



**The big economic
picture?
We're here to bring it
into focus.**

Chair's foreword

It is with great pleasure that I set out the Coast to Capital business plan for the year ahead.

I am very proud to be the Chair of the Coast to Capital Local Enterprise Partnership (LEP) at this crucial time for the UK economy as we emerge from the challenges of the COVID-19 crisis.

Along with other LEPs across England, 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 focusses on the most important opportunities to deliver our vision of building back smarter, stronger 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.

Government has confirmed the future value and role that Coast to Capital will play in supporting economic growth across the region. In line with government's commitment, the LEP will continue to deliver key services and programmes that work towards delivering business support, careers education, economic development programmes, investment and multidisciplinary consultancy services. All of these together will help our region's economic strength and growth.

We are embedding a strong, independent, and

diverse local business voice in regional decision making by analysing our key sectors and developing economic plans in partnership with local leaders.

We are committed to supporting our upper tier local authorities with securing devolution deals where appropriate. As with all public sector organisations we have had to adapt to declining public funding and are taking positive steps to develop new commercial sources of income to ensure that we can continue to deliver even better services for our region. Our business plan refresh will be published later this year and this will give more detail on our business development plans.

I am committed to leading a LEP that makes bold decisions, aspires to be best in class as well as securing a brilliant future for the region and future generations. We will continue to build diversity and inclusion in everything that we do.

On behalf of the whole Board, we look forward to working closely with our partners across the region in the delivery of this business plan.

Julie Kapsalis, Coast to Capital Chair

Introduction

This business plan sets out our action plan for the year ahead to help support the economy to grow and adapt.

As our organisation adapts to the LEP review conclusions, structural change is inevitable, and we have no time to spare in getting to grips with the opportunities and ongoing challenges that we face. We are refocusing Coast to Capital on new priorities needed to improve the environment of the region, which is an evolution of our work in recent years.

Our Board has agreed that as required by Government, when County Deals are created the core Government funded activities of the LEP will be integrated with the relevant upper tier local authorities as required. However, since the LEP does so much more for our region, outside of the core mandate, it has been decided that we will work toward a fully sustainable business model to allow our work to continue as an independent organisation, following service integration.

This means that during 2022/23 the company will assertively seek out new business across the region and the country, with the sole aim of any commissions earning revenue to allow us to continue to deliver our economic development work within the Coast to Capital region. We want to build a sustainable not for profit business that can provide direct support to our partners to

help them make a difference in their area. This will include 'pro bono' work to develop bids and propositions to leverage external funding into our region. In the absence of any Government funding the only way that we can afford to do this is by earning revenues to ensure the company can stand on its own 'two feet' as an independent organisation. Any revenues earned either inside or outside of the region will be used to sustain our continued work.

We are excited about this approach and our business development will be to market our services and grow both subscription and commissioned work in the areas of our expertise and we already have a significant number of commissions in this regard.

Our Board is committed that any revenues earned outside of the region will be used to subsidise work within the region and they are very clear that we are here primarily to serve the region.

We are committed to developing our business model to enhance our position and influence by providing leadership to the regional economy in the year ahead.

Working with our customers and partners

The Coast to Capital area does not fit the regional template. Rather than a single identifiable city region, it is a network of functional economic hubs, one of the most important economic hubs within the area remains the industries supporting and delivering all functions at Gatwick airport, despite the challenges travel and tourism industries have faced over the last two years. The economies 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.

Our private sector-led Board brings together business leaders representing the sectors and companies which operate successfully across the region, alongside local authority leaders and representatives of the Higher and Further Education sectors.

We have built excellent relationships with local authorities over the course of ten years. We are entirely politically neutral, and we engage constructively and openly on economic issues of all kinds. Five of our local authority Leaders are full members of the Board and are active in our sub-committees, ensuring strong democratic accountability and challenge to our work. We want to continue to enhance our transparency to our customers and will be further evolving our engagement model.

We work closely with the large number of Chambers, BIDs, business representative groups and interest groups in the region including the Gatwick Diamond Initiative, Brighton and Hove Economic Partnership, Coastal West Sussex Partnership and Rural West Sussex. This allows us to promote a good understanding of our work and liaise directly with the largest number of small businesses and entrepreneurs.



