





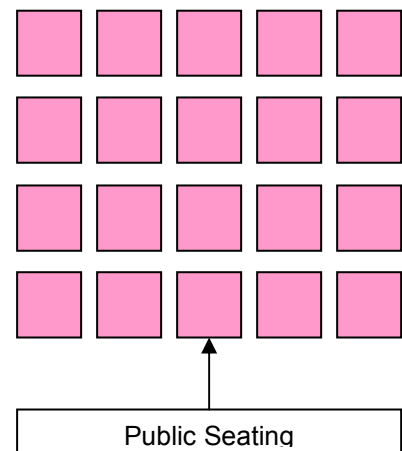
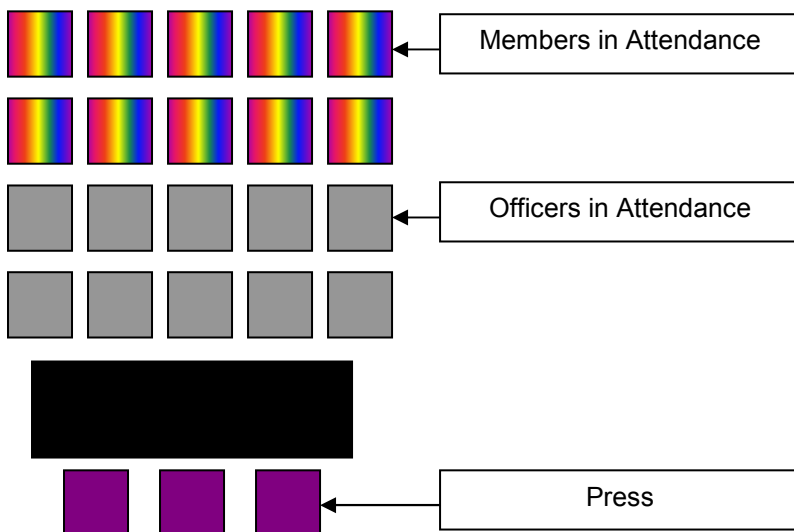
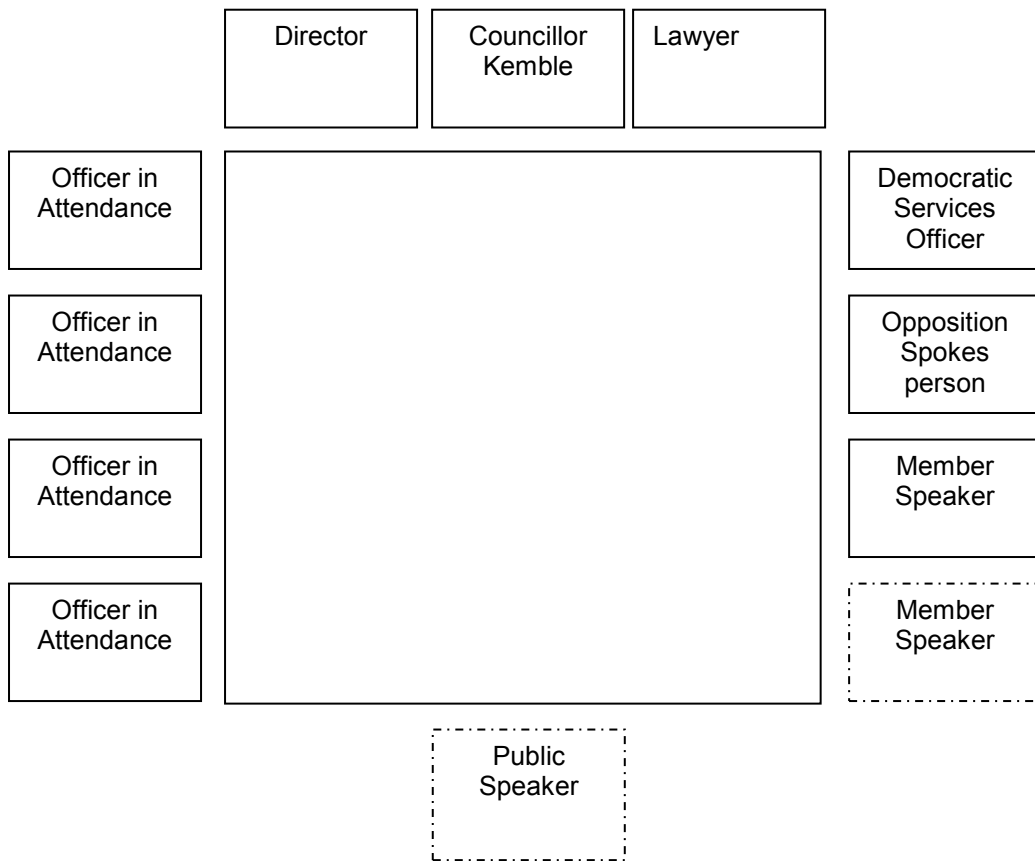
Brighton & Hove  
City Council

# Cabinet Member Meeting

Title:	<b>Enterprise, Employment &amp; Major Projects Cabinet Member Meeting</b>
Date:	<b>23 March 2009</b>
Time:	<b>4.00pm</b>
Venue	<b>Banqueting Suite, Hove Town Hall</b>
Members:	<b>Councillor:</b> Kemble (Cabinet Member)
Contact:	<b>Caroline De Marco</b> Democratic Services Officer 01273 291063 caroline.demarco@brighton-hove.gov.uk

	<b>The Town Hall has facilities for wheelchair users, including lifts and toilets</b>
	<b>An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter and infra red hearing aids are available for use during the meeting. If you require any further information or assistance, please contact the receptionist on arrival.</b>
	<b>FIRE / EMERGENCY EVACUATION PROCEDURE</b> <b>If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:</b> <ul style="list-style-type: none"><li>• You should proceed calmly; do not run and do not use the lifts;</li><li>• Do not stop to collect personal belongings;</li><li>• Once you are outside, please do not wait immediately next to the building, but move some distance away and await further instructions; and</li><li>• Do not re-enter the building until told that it is safe to do so.</li></ul>

# Democratic Services: Meeting Layout



## AGENDA

Part One

Page

---

### 44. PROCEDURAL BUSINESS

- (a) Declarations of Interest by all Members present of any personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- (b) Exclusion of Press and Public - To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

*NOTE: Any item appearing in Part 2 of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.*

*A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.*

### 45. MINUTES OF THE PREVIOUS MEETING

1 - 4

Minutes of the Meeting held on 9 December 2008 (copy attached).

### 46. CABINET MEMBER'S COMMUNICATIONS

### 47. ITEMS RESERVED FOR DISCUSSION

- (a) Items reserved by the Cabinet Member
- (b) Items reserved by the Opposition Spokesperson
- (c) Items reserved by Members, with the agreement of the Cabinet Member.

*NOTE: Public Questions, Written Questions from Councillors, Petitions, Deputations, Letters from Councillors and Notices of Motion will be reserved automatically.*

### 48. PETITIONS

5 - 6

Report of the Acting Director of Strategy & Governance (copy attached).

### 49. PUBLIC QUESTIONS

(The closing date for receipt of public questions is 12 noon on 16 March 2009)

## ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING

No public questions received by date of publication.

### 50. DEPUTATIONS

7 - 12

Report of the Acting Director of Strategy & Governance (copy attached).

### 51. LETTERS FROM COUNCILLORS

No letters have been received.

### 52. WRITTEN QUESTIONS FROM COUNCILLORS

No written questions have been received.

### 53. NOTICES OF MOTIONS

No Notices of Motion have been received by date of publication.

### 54. BUSINESS RETENTION & INWARD INVESTMENT STRATEGY & IMPLEMENTATION PLAN

13 - 70

Report of Director of Cultural Services (copy attached).

*Contact Officer:* Andy Glover

*Tel:* 01273 291093

*Ward Affected:* All Wards

### 55. ECONOMIC STRATEGY

71 - 90

Report of Director of Cultural Services (copy attached).

*Contact Officer:* Adam Bates

*Tel:* 29-2600

*Ward Affected:* All Wards

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fifth working day before the meeting.

Agendas and minutes are published on the council's website [www.brighton-hove.gov.uk](http://www.brighton-hove.gov.uk). Agendas are available to view five working days prior to the meeting date.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

## ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING

For further details and general enquiries about this meeting contact Caroline De Marco, (01273 291063, email [caroline.demarco@brighton-hove.gov.uk](mailto:caroline.demarco@brighton-hove.gov.uk)) or email [democratic.services@brighton-hove.gov.uk](mailto:democratic.services@brighton-hove.gov.uk)

Date of Publication – Friday, 13 March 2009



# **ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

## **Agenda Item 45**

Brighton & Hove City Council

**BRIGHTON & HOVE CITY COUNCIL**

**ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

**5.00pm 9 DECEMBER 2008**

**COMMITTEE ROOM 1, HOVE TOWN HALL**

### **MINUTES**

**Present:** Councillor Kemble (Cabinet Member)

### **PART ONE**

#### **32. PROCEDURAL BUSINESS**

##### **32a Declarations of Interests**

32.1 There were none

##### **32b Exclusion of Press and Public**

32.2 In accordance with section 100A of the Local Government Act 1972 ("the Act), the Cabinet Member for Enterprise, Employment and Major Projects considered whether the press and public should be excluded from the meeting during an item of business on the grounds that it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present during that item, there would be disclosure to them of confidential information (as defined in section 100A (3) of the Act) or exempt information (as defined in section 100I(I) of the Act).

32.3 **RESOLVED** – that the press and public be not excluded from the meeting.

#### **33. MINUTES OF THE PREVIOUS MEETING**

33.2 **RESOLVED** – That the minutes held on 16 September 2008 be agreed and signed by the Cabinet Member.

**34. CABINET MEMBER'S COMMUNICATIONS**

34.1 There were none.

**35. ITEMS RESERVED FOR DISCUSSION**

35.1 All items were reserved for discussion.

**36. PETITIONS**

36.1 There were none.

**37. PUBLIC QUESTIONS**

37.1 There were none.

**38. DEPUTATIONS**

38.1 There were none.

**39. LETTERS FROM COUNCILLORS**

39.1 There were none.

**40. WRITTEN QUESTIONS FROM COUNCILLORS**

40.1 There were none.

**41. NOTICES OF MOTIONS**

41.1 There were none.

**42. SUPPORTING BUSINESS THROUGH THE ECONOMIC CLIMATE**

42.1 The Cabinet Member considered a report of the Director of Cultural Services which considered the impact of wider economic changes on business in the City and reviewed the actions that the Authority was taking in response (for copy see minute book). This activity related to the Corporate Priority of "protecting the environment while growing the economy".

42.2 The Cabinet Member commented that paragraph 3.8 of the report would be more appropriately worded as follows: "As a result of decisions taken by the authority the following proposals have been put in place."

42.3 The Cabinet Member requested that the Head of Tourism provide him with monthly updates, given the state of the economic Climate.

42.4 **RESOLVED** - (1) That the effects on business in the City and the work underway be noted.



(2) That the actions outlined in section 3.8 of the report be noted.

(3) That a review of this activity be brought to a Cabinet Member Meeting in the spring of 2009.

**43. PART 2 MINUTES OF 16 SEPTEMBER 2008 - EXEMPT CATEGORIES 1, 3, 5 & 6**

43.1 **RESOLVED** – That the Part 2 minutes of 16 September 2008 be approved and signed by the Cabinet Member.

The meeting concluded at 5.05pm

Signed

Chair

Dated this

day of



# **ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

## **Agenda Item 48**

Brighton & Hove City Council

<b>Subject:</b>	<b>Petition</b>		
<b>Date of Meeting:</b>	<b>23 March 2009</b>		
<b>Report of:</b>	<b>Acting Director of Strategy &amp; Governance</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Caroline De Marco</b>	<b>Tel: 29-1063</b>
	<b>E-mail:</b>	<b>caroline.demarco@brighton-hove.gov.uk</b>	
<b>Key Decision:</b>	<b>No</b>		
<b>Wards Affected:</b>	<b>All</b>		

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 To receive the following petition presented at Council on 29 January 2009 and any petitions presented directly to the Enterprise, Employment and Major Projects Cabinet Member Meeting.
- (i) To receive the following petition presented at Council on 29 January 2009 by Councillor Davey and signed by 1067 people:

**“We the undersigned, being local residents, shoppers and traders, urge Brighton and Hove City Council:**

**1. To support our plans for an improved London Road, retaining and enhancing its unique qualities as a culturally diverse area with a thriving market and a large number of small businesses, shops and amenities serving the local community.**

**2. To reject any moves by large companies to turn the area into a “clone town” with the demolition of historic frontages and structures, the displacement of local businesses, the privatisation of public spaces and the building of another large store or supermarket.**

**3. To reject any proposals that would bring more vehicles into the area through the provision of a large car park and modifications to traffic flows in adjacent streets.”**

#### **2. RECOMMENDATIONS**

- 2.1 That the petition presented at the Council meeting as detailed above be noted and any subsequent action resulting from the nature of the petition be determined.



# **ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

## **Agenda Item 50**

Brighton & Hove City Council

**Subject:** Deputation  
**Date of Meeting:** 23 March 2009  
**Report of:** Acting Director of Strategy & Governance  
**Contact Officer:** Name: **Caroline De Marco** Tel: **29-1063**  
E-mail: caroline.demarco@brighton-hove.gov.uk  
**Key Decision:** No  
**Wards Affected:** Various

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

1.1 To receive the following deputation presented at Council on 29 January 2009, and any other deputations presented directly to the Enterprise, Employment and Major Projects Cabinet Member Meeting.

#### **1.2 (a) Deputation concerning London Road**

**Ms Christina Summers** (Spokesperson)

St. James's Investments (SJI) has been steadily buying up property along the London Road and has produced proposals for regenerating the area ostensibly based on two public consultations. Brighton & Hove City Council has an ongoing 'Masterplan' for this area that lays down definite parameters for any regeneration proposal. 'Another London Road' Campaign (ALR) is concerned that SJI is not only ignoring these parameters, but is also pursuing a pre-planned agenda that includes a Tesco superstore which does not reflect the needs and wishes of the local residents and businesses.

#### **2. RECOMMENDATIONS:**

2.1 That the Cabinet Member receive the deputation and determine what action, if any, should be taken.

#### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

3.1 An extract from the proceedings of the council meeting, together with a copy of the supporting document of two pages that was included with

the deputation in accordance with the procedural rules is detailed as follows:

“As you will know proposals by developers, St James’s Investments, for London Road publicised in the summer of last year include a 3-storey Tesco Superstore incorporating a hundred thousand square foot of food and non-food retail space, a car park of at least 950 spaces and other retail, commercial and residential development. The developers’ own consultation never asked the community whether or not they would like a Tesco store or car park.

Another London Road, a voluntary group of local residents and stakeholders, however, continually consult with the public using hand delivered leaflets, street stalls, one line feedback and comments on Facebook and to their email address and hosted a drop-in meeting in July last year, which alone attracted 150 people in just two hours. We ask what people like and dislike about London Road and what they want and don’t want in the future. The vision that emerges is of a vibrant, diverse shopping street with interest and character, less traffic and more pedestrianisation and greenery, a thriving open market, arts and community facilities and a secure base for creative, local businesses. Many say that with its four existing supermarkets London Road does not need a fifth.

Another London Road has today, as you know, submitted a petition signed by 1,067 people. We can also report that our Facebook group has 536 members and our on-line mailing list has 270.

Most people agree that improvements to London Road are needed and it is easy to assume that the increase in shoppers coming to the area for the new store will benefit existing shops and businesses but with this all in one model shoppers are effectively encouraged to drive to the store, do all their shopping under one roof, then drive straight home again and many local traders fear this is inevitable.

Statistically, since Tesco gets £1 in every £8 of all retail sales they are able to sell almost anything they choose. Those traders on London Road selling groceries, bread, meat, books, newspapers, DVDs, consumer electronics, mobile phones, clothing and at least 18 other goods or services within 500 metres of the proposed new store will see direct competition from this retail giant.

When a supermarket opens its competitors’ shops close because they cannot compete on price and there is a net job loss, as has been the case in Hove following the 2003 Tesco superstore opening. The importance of small shops to local jobs is reinforced by the council’s very own high profile ‘buy local’ campaign which stresses how local shops and producers are a vital part of Brighton & Hove’s local economy and its unique character and diversity.

St James’s Investments’ proposals are in direct conflict with the council’s London Road Central Masterplan. Their plans would involve demolishing New England House with no clear provision for those

small businesses currently occupying it. The new car park is clearly aimed to encourage more people to drive to the London Road and can only serve to worsen congestion and air quality and no amount of flow improvement can hide that. Furthermore, the council's retail study 2006 recommends that, and I quote, 'proposed development should be of a scale appropriate to the function of the town centre'.

We have got three requests please to put to the council.

Firstly, we ask Councillors to recognise that there is considerable feeling against the current St James's Investments' proposal and to acknowledge the validity of and support for an improved London Road which does not include a new supermarket or car park.

Secondly, we call on the council to accept the evidence that a new supermarket in London Road is highly likely to result in a net job loss and bring about the closure of existing small shops which the council is so keen to support. We have also asked for acknowledgement that it puts the historic open market very much at risk.

Thirdly and finally, we ask that Another London Road be recognised as a group generally representing a significant proportion of the community and therefore consulted and kept informed on any matter affecting the development of the area."

### **RESPONSE FROM COUNCILLOR KEMBLE**

"Brighton & Hove City Council has indeed written up and has consulted widely on a Supplementary Planning Document for the London Road Central area. This document will set out the council's planning policy for the area but council has been made aware by St James's Investments that they will not be submitting any proposals for the area until the Supplementary Planning Document has been published and adopted.

All proposals that come forward from whatever source for any development within the area will be assessed against the prevailing planning framework.

The draft Supplementary Planning Document is currently being finalised in response to the information received from the consultations and conducted as part of the process for preparing the document. The draft SPD will be published for public consultation in spring 2009. Could I ask you to ensure that your organisation takes a full and active part in the consultation when it is released. I am sure you can appreciate that I can't comment on any potential planning application."

# Supporting Documentation

## **‘Another London Road’ Summary of Feedback:**

### **“What would you like changed in London Road?”**

From leaflets, stall comment book and public meeting of 22 July 2008 held at Calvary Evangelical Church, Preston Circus

## **Retail**

**Open Market:** develop, invest, expand and cover. Include local/farmers’ produce.  
Retain diversity

**Shops:** small, diverse, variety, unique, affordable. Enough supermarkets already. No more large chains or supermarkets. More restaurants.

**Co-op Building:** use as a department store or for small shops/businesses: indoor market.

Retain and enhance historical shop fronts.

