

West Suffolk Growth Investment Strategy

Executive Summary

What we stand for – Our Vision for West Suffolk

“Supporting and investing in our west Suffolk communities and businesses to encourage and manage ambitious growth in prosperity and quality of life for all.” – Strategic Framework 2018-2020

Our dominant driver is to grow our economy in a way that benefits all the people who live and work here, whilst making a contribution to the wider UK economy and provide a financial return that we can reinvest in our communities. Therefore, our investments decisions are driven by the goal of achieving a blended mix of financial, economic and social benefits and returns, based on delivering the priorities in our Strategic Framework 2018-2020.

Our strategy serves to promote our approach to investing in growth, using our successes to attract and harness other investment and interest in our area. By investing in West Suffolk, it is not just about growing our communities but acknowledging the benefits to be achieved in doing so to the wider UK economy.

Our investment strategy is a:



Tool, supporting and enabling delivery of the Vision & Growth Priorities in the Strategic Plan (2018 – 2020) and the legacy beyond that

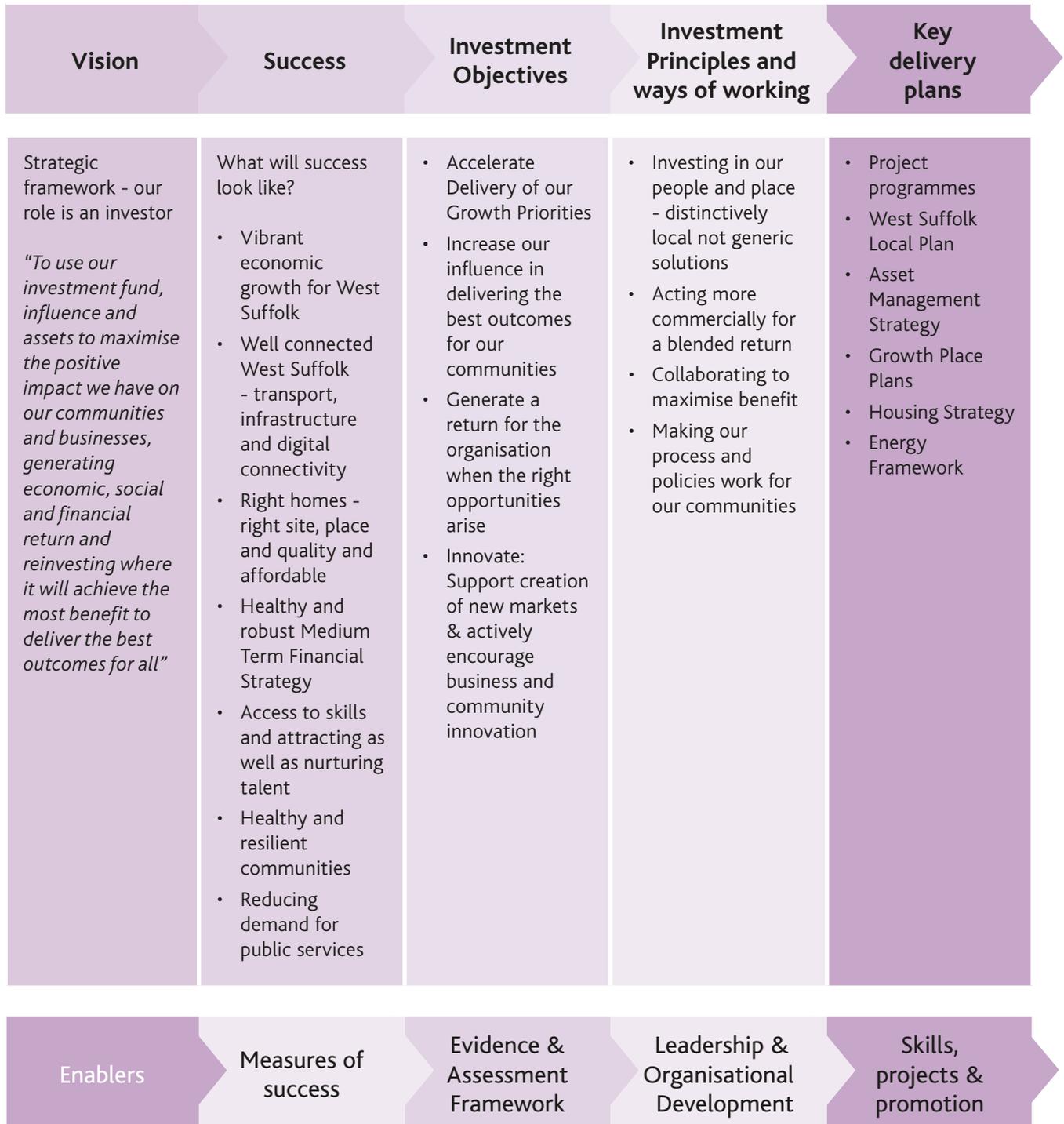
Reflection of our pro-active leadership, demonstrating our direction of travel

