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Greater Brighton Inward Investment and Trade Strategy

A Final Report by Regeneris Consulting
April 2018

Greater Brighton City Region

Greater Brighton Inward Investment and Trade Strategy

April 2018

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Executive Summary

- i. The Greater Brighton Investment and Trade strategy has been developed to help the City Region realise its potential as one of the UK's leading locations for investment and trade.
- ii. It identifies the characteristics which distinguish the City Region economically, and provides recommendations on the delivery structures and mechanisms which could help the area to become a more attractive and supportive place in which to locate and do business.
- iii. The strategy has been developed as an internal strategy for Greater Brighton partners. It has been developed by Regeneris Consulting and Cambridge Competitive Advantage (CCA) based on a detailed programme of evidence collection and consultation.

Recommendations: New Resource to Support Trade and Inward Investment Across Greater Brighton

- iv. Greater Brighton has a strong offer to communicate to inward investors and can do more to encourage local businesses to grow through international trade. This needs a skilled, dedicated resource acting as gateway to trade and investment information, enquiries and support.
- v. Two related actions have been identified to help Greater Brighton better realise its trade and investment potential:

Action 1. A new Greater Brighton Trade and Invest Team

A new Trade and Investment Team focusing on attracting new investment to Greater Brighton, and on supporting City Region businesses to grow and trade internationally.

- vi. The principle of a dedicated **Greater Brighton Trade and Invest Team** has received support from partners across the City Region, and is the priority of this strategy.
- vii. The team would provide a dedicated resource working with local partners (the councils, business networks, and businesses themselves) plus Coast to Capital Local Enterprise Partnership (C2C LEP), Gatwick Diamond, Locate East Sussex, Invest in West Sussex, the Newhaven Enterprise Zone and the Department for International Trade (DIT) to deliver a business/investor friendly support service.
- viii. The Trade & Invest Team would be positioned as the lead body for Trade and Investment activities in the area with protocols in place to ensure transparency and collaboration with local partners.

- ix. Further work is needed now needed to establish a five-year business plan for the team, setting out clear operational and financial models.

Trade and Investment: A Dual Remit

While inward investment and international trade are distinct policy areas, there are also close synergies and dynamics between the two: not least in terms of the importance of consistent messaging on growth aspirations, strong insight and intelligence on the local business / economic landscape, and a coordinated approach to business engagement and dialogue.

The 'dual' remit of the proposed Greater Brighton trade and invest team reflects these synergies, and replicates successful models developed elsewhere in the UK (e.g Bristol and Bath and Locate East Sussex). A coordinated and coherent approach to both investment and trade has the potential to play an important role in supporting economic growth and vitality: both by attracting new jobs and businesses to the City Region, and by helping existing (and new) businesses to grow.

- x. *Please refer to Chapter 5 for more information on the role and remit of the Trade and Invest Team.*

Action 2. City Hall for Business

Delivery of a physical and high-profile hub for Greater Brighton trade and inward investment activities, with potential for 'satellite' hubs elsewhere in the City Region.

- xi. There is an opportunity to establish a physical hub for a new Trade and Invest Team, and its day-to-day activities, at Brighton Town Hall.
- xii. The Grade II listed building in Bartholomew Square in Central Brighton is currently underused and funding has been approved by Brighton & Hove City Council to refurbish the asset as a multi-sector hub for business growth, international trade, inward investment activity and destination marketing.
- xiii. The proposed refurbishment presents an opportunity to provide a highly visible home for the new Trade and Invest Team, and a high-quality facility from which to showcase Greater Brighton as a business investment destination.
- xiv. While Brighton & Hove and the town hall provide a natural home and focal point for the Trade and Invest Team, it is critical that the service is established in a way which reflects its City Region wide remit. In the short term, this means ensuring that the town hall is fully accessible to City Region partners. However, once the team is operational and established, the potential to establish 'satellite' hubs at other locations throughout the City Region should also be explored.
- xv. *Please refer to Chapter 5 for more information on City Hall for Business project.*

The Case for Action

- xvi. While Greater Brighton is home to a diverse and growing economy, a number of challenges have been identified which are impacting on overall economic vitality and competitiveness.
- xvii. To better realise its economic potential, the City Region needs to be perceived as a location which welcomes, values and supports business investment and growth. There is a strong case for intervention by City Region partners to help this potential to be realised:
- **Greater Brighton is currently underperforming in terms of inward investment:** the attractiveness of Greater Brighton as a location for investment is highlighted by the fact that there have been a number of inward investment 'successes' across the City Region over the past year. While there are a number of organisations with inward investment functions active across the area, there is currently no proactive positioning of the Greater Brighton as a whole. As a result, the full potential of the City Region as an investment location is not being maximised.
 - **Competition for investment is increasing both nationally and internationally:** It is also clear that Greater Brighton will continue to face stiff competition from other UK locations and from overseas locations targeting key sectors like Creative and Digital services and Professional and Financial services. The Tech City 2017 report for example, lists a number of UK locations working to grow their technology sectors many of which (such as Bristol, Manchester, Sheffield and Edinburgh) have active inward investment programmes. Without a proactive effort, Greater Brighton is unlikely to attract the number and quality of investors necessary to build the area's longer-term image as a 'go-to' destination.
 - **Exports and business growth have an important role to play in driving the future economic vitality of the City Region:** the current macro-economic context, and uncertainty in future UK trade dynamics present both opportunities and threats for the City Region economy. While supporting business growth and international trade has been identified as a national priority for the government, Brexit will bear a significant influence on the decision making and activities of individual firms over the coming years. In Greater Brighton, this is relevant both for larger employers who trade internationally, and also smaller businesses who have aspirations to grow and trade internationally. In this context, providing a supportive business environment that recognises and engages with the needs of different segments of the economy is more important than ever.
- xviii. Intervention is needed to provide a proactive response to these challenges: better communicating and exploiting the City Region's potential for growth, and providing mitigation to areas of challenge.
- xix. *Please refer to Chapter 3 for more information on the case for action.*

Building An Inward Investment Proposition for Greater Brighton

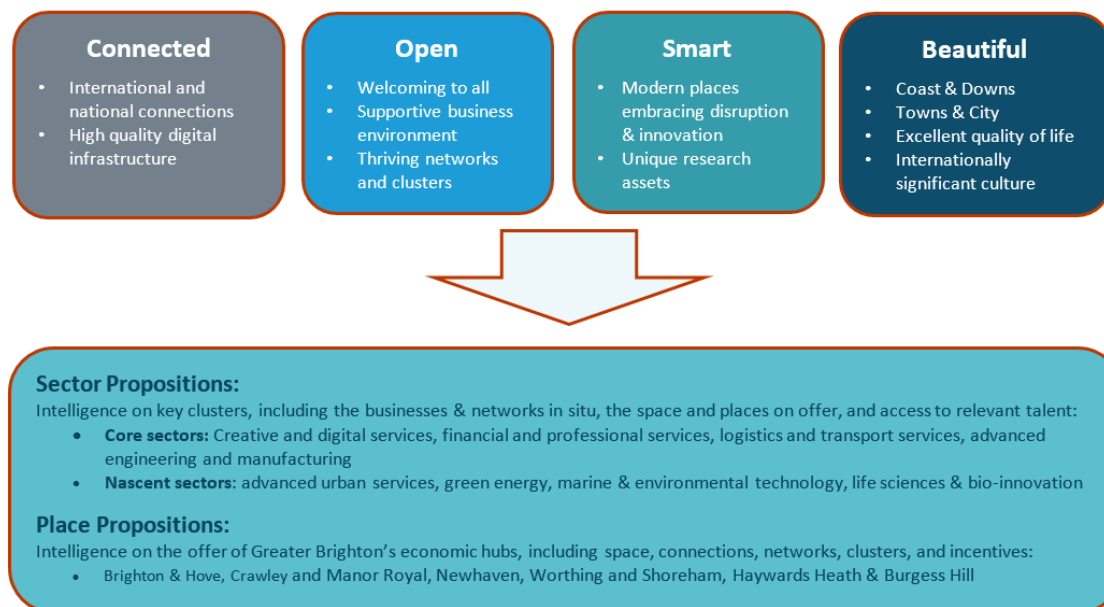
- xx. The development and communication of compelling inward investment propositions will be central to the activities of the Greater Brighton Trade and Invest team. These will need to sell the area as a whole, while also providing information on its constituent places, sectors and opportunities.
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Selling the City Region: Headline Economic Strengths

- **A Connected Economy:** Greater Brighton benefits from strong connections, both nationally and internationally. These include swift rail links to London, the presence of Gatwick Airport, and the ports at Newhaven and Shoreham. Digital connectivity within the major urban areas is also strong
 - **A Growing Economy:** The City Region is home to a large economy of nearly half a million jobs and has experienced strong growth over the past 5 years. It boasts a diverse range of economic locations, including a vibrant hierarchy of town and urban areas, major industrial areas such as Manor Royal, and significant growth and regeneration opportunities such as the Newhaven Enterprise Zone, the Burgess Hill Growth Area and Shoreham Harbour.
 - **Diverse Sector Strengths:** Greater Brighton has a dynamic and broad-based economy. Strengths include professional services and creative and digital industries (particularly in Crawley and Brighton & Hove), logistics and warehousing (particularly around Gatwick), and a range of higher value manufacturing and engineering activities. There are aspirations to growth nascent bio-tech, marine, environmental and green energy sectors across the area (e.g. at Newhaven).
 - **Unique Economic and Innovation Assets:** Greater Brighton boasts a strong set of assets which are supporting its evolution as one of the UK's leading hotspots of research and innovation. These include the 5G Digital Catapult, the forthcoming Advanced Engineering and Bio-Innovation Centres, two universities, and a strong set of business networks and support mechanisms.
 - **A Strong Workforce:** Greater Brighton benefits from a large and well-educated workforce. The area has a population of around 800,000 and has strong rates of labour market participation. Over 43% of the population hold a degree or higher. The City Region boasts a range of education institutions, including two universities and a diverse further education offer.
 - **Lifestyle and places:** The quality of the Greater Brighton's environment and lifestyle is one of its greatest and most recognised strengths. The City Region provides a strong balance between urban and rural lifestyles, including vibrant urban areas (e.g. Brighton & Hove), historic market towns (e.g. Lewis) and nationally recognised landscapes (the South Downs National Park).
 - **Momentum:** The City Region has significant potential for housing and employment growth over the next decade. The Greater Brighton City Deal has been agreed to help unlock this growth, with major investments planned to alleviate stresses in the City Region's economic infrastructure. The City Region Investment Programme comprises around £150m of public sector investment allocated to projects across Greater Brighton, with considerable private sector funding levered.
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- xxi. Based on the research undertaken, an 'indicative' inward investment proposition for the City Region has been developed.

Figure E1: Indicative Greater Brighton Inward Investment Proposition



Source: Regeneris Consulting, 2018

- xxii. An important early task for the proposed Greater Brighton Trade and Invest Team should be to develop this proposition further, along with a set of supporting 'place' and 'sector' propositions. In doing so, it should take into account four principles which will help to ensure success:

- **Clarity:** the best propositions have a very clear and simple idea, conveyed in a succinct and business-like fashion. It should be memorable and meaningful.
- **Scale:** the proposition should address the advantages at an optimum and appropriate scale of geography. This may be at the City Region or LEP level, but it might be at a national, regional, sub-regional or local one.
- **Facts:** it must be believable and based on clear facts and evidence. It must be supported by statistics, stories and third-party validation in the form of quotes and case studies.
- **Consistency:** an effective proposition emerges and evolves over a period of time. A proposition should be adopted by as many other partners and people as possible, ensuring that multiple voices expose many audiences to the same themes over a sustained period.