A high quality organisation

Coast to Capital is committed to the highest standards in governance, transparency and accountability. We endeavour to go over and above what is required by government's national assurance framework, which sets out how we must operate.

We believe we are a leading LEP in this area. Our actions are informed by our strong corporate values

Ambitious

We are a high performing, goal orientated team. We are committed to delivering value for our region, and being a benchmark of quality for LEPs nationally.

Focused

We are driven by the desire to make a positive impact. Focused on strong leadership, collaboration and strategic investment to improve the quality and economic performance of the region.

Trusted

We believe our reputation is forged by what we do, not what we say. Each strategic decision, each investment and every conversation provides an opportunity to build and strengthen trust.

Champion

We are a champion for all businesses and communities in the region. Through working closely with the regions economic hubs and local authorities we are able to gain a deep understanding. Then we join the dots to secure investment for our region.

Diverse

Our region is a diverse one, in every sense - geographically, economically, socially, demographically. We regard this is a major asset. When we bring people together, and work inclusively to make the most of their potential, we achieve our best.

Changing context to our work

Following the conclusion of the LEP Review, we have received confirmation of our mandate going forward.

Coast to Capital will continue as an individual legal entity, up and until a devolution deal is agreed with our upper tier local authorities. We believe it is likely to be at least two years until the first deal is concluded. When the first devolution deal is agreed, a bespoke consideration of how we might be integrated with the deal authority will occur.

Government have set out clear integration pathways for LEP activities, depending upon the level of devolution deals concluded. Further details of these, together with our mandate can be found at Appendix A.



At this point in time and for the foreseeable future, we will continue to operate as is, whilst ensuring we develop new sources of income to ensure we reduce our reliance on public funding, whilst discharging the following specific roles:

- **Strategic regional economic planning**, which will involve the development of a sector SWOT analysis, aligning with priorities set out in the Levelling Up White Paper.
- We will continue to **deliver programmes** such as the Growth Hub business support service, support to schools and colleges with their remit around careers education through our Careers Hub; and provision of skills and labour market data and analysis in support of the emerging Local Skills Improvement Plans.
- We will continue to be charged with **monitoring and reporting** to Government on our Local Growth investment Funds and our Getting Building Fund grant award projects.
- We may be invited to contribute to, and **support devolution deals**, where our partners decide to pursue these.
- We are charged to support local partners by **embedding a business voice** into local economic strategy as well as supporting the submission of bids to the UK Shared Prosperity Fund and future rounds of Levelling Up Funding.