## **Commercial/ Housing**

Keep **New England House** for its small business and historical value

**Vantage Point:** affordable rents for creative industries

Encourage **local businesses** and co-operatives

**Housing** co-operatives/affordable housing

## **Traffic and Transport**

**Reduce traffic** by encouraging alternatives:

**Pedestrianisation**, wider pavements, fewer obstructions, pedestrian routes linking to other areas and separated from traffic. More favourable pedestrian crossings.

**Cycling:** segregated cycle lane

**Buses:** more imaginative bus routes, possibly using area behind station as terminus

**Park and Ride** if feasible

## **Environment/ Cultural/ Community**

More **trees**

**Open spaces** to sit – pocket parks

Safe **playground**

Better **toilets**

Public **Art**

**Sports and Leisure**

**Graffiti**

**London Road Festival**



# The Impact of the Supermarket: Factsheet

- Every £10 spent in a local food initiative is worth £25 to the local economy because small local food businesses support other local businesses. The same £10 spent in a supermarket produces just £14 worth of benefits for the local community, as money is diverted out of the area to distant shareholders.  
Joanna Blythman, Shopped, 2004
- In 2004, small, family-owned business took £42,000 worth of turnover to create a job. Superstores took an average of £95,000 of sales to create a single job.  
Andrew Simms, Tescopoly, 2007
- Research funded by the supermarkets themselves shows that new stores do not result in new jobs but in job losses: an average of 276 jobs are lost when a new supermarket opens with strong evidence that new out-of-centre superstores have a negative net impact on retail employment up to 15km away.  
Sam Porter and Paul Raistrick, The Impact of Out-of-Centre Food Superstores on Local Retail Employment, The National Retail Planning Forum, c/o Corporate Analysis, Boots Company Plc., Nottingham
- Between 1997 and 2002, specialist stores like butchers, bakers and fishmongers shut at the rate of fifty per week. Nearly one third of unaffiliated independent stores closed between 2000 and 2006. Just under 2,500 food, beverage and tobacco wholesalers were lost in the decade to 2002, with wholesalers closing at the rate of 6 per week in the two years up to 2003. Also, traditional pubs are closing at a rate of 20 per week, largely because they cannot compete with the cheap alcohol sold in supermarkets.  
Andrew Simms, Ghost Town Britain & Ghost Town Britain II, New Economics Foundation. 2002/2003 VAT registered businesses, Department of Trade and Industry  
Campaign for Real Ale
- In a Guardian report on the impact of a 24-hour Tesco on traders in a run-down area of Oldham a year after opening, only one trader reported a slight increase in business after the store opened – a shoe-repair, key cutting and dry cleaning business not facing direct competition from Tesco. Other traders saw declines.  
The Guardian, 8 October 2008:  
<http://www.guardian.co.uk/society/2008/oct/08/regeneration.tesco.communities>
- Supermarkets' supply and distribution chains have a significant negative impact on the environment, importing food that can easily be grown in this country. For example, at the height of the UK apple season under half of the apples on offer in the big four supermarkets were home-grown. This increases food miles and has had a devastating effect on the British farming industry.  
Friends of the Earth media briefing 'British Apples for Sale'. Nov 2002
- A 2000 Competition Commission report on supermarkets concluded that Tesco, and other supermarkets, “operates against the public interest” by being “engaged in the practice of persistently selling some frequently purchased products below cost”, and “varying prices in different geographical locations in the light of local competitive conditions, such variation not being related to costs” – in other words dropping prices to undercut competitors, then raising them again later.  
Joanna Blythman, Shopped, 2004.



# **ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

## **Agenda Item 54**

Brighton & Hove City Council

<b>Subject:</b>	<b>Business Retention and Inward Investment Strategy and Implementation Plan</b>		
<b>Date of Meeting:</b>	<b>23<sup>rd</sup> March 2009</b>		
<b>Report of:</b>	<b>Director of Cultural Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Andy Glover</b>	<b>Tel:</b> 29-1093
	<b>E-mail:</b>	<b>andy.glover@brighton-hove.gov.uk</b>	
<b>Key Decision:</b>	<b>Yes</b>	<b>Forward Plan No. EEM 5890</b>	
<b>Wards Affected:</b>	<b>All</b>		

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

1.1 The Business Retention and Inward Investment (BRII) Strategy and Implementation Plan sets out a more proactive role for the city council in safeguarding and developing our existing businesses together with attracting new businesses to the city. It will provide a framework for the economic development function of the city council to work with partners, both internally and externally to safeguard and develop the economic base of the city.

#### **2. RECOMMENDATIONS:**

- 2.1 The Cabinet Member is recommended to approve the Business Retention and Inward Investment Strategy and Implementation Plan, and
- 2.2 Request updates from the Director of Cultural Services on the actions contained within the Implementation Plan.

#### **3. RELEVANT BACKGROUND INFORMATION**

##### **Background**

- 3.1 The Brighton & Hove economy has grown significantly in recent years and is valued at approximately £4.3bn however it is clear that the global recession will create challenges for all locations and pro-active action is needed to support the city's economic base
- 3.2 Brighton & Hove has a resident population of approximately 251,000 (mid-year population estimates 2006) and 67% of these are working age (168,000). 42% of Brighton & Hove's residents are aged 25-49 years.

- 3.4 The City Employment and Skills Plan (CESP) highlights the challenges faced by the city of a growing working age population and the need to ensure that employment in the city is of high quality and able to provide career progression, in order to release entry level jobs for those facing disadvantage in the labour market.
- 3.5 Projections from the CESP suggest that in order to respond to population growth we will need to secure approximately 8000 jobs to maintain an employment level of 76% and nearly 16,000 jobs to reach the Government's 80% target. These projections were established in 2007 and more current data will continue to be sought to update the projections particularly in light of more recent economic conditions.
- 3.6 Until now business retention and inward investment activities have tended to be more reactive than proactive but there have still been a number of significant successes in business retention, business growth and inward investment, such as LC Switch and Club Penguin.
- 3.7 It is also recognised that many of our competitors have developed a more proactive approach towards business retention and inward investment and consultants were therefore commissioned to carry out the work to bring forward a Business Retention and Inward Strategy for the city.

### **Business Retention and Inward Investment Strategy**

- 3.8 The objective of the strategy is to provide current information on business sectors currently operating within the city. This includes their location, size, demands in respect of space requirements and the quality of the existing provision, including amount of available stock. The existence of local supply chains and clusters has also been explored, highlighting those that may need support.
- 3.9 Using the information that has been gathered the strategy identifies which of the existing or emerging sectors have capacity to grow and the interventions that are necessary for growth to take place, including links to commercial centres in the wider region and beyond.
- 3.10 The key sectors that the strategy identifies with the capacity to grow are the digital media, including the publishing, printing and reproduction of recorded media; environmental industries; health; creative industries and real estate activities. It also identifies key sectors that are declining and it is not surprising that manufacturing is the dominant sector that has suffered the most over the last few years.

### **Implementation Plan**

- 3.11 The Implementation Plan identifies the approach we will take to business retention and inward investment activities and also identifies key partners that should be involved in the work. The strategic aims of the implementation plan are three fold, namely:
- to retain existing businesses

- to facilitate indigenous business growth
- to attract new inward investment.

3.12 Specific priority actions would include;

- Research, foresight and intelligence: By identifying who to target for inward investment and having a source of information available to support location decisions.
- Investment Promotion: By proactively marketing and selling the destination for business and providing a responsive one-stop shop for investors looking for answers to support their location decisions.
- Aftercare: by providing regular contact with business in the City to pre-empt their needs and ensure once here we are able to help them remain and grow.
- Development Investment: By ensuring we are delivering appropriate skills, sites and premises, infrastructure and other physical components.
- Performance measurement: By monitoring our inward investment and business retention success.

3.13 Under each of the actions identified above a series of more numerous and costed activities are provided in the full report which are broken down into short, medium and long term.

3.14 The plan recommends that the City Council is probably the most appropriate organisation to lead the delivery of the BRII using a dedicated function within the Economic Development team.

3.15 The delivery of the actions contained within the Implementation Plan have strategic links to the Corporate Plan priorities 1.3 Growing our economy, 1.6 Supporting people into work and 2.4 ensuring the best use of our property and land assets. Together with this, it will also make a contribution to LAA target L3, increasing the number of people in employment.

3.16 The Strategy and Implementation Plan is a detailed document and a full version can be located via: [www.brighton-hove.gov.uk/business](http://www.brighton-hove.gov.uk/business). A copy of the Executive Summary and Implementation Plan are attached as Appendices 1 and 2 to the report

#### **4. CONSULTATION**

4.1 Consultation was a key component of the consultants' brief and detailed consultation has been carried out by the appointed consultants to gauge the views and concerns of the wider business community. Included in the consultation process were SEEDA, the universities, Brighton & Hove Economic Partnership, Sussex Enterprise, LSC, Wired Sussex, Hub100, City College, businesses from a wide range of different sectors and other economic development agencies /organisations operating in the area. Together with this external consultation, officers from the relevant functions of the city council have also been consulted during the development of the Strategy.

## 5. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 5.1 The Implementation Plan has identified a series of actions that are required to enable a more structured and proactive approach towards business retention and inward investment. These actions have been prioritised and costed. A budget of £60,000 has been sought from the LABGI grant for the next two financial years (ie 2009/10 and 2010/2011)

*Finance Officer Consulted:* Anne Silley, Head of Financial Services  
*Date:*20.02.09

### Legal Implications:

- 5.2 The recommendations in this report are consistent with the council's economic development and well-being powers and duties and there are no adverse implications arising.

*Lawyer Consulted:* Bob Bruce Principal Solicitor *Date:* 20.02.09

### Equalities Implications:

- 5.3 The Strategy and Implementation Plan has not had an Equalities Impact Assessment completed at this time but one will be carried out in due course.

### Sustainability Implications:

- 5.4 The Strategy and Implementation Plan fully supports sustainable development in the city.

### Crime & Disorder Implications:

- 5.5 It is not considered that there are any direct implications for crime and disorder arising from the actions contained within.

### Risk & Opportunity Management Implications:

- 5.6 A risk analysis has been prepared as part of the Implementation Plan identifying potential risks and mitigation measures.

### Corporate / Citywide Implications:

- 5.7 The condition of the economy has a major impact on the city. The Strategy has considered the relevant policies, locally, regionally and nationally in reaching its conclusions in the Implementation Plan.

## **6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

### **6.1 Two options were considered, namely,**

Do nothing – this was considered not to be an option as the city has to ready to respond proactively to requests for support and information to support our existing businesses and to be able to compete with competitors in attracting inward investment, and

Prepare a strategy and implementation plan using internal resources – this was also considered not to be an option as there are not the resources to carry out this extensive work without detrimentally affecting the service currently provided together with the need for external inward investment advice and guidance from specialist experts.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

### **7.1 The Business Retention and Inward Strategy and Implementation Plan will provide a structured and proactive approach to assisting local businesses and attracting new businesses to the city. The current economic climate makes this even more important and will provide the city with the tools to be able to compete for business growth.**

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Executive Summary
2. Implementation Plan 2009-2011

### **Documents in Members' Rooms**

1. Business Retention and Inward Investment Strategy and Implementation Plan

### **Background Documents**

1. none

## BUSINESS RETENTION & INWARD INVESTMENT STRATEGY

### EXECUTIVE SUMMARY

#### BACKGROUND

GVA Grimley Ltd was commissioned by Brighton & Hove City Council to develop a Business Retention and Inward Investment (BRII) Strategy and Implementation Plan. The BRII Strategy and Implementation Plan identifies the key strengths of the local economy, and the sectors inward investment and indigenous growth activities should focus on. The Strategy and Implementation Plan also makes recommendations on the basis of an adequate and appropriate organisational structure, business plan and action plan for the delivery of successful business retention and inward investment activities within the area.

The Strategy and Implementation Plan was prepared using a combination of primary and secondary research methods in order to provide a sound basis for the development of inward investment attraction and retention within Brighton & Hove. This included desk based research, stakeholder consultations (through one-to-one meetings and a workshop event), business surveys, and expert inward investment input.

#### CLIMATE FOR INWARD INVESTMENT

The climate for inward investment of any kind (international or national) in the short term is both uncertain and highly volatile given the well publicised downturn with both the global economy and more locally the UK specifically. Indeed in the short term the opportunity for inward investment of a significant scale is becoming increasingly scarce. That which is evident will be attracted to locations with 'track record' of attracting investment, or where specific specialisms and / or cost benefit can be identified. The focus for Brighton & Hove should, in this context, be on existing sectoral strengths and niches.

The key findings of consideration of trends within FDI at the international, national, regional, and local level, and the outlook for FDI in the short term and beyond are summarised to be:

- The UK is identified to be a key destination for FDI projects (and jobs created / safeguarded) consistently outperforming other countries with the exception of the USA.



There is an increasing trend within FDI to the UK of reducing job impacts – although rising projects in total suggesting a shift away from larger scale projects being attracted to the country.

- Within the UK the South East has traditionally performed strongly in terms of overall projects attracted, and jobs created through FDI projects, but less well in terms of jobs safeguarded within the region, although recent trend data obtained from SEEDA suggests that the number of jobs created through projects has reduced, with increases in retention. With its strong track record compared to the other regions (apart from London) the South East should continue to benefit from FDI attracted to the UK.
- From data available (highlighting the limited data currently recorded at the local level relating to investment attracted) it is apparent that Brighton & Hove has traditionally underperformed in terms of projects specifically – considering employment creation specifically, Brighton & Hove attracts around 20% of jobs created regionally. Generally this suggests both a lack of track-record in attracting investment, but also given inadequacies in data recording a gap in knowledge at the regional and local level as to the past performance (and therefore strengths) of Brighton & Hove in this context.
- The economic climate (global and national) suggests a period of slowdown in inward investment activity (FDI and national / regional investment). Where investment will be forthcoming (and on a major scale) it will build on existing performance / track record (in effect FDI in the past attracts FDI in the future etc). On the basis of evidence available it is apparent that Brighton & Hove has limited scope to promote significant FDI or inward investment based on trends over recent years, although revealed evidence suggests that the gaming industry and associated software activities is a local niche area that could be promoted through the articulation of an appropriate proposition.

## THE CURRENT PROPOSITION

The opportunity for Brighton & Hove to attract inward investment, and the need for it to prioritise business retention activity, are respectively rooted in the existing proposition associated with the city.

The following table summarises the key ‘Strengths, Weaknesses, Opportunities, and Threats’ (SWOT) identified for Brighton & Hove of specific relevance to the BR11.

## BRII SWOT Analysis

Strengths	Weaknesses
<p>Diversity within skills base including a ready supply of qualified employees.</p> <p>Recognised quality education provision including two Universities.</p> <p>Level of business start-up including specific strengths within the creative industries sector.</p> <p>Active and vocal business base including major local employers and small business community.</p> <p>Existing stock of commercial business floorspace available (quantum).</p> <p>The “Brighton &amp; Hove brand” – awareness of Brighton &amp; Hove nationally and internationally.</p> <p>Strategic connectivity to London (and the rest of UK via London), and globally via air and ports.</p> <p>Clusters of creative industries activities suggesting dynamism within the local economy alongside entrepreneurial cultural.</p> <p>Quality of life – access to service and facilities, housing market offer, proximity to excellent natural environment.</p> <p>Strength of the tourism economy in Brighton &amp; Hove.</p>	<p>Road congestion identified within the City Centre.</p> <p>Potential over-reliance on the concept of Brighton &amp; Hove being “something / somewhere different” in political (and economic development) terms.</p> <p>Decline in the physical environment / fabric of the city including buildings and public realm.</p> <p>Recruitment difficulties focused on ‘business’ skills (i.e. business acumen) alongside continued worklessness issues.</p> <p>Significant proportions over-qualified residents working in lower grade employment.</p> <p>Existing stock of commercial business floorspace (quality) (lack of Grade A high specification modern developments in the City Centre).</p> <p>Limited success in delivering ‘key projects’ to date across Brighton &amp; Hove.</p>
Opportunities	Threats
<p>Articulation of the “Brighton &amp; Hove brand” to the right audience to further understanding of the economy and niche potential within the area.</p> <p>Planning and economic development policy potential to grow creative industry clusters in Brighton &amp; Hove.</p> <p>Opportunity to use key connectivity to enhance understanding of the Brighton &amp; Hove economy (e.g. advertising on the direct train to London Victoria).</p> <p>Delivery of key projects, including commercial floorspace provision, to encourage investment in existing commercial stock.</p> <p>Public sector investment in public realm alongside realistic use of S106 and private sector monies, local asset based vehicles etc.</p> <p>Wider regeneration aspirations along the South Coast including at Shoreham Harbour have the potential to complement actively within Brighton &amp; Hove as commercial floorspace is bought forwards (In the context of limited land availability in Brighton &amp; Hove).</p>	<p>Continued ‘As you were’ marketing of Brighton &amp; Hove could exacerbate existing perceptions without generating significant value added activity.</p> <p>Continued worklessness issues if jobs are not created in local economy for highly qualified residents.</p> <p>Continued decline of physical environment and congestion within the City Centre will act as a detractor for inward investment and continued investment by businesses already in Brighton &amp; Hove and could compromise the tourism economy.</p> <p>Wider regeneration aspirations along South Coast including Shoreham Harbour have the potential to displace activity from Brighton &amp; Hove as commercial floorspace is brought forwards.</p>

## THE FUTURE OPPORTUNITY

An integrated and diverse economy is the key to delivering the required step-change in Brighton & Hove’s future economic performance and relative strength. An economy being dependent on a small number of sectors, including within its employment and / or business base will always be vulnerable to economic downturn. Successful, and sustainable, economies are built on a wide range of sectors; providing a range of jobs suitable for a diverse population with a range of skills.

The future opportunity within Brighton & Hove in this context is based on existing sectors that demonstrate the potential for growth, including specifically those which contribute to attracting high-value-added investment within the city, and other potential growth sectors that could be introduced to the economy through synergy with existing activity and assets / drivers.

