

Annual Report **2013/14**

Creating the right conditions for growth





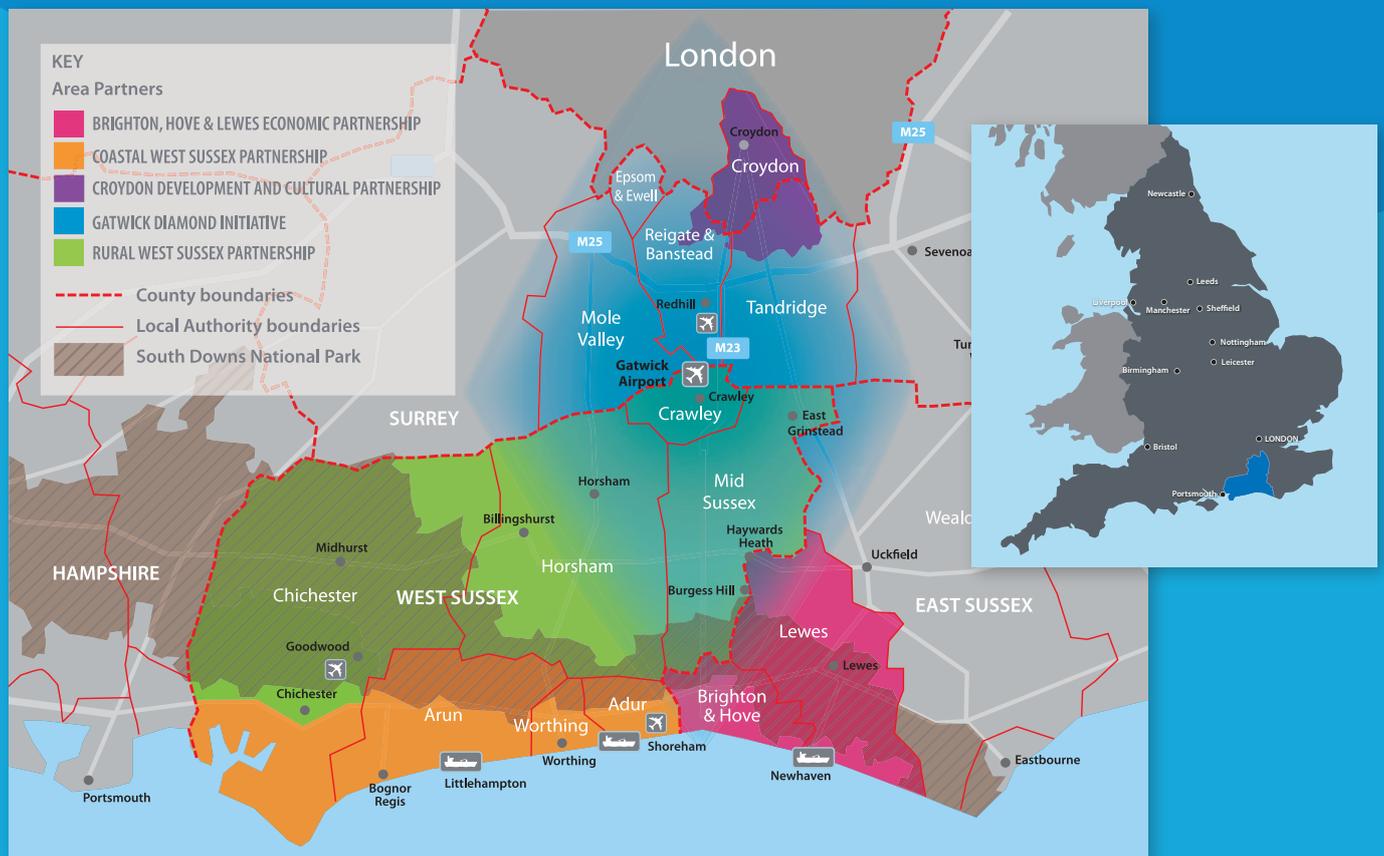
About Us

Coast to Capital is the Local Enterprise Partnership (LEP) for West Sussex, Brighton and Hove, Lewes, the Gatwick Diamond and London Borough of Croydon. Formed in early 2011 as one of the UK's new Local Enterprise Partnerships, our small yet dynamic team is focused on delivering growth for one of Britain's most economically important areas which includes the economy surrounding London Gatwick Airport.

