

SURREY COUNTY COUNCIL

CABINET

DATE: 26 FEBRUARY 2013

REPORT OF: MR PETER MARTIN, DEPUTY LEADER

LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND INFRASTRUCTURE

SUBJECT: SUPPORT FOR ECONOMIC GROWTH



SUMMARY OF ISSUE:

This report identifies economic growth as a key priority for the county council, both to secure an increase in the size and value of the economy and to generate employment. Surrey is a large and strong economy with a Gross Value Added (GVA) in excess of £30 billion (2011 actual). Surrey's very success creates a significant challenge to its global competitiveness because of the way in which investment in critical infrastructure lags behind the need generated by strong growth. Actions proposed in this report promote growth and also address constraints to the global competitiveness of the county. They will benefit both residents and businesses in Surrey. Additional powers and funding, particularly from the Government would significantly enhance the implementation and effectiveness of these proposed actions.

The report is not a list of all the activity to support economic growth within the county and does not seek to provide an answer for every economically related issue. The paper should be seen as a statement of intent rather than as an economic strategy or action plan. Applying the One Team ethos, it recognises the key leadership role of the county council working with district and borough councils, businesses and other public sector partners across Surrey to push forward economic growth.

RECOMMENDATIONS:

It is recommended that:

1. Cabinet endorses the approach set out in this paper to support economic growth, including further exploration of the specific delivery mechanisms detailed in the report, as outlined in paragraphs 12 and 13.
2. Cabinet agrees to working towards the development of potential deals with Government, in partnership with district and borough councils that wish to take part, with a view to securing greater financial and other powers and freedoms and investment in the county to support growth.

REASON FOR RECOMMENDATIONS:

The approach will assist the council in achieving the One County, One Team Corporate Strategy 2012-17 (as endorsed by Cabinet on 31 January 2012 and by full Council on 7 February 2012), which includes a specific priority to make Surrey's economy strong and competitive. It would support the council in its efforts to secure investment in Surrey, which would, in turn, help maintain the quality of life in the

county.

Delivery of the proposed mechanisms will bring benefits to Surrey residents and businesses in terms of improved employment opportunities and funding both for economic infrastructure and public services. It should also enhance the county council's reputation with the business community.

DETAILS:

1. Over the last two decades, the Surrey economy has gone from strength to strength experiencing a trend rate of growth in GVA (which measures the production of goods and services) above the national average. GVA in 2011 rose by 3.5% to over £30 billion. The county benefits significantly from major international gateways, particularly the airports, and from proximity to London and associated road and rail connections. Economic growth has come primarily from high value business sectors, many of which are global in reach. The economy continues to be differentiated between a small number of very large firms and a much larger number of small and often micro businesses that employ fewer than 10 staff. Rising employment has contributed significantly to growth; indeed there are around 600,000 jobs in Surrey. While unemployment levels have risen due to the recession, they remain well below the national average. The economy has a high level of knowledge based businesses in a number of key growth sectors: advanced manufacturing, computer gaming and digital and creative technologies, pharmaceuticals, electrical and mechanical engineering, and financial, business and professional services.
2. Surrey residents are highly skilled: more than 70% are educated to NVQ level 2 or higher and over 40% have attained a degree. The county has an attractive environment and offers a good quality of life. Surrey's already well established businesses, ranging from 250 international corporates through some 60,000 successful small and medium sized enterprises (SMEs), are happy to identify Surrey as their home.
3. GVA rose by 3.5% in both 2010 and 2011 and now stands at £30.3 billion. Despite the recession, the Surrey economy has grown by 7% since 2009, during which time the UK economy has struggled to achieve modest growth. Surrey remains a highly desirable place to live, work, start and grow a business. However, Surrey's global competitiveness and economic strength risks being weakened in the absence of additional investment in the county's infrastructure. The attractiveness of the southeast and Surrey for some of the major global and national businesses located in the county, as well as SMEs, has reduced due to inadequate infrastructure and other constraints, principally congestion, skills and housing. The economy is also being constrained by higher unemployment, in particular increasingly stubborn and significant rates of youth unemployment.
4. Inevitably, the performance of the Surrey economy is closely tied to that of London and the airports, but economic success has led to congested roads, inadequate infrastructure and high house prices. The attractiveness of Surrey as a place to do business is also being threatened by inadequacies in respect of:

- business critical infrastructure
 - commercial land and premises for a range of business types
 - inward investment and access to investment finance
 - people with the right skills (either at entry or junior levels or at more senior levels)
 - housing and provision of more affordable housing to allow entry level recruitment and then retention of staff; and
 - town centre regeneration.
5. Against this background, the county council has the opportunity to set out a commitment to growth and the development needed to support it, and in particular:
- articulate a **narrative on growth** to support the council's existing commitment to a strong and competitive economy, setting out why growth is needed, the benefits to Surrey residents, why investing in Surrey makes sense and the main ways in which the county council will support it through its powers, resources and community leadership activity, particularly to lobby on the basis of collective support for specific improvements and investment
 - the development of appropriate **mechanisms** to provide funding for initiatives to support economic growth, which might form a Surrey Proposition, in partnership with districts and boroughs, which can then be used as the basis for a wider approach supplemented by deals with Government and with others to enhance its effectiveness; and
 - an **action plan** bringing together existing and planned work to identify specific infrastructure and other developments to which the new and existing mechanisms would be applied to give them practical effect.

A Growth Narrative

6. The Surrey economy is sizeable and impressive. With a GVA of over £30 billion per annum, it is larger than many major UK cities such as Birmingham, Liverpool and Leeds. Surrey contributes almost £6 billion a year in personal income taxation to the Exchequer, second only to London, making it the south east region's largest contributor and bigger than the metropolitan areas of Greater Manchester, West Midlands, West Yorkshire and Merseyside. Surrey is home to major international businesses, and has many towns that are amongst the most competitive in the country. The Surrey economy can be seen, in basic terms, as having four principle components:

(a) globally competitive and other large businesses attracted by international gateway connectivity and proximity to London. For this sector the main issues in terms of staying in the county and growing their businesses are the pressures on **infrastructure** (such as congestion, capacity of public transport and the availability of other linkages such as high speed broadband which affect their connectivity); availability of **employment land** and **premises** (including space for parking); an appropriately **skilled workforce**; and suitable **housing** (both for executives and affordable housing for less senior employees)

(b) high-end technology based firms which often form clusters and need **employment land and premises close to knowledge hubs and investment finance** for development

(c) SMEs (including many micro-businesses) which are by far the largest part of the economy by numbers of firms (82% of businesses in Surrey employ fewer than 10 staff), require **advice, support (including leadership support) and access to finance**

(d) town centres across the county which provide a local retail focus and direct employment opportunities for local residents, but are in some cases in need of **regeneration** to improve footfall and attract new businesses.

7. The One County, One Team Corporate Strategy 2012-17 sets out the priority to make Surrey's economy strong and competitive, and the council has taken action to support it, particularly through:
- setting up **Surrey Connects**, a business - local government partnership working with stakeholders to stimulate enterprise growth across Surrey. Surrey Connects has a headline ambition to double the value of the Surrey economy to £52 billion by 2030 (based on a GVA of £26 billion in 2010), through supporting Surrey's key growth and globally competitive sectors to achieve smart economic growth
 - the **Surrey Future** initiative to agree, in partnership with districts and boroughs, infrastructure priorities for the next 15 – 20 years to support Surrey's economic development, and to build consensus around how we manage planned growth sustainably
 - creating the **Supply2Surrey** portal, including the Build Surrey portal launched on 7 February, to help local businesses bid for council contracts as part of the council's pledge to ensure that 60% of its spending goes to local businesses
 - promoting and supporting **apprenticeships**. As described in paragraph 12, the council will extend the successful incentive scheme for Surrey businesses to take on apprentices which is already supporting 265 apprenticeships for young people in 2012-13
 - **engaging** with strategically important local businesses
 - **enhancing relationships and collaboration with business representative bodies:** the Federation of Small Businesses, the Surrey Institute of Directors and Surrey Chambers of Commerce (signing Memoranda of Understanding with the latter two bodies).
8. The argument that growth should now become a specific priority to which the council should devote targeted effort is supported by the analysis that:
- growth has stalled nationally in the recession. Surrey's economy continues to grow and generate prosperity for the rest of the UK as well as for its own residents and businesses