## *KEY DRIVERS / ASSETS FOR ECONOMIC GROWTH*

Brighton & Hove has a series of key assets relevant to BRII (building on the previously presented SWOT analysis):

- Skills base: a high level of skills within the local labour force coupled with good access to education and training;
- Entrepreneurial culture and start-up / micro-business base: a sizeable and evident entrepreneurial spirit across a range of business and commercial sectors;
- Existing stock of business and employment floorspace: the existing stock of businesses that have been attracted into, or are indigenous to, Brighton & Hove as a distinct asset;
- The 'Brighton & Hove brand': the existence of the Brighton & Hove brand with an internationally known name and reputation;
- Strategic positioning and cross-boundary working: the relatively strong positioning of Brighton & Hove within the wider regional economy including physical infrastructure / transport links and non-physical links;
- Strategic access: strategic access to national and international markets;
- Commitment to business growth: evident within the public sector and business to business collaborative working;
- University and economic strategy alignment: opportunity to integrate economic growth and the presence of two growing and well respected universities;
- Quality of life: access to services and facilities, coupled with the quality of much of the housing stock and excellent natural environment are key attractions of living working in the city form critical assets for many businesses and employees; and
- Social enterprise and third sector (voluntary and community): as significant employers, service providers, representative bodies, and contributors to quality of life within Brighton & Hove.

## *THE VALUE OF EXISTING SECTORS*

The priority for the BRII Strategy and Implementation Plan should be the protection and growth of existing sectoral strengths within Brighton & Hove:

- **Manufacture of food and drink:** this sector is identified as a projected regional growth sector, with a number of significant employers identified within Brighton & Hove at the current time including general, organic, and frozen food and food product manufacture / supply.
- **High-technology manufacturing (publishing, printing etc):** the analysis undertaken specifically recognises the potential future importance of employment within businesses undertaking publishing and printing related activities. This, as with the 'manufacture of food and drink', is recognised to be a regional growth sector.

- **Financial Services:** concluded to be a sector with long-term (unlikely in the short or medium term given the current economic climate) growth potential within Brighton & Hove, particularly given existing concentration of businesses within this sector, and the fact that this is a forecast regional growth sector. This specifically relates to activities associated with Financial Intermediation (except insurance and pension funding), and activities auxiliary to financial intermediation.
- **Computer and Related Activities:** the emerging significance of this sector – specifically related to the gaming industry – is becoming increasingly apparent on the basis of recent investment successes. Brighton & Hove is recognised to be a good location for this type of activity linked to the presence of its two Universities, including a language school and linguistic specialisms, and a strong creative and technical base.
- **Other Business Services:** although not evidenced in the business base and past employment change (due to the relatively new nature of the sector) within Brighton & Hove, it is recognised that activities within the Other Business Services sector have specific growth potential in the future. Such activities are more commonly recognised as ‘Creative Industries’ including sub-sectors capturing: advertising, architecture, art and antiquities, crafts, design and designer fashion, film, video & photography, music, visual and performing arts, publishing, and television and radio<sup>1</sup>.
- **Retail:** although the analysis of past employment and business change and forecast employment growth in the future has not explicitly identified the significance of the retail sector its future importance in the context of the BR11 Strategy and Implementation Plan cannot be ignored. The retention of the retail base within the City Centre, including the range of retailers present, and their size and offer, will be vital to ensuring a quality place. Retail decline, including visible vacant units, would present a negative image to potential investors. As such therefore, the retail sector should be considered a priority for business retention over the strategy period.
- Opportunities for ‘other’ sectors not captured within the primarily quantitative analysis of employment and business base within the Brighton & Hove economy have also been identified – relating specifically to the wider ‘umbrella’ sectors of ‘Environmental Industries and ‘Health’.

## IMPLEMENTATION AND ACTION PLAN

Brighton & Hove is a city of significant opportunity. It has in place a number of ‘cornerstones’ on which to base its future economic aspirations; albeit these in many cases are not being maximised at the current time.

---

<sup>1</sup> Definition taken from Creative Industries Workspace in Brighton & Hove, 2007 – 2017, Final Report (2008)

Any future efforts towards business retention and inward investment in Brighton & Hove should look to align with, and where possible maximise the potential of, identified opportunities as the 'cornerstones' of the economy in the future.

Fundamentally Brighton & Hove needs to maximise the benefits associated with its strong entrepreneurial and start up culture that is so evident within the local economy. Essential to this is the identification and development of sufficient and appropriate start-up and grow-on business floorspace, alongside appropriate business support (including marketing, business planning, financial and legal advice, recruitment etc), that will facilitate growth of small indigenous businesses (including their employment base and contribution to the local economy in terms of monetary turnover).

### **STRATEGIC AIMS**

The following hierarchy of strategic aims will shape the implementation actions for the BRII Strategy and Implementation Plan:

- **Retain existing businesses:** The retention of existing businesses is the most important strategic aim within the BRII Strategy and Implementation Plan. The rapidly deteriorating economic climate and changes in the individual markets of businesses means that the role of existing businesses within an economy is more important than ever. Retaining existing business is a key local challenge for Brighton & Hove, and supporting businesses to overcome operational and other constraints, must be of the highest priority for all stakeholders.
- **Facilitate indigenous business growth:** Helping businesses to grow, thrive and invest in their existing location, or on an alternative site within the local area, is the 'easiest' way of securing investment for Brighton & Hove. Re-invested earnings in FDI flows account for an estimated 30% of worldwide FDI flows. This is a clear sign of the importance of supporting indigenous growth. Converting the significant number of business start-ups to *established* and *growing* businesses is a key strategic aim.
- **Attract new inward investment:** There is an identified need at the regional and local level to increase new business inward investment. Brighton & Hove need to ensure a step-change, reducing the gap with South East regional economic performance. In this context, attracting new inward investment is an explicit priority, although given the existing economic climate this is a more realistic long term priority.

### **STRATEGIC OBJECTIVES**

Two Strategic Objectives are derived from the Strategic Aims for business retention and inward investment in Brighton & Hove:

- SO1. Establish the appropriate organisational structures and systems to deliver the cross-cutting business retention and inward investment actions identified.
- SO2. Take a sector specific approach to business retention and inward investment focusing efforts and resources on growing and future emerging sectors.

## *CROSS-CUTTING ACTIONS*

A series of cross-cutting actions are identified within the BRII Strategy and Implementation Plan including:

- Investor promotion;
  - Investor servicing;
  - Site database;
  - Image building; and
  - Investment generation.
- Research, foresight and intelligence;
- Aftercare;
- Investment environment development; and
- Performance measurement.

The Strategy and Implementation Action Plan is set out in full within Section 6. Short term actions (1 to 3 years) include the following key outputs:

- Effective procedures for joint working and knowledge sharing between the City Council, Economic Partnership and other partners;
- Development of effective and coherent systems that record and capture investor pre and aftercare and support activities;
- Comprehensive suite of site database, propositional marketing and promotional materials as the basic tools for business retention and inward investment;
- Comprehensive programme of outward promotion through events, exhibitions and direct contacts;
- Performance targets to measure activities, return on resources expended and critically to allow identification of successful business retention and inward investment projects and activities.

Medium term actions (4 to 8 years) include the following key outputs:

- Active and continued use of gathered research information to provide an intelligence and foresight base allowing proactive, targeted support and intervention in key business sectors and the identification of emerging trends;
- Expanded programmes of outward promotion through events, exhibitions and direct contacts;
- An effective aftercare and feedback process that assists in driving the future communication and promotion strategy;

- Performance management systems that are able to demonstrate and articulate business retention and inward investment successes in almost 'real-time', driving more ambitious and focused business retention and investment targets.

Long term actions (9 years plus) include the following key outputs:

- An evolution of the City's business proposition founded on sustained success and continued delivery of improvements to the investment environment through place-making and regeneration initiatives;
- A focus on extending and developing the specific sectors the Brighton & Hove actively chooses to have form part of its economy through proactive placement of the business proposition and active management.

Sector specific actions are identified, as summarised in the table overleaf.

Sector	Short Term	Medium Term	Long Term
Food and Drink	<p>Ensure suitable supply of small to medium sized premises</p> <p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Improve transport accessibility to raw materials and customer/consumer end markets</p> <p>Improve transport access to premises outside the core urban area</p>	
Printing	<p>Secure affordable premises</p> <p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Development of higher specification and affordable premises</p> <p>Encourage cluster development links to the Universities</p>	<p>Improved availability of ICT skills and adaptable employees</p> <p>Training and support for business management and entrepreneurial activities</p>
Financial Services	<p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Identification and allocation of appropriate urban core and centre accommodation for occupiers (focus on Brighton Centre and Churchill Square)</p> <p>Encouragement for higher specification environmental accommodation</p>	<p>Improved availability of higher professional skills and lower skilled employees</p> <p>Strengthen employment links between Universities and sector businesses</p>
Computing and Related Services	<p>Identify, allocate and support business clustering within individual buildings and within specific areas</p> <p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Support the expansion of ICT infrastructure, particularly expansion of broadband capacity and wifi 'cloud' opportunities</p>	<p>Protection of IP and product spin offs</p>
Other Business Services (Creative Industries)	<p>Identification and allocation of specific accommodation and premises to accommodate the minimum anticipated growth across the sector – according with the Creative Industries Workspace Study (2008)</p> <p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Identify, allocate and support business clustering within individual buildings and within specific areas (City Centre, Hove town centre, London Road corridor)</p>	<p>Sustained focus and investment into City Centre and Hove town centre environmental improvements and place-making initiatives</p> <p>Support continued evolution of the evening economy, particularly eating and drinking opportunities as focal points for creative industry networks</p>
Retail	<p>Protection and management of existing retail floorspace</p>	<p>Prepare and support planning policies to ensure appropriate</p>	<p>Sustained focus and investment into City Centre</p>



	<p>Review retail floorspace requirements across the City in light of the current economic situation</p> <p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>retail floorspace of suitable footprint, location and visibility is developed and retained</p>	<p>retail environmental improvements and place-making initiatives</p>
Health	<p>Offer procurement advice to promote the 'Be Local Buy Local' aspiration throughout the economy</p> <p>Promote sector specific 'Meet the Buyer' events focusing on introducing large local occupiers and the smaller business base and supporting business services</p>	<p>Encourage cluster development</p> <p>links to the existing medical services and research facilities, NHS Trust and Medical Teaching School</p>	<p>Protection of IP and product spin offs</p>
Environmental Industries – Business Environmental Performance / Practices	<p>Promotion / increase awareness of the benefits of environmental business accreditation standards for Brighton &amp; Hove businesses to ISO:14001 international standard, and Eco-Management</p>	<p>Development of a support and knowledge base for environmental accreditation to actively support businesses to audit their processes/systems and outputs and achieve accreditation</p>	

### **AFTERCARE FRAMEWORK**

An Aftercare Framework is included within the BRIL Strategy and Implementation Plan to ensure that there is an excellent relationship and linkages established with Brighton & Hove businesses that is able to identify and resolve issues that those businesses raise that may otherwise restrain future growth, re-investment or ultimately cause the loss of the business from the city either externally or through financial failure.

The Framework specifically includes:

- **1. Targeting** – This BRIL Strategy and Implementation Plan identifies the key business sectors that are priorities to target. Alongside the priority sectors, all businesses within Brighton & Hove should be targeted according to employee size (more than 50 employees); and turnover (in excess of £500,000 per annum). This must be achieved in conjunction with SEEDA to ensure that there is no duplication of efforts, or obvious gaps in coverage.
- **2. Engagement methods** – utilising sector and business level research, each business to be targeted within the Aftercare Programme must be profiled. It is then essential to make initial contact to obtain a clear understanding of on what basis, frequency and method the individual business wish to be engaged with. Different techniques will be required including a combination of contact forms such as one-on-one meetings,

engagement via senior officers and Elected Members, invitations to business development networking or social or sporting events. The Aftercare Programme must capture all of these requirements and expectations to co-ordinate activities effectively.

- **3. Shaping Aftercare Discussions** – there is a need to consider the structure and content for any aftercare contact. It will be important to understand the existing and potential future business needs (land, premises, skills, funding, legal support, business planning processes etc) of each business if aftercare is to be effective.
- **4. Undertake Contact** – undertaking the contact through whichever means is most appropriate for that business is a critical action within the Aftercare Programme. The contact meeting/discussion must be structured to ensure that the targeted business has every opportunity to raise the issues it needs to and that this is swiftly followed up by a feedback note or minute of the discussions identifying what actions will be taken by the City Council to resolve issues and over what timescale. Follow-up meetings/discussions should be arranged at the same time and the Aftercare Programme database updated accordingly (including the note of what was discussed).
- **5. Co-ordinating Responses** – the ability to co-ordinate and deal with issues raised at the contact meeting is critical to the effectiveness of the Aftercare Programme. The response must identify the individuals to take responsibility for each issue and action required and to ensure that this is swiftly fed back to the business with the outcomes/resolution of the issue clearly identified. The original point of contact to original point of contact is preferential and more effective in co-ordinating responses.
- **6. Performance Review** – there is a need to monitor and review the Aftercare Programme on a regular, quarterly basis. This monitoring will inform the wider performance management of the BRIL Strategy and Implementation Plan as well as inputting to research, foresight and intelligence activities. Performance review and the identification of common issues/themes raised by Brighton & Hove businesses may be brought together to evidence the need for particular development or regeneration initiatives or to form the basis for targeted business support or business development networking. The performance review should be undertaken in the form of a follow-on telephone call to the business coupled with an annual satisfaction survey (web or mail) of those with businesses within the Aftercare Programme.

#### **HEADLINE ACTION PLANS AND COSTS**

The costs and resources required to implement the BRIL Action Plan are set out in the following tables for the short, medium and long term periods. The majority of the resource requirements identified are staff time inputs to develop and improve and extend existing activities and in some cases re-orientate or better capture business and investor information.

The Action Plan does not therefore require extensive new capital or revenue funds in order to be successfully achieved. Indeed, where specific budget costs are identified these are for particular, discrete tasks such as the development and operation of a particular data system

or website, or in the preparation of promotion and propositional tools as part of a wider communication and investment promotion programme.

### *DELIVERY STRUCTURES*

Based on the assessment of the delivery options we recommend a co-operative and co-ordinated approach to business retention and inward investment activities within Brighton & Hove. This should be delivered by the City Council and must be recognised as being a dedicated team – and branded as such.

Where investment activities are currently provided these activities should remain within these organisations. This includes existing research gathering and the commercial property database.

Whilst there are clearly resource implications to the recommendations presented herein it is important to note the clear distinction in the role that the City Council could have in this process moving forwards.

## BUSINESS RETENTION & INWARD INVESTMENT STRATEGY

### 1. IMPLEMENTATION AND ACTION PLAN

#### INTRODUCTION

- 1.1 This final section of the BRII Strategy and Implementation Plan addresses the implementation and actions needed to drive inward investment and business retention in future.
- 1.2 Brighton & Hove is a city of significant opportunity. It has in place a number of 'cornerstones' on which to base its future economic aspirations; albeit these in many cases are not being maximised at the current time.
- 1.3 The Brighton & Hove Economic Strategy *Raising our Game* (being prepared on behalf of the Brighton & Hove Economic Partnership) articulates these as being *the ingredients to develop a prosperous and sustainable knowledge economy*. These 'ingredients' are seen to include:

*"...good connections to London and Gatwick Airport, a well educated resident population and the sense that it's the kind of place you actually want to spend time which attracts more and more visitors and people who want to live and work here and also start businesses."* (pp 21)
- 1.4 This BRII Strategy and Implementation Plan has also identified the importance of the existing Brighton & Hove 'brand' – with the City being one of the few in the South East, and indeed nationally, that has a name and reputation that is known internationally.
- 1.5 Brighton & Hove has a sizeable and evident entrepreneurial spirit across a range of business commercial sectors, including social enterprises that hold a specific potential for the local economy moving forwards. The significance of the two Universities in this context cannot be underestimated – in terms of provider of skills and training, fostering new business creation and development, alignment with key sectors, and funding attractors.
- 1.6 Within the BRII Strategy and Implementation Plan a number of the sectoral strengths that have been identified, including those that show signs of being dynamic, are national / regional sectors that illustrate alignment with the local economic

characteristics within Brighton & Hove. These present opportunities alongside sectors that show local concentrations at the current time (in business or employment terms).

- 1.7 These 'key priority sectors' include: Creative Industries; High Technology Manufacturing (specifically relating to Publishing and Printing, and Media Recording); and Computer Related Activities. In addition, opportunity has been identified to attract inward investment within the Health and 'Environmental Technologies' sectors.
- 1.8 Any future efforts towards business retention and inward investment in Brighton & Hove should look to align with, and where possible maximise the potential of, these identified opportunities as the 'cornerstones' of the economy in the future.
- 1.9 There is no need for Brighton & Hove to 'reinvent' itself in this context. Indeed in most cases it is the extent to which these 'cornerstones' are promoted and articulated that is constraining the potential of the economy to retain activity and investment, albeit this is set in the context of the need to provide an appropriate and sufficient quantum and type of premises and land to facilitate development and occupation within the city.
- 1.10 Fundamentally Brighton & Hove needs to maximise the benefits associated with its strong entrepreneurial and start up culture that is so evident within the local economy. Essential to this is identification and development of sufficient and appropriate start-up and grow-on business floorspace, alongside appropriate business support (including marketing, business planning, financial and legal advice, recruitment etc), that will facilitate growth of small indigenous businesses (in terms of their employment base and contribution to the local economy in terms of turnover).

## STRATEGIC AIMS

- 1.11 The following hierarchy of strategic aims will shape the implementation actions for the BRII Strategy:
  - **Retain existing businesses:** The retention of existing businesses is the most important strategic aim. The rapidly deteriorating economic climate and changes in the individual markets of businesses means that the role of existing businesses within an economy is more important than ever. Retaining existing business is a key local challenge for Brighton & Hove, and supporting businesses to overcome challenges, must be of the highest priority for all stakeholders.
  - **Facilitate indigenous business growth:** Helping businesses to grow, thrive and invest in their existing location, or on an alternative site within the local area, is the 'easiest' way of securing investment for Brighton & Hove. Re-invested earnings in FDI flows account for an estimated 30% of worldwide FDI flows. This is a clear sign of the importance of supporting indigenous growth. Converting the

significant number of business start-ups to *established* and *growing* businesses is a key strategic aim.

- **Attract new inward investment:** There is an identified need at the regional and local level to increase new business inward investment. Brighton & Hove need to ensure a step-change, reducing the gap with South East regional economic performance. In this context, attracting new inward investment is an explicit priority, although given the existing economic climate this is a more realistic long term priority.

## STRATEGIC OBJECTIVES

- 1.12 Two Strategic Objectives are derived from the Strategic Aims for business retention and inward investment in Brighton & Hove:

SO3. Establish the appropriate organisational structures and systems to deliver the Cross-cutting business retention and inward investment actions identified.

SO4. Take a sector specific approach to business retention and inward investment focusing efforts and resources on growing and future emerging sectors.

## CROSS CUTTING ACTIONS

- 1.13 Brighton & Hove City Council has a relatively good track record in business retention and attracting inward investment, especially given the limited resources available dedicated to this activity. Building on the existing strengths and continuing the work that has been undertaken so far in making Brighton & Hove a highly visible business location.

