# **A Prosperous and Sustainable Economy**

**Economic Development Strategy for Chichester District**

**2025 – 2030**

**Foreword by Cabinet member for Economic Development, Communication, Licensing and Events**

Chichester District Council is committed to supporting local businesses. We recognise that our businesses are the core contributors to the prosperity of our District.

Chichester is a thriving district, celebrated for its rich cultural heritage, vibrant atmosphere, exceptional recreational amenities, and outstanding natural landscapes. It is a place people take pride in and choose to invest in—both economically and socially. The District Council remains committed to supporting businesses through innovative initiatives and promoting Chichester as one of the UK's most desirable destinations for enterprise.

Like the rest of the country, our businesses are navigating the challenges of rising energy costs and ongoing economic uncertainty. In the wake of Covid, consumer shopping habits have shifted, leading to a transformation in our high streets. There is now a growing demand for more experiential retail environments that offer unique and engaging experiences for both the local community and visitors.

As part of the area's economic development, we have developed a Regeneration Strategy for Chichester City that outlines key opportunities to attract investment and business; boost employment; improve infrastructure; advance sustainability; and support the city’s physical transformation.

Given the series of unforeseen challenges businesses have faced in recent years, it’s essential that we continue to adapt our strategies to reflect the realities of the local economy. Our goal is to support businesses in building greater resilience for the future.

The objectives of this strategy aim to address the current challenges faced by local businesses and the potential opportunities that are available. Through our annual Service Delivery Action Plans, we will ensure actions are delivered to support the delivery of the strategy, making our district a place in which businesses thrive and prosper.

Our priority is to continue delivering the Inward Investment Delivery Plans and regeneration projects that position the District as open for business—supporting our high streets, horticulture, viticulture, and the visitor economy. This strategy also places a strong emphasis on fostering sustainable business practices.

Our Economic Development Strategy advocates a targeted approach to supporting local business growth while attracting inward investment. It highlights the vital role of education and training in raising aspirations and developing skills and aims to maximise the economic potential of the District’s rich natural and cultural assets.

**Cllr Harsha Desai**

Cabinet member for Economic Development, Communication, Licensing and Events

July 2025

## About this Strategy

Chichester needs an economic strategy that reflects the changed economic and organisational conditions that now exist but needs to be flexible enough to allow response to changes in the economy. This is an update of the 2022 - 2024 strategy and will retain aspects of that strategy which continue to be relevant but will suggest additional aims and identify links with the West Sussex Economic Strategy, The Chichester Growth Deal and the Chichester Regeneration Strategy.

A combination of the long-term impact of Brexit, Covid, and significantly increased energy costs continues to impact the local economy's supply chains and recruitment in some sectors. It is not yet known how long this will continue and is a national issue. Therefore, this strategy will seek to allow for flexibility to react to the needs of our local economy.

At the time of developing the last strategy, the seismic changes impacting the Retail Industry were leading to an evolution of town centre usage. However, the Council has now adopted the Chichester Regeneration Strategy which is a significant and important strategy to assist in the long-term planning of support that the council can provide to help with the economic sustainability of our historic city. Equally, the pace of change within the digital economy has accelerated and the way businesses operate has evolved.

In the current economic climate, with additional cost pressures, many SMEs are facing a range of challenges. In addition to general market and trading pressures many business owners are concerned about how the current and future impact of climate change and climate change related legislation might affect their business. Chichester District Council recognises these challenges and will focus on offering support and assistance to help SMEs achieve a reduced carbon-based future.

Take up of commercial space is still heavily influenced by accessibility but occupiers are now considering how premises and locations can be more appealing to employees. The development of co-working and flexible office space is a crucial part of the offer. Chichester District Council has foreseen some of these changes, evidenced by the Council establishing the Enterprise Centre and Ravenna Point and an award-winning redevelopment of St James Industrial Estate.

Chichester District Council cannot affect economic outcomes at a macro level, but its

actions, priorities and leadership can make a difference to local businesses and residents. It

can develop strong partnerships to access funds; lobby for investment; achieve cost- effective outcomes; influence others to work towards a common agenda; send market signals to investors about the sort of economy Chichester wants; use its own land and assets for local economic benefit; and as a large local business itself, its positive approach to recruitment and procurement can make a genuine impact to the local economy.