- xxiii. Please refer to Chapter 6 for more information on the process of developing an inward investment proposition for Greater Brighton.

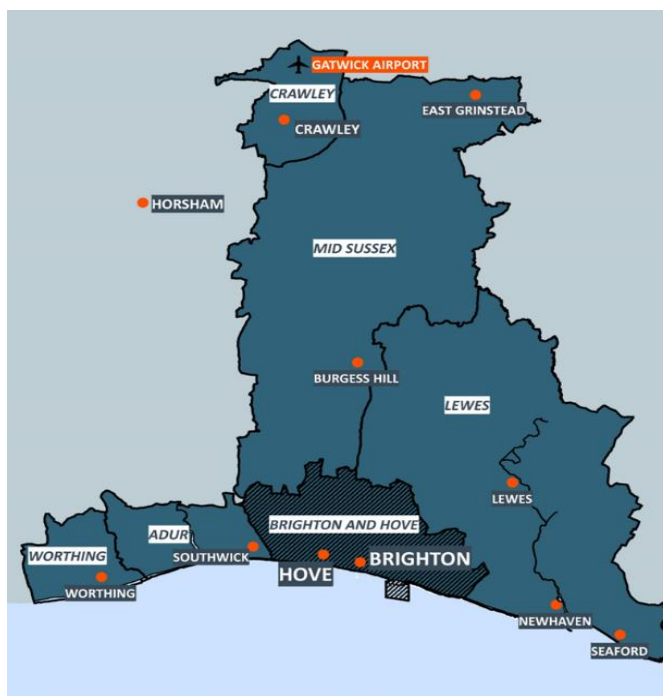
1. The Greater Brighton Investment and Trade Strategy

- 1.1 The Greater Brighton Investment and Trade strategy has been developed to help the City Region realise its potential as one of the UK's leading locations for investment and trade.
- 1.2 It identifies the vital characteristics which distinguish the City Region economically, and provides recommendations on the delivery structures and mechanisms that could help the area to become a more attractive and supportive place in which to locate and do business.
- 1.3 The strategy has been developed as an internal strategy for Greater Brighton partners. It has been developed by Regeneris Consulting and Cambridge Competitive Advantage (CCA) based on a detailed programme of evidence collection and consultation.

The Greater Brighton City Region

- 1.4 The Greater Brighton City Region was established in 2014 in recognition of important economic dynamics and interdependencies that link Brighton & Hove, Adur, Mid Sussex, Worthing, Lewes, and Crawley.

Figure 1.1 The Greater Brighton City Region



- 1.5 It is underpinned by a shared recognition of the need to work beyond boundaries to maximise growth opportunities, respond to areas of socio-economic challenge, and to make more compelling cases to government for investment.

- 1.6 Since the City Region was established, strong momentum has been achieved through the activities of the Greater Brighton Economic Board and closer than ever partnership working across City Region partners more generally.

- 1.7 The Greater Brighton City Deal agreed with government in 2014, the Greater Brighton Investment Programme, and the One Public Estate programme represent considerable early achievements for the City Region.

Source: Regeneris Consulting, 2018

- 1.8 Together, they highlight the added value and critical mass that can be achieved through partnership working across the area and provide a strong platform to build upon over the coming decade in supporting the ongoing economic evolution of Greater Brighton.

Investment and Trade in Greater Brighton

- 1.9 Within its Industrial Strategy, the UK government sets out an ambition to *“create an economy that boosts productivity and earning power throughout the UK”*. In an uncertain economic context, trade and inward investment has an integral role to play in working towards this vision, supporting businesses growth and innovation, and creating and sustaining employment opportunities in existing and emerging sectors.
- 1.10 The Greater Brighton City Region has the potential to be one of the UK’s most compelling inward investment and growth locations. Home to nearly one million people, the City Region is distinctive for its excellent national and international connectivity, its diverse and growing economy, its talented labour pool and the quality of its natural and physical assets. The area’s unique economic assets, and its significant infrastructure and growth investment programme are helping the area to evolve as a modern, forward-facing economic area of national significance.
- 1.11 Despite this, there is evidence that the area is currently failing to maximise its investment and trade potential and that, in economic terms, it is losing ground to other locations across the UK.

Purpose of the Investment and Trade Strategy

- 1.12 **This strategy has been developed to help the City Region better realise its investment and trade potential in the future.** In doing so, it takes stock of current performance and provides guidance on the delivery structures and mechanisms which should be put in place to help attract greater levels of investment and to provide a more supportive environment for businesses to trade.

Strategy Focus

- 1.13 The strategy has been developed to build on the aspirations and strategy of partners across Greater Brighton, and to ensure that the City Region is well positioned within the context of regional and national economic growth aspirations. This includes the growth priorities of both the Coast to Capital (C2C) and South East Local Enterprise Partnerships (LEPs), and the UK government.
- The strategy has a dual focus:
- **Inward investment**, focusing both on foreign direct investment (FDI) and intra-UK investment.
 - **International trade**, with a focus on exports.
- 1.14 The strategy is supported by a detailed evidence base on the structure and performance of the City Region economy, and builds on a detailed programme of consultation with City Region leaders and partners.

2. Distilling the City Region's Economic Offer

- 2.1 Any proposition to enhance trade and investment must build on a clear understanding of local economic strengths and assets.
- 2.2 This chapter provides an overview of some of the key characteristics that define the Greater Brighton investment and trade offer. While operating as a coherent and functional economic entity, the City Region is home to a diverse set of places and economies which all form part of the overall proposition.

A Well-Connected Economy

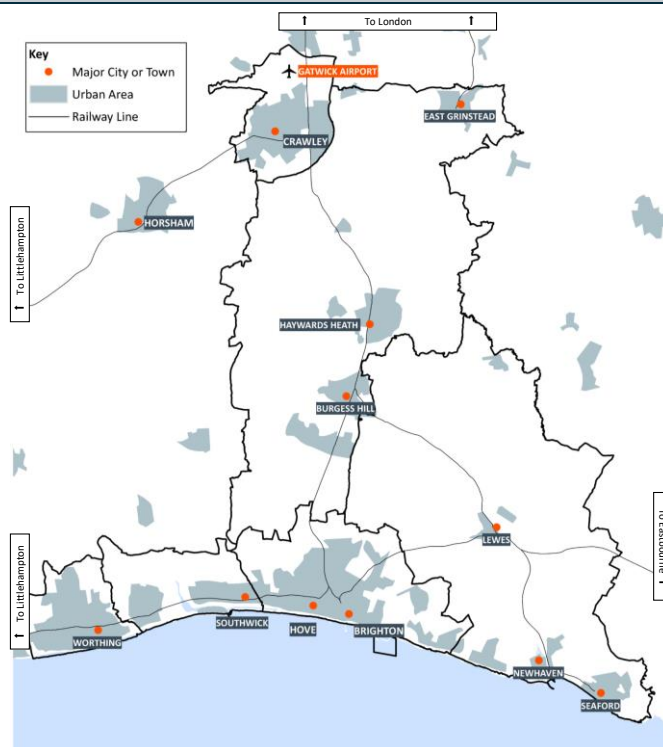
- 2.3 Greater Brighton benefits from great connections: both nationally and internationally (illustrated in Figure 2.1).
- 2.4 The Brighton Mainline provides links to London and the south midlands for settlements up the central spine of the City Region, with journey times from Brighton & Hove to London Victoria of less than an hour on the fastest trains. The Sussex Coast route links coastal settlements across the City Region on the east-west axis, and provides connectivity to Southampton and Portsmouth beyond.
- 2.5 The City Region is home to Gatwick Airport which serves 228 destinations in 74 countries, more than any other UK airport. International connections to the continent are also provided at Newhaven (passenger ferries and commercial freight) and Shoreham (commercial freight / cargo port).
- 2.6 The City Region also benefits from excellent digital connectivity within its major hubs. Over 94% of premises in Worthing are covered by ultrafast broadband speeds (greater than 100 megabits per second (mbps), higher than any other UK city. Connection speeds are similarly strong in Brighton & Hove at over 91% of premises (ranked 8th nationally).
- 2.7 While there are a number of acknowledged infrastructure stresses across Greater Brighton (such as road and rail capacity and reliability, and rural broadband connections), City Region partners are working collaboratively to secure new investment and to deliver the necessary enhancements.

Figure 2.1 Greater Brighton's Connections and Places

56 minutes: fastest journey times Brighton & Hove to central London

228 international destinations from Gatwick Airport

Worthing ranked **1st** of all UK cities for ultrafast broadband

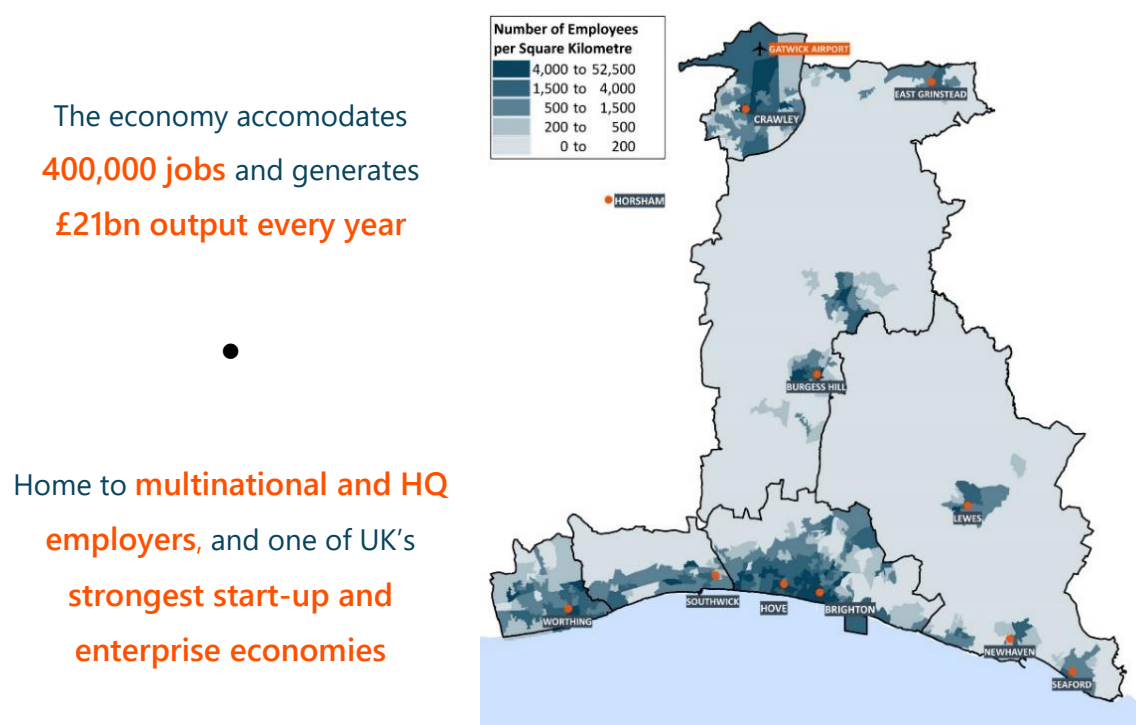


Source: Regeneris Consulting, 2018

A Diverse and Growing Economy

- 2.8 Greater Brighton is home to a strongly performing economy.
- 2.9 In total, the economy comprises around 400,000 jobs and 40,000 businesses and generates around £21bn output every year. The size of the economy (number of jobs) has grown by around 10% over the past five years, above regional and national averages. Crawley registered the second highest private sector employment growth rate of any UK city over the last 12 months.
- 2.10 Greater Brighton is home to a diverse range of economic locations. It boasts three major economic hubs: (Brighton & Hove, around 140,000 jobs; Crawley and Gatwick, around 93,000 jobs; and Worthing, around 45,000 jobs), and a network of smaller economic hubs (including Haywards Heath, Burgess Hill, East Grinstead, Shoreham, Lewes and Newhaven). Manor Royal is already well established as one of the South East's premier mixed activity employment hubs, while the Newhaven Enterprise Zone has been recognised nationally as a major opportunity for employment-led regeneration and for the development of a higher value economy.
- 2.11 The City Region provides an attractive environment for all types of business. There is a broad range of multinational employers located across the City Region, with Crawley in particular playing host to a concentration of larger businesses and headquarter functions. The City Region also accommodates a thriving small business economy. This is particularly true in Brighton & Hove, which has one of the UK's strongest business start-up rates and the highest levels of homeworking nationally.