- 1.14 Despite the good work undertaken by individual organisations and the good results achieved there is a lack of coordination and a need for a more focussed and proactive approach to ensuring business retention and attracting inward investment in Brighton & Hove.

- 1.15 A series of strategic business retention and inward investment cross-cutting actions are proposed. These are pre-requisites for success across **all** business sectors. The cross cutting actions are summarised overleaf.

**Table 1 - Cross Cutting Actions**

CROSS-CUTTING ACTIONS	REASON
<b>1. INVESTMENT PROMOTION</b>	
1A. INVESTOR SERVICING	APPROPRIATE AND SUFFICIENT SUPPORT TO EXISTING BUSINESSES AND POTENTIAL INVESTORS INCLUDING INFORMATION AND PRIORITISATION OF RESPONSE – A ONE-STOP-SHOP SOLUTION ADDRESSING ISSUES AND MAXIMISING OPPORTUNITIES FOR INVESTMENT IN THE FUTURE.
1B. SITE DATABASE	EASILY AND CLEARLY ACCESSIBLE AND UP-TO-DATE INFORMATION ON SITE AND PREMISES AVAILABILITY IS VITAL TO FACILITATE INVESTMENT – SITES AND PREMISES ARE KEY CONSIDERATIONS FOR POTENTIAL INVESTORS IN MAKING LOCATIONAL DECISIONS.
1C. IMAGE BUILDING	DEVELOPING AND ARTICULATING THE RIGHT IMAGE FOR A LOCATION CREATES POSITIVE AWARENESS AS A PLACE FOR INVESTORS.
1D. INVESTMENT GENERATION	TARGETING OF COMPANIES OR SECTORS CAN HELP TO MAXIMISE THE POTENTIAL INVESTMENT OPPORTUNITIES.
<b>2. RESEARCH, FORESIGHT &amp; INTELLIGENCE</b>	SUFFICIENT (SCOPE AND DEPTH) INFORMATION TO SUPPORT WIDER BUSINESS RETENTION AND INWARD INVESTMENT PROSPECTS, INCLUDING UNDERSTANDING RISK AND OPPORTUNITY AND KNOWLEDGE OF APPROPRIATE RESPONSE. SHOULD BE A BALANCE BETWEEN PRO-ACTIVE AND REACTIVE RESEARCH, FORESIGHT AND INTELLIGENCE.
<b>3. AFTERCARE</b>	APPROPRIATELY TARGETED AFTERCARE WILL ENSURE THE RETENTION AND POTENTIAL FUTURE ADDITIONAL INVESTMENT OF EXISTING KEY COMPANIES (KEY IN TERMS OF SCALE AND CONTRIBUTION TO THE LOCAL ECONOMY).
<b>4. INVESTMENT ENVIRONMENT DEVELOPMENT</b>	DELIVERY OF APPROPRIATE SKILLS, SITES AND PREMISES, INFRASTRUCTURE, AND OTHER PHYSICAL COMPONENTS IS ESSENTIAL. IN INWARD INVESTMENT TERMS THESE ARE NORMALLY 'ASSUMED' TO BE IN PLACE BY POTENTIAL INVESTORS (I.E. THEY ARE 'GIVENS').
<b>5. PERFORMANCE MEASUREMENT</b>	IMPORTANT COMPONENT IN APPLYING FOR AND GAINING FUNDING, DETERMINANT OF BONUSES / SALARY 'ADD-ONS' IN SOME CASES, AND POTENTIAL TOOL FOR MANAGERIAL DECISIONS.

**SHORT TERM ACTIONS**

1.16 The short term cross-cutting actions are needed to provide an improved series of systems and processes for business retention and inward investment for the City Council, Brighton & Hove Economic Partnership as the principal organisations leading these activities. The key requirements are for a more effective set of tools to collate, manage and utilise information and a performance framework that captures effectively all of the efforts and successes achieved. Key outcomes will be:

- Effective procedures for joint working and knowledge sharing between Council, Economic Partnership and other partners;
- Development of effective and coherent systems that record and capture investor pre and aftercare and support activities;
- Comprehensive suite of site database, proposition marketing and promotional materials as the basic tools for business retention and inward investment;
- Comprehensive programme of outward promotion through events, exhibitions and direct contacts;
- Performance targets to measure activities, return on resources expended and critically to allow identification of successful business retention and inward investment.

1.17 The following matrix schedule sets out the specific short term activities related to each of the Cross-cutting actions. **The short term period is defined as 1-3 years.** The organisation acronyms used in the tables are BHCC (Brighton & Hove City Council); BHEP (Brighton & Hove Economic Partnership); and SEEDA (South East Regional Development Agency).



**Table 2 – Short Term Action Plan**

ACTIVITY	LEAD ORGANISATION	CO-ORDINATE WITH / CONTRIBUTION BY
<b>1. INVESTMENT PROMOTION</b>		
1A. INVESTOR SERVICING		
ESTABLISH SERVICING STANDARDS	BHCC	BHEP
DEVELOP, MAINTAIN AND EXTEND SERVICING INFORMATION NETWORKS	BHCC	BHEP
RESPOND TO ENQUIRIES – WRITTEN, TELEPHONE, ELECTRONIC, PERSONAL	BHCC	
ESTABLISH INVESTOR TRACKING SYSTEM	BHCC	BHEP, SEEDA
DEVELOP PROFORMA INVESTMENT PROPOSITION PRESENTATIONS, WRITTEN AND VERBAL	BHCC	BHEP
SYSTEMATICALLY FOLLOW UP ON ENQUIRIES	BHCC	
ARRANGE VISITS AND ACCOMPANY VISITORS	BHCC	BHEP
SYSTEMATICALLY FOLLOW UP ON VISITS	BHCC	
RECORD STATISTICS FOR PERFORMANCE MEASUREMENT	BHCC	BHEP, SEEDA
1B. SITE DATABASE		
MAINTAIN AND EXTEND SITE DATABASE	BHCC	SEEDA
MAINTAIN NETWORKS FOR SOURCING AND MAINTAINING SITE AND PROPERTY INFORMATION	BHCC	BHEP, SEEDA
MAINTAIN SYSTEMS FOR THE EFFICIENT DISSEMINATION OF SITE AND PROPERTY INFORMATION	BHCC	
PRODUCE INVESTMENT SERVICING INFORMATION AS REQUIRED	BHCC	
1C. IMAGE BUILDING		
CO-ORDINATE AND ALIGN COMMUNICATIONS STRATEGIES AND GAIN AGREEMENT OF STAKEHOLDERS. THIS SHOULD BUILD ON THE EXISTING COMMUNICATIONS STRATEGIES BY THE CITY COUNCIL, BRIGHTON & HOVE ECONOMIC PARTNERSHIP AND SEEDA	BHCC	BHEP, SEEDA
DEVELOP CO-ORDINATED ANNUAL, TARGETED EVENT PROGRAMME BETWEEN THE MAIN STAKEHOLDERS, INCLUDING MAJOR MEDIA COVERAGE	BHEP	BHCC
DEVELOP, MAINTAIN AND EXTEND MEDIA CONTACT DATABASE,	BHEP	BHCC

ACTIVITY	LEAD ORGANISATION	CO-ORDINATE WITH / CONTRIBUTION BY
LOCAL, NATIONAL, INTERNATIONAL		
UPDATE AND IMPROVE ACCESSIBILITY OF WEBSITE, INCLUDING MAINTENANCE	BHCC	
REGULAR ISSUE OF PRESS RELEASES CO-ORDINATED BETWEEN THE CITY COUNCIL, ECONOMIC PARTNERSHIP AND SEEDA	BHCC	BHEP, SEEDA
REVIEW AND RESPOND TO OPPORTUNITIES FOR BUSINESS RETENTION AND INWARD INVESTMENT PUBLICITY FOR BRIGHTON & HOVE IN A CO-ORDINATED MANNER	BHCC	BHEP
REVIEW EXISTING PROMOTIONAL, PROPOSITION AND SUPPORTING INWARD INVESTMENT MATERIALS AND PLAN ROLLING 18 MONTH IMPROVEMENT PROGRAMME	BHCC	BHEP
PRODUCE NEW PROMOTIONAL MATERIALS AS REQUIRED	BHCC	BHEP
MAINTAIN CLOSE FEEDBACK AND PERFORMANCE LIAISON WITH INVESTMENT SERVICING STAFF	BHCC	BHEP
1D. INVESTMENT GENERATION		
ESTABLISH AND PLAN ACTIVITIES FOR AN ANNUAL BUSINESS RETENTION AND INVESTMENT EXHIBITION AND EVENTING PROGRAMME (IDENTIFYING MAJOR OPPORTUNITIES AND RESOURCES NECESSARY TO MAXIMISE OUTCOMES FROM ATTENDANCE AND PARTICIPATION AT SUCH EVENTS)	BHCC	BHEP
DEVELOP, MAINTAIN AND EXTEND GENERAL MULTIPLIER DATABASE	BHCC	BHEP, SEEDA
DEVELOP, MAINTAIN AND EXTEND SECTORAL MULTIPLIER DATABASE	BHCC	BHEP, SEEDA
PLAN MULTIPLIER CONTACT PROGRAMME	BHCC	BHEP
IMPLEMENT EXHIBITION AND EVENTING PROGRAMME, INCLUDING STRUCTURED PERFORMANCE AND OUTCOMES ASSESSMENT	BHCC	BHEP
IMPLEMENT MULTIPLIER CONTACT PROGRAMME	BHCC	BHEP
INITIATE CONTACTS BASED ON AFTERCARE FEEDBACK	BHCC	BHEP
MAINTAIN CLOSE FEEDBACK AND PERFORMANCE LIAISON WITH INVESTMENT SERVICING STAFF	BHCC	BHEP
ESTABLISH PLAN FOR FUTURE, LIMITED, DIRECT MARKETING ACTIVITIES	BHCC	BHEP, SEEDA

ACTIVITY	LEAD ORGANISATION	CO-ORDINATE WITH / CONTRIBUTION BY
<b>2. RESEARCH, FORESIGHT &amp; INTELLIGENCE</b>		
EXTEND AND DEVELOP INVESTMENT SERVICING INFORMATION DATABASE	BHCC	BHEP
CARRY OUT FURTHER SECTOR RESEARCH FOR IDENTIFIED PRIORITY TARGET SECTORS COVERING:	BHCC	BHEP, SEEDA
➤ BACKGROUND AND CURRENT/FUTURE BUSINESS TRENDS (INCLUDING DRIVING FORCES AND CHALLENGES FACED)		
➤ BRIGHTON & HOVE STRENGTHS		
➤ EXISTING COMPANIES IN BRIGHTON & HOVE		
➤ FURTHER SPECIFIC OPPORTUNITIES IN BRIGHTON & HOVE (INCLUDING SUPPLY CHAIN AND PROCUREMENT ADVICE FOR SMALL FIRMS)		
➤ IDENTIFICATION OF TARGET COMPANIES FOR INVESTMENT GENERATION ACTIVITIES		
MONITOR LOCAL, NATIONAL AND INTERNATIONAL INVESTMENT TRENDS	BHEP	BHCC, SEEDA
MONITOR AND ASSESS COMPETITOR LOCATION ACTIVITIES	BHEP	BHCC
<b>3. AFTERCARE</b>		
DEVELOP GUIDELINES FOR VISITS AND CONTACTS TO EXISTING INVESTORS	BHCC	
DEVELOP, MAINTAIN AND EXTEND CATEGORISED DATABASE OF EXISTING INVESTORS	BHCC	BHEP, SEEDA
DEVELOP AND MANAGE AFTERCARE PROGRAMME (SEE SUB-SECTION BELOW)	BHCC	BHEP, SEEDA
CARRY OUT AND RECORD AFTERCARE VISITS AND CONTACTS	BHCC	BHEP, SEEDA
DISTRIBUTE INFORMATION GATHERED TO ALL OTHER RELEVANT DEPARTMENTS AND STAKEHOLDERS	BHCC	
FORMAL QUARTERLY REVIEW OF AFTERCARE PROGRAMME	BHCC	BHEP
<b>4. INVESTMENT ENVIRONMENT DEVELOPMENT</b>		
DEVELOP AND MAINTAIN NETWORK OF CONTACTS FOR:	BHCC	BHEP
<ul style="list-style-type: none"> <li>LAND AND PROPERTY (INCLUDING UNDERSTANDING OF RENT REVIEW AND LEASE BREAK CLAUSE DATES AS KEY TRIGGERS FOR RE-LOCATION/INVESTMENT DECISION MAKING)</li> </ul>		LOCAL AGENTS, LANDOWNERS AND LANDLORDS

ACTIVITY	LEAD ORGANISATION	CO-ORDINATE WITH / CONTRIBUTION BY
<ul style="list-style-type: none"> <li>UTILITIES</li> </ul>		UTILITY PROVIDERS
<ul style="list-style-type: none"> <li>SKILLS, EDUCATION AND TRAINING</li> </ul>		COLLEGES, UNIVERSITIES, MEDICAL SCHOOL, LSC, JC+
<ul style="list-style-type: none"> <li>COMMUNICATIONS</li> </ul>		UTILITY PROVIDERS
<ul style="list-style-type: none"> <li>TRANSPORTATION</li> </ul>		PUBLIC TRANSPORT OPERATORS (RAIL, BUS, AIR)
<ul style="list-style-type: none"> <li>TELECOMMUNICATIONS</li> </ul>		UTILITY PROVIDERS, WIRED SUSSEX
<ul style="list-style-type: none"> <li>DEVELOPERS</li> </ul>		DEVELOPER FORUM
<ul style="list-style-type: none"> <li>LEISURE AND LIFESTYLE</li> </ul>		
FORMALLY OBTAIN FEEDBACK ON THE BRIGHTON & HOVE INVESTMENT ENVIRONMENT THROUGH INVESTMENT SERVICING AND AFTERCARE STAKEHOLDERS	BHEP	BHCC, SEEDA
WORK TO IMPROVE THE INVESTMENT ENVIRONMENT THROUGH THE ADVOCACY OF A PROGRAMME OF QUALITY OF PLACE CHANGE AND THROUGH THE INVOLVEMENT OF APPROPRIATE AUTHORITIES	BHCC	BHEP, SEEDA
CARRY OUT AN ANNUAL SURVEY OF EXISTING INVESTORS, INCLUDING POTENTIAL 'MEET THE BUYER' EVENTS TO PROMOTE SUPPLY CHAIN LINKAGES	BHEP	BHCC
<b>5. PERFORMANCE MEASUREMENT</b>		
SET OVERALL TARGETS FOR NUMBER OF INVESTMENTS, NUMBER OF EXPANSIONS, AMOUNT OF INVESTMENT, NUMBER OF JOBS, NUMBER OF VISITS, NUMBER OF ENQUIRIES. THIS SHOULD BE IN ACCORDANCE WITH LOCAL AREA AGREEMENT TARGETS SET FOR BRIGHTON & HOVE	BHCC	BHEP
SET AND AGREE ACTIVITY TARGETS (E.G. NUMBER OF EVENTS	BHCC	BHEP

ACTIVITY	LEAD ORGANISATION	CO-ORDINATE WITH / CONTRIBUTION BY
ATTENDED, NUMBER OF BROCHURES PRODUCED, NUMBER OF ARTICLES PLACED, ETC.)		
ESTABLISH A PERFORMANCE MONITORING AND UPDATE SYSTEM FOR TARGETS AND ACTIVITIES	BHCC	BHEP
GATHER AND RECORD PERFORMANCE STATISTICS	BHCC	BHEP, SEEDA
DISTRIBUTE STATISTICS ON A MONTHLY BASIS	BHCC	
REVIEW QUARTERLY	BHCC	BHEP, SEEDA

**MEDIUM TERM ACTIONS**

1.18 The medium term cross-cutting actions represent a period of consolidation and stability in the provision of business retention and inward investment services. The activities are therefore aligned towards the expansion of the short term actions for each type of activity allowing greater depth and extent of business retention and inward investment activities to be undertaken. Key outcomes in this period will be:

- Active and continued use of gathered research information to provide an intelligence and foresight base allowing proactive, targeted support and intervention in key business sectors and the identification of emerging trends;
- Expanded programmes of outward promotion through events, exhibitions and direct contacts;
- An effective aftercare and feedback process that assists in driving the future communication and promotion strategy;
- Performance management systems that are able to demonstrate and articulate business retention and inward investment successes in almost ‘real-time’, driving more ambitious and focused business retention and investment targets.

