

**Coast to
Capital**

Annual Report
2021/22

CHAIR'S REVIEW



I am thrilled to introduce the Coast to Capital Annual Report for 2021-22 which gives me the opportunity to reflect on achievements and celebrate our successes from the past year. Coast to Capital has a crucial role to play in helping to support economic recovery and new business realities. As a region which has always made a significant net contribution to national prosperity, Coast to Capital has a lot to offer. We concentrate on the most important opportunities to sustainably grow our business base, attracting investment, and generating jobs. We aim to build an economy which is more diverse and more resilient, and with the necessary infrastructure upgrades to drive job creation, build supply chains between large and small business and provide training opportunities for residents. We are committed to harnessing this responsibility and position of influence by providing leadership to the regional economy.

This year, we got to grips with new opportunities and ongoing challenges

by restructuring the organisation based on emerging priorities, with teams in place to support Business & Engagement, Skills, Innovation & Labour Markets, Regional Projects and Investment. Together, we are proactively looking to carve out our future to continue to be the strategic leaders of regional economic development.

Our Growth Hub responded to over 1,000 business support enquiries, advising on complex challenges and opportunities arising from Brexit and the COVID-19 pandemic. I was delighted to hear the success stories from these businesses at our 2021 Annual General Meeting, such as Acceler8 Training, who received a £10,400 Backing Business Grant helping them to transform their business by pivoting to digital services throughout the pandemic where in-person support was not possible.

Our Investment team have continued to monitor our portfolio of over 120 projects and I was delighted to visit the University of Chichester Nursing school which started taking students from September, made possible with a £1.2 million Getting Building Fund (GBF) investment from Coast to Capital. Our flagship £8.65 million GBF project, the Crawley Innovation Centre, also made progress as the future site was announced, placed right at the heart of the Manor Royal Business Improvement District.

The work of our Skills Board continued to set out a regional skills strategy to match the needs of our economic geography and to ensure

that both HE and FE provision is relevant to employers' requirements. Our Careers Hub is working with schools and colleges to match them with senior business volunteers, helping drive the quality of careers advice and inspiration, as well as exposing our young people to local jobs and training opportunities. This work is vital to ensuring a low-carbon future for our economy, whilst directly supporting the development of future careers and the integration of the Government's careers strategy into the secondary education curriculum. When we bring people together, and work inclusively to make the most of their potential, we achieve our best.

Our work on Equality, Diversity and Inclusion is breaking boundaries and challenging convention. Diversity fosters growth and innovation and is integral to the delivery of our strategy and I am proud that this year, Coast to Capital continued to champion diversity and was the first LEP to sign up to the 'Investing in Women Code'.

Looking ahead, government's Levelling-Up White Paper marked a watershed moment for LEPs, formally embedding them in the policy agenda for the first time and setting the course for their future relationship with national and local government. It has been a clear affirmation of the role LEPs have played in regional economic growth and builds on our recent achievements, and we look forward to sharing our priorities for the year ahead in our 2022/23 Business Plan, set to be published in the summer.

I would like to take this opportunity

CHAIR'S REVIEW

to thank the Coast to Capital Board for their ongoing support, and to the entire team at Coast to Capital who continue to work at the highest levels of professionalism and dedication to deliver our shared vision to build back stronger, smarter and greener - working with our partners to make a difference to people and places and ensuring that our region is a fantastic place to live, grow and succeed.

**Julie Kapsalis – Coast to Capital
Chair**

CHIEF EXECUTIVE STATEMENT

Coast to Capital is a business-led economic development organisation that unites leaders with a passion for building a brighter future for our region. Our Board brings together entrepreneurs and corporate business leaders, and leaders in charities, Further and Higher Education with Senior Local Politicians to realize the big, game-changing, cross-regional initiatives that will make the greatest difference to our collective future. There has never been a more important time to invest in major economic interventions to create a sustainable future for our region – in every sense of the word.

Over the past year, we have been working closely with partners to play a leading role to strategically determine and support the local economic priorities and to undertake activities to drive economic recovery. I would like to take the opportunity to share just a few examples of our progress with delivering our vision to Build back smarter, stronger and greener.