Figure 2.2 Greater Brighton's Economic Geography



Source: Regeneris Consulting, 2018

Sector Specialisms

- 2.12 Across the Greater Brighton City Region there are a number of different sector specialisms which provide a dynamic and broad-based economy.
- 2.13 Brighton & Hove's most significant private sector specialisms include ICT and Creative Services, Visitor Economy activities, and Higher Education.
- 2.14 Elsewhere in the City Region, specialisms are focused around industrial and support industries. Significant sector specialisms within the City Region include:
- Professional services and business support services in Crawley
 - Advanced manufacturing, transport and warehousing & logistics at Manor Royal in Crawley linked to Gatwick
 - Advanced manufacturing in Worthing, partly derived from GSK's large pharmaceutical manufacturing factory, located in the borough.
 - A growing bio-tech sector in Mid Sussex, with businesses such as Cell 4 Life and Stabilitech
 - Existing advanced manufacturing businesses at Newhaven (with businesses such as Surrey NanoSystems), and aspirations to grow the engineering, marine and environmental technologies sectors
 - Nascent growth sectors such as green energy across West Sussex.

Figure 2.3 Greater Brighton's Diverse Sector Specialisms

Main Sector	Detailed Sector	Brighton & Hove	Adur	Crawley	Lewes	Mid-Sussex	Worthing
Industrial	Advanced Manufacturing		Dark blue	Orange		Pale blue	Orange
Support Industries	Construction		Dark blue		Dark blue	Dark blue	
	Transport			Orange			
	Warehousing and Logistics			Orange			
Local Services	Retail	Pale blue	Dark blue		Pale blue	Pale blue	Dark blue
	Wholesale		Dark blue			Orange	
	Visitor Economy	Dark blue					
Creative & Professional	ICT & Digital	Dark blue	Dark blue			Pale blue	
	Creative	Dark blue					
	Professional & Financial	Pale blue				Dark blue	
	Business Support Services	Pale blue		Orange			
	Other Services		Pale blue				
Public Administration, Education, Health		Dark blue			Orange	Pale blue	Dark blue

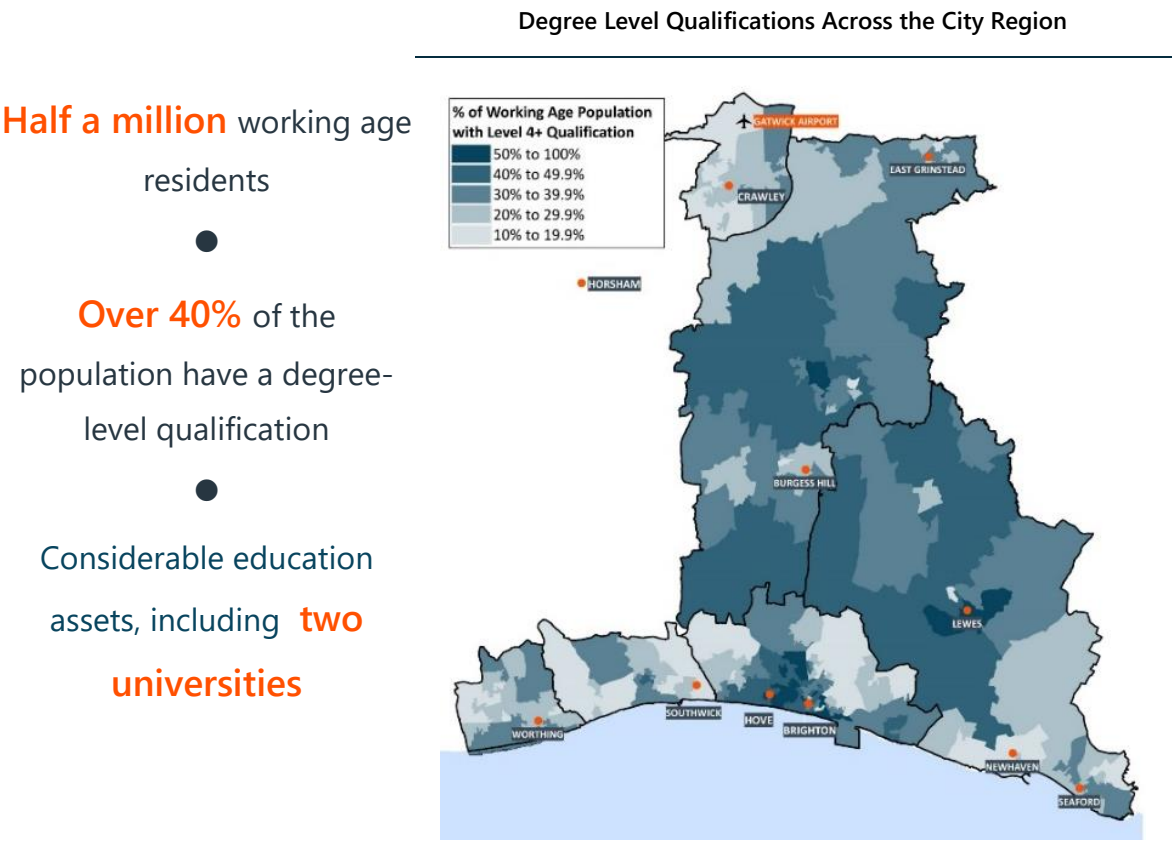
Note: Colour coding denotes level of specialism relative to national average:
 Pale blue = slight specialism
 Dark blue = moderate specialism
 Orange = strong specialism.

Source: Regeneris Consulting, based on Office for National Statistics (ONS), Business Register and Employment Survey

A World-Class Workforce

- 2.15 Greater Brighton benefits from a large and well-educated workforce (illustrated in Figure 2.4).
- 2.16 The City Region is home to around 800,000 people of whom more than half a million are of working age. The population is comparatively young: around two thirds of the population are of working age, higher than the national average. The working age population is stronger still along the coastal strip: around 71% of Brighton & Hove residents are of working age.
- 2.17 Participation in the labour market is strong. The City Region is home to around 430,000 economically active residents, and around 410,000 residents in employment. Both economic activity and employment participation rates are higher than national averages. Crawley currently has the highest employment rate of any UK city at over 86%.
- 2.18 The local workforce provides a range of skills which reflect the diversity within the local economy: from technical skills serving advanced manufacturing, transport & logistics sectors, to service industry skills serving the hospitality & visitor economy sector, to higher level skills serving the creative & professional sectors. Over 43% of the population hold a degree or higher. In Brighton & Hove this rises to over 46% of the population, with the city ranking 8th nationally.
- 2.19 The City Region boasts considerable education assets:
- Brighton and Sussex Universities accommodate over 35,000 students and provide a diverse range of academic courses
 - There is also a diverse Further Education offer, with GBMet, Worthing College, Downs College and Crawley College among others provide a range of academic and specialist vocational courses
 - The new UTC Harbourside at Newhaven provides specialist training focused on marine and environmental engineering, while the Advanced Technology Centre at Crawley specialises in manufacturing, engineering and environmental technologies
 - The City Region is also home to a number of well-regarded independent schools including Brighton College and Ardingly College.

Figure 2.4 Greater Brighton's Workforce



Source: Regeneris Consulting, based on ONS BRES

Unique Economic and Innovation Assets

- 2.20 Greater Brighton boasts a considerable set of economic, innovation and research assets.
- 2.21 These both support the day-to-day functioning of the economy and are supporting the ongoing evolution of Greater Brighton as one of the UK's leading hotspots of research and innovation. Latest data highlights that Crawley has one of the highest patent application rates among all UK Cities (ranking 9th out of 62).

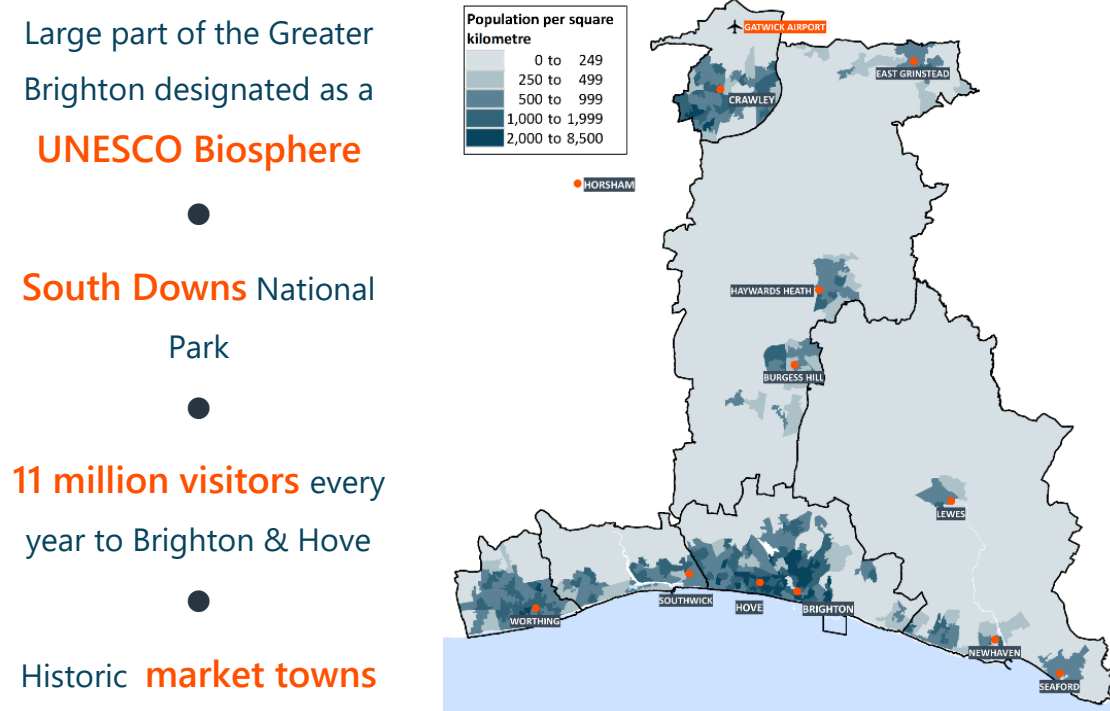
Figure 2.5 Greater Brighton's Economic Assets

	<p>Research & Innovation Assets</p>	<p>Greater Brighton is home to a growing number of research and innovation assets serving the needs of specific sector. These include:</p> <ul style="list-style-type: none"> • The 5G Digital Catapult Centre in Brighton & Hove; one of the only places in the UK where SMEs are able to experiment with 5G tech. • A number of other accelerators and incubators, including the Brighton Hatchery, the Sussex Innovation Centre, the EDF Blue Lab, and the Barclays Eagle Lab. • The forthcoming Advanced Engineering and Bio-Innovation Centres which have received funding from C2C.
	<p>Universities</p>	<p>Aside from their education focus, the universities of Brighton and Sussex provide considerable research expertise:</p> <ul style="list-style-type: none"> • University of Sussex: internationally recognised research strengths in policy and practice in economics, health, culture, climate change and quantum technology. The university hosts The Sussex Innovation Centre, which supports high technology & innovative businesses' growth. • University of Brighton: highly rated research areas include Advanced Automotive Engineering, Business and Management; Dentistry, Nursing and Pharmacy; History; and Leisure & Tourism. <p>Both universities are playing a strong role in the development of the local creative and cultural economy, not least through Brighton Fuse and ongoing work with the Arts and Humanities Research Council (AHRC).</p>
	<p>Business Networks and Support Mechanisms</p>	<ul style="list-style-type: none"> • Business partnerships and networks: the area is home to a number of well-established businesses focused partnerships such as Brighton & Hove Economic Partnership, Adur and Worthing Business Partnership, the Gatwick Diamond, and the Chambers of Commerce. • The area is also home to important sector networks, most notably Wired Sussex which supports networks and growth across the creative and digital sector.

