cultural Links

If Eastbourne is to be recognised as 'successful' it will display a wide choice of leisure and cultural experiences available for local people and visitors.

The Eastbourne Borough Council Cultural Strategy 'The Cultural Context' published in 2002 outlines the wish to encourage both audiences and participation in sport, leisure and the arts. It is important to understand the contribution that cultural activities can play in economic regeneration.

Many vulnerable people can be helped through participation in drama and musical activities to gain self-confidence that then encourages them to want to develop their skills through training that may eventually lead to paid employment.

The Pooling our Resources Single Regeneration Budget programme is based on this premise and will provide part of the funding for a new art gallery to house the Towner Collection. This new building will also be used as a focal point for encouraging community participation in cultural activities. The new building will contain the art gallery, top quality conference exhibition space, and community meeting space.

The wide range of cultural assets (such as theatres, art gallery, museums, sports facilities etc.) together with the correspondingly wide range of programming available in Eastbourne helps to underpin the tourism industry and helps to create a vibrant image for the town.

It is important to also understand the links that cultural regeneration has to health and healthy lifestyles and the impact of participation on the lives of local people. People who feel positive about themselves are much more likely to be involved in their local community and will contribute as volunteers whether they also have paid employment or not. If volunteers do not have paid employment their voluntary experience may lead them to consider this route and also their unpaid work experience may lead them to be offered jobs.

During consultation the cost of participating has been mentioned and in order to fully include the wider community in any activity it will be important to ensure that as many barriers are removed as possible.

Links to the Voluntary Sector

Whilst volunteering can be an entry into paid employment so the business community can benefit from encouraging its employees to volunteer for community work. There is a very strong voluntary sector in Eastbourne that delivers a great range of services to local people. The management and technical expertise of business is welcomed in assisting in developing organisations. There is a skills shortage of volunteer treasurers, managers, fund raisers, and organisers. The groups themselves are very good at the delivery of their services but again additional pairs of hand are also welcome.

There are voluntary schemes attached to many schools for helping with reading, mentoring teenagers, not to mention governors, parent teacher associations who would welcome employees from the local business community.

Some larger companies have Corporate Responsibility Policies that include time being made available for the benefit of the local community but awareness and operation of such schemes amongst Eastbourne businesses is very low.

Environmental Links

The Council is currently developing an environmental stewardship strategy that acknowledges that the community has a responsibility to protect natural resources and to reduce waste.

As the world's resources are being speedily eroded it is important to make sure that the business community of Eastbourne is able to recognise its contribution to environmental stewardship.

Local businesses are alert to the needs to conserve energy and to reduce waste output. In addition those who travel to work or on business by car will feel more and more under pressure to reduce the dependency and to share journeys and wherever possible to travel by public transport.

Consultation

The development of the community strategy for Eastbourne has already included considerable consultation with local people and as part of the discussions questions were asked about what was needed to be done to regenerate the town.

The majority of people said that more and better shopping facilities are needed to keep Eastbourne competitive and to make the town attractive. Other comments have included recognition of the low-income levels and the need to boost these; the need to create a range of employment opportunities particularly for local young people; a recognition of the economic impact of the tourism sector.

The single most important development for all local people that was not dependent on location or personal circumstances is redevelopment of the town centre and the need for a wider and more comprehensive retail offer.

Conclusion

Local people are interested in the economic regeneration of their town and want to see significant developments and change. They want to see Eastbourne prosper and become successful and provide jobs for local people. It is important that this support is harnessed and the enthusiasm with which people have expressed their wishes is met with results in the short and medium term so that they do not become disillusioned and feel disenfranchised.

The clear perception of the residents included within the survey is that the amorphous 'they' will have the responsibility of actually delivering their expectations but there is no clear idea as to who 'they' are. In reality the Council has a major responsibility in facilitating many of the expectations, and assisting in the outcome of many of the strategic objectives of this strategy. It is also imperative to understand that the council does most of its work in partnership with others, particularly when finance is required.

In conclusion, if the Strategic Objectives and action points are carried out then Eastbourne will be a successful, prosperous and vibrant place in which to live work and invest for the future.