To build back Stronger, we continued to support the Crawley Growth Programme, an £8.85m scheme to develop residential and commercial space in Crawley to support local economic recovery with the initial stage of the Manor Royal highway improvement scheme in Crawley reaching completion by the end of 2021. As part of this exciting programme, more than £3 million is being directly invested in the Manor Royal Business District to improve key junctions, cycling and walking facilities, traffic signals and includes a new eastbound bus lane on Manor Royal.

To build back Smarter, we supported the Institute of Technology, led by Chichester College Group with Universities of Brighton and Sussex and NESCOT. The Institute will create a new state-of-the-art hub at Crawley College, housing engineering and digital 'Learning Factories' with specialist satellites for delivery at locations right across the region, From East Surrey and Gatwick Diamond to rural West Sussex and coastal communities. I was also delighted to personally attend the official opening of a brand new, multi-million pound STEM facility at Crawley College, which was supported with a £4.9 Local Growth Fund allocation.

To build back Greener, we are working with Surrey Wildlife Trust (SWT) to develop a Natural Capital Investment Company to create an investment vehicle to develop a long-term pipeline of biodiversity increase and carbon offsetting investment opportunities. Indeed in July 2021 Surrey Wildlife Trust received £100,000 in funding from the Department for Environment, Food and Rural Affairs to further develop this project. Elsewhere, we continued to work with the global engineering company Ricardo following a Getting Building Fund investment in the development of their Hydrogen Engine Development Facility. I could draw from many more examples, yet there is so much more we can do together. Our economy doesn't end at the local authority boundary. We would like to continue to work with partners on transformational projects that would benefit from the LEP, bringing partners together from across the region. There has never

been a more important time to invest in the economic interventions needed to create a stronger, smarter, greener future for our region.

Anthony Middleton – Acting Chief Executive of Coast to Capital

WHO WE ARE

Coast to Capital is one of 38 Local Enterprise Partnerships (LEPs) across England. We are proud to be responsible for driving the economic growth and sustainable success of this beautiful, vibrant and exceptionally well-connected region.

As a LEP, we are here to provide strategic leadership, connect business with support and act as a catalyst for transformational change. As an ambitious and professional business-led collaboration between the private, public and education sectors we work in partnership to deliver a successful strategy for economic growth.

Our **business support, skills and labour markets function** provides a range of free support services to businesses, from growth advice through to peer-to-peer mentoring by:

- Connecting businesses with schools and colleges to raise the quality, impact and profile of careers education
- Understanding and sharing regional employment and skills data and analysis
- Developing and maintaining relationships with education and business partners to aid collaboration

The **consultancy function** provides support to partners to develop projects across our region that have economic and employment creation significance.

Investment function manages our investment portfolio ranging from our £23 million business loan fund through to our £325 million legacy Local Growth Fund and Getting Building Fund outputs programme.