Reflection of our ambition and foresight that many of our investment choices now will lay building blocks for future generations

Statement of our strengths as an area and opportunities; which also provide clarity for investors, funders and other stakeholders



Growth Investment Strategy



What we want to achieve as an investor

Our role as an investor is:

"To use our investment fund, influence and assets to maximise the positive impact we have on our communities and businesses, generating economic, social and financial return and reinvesting where it will achieve the most benefit to deliver the best outcomes for all."

Our Councils have a track record in investing and delivering projects, which contribute to growth; infrastructure which delivers new houses and employment, a solar farm which generates energy and income, start-up units to support new businesses, a new industrial park and a STEM skills programme with the college and primary schools, to name some.

The benefits of investment and what success looks like:

- Vibrant economic growth for West Suffolk
- Well connected West Suffolk – transport infrastructure and digital connectivity
- Right homes – right size, right place, right quality and affordable
- Healthy and robust Medium Term Financial Strategy – helping keep Council Tax low, protecting high quality frontline services and providing more income to re-invest in social and economic beneficial schemes.
- Access to skills – attracting and nurturing talent to support current and future business
- Healthy and resilient communities – more economically prosperous with better facilities and access to jobs
- Reducing demand for public services – helping people keep healthy



Financial Return

While we expect much more than a purely financial return from investments it still is an important consideration. Our growth investment returns are reinvested to support our vital services and other growth projects. Monitoring and managing our investments as a balanced portfolio ensures we achieve an overall net return of 1% (after borrowing costs) equivalent to £400,000 per annum from the investment fund performance.

CASE STUDY

Bury Eastern Relief Road

£15M construction cost funded by St Edmundsbury Borough Council, Suffolk County Council and the LEP

Drivers for investment

- Road reduced congestion elsewhere in the town
- J44/A14 and made land available for a new secondary school, 500 houses (30% affordable) and 68 hectares of employment land
- Road open up to the Suffolk Business Park with (68 hectares) of much needed employment land and Enterprise Zone
- Creating jobs, economic growth and income from business rates and extra housing



CASE STUDY

Toggam Solar Farm – Lakenheath

Total Capital Project Cost

£14.471m

Reasons why we invested

- Supports delivery of our Medium Term Financial Strategy
- Supporting the low carbon future through our Community Energy Plan
- Long term investment return, protecting the delivery of valued services
- Potential to support families and communities
- Potential to support local economic growth

In-year Rate of Return

8% (At year 5, before borrowing costs)

Gross income

£1.2M (Year 1)

Revenue Income

Year 1 (17/18)	£308k
Year 5	£500k
Year 10	£700k+



CASE STUDY

Haverhill LifeLink – Social Prescribing model

Strategic Framework – Work with and influence partners including the voluntary sector in our shared endeavour of improving health, wellbeing and safety of families.

Reasons for initiative

Haverhill GP surgeries are registered to capacity and no walk-in surgeries to meet the various health needs of its residents. The level of need includes obesity, mental health and long term unemployment. It is estimated that one in five visits to the GP are for social needs such as isolation, debt management, low mood and anxiety. Areas where traditionally there is a strong role for other agencies, dedicated expertise and community support.

Solution

Haverhill LifeLink is a social prescription initiative for anyone aged 16 or above and lives in Haverhill or the surrounding villages – providing both a social and medical holistic approach to their wellbeing. The focus is early help and prevention and will provide a person centred model of support. To deliver the outcomes for the individual we are using a health coaching model and an Asset Based Community Development approach, utilising the many community and voluntary groups whilst allowing the opportunity to build and strengthen capacity.