- the international competitiveness of Surrey and the southeast has been falling due to the pressures from congestion, a lack of skills and a lack of affordable housing, which make the area less attractive to business
 - there is a strong sense that Surrey's natural strengths, due to its advantageous location between two international airports and sharing a border with a major global capital city are not being maximised, which if they were would generate greater income for Surrey and the Exchequer
 - many of the constraints on growth, in particular inadequate infrastructure, housing and skills are all issues which affect the well being of Surrey residents directly.
9. Surrey is a good place for government to invest in to support economic and jobs growth. Compared to many other parts of the UK, the resilience of the economy and the strength of existing firms make investment less risky and more likely to lead to a faster and greater return. Surrey has high rates of business creation (a measure of innovation and entrepreneurship), that have been sustained even during the recession and have outpaced all other counties in the south east. This has been affirmed by figures released by Barclays Bank in 2012 which showed that Surrey is the top performing county for business start-ups during the recession era. Around one in seven businesses that started in Surrey over the last three years are now turning over more than £100,000 compared to the national average of one in ten.
10. The emphasis is on **smart economic growth**. This means supporting activity to help Surrey's key growth sectors/ high value businesses to flourish; improved productivity through supporting knowledge, innovation and creativity; investment in skills and training; and activity to address unemployment, particularly youth unemployment among Surrey residents.
11. The outcomes will be an increase in the size of the economy and in employment increasing the return to the Exchequer from the county. This will be achieved through smarter use of resources. The government could use an increased contribution from Surrey to support less well off parts of the country. For Surrey residents and businesses the benefits from a growing and prosperous economy and some of the steps that are needed to achieve it include:
- investment in skills and training for residents
 - attracting, growing and retaining businesses that in turn provide funds for better public services
 - improved local facilities and services supported through the proceeds of development
 - more vibrant town centres and increased spending in the local economy supporting local businesses
 - improved work place health and well being and productivity
 - additional jobs
 - more affordable homes for residents
 - helping residents into employment
 - improved transport infrastructure to help relieve congestion
 - retaining Surrey's existing business wealth

The Council's role in supporting growth

12. The council can play a significant direct and indirect role in developing the Surrey economy as both a provider and commissioner of services, as a large employer and through its wider leadership role. This can be seen as operating at several levels: what the **council can do by itself**; what it can do with **districts and boroughs** and **with others in Surrey and the southeast** and what it could achieve through a wider **deal with Government**. Taking each of these in turn:
- (a) business as usual activity, particularly on the provision of public services which set the context for Surrey as an attractive place to live and do business – schools, roads, the environment and community safety
- (b) specific initiatives that the council has already undertaken such as:
- targeting 60% of council spend with local SMEs, without compromising competition rules or service quality considerations
 - supporting apprenticeships in relation to future workforce strategy. The council will extend the successful incentive scheme for Surrey businesses to take on apprentices to 500 young people in 2013-14. This will be one of the largest county council supported apprenticeship programmes in the country.
 - developing a countywide high speed broadband network that will make Surrey the best connected county in the UK
 - delivering a major programme of road schemes
 - establishing and maintaining a more meaningful engagement with strategically important businesses in Surrey, and with business representative organisations. This is helping the council to understand better how we and other public sector agencies can work with employers to deliver greater prosperity for Surrey
 - supporting Surrey Connects with a focus on supporting innovation and enterprise, competitiveness and the knowledge economy
 - working with the Enterprise M3 and Coast to Capital LEPs to secure investment in economic growth in Surrey.
- (c) focusing other strategies and plans and our strategic influence on growth – a more explicit aim will allow the council to focus other work that the council has underway. Where appropriate, reports will be coming forward to Cabinet for agreement on some of the specific factors and mechanisms which are critical for growth:
- **infrastructure improvement** through Surrey Future and the new Local Transport Bodies (LTBs). The aim of Surrey Future is to support Surrey's economic development through building relationships between public sector partners and business, and agreeing infrastructure priorities for the next 15-20 years that are properly integrated with spatial priorities for growth, and supports other plans and strategies. This will put Surrey in a strong position to both lobby and bid effectively for funding to deliver infrastructure and other

economic initiatives. In November 2012, Cabinet approved preparatory work on a set of schemes for which it will seek funding from the LTBs.

- the use of the council's **asset base** to support economic growth
- **capital investment** in activities to support economic growth, including the major road schemes programme
- attracting (foreign direct) **inward investment** (this work is being led by Surrey Connects with the support of the council and UK Trade and Investment)
- supporting **innovation and enterprise** – including through Surrey Connects
- supporting **skills and training** in the workforce to meet employer needs, and activity to reduce youth unemployment and help young people become ready for work
- developing a strategy for supporting **tourism** reflecting its contribution to economic growth
- **rural development** underpinned by a refresh of the Surrey Rural Strategy.