High Quality Places and Lifestyle

- 2.22 The quality of the Greater Brighton's environment and lifestyle is one of its greatest and most recognised strengths.
- 2.23 The City Region provides a strong balance between urban and rural lifestyles. While the vibrant Brighton & Hove, Adur and Worthing coastline is classified as the second densest built up area in the UK outside London, the City Region is also home to the South Downs National Park.
- 2.24 The Living Coast Biosphere covers a geography similar to Greater Brighton, and is one of only six UNESCO designated International Biosphere Reserves in the UK, demonstrating the balanced relationship the city has between people and nature (i.e. encouraging sustainable development).
- 2.25 Greater Brighton's hierarchy of historic and attractive towns and villages, provide a diverse offer for those looking to invest or live in the area.
- 2.26 Brighton & Hove itself has an international reputation for its vibrant, cosmopolitan lifestyle. There is a strong commitment to arts in the city, with a number of festivals and events such as the Brighton Fringe and the Brighton Festival that attract both residents and tourists. More generally, the city's diverse assets (including the seafront, the Royal Pavilions, and the Regency architecture) underpin the city's established visitor identity. The city is also home to a retail centre of regional importance centred on Churchill Square and a renowned independent offer in the Lanes, North Laines and Hove.

Figure 2.6 Greater Brighton's Places



Source: Regeneris Consulting, ONS Census, and Visit Brighton

Strong Regeneration and Investment Pipeline

- 2.27 The City Region has strong growth potential, with significant potential for housing and employment growth over the next decade.
- 2.28 A number of major growth and regeneration opportunities exist across the area. These include:
- Brighton & Hove is home to a range of major regeneration projects including ongoing improvements to the seafront, the Preston Barracks scheme, the New England House project, the Sussex Bio-Innovation Centre and the Advanced Engineering Centre
 - The Newhaven Enterprise Zone: nationally designated growth area, covering nearly 80 hectares and providing a significant quantum of new and refurbished space to support the development of 'clean, green and marine' sectors
 - The Burgess Hill Growth Area: an ambitious programme worth over £1bn and expected to deliver 5,000 homes, 15,000 jobs and a series major infrastructure enhancements
 - Crawley town centre: an ongoing regeneration programme delivering major enhancements to the public realm, new retail and commercial space and new community facilities
 - North Street Quarter, Lewes: a major brownfield site development in Lewes providing over 400 new homes, business space public space and amenities
 - Shoreham Harbour Regeneration: Adur and Worthing and Brighton & Hove Councils are working together to shape this major regeneration scheme via a new Area Action Plan.
- 2.29 The **Greater Brighton City Deal** has been agreed to help unlock this growth, with major investments planned to alleviate stresses in the City Region's economic infrastructure.
- 2.30 The **City Region Investment Programme** comprises around **£150m of public sector investment** allocated to projects across the City Region, with considerable private sector match levered. The programme comprises 25 projects which have the potential to deliver 24,000 jobs, 14,000 homes and 750,000 sqm of commercial space across Greater Brighton.
- 2.31 In addition, via the **One Public Estate Programme**, public bodies are working to use their property as a catalyst to boost economic growth and improve how services are delivered. To date, public property valued at over £2bn is set to be unlocked in the next five years throughout the region.
- 2.32 Most recently, City Region partners have secured nearly £50m from the government's Housing Infrastructure Fund to support the delivery of six different housing developments across Greater Brighton.

3. Investment and Trade in The City Region: Current Performance

- 3.1 This chapter provides a summary of recent inward investment and trade performance across the City Region, and an evaluation of the coordination and support mechanisms currently in place.

Inward Investment

Recent Performance

- 3.2 While consistent and granular intelligence is not currently collected at the local level, review of the available data and consultation highlights that Greater Brighton is currently not achieving its full potential in inward investment terms.

- 3.3 Over the years Greater Brighton has attracted high quality inward investment with notable successes like Amex. In recent years the Creative, Digital and IT (CDIT) sector has attracted new investors including acquisitions of local start-ups. However, an analysis of DIT's national inward investment successes over the past few

Key Message: Greater Brighton is currently underperforming in attracting investment, with only 17 successes in 2016/17, less than 1% of the UK total.

years highlights that Greater Brighton is underperforming compared with other locations. Competitors like Bristol/Bath, Reading (Thames Valley) are consistently winning more investment, establishing track records and reputations which encourage further success.

- 3.4 Most recent intelligence (summarised overleaf in Table 3.1) highlights that in 2016/17:

- Greater Brighton recorded 17 successes of which 12 were in Brighton & Hove.
- Of the 12 successes in Brighton & Hove in 2016/17, 10 were in the CDIT sectors
 - These included four expansions, three acquisitions and three new investors to Brighton & Hove
 - Brighton's successes represented less than 2% of the UK's total CDIT wins in 2016/17.
- Of the five successes elsewhere in Greater Brighton, four were acquisitions with one expansion and no new investments. These were a mix of precision engineering and healthcare.

- Brighton & Hove and the City Region are underperforming compared to two comparator locations: superior results were recorded in Bristol & Bath and the Thames Valley (mostly Reading).

Table 3.1 Greater Brighton FDI Results: 2013/14 to 2016/17

	2013/14	2014/15	2015/16	2016/17	
				No.	% of UK
Brighton & Hove				12	0.5%
Other Greater Brighton	Data not available			5	0.2%
Greater Brighton Total				17	0.8%
<i>Comparator Areas:</i>					
Thames V./Reading	76	87	119	112	4.9%
Bristol & Bath	32	37	44	48	2.1%
London		796	889	891	39.3%
Coast to Capital LEP	28	N/A	52	38	1.7%
South East			253	217	9.6%
UK	1,773	1,988	2,213	2,265	100%
<i>Focus on Creative and Digital Industries...</i>					
Brighton & Hove CDIT	N/A	N/A	N/A	10	1.8%
UK – CDIT	400	486	558	569	100%

Note: We have been unable to source results data for Greater Brighton for the years 2013/14 to 2015/16. Looking ahead, stronger evidence collection at the local level will be critical in helping to monitor and benchmark success and progress.

Source: CCA Research, drawn from C2C and DIT data

Assessment of Current Approaches to Inward Investment Across Greater Brighton

- 3.5 Proactive promotion and support have critical roles to play in generating inward investment interest and success. The key is to have compelling propositions, actively promoted and a business-like approach to responding to opportunities.
- 3.6 There are a number of organisations currently actively performing inward investment activities within the Greater Brighton area. These are relatively broad in terms of scope and remit and include:
- Local councils (Brighton & Hove, Worthing & Adur, Mid Sussex, Lewes and Crawley) and economic development agencies (e.g. the Newhaven Enterprise Zone)
 - Local business and sector networks: such as Brighton & Hove Economic Partnership (BHEP), Adur and Worthing Business Partnership, Coastal West Sussex, the local Chambers of Commerce, and Wired Sussex
 - Gatwick Diamond: largely focusing on the north part of the City Region (Mid Sussex and Crawley) and the wider sphere of influence of the airport
 - The Invest West Sussex and Locate East Sussex inward investment agencies: together, these cover much of the City Region (Brighton & Hove excepted), but have a broader county level focus
 - The Coast to Capital and South East LEAs: again, covering all of the City Region albeit as part of much larger geographies.
- 3.7 Despite the range of partners active, there is currently no dedicated inward investment team / resource focusing specifically on Greater Brighton. Consultation has highlighted weaknesses in the current investment support landscape for the City Region as a whole. These include:
- **Proposition and identity:** there is currently an absence of a strong value proposition for Greater Brighton, and no clear sector focus.
 - **Promotion:** current promotion is typically on a place specific basis (e.g. for the Newhaven Enterprise Zone), and there is currently no active promotion for the City Region geography as a whole; while there is passive promotion through websites such as Brighton for Business, these lack both focus and clear, compelling propositions
 - **Coordination and information:** there are currently multiple portals for inward investment enquires, reflecting the range of partners listed above. As a result, it is not immediately obvious who potential investors should contact with enquiries. There are no centralised mechanisms to log and prioritise enquires and to coordinate a tailored response
 - **Aftercare:** proactive 'aftercare' engagement is limited, with a lack of a coherent approach to communicating with new and existing investors

- Overall, Greater Brighton is not being positioned as a place for business.

3.8 The national inward investment effort is an important source of prospects. DIT has offices in key markets overseas and sector experts in London should be considered the City Region's sales force. DIT commented on the lack of value propositions from Brighton & Hove and the City Region, and the importance of promoting these to the DIT network in London and overseas.

3.9 The consultation has suggested that the current lack of a coherent and proactive approach to inward investment across the City Region is contributing directly to opportunities being missed, and a failure to maximise inward investment potential.

Key Message: a lack of a clear proposition, and the absence of a coherent approach to promotion and support, is constraining the ability of the City Region to attract inward investment.

3.10 The current approach to inward investment in Greater Brighton stands in contrast to comparator areas such as Bristol and Bath and the Thames Valley, both of which have established clear identities and propositions for investors:

- Bristol & Bath is clearly positioned as a leading UK centre for Creative and Digital – 'UK's leading smart city'; 'Largest digital cluster outside London'
- Thames Valley/Reading bills itself the 'Silicon Valley of Europe' with excellent corporate and other connections with Silicon Valley in California and the main city – San Jose.