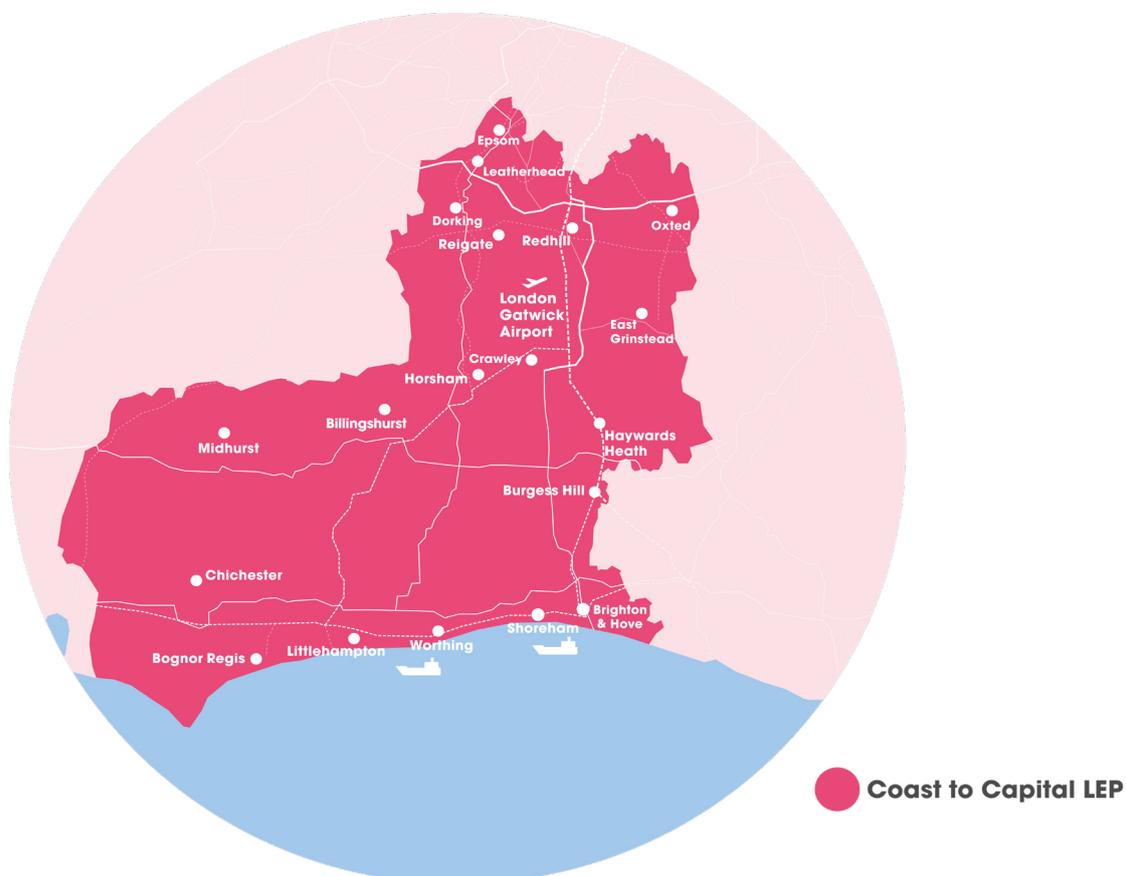
Strategic Regional Economic Planning

The missions from the [Levelling Up White Paper](#) will inform our strategic focus this year. We will address these missions within a targeted sector based approach to strategic economic planning.

Following discussions with local authorities, we will focus on the development of sector SWOT profiles, utilising our extensive economic research and analysis database. These profiles will include an analysis of our region's key economic sectors - setting out key challenges and opportunities for sustainable growth. This will allow us to identify additional targeted interventions.

We hope these profiles will provide an evidence base for future funding opportunities and complement partners local economic action plans. We will continue to engage with Local Authorities and key stakeholders throughout the development of SWOT profiles.

The low carbon and Net Zero agenda offers a significant opportunity for sustainable growth which will be promoted with high priority. The opportunity that this offers to deliver many of the objectives of the levelling up missions will be featured prominently as we develop our strategy.



Leading business engagement and support

The region is fortunate to host many major businesses across a wide range of sectors, which bolster economic activity across the area. Creating the right environment for these businesses to thrive is key to our work. We will deepen our relationships with larger business and key sectors and identify opportunities for growth and access to a skilled workforce.

Whilst our business support funding has been cut by 50%, we intend to commercialise our business support offer through providing as much in-house bespoke business support as

possible, minimising the use of third parties.

We believe that this will also allow greater opportunity for future revenue growth of our service offer relating to business support, through individual direct commissioned work.

One of the strengths of the region is the diverse range of significant industrial sectors which are based here, many with significant potential for future growth. The diversity of these sectors reflects the depth of economic activity in the region. In the year ahead, we will further prioritise our engagement with these sectors and help provide the support they need through sector SWOT analysis to deliver continued growth.

Coast to Capital has provided direct support to entrepreneurs and small and medium sized businesses in the region for 10 years through our Growth Hub service. In the year ahead, we will build on the successes of 2021-22, and continue to provide businesses with impartial and free (at the point of access), strategic support – identifying barriers to growth and providing to solutions to help SMEs achieve their growth ambitions.



Skills

We are refining our remit around skills this year in line with contractual changes from the Department for Education. With the introduction of Local Skills Improvement Plans (LSIP) as a part of the new Skills Bill, Coast to Capital will continue to work closely with the Surrey and Sussex Chambers of Commerce to provide the labour market and skills data that will inform development and delivery of the LSIPs.

We will continue to support the Surrey Chamber of Commerce in its application for funding to develop the Surrey Local Skills Improvement Plan and hope to be fully involved in the authorship of the document.

As Skills Advisory Panels, and the associated strategy and action plans, are no longer a requirement, we will repurpose the Skills 360 Board to focus specifically on the growth and successful delivery of the Coast to Capital Careers Hub.