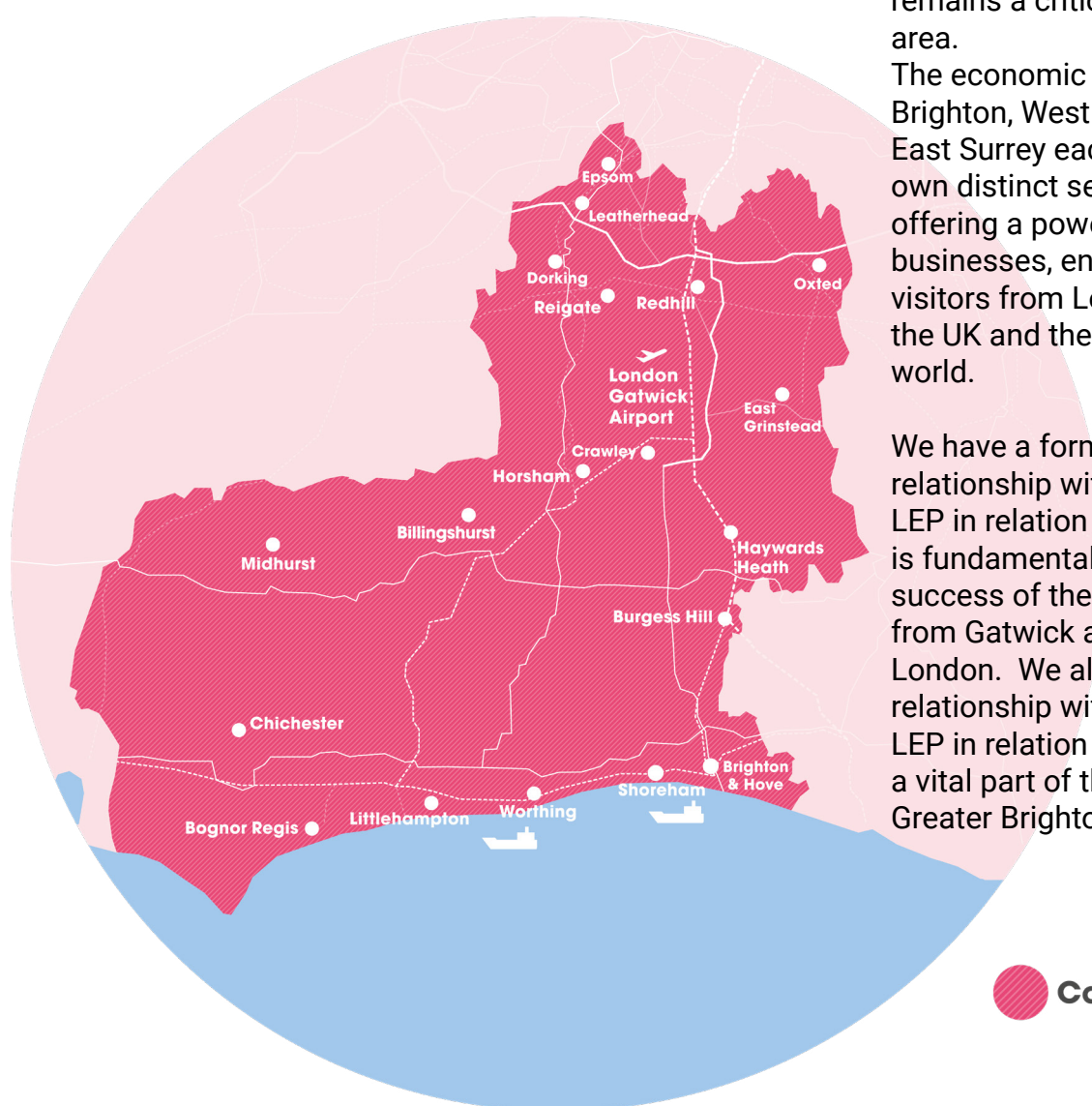
The whole team is supported by our **Operations, Programmes and Assurance functions** providing finance services, accountable body services, governance support, programme oversight, risk management and audit, communications, payroll and HR support.

OUR AREA

The Coast to Capital area is a network of dynamic and functional economic hubs around Gatwick airport - which remains a critical asset in our area.

The economic hubs of Greater Brighton, West Sussex and East Surrey each have their own distinct sense of identity, offering a powerful draw for businesses, entrepreneurs and visitors from London, across the UK and the rest of the world.

We have a formal strategic relationship with the London LEP in relation to Croydon as it is fundamental to the economic success of the growth corridor from Gatwick airport to London. We also have a formal relationship with the South East LEP in relation to Lewes as it is a vital part of the economy of Greater Brighton.



SKILLS, INNOVATION AND LABOUR MARKETS

Our work under the **Skills, Innovation and Labour Markets** team includes a range of free support services to businesses, from growth advice through to peer-to-peer mentoring, Careers education advice, support to secondary schools and economic and labour markets data analytics.



In 2021/22 we:

- Launched the Careers Hub, expanding provision to 111 institutions across the region.
- Made significant progress in achieving the Careers Hub and Enterprise Adviser Network (EAN) programme targets by August 2022:
 - 84% of institutions achieving Gatsby Benchmark floor targets
 - 61% of institutions fully achieving Benchmark 1
 - Clear evidence of Benchmarks 5 and 6 progress made throughout the year
 - High level of Enterprise Adviser satisfaction recorded in 2022 survey
- Published our Skills 360 Board Construction Sector Research Report Summary
- Published a re-refresh of our COVID-19 Skills and Labour Market Impact Assessment
- Worked with Sussex Chamber of Commerce to undertake research and analysis for the Local Skills Improvement Plan (LSIP) Trailblazer for Sussex

CASE STUDY: OPEN DOORS

National Apprenticeship Week 2022 saw the relaunch of our successful Virtual Open Doors initiative! Open Doors 2022 builds on the success of Open Doors 2021, and aims to raise the profile of vocational pathways and what they can offer. Vocational pathways can often be misunderstood by students, so it was important to give an oversight of apprenticeships and bust any myths.