3.11 Further information is provided on both comparator areas in the next chapter.

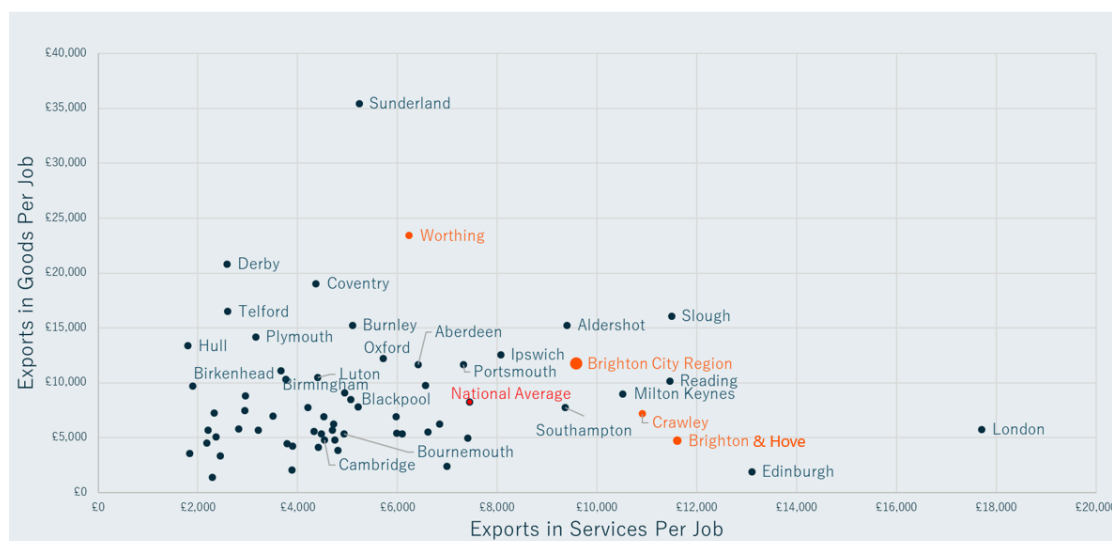
Exports

Recent Performance

3.12 Data from ONS indicates that Greater Brighton has a comparatively strong export economy across its three main economic hubs: Brighton & Hove, Crawley and Worthing. The data also highlights the economic diversity that exists across the area:

- Both Crawley and Brighton & Hove perform comparatively strongly in terms of services exports, ranking 3rd and 6th out of 62 UK cities respectively. In Brighton & Hove, the strong performance is likely to reflect the activities of Amex (whose European HQ is based in Brighton) and the activities of the city's growing creative and digital sector. In Crawley, the export strengths are likely to reflect the concentration of professional and financial and HQ activities located in proximity to Gatwick Airport
- Worthing performs comparatively strongly for 'goods' exports; in a large part this reflects the activities of GSK who are located within the town.

Figure 3.1 Exports per Job; UK Cities



Source: ONS and Centre for Cities

- 3.13 The EU is by far the biggest destination for exports from UK cities, and the City Region is no exception to this. Around half of exports across the City Region are to the EU, and within this, Brighton & Hove has a comparatively high EU export rate of 53% (compared to a UK average of 46%).
- 3.14 Given the uncertainty about future trade relationships with the EU (and the rest of the world), it will be important to keep track of the dependence of the City Region, its places, and its sectors on exports. This is particularly the case in the context of Brighton & Hove and Worthing, where large exporting businesses play an integral role in the local economy (Amex and GSK).

Table 3.2 Destination of Exports by City Region Location

	Brighton & Hove	Crawley	Worthing	UK
EU	53%	48%	44%	46%
China	2%	4%	2%	4%
USA	14%	13%	23%	15%
Middle E. & N. Africa	7%	8%	5%	7%

Source: ONS and Centre for Cities

Assessment of Current Support

- 3.15 There are a number of trade support services available to businesses across the Greater Brighton City Region. The Coast to Capital and Business East Sussex Growth Hubs provides business support and signposting services, as do Invest West Sussex, and Locate East Sussex.
- 3.16 More local and bespoke support is also available via some of the City Regions business networks (such as Wired Sussex and the Chambers) and workspaces (such as the Werks Group).
- 3.17 However, our mapping suggests that across Greater Brighton, specialist support for higher growth businesses and exporters, is relatively limited. While specific export support is available via DIT, there is currently limited local signposting to the services that are on offer.
- 3.18 The consensus among interviewees was that more could be done in this respect, and that the City Region would benefit from a coordinated and concerted effort to encourage local businesses to grow. Evidence from the Tech City 2017 Report shows CDIT company turnover in Brighton growing by 31% 2011 – 2015 whereas in the same period, turnover growth in Bristol was 87% and in Reading 57%.
- 3.19 DIT pointed to other areas such as Kent where local partners are very active promoting export advice and DIT services. In other locations, there is a greater level of engagement with local businesses, backed by targeted initiative. For example, Kent County Council has also launched a campaign to point local businesses towards opportunities in the offshore wind sector.
- 3.20 With a few notable exceptions (such as at the Newhaven Enterprise Zone) proactive 'aftercare' engagement is limited across the City Region. This is likely to undermine a perception of Greater Brighton as a destination where business investment and growth is welcomed and supported.

Key Message: current UK economic uncertainty presents a considerable local threat, potentially influencing the decision making of large employers and on small business growth potential. A supportive business environment is more important than ever.

The Case for Action

- 3.21 To better realise its economic potential, Greater Brighton needs to be perceived as a location which welcomes, values and supports business investment and growth. It needs to evolve to become recognised as an attractive investment location alongside its long-established reputation as a visitor destination.
- 3.22 There is a strong case for intervention by City Region partners to help this potential to be realised:
- **Greater Brighton is currently underperforming in terms of inward investment:** the attractiveness of Greater Brighton as a location for investment is highlighted by the fact that there have been a number of inward investment ‘successes’ across the City Region over the past year. Consultation has however, highlighted that there is currently very little proactive action driving the quality or strategic relevance of investments. As a result, the full potential of the City Region as an investment location is not being maximised
 - **Competition for investment is increasing both nationally and internationally:** It is also clear that Greater Brighton will continue to face stiff competition from other UK locations and from overseas locations targeting key sectors such as Creative and Digital services and Professional and Financial services. The Tech City 2017 report for example, lists a number of UK locations working to grow their technology sectors many of which (such as Bristol, Manchester, Sheffield and Edinburgh) have active inward investment programmes. Without a proactive effort, Greater Brighton is unlikely to attract the number and quality of investors necessary to build the area’s longer-term image as a ‘go-to’ destination
 - **Exports and business growth have important roles to play in driving the future economic vitality of the City Region:** the current macro-economic context, and uncertainty in future UK trade dynamics present both opportunities and threats for the City Region economy. While supporting business growth and international trade has been identified as a national priority for the government, Brexit will bear a significant influence on the decision making and activities of individual firms over the coming years. In Greater Brighton, this is relevant both for larger employers who trade internationally, and also smaller businesses who have aspirations to grow and trade internationally. In this context, providing a supportive business environment that recognises and engages with the needs of different segments of the economy is more important than ever.
- 3.23 Intervention is needed to provide a proactive response to these challenges; better communicating and exploiting the City Region’s potential for growth, and providing mitigation to areas of challenge.

4. Learning from Elsewhere

- 4.1 Across the UK there are numerous examples of local areas taking a proactive approach to supporting inward investment and trade. Some of the most relevant examples for Greater Brighton are introduced over the following pages.

Invest Bristol & Bath



Invest Bristol and Bath lead on inward investment attraction for the West of England LEP recognising the strength of the Bristol and Bath brands.

They have a clear sector focus: 'Bristol & Bath is one of the strongest economies in Europe and is home to globally recognised clusters in Aerospace & Advanced Engineering, High Tech, Creative & Digital, Low Carbon Technologies and Financial and Professional Business Services.'

IBB has a team of 10 with significant experience in inward investment.

An attractive, user-friendly website sets out key propositions peppered with high level, attention-grabbing facts:

- *'In Bristol & Bath, more people are employed in knowledge based intensive businesses than Oxford and Cambridge combined (ONS).'*
- *'Bristol & Bath is the largest cluster for tech and digital employment in the UK outside of London with particular strengths in software development, data management and analytics (TechNation 2015).'*
- *'The University of Bristol is ranked 29th in the world and 8th in the UK (QS World Rankings 2014).'*
- *'The University of Bath is ranked 4th in the UK (The Guardian 2014).'*

Invest Bristol and Bath has benefited from a budget commitment over an extended period to allow for momentum to be generated. Results have been strong, with a marked increase in inward investment successes in recent years. See Table 3.1.

Thames Valley UK



Thames Valley Chamber has led on inward investment attraction for many years and has an experienced team and a highly professional approach. The inward investment proposition is very effectively communicated on a dedicated website.

The area is clearly positioned as close to London, a short train/car journey from Heathrow. It is branded as 'the Silicon Valley of Europe' and this is backed up with references to a large number of FDI investors from Silicon Valley in California including market leaders like Oracle, Microsoft and Dell.

There is a detailed, clear sector focus: 'From motorsport to life sciences, from the space industry to energy, and from IT to finance'. The website reveals a clear set of propositions with high-level boasts supported by more detailed facts about each target sector and sub-sector:

- *The fastest growing economy during 2017-19 (EY UK & regions economic forecast 2016)*
- *Widely viewed as the number one region (outside of London) for attracting inward investment*
- *Top performing small region in the UK (Financial Times – cities & regions of the future)*
- *Deemed the fourth best location for economic expansion and business growth and joint top for 'most productive' and 'most entrepreneurial' (UK Vitality Index 2016)*
- *Life Sciences & Health: The Thames Valley is home to over 150 major LSH companies and is located at the heart of a world famous LSH cluster known as the "golden triangle"*
- *Technology/Digital: More than 8,000 technology-led companies are based in the region, making 'the UK's Silicon Valley' one of Europe's strongest knowledge economies.*

Thames Valley works closely with DIT on both inward investment and trade promotion of export advice and opportunities.

Invest in Manchester



Manchester has been at the forefront of city promotion in the UK for many years. Inward investment promotion is delivered by **MIDAS** a dedicated promotion agency. The structure in Manchester is sophisticated. MIDAS is now part of The Growth Company which works with businesses already based in the Manchester City Region. This offers a range of services from relocation and support on arrival through their 'Hello Manchester' soft landing programme; to business growth products working with DIT and their own trade consultants; to finance and funding.

They are funded by the local authorities in Greater Manchester though the funding and governance structure is not publicly available. Promotion of (Greater) Manchester for inward investment, sits alongside events and tourism, promoted in parallel through the same website.

For inward investment Manchester is positioned as:

- *Europe's top city for business competitiveness (KPMG Competitive Alternatives)*
- *Attracting more foreign direct investment in the past decade than any other city outside of London. Home to over 2,000 foreign owned companies including Kellogg's, PZ Cussons, Siemens, BNY Mellon, Google.*

Again, sector priorities clear, with fact sheets online setting out strong value propositions: Advanced Manufacturing -Graphene Membrane; Logistics; Creative, Digital & Technology - TV & Film Production; Energy & Environment; Financial, Professional & Business Services; Life Science & Healthcare.

Each sector has a dedicated go-to person heading the team e.g. Head of Business Development - Creative, Digital & Tech. Creative Digital 'pitch':

- *Top 20 European Digital City (MediaCityUK)*
- *7,500 creative & tech companies; 82,300 people working in the creative/tech sector.*

Inward investment promotion is part of an **integrated website** which provides a single brand, identity and portal for: Visit Manchester (tourism information), Meet In Manchester (business tourism), and Study in Manchester (HE information).