New Mechanisms: A Surrey Proposition

13. On top of this significant current activity the county council can do more to support economic growth. Accordingly, the council proposes to develop a Proposition to take further action using its own resources to stimulate and support economic growth building on the approach of the infrastructure investment fund which the council is establishing to fund initiatives which will generate savings or income in the longer term. This approach would also provide an offer to Government to secure additional funding or powers (as described in the following section) which would increase the return to the economy from the capital and other resources being used to support growth.
14. Accordingly, the main focus would be the development of arrangements through which Surrey County Council and others would jointly fund infrastructure and other developments to support economic growth including:
 - forward funding to allow stalled developments to proceed particularly where there is a need for enabling infrastructure. Repayments would be made from the Community Infrastructure Levy (CIL) and from developer contributions in the operational phase. There are relatively small public funds for this held by the LEPs (principally the Growing Places Fund), but councils can exert some influence over their use
 - asset backed investment using the council's land or property holdings as an equity investment in joint venture arrangements with private sector partners to bring forward development
 - loan financing or equity investment to provide financial support for commercial developments structured through appropriate legal vehicles such as a joint venture company structure

To implement these approaches, the council would make use, as necessary, of prudential borrowing ensuring that each proposition is financially affordable

and that financial returns are assessed with regard to the risks and benefits delivered.

15. Appropriate partnership or company structures and associated governance would be needed to enter into such arrangements.
16. Business rate arrangements will also change from April 2013 with implications for councils' relationship with business for the use of resource. The scheme also provides an incentive to promote business growth in order to secure additional locally retained receipts (although these are shared between the districts and boroughs and the county council and for the most part replaces grant funding as part of wider changes in the local government finance system).
17. Separately, Surrey Connects and the Surrey Institute of Directors are exploring demand among Surrey businesses for a private equity scheme that could invest in local companies to generate and accelerate economic growth and additional employment. Such a scheme would lever in funds from a range of partners and aim to deliver a return on investment. If a proposition for such a scheme is developed, Cabinet would need to consider the detailed business case for any contribution to be made from council funds.

Collaboration to secure a shift in investment

18. The effectiveness of the measures that the council can take will be greatly expanded and enhanced by securing collective agreement with partners in Surrey about the way forward and seeking wider deals with Government.

Boroughs and Districts

19. The county council already works with boroughs and districts across Surrey on the strategic developments such as Surrey Future in order to secure a collectively supported position on the bidding for investment and support in strategic infrastructure. As Surrey Future develops the detailed work the need for it to focus on the development of the shared economic vision for the county becomes increasingly significant.
20. There is now an opportunity to build on this co-operation with some or all of the boroughs and districts for example on:
 - collective action on economic development activity which could extend to the development of joint or pooled budgets for those councils which wish to take part
 - pooling growth in business rate receipts to back infrastructure or other development that would support economic growth where pooling would increase the aggregate of receipts available for these purposes
 - giving full effect to their roles within the planning system in setting the context for commercial and other developments which would support growth locally and provide benefits to residents.

Local Enterprise Partnerships (LEPs)

21. Local economic growth is now led by Local Enterprise Partnerships (LEPs - new business-civic bodies). There are 39 LEPs covering England; two of which include parts of Surrey: Enterprise M3 (EM3), which covers the western districts, and Coast to Capital (C2C), which covers the eastern districts. The Deputy Leader of the council sits on the board of both LEPs, as well as the board of Surrey Connects. Surrey Connects provides a unified voice for Surrey and champions the county with government; it also represents Surrey in the EM3 and C2C LEPs - a role that is welcomed by both these bodies. Both the council and Surrey Connects are supporting the LEPs to deliver their respective strategies and business plans.
22. Increasingly, Government is passing funding allocations to LEPs. This funding, at present mostly around transport and infrastructure, is subject to competitive bidding with schemes capable of early delivery being prioritised for funding. To date, the LEPs have awarded around £2.3 million in forward funding for several schemes in Surrey, more is expected. It is important that Surrey develops and costs a programme of transport and other schemes ready to attract external funding. This could result in an additional £7-10 million investment in Surrey for transport schemes through the Local Transport Bodies (LTBs), being set up on LEP boundaries, with funding for schemes devolved to them. Funding through the LTBs could help deliver the major schemes programme approved by Cabinet last November.
23. Surrey needs to work with LEPs as delivery bodies/ enablers for smart economic growth in Surrey. Both LEPs are currently having a 'Growth Conversation' with government; these conversations are about possible funding for schemes to unlock growth. Surrey is engaging with the LEPs to seek support for schemes that can be started in the near future, as well as to identify a strategic project eligible for a share of the £5.5 billion of additional infrastructure investment and support for businesses announced by the Government in the Autumn Statement.
24. The Government is currently considering its response to the Heseltine Review 'No Stone Unturned in Pursuit of Growth' and may devolve further significant sums to the LEPs on a competitive basis. The inclusion of some of these additional funds within a single local investment fund would significantly enhance the effectiveness of action in Surrey, particularly on skills and employment support, and the council intends to discuss this with Government.