The poster for 'Virtual Open Doors' features a black background with the 'Coast to Capital' logo in pink and white at the top left. A circular 'Coast to Capital CAREERS WEEK' logo is at the top right. The title 'Virtual Open Doors' is in large white font. Below it, the text 'A chance for recent apprentices to share career insights with young people in Schools and Colleges' is in white. The date 'February 2022' is in white. The bottom section has a pink background with four icons and their descriptions: a building icon for 'Showcase your Business', a briefcase icon for 'Discuss Career Opportunities', a gear icon for 'Get young people involved', and a group of people icon for 'Have some fun!'. The email 'Email: Ellie.Smith@coast2capital.org.uk' is at the bottom.

Coast to Capital

Virtual Open Doors

A chance for recent apprentices to share career insights with young people in Schools and Colleges

February 2022

Showcase your Business

Discuss Career Opportunities

Get young people involved

Have some fun!

Email: Ellie.Smith@coast2capital.org.uk



Across the week, 10 employers supported, providing 20 apprentices from: Unilever, Thakeham Homes, Honeywell, Fidelity International, Atkins Engineering, British Airways, ITV, NHS, Thales and Gatwick Airport. 12 schools took part, providing 14 individual events and up to 5000 students attending in total.

To measure impact, we created a survey for a sample of students to complete. Of 96 students surveyed, 79% of students enjoyed the event, and 65% of students “agreed” or “strongly agreed” that Open Doors helped them think about what they might like to do once they finish school or college. 64% also “agreed” or “strongly agreed” that they would like to know more about apprenticeships as a result of this event. This demonstrates the power of raising the profile of vocational pathways, by hearing from current apprentices.

HIGHLIGHT: HELLO FUTURE

Funded through the Local Hub Fund, 'Hello Future 2022' was accessible for all schools and colleges across the Coast to Capital region.

All key stage and special educational needs and disabilities (SEND) pupils were able to directly hear from local employers through a series of 45-minute sessions that covered a wide range of industries including finance, aviation, hospitality, construction and entrepreneurship.

The initiative was led by Kelly Parkhouse and Penny Daly, Enterprise Coordinators at Coast to Capital in collaboration with Albion in the Community, American Express, Brighton & Hove City Council, GetMyFirstJob.co.uk, Laing O'Rourke and Graphite Digital.

There was also a live event aimed at parents and carers to provide guidance and advice for/to young people entering the workforce. Attendees

heard from American Express, Gatwick Airport and Microsoft UK about how different career pathways are suited to different people and the support parents and carers need in making these decisions.

As well as raising awareness of varying career paths, Hello Future 2022 also explored the importance of work life balance, physical and mental wellbeing, and money management.



INVESTMENT IN THE REGION

We make strategic investments on behalf of the Government through our Local Growth Deal and the management of our Growing Places Fund. Over the last eight years we have successfully attracted more than £300 million of public investment to upgrade our regional infrastructure and to invest in the growth of business in the region. As a result we have also leveraged in an additional £900 million of public and private sector investment in order to deliver jobs, homes, roads, business space and other essential infrastructure to support the growth of our economy.

Our ambition for our Investment team is to provide a professional and high quality central Programme Management Function delivering programme monitoring and management services across all of our investment projects and programmes. A key priority has been to translate the strategic priorities identified in the Strategic Economic Plan and Local Industrial Strategy into investment themes, programmes and projects.

In 2021/2022:

- £19.2 million of Getting Building Funding was awarded to 12 projects across the region.
- The Chichester School of Nursing, which received £1.2 million Getting Building Fund, started to accept students in September.
- The Crawley Innovation centre, which received an £8.65 million Getting Building Fund allocation, secured a site in the Manor Royal Business Improvement District.
- The Circus Street project in Brighton (£2.7 million LGF) celebrated its launch in November.