We represent a population of 1.9 million people, a working population of 1.2m and 85,000 VAT and PAYE registered businesses supporting more than 721,000 jobs. Our local economy is worth £40 billion to the UK economy.

Our mission is to improve the international competitiveness and sustained profitability of Coast to Capital businesses by providing access to the right infrastructure, people, knowledge and opportunities. Our focus is on those areas where we are able to stimulate growth and add the most value, working across the private and public sectors. However, our ambitions are global.

Coast to Capital is led by the business community and supported by our region's local authorities, businesses and academic institutions. We work closely with five local area partnerships and together, we are collaborating to secure a more prosperous and sustainable future for all.





Chairman Foreword



“Our focus continues to be the creation of 20,000 new jobs, 4,500 new businesses and 4,000 exporting businesses by 2016”

The introduction to this 2013 Report gives me the opportunity to look back over a busy year when we set about the complex task to develop a Strategic Economic Plan for the Coast to Capital region.

Through the long process, we sought to see things afresh, to redefine possibilities and to create solutions for tough problems. The business environment is ever-changing and we have needed to apply new-world thinking to fuel globally successful enterprise.

As in 2012, our focus continued to be the creation of 20,000 new jobs, 4,500 new businesses and 4,000 exporting businesses by 2016. We recognise that businesses today face very different global opportunities from a decade ago. Taking advantage of these requires a different mind-set and new operational methods. Helping companies to grow and secure partners and customers in local, national and international markets will continue to be our priority.

Our twin track strategies of Enterprise and Internationalisation remain at the core of Coast to Capital.

During 2013, as the LEP's remit expanded, we brought new talent onto our board of directors. With this increased expertise and assistance, we have successfully bid for and allocated loan funds for a variety of projects through the Growing Places Fund and Business Growth Grants.

To conclude, I wish to thank my colleagues on the board including Ron Crank, Chief Executive, and his team. Coast to Capital is also indebted to its five Area Partnerships and its upper tier local authority partners for their considerable and valuable support which allows us to focus on our objectives.

John Peel OBE, Chairman



24 April

- Enterprise Committee

8 May

- Local Transport Board meeting

Chief Executive Update

Much of our time in 2013 has been spent developing the Strategic Economic Plan, a new EU Funding Strategy and a Skills Strategy. As a result, there has been much negotiation with Government and partners in important areas such as governance, process and policy. We have also been busy promoting the Regional Growth Fund and launching new Business Growth Grants to businesses across our region.

During 2013, it has been important to develop and advance our relationships with our founder Area Partnerships and I would like to thank them for their support. Whilst, at the same time, we have maintained close relationships with Whitehall – in particular with the Department for Communities and Local Government (DCLG), Department for Transport (DFT), The Department for Business, Innovation and Skills (BIS) and the Cabinet Office. I wish to thank them for their support and encouragement.

I continue to be impressed with the innovative businesses that are to be found throughout our area and Coast to Capital will support them in any way that we can to help them grow and create employment opportunities. Over the year, we have tried to engender an environment that celebrates success, minimises

red tape and provides access to investment capital.

We have worked harder to communicate on a more regular basis with all our stakeholders – increasing our engagement activities using face to face, online and traditional communication channels. As a result, there is far more clarity about the role and purpose of Coast to Capital LEP.

Personally, I have made a point of building relationships with our region's business leaders by learning about the challenges they are facing and listening to their needs. During these discussions, I have been heartened to hear about some tremendous success stories. Understanding the characteristics that drive these leading businesses helps us to encourage others to build and succeed.

I have also met with many of the area's MPs to ensure they are briefed on our plans for the region ahead of the Strategic Economic Plan being formalised by Government. I believe that relationships between individuals are at the heart of good business and vital in developing successful partnerships.

None of the above could have been achieved without the hard work and

vision of the Coast to Capital Board, our committee members, partners and importantly, our team.

Looking forward, in 2014 we hope to increase our work to build international recognition for Coast to Capital as an excellent location for business and to highlight the success stories of our world-class industries. We will also continue to focus on helping innovative companies to thrive and create jobs for local people.