This refreshed economic strategy builds on what has been achieved over the previous three years and sets out the future direction, based on the evolving economic conditions It recommends a targeted approach to supporting (high growth potential) indigenous businesses and a focus on Inward Investment. It stresses the importance of horticulture, viticulture and the visitor economy. It recognises the impact of climate change with a commitment to provide support to businesses to help them adapt to climate change impacts and to support sustainable businesses in the sectors of renewables, retrofitting and the circular economy.

It acknowledges the need to attract and retain working age people; stresses the importance of education and training in raising aspirations and developing skills; and encourages the District to continue to make economic use of its considerable natural and cultural assets.

Chichester District Council cannot take the credit for the District’s future economic

successes alone; nor can it take sole blame for its failures. Its impact will be judged in the

way it leads, acts and co-ordinates activity in the areas where it can make the most significant difference. This strategy will help it to do this.

## Background

The size of our economy was £3.5 billion in 2021, growing by around 35% over the last 10 years. The top three sectors responsible for contributing the most to our economy other than Real Estate were manufacturing (15%), health (10%), wholesale, retail and motor repair (9%).

Despite experiencing positive economic growth over the last 10 years, our productivity is significantly lower than the national average.

Focusing on key growth sectors in our district - such as manufacturing, where productivity performs exceptionally well - has the potential to drive our productivity in a positive direction. Furthermore, attracting high growth innovative businesses, particularly those in digital and technology, professional services and advanced manufacturing will also help raise our district’s overall productivity.

Our district is home to approximately 6,780 businesses, of which the majority employ less than 10 employees. Investing in our public realm and helping to resolve issues that businesses typically and currently face, such as digital connectivity, will help to promote our city as an attractive place to do business and increase our visibility as a prosperous business location.

Businesses that base themselves in Chichester district have a higher chance of survival after three years when compared to the South East and national levels.

The ongoing challenge is to identify and support those businesses that have strong growth potential; that are likely to provide new higher value jobs, and which will attract new investment. Such a targeted approach needs to sit alongside a broader sector-based approach that focuses on strengthening networks and supply chains in key sectors.

Key barriers to growth continue to be lack of availability of suitable space, premises costs and lack of funding. Businesses also struggle to recruit staff with the essential skills required and cite this as a hurdle to the day to day running of their businesses along with increased energy and materials costs. Business rates levels continue to be an issue being coupled to the high rents in the area.

The district's retail businesses are undergoing an extremely challenging time, and the high street continuing to evolve in terms of business mix. Support to businesses in our high streets, particularly our independent businesses, will need to be developed according to need and in line with the Regeneration Strategy.

The Council’s Events Strategy presents the district as a place that is open for business and one which actively welcomes events to showcase the district and help boost the local economy.

The Invest Chichester website promotes the district to potential investors and the District Council will continue to engage with successful entrepreneurs and business leaders to develop meaningful content and communications.

Geography and road transport links mean that it may be prudent to have some focus on

supporting the growth of businesses that are not transport dependent, although not at the expense of one of the District's key strengths in food and drink production. Given this, it is

vital that there is access to up-to-date digital infrastructure and broadband in all parts of the

District; that transport improvements are made where this is viable; and that the business accommodation needs identified in the Housing and Economic Land Availability Assessment (HELAA) 2021are met.

Chichester is widely recognised as having some of the country's most outstanding

countryside and its theatres, art galleries, museums and beaches inspire creativity in artists,

designers and media professionals. Nearly three-quarters (70%) of the District's land is part

of the South Downs National Park; Chichester Harbour is an Area of Outstanding Natural

Beauty (AONB); it has a rich and diverse coastline that supports both visitor activity and

marine businesses; and it has listed buildings and Sites of Special Scientific Interest aplenty.

These natural assets support a strong visitor sector which contributes £490m per year to the District's economy.

The quality of light and soil support one of the country's most important horticultural clusters,

and its agricultural businesses produce outstanding local food and drink. They are the economic lifeblood of the District's market towns and villages, and the guardians of its

countryside. The beauty of Chichester Harbour makes it attractive for yachting enthusiasts and it provides an ideal location for businesses linked to the Marine sector. The Witterings and Bracklesham Bay are popular destinations for family holidays and for windsurfers, kite surfers, divers and fossil hunters.