Wider South East

25. Investment in strategic infrastructure will often need to be with other partners in the greater southeast, particularly for schemes that need the agreement of the Department for Transport, Highways Agency and Network Rail. For example, strategic corridor schemes such as the **London-Portsmouth corridor**, removal of the capacity bottleneck on the rail network immediately west of Woking, and addressing the **capacity issues along the A3** in and around Guildford are both of a scale as to be significant for the southeast as a whole.

Government

26. Having developed its programme to support economic growth and developed effective collaboration with some boroughs and districts and with the LEPs, the overall approach to supporting growth would be greatly enhanced by a dialogue with Government to secure further changes in roles, powers and funding which would enhance the effectiveness of the action that the council and partners are able to take.
27. The council has clear priorities for such a discussion which include control or influence over a much wider range of funding sources in the area. Principally, the council has made clear to Ministers that it would want a **devolved single pot** of funding to include:
- retention of a higher proportion of **business rate growth** and other changes that would increase the benefits of pooling receipts to support economic growth
 - transfer of **Highways Agency budget and powers** for the non-motorway parts of the Strategic Road Network in Surrey to allow local prioritisation of investment, and the strengthening of collaborative working between Surrey, the Highways Agency and other partners to ensure local priorities are better reflected in the Highways Agency's strategic plans
 - funding for **major transport schemes** post 2014
 - the **Skills Funding Agency further education budget** as part of a skills fund, alongside contributions from councils and the private sector to ensure that provision is more relevant to the economy in Surrey.

The council would also want:

- greater influence over and involvement in the operation of the Department of Works and Pensions **Work Programme** aimed at getting people into work
- a more formal working relationship with **Job Centre Plus**, in particular on prioritisation
- greater influence over both **Highways Agency and Network Rail** prioritisation, and a greater say on rail franchising, and
- the unlocking of land that is held by other Government agencies needed for development in Surrey, to allow more asset backed approaches to proceed. Allied to this would be the creation of a **Single Property Board** (comprising all relevant Government departments, Surrey councils, Surrey Police and the NHS) to facilitate integrated management of the public sector portfolio and generate operational efficiencies by co-locating services.

CONSULTATION:

28. The chief executive and chairman of Surrey Connects, and the chief officers of both the EM3 and C2C LEPs have been consulted on the proposed

approach, which has also been discussed with Surrey borough and district council chief executives.

RISK MANAGEMENT AND IMPLICATIONS:

29. A significant change to the local government finance system will commence in April 2013, with local authorities retaining a share of the business rates collected in their area. The scheme provides a limited incentive to promote business growth in order to secure additional locally retained receipts, recognising that these are shared between central government (50%), districts & boroughs (40%) and the county council (10%). There is a risk to the county council if the business rate base declines as funding would reduce but districts and boroughs potentially suffer a greater loss due to the complex mechanics of the scheme.
30. Government funding for infrastructure has significantly reduced in recent years. Unless the council is able to successfully bid for the remaining grant funding available, it will face an increasing responsibility to fund the infrastructure and services needed to support local economic growth. Failure to deliver measures, such as those designed to reduce congestion, will reduce residents' quality of life and would harm Surrey's reputation.
31. An element of the proposed programme is focused on capacity building, e.g. to develop transport schemes that attract external funding to support local economic development. There is no guarantee that external funding will be secured. However, without the early development of these schemes, the council will be hampered in its ability to bid for and secure external funding for economic development.

Financial and Value for Money Implications

32. Elements of the programme to support economic growth will require funding as they are developed, and decisions on the allocation of funds will be sought at the appropriate time.

Section 151 Officer Commentary

33. The Section 151 Officer confirms that the proposals outlined in this paper do not have any immediate financial impact or any further financial considerations above those already considered by Cabinet in preceding papers, for example in relation to the development of transport schemes as described in the November 2012 Cabinet report.
34. Specific proposals will require Cabinet approval based upon a full evaluation of the financial business case and consideration of the risks involved. Appropriate and specific partnership, company structures and governance arrangements may be required in some instances. In addition, the availability and scale of any financial assistance to pursue these objectives will need to be considered alongside other County Council objectives.