HIGHLIGHT: COASTAL CREATIVE TECHNOLOGIES

A project that will seek to grow an advanced creative economy and bring investment and skilled jobs to the region between Chichester and Brighton was awarded £97,700 from the Business Case Development fund, for the Coastal Creative Technologies project.

The funding allocation comes amid a significant shortage of large-scale, high-quality film studio facilities in the UK, with demand far outstripping supply. The project will build the business case for developing a large-scale film studio complex with an integrated Centre for Research, Training and Innovation.

The project will also include a CreaTech (Creative Technologies) Open Innovation Network to support existing businesses, as well as a skills and training programme to ensure local people can take advantage of employment opportunities – ranging from animation to set building. To meet its aims, the project will require around £100 million in investment. Its initial phase will include a detailed business plan to generate interest from investors.



LEADING BUSINESS ENGAGEMENT AND SUPPORT

We deliver high-quality services to business across the region helping them to address barriers to growth, including the Coast to Capital:

Growth Hub which provides businesses with free, relevant and impartial support to help achieve their growth ambitions including the delivery of diagnostic reviews and delivery of the Growth Champion programme which provides funded specialist support to address barriers to growth.

Peer Networks Programme - delivered in partnership with MDHUB, a leading peer to peer business growth network, focussed on business leaders sharing and identifying practical ways of unlocking barriers to growth.

We also work closely with the **Department for International Trade** to make sure our companies that trade internationally get the best support in addition to encouraging foreign direct investment. Our ambition is to provide a fully coordinated business support service function.

In 2021/22 we:

- Provided business support services through a team of Growth Relationship Managers to a total of 1,756 businesses, which resulted in 1,492 referrals.
- Provided medium and high intensity support to 682 businesses.
- Achieved a client satisfaction rate of 98%.



CASE STUDY: EDGCUMBES

One family, 40 years, 13 countries and countless 'proper cuppas' in a mission to deliver the best tea and coffee in Sussex.

Here at Coast to Capital, we're experts at helping ambitious and innovative businesses achieve growth. As well as offering fully funded support for businesses, we support investment enquiries and can make connections to experts, investors, and funders.

Our region is full of dynamic, thriving businesses and getting to know the people behind them is one of our favourite things to do. This month, we caught up with Alice Rendle, Director at Edgcumbes as she and the team celebrate the company's 40th anniversary.

Before we dive in, grab a cuppa and we'll tell you a little bit about Edgcumbes. From humble beginnings, it all started with Frank Edgcumbe-Rendle, who after a 20-year tenure in the Indian and African tea trades, returned to England disappointed by the tea he was seeing on supermarket shelves. Fast forward 40 years and Edgcumbes supplies hand-roasted speciality, premium grade coffee and blend loose leaf tea, direct-to-consumer via their website, wholesale, and at their on-site farm shop and café.

So Alice, looking at the company's incredible growth over the last 40 years, what challenges have you faced that necessitated a change?

"In the early stages of the national lockdown our online business quickly quadrupled, and we knew we had to scale up our production facilities if we were to meet demand. We were



successful in obtaining grant funding to purchase our larger 30kg coffee roaster "Wolfie", and thanks to our e-commerce site we were able to focus our efforts on our direct-to-consumer trade. Over the last 40 years the way we do business has certainly adapted to meet our customers' needs. At the Edge Store, we now offer tea & coffee re-filling services so customers can bring their own canisters, boxes and containers in return for discounts. This has been hugely popular as a result of customers wanting to make sustainable choices and we hope this is just the start in changing consumer behaviour."

As a family-owned business, how does that shape your growth strategy for future years?

"We are extremely proud of our brand's story and especially how much has been accomplished over the last 40 years. From our first roaster in 1991 and the move of our production facility to our iconic Dutch barn in 2014, to

The Edge Café and Edge by the Sea, the growth of the business has been laid on solid foundations. As we look ahead, we're looking at how we can continue to grow sustainably. We personally visit farmers worldwide to identify producers who farm both sustainably and care for their communities and we ensure we pay a fair wage to our farmers. Speciality coffee is a precious product and there are limited, even dwindling, supplies of this in the world. Now, more than ever it is extremely important to work with sustainable producers and we look forward to fostering even stronger relationships with farmers as well as growing our direct to consumer and retail trade."