These are all substantial assets that give Chichester a reputation for quality, culture and

refinement that are the platform for its current and future economic success and are major

selling points to potential investors. The District attracts 5.6million visitors every year,

Chichester Harbour can accommodate 12,000 yachts, and Glorious Goodwood, the Festival

of Speed and Goodwood Revival are national highlights on the events calendar. The Destination Management Organisation for the district ‘The Great Sussex Way focusses on attracting more overnight visitors and creating innovative visitor packages that could encourage more of its day visitors to remain in the District for longer.

Chichester's rich and diverse food and drink production sector increasingly operates in

competitive international markets and requires people with high-level business and technical

skills. Its farmers and foresters have to find new ways of making their businesses

competitive, making better use of their buildings and land, finding new ways of working

together, exploring new markets (both at home and overseas), and strengthening supply chains.

Successful coastal areas are often those that have found ways of extending the holiday

season to make better economic use of their access to the sea during the colder, winter

months. This may mean strengthening marine related activities, improving and diversifying

the retail and leisure offer in the coastal towns and to attract more people throughout the year.

Chichester has a well-educated population, high levels of entrepreneurship, and a high

proportion of its residents work in 'higher level' occupations. The University of Chichester is

a thriving higher education institution which was recently recognised as a one of the top 30

universities in the UK with key disciplines in sport, education, creative and digital

technologies, and engineering. The University of Chichester has around 7,000 students having increased numbers with the establishment of a new nursing degree course. It boasts the Engineering and Digital Technology Park and also has a school of Enterprise, Management and Leadership.

The Chichester College Group is the largest provider of further education in West Sussex and Brighton & Hove. Through their colleges, they educate and train around 25,000 full and part time students every year aiming to meet the future needs of the regions’ employers. West Dean College is an independent higher education college with an international reputation for conservation, creative arts and design. However, GCSE attainment in some schools is below the national average; local businesses are concerned that the skills young people have are not well-matched to those that they need.

Universities and colleges are increasingly having to operate in a market environment,

responding to student and business demand; whilst they are often expected to respond to forecasts of future skills needs in the local economy.

The Council continues to maintain an on-going dialogue with education providers to identify ways of developing a more responsive curriculum; to find new ways of delivering learning packages on employer premises; and of equipping learners with the skills that they need to compete effectively in the local labour market. Education providers have an equally important role in developing learning pathways that are sufficiently attractive and flexible to raise the aspirations and skills of lower skilled people who might otherwise struggle to gain a foothold in the labour market.

Chichester has opportunities to do more to attract and retain young talent. It has a top-

performing Further Education college that attracts a large number of international students; it

has its own university, which could be supported to attract more students from elsewhere, and it has a large SME sector that could be encouraged to provide more work placements

and opportunities for university and college leavers, and it can use its existing entrepreneurial talent to support its graduates to start their own businesses. It is no simple task to attract working age people, but the district will need them in the future to support its ageing population; improve its offer to visitors; and to provide the talent that its growth-oriented businesses will need to prosper.

## Our Priorities

**Priority 1: Inward Investment**

***Having a large business base is not enough to secure sustainable economic growth.***

***Many micro-businesses are not growth oriented and will not provide higher value jobs***

***in the future or increase the District's prosperity. We need to continue with the Invest Chichester platform as the keystone for an annual delivery plan for Inward Investment and for development of land designated for Employment and for Horticultural Development in the Local Plan***/***Local Plan Review to provide the future space for growing and new businesses.***

***The District Council is a key stakeholder in the effectiveness of the A27 by-pass. The Chichester Local Plan (2021-2039) seeks to address the impact of new development arising from that plan in the southern plan area through a Monitor and Manage approach. However, the majority of additional trips along the strategic corridor projected over the next 14 years will arise as a result of growth outside of the plan area which will require redress through national road improvement schemes. Existing businesses have cited the A27 congestion as a barrier to growth and if we are to attract inward investment and to enable growth of existing businesses, the A27 must be improved. The Council will continue to lobby national and regional government organisations for much needed improvements.***

**Primary Aims**

1.1 Continue to develop and deliver an annual inward investment plan

1.2 Continue to promote and market the District as ‘open for business’ through the Invest Chichester website, articulated through clear targeting and messaging to attract inward investment.