The outcomes we anticipated are:

- Improved wellbeing for participants
- Reduction in frequent visits to GPs and wider services
- Reduction in prescriptions and the cost associated
- Increased opportunities for employment and volunteering
- Reduced social isolation
- Increased use of VCS and building capacity
- Improved networking

Working with One Haverhill secured funding: £69,000 Suffolk County Council and £63,768 from the Department for Communities and Local Government for a two year pilot. The scheme includes skills development with the County Council skills team and Department of Works and Pensions.

CASE STUDY

Mildenhall Hub – The project is also part of the Government's One Public Estate Programme

Brings together a range of public services on one site, making access easier, cutting costs and improved services by having leisure, health, education, local government and public services on one site.

Investment

Partner funding totals £23 million but through savings and efficiencies will pay for itself.

Partners include

- Mildenhall College Academy
- Forest Heath District Council
- Mildenhall swimming pool and the Dome (Abbeycroft Leisure)
- Suffolk County Council
- Suffolk Police and Crime Commissioner/Suffolk Constabulary
- Suffolk Libraries Service
- West Suffolk Clinical Commissioning Group (for the NHS)
- Citizen's Advice Bureau
- DWP (Job Centre)

Benefits

- radically improve the quality of facilities, particularly those for post-11 education
- reduce the equivalent built elements of the existing public estate by around 5000 m² (square metres) or 20%, even allowing for an increase in the current range of facilities
- include over 3000m² of shared internal space and shared meeting spaces;
- reduce the running costs of the public estate by over 50% (or £20 million) over 25 years
- relocate services from eight sites down to one easily accessible location for customers, close to the town centre
- provide scope for public services to expand in the future, if demand for them grows (including flexibility to deal with any scenario for the future of RAF Mildenhall)
- release more than five existing public sector sites for housing, retail, employment or other community uses, one in a prime town centre location and another close to the A11
- provide a flexible environment for virtually any model of service delivery in the future, with strong community ownership
- house a shared 'Hub Host' team in a single shared reception area who can deal with all first contacts with visitors; and integrate ICT systems

Through our investment Strategy we aim to:

- **Accelerate Delivery of our Growth Priorities**
Through provision and alignment of funding, loans and resources and by collaborating with partners.
- **Increase our influence in delivering the best outcomes for our communities**
Through acquisition and increasing partnerships and collaborations who bring different skills and expertise and potential to access to wider funding streams. As well as reviewing and applying appropriate regulation and policies.
- **Generate a financial return when the right opportunities arise**
Through actively evaluating our assets and other opportunities presented to us, this will enable us to generate income which can be reinvested in essential services for our communities.
- **Innovate: Support creation of new markets**
By drawing on our strengths and insights and promoting the opportunities which arise to develop new markets, we are more responsive to our communities needs and stimulate growth. We constantly looking at more efficient and exemplar ways of delivering growth and actively encourage and promote innovation within our area. We welcome new ideas and innovative approaches which will raise West Suffolk's profile and accelerate delivery of the priorities in our Strategic Plan.

In addition, we will use local leadership to:

- **Lever private/public/ third sector investment/funding & commitments**
Through having the right conversations, understanding the drivers and interests for others and sharing mutual benefits.
- **Avoid unnecessary duplication**
Avoid doing something if already being provided well by others and is meeting our growth priorities. Our focus will be to accelerate delivery; drive efficiency; identifying where duplication exists and being clear on what we will do relative to others.
- **Provide for communities when the market cannot and breakdown barriers and constraints**
We encourage openness from our partners and the market to better understand constraints and barriers which prevent delivery and what we need to do to meet local needs. We will continue to use partnerships to explore a wider range of options, provide access to skills and lever funding. We will invest to unlock barriers as long as it meets strategic aims for West Suffolk.



Our Investment Principles

These are the four main principles and ways of working to help us invest and achieve our Strategic Framework aims:

Investing in our Place and People for inclusive growth	Behaving more Commercially, for a blended return	Collaborating to maximise benefit	Making our process and policies work for our communities
--	--	-----------------------------------	--

Investing in our Place and People for inclusive growth

We will make a difference by prioritising investment projects across West Suffolk which maximise delivery of as many of our Growth Priorities as possible and as such make a marked difference to our Place and People. We will make most impact through actions and investments that build on the unique characteristics and opportunities our market towns and surrounding rural areas present. In 2018 we will be developing Place Specific Growth Plans, reflecting the uniqueness and opportunities of each area. This will enable us to further target our investment decisions.

