

Coast to Capital Local Industrial Strategy Programme

Project Initiation Document – Gatwick 360° Priorities

Purpose

This Project Initiation Document will be used by the Programme Manager to set the overall scope and purpose of the Coast to Capital Local Industrial Strategy programme. It also sets the context for each of the individual priority work streams to scope their own project with the oversight of the Programme Group.

The PID will be used to monitor progress against the actions set out in *Gatwick 360°*, as well as any further commitments set out as part of the LIS negotiation. Variations from agreed scopes at a later date will need to be reviewed and approved by the Programme Group.

Scope

Justification and Content

Priority 2 - Develop business infrastructure and support asks Coast to Capital to seek funding to develop high quality business space so that productive businesses can flourish here and bring better paid jobs to the area.

The Coast to Capital LIS Programme Group has asked the Head of Services to act as Project Manager in delivering this priority, with a mandate based on the objectives contained within the 2018 *Gatwick 360°* Strategic Economic Plan. This sets out a clear vision for the region's economic growth alongside Priority 2 - develop business infrastructure and support.

There are two distinct elements to this negotiating point that were combined in the Strategic Economic Plan:

- Business infrastructure
- Business Support

Business Infrastructure

Key to the successful delivery of this programme is determining the pipeline supply of business infrastructure and comparing that with anticipated demand taking into account future growth projections of users of the different types of space.

The Programme Group determined that local authorities and property agents were in the best position to identify current availability and pipeline development opportunities. A recent meeting with a local developer recommended the use of Hatch Regeneris to lead on this research piece.

Priority 1 has already commissioned Hatch Regeneris to undertake a review of 19 LA Urban Plans. Following on from this Hatch Regeneris were asked to submit a quote to deliver the additional piece of research around supply and demand of business infrastructure.

Stakeholders will be involved in the development and delivery of all areas of work within the Priority 2. The priority consultation group will involve key external members from across the area with expertise and insight into business infrastructure but we will make sure it does not duplicate or overlap with work in Priority 1.

As part of the research project, Hatch Regeneris will chair a meeting with property agents and local authorities in September to discuss business infrastructure supply and pipeline and the demand for business infrastructure by type of property.

An analysis has been undertaken of the available information sources related to this priority. These include:

- Coastal West Sussex have commissioned research into business space need and demand through Styles Harold Wilson
- Savills report looking at the Gatwick PMA.
- CBI Dashboard (based on a variety of public data) -Does not address business space
- ONS (Business demographics, number of business births and deaths, BRES data). This information does not directly correlate to business space demand
- Valuation Office Agency (Median Rateable Value (£ per m2) of commercial Space) (SEP). This information does not directly correlate to business space demand
- Estimated Vacancy rates, Stiles Harold Williams. Updated information available for Q3 2018. Next report in January 2019
- Experian data - fastest growing companies by employers/turnover (old data). This information does not directly correlate to business space demand

Whilst the above contains useful information it is insufficiently comprehensive and, in some cases, does not cover the whole of the Coast to Capital area. There are concerns that some independent reports that have been commissioned have not been realistic in the ability to deliver development sites. The Hatch Regeneris research will provide an impartial reliable data set. Additionally, Hatch Regeneris produced a similar report for Enterprise M3 in 2016 and have sufficient experience with Local Authorities and property agents to complete a similar piece of work for Coast to Capital.

Following the Hatch Regeneris work recommendations will be determined for follow up actions to be incorporated into the LIS.

This work stream will

- link with the Priority 1 review of urban centres
- draw together the most comprehensive review of the supply and demand for property analysed by type of property type and segmented by product areas.
- inform the development of sector propositions as part of the Priority 8 workstream
- link with the proposed Metro Dynamics research project related to Priority 5

Business Support

Key to the successful delivery of this element of the LIS is developing and delivering a coordinated approach to business support with particular regard to the following groups:

- Scaling businesses
- Start up and early stage businesses

- Growth potential businesses
- Businesses who owners reflect the diversity of the area but who experience challenges to growth

The business support ecosystem has for a number of years been fragmented. The Coast to Capital Growth Hub has been resourced to provide business support but it is one of a number of programmes funded by different partners alongside the private sector.

Businesses face different challenges to growth but they can be categorised in the following key areas:

- The talent and skills gap
- Accessing markets in the UK and overseas
- Management and Leadership capacity
- The Finance Gap
- Business Infrastructure – lack of space hindering growth

An analysis has been undertaken of the available information sources related to this priority. These include:

- Aviatrix have been commissioned to do on line evaluation throughout the Coast to Capital Escalator project following each meeting. The pilot runs to September 2019 and the report will be available in October 2019.
- Emma Paxton has been commissioned to produce a graphical recording of issues and barriers raised by each cohort at the beginning and end of the programme. This gives an innovative insight into the challenges faced by scaling businesses.
- Greater Brighton Economic Board – Business Survey to commence in May 2019
- CBI Dashboard (based on a variety of public data)
- ONS (Business demographics, number of business births and deaths, BRES data)
- Experian data - fastest growing companies by employers/turnover (old data)
- East Surrey Business Survey – old data
- Brighton and Hove Business Survey data
- Croydon Small Business Commission interviews and report
- IDBR – not available to Coast to Capital but can be accessed by Universities and Local Authorities
- Scale-up Institute – Annual Reports and LEP specific reports
- Beauhurst – A suite of specific reports on scaling businesses and those that are being funded for growth

Initially it was identified that, to best gain picture for the whole of the Coast to Capital area, the Greater Brighton research would be extended across the rest of the Coast to Capital area. However due to cost and timing constraints it has been decided to base LIS recommendations on available existing data and stakeholder consultations.