1.3 Develop a Digital strategy that aims to secure high-speed digital infrastructure and broadband access across the whole of the District and to build on the Gigabit roll out to public sector buildings to encourage businesses to access full fibre services. Work with WSCC to find the most effective spine routes for the District as part of fibre roll out funded from the pooled business rates.

1.4 Promote the development of key employment and horticultural development sites identified in the HEDNA or Local Plan/Local Plan Review.

1.5 Highlight the sustainable business support available to businesses in the district and provide support to businesses in the sectors of renewables retrofitting and the circular economy.

**Priority 2: Supporting the high street**

***Aligned with the Inward Investment Delivery Plan and Regeneration Strategy, we need to ensure that we support the 'high street' through its ongoing changes. The future of the high street will not be all about retail and there is likely to be a significant shift towards other high street uses, particularly those which cannot be met by the internet. The challenge will be to maintain a mix of sufficient 'anchor' shopping and experience draws whilst encouraging a variety of independent retailers.***

**Primary aims:**

2.1 Support and contribute to the delivery of The Chichester City Regeneration Strategy

2.2 Deliver targeted support programmes to retail businesses and other businesses seeking to locate in our town centres across the district.

2.3 Working with the BID, pro-actively support businesses which can contribute to a more diversified offer on the high street. Support the delivery of recommendations from the Evening and Nighttime Economy Action Plan

**Priority 3: Create the Conditions to Support Growth-Oriented and Sustainable Businesses**

***An unfocused approach to business engagement risks spreading resources too thinly***

***and may mean that some businesses fail to grow to their full potential. Growth***

***oriented businesses are not confined to particular sectors, but they need the right accommodation in the right locations and high quality, up-to-date digital and physical infrastructure. Digital infrastructure is essential for future growth but***

***businesses are at varying stages of development regarding their needs- we need to***

***support initiatives which aim to future-proof digital infrastructure. There needs to be a***

***focus on identifying those businesses ready to grow through the Business Contact***

***Programme. However, we cannot forget that 90% of the businesses in our district are micro businesses reflecting increases in self-employment and these businesses will also need support. There will be a focus on focus on offering support and assistance to help SMEs achieve a reduced carbon-based future.***

**Primary Aims**

3.1 Through the business contact programme, provide targeted support to businesses which fit the priority sectors identified in the Inward Investment Delivery Plan and those which will positively contribute to the evolving high street.

3.2 Through the Growth & Sustainability Officer, provide support to businesses in the sectors of renewables, retrofitting and the circular economy and develop appropriate support programmes to help SMEs adapt to climate change.

3.3 Underpin support via the delivery of grant schemes or training programmes.

3.4 Utilise the working relationships with The University of Chichester's Business School to develop targeted support.

3.5 Explore means by which growth can be achieved within employment and horticultural sites allocated in the Local Plan/ Emerging Local Plan

 **Secondary Aims**

3.6 Continue with the development of sector focused business support networks to add value to support business growth and stronger local supply chains.

**Strategic Alignment**

The aims for the above 3 priorities support the following strategic priority alignments that are set out in the West Sussex Economic Strategy 2025-2035which provides the framework for a coordinated approach to delivering a productive, sustainable and inclusive economy across the county:

* Promote the county as an attractive investment and international trade location
* Promote opportunities for new development with supporting infrastructure to enable growth
* Support the transition to net zero and resilience to climate change
* Ensure our urban centres, employment hubs and rural areas are vibrant and attractive
* Grow high value sectors and distinctive clusters and strengthen innovation networks aligned with the National Industrial Strategy
* Position West Sussex as a market leader in innovation and investment
* Harness the unique opportunities from the visitor economy

**Priority 4: Make Best Use of the District's Natural and Cultural Assets**

***Chichester's natural and cultural assets are what makes it distinct and special. They***

***are the cornerstone of its economy and the reason why it is one of England's***

***most attractive places to live in and visit. Its natural and cultural assets underpin its***

***great food and drink production and creative industries sector and give it the***

***potential to develop industries linked to the marine sector. Working with the natural***

***environment is a key component of sustainable economic development. Chichester's***

***high quality natural environment needs to be viewed as an economic asset, not an obstacle to securing sustainable economic growth, particularly for the visitor economy.***

**Aims**

4.1 Provide support through the Business Contact Programme to businesses in the market towns so that the towns remain thriving centres that serve their hinterlands.