Ron Crank, Chief Executive

22 May	24 May	4 June	10 June	13 June	19 June
• Board Meeting	• International Committee	• Enterprise Committee	• Croydon Business Leaders Round Table	• Finance Committee	• Brighton Business Leaders Round Table • Growing Places Committee Meeting • C2C Hosts MPs lunch at Houses of Parliament

Our Vision

Our vision for the Coast to Capital region is a high performing economy with a global outlook, where knowledge and creativity drives growth and prosperity for all. Geographically, we uniquely span the UK's two strongest economic regions - London and the South East and our region continues to be one of the most prosperous in the UK.

We want to ensure that all communities share in this prosperity and in order to achieve this, we will step up our performance to compete with the most successful regions in Europe and in the rest of the world. To do this, we seek to encourage innovation to create the jobs of tomorrow, whilst developing Coast to Capital as a sought-after location for business.

To achieve our vision and goals, we have adopted two strategic objectives:

- 1. To increase levels of enterprise and entrepreneurship**
- 2. To increase levels of international trading**

Our primary long term goal is to create net private sector employment growth of 100,000 jobs by 2035.

Strategic objectives

In pursuit of this vision, our business-led approach is to:

- Ensure our investments result in tangible growth and economic benefits for those who live, work, visit and study in the Coast to Capital region.
- Give all businesses the opportunity to expand and to capture the value of their ambition.
- Enable everyone to access opportunities to improve their skills and to progress their career.
- Make more housing available for sale and for rent.
- Improve public transport services.
- Offer young people clear pathways from education into work.
- Provide individuals with the information, advice and support they need to start a business.
- Ensure all communities are able to fully participate in economic life.
- Encourage the Third Sector to become full partners in our growth ambition.



4 July

- Enterprise Committee

18 July

- Board Meeting

22 July

- Gatwick Diamond Business Leaders Round Table

24 July

- Local Transport Body Public Meeting

29 July

- Enterprise Committee

7 August

- Coastal / Rural West Sussex Business Leaders Round Table

Enterprise

“Helping companies to grow continues to be a priority”

One of Coast to Capital's two key strategic objectives is to increase levels of enterprise and entrepreneurship.

In pursuit of our objective, our strategy is to:

- Create and maintain the right conditions for enterprise and high growth entrepreneurship to flourish.
- Make Coast to Capital a more attractive business location for start-up and growth businesses.
- Tackle areas of low enterprise performance.
- Ensure all young people emerging from education are equipped with enterprise and entrepreneurship skills.
- Add extra momentum to our economy by supporting those sectors and businesses which are capable of growing most quickly.
- Address critical infrastructure issues that hold back entrepreneurship.



Achievements to date:

- An **extensive face to face consultation** programme with business leaders and business organisations to hear views on how and where economic resources should be targeted.
- Successful bids to receive funding from the fourth round of the Government's **Regional Growth Fund**.
- Launched a new **Business Growth Grant Scheme** to provide grant finance directly to high growth, innovative businesses across the region.
- Launched **Business Navigator** - a web based 'portal' that provides an online directory of business support.
- **Launched a £5 million equity fund and loan scheme**, managed by the FSE Group, to help SME's to access the finance they need to grow and create jobs
- Established a **Business Providers Network** of representatives from enterprise agencies, membership organisations, local authorities, partnerships, intermediaries and the HE/FE sector.
- Published and sponsored a **Guide to Enterprise Education**, authored by the University of Chichester, which is available for usage by schools, colleges and other learning establishments.
- Developed a regional **Skills Strategy** which focuses on meeting business skills needs and generating sustainable employment.
- **Launched Social Enterprise Assist (SE-Assist)**, a partnership between Coast to Capital, Charities Aid Foundation, Legal & General and Croydon Council to assist social entrepreneurs.
- Continued to roll-out the **EMBED project** to support community enterprise champions in encouraging entrepreneurship through their networks.
- Supported a range of **enterprise-related events** including the Gatwick Diamond Business Awards and the Eco-Technology Show.
- Lobbied Government on deregulation for home based businesses.