5. Recommendations: New Resource to Support Trade and Inward Investment Across Greater Brighton

- 5.1 Greater Brighton has a strong offer to communicate to inward investors and can do more to encourage local businesses to grow through international trade. This needs a skilled, dedicated resource acting as gateway to trade and investment information, enquiries and support.
- 5.2 Two related actions have been identified to help Greater Brighton better realise its trade and investment potential:
- 1) Establish a new Greater Brighton Trade and Invest Team
 - 2) Delivery of the City Hall for Business project as a central hub for Greater Brighton trade and investment activities, with potential for 'satellite' hubs elsewhere in the City Region.

Action 1. A Greater Brighton Trade and Invest Team

- 5.3 The principle of a dedicated **Greater Brighton Trade and Invest Team** has received support from partners across the City Region, and is the priority of this strategy. Further work is needed to ensure buy-in from each of the City Region's constituent authorities and to establish clear operational and financial models.
- 5.4 The team would provide a dedicated resource working with local partners (the councils, business networks, and businesses themselves) plus Coast to Capital, Gatwick Diamond and DIT to deliver a business/investor friendly support service. The team would be positioned as the lead body for trade and investment for the Greater Brighton geography, with protocols in place to ensure transparency and collaboration with local partners (particularly where there are existing inward investment and trade activities taking place locally).

Greater Brighton Trade and Invest Team: A Dual Remit

While inward investment and international trade are distinct policy areas, there are also close synergies and dynamics between the two; not least in terms of the importance of consistent messaging on growth aspirations, strong insight and intelligence on the local business / economic landscape, and a coordinated approach to business engagement and dialogue.

The 'dual' remit of the proposed Greater Brighton Trade and Invest Team reflects these synergies, and replicates successful models developed elsewhere in the UK (e.g. Bristol and Bath and East Sussex).

A coordinated and coherent approach to both investment and trade has the potential to play an important role in supporting economic growth and vitality; both by attracting new jobs and businesses to the City Region, and by helping existing (and new) businesses to grow.

That said, close attention will need to be placed on the final design of the team / service to ensure that inward investment and trade remits are balanced; this will also require ongoing monitoring and evaluation once the team / service is operational.

Trade and Invest Team Purpose

5.5 The team should focus on:

- **Attracting more Inward Investment** – promoting Greater Brighton; generating more leads; and converting more effectively from lead to success.
- **Supporting and encouraging expansions** by existing foreign and locally owned facilities – building a Brighton Aftercare Programme, engaging key businesses and supporting potential expansions.
- **Encouraging more businesses to trade internationally** – engaging with more local high growth businesses, connecting them to local sources of expertise and to DIT programmes and overseas posts.

5.6 Put simply, a Greater Brighton Trade and Invest Team should provide a renewed inward investment and trade focus for the City Region, with clearly articulated propositions which build on location, skills, and sector strengths. The team should lead a programme of engagement with local businesses particularly those with the potential for growth including through exports. It should provide a central point of contact, build on strengths and capacity of local partners, and provide strong connections with national and regional partners.

5.7 The Greater Brighton Trade and Invest Team's promotion and business engagement would present Greater Brighton as a business destination. It should lead a new 'Aftercare' or 'Business Engagement' programme establishing regular contact and dialogue with the City Region's largest exporters (by employment), and the businesses with the strongest growth potential (in terms of employment and value). With the team numbers proposed below this programme would start with a 'top' 30 based on level of exports and/or growth potential but rising to 60 over 5 years. Focusing resource on businesses which bear / have the potential to bear the greatest economic footprint locally has clear advantages

5.8 The image of Greater Brighton as a business destination could also be enhanced by the development of a cadre of 'Business Ambassadors', high profile business ambassadors who represent the City Region's key sectors and who can play an active role in shaping the propositions and in showcasing the area.

Trade and Invest Team Remit

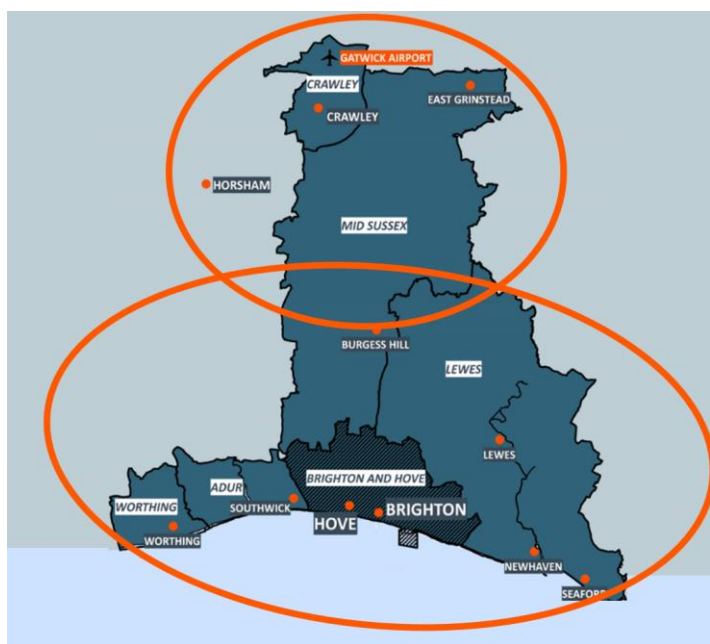
- 5.9 The Team should have the following inward investment remit, coordinating all the time with existing inward investment activities taking place locally and filling gaps where necessary:
- Redesign, relaunch and maintain compelling Inward Investment propositions for Greater Brighton
 - Deliver high quality, coordinated, consistent responses to enquiries
 - Lead and coordinate investor visits to Greater Brighton
 - Promote area to C2C, overseas Foreign and Commonwealth Offices / DIT posts in key markets
 - Run strategic marketing campaigns
 - Use business ambassadors to represent the City Region's key sectors and to play an active role in shaping the propositions and in showcasing the area.
- 5.10 The team should also have an important remit to support existing and new businesses in trade and growth:
- Build Customer Relationship Management (CRM) systems & intelligence on local businesses
 - Coordinate & lead aftercare programme engaging key local businesses
 - Establish strong connections and working relationships with trade bodies on the ground and use connections to promote trade/export opportunities to businesses
 - Work with existing providers and local business networks such as the LEPs, the Chambers, Wired Sussex, BHEP and Coastal West Sussex to establish a better understanding of the growth and trade support needs of City Region businesses.
 - Ensure that signposting and links to existing business trade and growth support services are as clear as possible. Where clear need exists, work with the councils, LEP, DIT and universities to design bespoke and targeted support services / initiatives.
- 5.11 More generally, the team should look to work closely with the councils and wider economic partners to ensure the sharing of intelligence and insights on strategic development aspirations, opportunities and needs. This is particularly the case in terms of:
- Providing investors with consistent information on local regeneration / development opportunities
 - Working with developers and agents to secure the delivery of new space which more closely reflects evolving / emerging investor demand across the City Region.

Geography

5.12 The team will be the go-to Trade and Investment agency for the whole City Region, building on the strengths in each part of the area: including the Enterprise Zone in Newhaven; the strong Business Services and CDIT sectors in Brighton & Hove, Crawley and Gatwick; and the precision engineering and higher value manufacturing strengths elsewhere across the City Region.

5.13 While covering the whole City Region, it will be important that the Trade and Invest Team recognises and structures its activity around two distinct economic hubs illustrated in Figure 5.1:

Figure 5.1 Dual Brands: Greater Brighton and Gatwick



Source: Regeneris Consulting, 2018

1) 'Greater Brighton' will offer a strong brand on which to build recognition of the region's attractions. This branding will build on the ease of access to London and Gatwick, recognise Brighton & Hove as the economic heart of the City Region, and position the City Region within the C2C, London and Greater South-East contexts.

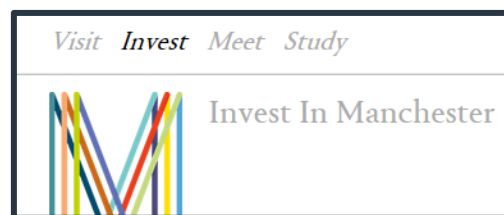
2) Gatwick: the Greater Brighton brand should operate alongside the well-established 'Gatwick' brand which covers Crawley and Mid Sussex in the north of the City Region. The focus should be on complementing and collaborating with the activities of the Gatwick Diamond (not duplicating or conflicting with them).

Greater Brighton Brand: Ensuring Consistency and Buy-in

5.14 Establishing a clear and agreed inward investment brand will be an important early task. As a general point, it is important that maximum value is gained from geographically specific names of Brighton and Gatwick, which both offer instantly recognisable and well-established brands.

5.15 Wherever possible, consistency and simplicity in messaging should be sought. Ideally, there would be consistency with wider tourism branding activities, with the Trade and Invest Team working closely with Visit Brighton and Love Sussex in this respect. For inward investors the proximity to London will be a key selling point.

5.16 The potential to offer a single website which provides information for investors, leisure and business tourism, and students should also be explored (in line with the Invest in Manchester example).



Team Structure and Partnership Working

5.17 The Trade and Invest Team will need skilled, commercially-minded people focused on results.

5.18 For the above roles and remits to be delivered effectively, a team of six would be ideal. This takes into account experience elsewhere across the UK (e.g. Invest Bristol and Bath which has a core team of 10), and the comparative size and diversity of the Greater Brighton area.

5.19 Key roles could include:

- **Head of Team:** manages team; leads on key investment projects; liaises with key local businesses, the five councils, the Greater Brighton Economic Board, C2C, DIT, Gatwick Diamond and local partners
- **Business Managers:** proposition development; responding to enquiries; engaging with local businesses. Business managers may be responsible for either specific sectors or specific locations within the City Region, or both
- **Marketing Manager:** maintains web content; drives social media; identifies promotion opportunities in coordination with team; develops targeted media in coordination with BHCC and C2C
- **Research / data assistant:** responsible for collecting evidence to support the activities of the managers and the head of team.

5.20 Scrutiny of the team's activities would sit with the Greater Brighton Economic Board, while there would be a need for day-to-day information sharing and partnership working with the six City Region authorities.

5.21 To be successful the team will need to work closely with the numerous business networks and stakeholders active across the area. These include: DIT, Coast to Capital, the Gatwick Diamond, Wired Sussex, BHEP and Coastal West Sussex, the Manor Royal BID, and the Chambers. Successful partnership working is likely to require buy in from each of the partners, and a proactive and open approach to information sharing as illustrated in Figure 5.2.

Figure 5.2 Proposed Greater Brighton Trade and Invest Team Structure



Source: Regeneris Consulting, 2018

Resource Requirements

- 5.22 The resource required for the effective operation of the team would ultimately depend on the scale of the team and its remit and activities. This will require further scoping as part of the development of a clear business plan.
- 5.23 While costs and results should be reviewed annually, business planning should focus on an initial five-year period. A longer-term commitment of this nature would ensure the team has adequate time to set up, establish itself and demonstrate its worth.
- 5.24 For indicative purposes, potential costs have been identified based on the team of six outlined in the previous section, and based on expenditure of trade and invest teams elsewhere in the UK. A cost of around £360,000 is projected in year one, increasing to £450,000 by year five (reflecting increases in marketing costs and wider expenses), illustrated in Table 5.1. It has been assumed that the team would be accommodated rent-free within public sector premises.
- 5.25 While certain posts (e.g. the Head of Team and Business Managers) would require specialist investment and trade expertise, other posts might be filled via a reorientation of existing resources.