1.19 The following matrix schedule sets out the specific medium term activities related to each of the Cross-cutting actions. **The medium term period is defined as 4-8 years.**

**Table 3 – Medium Term Action Plan**

<b>1. INVESTMENT PROMOTION</b>		
1A. INVESTOR SERVICING		
RESPOND TO ENQUIRIES – WRITTEN, TELEPHONE, ELECTRONIC, PERSONAL	BHCC	
RECORD ALL ENQUIRIES ON AN INVESTOR TRACKING SYSTEM	BHCC	
ARRANGE VISITS AND ACCOMPANY VISITORS	BHCC	BHEP
SYSTEMATICALLY FOLLOW UP ON VISITS	BHCC	
REVIEW SERVICING STANDARDS	BHCC	
MAINTAIN AND EXTEND INFORMATION NETWORKS	BHCC	BHEP
IMPROVE AND UPDATE WRITTEN AND VERBAL INVESTMENT PROPOSITION PROFORMA PRESENTATIONS , POTENTIAL TO MAKE THIS SECTOR SPECIFIC	BHCC	BHEP
SYSTEMATICALLY FOLLOW UP ON ENQUIRIES	BHCC	
RECORD STATISTICS FOR PERFORMANCE MEASUREMENT	BHCC	BHEP, SEEDA
1B. SITE DATABASE		
MAINTAIN SITE DATABASE	BHCC	SEEDA
MAINTAIN NETWORKS FOR SOURCING AND MAINTAINING SITE AND PROPERTY INFORMATION	BHCC	BHEP, SEEDA
MAINTAIN ESTABLISHED SYSTEMS FOR THE EFFICIENT DISSEMINATION OF SITE AND PROPERTY INFORMATION	BHCC	
PRODUCE INVESTMENT SERVICING INFORMATION AS REQUIRED	BHCC	
1C. IMAGE BUILDING		
REVIEW COMMUNICATIONS STRATEGY	BHCC	BHEP, SEEDA
ASSESS EFFECTIVENESS OF IMAGE BUILDING AND INVESTMENT GENERATION ACTIVITIES	BHCC	BHEP
ASSESS AND UPDATE ANNUAL, TARGETED EVENT PROGRAMME, INCLUDING MAJOR MEDIA COVERAGE	BHCC	BHEP
MAINTAIN AND EXTEND MEDIA CONTACT DATABASE, FOR LOCAL, NATIONAL AND INTERNATIONAL MEDIA	BHEP	BHCC

MAINTAIN AND IMPROVE WEBSITE	BHCC	
REGULAR ISSUE OF PRESS RELEASES	BHCC	BHEP, SEEDA
CONTINUE TO REVIEW AND RESPOND TO OPPORTUNITIES FOR BUSINESS RETENTION AND INWARD INVESTMENT PUBLICITY FOR BRIGHTON & HOVE IN A CO-ORDINATED MANNER	BHCC	BHEP
REVIEW EFFECTIVENESS AND CURRENCY OF EXISTING BUSINESS RETENTION AND INVESTMENT PROMOTIONAL MATERIALS AND MAKE UPDATES/REFRESH AS APPROPRIATE	BHCC	BHEP
MAINTAIN CLOSE FEEDBACK AND PERFORMANCE LIAISON WITH INVESTMENT SERVICING STAFF	BHCC	BHEP
1D. INVESTMENT GENERATION		
REVIEW AND UPDATE ANNUAL EXHIBITION/EVENTING ATTENDANCE AND PARTICIPATION PROGRAMME. EXAMINE OUTCOMES AND VALUE FOR MONEY RETURNS ACHIEVED	BHCC	BHEP
MAINTAIN AND EXTEND GENERAL MULTIPLIER DATABASE	BHCC	BHEP, SEEDA
MAINTAIN AND EXTEND SECTORAL MULTIPLIER DATABASE	BHCC	BHEP, SEEDA
UPDATE AND CONTINUE TO IMPLEMENT THE MULTIPLIER CONTACT PROGRAMME	BHCC	BHEP
CONTINUE TO INITIATE CONTACTS BASED ON AFTERCARE FEEDBACK	BHCC	BHEP
MAINTAIN CLOSE FEEDBACK AND PERFORMANCE LIAISON WITH INVESTMENT SERVICING STAFF	BHCC	BHEP
PREPARE AND UNDERTAKE LIMITED DIRECT MARKETING ACTIVITIES	BHCC	BHEP, SEEDA
<b>2. RESEARCH, FORESIGHT AND INTELLIGENCE</b>		
MAINTAIN AND EXTEND INVESTMENT SERVICING INFORMATION DATABASE	BHCC	BHEP
UPDATE ONGOING SECTOR SPECIFIC RESEARCH FOR PRIORITY TARGET SECTORS	BHCC	BHEP, SEEDA
MONITOR LOCAL, NATIONAL AND INTERNATIONAL INVESTMENT TRENDS	BHEP	BHCC, SEEDA
MONITOR AND ASSESS COMPETITOR LOCATION ACTIVITIES AND ESTABLISH ACTIONS TO RAISE BRIGHTON & HOVE'S COMPETITIVE EDGE	BHEP	BHCC

<b>3. AFTERCARE</b>		
REVIEW GUIDELINES FOR VISITS AND CONTACTS TO EXISTING INVESTORS	BHCC	
MAINTAIN AND EXTEND DATABASE OF EXISTING INVESTORS	BHCC	BHEP, SEEDA
DEVELOP AND MANAGE AFTERCARE PROGRAMME (SEE SUB-SECTION BELOW)	BHCC	BHEP, SEEDA
CARRY OUT AND RECORD AFTERCARE VISITS AND CONTACTS	BHCC	BHEP, SEEDA
CONTINUE TO DISTRIBUTE INFORMATION GATHERED TO ALL OTHER RELEVANT DEPARTMENTS AND STAKEHOLDERS	BHCC	
REVIEW AFTERCARE PROGRAMME AND EFFECTIVENESS/TIMELINESS OF QUARTERLY REVIEW OF PROGRAMME	BHCC	BHEP
<b>4. INVESTMENT ENVIRONMENT DEVELOPMENT</b>		
MAINTAIN AND EXTEND NETWORK OF CONTACTS	BHCC	OTHER STAKEHOLDERS AS IDENTIFIED IN SHORT TERM ACTIVITIES
FORMALLY OBTAIN FEEDBACK ON THE INVESTMENT ENVIRONMENT FROM INVESTMENT SERVICING, AFTERCARE AND OTHER STAKEHOLDERS	BHEP	BHCC, SEEDA
CONTINUE WORK TO IMPROVE THE INVESTMENT ENVIRONMENT THROUGH THE ADVOCACY OF NEW DEVELOPMENT PROJECTS, REGENERATION INITIATIVES AND QUALITY OF PLACE INTERVENTIONS.	BHCC	BHEP, SEEDA
CARRY OUT AN ANNUAL SURVEY OF EXISTING INVESTORS	BHEP	BHCC
<b>5. PERFORMANCE MEASUREMENT</b>		
REVIEW AND SET NEW OVERALL TARGETS - NUMBER OF INVESTMENTS, NUMBER OF EXPANSIONS, AMOUNT OF INVESTMENT, NUMBER OF JOBS, NUMBER OF VISITS, NUMBER OF ENQUIRIES	BHCC	BHEP
SET AND AGREE NEW, UPDATED ACTIVITY TARGETS	BHCC	BHEP
GATHER AND RECORD PERFORMANCE STATISTICS	BHCC	BHEP
CONTINUED MONTHLY DISTRIBUTION OF STATISTICS	BHCC	



REVIEW QUARTERLY	BHCC	BHEP, SEEDA

*LONG TERM ACTIONS*

1.20 The long term cross-cutting actions are designed to take Brighton & Hove to the leading edge of inward investment in terms of co-ordinated and effective processes and targeted activities. All of the basic systems and processes will be well embedded and the performance measurement system coupled with active research, foresight and intelligence will have driven targeted business retention and investment efforts. Key outcomes in the long term are:

- An evolution of the city's business proposition founded on sustained success and continued delivery of improvements to the investment environment through place-making and regeneration initiatives;
- A focus on extending and developing the specific sectors the Brighton & Hove actively chooses to have form part of its economy through proactive placement of the business proposition and active management.

1.21 The following matrix schedule sets out the specific long term activities related to each of the Cross-cutting actions. **The long term period is defined as more than nine years.**

**Table 4 – Long Term Actions**

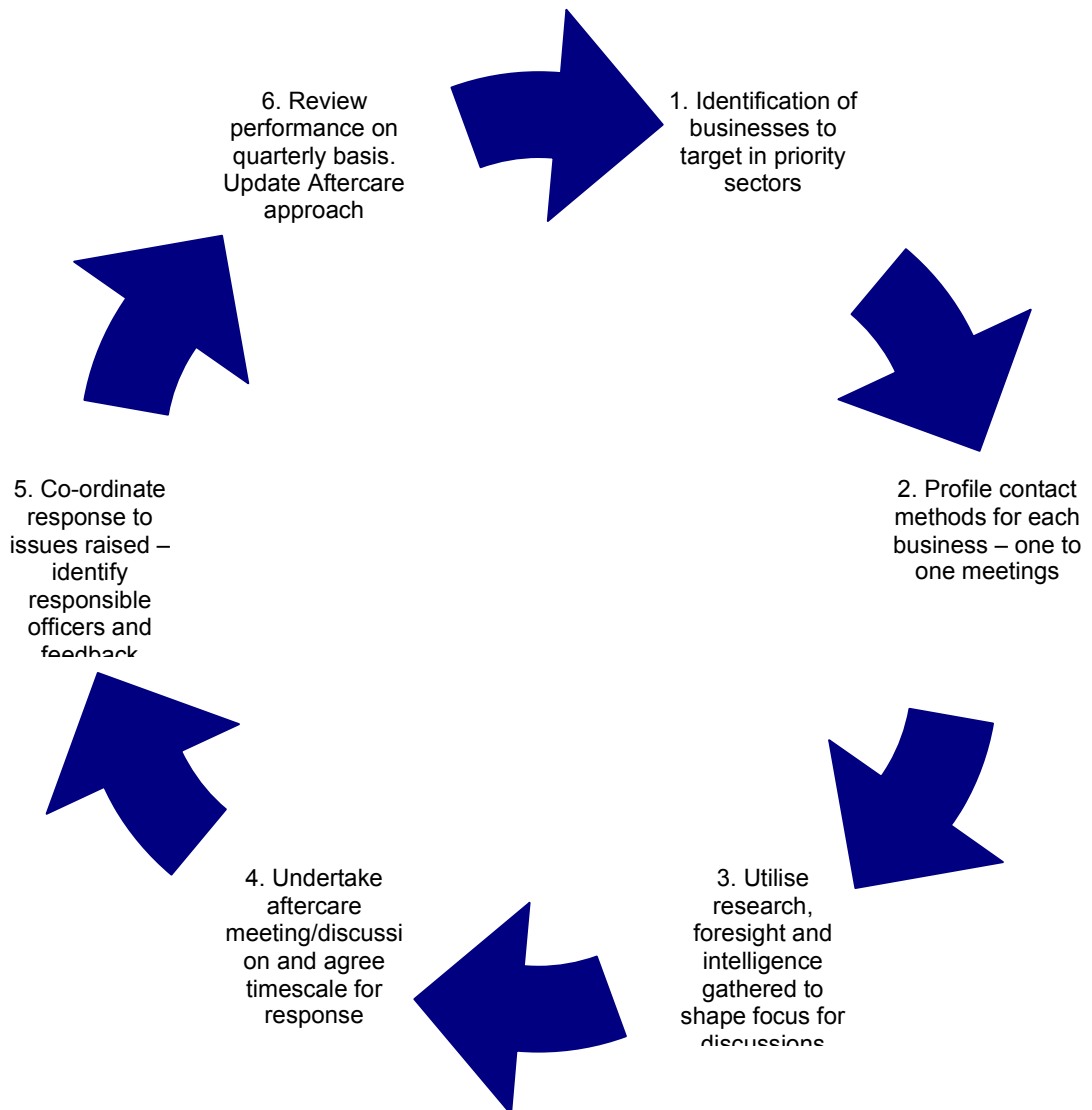
<b>1. INVESTMENT PROMOTION</b>		
1A. INVESTOR SERVICING		
CONTINUED PROVISION OF THE BUSINESS INVESTOR 'ONE STOP SHOP' APPROACH INCLUDING INVESTOR TRACKING, SERVICING REVIEW AND FOLLOW-UP OF ENQUIRIES AND STATISTICAL RECORDING	BHCC	BHEP
COMPLETE REFRESH OF INVESTMENT PROPOSITION PROFORMA PRESENTATIONS	BHCC	BHEP
1B. SITE DATABASE		
CONTINUED MAINTENANCE OF THE SITE DATABASE AND INFORMATION SOURCING AND DISSEMINATION NETWORKS	BHCC	SEEDA
1C. IMAGE BUILDING		
CONTINUED REVIEW OF COMMUNICATIONS STRATEGY AND TARGETED EVENTING PROGRAMME INCLUDING ITS EFFECTIVENESS AND USE	BHCC	BHEP, SEEDA
DEVELOP AND RUN BRIGHTON & HOVE'S OWN BUSINESS INWARD INVESTMENT CONFERENCE/CONVENTION UTILISING THE EVOLVED BRIGHTON BRAND AS A KEY ATTRACTION TO BUSINESSES TO ATTEND. BRIGHTON & HOVE COULD TAKE A MAJOR ROLE IN PROMOTING BUSINESS INWARD INVESTMENT IN THE SOUTH EAST REGION AS ONE OF THE PRINCIPAL URBAN CENTRES AND ECONOMIC POWERHOUSES	BHCC	BHEP, SEEDA, CENTRAL GOVERNMENT (DBERR OR SUCCESSOR)
1D. INVESTMENT GENERATION		
REVIEW AND UPDATE ANNUAL EXHIBITION/EVENTING ATTENDANCE AND PARTICIPATION PROGRAMME. EXAMINE OUTCOMES AND VALUE FOR MONEY RETURNS ACHIEVED	BHCC	BHEP
MAINTAIN AND EXTEND GENERAL AND SECTORAL MULTIPLIER DATABASES AND CONTACT PROGRAMMES	BHCC	BHEP, SEEDA
CONTINUED LIMITED, DIRECT MARKETING ACTIVITIES TARGETED SPECIFICALLY TO EMERGING SECTORS BASED ON RESEARCH, FORESIGHT AND INTELLIGENCE	BHCC	BHEP, SEEDA
<b>2. RESEARCH, FORESIGHT AND INTELLIGENCE</b>		
MAINTAIN AND EXTEND INVESTMENT SERVICING INFORMATION DATABASE	BHCC	BHEP

CONTINUE TO MONITOR LOCAL, NATIONAL AND INTERNATIONAL INVESTMENT TRENDS AND UNDERTAKE SECTOR SPECIFIC RESEARCH AND INTELLIGENCE WORK	BHEP	BHCC, SEEDA
RE-ASSESS WHO ARE NOW COMPETITOR LOCATIONS AND THEIR ACTIVITIES. ESTABLISH A NEW PROGRAMME TO OVERTAKE IDENTIFIED COMPETITOR LOCATIONS IN LINE WITH BRIGHTON & HOVE'S ECONOMIC STRATEGY	BHEP	BHCC
<b>3. AFTERCARE</b>		
CONTINUE AFTERCARE ACTIVITIES INCLUDING EXISTING INVESTOR DATABASE, AFTERCARE PROGRAMME AND REVIEW OF INFORMATION	BHCC	
<b>4. INVESTMENT ENVIRONMENT DEVELOPMENT</b>		
FOCUS EFFORTS ON ENSURING THE ECONOMIC AND BUSINESS ENVIRONMENT IS A PRINCIPAL ELEMENT OF ALL REGENERATION, DEVELOPMENT AND RENEWAL PROJECTS WITHIN THE CITY	BHCC	BHEP, SEEDA
IDENTIFY CRITICAL NEW DEVELOPMENT OPPORTUNITIES AND REGENERATION INTERVENTIONS TO FURTHER ENHANCE AVAILABILITY OF BUSINESS FLOORSPACE AND PREMISES AND CLUSTERING OPPORTUNITIES FOR BUSINESSES. THIS SHOULD BE WRAPPED INTO WIDER QUALITY OF LIFE/PLACE INTERVENTIONS BUILDING ON THE CURRENT PROGRAMME OF REGENERATION ACTIVITIES (2008) AND SUPPORTED BY NEW/REVISED POLICIES IN THE LOCAL DEVELOPMENT FRAMEWORK DPDS	BHCC	BHEP, SEEDA
CONTINUE TO CARRY OUT AN ANNUAL SURVEY OF EXISTING INVESTORS	BHEP	BHCC
<b>5. PERFORMANCE MEASUREMENT</b>		
CONTINUE TO REVIEW AND SET NEW OVERALL TARGETS - NUMBER OF INVESTMENTS, NUMBER OF EXPANSIONS, AMOUNT OF INVESTMENT, NUMBER OF JOBS, NUMBER OF VISITS, NUMBER OF ENQUIRIES	BHCC	BHEP
CONTINUE TO DISTRIBUTE STATISTICS ON A MONTHLY BASIS AND REVIEW QUARTERLY	BHCC	BHEP, SEEDA

## AFTERCARE FRAMEWORK

- 1.22 The Aftercare Framework is designed to ensure that there is an excellent relationship and linkages established with Brighton & Hove businesses. The Aftercare Framework should be able to identify and resolve issues that those businesses raise that may otherwise restrain future growth, re-investment or ultimately cause the loss of the business from the city either externally or through financial failure. The importance of aftercare is confirmed by UNCTAD's World Investment Report (2007) which notes that retained profits now account for an estimated 30% of foreign direct investment inflows.
- 1.23 Refinement to current activity or potentially an additional Aftercare Manager is required at the local level to service existing businesses and liaise with the activities being undertaken at the strategic level by SEEDA. This position should be provided with a budget to operate the Aftercare Framework.
- 1.24 The Framework provides the structure and means to increase the quality of aftercare within the Brighton & Hove local economy across the business base (all sectors, not just priority ones). This post should be within the City Council. Working protocols will need to be established to agree roles and responsibilities between SEEDA, the City Council, and the Brighton & Hove Economic Partnership in this context.
- 1.25 The Aftercare Framework cycle is set out below. This is a systematic approach to the identification of business issues and challenges based on targeting those businesses within priority sectors first and foremost, but seeking to ensure that over a three year rolling programme that all businesses in the city that are either in priority economic sectors or are above 50 employees or more than £500,000 annual turnover are contacted.

**Figure 1 - The Brighton & Hove Aftercare Programme Cycle**



1.26 Taking each action in the Aftercare Cycle in turn, the work to be undertaken is as follows:

- **1. Targeting** – This BRIL Strategy and Implementation Plan identifies the key business sectors that are priorities to target. Alongside the priority sectors, all businesses within Brighton & Hove should be targeted according to employee size (more than 50 employees); turnover (in excess of £500,000 per annum). This must be achieved in conjunction with SEEDA to ensure that there is no duplication of efforts, or obvious gaps in coverage.
- **2. Engagement methods** – utilising sector and business level research, each business to be targeted within the Aftercare Programme must be profiled. It is then essential to make initial contact to obtain a clear understanding of on what basis, frequency and method will the individual business wish to be engaged with. Different techniques will be required including a combination of contact forms such as one-on-one meetings, engagement via senior officers and Elected

Members, invitations to business development networking or social or sporting events. The Aftercare Programme must capture all of these requirements and expectations to co-ordinate activities effectively.

- **3. Shaping Aftercare Discussions** – there is a need to consider the structure and content for any aftercare contact. It will be important to understand the existing and potential future business needs (land, premises, skills, funding, legal support, business planning processes of each business if aftercare is to be effective.
- **4. Undertake Contact** – undertaking the contact through whichever means is most appropriate for that business is the critical action in the Aftercare Programme. The contact meeting/discussion must be structured to ensure that the targeted business has every opportunity to raise the issues it needs to and that this is swiftly followed up by a feedback note or minute of the discussions identifying what actions will be taken by the City Council to resolve issues and over what timescale. Follow-up meetings/discussions should be arranged at the same time and the Aftercare Programme database updated accordingly (including the note of what was discussed).
- **5. Co-ordinating Responses** – the ability to co-ordinate and deal with issues raised at the contact meeting is critical to the effectiveness of the Aftercare Programme. The response must identify the individuals to take responsibility for each issue and action required and to ensure that this is swiftly fed back to the business with the outcomes/resolution of the issue clearly identified. The original point of contact to original point of contact is preferential and more effective in co-ordinating responses.
- **6. Performance Review** – there is a need to monitor and review the Aftercare Programme on a regular, quarterly basis. This monitoring will inform the wider performance management of the BR11 Strategy and Implementation Plan as well as inputting to research, foresight and intelligence activities. Performance review and the identification of common issues/themes raised by Brighton & Hove businesses may be brought together to evidence the need for particular development or regeneration initiatives or to form the basis for targeted business support or business development networking. The performance review should be undertaken in the form of a follow-on telephone call to the business coupled with an annual satisfaction survey (web or mail) of those with businesses within the Aftercare Programme.

