

**Agenda Item No:** 7 **Report No:** 117/17  
**Report Title:** Scoping Reports for proposed Scrutiny Review of Affordable Workspace in Lewes District  
**Report To:** Scrutiny Committee **Date:** 14 September 2017  
**Cabinet Member:** Councillor Andy Smith  
**Ward(s) Affected:** All wards  
**Report By:** Nazeya Hussain, Director of Regeneration and Planning  
**Contact Officer(s)-**  
**Name(s):** Kerry Barrett  
**Post Title(s):** Regeneration Project Manager  
**E-mail(s):** [kerry.barrett@eastbourne.gov.uk](mailto:kerry.barrett@eastbourne.gov.uk)  
**Tel No(s):** 01323 415624

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### **Purpose of Report:**

1. To consider a potential future scrutiny review into supply of low-cost and affordable workspace in the Lewes District, and with specific attention to the employment space requirements of the creative sector.

### **Officers Recommendations:**

1. To agree the scope for a scrutiny review of affordable workspace, as set out in Appendix A, and
2. If the Committee wish to proceed with a scrutiny review, to agree the appointment, including size and make up, of a Scrutiny Panel to oversee the work.

### **Reasons for Recommendation**

3. To provide a focussed programme of work which will enable the District Council to consider whether any changes to its existing policies, or any other actions, are to be recommended.
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### **Information**

- 1 The topic under consideration within this report was put forward for consideration by this Committee at its meeting on 17 February 2017. Details of the potential scope for the review are listed in Appendix A with a number of options given for Members consideration.
- 2 The Committee is asked to consider whether the scope, set out in Appendix A, adequately covers all the matters members wish to examine in any review, or whether any adjustments are required. Members are then asked to agree which, if any, of the options suggested they would wish to pursue within a scrutiny review.

- 3 If the Committee wishes to proceed with the review, a Scrutiny Panel will need to be appointed. It is usual for Scrutiny Panels to be made up of an odd number of Members (either 3 or 5) and maintaining political balance.
- 4 Should a review be agreed, a Project Plan for the review would be prepared by officers in conjunction with the Scrutiny Panel.

### **Financial Appraisal**

- 5 An annual budget of £1,000 is available to support the work of the Scrutiny Committee and its Scrutiny Panels. Any external costs associated with the review proposed are expected to be minor, given that the research work can be carried out by Council staff. The main resource implications will therefore be Officer time.

### **Legal Implications**

- 6 In considering the recommendations of this report, the Committee should adhere to the Scrutiny Procedure Rules set out in part 4 of the Council's constitution.

### **Risk Management Implications**

- 7 There is no requirement for an analysis of risk.

### **Equality Screening**

- 8 An equalities impact assessment is not considered necessary at this stage. If the Committee decides to proceed with the Review, an equality analysis would be undertaken as part of the review and would be reported along with the review findings.

### **Background Papers**

- 9 None

### **Appendices**

- 10 Appendix A – Scoping Report for Affordable Workspace

**Scoping Proposal: Supply of low-cost and affordable workspace in the Lewes District, and with specific attention to the employment space requirements of the creative sector**

**Report Author: Kerry Barrett, Regeneration Project Manager**

**Reasons for Scrutiny**

The suggestion for scrutiny in this area arose from a request by the Scrutiny Committee on 17 February 2017. The reasons given for having a review into this issue would be for the Committee:

- To better understand the supply of low-cost and affordable workspace in the Lewes District, and with specific attention to the employment space requirements of the creative sector
- To understand the council's role in meeting demand, and supporting the creative sector
- To make relevant recommendations in light of the above and sources of information

**Background Information**

Available sources of information we will look at include:

Supply and Demand

Employment Land Review

The Employment Land Review is a source of information providing a technical evidence document which focuses on employment space needs within the District.

Database of Supply and Cost

Available commercial property and rates in the Lewes District are listed online on the Locate East Sussex (the county's inward investment service) and the Greater Brighton Commercial Property Database websites. The study could look at how effective these are.

Online Demand Enquiry

Between 5 January 2017 to 28 February 2017 East Sussex County Council and Rother District Council conducted an online enquiry to gain insight into the demand of creative workspace in East Sussex. There were 58 responses (13 from the Lewes district).

North Street Quarter

- A mixed use development regenerating the area around North Street and the Phoenix Industrial Estate in Lewes town.
- Includes 65,000 square feet of flexible employment space. Using the National

Park's planning Section 106 powers, workspace has been secured for creative start up sustainable businesses. There will be subsidised rents specifically for start-up creative businesses.