Table 5.1 Indicative Costs

	£ 000s				
	Year 1	Year 2	Year 3	Year 4	Year 5
Staff	270	278	286	295	304
Marketing	20	30	40	50	50
Events, delegations, visitors	20	30	40	50	50
Other – travel, ops	20	30	40	40	40
Contingency 10 %	33	37	41	43	44
Total costs	363	405	447	478	488

Source: CCA.

Notes:

- *Marketing costs would cover - attending sector specific events and PR/media; promoting Greater Brighton at key sector events attended by potential inward investors (e.g. including Creative Digital events in London); media releases - targeting sector media including strategic advertorials.*
- *'Events, delegations, visitors' costs would cover promotional and hosting costs in Greater Brighton: high quality hosting of incoming delegations of businesses; ditto for key potential investors visiting Greater Brighton; funding export awareness events with DIT; attracting conferences in priority sector to Brighton.*

Funding Models

5.26 There are a number of possible options for securing the level of resource outlined above:

- Contributions from Greater Brighton partners (taking into account size of area / remit of partner, and expected returns)
- External funding sources (e.g. central government and EU)
- Commercial models (e.g. business contributions / charging).

5.27 Within the region some local authorities are working to attract inward investment in their own areas; some have designated staff and others have contracts in place to promote the locality. The new team once it is created will need to be sensitive to these existing arrangements and work to complement rather than detract from them.

5.28 In this context, it is therefore proposed that officers seek to secure external funds to create the team and explore potential to generate commercial revenue to sustain operations over the longer term.

5.29 A number of immediate funding opportunities exist, including funding from the ERDF 2014-20 programme, funding from the ERDF Innovative Urban Actions Fund, and funding from the UK government's Coastal Communities Fund.

5.30 External funding could be sought to cover both the core activities of the Trade and Invest Team, and wider complementary activities (such as the team of Business Ambassadors).

Measuring Success

- 5.31 It will be important for the team to closely monitor its progress in generating leads, supporting investments and providing aftercare support. Good evidence will help underpin the case for the ongoing operation of the team, and will enable positive messages to be articulated to external audiences regarding the economic vitality and success of the City Region.
- 5.32 An indicative mapping of the outcomes which the Trade and Invest Team might be expected to generate over the first five years is provided below in Table 5.2. The build-up in activity reflects:
- A baseline: 'as we are' - based on the data provided for past successes
 - Year 1: the team finalising compelling propositions; marketing these to DIT; building relationships with key DIT team in London and overseas; putting Greater Brighton 'on the map'; an initial increase in enquiries
 - Year 2-5: steady increases in enquiries
 - Lag: from experience, the lag from initial enquiry to success can take two to four years; a key task for the team will be to monitor progress and refine the Greater Brighton offer.

Table 5.2 Greater Brighton Trade and Invest Team: Indicative Five-Year Outcomes

	Year 1	Year 2	Year 3	Year 4	Year 5
Indicative project leads generated:					
DIT /C2C	35	40	45	60	60
Own leads	10	20	35	45	45
Aftercare leads	10	20	30	30	30
Total	55	80	110	135	135
Indicative Successes:					
Successes (2016/17: 17)	22	24	27	30	33
Indicative Economic Returns:					
Jobs (25/investment)	550	600	675	750	825
Cost per job	£ 660	£ 675	£ 662	£ 637	£ 592

Note: Analysis based on experience of II forecasting, lags in the process, conversation rates etc. Bristol and Bath experience also taken into consideration. Numbers are based on a team as set out and assumes they positions filled with people with commercial or ideally II experience. A lag has been factored in between hiring and stepping up engagement, plus the lag between engaging a prospect or enquiry to a decision to invest. Lead generation split into:

- DIT sourced: increase in numbers reflected strong propositions and partnership working
- Own leads: a raised profile with a better web site, more persuasive value propositions and a media campaign should attract interest from UK businesses and FDI's direct
- Aftercare leads: crucial for Greater Brighton to step up engagement; generally, leads to more expansion opportunities being uncovered, supported and therefore eligible to be claimed legitimately as successes. These tend to have a higher conversion rate.

Job estimates modelled using a conservative figure of 25 jobs per project to reflect

- The trend towards smaller FDI projects per DIT figures and
- The likelihood of a sizeable share of successes being CDIT where projects tend to be small/medium in job numbers.

Source: CCA

Action 2. City Hall for Business

- 5.33 There is an exciting opportunity to establish a physical hub for a new Trade and Invest Team, and its day-to-day activities at Brighton Town Hall.
- 5.34 The Grade II listed building in Bartholomew Square in Central Brighton is currently underused and funding has been approved by Brighton & Hove City Council to refurbish the asset as a multi-sector hub for business growth, international trade, inward investment activity and destination marketing. There are also proposals for the refurbished building to accommodate a high-quality restaurant, business workspace, and space for events (meetings and conferences) within the former council chamber.
- 5.35 The proposed refurbishment presents an opportunity to provide a highly visible home for the new Trade and Invest Team, and a high-quality facility from which to showcase Greater Brighton as a business investment destination.

City Hall for Business Function

- 5.36 The City Hall for Business would:
- Accommodate the proposed Trade and Invest Team
 - Potentially accommodate other local partners like BHEP, and act as a 'virtual hub' for wider partners (e.g. DIT, C2C and the C2C Business Navigator)
 - Respond to enquiries with quick access to partners to ensure high quality responses
 - Host visiting delegations / investors
 - Act as a central and visible 'go to' hub for export and business growth advice
 - Host business networking events and support workshops
 - Host regular DIT events.

Ensuring A Greater Brighton Wide Presence

- 5.37 While Brighton & Hove and the town hall provide a natural home and focal point for the Trade and Invest Team, it is critical that the service is established in a way which reflects its City Region wide remit. This should include:
- Ensuring that the town hall is easily accessible to City Region partners
 - Exploring the potential for members of the Trade and Invest Team to work within each of the City Region boroughs / districts at least one day a week. The potential for a 'virtual' presence at some of the City Region's key investment opportunities, such as the Newhaven Enterprise Zone might be explored

- Working in partnership with Gatwick Diamond to explore the potential for a 'satellite' facility at Gatwick / Crawley. This would help ensure a City Region wide approach, with activities of the City Region trade and investment activities complementing and strengthening those of Gatwick / northern City Region partners.

6. Towards a Greater Brighton Inward Investment Proposition

- 6.1 The development and communication of compelling inward investment propositions will be central to the activities of the Greater Brighton Trade and Invest team. These will need to sell Greater Brighton as a whole, while also providing information on its constituent places, sectors and opportunities.

What Makes a Successful Investment Proposition?

- 6.2 Successful propositions require:
- **Clarity:** the best propositions have a very clear and simple idea, conveyed in a succinct and business-like fashion. It should be memorable and meaningful.
 - **Scale:** the proposition should address the advantages at an optimum and appropriate scale of geography. This may be at the City Region or LEP level, but it might be at a national, regional, sub-regional or local one.
 - **Facts:** the proposition must be believable and based on clear facts and evidence. It must be supported by statistics, stories and third-party validation in the form of quotes and case studies.
 - **Consistency:** an effective proposition emerges and evolves over a period of time. A proposition should be adopted by as many other partners and people as possible, ensuring that multiple voices expose many audiences to the same themes over a sustained period.

Learning from Elsewhere

- 6.3 While inward investment propositions must be truly place specific, focus is typically placed on a relatively small number of key themes which matter to investors: connections, the nature of the business environment, the specialisation of the local economy, and quality of life factors.
- 6.4 The examples overleaf demonstrate these points.

Waterloo, Canada

The city of Waterloo promotes itself as 'Canada's Innovation Capital' and is a fast-growing tech cluster attracting significant attention and investment. It is known as the headquarters of Blackberry and has a vibrant start-up scene in part fuelled by University of Waterloo's reputation as home to one of the world's best computing departments.

The region's economic development agency is active in promoting the area. The Waterloo proposition is summed up as being about "*People Power*". Many secondary messages used relate to the national or provincial strengths rather than local ones (e.g. "*Lowest business costs in the G7*"; "*Access to North American Market and Global Market*" and "*Canadian Investment Environment*").

Recognising the advantages of scale and the power of super city brands, on the international stage, Waterloo is increasingly joining forces with Toronto to market itself as the Toronto-Waterloo Corridor (<https://thecorridor.ca>) which boasts "*112km of innovation*". www.waterlooeconomic.ca

Invest in Ireland

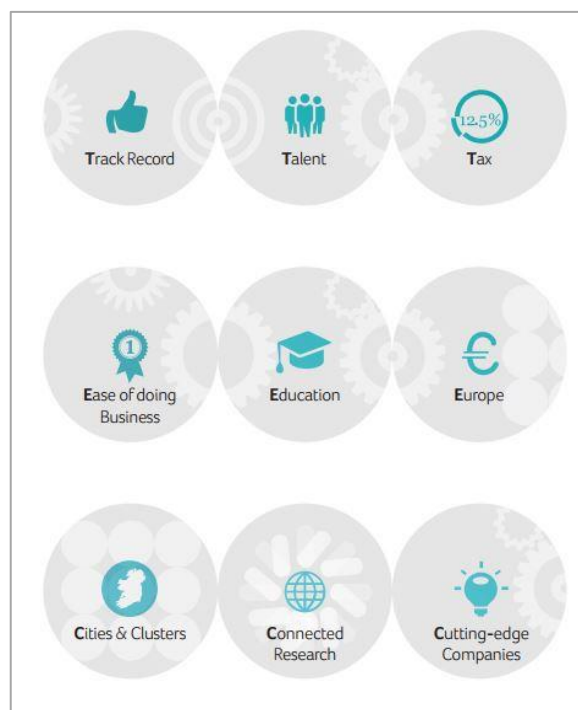
IDA Ireland, has long been associated with inward investment best practice. The continued success of the agency in attracting high-value projects, is due in part to the clarity and consistency of the Irish proposition.

For several years the agency adopted the top line messages of the '3Ts': **Tax, Talent and Track record**. The proposition has been applied and used for all target sectors and across all marketing and communications. In 2015, the IDA expanded their core umbrella proposition to include '3Es' (**Europe; Ease of Doing Business and Education**) and '3Cs' (**Cities and Clusters; Connected Research & Cutting-edge Companies**).

These nine elements form the core of Ireland's overarching inward investment proposition.