1.27 The specific aftercare issues that will be most important for Brighton & Hove businesses are:

- Identification of suitable accommodation and premises and site specific issues related to their own current premises.

- The provision and adequacy of services such as parking, waste and recycling collection and communications infrastructure;
- Availability and links to obtaining employees with appropriate skills and experience;
- Availability and how to access business support and advisory services;
- The opportunity for businesses to become more engaged in established business networks;
- Clarification of the role of the City Council, Brighton & Hove Economic Partnership and other authorities and agencies engaged in the provision of business related services.
- Other issues that may be beneficial to raise will include the businesses own sentiment of market trading conditions and outlook as well as the reasons for their selection of Brighton & Hove as the preferred business investment location.

1.28 It is recommended that the City Council establish a clear schedule of business lease lengths including rent review periods and break clause dates. These are critical points for most businesses in making future plans for further investment, relocation or indeed to dispose of a particular asset as they represent opportunities to re-assess property and business requirements and fit these to business ambitions without financial penalty for breaking lease terms or covenants.

## HEADLINE ACTION PLANS AND COSTS

1.29 The costs and resources required to implement this Action Plan are set out in the following tables for the short, medium and long term periods. The majority of the resource requirements identified are staff time inputs to develop and improve and extend existing activities and in some cases re-orientate or better capture business and investor information.

1.30 The Action Plan does not therefore require extensive new capital or revenue funds in order to be successfully achieved. Indeed, where specific budget costs are identified these are for particular, discrete tasks such as the development and operation of a particular data system or website, or in the preparation of promotion and propositional tools as part of a wider communication and investment promotion programme.

**Table 5 – Overview Resources / Cost Range**

Cross-Cutting Actions	Overview Resources / Cost Range
<b>1. Investment Promotion</b>	
1a. Investor Servicing	Mostly existing staff time and resources.
1b. Site Database	Existing staff time and resources.
1c. Image Building	Staff time and resources supported by project/task expenditure to develop eventing programme and communications/marketing proposition tools and web-site development.
1d. Investment Generation	Existing staff time and resources.
<b>2. Research, Foresight &amp; Intelligence</b>	
Existing staff time and resources, coupled with survey expenditure on an annual basis.	
<b>3. Aftercare</b>	
Existing staff time and resources.	
<b>4. Investment Environment Development</b>	
Existing staff time and resources.	
<b>5. Performance Measurement</b>	
Existing staff time and resources.	



**Table 6 - Short Term Action Plan Resource Implications**

Activity	Lead Responsibility	Cost / Resource Range	Co-ordinate with / contribution by
<b>1. INVESTMENT PROMOTION</b>			
1a. Investor Servicing			
Establish servicing standards	BHCC	Staff time	BHEP
Develop, maintain and extend servicing information networks	BHCC	Staff time	BHEP
Respond to enquiries – written, telephone, electronic, personal	BHCC	Staff time	
Establish Investor Tracking System	BHCC	£10,000	BHEP, SEEDA
Develop proforma investment proposition presentations, written and verbal	BHCC	£15-20,000	BHEP
Systematically follow up on enquiries	BHCC	Staff time	
Arrange visits and accompany visitors	BHCC	Staff time	BHEP
Systematically follow up on visits	BHCC	Staff time	
Record statistics for performance measurement	BHCC	Staff time	BHEP, SEEDA
1b. Site Database			
Maintain and extend site database	BHCC	Staff time	SEEDA
Maintain networks for sourcing and maintaining site and property information	BHCC	Staff time	BHEP, SEEDA
Maintain systems for the efficient dissemination of site and property information	BHCC	Staff time	
Produce Investment Servicing information as required	BHCC	Staff time	
1C. Image building			
Co-ordinate and align communications strategies and gain agreement of stakeholders. This should build on the existing communications strategies by the City Council, Brighton & Hove Economic Partnership and SEEDA	BHCC	Staff time	BHEP, SEEDA
Develop co-ordinated annual, targeted event programme between the main stakeholders, including major media coverage	BHEP	£10-£12,000	BHCC
Develop, maintain and extend media contact database, local, national, international	BHEP	£7,000	BHCC
Update and improve accessibility of website, including maintenance	BHCC	£5-10,000	
Regular issue of press releases co-ordinated between the City Council, Economic Partnership and SEEDA	BHCC	Staff time	BHEP, SEEDA
Review and respond to opportunities for business retention and inward investment publicity for Brighton & Hove in a co-ordinated manner	BHCC	Staff time	BHEP
Review existing promotional, proposition and supporting inward investment materials and plan rolling 18 month improvement programme	BHCC	Staff time	BHEP
Produce new promotional materials as required	BHCC	£15-25,000	BHEP
Maintain close feedback and performance liaison with Investment Servicing staff	BHCC	Staff time	BHEP
1d. Investment Generation			

Activity	Lead Responsibility	Cost / Resource Range	Co-ordinate with / contribution by
Establish and plan activities for an annual business retention and investment exhibition and eventing programme (identifying major opportunities and resources necessary to maximise outcomes from attendance and participation at such events)	BHCC	Staff time	BHEP
Develop, maintain and extend general multiplier database	BHCC	Staff time	BHEP, SEEDA
Develop, maintain and extend sectoral multiplier database	BHCC	Staff time	BHEP, SEEDA
Plan multiplier contact programme	BHCC	Staff time	BHEP
Implement exhibition and eventing programme, including structured performance and outcomes assessment	BHCC	£30-£50,000	BHEP
Implement multiplier contact programme	BHCC	Staff time	BHEP
Initiate contacts based on aftercare feedback	BHCC	Staff time	BHEP
Maintain close feedback and performance liaison with Investment Servicing staff	BHCC	Staff time	BHEP
Establish plan for future, limited, direct marketing activities	BHCC	Staff time	BHEP, SEEDA
<b>2. Research, Foresight &amp; intelligence</b>			
Extend and develop Investment Servicing information database	BHCC	Staff time	BHEP
Carry out further sector research for identified priority target sectors covering: <ul style="list-style-type: none"> <li>➢ Background and current / future business trends (including driving forces and challenges faced)</li> <li>➢ Brighton &amp; Hove strengths</li> <li>➢ Existing companies in Brighton &amp; Hove</li> <li>➢ Further specific opportunities in Brighton &amp; Hove (including supply chain and procurement advice for small firms)</li> </ul>	BHCC	£20-£30,000	BHEP, SEEDA
Monitor local, national and international investment trends	BHEP	£10-£15,000	BHCC, SEEDA
Monitor and assess competitor location activities	BHEP	£10,000	BHCC
<b>3. Aftercare</b>			
Develop guidelines for visits and contacts to existing investors	BHCC	Staff time	
Develop, maintain and extend categorised database of existing investors	BHCC	Staff time	BHEP, SEEDA
Develop and manage aftercare programme (see sub-section below)	BHCC	Staff time	BHEP, SEEDA
Carry out and record aftercare visits and contacts	BHCC	Staff time	BHEP, SEEDA
Distribute information gathered to all other relevant departments and stakeholders	BHCC	Staff time	
Formal quarterly review of Aftercare programme	BHCC	Staff time	BHEP
<b>4. Investment Environment Development</b>			
Develop and maintain network of contacts for:	BHCC	Staff time	BHEP
Formally obtain feedback on the Brighton & Hove investment environment through Investment Servicing and Aftercare stakeholders	BHEP	Staff time	BHCC, SEEDA
Work to improve the investment environment through the advocacy of a programme of quality of place change and through the involvement of appropriate authorities	BHCC	Staff time	BHEP, SEEDA

Activity	Lead Responsibility	Cost / Resource Range	Co-ordinate with / contribution by
Carry out an annual survey of existing investors, including potential 'Meet the Buyer' events to promote supply chain linkages	BHEP	£7-10,000	BHCC
<b>5. Performance Measurement</b>			
Set overall targets for number of investments, number of expansions, amount of investment, number of jobs, number of visits, number of enquiries. This should be in accordance with Local Area Agreement targets set for Brighton & Hove	BHCC	Staff time	BHEP
Set and agree activity targets (e.g. number of events attended, number of brochures produced, number of articles placed, etc.)	BHCC	Staff time	BHEP
Establish a performance monitoring and update system for targets and activities	BHCC	Staff time	BHEP
Gather and record performance statistics	BHCC	Staff time	BHEP, SEEDA
Distribute statistics on a monthly basis	BHCC	Staff time	
Review quarterly	BHCC	Staff time	BHEP, SEEDA

**Table 7 - Medium Term Action Plan Resource Implications**

Activity	Lead Organisation	Cost / Resource Range	Co-ordinate with / contribution by
<b>1. Investment promotion</b>			
<b>1a. Investor Servicing</b>			
Respond to enquiries – written, telephone, electronic, personal	BHCC	Staff time	
Record all enquiries on an Investor Tracking System	BHCC	Staff time	
Arrange visits and accompany visitors	BHCC	Staff time	BHEP
Systematically follow up on visits	BHCC	Staff time	
Review servicing standards	BHCC	Staff time	
Maintain and extend information networks	BHCC	Staff time	BHEP
Improve and update written and verbal investment proposition proforma presentations , potential to make this sector specific	BHCC	£10-£15,000	BHEP
Systematically follow up on enquiries	BHCC	Staff time	
Record statistics for performance measurement	BHCC	Staff time	BHEP, SEEDA
<b>1B. Site Database</b>			
Maintain site database	BHCC	Staff time	SEEDA
Maintain networks for sourcing and maintaining site and property information	BHCC	Staff time	BHEP, SEEDA
Maintain established systems for the efficient dissemination of site and property information	BHCC	Staff time	
Produce Investment Servicing information as required	BHCC	Staff time	
<b>1c. Image building</b>			
Review communications strategy	BHCC	Staff time	BHEP, SEEDA
Assess effectiveness of image building and investment generation activities	BHCC	Staff time	BHEP
Assess and update annual, targeted event programme, including major media coverage	BHCC	Staff time	BHEP
Maintain and extend media contact database, for local, national and international media	BHEP	Staff time	BHCC
Maintain and improve website	BHCC	£5-£10,000	
Regular issue of press releases	BHCC	Staff time	BHEP, SEEDA
Continue to review and respond to opportunities for business retention and inward investment publicity for Brighton & Hove in a co-ordinated manner	BHCC	Staff time	BHEP
Review effectiveness and currency of existing business retention and investment promotional materials and make updates/refresh as appropriate	BHCC	Staff time	BHEP
Maintain close feedback and performance liaison with Investment Servicing staff	BHCC	Staff time	BHEP
<b>1d. Investment Generation</b>			
Review and update annual exhibition/eventing attendance and participation programme. Examine outcomes and value for money returns achieved	BHCC	Staff time	BHEP

Activity	Lead Organisation	Cost / Resource Range	Co-ordinate with / contribution by
Maintain and extend general multiplier database	BHCC	Staff time	BHEP, SEEDA
Maintain and extend sectoral multiplier database	BHCC	Staff time	BHEP, SEEDA
Update and continue to implement the multiplier contact programme	BHCC	Staff time	BHEP
Continue to initiate contacts based on aftercare feedback	BHCC	Staff time	BHEP
Maintain close feedback and performance liaison with Investment Servicing staff	BHCC	Staff time	BHEP
Prepare and undertake limited direct marketing activities	BHCC	£15,20,000	BHEP, SEEDA
<b>2. Research, Foresight and Intelligence</b>			
Maintain and extend Investment Servicing information database	BHCC	Staff time	BHEP
Update ongoing sector specific research for priority target sectors	BHCC	£10-£15,000	BHEP, SEEDA
Monitor local, national and international investment trends	BHEP	Staff time	BHCC, SEEDA
Monitor and assess competitor location activities and establish actions to raise Brighton & Hove's competitive edge	BHEP	Staff time	BHCC
<b>3. Aftercare</b>			
Review guidelines for visits and contacts to existing investors	BHCC	Staff time	
Maintain and extend database of existing investors	BHCC	Staff time	BHEP, SEEDA
Develop and manage aftercare programme (see sub-section below)	BHCC	Staff time	BHEP, SEEDA
Carry out and record aftercare visits and contacts	BHCC	Staff time	BHEP, SEEDA
Continue to distribute information gathered to all other relevant departments and stakeholders	BHCC	Staff time	
Review Aftercare programme and effectiveness/timeliness of quarterly review of programme	BHCC	Staff time	BHEP
<b>4. Investment Environment Development</b>			
Maintain and extend network of contacts	BHCC	Staff time	Other stakeholders as identified in Short Term Activities
Formally obtain feedback on the investment environment from Investment Servicing, Aftercare and other stakeholders	BHEP	Staff time	BHCC, SEEDA
Continue work to improve the investment environment through the advocacy of new development projects, regeneration initiatives and quality of place interventions.	BHCC	Staff time	BHEP, SEEDA
Carry out an annual survey of existing investors	BHEP	£5-£10,000	BHCC
<b>5. Performance Measurement</b>			
Review and set new overall targets - number of investments, number of expansions, amount of investment, number of jobs, number of visits, number of enquiries	BHCC	Staff time	BHEP
Set and agree new, updated activity targets	BHCC	Staff time	BHEP
Gather and record performance statistics	BHCC	Staff time	BHEP
Continued monthly distribution of statistics	BHCC	Staff time	

Activity	Lead Organisation	Cost / Resource Range	Co-ordinate with / contribution by
Review quarterly	BHCC	Staff time	BHEP, SEEDA

**Table 8 - Long Term Action Plan Resource Implications**

Activity	Lead Organisation	Cost / Resource Range	Co-ordinate with / contribution by
<b>1. Investment promotion</b>			
1a. Investor Servicing			
Continued provision of the business investor 'one stop shop' approach including investor tracking, servicing review and follow-up of enquiries and statistical recording	BHCC	Staff time	BHEP
Complete refresh of investment proposition proforma presentations	BHCC	£10,000	BHEP
1B. Site Database			
Continued maintenance of the site database and information sourcing and dissemination networks	BHCC	Staff time	SEEDA
1c. Image building			
Continued review of communications strategy and targeted eventing programme including its effectiveness and use	BHCC	Staff time	BHEP, SEEDA
Develop and run Brighton & Hove's own business inward investment conference/convention utilising the evolved Brighton Brand as a key attraction to businesses to attend. Brighton & Hove could take a major role in promoting business inward investment in the South East region as one of the principal urban centres and economic powerhouses	BHCC	£50-£75,000	BHEP, SEEDA, Central Government (DBERR or successor)
1d. Investment Generation			
Review and update annual exhibition/eventing attendance and participation programme. Examine outcomes and value for money returns achieved	BHCC	Staff time	BHEP
Maintain and extend general and sectoral multiplier databases and contact programmes	BHCC	Staff time	BHEP, SEEDA
Continued limited, direct marketing activities targeted specifically to emerging sectors based on research, foresight and intelligence	BHCC	£10-£15,000	BHEP, SEEDA
<b>2. Research, Foresight and Intelligence</b>			
Maintain and extend Investment Servicing information database	BHCC	Staff time	BHEP
Continue to monitor local, national and international investment trends and undertake sector specific research and intelligence work	BHEP	£10-£20,000	BHCC, SEEDA
Re-assess who are now competitor locations and their activities. Establish a new programme to overtake identified competitor locations in line with Brighton & Hove's Economic Strategy	BHEP	£20,000	BHCC
<b>3. Aftercare</b>			
Continue aftercare activities including existing investor database, aftercare programme and review of information	BHCC	Staff time	
<b>4. Investment Environment Development</b>			
Focus efforts on ensuring the economic and business environment is a principal element of all regeneration, development and renewal projects within the City	BHCC	Staff time	BHEP, SEEDA
Identify critical new development opportunities and regeneration interventions to further enhance availability of business floorspace and premises and clustering opportunities for businesses. This should be wrapped into wider quality of	BHCC	£20-£30,000	BHEP, SEEDA

Activity	Lead Organisation	Cost / Resource Range	Co-ordinate with / contribution by
life/place interventions building on the current programme of regeneration activities (2008) and supported by new/revised policies in the Local Development Framework DPDs			
Continue to carry out an annual survey of existing investors	BHEP	£10,000	BHCC
<b>5. Performance Measurement</b>			
Continue to review and set new overall targets - number of investments, number of expansions, amount of investment, number of jobs, number of visits, number of enquiries	BHCC	Staff time	BHEP
Continue to distribute statistics on a monthly basis and review quarterly	BHCC	Staff time	BHEP, SEEDA

## SECTOR ACTIONS

- 1.31 Sector specific business retention and inward investment activities can be identified that will be necessary as a counterpart to the Cross-Cutting Actions set out previously. The need for sector specific actions is to ensure that the business retention and investment environment for the key current and future growth sectors is supported and effectively prioritised through targeted efforts.