We will continue to be active in secondary schools and colleges across our region and enhance and grow our support for the delivery of careers education. Our Careers Hub will expand to cover the full Coast to Capital geography and by doing so we will improve overall progression of our schools against the Gatsby Benchmarks. Our current position is detailed below and demonstrates the impact of our work. We intend to improve performance further during 2022/2023.

We have offered to Surrey County Council the opportunity to expand the Careers Hub across the whole of Surrey.



Delivery of existing contractual commitments



We will continue to monitor and report to Government on the performance of our existing investment portfolio, which includes more than 120 projects funded by the Local Growth Fund and Getting Building Fund.

An important priority this year is to finalise delivery of our £19.2m Getting Building Fund programme by the end of this fiscal year. This work is a high priority within our business plan to meet Government's expectations of us, and to demonstrate the region's capacity to deliver effective results from public investment.



We will continue to help delivery partners meet their agreed objectives and will collaborate closely on issues which arise from this. Our Investment Committee will continue to take a close interest in the delivery of agreed outcomes from these investments including, in some cases, intervening to help resolve issues and support delivery partners. Policies exist to recover unspent LGF funds, as a last resort and when it is mutually agreed that objectives are not going to be met.



Growing Places Fund

We continue to manage our successful Growing Places Fund, which was a revolving loan fund available to support scaling businesses who found it otherwise difficult to access funding.

In the year ahead we will be undertaking a review of the fund, to maximise the value that it is adding to regional success.

Investment

We will continue to discharge our monitoring duties to Government ensuring that we continue to uphold the highest and most robust standards in ensuring that investments deliver contracted outcomes. This work covers both Local Growth fund projects and Getting Building fund projects.

We will also be commissioning a study to ensure that any residual funding we have is invested in the best way to both ensure we can adapt to continually declining public funding but also continue to deliver our work to benefit the region's economy.



The way we work

We are committed to good governance, transparency, and accountability to ensure that our partners, stakeholders, and members of the public have confidence in the way that we conduct our business.

We have successfully adapted to remote working over the past two years and will continue as a virtual organisation for the year ahead, maintaining low overhead costs. We will continue to conduct face-to-face meetings where these are required.

Having strong governance structures in place, and government's recent assessment of our compliance with the requirements of the national assurance system confirmed that we are operating at the required level.

Our Accountable Body supports our governance arrangements. Brighton and Hove City Council were appointed to provide Accountable Body services to the LEP in March 2022, and we look forward to continuing working with them.



Our budget and funding

The Board has agreed our indicative balanced budget for 2022/23.

This will be delivered in line with the long-standing principles by which the LEP operates:

1. As a company limited by guarantee, we operate in line with the expectations of a limited company and our financial matters are assured by our independent auditors Kreston Reeves.
2. The business operates with the aim of raising sufficient revenue to cover its costs, reinvesting any surplus but not aiming to make same. We work closely with our Accountable Body to ensure that what we do is fully consistent with the standards set out in the national LEP assurance framework. Brighton and Hove City Council are our Accountable Body.

The company's financial performance is overseen by our Finance and Resources Committee, whose terms of reference are set out in our Assurance Framework.

Like all LEPs, Coast to Capital is challenged by the inherent constraints of the existing LEP funding model. As a result of the LEP review:

- Historically we have received £500,000 per annum core funding and this has been reduced to £375,000 for 2022/23 financial year. This is a 25% reduction.
- Our Growth Hub funding has also been reduced by 50% from £536,500 to £268,250.

We have taken significant steps over the last nine months to reduce costs and to prepare for the outcome of the LEP review. This has involved reducing headcount by 30% and exiting from our offices to become a virtual organisation. We have also reduced other overhead costs significantly and have focused on a higher degree of transparency around our finances, together with a shift in perspective toward viewing our contributors as highly valued customers.

We have been fortunate to receive grant support from local authority partners, which has allowed us to deliver core services over the years. We have asked for a further contribution from them this year.

Our goal is to become an exemplar of a new kind of organisation which can deliver stretched goals in terms of public good as well as being competitive and sustainable as a private company run on a not-for-profit basis. This year we will be taking a number of steps to further enhance our commercial revenues on a journey toward self-sustainability.