This work stream will:

- draw together a comprehensive picture of business support needs by product areas and inform the development of the LIS strategy.
- link with the Priority 4 review of skills

The proposals will build on the leading support programmes that have been developed particularly the Coast to Capital Escalator peer to peer initiative supported by the leading authority in this area, the Scale Up Institute.

Additionally, an ERDF business support programme is due to launch in the autumn. This programme will include a variety of support services for early stage businesses and wrap around mentoring support for our Escalator programme alumni.

Link with Gatwick 360° LIS negotiating points.

This project will provide the evidence required to lead the development of a strategy for promoting employment space development in the distinct product areas reflecting the business demands.

Product areas	Local Authorities
1. Identification of Gatwick to London growth corridor	Croydon Crawley GLA area
2. Development of towns around Gatwick airport	Mole Valley Reigate & Banstead Tandridge Epsom & Ewell Crawley Mid-Sussex Horsham
3. The growth of our coastal communities	Arun Worthing Adur Brighton & Hove Lewes Mid-Sussex Crawley
4. The potential for our rural areas	Chichester Horsham Arun Mole Valley

Addressing Gatwick 360° priority actions.

The SEP 2018-2020 actions related to Priority 2 and how this project satisfies them is detailed below:

Carry out a study into business space availability and barriers preventing the development of new space in the area.

This will be addressed through the proposed Hatch Regeneris project although determining the barriers to business availability will be undertaken after the findings of the research have been received.

Likewise, on 20 June there is a Gatwick Diamond Economic Summit which will have a forum discussing business infrastructure supply and demand.

Identify new and existing sites for investment to bring forward high quality business space for a variety of different needs.

This will be addressed through the proposed Hatch Regeneris project

Secure additional funding through the Local Industrial Strategy and private investment to support delivery of business space in our area.

This will be a future activity following the initial Hatch Regeneris research

Carry out a review of existing funding to maximise the support available for developing business space.

This will be a future activity following the initial Hatch Regeneris research

Increase support to scale-up and growth potential businesses, through investment in our Growth Hub and other support services.

This is project workstream area will directly address this Gatwick 360 action by identifying the business support needs that will inform future Growth Hub and other service delivery. We successfully launched the Coast to Capital Escalator Programme for scaling businesses in October 2018. This is a 6 month pilot programme that facilitates peer-to-peer mentoring. We currently have 5 cohorts running successful sessions once a month.

The Escalator programme has given first class insight into the needs and challenges faced by scaling, successful businesses. These needs will be addressed through the LIS recommendations.

As part of the Escalator programme Aviatrix have been commissioned to do on line evaluation throughout the project. Before and after each cohort meeting the business support issues and needs are being graphically recorded.

In addition it is considered important to consider the needs of other business segments detailed below

- Scaling businesses
- Start up and early stage businesses
- Growth potential businesses
- Businesses who owners reflect the diversity of the area but who experience challenges to growth

It is anticipated that there will be a major focus on supporting the development of management and leadership skills and different options will be explored including:

- Identification and use of leadership role models and champions
- Extension of peer to peer groups
- Ensuring support available for business leaders representing the diversity in the region

Key is raising the awareness of business support opportunities.

Develop a co-ordinated approach to business export support across the area.

This will be addressed through the recommendations developed following the business survey and stakeholder engagement work in this project workstream.

Project Team

Coast to Capital's Head of Services will oversee this project as the SMT Lead for Services and will also be undertaking the project management and reporting to the Programme Board on progress and outcomes.

The Head of Services will have weekly progress meetings with the companies/experts commissioned to undertake the project to monitor performance and manage required resources.

In addition the Coast to Capital Project Coordinator will support the Head of Services and the commissioned companies and experts in relation to stakeholder communications and workshops which will take place as part of the project.

Name	Organisation	Role	Responsibilities	Meetings
Rosaleen Laird	Coast to Capital Board	Board Sponsor	Strategic Direction	Monthly updates with Project Lead
Malcolm Brabon	Coast to Capital	Project Lead and Project Manager	Project development, procurement, strategic implementation, stakeholder engagement	Weekly with Programme Group and commissioned organisations
Leah Parry and subsequent Business Service Support Officer	Project Support	Support duties	Provide administrative support for meetings	Weekly with Project Lead
Priority 1 Team	Coast to Capital	Responsible for managing out the Priority 1 research and consultancy projects		Weekly progress meetings with Project Manager and Project Lead

Stakeholder engagement

Stakeholders will be engaged with as part of the advisory group that is proposed to be established within this priority. The members proposed are detailed below but may change due to combined work with Regeneris.

Their role will be to feed in strategic input into the project, provide challenge, provide feedback on the research project.

Various workshops, stakeholder events and expert groups will be held as a part of the research and analysis and include representation from the following:

Stakeholder	Organisations
Rosemary French	Gatwick Diamond Initiative
Carolyn Carr	West Sussex County Council
Lee McQuade	DIT
Gavin Stewart	Brighton Business Economic Partnership

Caroline Wood	Coastal West Sussex Partnership
Peter Sharp	Lewes District Council
Opama Khan	Croydon Council
Cheryl Finella	Brighton and Hove City Council
Carol Squires	Croydon Council
Rob Lewtas	DIT
To be confirmed	FSB
Ana Christie	Sussex Chamber
Louise Punter	Surrey Chambers of Commerce
Tina Tilly	Worthing and Adur Chamber
Gareth Sear	University of Chichester
Peter Lane	SINC
Chris Coopey	Carpenter Box
Sarah Springford	Brighton and Hove Chamber
Bruce McClelland	DIT
Business Support Network	Bank, Accountant, Chambers and membership organisations, Support Organisation, Enterprise Agency, Specialist Agency (eg Green Growth Platform and Social Enterprise Support provider), Private sector consultants.
Selected property agents	To be identified