**Table 9 – Sector Specific Actions**

FOOD AND DRINK	<p>ENSURE SUITABLE SUPPLY OF SMALL TO MEDIUM SIZED PREMISES</p> <p>OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY</p> <p>PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES</p>	<p>IMPROVE TRANSPORT ACCESSIBILITY TO RAW MATERIALS AND CUSTOMER/CONSUMER END MARKETS</p> <p>IMPROVE TRANSPORT ACCESS TO PREMISES OUTSIDE THE CORE URBAN AREA</p>	
PRINTING	<p>SECURE AFFORDABLE PREMISES</p> <p>OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY</p> <p>PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS</p>	<p>DEVELOPMENT OF HIGHER SPECIFICATION AND AFFORDABLE PREMISES</p> <p>ENCOURAGE CLUSTER DEVELOPMENT LINKS TO THE UNIVERSITIES</p>	<p>IMPROVED AVAILABILITY OF ICT SKILLS AND ADAPTABLE EMPLOYEES</p> <p>TRAINING AND SUPPORT FOR BUSINESS MANAGEMENT AND ENTREPRENEURIAL ACTIVITIES</p>

	<p>FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES</p>		
<p>FINANCIAL SERVICES</p>	<p>OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES</p>	<p>IDENTIFICATION AND ALLOCATION OF APPROPRIATE URBAN CORE AND CENTRE ACCOMMODATION FOR OCCUPIERS (FOCUS ON BRIGHTON CENTRE AND CHURCHILL SQUARE)  ENCOURAGEMENT FOR HIGHER SPECIFICATION ENVIRONMENTAL ACCOMMODATION</p>	<p>IMPROVED AVAILABILITY OF HIGHER PROFESSIONAL SKILLS AND LOWER SKILLED EMPLOYEES  STRENGTHEN EMPLOYMENT LINKS BETWEEN UNIVERSITIES AND SECTOR BUSINESSES</p>
<p>COMPUTING AND RELATED SERVICES</p>	<p>IDENTIFY, ALLOCATE AND SUPPORT BUSINESS CLUSTERING WITHIN INDIVIDUAL BUILDINGS AND WITHIN SPECIFIC AREAS  OFFER PROCUREMENT ADVICE TO PROMOTE THE</p>	<p>SUPPORT THE EXPANSION OF ICT INFRASTRUCTURE , PARTICULARLY EXPANSION OF BROADBAND CAPACITY AND WIFI 'CLOUD' OPPORTUNITIES</p>	<p>PROTECTION OF IP AND PRODUCT SPIN OFFS</p>

	<p>'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY</p> <p>PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES</p>		
<p>OTHER BUSINESS SERVICES (CREATIVE INDUSTRIES)</p>	<p>IDENTIFICATION AND ALLOCATION OF SPECIFIC ACCOMMODATION AND PREMISES TO ACCOMMODATE THE MINIMUM ANTICIPATED GROWTH ACROSS THE SECTOR – ACCORDING WITH THE CREATIVE INDUSTRIES WORKSPACE STUDY (2008)</p> <p>OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY</p> <p>PROMOTE SECTOR</p>	<p>IDENTIFY, ALLOCATE AND SUPPORT BUSINESS CLUSTERING WITHIN INDIVIDUAL BUILDINGS AND WITHIN SPECIFIC AREAS (CITY CENTRE, HOVE TOWN CENTRE, LONDON ROAD CORRIDOR)</p>	<p>SUSTAINED FOCUS AND INVESTMENT INTO CITY CENTRE AND HOVE TOWN CENTRE ENVIRONMENTAL IMPROVEMENTS AND PLACE-MAKING INITIATIVES</p> <p>SUPPORT CONTINUED EVOLUTION OF THE EVENING ECONOMY, PARTICULARLY EATING AND DRINKING OPPORTUNITIES AS FOCAL POINTS FOR CREATIVE INDUSTRY NETWORKS</p>

	<p>SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES</p>		
<p>RETAIL</p>	<p>PROTECTION AND MANAGEMENT OF EXISTING RETAIL FLOORSPACE</p> <p>REVIEW RETAIL FLOORSPACE REQUIREMENTS ACROSS THE CITY IN LIGHT OF THE CURRENT ECONOMIC SITUATION</p> <p>OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY</p> <p>PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND</p>	<p>PREPARE AND SUPPORT PLANNING POLICIES TO ENSURE APPROPRIATE RETAIL FLOORSPACE OF SUITABLE FOOTPRINT, LOCATION AND VISIBILITY IS DEVELOPED AND RETAINED</p>	<p>SUSTAINED FOCUS AND INVESTMENT INTO CITY CENTRE RETAIL ENVIRONMENTAL IMPROVEMENTS AND PLACE-MAKING INITIATIVES</p>

	SUPPORTING BUSINESS SERVICES		
HEALTH	OFFER PROCUREMENT ADVICE TO PROMOTE THE 'BE LOCAL BUY LOCAL' ASPIRATION THROUGHOUT THE ECONOMY PROMOTE SECTOR SPECIFIC 'MEET THE BUYER' EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES	ENCOURAGE CLUSTER DEVELOPMENT LINKS TO THE EXISTING MEDICAL SERVICES AND RESEARCH FACILITIES, NHS TRUST AND MEDICAL TEACHING SCHOOL	PROTECTION OF IP AND PRODUCT SPIN OFFS
ENVIRONMENTAL INDUSTRIES – BUSINESS ENVIRONMENTAL PERFORMANCE / PRACTICES	PROMOTION / INCREASE AWARENESS OF THE BENEFITS OF ENVIRONMENTAL BUSINESS ACCREDITATION STANDARDS FOR BRIGHTON & HOVE BUSINESSES TO ISO:14001 INTERNATIONAL STANDARD, AND ECO-MANAGEMENT	DEVELOPMENT OF A SUPPORT AND KNOWLEDGE BASE FOR ENVIRONMENTAL ACCREDITATION TO ACTIVELY SUPPORT BUSINESSES TO AUDIT THEIR PROCESSES/SYSTEMS AND OUTPUTS AND ACHIEVE ACCREDITATION	
ENVIRONMENTAL INDUSTRIES – ENVIRONMENTAL TECHNOLOGIES	UNDERTAKE SPECIFIC RESEARCH INTO	SUPPORT THE EXPANSION OF ICT INFRASTRUCTURE	SUPPORT AND ASSIST THE PREPARATION OF PLANNING

AND THEIR POTENTIAL FOR BRIGHTON & HOVE	WORKSPACE REQUIREMENT S OF ENVIRONMENT AL INDUSTRIES – INCLUDING UNIVERSITY SPIN-OFFS / GROW ON REQUIREMENT S OFFER PROCUREMENT ADVICE TO PROMOTE THE ‘BE LOCAL BUY LOCAL’ ASPIRATION THROUGHOUT THE ECONOMY PROMOTE SECTOR SPECIFIC ‘MEET THE BUYER’ EVENTS FOCUSING ON INTRODUCING LARGE LOCAL OCCUPIERS AND THE SMALLER BUSINESS BASE AND SUPPORTING BUSINESS SERVICES	, PARTICULARLY EXPANSION OF BROADBAND CAPACITY AND WIFI ‘CLOUD’ OPPORTUNITIES TO ASSIST IN THE DELIVERY OF ‘DEMATERIALIZED’ PRODUCTS TO CUSTOMERS/CON SUMERS UNDERTAKE FEASIBILITY STUDY INTO THE POTENTIAL FOR AN ENVIRONMENTAL TECHNOLOGY PARK INCLUDING START-UP SPACE, GROW-ON SPACE, AND LEARNING FACILITIES ALIGNED WITH THE EXISTING UNIVERSITY PROVISION	APPLICATIONS FOR ENVIRONMENTAL TECHNOLOGY AND ENERGY DEVELOPMENTS, PARTICULARLY THE PROPOSED OFF-SHORE WIND FARM DEPENDING ON THE OUTCOME OF PREVIOUS FEASIBILITY WORK, POTENTIAL ROLE FOR PUBLIC SECTOR IN DELIVERING ENVIRONMENTAL TECHNOLOGY PARK
---	---	--	--

## DELIVERY STRUCTURES

### ORGANISATIONAL STRUCTURES

1.32 A number of potential options for delivery are suggested, related back to the key business retention and inward investment activities previously identified. Each delivery model assigns different responsibilities and activities for each key ‘agency’ identified. The delivery options include:

- Strengthening business retention and inward investment within the City Council;
- A new business retention and inward investment team within the Brighton & Hove Economic Partnership;

- Do-minimum.

1.33 Across all three options proposed it is recommended that Wired Sussex are supported in their ongoing (and established) business retention and inward investment activities. Wherever possible Wired Sussex and the chosen delivery agencies for the wider BRIL remit should be aligned with coherent structures and methods in place to ensure a mutual understanding of activity, opportunity and success.

*Delivery Option 1 – Strengthening of Business Retention and Inward Investment Activities at the City Council*

1.34 In this option the existing Economic Development Team at the City Council would be strengthened and activities widened to fulfil a more proactive role. Currently the Economic Development Team at the City Council maintains the commercial property database and directly responds to potential investment enquiries where appropriate on an ad hoc basis.

1.35 The activities undertaken by the City Council have resulted in a high quality and up-to-date site database and some investment success. However, the activities are predominantly re-active, responding to enquiries, and not actively targeting potential investors. We understood from discussions with the City Council that this re-active approach is mainly due to a lack of resources.

1.36 In this option additional funding resources should be identified and targeted to increase the pro-active investment generating activities undertaken by the City Council.

1.37 It is deemed appropriate that SEEDA, through their IDM post, continue to target strategically important companies already within the Brighton & Hove economy. However, there is the potential through increased resources or refinement of existing roles within the Economic Development Team for the City Council to undertake the 'next tier' down aftercare activities.

1.38 An overview of the involvement of the different organisations in investment activities under this option is given below.

**Table 10 - Sharing of Responsibilities and Activities under Delivery Option 1**

	SEEDA	BRIGHTON & HOVE CC	B&HEP
INVESTOR SERVICING FOREIGN INVESTMENT	√	√	
INVESTOR SERVICING UK INVESTMENT		√	
SITE DATABASE		√	
IMAGE GENERATION		√	
RESEARCH		√	
AFTERCARE FOREIGN AND KEY INVESTORS	√	√	
AFTERCARE MEDIUM AND SMALL BUSINESSES		√	
INVESTMENT ENVIRONMENTAL DEVELOPMENT		√	
PERFORMANCE MEASUREMENT		√	

*Delivery option 2 – A New Business Retention and Inward Investment Team within the Brighton & Hove Economic Partnership*

- 1.39 In this option a new team would be established within the Economic Partnership with the remit of delivering the Business Retention and Inward Investment Strategy – this would effectively out-source this function from the City Council’s direct remit. The Director of this team would report to the EP board and representatives of the key stakeholders (SEEDA, City Council).
- 1.40 This team would be the lead organisation for attracting inward investment to Brighton & Hove. Under this option it would be possible to ensure a focused and independent approach to delivering the stated priorities. As such it would be independent of the planning and highway authorities who in some cases have to take a critical stance to requests form businesses or potential investors. Such a team could also provide an increased private sector culture.
- 1.41 Such an arrangement would go beyond any agreed within the Brighton & Hove Local Area Agreement 2008 to 2011. It would effectively form a quango organisation that would be (at least partially) funded by the City Council – bringing into the question the efficiency of this approach to delivering the desired objectives.



**Table 11 - Sharing of Responsibilities and Activities under Delivery Option 2**

	SEEDA	BRIGHTON & HOVE CC	B&HEP
INVESTOR SERVICING FOREIGN INVESTMENT	√		√
INVESTOR SERVICING UK INVESTMENT			√
SITE DATABASE			√
IMAGE GENERATION		√	√
RESEARCH		√	√
AFTERCARE FOREIGN AND KEY INVESTORS	√		√
AFTERCARE MEDIUM AND SMALL BUSINESSES			√
INVESTMENT ENVIRONMENTAL DEVELOPMENT		√	√
PERFORMANCE MEASUREMENT			√

*Delivery Option 3 – do minimum*

- 1.42 This option would see an equal share of additional funding amongst the organisations currently involved in business retention and inward investment generation. It would essentially result in enhancement of existing roles including potential refinement of existing remits, specifically increasing capacity within the City Council to facilitate more pro-active activities.

**Table 12 – Sharing of Responsibilities and Activities under Delivery Option 3**

	SEEDA	BRIGHTON & HOVE CC	B&HEP
INVESTOR SERVICING FOREIGN INVESTMENT	√		
INVESTOR SERVICING UK INVESTMENT			
SITE DATABASE		√	
IMAGE GENERATION			√
RESEARCH		√	
AFTERCARE FOREIGN AND KEY INVESTORS	√		
AFTERCARE MEDIUM AND SMALL BUSINESSES	√	√	
INVESTMENT ENVIRONMENTAL DEVELOPMENT			√
PERFORMANCE MEASUREMENT			

***PREFERRED DELIVERY OPTION***

- 1.43 Based on the assessment of the delivery options we recommend a co-operative and co-ordinated approach to business retention and inward investment activities within Brighton & Hove. This should be delivered by the City Council and must be recognised as being a dedicated team – and branded as such.
- 1.44 Where investment activities are currently provided these activities should remain within these organisations. This includes existing research gathering and the commercial property database.
- 1.45 It is suggested that new posts should be housed within the City Council Economic Development Team (effectively re-branding roles that are already in post). The team should be designed to operate in a co-operative and co-ordinated way with all stakeholders to meet the agreed targets. This would include establishing working protocols and outsourcing specific tasks to organisations best placed to fulfil these tasks.
- 1.46 Whilst there are clearly resource implications to the recommendations presented herein it is important to note the clear distinction in the role that the City Council could have in this process moving forwards. Specifically, the City Council represent a key stakeholder and partner in the investment generating process. However, as a

stakeholder representing a wide range of interests outside the investment generating process there is also the potential of conflicts of interest (e.g. as the planning authority the City Council may have to take a critical position to physical development plans from investors).



# **ENTERPRISE, EMPLOYMENT & MAJOR PROJECTS CABINET MEMBER MEETING**

## **Agenda Item 55**

Brighton & Hove City Council

<b>Subject:</b>	<b>Economic Strategy</b>		
<b>Date of Meeting:</b>	<b>23 March 2009</b>		
<b>Report of:</b>	<b>Director of Cultural Services</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Adam Bates</b>	<b>Tel:</b> 292600
	<b>E-mail:</b>	<a href="mailto:adam.bates@ntlworld.com">adam.bates@ntlworld.com</a>	
<b>Key Decision:</b>	No		
<b>Wards Affected:</b>	All		

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 To consider and agree the Economic Strategy for Brighton & Hove produced by the Economic Partnership and covering the period 2008-2016.

#### **2. RECOMMENDATIONS:**

- 2.1 Agree the actions contained within the strategy and specifically those that require the direct support of the city council.

#### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

- 3.1 There have been two previous Economic Strategies for Brighton & Hove. The last expired at the end of 2008.
- 3.2 In April 2008, the Economic Partnership commenced work on the production of a new strategy to cover the period 2008-2016 and commissioned Stepahead Research to undertake the consultation and draft the strategy.
- 3.3 The production of the Economic Strategy is a requirement of SEEDA for their investment in the Economic Partnership and the Sub-Region.
- 3.4 The purpose of the strategy is to agree a direction for the economic development of the City among the private sector, local and regional public agencies, higher and further education and others with an interest in the local economy.
- 3.5 The Strategy comes at a time when, despite a previous period of economic growth, the economy is in recession.

- 3.6 The Economic Partnership has a broad membership which attempts to represent each sector of the city's economy and consists of most of the business organisations from the City. A full list is contained at Appendix A. Members from the Administration and opposition Party have a seat on the Partnership and the Chief Executive and relevant officers also attend.
- 3.7 The strategy is a detailed document and a full version can be located here [http://www.brightonbusiness.co.uk/secure/assets/ni20081207.377912\\_493d04fa29.pdf](http://www.brightonbusiness.co.uk/secure/assets/ni20081207.377912_493d04fa29.pdf) . A copy of the action plan is attached at Appendix B.
- 3.8 The Strategy ensures good links with existing local plans and strategies. Specifically it supports all LAA Economic Indicators (NI179, 117, 152 and 163, L1-L4), it supports Corporate Plan priorities 1.1-1.6 and it aligns with the recommendations of the City Employment & Skills Plan and Reducing Inequalities Review and its spatial action plan supports the emerging Local Development Framework.
- 3.9 Within the three strategic themes of the document (Distinctiveness, Ambition and Reducing Inequality) there are a number of clear aims as follows:
- 3.9.1 Increase Employment. Our forecast population growth will require 8,000 new jobs by 2016 to remain at our current employment rate and up to 16,000 new jobs to reach an 80% target. We also have 25,000 individuals of working age in the City who are not in receipt of an unemployment benefit and therefore it is necessary to: increase the number of jobs; assist those furthest from the labour market into employment and reduce unemployment to at least the regional average.
- 3.9.2 Support Growth Sectors: 27% of the workforce is in the public sector, 30% in finance and business services and 20% in tourism, retail & hospitality and approximately 10% in creative industries. Therefore it is necessary to increase the breadth of the economic base to avoid an over-reliance on a few dominant sectors; and prioritise the fastest growing creative industries and digital media sector.
- 3.9.3 Increase the Value of Local Jobs: The City's average wage for workers and GVA are both below the regional (*latest GVA is actually on a par with the national average but still below regional*) averages and we produce 7000 graduates every year. It is therefore necessary to bring the City's GVA up to the regional average; improve the value of local jobs; provide more graduate level jobs thus freeing up entry level positions currently occupied by graduates; and increase the skills of workers at all levels.
- 3.9.4 Use the Universities to Support Growth: Our 2 Universities combined would be the 4<sup>th</sup> largest in the country and are world renowned in many respects. Therefore it is necessary to improve the links between the Universities and Colleges and Business; and to develop a SEEDA funded Innovation and Growth Team to help high growth businesses to exploit innovation.

- 3.9.5 Ensure School Leavers are Employment Ready: NVQ2 attainment is good in many schools but overall we are below the national average. Employers clearly require school leavers to be employment ready with good basic skills and it is therefore necessary to increase NVQ2 attainment in those secondary schools that currently underperform; improve collaboration between our schools and business and support the development of Falmer Academy.
- 3.9.6 Ensure The Right Mix of Housing and Employment Space: Housing in the city is expensive and family housing in short supply. We also have 1/2m square metres of commercial space in the City but only 10% of it is classified as 'high quality'. It is therefore necessary to improve the supply of affordable housing and continue to bring empty properties back into use; provide new office space and re-furbish older stock; and use commercial development to assist the regeneration of local areas such as London Road.
- 3.9.7 Keep and Support What is Best: The City's architecture, heritage, culture and independent retail offer are all recognised as valuable to valuable assets that benefit the local economy. The development of the Brighton Centre in 1977 stopped the City's visitor economy from failing. It is therefore necessary to support the provision of new retail space, the expansion of Churchill Square linked to the Brighton Centre redevelopment; make good use of sites such as the Old Post Office; and support continued regeneration of the Seafront as the City's shopwindow continuing its current emphasis on sport, art and recreation.
- 3.9.8 Keep the City Moving: It is recognised that in many respects transport is generally good especially within the city but that east-west links outside the city whether by road or rail, could be better. Demand for parking space at peak times is also difficult to meet. It is therefore necessary to keep the City moving using the most sustainable means; and improve transport links into and out of the City.
- 3.9.9 Work With the Functional Economic Area: The Sussex Coastal Diamond has Brighton & Hove at its core. The functional economic area determined by travel to work patterns, housing markets, retail catchments etc probably extends from Worthing to Newhaven to Crawley taking in Adur and a large part of Lewes. It is therefore necessary to work collaboratively with functional economic area partners.
- 3.10 A Members Workshop took place on the 20<sup>th</sup> January at which a presentation on the Economic Strategy was made by the Executive Director of the Economic Partnership. The Interim Head of Economic Development also presented the Strategy to Conservative Group on the 5<sup>th</sup> January.
- 3.11 The Strategy also takes account of emerging priority sectors for the City and its business future including 'Environmental Industries', 'Social Enterprise' and 'Digital Media'.