What do you feel are the biggest barriers to growth for businesses?

"Access to funding is a huge challenge as a growing business and it really is the support of strategic funding that can accelerate growth. I am lucky to have an excellent network, a fantastic team and a partner to run the business with but if you are starting out, free networking, 121 business support and expert advice can be invaluable."

What do you think the future looks like for the tea and coffee industry?

"We live in a world where consumers are taking a greater interest in the provenance of the products they are buying, something that we are more than happy to share. We're also seeing a big shift in consumer interest towards sustainable alternatives to packaging which is one of the reasons all our packaging is fully recyclable, with single colour branding which all saves on printing resources. Sustainability has always been at the heart of everything we do and so we're looking forward to seeing even more suppliers and producers adopting more sustainable practices to look after our environment."

Coast to Capital has helped Edgcumbes access funding from the Regional Growth Fund (2013-15) and our team of Growth Champions have supported with the development of a three-year growth model and a potential subscription model.



OUR ORGANISATION

Governance, Assurance, Corporate Affairs and Communications have underpinned all our activities and ensure that everything we do is effectively communicated and carried out to the highest level of professionalism. Our Assurance Framework sets out clearly how Coast to Capital operates. It ensures that Government, our partners, stakeholders and members of the public have confidence in the way that we conduct our business and that we have high quality governance arrangements in place. Governance means the way we operate our organisation, the Board of Directors and the way we make decisions, as well as our scrutiny, audit, transparency, probity and professionalism in the way that we conduct business.

In 2021/22 we:

- Won awards for Diversity & Inclusion and Corporate Social Responsibility
- Became the first LEP to sign up to the 'Investing in Women code'
- Introduced 'Wellbeing Hour' to our team, allowing them to focus on their mental health in the workplace
- Became a completely virtual business, adding to our carbon footprint reduction



HIGHLIGHT: INVESTING IN WOMEN CODE

We were the first LEP to pledge its commitment to improve female entrepreneurs' access to tools, resources, and finance.

The Code commits lenders and investors to collect and report data about their performance backing female-led firms. It also hopes to make the UK one of the most attractive countries in the world to start and grow a business by advancing female entrepreneurship.

Julie Kapsalis, Coast to Capital's Chair, said: *"I am thrilled that we are the first LEP to sign up to The Investing in Women Code. We are always pleased to champion female-owned businesses, and we hope that by becoming a signatory alongside more than 100 organisations, we will encourage more LEPs to commit to improving the outlook for female entrepreneurs across their own regions."*

"Our region is a diverse one, in every sense – geographically, economically, socially, demographically. We see this as a major asset and look at how we can enable opportunity, access, and participation across everything we do at Coast to Capital."

Coast to Capital's Growth Hub provides fully funded advice, support, investment, and strategic leadership to help SMEs drive sustainable business success. During the pandemic, female-owned, Piglet's Pantry, an award-winning food producer, received £17,000 in Coast to Capital Backing Business Grants towards an online sales platform.

















The grant enabled the team to fund a new online site which saw sales increase from 2,500 to a peak of 14,000 a day.

Jo Hunter, Owner and Managing Director, said: *"The Coast to Capital grant enabled us to go from a standing start to an eCommerce business that may well even top a million pounds this year."*



THE BOARD

Currently chaired by Julie Kapsalis, the Coast to Capital Board brings together regional business leaders alongside senior politicians and leaders from Universities and Further Education. We form a unique partnership which makes us a powerful voice of challenge and advocacy for our area.

Leadership	 Julie Kapsalis Chair and Diversity Champion	 Karen Dukes Vice Chair	 Anthony Middleton Acting Chief Executive		
Private Sector	 Jamie Arnell	 Rosaleen Liard	 Richard Hopkins		
	 Amanda Jones	 David Joy	 Claire Mason		
Public Sector	 Mark Brunt	 Phelim Mac Cafferty	 Shaun Gunner	 Paul Marshall	 Natalie Bramhall
	 Jane Longmore Higher Education		 Frances Rutter Further Education		

INSIGHT: BREAKING THE BIAS

This International Women's Day I have been reflecting on how it feels to be a female leader in 2022, taking stock of the challenges we have overcome and looking to the future to see how we can break the bias and forge women's equality.