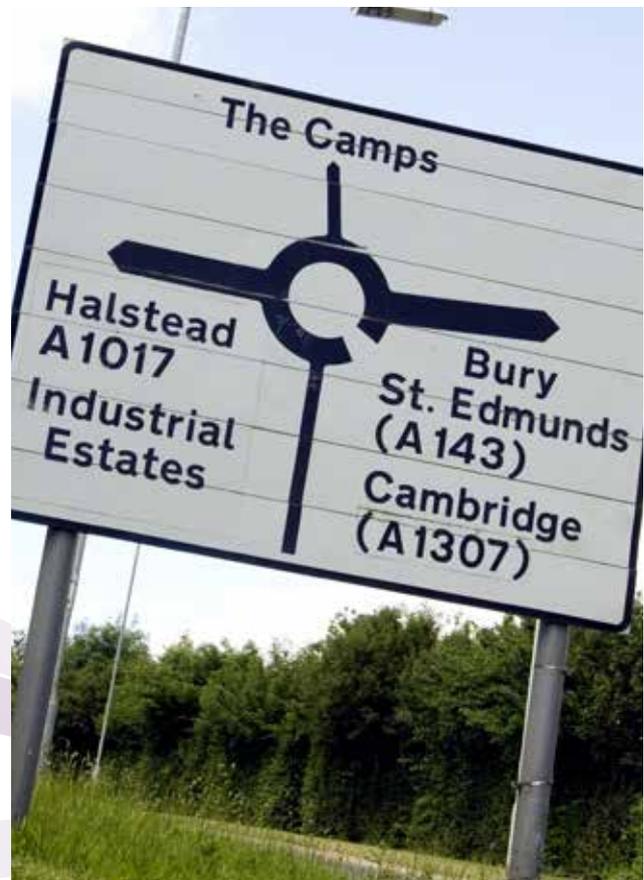
Behaving more Commercially, for a blended return

Traditional Government funding for Councils is due to end in 2020 and authorities are expected to raise income through more commercial means and economic growth. Our Strategy helps meet that needs while also delivering more than financial benefits such as better transport, health and public services. It also means we will work across the private and public sector in a new way to bring further benefits.

Collaborating to maximise benefit

We have a strong precedent of partnership working and collaboration, including successfully sharing the services of our own Councils. This has recently culminated in our decision to create a new Single Council. This was given

extensive support by our various stakeholders who highlighted how much more effective it will be to work collaboratively. We actively work on strategy and projects with others across the wider public sector system including Suffolk County, The Cambridgeshire and Peterborough Combined Authority, NHS and Police and have the unique benefit of being part of both New Anglia and Greater Cambridge and Peterborough partnerships. Equally continuing and growing close working relationships with town and parish councils are vital in delivering managed growth



and community initiatives in a partnership way. In addition one of the key principles of this strategy is enabling closer working and forging new partnerships with the private sector to deliver the strategic aims and support business. This follows on from the work we have been doing investing with developers in infrastructure, such as the Eastern Relief Road; setting up Enterprise Zones, BIDs and the DMO, Bury St Edmunds and Beyond

Making our process and policies work for our communities

Using current and new policies and plans, based on our strategic vision and priorities, we will better facilitate our growth agenda. For example in 2018 we will start work on the West Suffolk Local Plan, Place based Growth plans and Asset Management strategy. Our stakeholder investor forum will enable us to engage with the market and other stakeholders to inform this work and accelerate delivery of appropriate development and growth. We will also continue to review and improve our planning processes and policies to

make sure early advice is available to help with applications.

We will explore the use of different delivery models to maximise our investment potential, address barriers and accelerate delivery - such as Barley Homes. We will also continue to understand and use legislative powers such as CPOs and Business rate discretions, as a proactive tool to positively influence outcomes for businesses and communities. We will continue to proactively support businesses through our services to help them flourish while taking enforce action to help legitimate companies impacted by those who do not follow the law or guidelines.

Suffolk Councils have engaged in the 100% business rate retention pilot. We expect the first year pilot for 2018/19 to generate approximately £2.6m for West Suffolk, this is in addition to our Investing in Growth fund of £40m (capital funding).