Budget 2022-23

Income	(£)
Core Government Grant	£375k
Growth Hub Grant	£268k
Careers Enterprise Company Grant	£181k
DFE Skills Action Plan Grant	£55k
Brighton & Hove City Council Grant	£75k
Surrey County Council Grant	£37.5k
West Sussex County Council Grant	£82.5k
East Surrey District & Borough's Grants	£40k
West Sussex District & Borough's Grants	£60k
Ringfenced Consultancy	£237k
LGF/GPF/GBF Capitalisation	£184k
Consultancy Income	£100k
Interest	£50k
Total	£1.745million

Budget 2022-23

Expenditure	(£)
Economic Intelligence & Careers Education	£377k
Business Support, Programmes & Assurance	£540k
Consultancy	£100k
Operations & Finance (inc GPF)	£495k
Legacy Projects & Governance	£148k
Accountable Body	£72k
Accountable Body Treasury Service	£13k
Total	£1.745million

Corporate priorities

This business plan represents a significant evolution of our work, and the executive team continues to evolve to reflect it. As we develop our new commercial proposition we will further align the organisation to match.

We will continue to develop professional skills within the team to support the delivery of this plan with a focus on the following issues:

- Engagement and partnership skills, to ensure that Coast to Capital has an excellent understanding of the challenges facing our businesses.
- Project leadership and delivery skills, to support the development of regional projects to attract further funding into the region.
- Appropriate expertise and knowledge in key issues facing the regional economy, to develop our leadership role with partners.

We prioritise the promotion of Equality, Diversity and Inclusion in our team and our work, and will continue to do so over the coming years with

a view to championing this issue within our economy and with our partners. Ensuring that everybody who lives and works in the region can reach their full potential is the only way in which we will ensure that the region meets our objective of being an excellent place to live, grow and succeed.



Consultancy & Commercialisation of our Business Model

Our Offer

During the forthcoming year we will strengthen our commercial offer developing further our range of consultancy services and our economic data driven products. Our growth will be informed by a new Business Development strategy.

In addition to the services already being offered, as set out below, we will introduce the following new services:

Data analytics services

We are developing a subscription-based model for access to our extensive economic database and will provide a tailored data analysis and reporting service to customers who require additional support.

Business support services

We will be launching a suite of premium business support services that will focus on supporting growing businesses. These will include:

- Financial advisory services
- Business structuring services
- Marketing and sales support services
- CRM services
- General administration and governance services
- Convenorship and introduction services

Bid writing service

We can provide a bid writing service,

commissioned on an individual basis or up to five bids per year (for a one off fixed fee).

Funding search service

Using our specialised funding search capability, we will continue to offer funding search reports, tailored to our customers' strategic objectives and RAG rated according to a risk assessed chances of success.

Business case preparation offer

We will continue to offer a bespoke business case authorship service, which will include the full preparation from options appraisal and financial modelling through to preferred option selection.

Property & regeneration services

We have already been commissioned to prepare a number of regeneration and property led business cases and we will expand this offer to our partners, rooted in delivering value for money, excellent customer focus and innovation.

Economic strategy development services

This service includes strategy development and detailed economic profiling and sector development planning and intervention strategies.

Project management & development Services

We will continue to offer multi-disciplinary project

management services and have a track record of delivering successful projects across the region. We are also able to offer project development services.

Convenorship and advocacy

Being a business led, politically neutral organisation with expansive networks we are uniquely placed to be able to convene on behalf of the public and private sectors. We will continue to offer a wide-ranging public relations and engagement service.

Strategy assignments

With a strong multidisciplinary expertise we are able to offer specific strategy consulting work and with a unique understanding of the public sector, we can offer strategy development in each of the main areas of delivery, except health and social care.

Investment or Delivery Plan development

With significant experience in delivering large investment programmes for many years, Coast to Capital is ready and able to support partners in producing these detailed and tailored plans.

Grant and loan scheme operation

We have extensive experience of operating both grant and loan schemes across public and private sectors. We are able to assist in the setup and operation of such schemes and also able to advise on 'leverage' of private sector capital into

such funds and optimising investment returns.

Communications, marketing and branding

Over the past several years, we have worked to deliver high-profile, integrated communications and marketing campaigns ranging from multi-million pound investment projects to small business grant schemes. We offer support with a range of activities from social media, website management, stakeholder engagement, PR and branding.

For more information on our consultancy service, email contact@coast2capital.org.uk