- Since flood damage in 2000, Phoenix Ironworks on the Phoenix Industrial Estate has fallen into disrepair but has subsequently become a hub for creative type businesses attracted by peppercorn rents. Affordable workspaces and premises similar to Phoenix Ironworks are deemed critical to local community development group Lewes Phoenix Rising.

#### Creative and Digital Workspace Strategy

- The South East Creative Economy Network (SECEN) works to accelerate growth in the digital, creative and cultural sector and was established in 2013 to work with the South East Local Enterprise Partnership (SELEP) to identify barriers to growth for the Creative Economy in the South East.
- The SECEN is developing a Creative and Digital Workspace Strategy in order to take a more strategic approach to supporting creative workspace development in the area. The process includes mapping current workspace supply.

#### Business Support

- The Council actively promotes capital and revenue funding opportunities for local businesses to start up or grow a business. An example includes the LEADER grants scheme where so far grants totalling £208,724 have been approved in the Lewes District to fund 8 projects which will create more than 11 full time jobs.
- Residents and businesses can contact Business East Sussex (covering the South East Local Enterprise Partnership) and Business Navigator Growth Hub (Coast to Capital Local Enterprise Partnership) to talk to someone about available funding streams for commercial activity, as well access business support.

#### Defining the Creative Sector

East Sussex County Council has defined key themes, sectors, sub-sectors and niche sub-sectors that feature in their economic development and skills strategies and plans. The types of businesses included in the county's definition of the Creative, Cultural and Media sector can be downloaded visiting following website link: <http://tinyurl.com/hwj985>.

#### **Link to Strategic Objectives**

##### Local - Lewes

The LDC Council Plan for 2016 - 2020 recognises the creative industry as a key sector for the Lewes District; and has committed to creating new employment space.

The Lewes District Local Plan Joint Core Strategy for 2010 – 2030 states that the local planning authority will take a flexible and supportive approach to economic development through: promoting the development of sustainable tourism, including

recreation, leisure, cultural and creative sectors; when and where appropriate identify sufficient sites in sustainable locations for a flexible range of employment space to meet current and future needs; support the delivery of new office space; and encourage and support small, flexible, start-up and serviced business units (Core Policy 4 – Encouraging Economic Development and Regeneration).

#### Sub-regional - East Sussex

The East Sussex Growth Strategy for 2014 – 2020 identifies the creative and cultural sector as one of the key growth sectors for the county. Furthermore, it recognises the need for flexible workspace to support entrepreneurs, home workers, home-based businesses and small and medium sized enterprises in particular in rural areas.

#### Regional - Local Enterprise Partnerships

The SELEP Strategic Economic Plan (March 2014) identifies the creative, cultural and media sector as one of the priority sectors for the region which has potential for growth. The SELEP is also committed to unlocking key commercial sites with public, European and private sector investment to accelerate growth.

The Coast to Capital Local Enterprise Partnership Strategic Economic Plan (March 2014) identifies creative, digital and IT as one of the region's sectors of competitive advantage to focus investment and development. The Strategic Economic Plan also includes targets for delivering new employment space with public, European and private sector investment.

Both Local Enterprise Partnerships are currently refreshing their Strategic Economic Plans.

#### **Objectives of the Review**

The Scrutiny Committee are to consider which of the potential recommendations below they would wish to pursue in the scope of the review:

- A. How can LDC engage and influence SECEN and other strategic partnerships to support the development of affordable workspace?

AND/OR

- B. What can LDC do better to support creative businesses?

AND/OR

- C. How effective are the commercial property databases, and the Locate East Sussex service in searching for affordable, and creative workspace?

These recommendations have been made taking into account the available intelligence and partnerships previously outlined.

#### **Not in Scope of Review**

Should a review be agreed, it will be a high level document highlighting the opportunities and shortfalls that need addressing. The review won't be a new Employment Land Review focused solely on low cost workspace.

**Timeframe**

This will be determined once the recommendations of the review have been agreed.

**Outlining the stakeholders and evidence required**

This will be finalised once the recommendations of the review have been agreed, however, it is likely, dependent on the final scope that the Review Panel may wish to call the following to provide evidence

- Locate East Sussex
- Basepoint
- Phoenix Rising
- So Sussex, developers of the Spithurst Hub.

**Resources**

Officer time from the Regeneration team. No financial resources are considered likely at this stage.

**Approval of Scope**

(a) Head of Service

(b) CMT

(c) Scrutiny Committee