September

- Business Navigator web portal launched

10 September

- Public Works Loan Board Proposal submitted to Government

18 September

- EU Consultation Workshop

19 September

- Partner Forum at Crawley

23 September

- Labour Party Conference Fringe Workshop

30 September

- First draft of Strategic Economic Plan submitted to Government

GlassEco

Growing Places Case Study



Case Study

Coast to Capital Supports Eco Firm Growth

About GlassEco:

GlassEco is an award winning small business based in Crawley, manufacturing work surfaces, counter tops and castings from waste glass products which would otherwise go to landfill.

With more than 25 years' experience in the recycling industry and the artisan skills of its dedicated workforce, GlassEco is grounded in the ideals of minimal footprint and maximum impact. Its founders have a commitment to ecological values that goes way beyond any trend. The company uses 90% recycled materials to create a sustainable product and holds the intellectual property to the formula and production process.

The Challenge:

GlassEco has ambitious growth plans but has been held back by a lack of investment finance. During the Spring of 2013, the company was in advanced discussions to take on a major new contract with one of the world's largest worktop suppliers, but was unable to finance the necessary investment in new premises, plant and people. The company had approached its bank and other lenders for the investment funds without success.



The Solution:

Having heard of the Growing Places Fund, the company recognised this might be a solution to help achieve their objectives and so approached Coast to Capital Local Enterprise Partnership for assistance. In September 2013, Coast to Capital approved the funding of a loan finance investment of up to £330,000 from its Growing Places Fund.

This loan investment is now being spent on new machinery to help GlassEco double its production and increase sales capacity. The company is expanding its premises by taking on an adjoining industrial unit in Crawley and, importantly, creating 30 new jobs.

Peter Grisman, Company Secretary at GlassEco says: *"From the initial enquiry to completion of the formalities, the Coast to Capital Local Enterprise Partnership has demonstrated an understanding of our business and the needs of our innovative new company in its rapid growth phase by providing us with the vital additional funding to support the next phase of our investment programme."*



Left to right Peter Grisman- Finance Director, Tim Brooks - Managing Director , Don Crawley - Technical Director.



Investing in your local community

The Coast to Capital Growing Places Loan Fund is available for projects that are ready to implement in the short term and that will create new jobs. To discover more about the Growing Places Fund and to see if your business is eligible for funding go to www.coast2capital.org.uk.

www.coast2capital.org.uk

7 October

- 1st draft of European Structural and Investment Funds (ESIF) Strategy submitted to Government

16 October

- Enterprise Committee

17 October

- International Committee

31 October

- C2C Board Meeting
- Launch of Business Support Network

November

- Visit to C2C by Presidential Committee on Regional Development, South Korea

Doing Business Globally

“There is no shortage of Coast to Capital Companies making their mark on the world – we just need to encourage more to follow in their footsteps”

Our second key objective is to increase levels of international trading. In order to achieve our objective, we are working to:

1. **Ensure we have the business infrastructure to attract and retain internationalised businesses.**
2. **Build the global reputation of the region as a great place for international business.**
3. **Increase the numbers of businesses which trade overseas.**

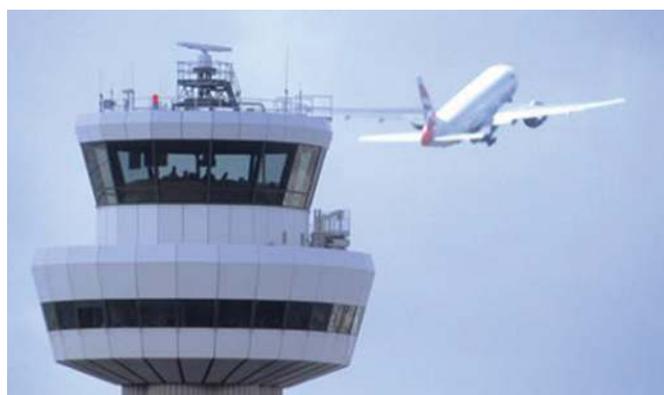
The Coast to Capital region has a vibrant business culture, notable for its innovation and world-class products and services. Many of our businesses working internationally focus on high-value, niche areas and have earned a reputation for their quality products. Ingenuity and technical know-how are inherent in our creative industries, ICT and manufacturing companies' right across the region. Creative intellect is high in many parts of our region and our talent is sought out by clients from around the world.