Legal Implications – Monitoring Officer

35. Under the power of general competence, contained in Section 1 of the Localism Act 2011 the Council has a wide power to do "anything that individuals generally may do". This could, in principle, include both making

loans and grants and borrowing in order to do so. In exercising its powers the Council must follow its own procedures and act for proper purposes, which would include supporting economic growth in the county. Any decision must also balance any risks against the potential rewards. It will therefore be important to ensure that decisions on any proposal brought forward under these propositions are considered by the relevant decision maker, supported by a proper business case, alongside the Council's fiduciary, equalities and other duties.

Equalities and Diversity

There are no identified negative equalities impacts. Where additional funding for infrastructure and transport schemes is secured, there will be positive impacts though increasing access to services and employment opportunities. Growth in businesses based in Surrey will in some cases generate additional jobs. Focusing skills and training support on young residents will also help positively address Surrey's relatively high level of youth unemployment. Where applicable, equality impact assessments will be undertaken as a part of decisions on individual projects.

Corporate Parenting/Looked After Children implications

The county council recognises it has a responsibility to young people in the county who might struggle to make a successful transition from education to employment, in particular our Looked After Children and young people leaving care. The current economic downturn has reduced the number and variety of jobs that are available in Surrey, with further disproportionate impact on the most disadvantaged groups. Care Leavers aged 16-18 years old are over five times more likely to be NEET (not in employment, education or training) than their peers who have not been in care. Being a 'Corporate Parent' is not just a role for social care services but is everyone's responsibility. For this reason, the county council wants to ensure that a percentage of any work experience, apprenticeships or employment opportunities are targeted at this, and other, key priority groups.

Safeguarding responsibilities for vulnerable children and adults implications

36. Adults with social care support needs are significantly underrepresented in the workplace. Fewer than 10% of adults with learning disabilities are in paid employment and the majority of this number are in part-time work. The current economic climate has made finding suitable employment opportunities to help people back to work more challenging than ever.

Providing effective support for vulnerable adults into employment and reducing inequalities and discriminatory practice is a key priority for the county council. The council uses its purchasing power and community influence to promote employment opportunities, so that people can access these routes back to full social inclusion.

Public Health implications

37. Supporting more people into work will improve well being and productivity and support fitter, more active, more socially linked and more resilient communities. This approach needs to be coupled with maintaining the attractiveness and quality of Surrey's outstanding natural landscape and

environment (which has an economic value in its own right) to encourage more use of these intrinsic assets, to promote health and well being, and reduce the incidence of both long term and chronic illness.

Climate change/carbon emissions implications

38. The county council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
39. The proposed approach includes projects that will contribute to long term improvements in public transport provision and reduce congestion. Other activities in the programme would also contribute to reducing business travel requirements, such as higher levels of home working supported by a countywide high speed broadband network.

WHAT HAPPENS NEXT:

The activities and proposals set out in this paper will be developed as a programme to support economic growth. Many activities are already underway, but priority will now be given to developing the new arrangements described in the paper and refining their scope and focus (including through preliminary discussions with Government officials) so that they can be presented formally to Government at the earliest opportunity.

Agreement to the proposals in this paper is an important commitment to economic growth and will send a strong signal to businesses that the county council is strengthening its efforts to support Surrey's economy. A package of communications measures will be agreed with the Deputy Leader emphasising the additional steps that the council now intends to take.

The county council will continue to play an active role in the EM3 and C2C LEPs in order to secure investment in Surrey's economic future, and in Surrey Connects to support delivery of its strategy and action plan.

Specific approval for elements of the programme will be sought as appropriate.

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Consulted:

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Director, Enterprise M3

Director, Coast to Capital

CLT Economic Competitiveness Board

Strategy Group Manager

Sources/background papers:

- Surrey County Council, 'One county, one team corporate strategy 2012 to 2017'
- The Surrey Local Economic Assessment, December 2010
- Surrey Connects Strategy, August 2011
- Surrey Connects action plan, summer 2012
- Cabinet report on superfast broadband in Surrey, 24 July 2012
- Wave 2 City Deals Prospectus, Autumn 2012
- Cabinet report on supporting the economy through investment in transport infrastructure 2012-19, 27 November 2012
- Heseltine Review 'No Stone Unturned', October 2012
- Barclays press release, entitled, 'Surrey revealed as nation's start-up success story' (<http://www.newsroom.barclays.com/Press-releases/Surrey-revealed-as-nation-s-start-up-success-story-87e.aspx>), 6 February 2012