Dating back to 1909, when an event was held in solidarity for female garment workers who had gone on strike to protest over working conditions, now International Women's Day is celebrated across the world. But while its profile has increased, particularly in the UK, we must challenge ourselves to create a world that's diverse, equitable and inclusive every single day.

This year I am particularly proud to highlight the work I have been a part of as Chair for Coast to Capital LEP and also Catalyst South - a strategic alliance of six Local Enterprise Partnerships with a focus on championing an economic and business voice and promoting collaboration across boundaries to stimulate business growth and recovery.

Our ambition at Catalyst South is to unlock the South's economic power and it has been fantastic to focus on how we can achieve this with diversity and inclusivity front and centre.

Last year Catalyst South adopted an innovative Artificial Intelligence programme that we had been using at Coast to Capital, to help identify and support female business leaders. The disaggregation work has helped us to unlock new opportunities for female-led businesses, enabling us to provide a more equitable business support service. It helps us better engage with



more women-led businesses to obtain a deeper understanding of the number of businesses across different geographies and sectors, to ensure women receive the funding they need.

At South East LEP (SELEP), a £4m COVID-19 Recovery Funds programme for business support and skills has supported a number of female entrepreneurs and female-led businesses to start-up, pivot or adapt digitally as a result of changing economic conditions. This complements targeted local schemes, such as Her Biz in Hastings, for aspiring female entrepreneurs looking to start a business, Successful Mums in Kent helping females back into the workplace and the Business HotHouse, which delivers across Coast to Capital and Lewes and Newhaven in the SELEP area.

Thames Valley Berkshire LEP celebrated International Women's Day with its 'Inspiring Women in Business' event on Friday 4 March. Attendees

heard from inspirational, motivational women in business on how they have grown their business and discussed how to strengthen access to finance for women-owned businesses and narrow the funding gap for female entrepreneurs.

Whilst Hertfordshire LEP are celebrating the achievements of women on their LEP Board, Programme Boards and within the Executive Team who are helping to #BreaktheBias in Hertfordshire.

Elsewhere at Coast to Capital I am delighted to be able to share that we have become the first LEP to sign up to The Investing in Women Code, a commitment by financial services firms to improve female entrepreneurs' access to tools, resources and finance. This follows on from our continuing work with NatWest on the Rose Review of Female Entrepreneurship that highlighted why the barriers women

face in businesses are not just an issue of equality, but also for the economy.

For me, International Women's Day allows me the opportunity to celebrate how far we've come, while also pushing me to think more strategically about how we can continue to address our wider diversity to ensure we are representative of our region.

Last year we launched The Coast to Capital Backing Business Grants – a £2 million fund that was set up to provide grants to independent small businesses and social enterprises that had been affected by Covid-19. Through this, we supported a number of women-led businesses including Piglet's Pantry, Brighton Gin, Caroline's Dairy and Bird&Blend Tea. The grants were hugely successful and have enabled us to support business recovery across our region, while also ensuring women-led businesses can access the same level of support and funding.

In my role as Chair at Coast to Capital and Catalyst South, I can assure you that we are working hard to unlock further opportunities to support women across our region and are driving forward a world that is free of bias, stereotypes and discrimination.

Julie Kapsalis

Coast to Capital Chair



FINANCIAL STATEMENT

Coast to Capital is a company limited by guarantee and our accounts are published on [Companies House](#) and our [website](#).

As required by the Government's National Assurance Framework a financial summary has been provided below:

- The fund managed by Coast to Capital, which is held by our Accountable Body "Brighton and Hove City Council", at the start of the financial year was £61 million with a balance of £34.8 million at 31 March 2022. This includes money held pending payments for 2021/22. The Local Growth Fund amount paid out as grants in the financial year was £31.3 million.
- Coast to Capital manages a revolving investment fund of £23.7 million to provide loan and equity finance to business. The fund is fully subscribed and the portfolio currently consists of five exciting high growth projects
- The Coast to Capital income, as stated in the accounts for the financial year 2021/22 was £3.86 million and comprised grants and income. Costs were £3.62 million and comprised salaries and costs associated with running the organisation including spend with suppliers.