Coast to Capital is supporting:

- **The export of goods and services**
- **E-commerce across national borders**
- **Networking with businesses and other organisations outside the UK to explore ideas and innovation**

Achievements to date:

- Researched and wrote a **European Structural and Investment Funds (ESIF)** Strategy submitted to Government in early October, following a period of consultation with partners and the wider stakeholder network during the summer period. The strategy covers the deployment of Coast to Capital's funding allocation of £67.3m between 2014 and 2020.
- Signed a **Memorandum of Understanding (MOU) with UKTI** covering joint activity and support for business in relation to export services.
- Funded a number of **International Trade Forums** and mentoring sessions in the north of the Coast to Capital area.
- Developed ASEAN Gateway concept





2 December

- FE Colleges consultation event

4 December

- Housing Associations briefing

5 December

- Finance Committee

9 December

- Third Sector consultation event
- Board visit EU Commission

18 December

- 2nd Draft Strategic Economic Plan submitted to Government

Ricardo

Regional Growth Fund Case Study



Case Study

Regional Growth Fund assists Ricardo research facility

About Ricardo:

Ricardo is a leader in product innovation and engineering solutions for the world's automotive, transport and energy industries. Ricardo, a public company quoted on the London Stock Exchange, has been an important part of the West Sussex coastal economy for almost a century, operating from its Shoreham base in West Sussex.

The Challenge:

With increasingly strict emission regulations and ever more complex technologies being applied worldwide to improve fuel consumption and reduce CO2, Ricardo is striving to maintain its world-leading status in green technology and to promote export projects from its Shoreham headquarters.

In 2012, the company made an application to the UK Government's Regional Growth Fund to enable a new £10 million low carbon vehicle research and training facility to be built at Ricardo's Shoreham Technical Centre.



The Outcome:

Supported by Coast to Capital Local Enterprise Partnership, the development of the Ricardo Vehicle Emissions Research Centre (VERC) was selected for part-funding, with the company receiving £3.22 million under the third round of the UK Government's Regional Growth Fund in October 2012.

Eighteen months on, with planning approval now granted, the project is entering the construction phase on a 2,000 square metre footprint within the Ricardo site in West Sussex. The Ricardo VERC is scheduled to be completed and open for business in the second half of 2014.



Ricardo UK Ltd Managing Director Martin Fausset said: "The award of funding for the development of our Vehicle Emission Research Centre under the Regional Growth Fund will enable Ricardo to continue to lead the world's automotive industry in this vital area and, in doing so, will create and sustain high quality employment opportunities."

HORIBA CEO Atsushi Horiba (left) and Ricardo UK managing director Martin Fausset (right) celebrate ground-breaking for the VERC



 Regional Growth Fund

Coast to Capital's Regional Growth Fund is aimed at creating or safeguarding thousands of jobs over the long term and available to companies located in any part of the Coast to Capital region. To discover more and to see if your business is eligible for funding go to www.coast2capital.org.uk.

www.coast2capital.org.uk

13 January

- International Advisory Committee

16 January

- Enterprise Advisory Committee

23 January

- Board Meeting 15

11 February

- Audit Committee

Place and Infrastructure

In order for enterprise and business internationalisation to thrive, we need the appropriate business environment and infrastructure. There are four key areas where consultation with business has informed our work during 2013.

Digital Infrastructure

Businesses have told us that getting next generation infrastructure in place as quickly as possible must be a top priority. Over the next 20 years, Coast to Capital will also need to ensure that further developments in business connectivity are given a high priority and are implemented early in our area.

Growing Places Fund

Coast to Capital has an important role to play in increasing the flow of investment and development funding to the area. Government has delegated Coast to Capital £23m of Growing Places loan funding to be used as catalytic finance to bring forward infrastructure projects which are well developed conceptually, but are blocked from progression.

Following an extensive evaluation process, the Coast to Capital Board have allocated nearly £9 million towards five projects which will potentially provide over 559 jobs. These projects are in:

- **Brighton – Block J and i360 Tower**
- **Caterham – Fast Fibre Hubs**
- **Crawley – GlassEco**
- **Rural Sussex – Community Land Trust**

Further due diligence work is underway and we hope to be allocating the remaining £14m during 2014.