Investment Opportunities

West Suffolk has great investment opportunities both for the Councils to create economic and social benefit but also for businesses and developers. We are transformational and looking to both create financial stability to continue to deliver high quality services but also create prosperity and wider benefits for our communities. Our West Suffolk Growth Strategy shows we are open for business and looking to strengthen and forge new relationships with the public and private sector to drive forward our aspirations.

In the context of the investment environment we have identified broad areas which present opportunities and meet the priorities set out in the Strategic Framework 2018 – 2020. This is to stimulate interest, align stakeholder activity and investment relative to our own. These are not an exhaustive list and we therefore welcome other proposals and ideas. Additional opportunities will be explored as we prepare other delivery documents in 2018, such as our Asset Management strategy and our growth place plans in 2018 for our towns and rural areas.

The Council is not responsible for and could not deliver all of these on its own, they exist as a focus of where the Council would wish to concentrate energies and as appropriate financial investment to deliver with stakeholders, developers and investors. This is a living document and as new opportunities arise or new markets identified, we will add to this section of the strategy as part of a formal annual review through our committee structure.

Through proactive marketing and working closely with stakeholders, developers and investors we will actively look for new opportunities and engagement with the private and public and community sectors. This is a living document and as new opportunities arise or new markets identified then this will be added to this section of the strategy.

The opportunities detailed in our full Strategy are in four categories:

- **Inclusive Growth** – Our commitment to supporting resilient families and communities ensures that we can invest, either financially or through capacity building, in the voluntary community sectors, contributing to wellbeing, enhancing skills and enhancing connectivity to services and support.
- **Housing** – There is a national drive to deliver more housing. This, combined with a growing need for additional homes in West Suffolk presents a real opportunity to be more creative in encouraging new types of housing which better respond to the needs of our local communities.
- **Business** – Our areas of focus are supporting new and innovative start-up, ensuring a supply of quality move-on space to meet our growing businesses and creating the environment and collaborations which supports innovation and attracts new and higher value businesses to create the right mix of jobs to grow our economy now and into the future.
- **Infrastructure and energy** – Suitable infrastructure is vital to support growth in West Suffolk and open up further opportunities for economic and social benefit. We are on or near major road growth corridors; the A14 linking Port to Cambridge and other large growth centres in the Midlands as well as the A11 Tech Corridor. We will continue to actively work with developers, partners and public sector as well as neighbouring authorities to bid for finance and invest in infrastructure. Our planning policies ensure sufficient infrastructure is put in place to support strategic housing applications and, as member Council of Suffolk Growth Programme board, we are developing a Strategic framework to integrate cross boundary transport with infrastructure and growth. Equally there is great scope to invest in energy and data infrastructure to not only get an economic and financial return but social benefits too.

Process and assessment of investment

Growth Investment Fund

In April 2017, we set up both a £40m capital and £2m revenue investment fund across West Suffolk to deliver our Growth agenda. Our approach to investment will follow the four principles set out in this strategy:

- Investing in our Place and People
- Behaving more Commercially, for a blended return
- Collaborating to maximise benefit
- Making our process and policies work for our communities

How projects will be assessed

Business Case

Investment projects will be managed as a portfolio by the Councils programme management process and business cases and decisions made within the Councils existing governance structure. They be assessed for Strategic fit against the approved Strategic Framework and Growth Investment Strategies and the five stage business case programme referenced in our Investment Framework.

Feasibility Concept	Feasibility - Deliverability and design stage	Approval stage	Delivery/ Implementation stage	Close out stage
---------------------	---	----------------	--------------------------------	-----------------

Our approach to risk, as set out in our approved risk management framework, is based on context, proportionality, judgement and evidence-based decision making that considers each capital investment project on case by case basis and is documented at all stages, following the following core principles.