4.2 Support the District's farmers, foresters and landowners to make best economic use of their buildings and land assets within the constraints of landscape, wildlife and listed buildings designations.

4.3 Develop a co-ordinated approach to engage, support and promote the food and drink sector so that Chichester District is recognised as one of the country's leading food and drink producers.

4.4 Better understand opportunities for developing and growing the District's marine and coastal related activities, linked to their strengths in the Solent area and improving and diversifying the retail and leisure offer in coastal locations.

4.5 Support partners, such as The Great Sussex Way and Experience Sussex to develop high value visitor packages and to increase the value of tourism and culture to the economy.

**Strategic Alignment**

These aims are aligned to Ambition 5 in the West Sussex Economic Strategy 2025-2035 which is to sustain our distinctive and vibrant places and grow the visitor economy.

**5. Additional area of focus:**

**Match Skills to Business Needs and Attract and Retain working age talent**

***Talent attracts investment and enables businesses to innovate and compete on***

***quality. It is a key driver of economic growth. Acquiring the right skills also gives***

***individuals more choices in the labour market, enables them to command higher earnings, and reduces their risk of social deprivation. Universities, colleges and training providers are key to raising aspirations, nurturing talent and supporting***

***workplace learning. Education is not a purely economic endeavour. However,***

***learning providers are increasingly operating in a market environment, where learning***

***is seen as an investment upon which learners and sponsoring businesses expect to***

***see a return. Universities and colleges need to be supported to find new ways of***

***identifying and responding to local business and community skill needs, so that they contribute to the District's economic growth.***

***Chichester District's economy needs working age people over the longer term if it is to achieve sustainable economic growth. It needs people who can fill the lower and***

***intermediate level jobs that support its ageing population and growing visitor***

***economy; it also needs to retain and attract fresh talent to enable its high***

***growth businesses to expand and to attract new investment from outside. The***

***District's housing stock is not accessible to younger working age households; its***

***night-time economy is under-developed for younger people; and its SME-dominated***

***labour market makes it difficult for many young people to build a career locally, hence the need to create higher value jobs.***

**Primary aims**

5.1 Develop strong links with education-business networks and work in partnership with the Careers Hub to strengthen the links between the District's secondary schools and Further and Higher Education providers.

5.2 Work with partners as they develop their plans for upskilling the workforce.

5.3 Support initiatives that maximise internship and apprenticeship opportunities and increase work placement opportunities for young people and to develop their business and entrepreneurial skills.

**Secondary Aims**

5.4 Find viable solutions to specialist learning provision that meets local business needs.

5.5 Respond to the skills and employment needs arising from the South Downs National Park.

**Strategic Alignment**

These aims support the following priorities that are set out in the West Sussex Economic Strategy 2025-2035: -

* Increase employment in high value sectors and specialisms
* Strengthen business engagement in careers and talent development
* Boost the proportion of working age residents

**Working in Partnership**

This Economic Development Strategy links strongly with the delivery of the Regeneration Strategy and will therefore involve regular partnership working.

Supporting business relies on building our partnerships with the Chichester Chamber of

Commerce and Industry, the BID and networking organisations in Midhurst, Petworth, Selsey and the Witterings.

**Reviewing Progress**

Chichester District Council cannot grow the local economy alone, but in leading the delivery

of this strategy and working with private, public and voluntary sector partners, it can help support the District towards sustainable economic growth.

The strategy is a core part of the District's future strategic plans and supports the new Local

Plan and the Regeneration Strategy; an annual action plan will be developed by the Economic Development Service as part of the Annual Service Plan.

Progress in delivering the strategy will be shared by the council within its existing

partnerships and networks such as the Chamber of Commerce, BID, Town Councils, West

Sussex County Council, the South Downs National Park Authority, The Great Sussex Way, Experience Sussex.