The proposition is articulated in various ways using social media, video, slides and print.

www.idaireland.com



Locate in Kent

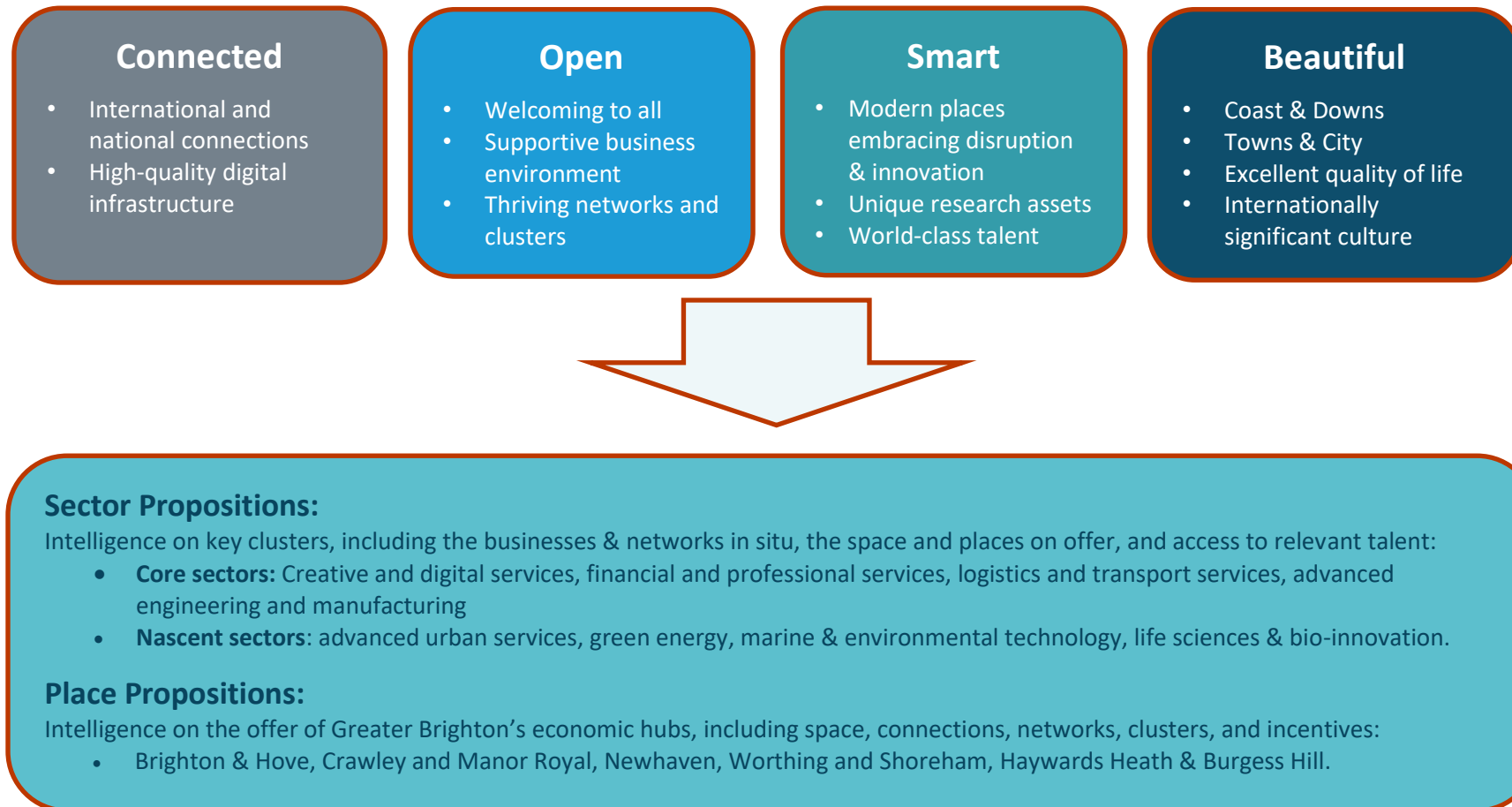
Kent offers an interesting comparator for Greater Brighton given its location, status, and demographics. The county's inward investment team is also one of the best regarded with many years of success and considerable resources behind them.

Locate in Kent's headline inward investment proposition has always been about 'Connectivity' accentuating its geography and often using the line: *"Perfectly placed between London and Europe with unrivalled connectivity between the two, Kent is a key trading gateway to the rest of the world."*

Locate in Kent has always embraced their London proximity as a key selling point. *"Kent is just 18 minutes from London and Continental Europe is just 35 minutes away."* www.locateinkent.com



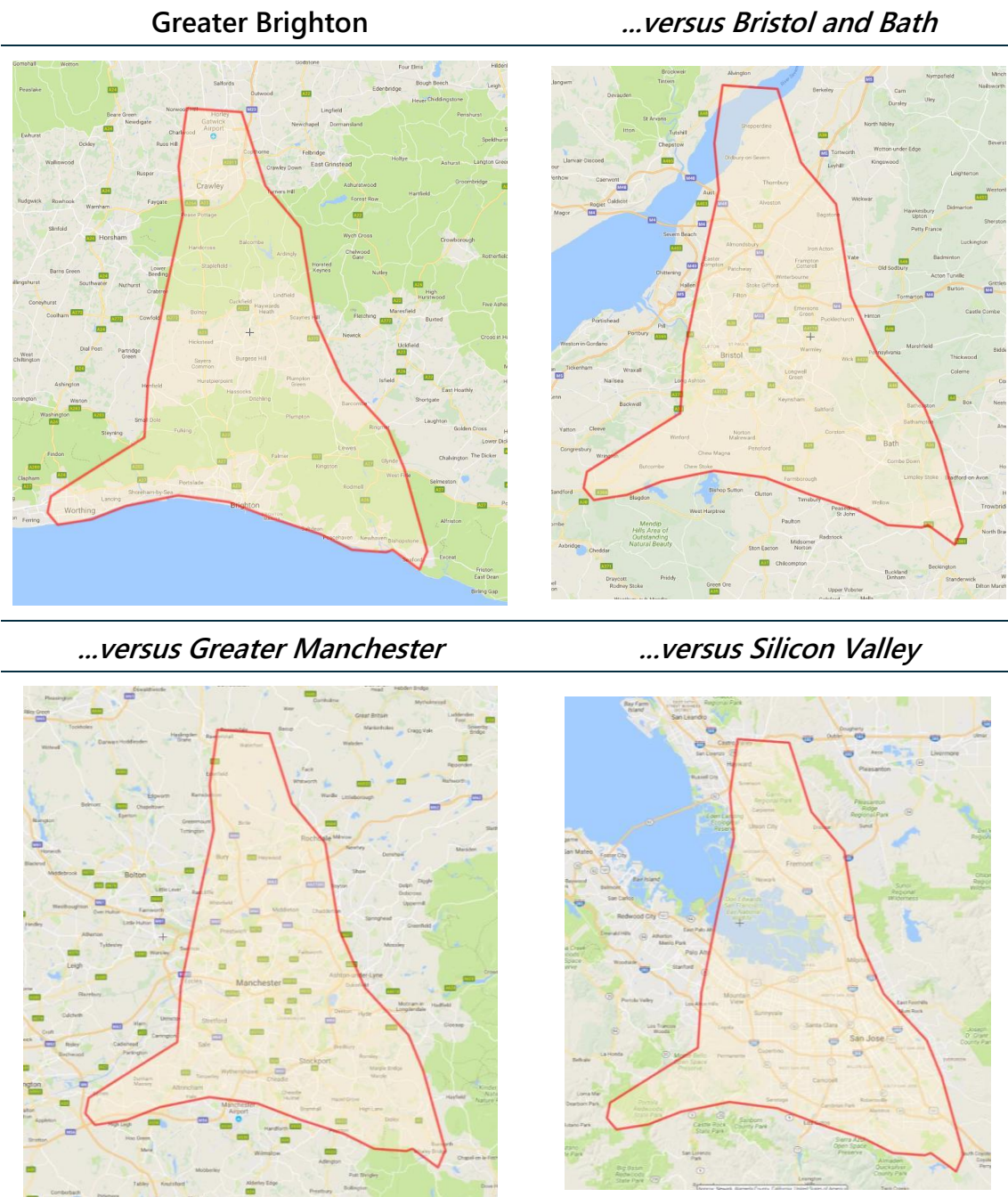
Greater Brighton: Components of an Investment Proposition



Communicating Scale and Critical Mass

- 6.5 Given that Greater Brighton is still a relatively 'young' concept, it is important that the proposition communicates clearly the scope and scale of the geography. The considerable critical mass provided by working across a larger area is an advantage which should not be ignored or underplayed: The Greater Brighton area is comparable in size to Bristol and Bath, to Greater Manchester and to Silicon Valley.

Figure 6.1 Greater Brighton: Scale in Context



Source: Regeneris Consulting, 2018

The Importance of Powerful Messages

- 6.6 Any strong inward investment proposition should be underpinned by strong positive messaging which encapsulate the strength and breadth of the offer and opportunity. The strength and vitality of the Greater Brighton economy provides a strong platform from which to build in this respect.
- 6.7 Examples and initial ideas are provided below; an important task for the Greater Brighton Trade and Invest Team would be to review and update these on an ongoing basis.

Greater Brighton Inward Investment Proposition: Positive Messages

Sectors and clusters:

- *Leading international businesses in technology, finance, and other sectors located throughout the city region, including AMEX, Roche Diagnostics, Edwards Vacuum Solutions, and Stabilitech*
- *Gatwick is home to a major cluster of global brands including ExxonMobil, Unilever, Nestle, Elekta and Doosan*
- *Worthing is exporter of national importance, centred on pharmaceutical and life science cluster anchored by GSK*
- *Newhaven Enterprise Zone is developing a specialism in advanced manufacturing (incorporating innovative clean tech / green energy businesses) linked to the Rampion Offshore Wind Farm and the University Technical College. This includes world-leading companies such as Surrey NanoSystems, as well as fast-growing companies including CTEC Energy, Boutique Modern, Tintab.*
- *"Brighton is where the arts fuse with technology" – Tech Nation, 2017*
- *Brighton & Hove: more home workers than any other UK city and ranked by NESTA as one of the UK's leading cities for entrepreneurial activity*
- *Innovation: Crawley is in the top ten locations national for patent applications; Brighton ranks 5th in the UK innovation index.*

Connections:

- *Greater Brighton: connected to more over 200 international destinations via Gatwick: more than anywhere else in the UK*
- *Around 400,000 international passenger movements through Newhaven port in 2016, and freight throughput of over 2 million tonnes per year at both Shoreham and Newhaven ports*
- *Worthing: ranked number 1 of UK cities for ultra-fast broadband*
- *Burgess Hill is one of just 15 locations nationally to be awarded funding from the Government's Local Full Fibre Network (LFFN) fund to deploy gigabit-capable full fibre infrastructure*
- *Adur and Worthing are leading West Sussex's plans to develop an ultra-fast dark fibre network.*

Assets and Investment:

- *The 5G Digital Catapult Centre: the only place in the south of England where business can experiment with 5G technology*
- *Brighton & Hove: home to two internationally recognised universities, and over 35,000 students*
- *City Region Investment Programme: over £150m public sector investment delivering over 750,000 sq m commercial space and 14,000 new homes*
- *Planned investment in excess of £60 million in the Newhaven Enterprise Zone, delivering 55,000sqm of new commercial floorspace, refurbishing 15,000sqm of existing commercial floorspace and creating/safeguarding up to 2,000 FTE jobs.*
- *The most ambitious strategic growth area in the South East at Burgess Hill, with over £1 billion of public and private investment delivering 15,000 jobs, 25 hectares of employment space across two business parks, 100,000m2 Science and Technology Park, and improvements to infrastructure*

Workforce:

- *Crawley and Worthing have the highest proportion of residents in employment than anywhere else in the UK*
- *Crawley, Brighton & Hove and Worthing have among the lowest percentage of their populations with no formal qualification*
- *Brighton & Hove has the 4th most highly qualified residents of all cities in England*

Place and Culture:

- *Home to a UNESCO Biosphere and the UK's most popular National Park, the South Downs, with 39 million visitor days a year, along with many other natural assets including the High Weald Area of Outstanding Natural Beauty and Ashdown Forest*
- *Brighton & Hove and Worthing have among the lowest emission per capita nationally*
- *An internationally recognised cultural offer: the Brighton Festival is one of Europe's leading art's festivals; Glyndebourne hosts the internationally renowned Glyndebourne Festival Opera; Worthing plays host to the annual Summer of Circus and is home to a nationally significant costume collection and exotic plant collection at Highdown.*



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