The Public Works Loan Board (PWLB)

Government has made available a new concessionary public works loan rate to an infrastructure project nominated by Coast to Capital to the value of £66 million. This discounted borrowing is being made available to support a strategic local capital investment project nominated by many Local Authorities in our area.

Housing

Sustainable economic growth cannot be achieved without there being homes which people in all communities and at all levels can afford to rent and buy in 2013. Coast to Capital has worked to bring forward existing permissions which are blocked and to enable an increase in new permissions. We have also brought together new financial instruments, public and private assets and investors to bring more funding forward.

Transport

The Coast to Capital Local Transport Body (LTB) was formed in January 2013 to take decisions on local transport schemes. Government has devolved decision-making to this body, which specifies policy and works with local authorities and others to propose schemes and identify a prioritised list of transport schemes for delivery within the available budget.

The Coast to Capital Board supports expansion at London Gatwick Airport but believes any option must be delivered in association with a realistic and sympathetic plan for managing the impacts on housing, public services, surface transport and the environment. The international connectivity provided by London Gatwick Airport is important in facilitating international trade and the provision of local jobs.

22 February

- Infrastructure Committee

**27 March**

- Partner Forum at Epsom Racecourse, Surrey
- Launch of £5 million Escalator Equity & Loan Funds

Collaboration with Key Partners

Achievements to date:

- **Implemented the £23 million Growing Places Fund**, publishing criteria for investment and implementing a transparent process that has resulted in five projects being allocated a total of £9m to date.
- Held several events during the year to **advise commercial real estate agents and developers** on how to apply for loan finance from the Growing Places Fund, available for the delivery of new jobs, commercial space and homes across the region.
- Agreed a **provisional programme of local major transport schemes** for investment in 2015-19 for submission to the Department for Transport.
- Delivered a **Public Works Loan Board** proposal to the Treasury, resulting in an alliance between West Sussex County Council and Carillion to implement the 'Green Deal'.
- Worked with local authorities to **scope housing markets**, planning strategies and key issues across the LEP area to set the context within which Coast to Capital is able to develop strategic propositions and potential responses to support delivery.
- Professional and Legal consultation.

Throughout 2013, we have sought to build partnerships and strategic alliances at a local, regional and national level. We work closely with all our neighbouring LEPs and play an active role in the National LEP Network. People in business, research and education are essential partners. Innovation emerges from an environment that supports collaboration, shared aims and common goals. This is our 'collaboration at work'.

Local Area Partnerships

There are five economic sub-areas which work closely in partnership with Coast to Capital:

- **Brighton & Hove Economic Partnership**
- **Coastal West Sussex Partnership**
- **Croydon Development and Cultural Partnership**
- **Gatwick Diamond Initiative**
- **Rural West Sussex Partnership**

The area partnerships are represented in the governance of Coast to Capital through the Forum, whilst Board members have been allocated liaison roles for each area partnership.

Local Authorities

The four upper tier and unitary authorities are the main partners for Coast to Capital and have representation on the Coast to Capital Board. The Twelve District and Borough Councils are represented through the Area Partnerships. We also enjoy a close working relationship with South Downs National Park. In the development of our Strategic Economic Strategy we have established a Joint Committee of all 17 authorities.

Business Organisations

Coast to Capital needs to be closely engaged with businesses and to be in touch with current business issues. Business representative organisations are therefore critical to the development and delivery of appropriate strategies and initiatives.

Higher and Further Education

Higher and further education has a critical role to play in most aspects of Coast to Capital's objectives. We are ensuring that universities and colleges are drawn more tightly into supporting and driving economic and business growth, through their own initiatives and research.

All of our stakeholders have been instrumental in the development of the Coast to Capital region's Strategic Economic Plan, which was submitted to Government on March 31st 2014.

Keep up to date...

Much has been happening and we have many plans for the future. Please keep up to date...

- Visit www.coast2capital.org.uk
- Join our LinkedIn group
- Follow us on Twitter
- email us at contact@coast2capital.org.uk