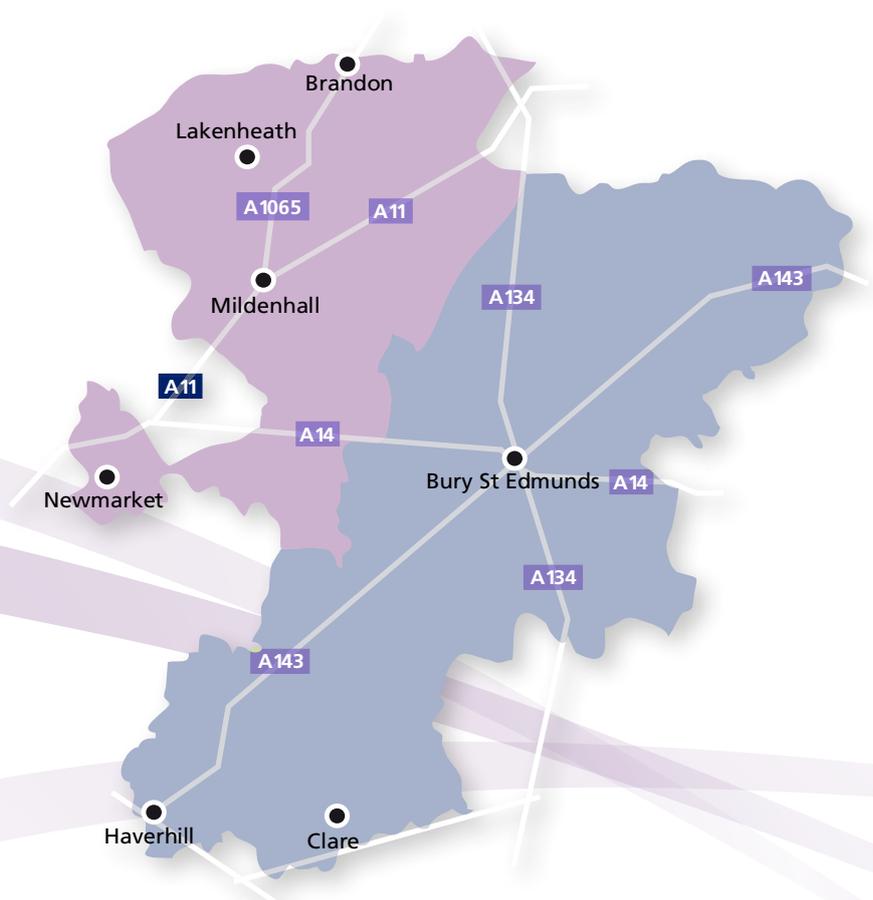
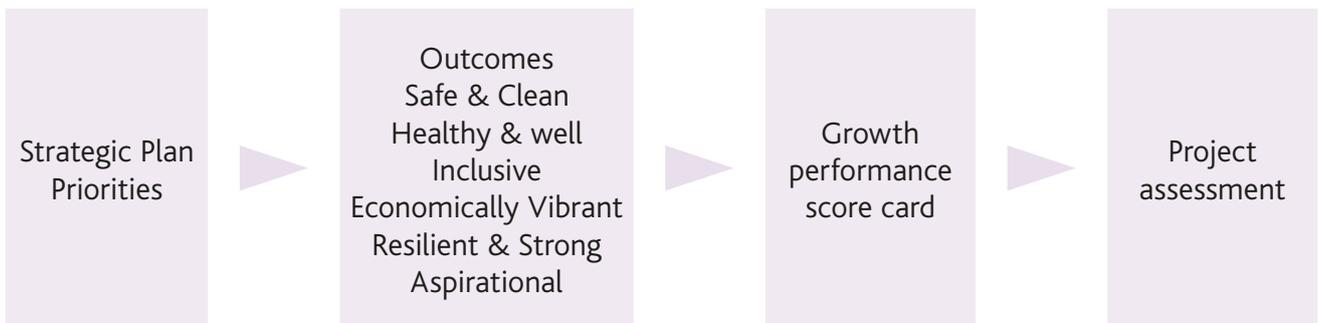
a positive approach;	contextual decision making	informed risk-taking	proportionality	decision risks vs delivery risks	a documented approach	continuous improvement
----------------------	----------------------------	----------------------	-----------------	----------------------------------	-----------------------	------------------------

Quality Assurance

Each business case committing resource from this fund will be reviewed and signed off by the S151 Officer and monitoring officer whom will provide detailed advice for each case having regards to the Councils financial and legal obligations and powers

Measuring Success

We will measure how well we are doing across our portfolio as a whole in achieving our priorities and vision with the following process.



Forest Heath & St Edmundsbury councils

West Suffolk
working together