- 3.12 It is also worth highlighting that this report is coming forward at the same time as a report on Business Retention and Inward Investment. Consultants delivering both pieces of work have collaborated and conducted joint consultation and the conclusions of both pieces of work, though distinctive, are consistent.
- 3.13 The Economic Partnership has adopted the strategy and will drive the action plan, monitoring progress and reporting this back to the Economic Partnership.
- 3.14 The Strategy is due to be considered at the April meeting of Culture, Tourism and Enterprise Overview and Scrutiny Committee.
- 3.15 The reporting structure for monitoring the progress of the Strategy is identified in the document as follows:
- 3.15.1 The staff of the BHEP will have day to day responsibility for promoting and delivering the strategy.
- 3.15.2 The BHEP Chairman and Executive will drive the action plan and the vision set out in the strategy.
- 3.15.3 Each action area will exploit the expertise of BHEP members who will work with the BHEP staff in the delivery of the action plan.
- 3.15.4 The Executive Director of the BHEP will report at each Board meeting on the progress made against each action and the aims of the strategy. This progress report will be a standing item on the agenda at the start of each meeting.
- 3.15.5 A copy of the minutes from the quarterly BHEP meetings will be posted on the Brighton Business website.
- 3.15.6 Progress of the overall action plan will be updated at quarterly intervals using a traffic lights system to show progress and be made available to the public by posting on the Brighton Business website.

#### **4. CONSULTATION**

Wide ranging consultation was conducted by the Economic Partnership in the production of the strategy

A consultation event took place in July 2008 which sought the involvement of the business, community and voluntary sectors in the emerging strategy.

The Consultation has also sought the close engagement of stakeholders from within the Gatwick Diamond and also from SEEDA who fund the Economic Partnership and require the production of an Economic Strategy.

The membership of the Economic Partnership has continued to guide the production of the strategy at its regular meetings.

In taking forward specific actions from the Strategy there will be further member and resident consultation as appropriate on future pieces of work.



## 5. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 5.1 The actions contained within the Strategy are not intended for the Council alone. Where the Council is named the actions are generally contained within existing priorities and workplans with no expectation of additional investment over and above that already committed. The Strategy does however create the opportunity to align other grant funding including regional and European, towards the priorities identified and supports the alignment of existing resources from a variety of private and public sector organisations. It is further to be noted that the strategy links in with other plans and documents as outlined in section 3.8 of the report, with support for all Local Area Agreement economic national indicators to allow for good measurement of value for money.

*Finance Officer Consulted: Peter Francis*

*Date: 9/2/2009*

### Legal Implications:

- 5.2 There are no direct legal implications arising from this report.

*Layer Consulted: Bob Bruce Date: 3/3/2009*

### Equalities Implications:

- 5.3 The Strategy has not had an Equalities Impact Assessment completed. The Strategy is not produced by the council however the importance of the Strategy and the business partnership which has produced it merits formal agreement by the council to adopt the actions contained within it. In doing so and in continuing a cross-party involvement in the Economic Partnership and the monitoring of the actions full consideration to equalities implications can be exercised by members and officers attending partnership meetings.

### Sustainability Implications:

- 5.4 The Strategy supports sustainable development of the economy of the City, highlighting the opportunities of environmental technology (Action D11) and the aims of reducing the city's carbon footprint and resource consumption. Specifically it supports the council's Climate Change Strategy and Sustainability Strategy (Action D13).

### Crime & Disorder Implications:

- 5.5 It is not considered that there are any direct implications for crime or disorder arising from the actions contained in the Economic Strategy.

### Risk and Opportunity Management Implications:

- 5.6 The Strategy and its actions provide opportunities to positively impact the council's priorities and LAA targets. The success of the strategy would have a positive effect on the City and its communities.

### Corporate / Citywide Implications:

- 5.7 The economy inevitably impacts upon and is impacted by most other areas of public policy and citywide activity. The Strategy however has carefully considered all relevant and current local, regional and national policy in reaching its conclusions.

## **6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

The Strategy is produced by the Economic Partnership and while there is extensive consultation with council members and officers, it remains a product of the Economic Partnership.

It would be possible for the council to produce its own Economic Strategy for the City however this would be time consuming, would duplicate the required outputs of the economic partnership and would be unlikely to make the most of the business engagement that the Partnership already has.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The economy of the city needs to develop and grow. This strategy, produced by the Economic Partnership, sets out a series of priorities and actions that can help achieve that.
- 7.2 This strategy also fits with all existing local and regional policy and this council should therefore agree to the actions contained within it.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Economic Partnership Membership List
2. Economic Strategy Action Plan

### **Documents In Members' Rooms**

1. Economic Strategy 2008-2016

## Appendix A

### ECONOMIC PARTNERSHIP MEMBERSHIP LIST 2008

<b><u>NAME</u></b>	<b><u>JOB TITLE</u></b>	<b><u>ORGANISATION</u></b>	<b><u>SECTOR</u></b>
Simon Fanshawe	Chair	Economic Partnership	BHEP
Tony Mernagh	Executive Director	Brighton & Hove Economic Partnership	BHEP
Eleanor Bell	Project Officer	Brighton & Hove Economic Partnership	BHEP
Bob Allison	Pro Vice Chancellor (Research)	Sussex University	Higher Education
<i>Adam Bates</i>	Acting Asst Director, Economic Development and Regeneration	Brighton & Hove City Council	Non Executive Officer
Michael Beard	Group Editor	The Argus / Newsquest	Media
Paul Bonett	Owner  Chair	Bonetts Estate Agents  Education Business Partnership	Residential Property
Soozie Campbell	City Centre Manager	Brighton & Hove Business Forum	Independent Retail
Christine D'Cruz	Director of Commerce	edf energy	Utilities
Michael Davis	Managing Director	Welbeck Properties	Property Development
Andrew Comben	Chief Executive	Brighton Dome and Brighton Festival	Arts/Culture
Paul Dickinson	Chief Executive	Carbon Disclosure Project	Environment
Jonathan Ericson	Partner	Baker Tilly	Accountancy
Peter Field	Lord Lieutenant of East Sussex	Lord Lieutenancy	Regeneration

Trevor Freeman	Chair	Federation of Small Businesses	Small Business Membership Organisation
Roger French	Managing Director	Brighton & Hove Bus & Coach Company Ltd.	Transport
Phil Frier	Principal	City College Brighton & Hove	Further Education
Mark Froud	Chief Executive	<i>Sussex Enterprise</i>	Regional Business Membership Organization
Darren Grayson	Chief Executive	Brighton & Hove City Primary Care Trust	Health
Phil Green	Managing Director	MD Hub	Business Support Organisation
Charles Harrity	Organiser	GMB	Trade Unions
Lisa Holloway	Chair	Creative Brighton	Creative Industries
Barry Hulyer	Voluntary & Community Sector Forum Representative	The Trust for Developing Communities	Voluntary sector/community
Phil Jones	Chief Executive	Wired Sussex	New Media
Ted Kemble	Cabinet Member	Brighton & Hove City Council	Local Authority
Alan McCarthy	Chief Executive	Brighton & Hove City Council	Non Executive Officer
Cllr Gill Mitchell	Leader of the Opposition	Brighton & Hove City Council	Local Authority
Colin Monk	Pro-Vice Chancellor	University of Brighton	Higher Education
Martin Perry	Chief Executive	Brighton & Hove Albion Football Club	Sport & Community
Peter Reason	Investor Development Manager	SEEDA	Non Executive Officer
Duncan Selbie	Chief Executive	Brighton & Sussex University Hospitals NHS Trust	Health

David Shepherd	Assistant Director - Group Environmental Strategy	The Affinity Sutton Group	Housing
Julie Stanford	President	Chamber of Commerce	Local Business Membership Organization
David Smith	Area Director	Sussex Learning & Skills Council	Education & Skills
Graham McDonald	Facilities Manager South & East Area	Lloyds TSB	Financial Services
<i>Caroline Wood</i>	Area Director, Surrey and Sussex	SEEDA	Non Executive Officer
Di Woolloff	Sussex and Surrey Area Lead	GOSE	Observer

## Appendix B

The following pages contain the Area Action Plan from the Economic Strategy.

A full version of the document, including the Area Action Plan and also a Spatial Action Plan can be found in the members room and at the following URL:

[http://www.brightonbusiness.co.uk/secure/assets/ni20081207.377912\\_493d04f0a29.pdf](http://www.brightonbusiness.co.uk/secure/assets/ni20081207.377912_493d04f0a29.pdf)

It should be noted that partners listed under the 'Who' section of the Action Plan that follows are listed in no particular order and that actions themselves are not listed in order of priority.

**AMBITIOUS**

REF	WHAT	WHO	WHEN	LINK TO REGIONAL STRATEGY
A1	Seek agreement that the strategy provides the central vision for the city to realise its ambition to be a knowledge-based economy.	Economic Partnership, city council, Local Strategic Partnership, City Council, Business Associations, SEEDA	Short term	Forms part of central vision: by 2016 the South East will be a world class region achieving sustainable prosperity
A2	Provide the business voice and a lobbying role in response to new developments, infrastructure requirements, transport initiatives, and policy development	The Economic Partnership, Chamber of Commerce, Sussex Enterprise, business associations	Short term	Smart Growth,
A3	Develop of range of measures to support local businesses through the economic downturn (2009/10) including additional business support, actions to enhance SME cash flow, lobbying High Street banks and focussed marketing activities.	The City Council, Economic Partnership, Chamber of Commerce, Business Link, FSB, JobCentre Plus, SEEDA	Short Term	Smart Growth
A4	Increase awareness of the world of work in 14 – 19 year olds to make them “employment ready” via engagement with Secondary head teachers and closer links between schools, especially the new Falmer Academy, and businesses.	Economic Partnership, City Council, Education Business Partnership, Falmer Academy	Short term	Smart Growth

A5	In association with key employers, develop introductory courses for A* 14-15 year olds on University campuses at an early point to demonstrate the local offer.	Schools, City Council, the Universities	Short term	Smart Growth, Transformational action: Education led regeneration
A6	Deliver wider impact of the Education Business Partnership (EBP) in Brighton & Hove to work for the needs of the economy.	The City Council, EBP, the Economic Partnership,	Short term	Smart Growth, Sustainable Prosperity, Transformational action: Education led regeneration
A7	Develop clear working links between the universities and the city to provide a single point of entry for businesses to access the advice and expertise from universities easily and effectively. Raise the joint contribution of the two universities to the city's economy to £1bn	The Economic Partnership, City Council, the Universities, businesses and business support groups	Short term	Global Competitiveness, Smart Growth
A8	Create a knowledge transfer specialist post(s) to work on behalf of the two universities and to focus on incentivising the university staff to engage with business.	The Universities, Sussex Innovation Centre, SEEDA, The Economic Partnership, City council	Short term	Global Competitiveness, Smart Growth, Transformational action: Education led regeneration
A9	Identify the key technologies where research in the two universities has a global competitive advantage and establish networks to manage and maximise economic development. Develop inter-university links and joint working, particularly in key research and subject areas	Sussex Innovation Centre, the Universities, business support groups, SEEDA, The Economic Partnership	Medium term	Global Competitiveness



	(e.g. the White Rose University consortium model <sup>1</sup> ).			
A10	Investigate mechanisms to protect intellectual property rights in Universities where a model is not already in place.	The Universities, Wired Sussex	Short term	Global Competitiveness, Smart Growth
A11	Provide flexible incubation space for university spin out businesses and move-on space within the city and progress a model for the Universities to manage this space.	The Universities, Sussex Innovation Centre, SEEDA, the City Council	Medium term	Global Competitiveness, Smart Growth
A12	Work with SME's to ensure technology advances are being used effectively to enable them to compete and to introduce cost saving flexible working practices. Install city-wide fibre optic cable network to equip businesses with access to next generation broadband.	The Economic Partnership, businesses & support groups, Business Link, Chamber of Commerce, SEEDA, City Council	Short term	Smart Growth, Transformational actions: 100% next generation broadband coverage
A13	Support the growth of the creative industries sector to become globally competitive with particular reference to digital media.	The Universities, The City Council, Wired Sussex, MD Hub, SEEDA, Sussex Innovation Centre, Creative Brighton, Brighton Music Network	Short term – Medium term	Global Competitiveness, Smart Growth
A14	Improve sporting and leisure facilities in the city and exploit the business opportunities	The city council, Sport England, the Economic	Short term - Medium term	Sustainable Prosperity, Transformational actions: Making the Most of 2012

<sup>1</sup> The White Rose University Consortium is a strategic partnership between Yorkshire's leading research universities of Leeds, Sheffield and York. The combined research power of the three institutions ranks alongside that of the Universities of Oxford and Cambridge and accounts for 86% of the region's research spend. [www.whiterose.ac.uk](http://www.whiterose.ac.uk)

	presented by the 2012 Olympic Games.	Partnership		
A15	Establish Social Enterprise Incubation Centre(s) in the city.	The Business Community Partnership, the City Council, The Economic Partnership	Short term	Smart Growth, Sustainable Prosperity
A16	Establish a (SEEDA funded) cross-boundary pan Sussex Innovation & Growth Team (IGT) to service the needs of the city involving the universities and other relevant agencies in its design and operation.	The Economic Partnership(s), SEEDA, The Universities, Sussex Innovation Centre, MDHub, Wired Sussex, the city council, Chamber of Commerce, Business Link, Business Link	Short term	Global Competitiveness, Smart Growth
A17	Bring forward development sites to satisfy the need for commercial space and new homes exploring alternative means e.g. through special delivery vehicles etc. ( <i>also refer to spatial action plan</i> )	City Council, SEEDA, The Economic Partnership, developers	Medium term	Smart Growth
A18	Develop of a user-friendly City Council planning service capable of rapid determination of applications and encourage constant dialogue between City Planning, the wider business community, commercial agents and developers.	The Economic Partnership, city council, commercial agents and developers	Short term	Smart Growth
A19	Nurture strategic business links with East Sussex and West Sussex to develop a Diamond for Growth & Investment on the	The Economic Partnership, City Council	Medium term	Smart Growth, Spatial Approach

	Sussex Coast and develop strategic links with other Diamonds for Growth locations especially Gatwick Diamond.				
A20	Enhance connectivity through improved transport links along the coast east and west and north to Gatwick & London. Deliver suitable Park & Ride site(s) on the edge of the city and mechanisms for decreasing city centre congestion.	City Council, transport operators, SEEDA.	Short term – Medium term	Smart Growth	

## ***DISTINCTIVE***

REF	WHAT	WHO	WHEN	LINKS TO REGIONAL STRATEGY
D1	Maintain the highest standards of design and maintenance in the public realm especially in areas of high density and in the core city centre and exploit opportunities for further pedestrian prioritisation.	The city council, Brighton BID Ltd, business associations, Brighton & Hove Business Forum	Short term to Medium Term	Sustainable Prosperity
D2	Develop, protect and diversify the retail offer within the city, in particular working with the local authority to develop Churchill Square as part of the Brighton Centre redevelopment scheme.	The city council, Standard Life, businesses associations, the Economic Partnership	Medium term	Sustainable Prosperity
D3	Extend the city's Business Improvement District (BID).	Economic Partnership, Brighton & Hove Business Forum, City	Medium Term	Smart Growth

		Council		Short Term	Sustainable Prosperity
D4	In consultation with local businesses and the Environment Agency, develop a masterplan for the seafront maintaining the current focus on art, recreation and sport ( <i>refer also to spatial action plan</i> )	The City Council,			
D5	Exploit to opportunities for tourism, sport and recreation presented by the South Downs National Park.				
D6	Invest in the city's festivals with particular reference to the Brighton Festival and Fringe and develop an Events Strategy to maximise the profitability of events.	City Council, Brighton Festival & Dome, Pride, business association, businesses		Medium Term	Smart Growth
D7	Develop bespoke apprenticeship, internships, volunteer and work placement schemes for key sectors of the Brighton & Hove economy in partnership with employers.	City Council, City College, The Economic Partnership, businesses associations and business support groups,		Medium term	Smart Growth, Transformational action: Education led regeneration
D8	Develop learning programmes in Higher and Further education that meet the needs of employers, especially in key niches such as digital media and other creative industries.	Wired Sussex, the Universities, Creative Brighton, The Economic Partnership, City College, businesses associations and business support groups		Medium term	Global Competitiveness, Smart Growth
D9	Increase the remit and capacity of MD Hub,	MD Hub, Wired Sussex,		Short term	Global Competitiveness, Smart

	Wired Sussex, Creative Brighton, Sussex Innovation Centre, Sussex learning Network and the local Chamber of Commerce to assist businesses to grow with particular emphasis on local provision of higher value jobs.	the Economic Partnership, the City Council, SEEDA, Chamber of Commerce, Creative Brighton, Sussex Learning Network		Growth
D10	Develop the Sussex Employment & Skills Board (ESB) to ensure it is appropriate to the needs of the city. Use these needs to determine the pattern of Business Link provision delivering focussed support and advice for specific key sectors.	The Economic Partnership, SEEDA, City Council, Business Link, Chamber of Commerce, Wired Sussex, MD Hub, The Universities	Short Term	Smart Growth, Transformational action: Education led regeneration
D11	Provide support and raise awareness of the environmentally focussed businesses operating within the city in particular those that are engaged in environmental technology. Capture and grow this intellectual cluster of ethical/environmental businesses.	The City Council, Business Link, SEEDA, the Universities, Economic Partnership, Chamber of Commerce, Business Community Partnership	Short term	Smart Growth, Global Competitiveness, Transformational actions: Global Leadership in Environmental Technologies
D12	Lobby for the definition of 'key worker' to be widened to include some private sector employees so that it is more appropriate to the needs of the Brighton & Hove economy.	The Economic Partnership, Chamber of Commerce, business associations	Short term	Smart Growth, Sustainable Prosperity
D13	Disseminate the actions and messages in the City Council's Climate Change Strategy and	The Economic Partnership, the City	Short term	Sustainable Prosperity

	Sustainability Strategy to the business community to reduce the city's carbon and water footprints.	Council, Local Strategic Partnership, Chamber of Commerce, business associations, the City Sustainability Partnership, Southern Water		
D14	Identify a European city with similar economic profile to Brighton & Hove to act as a key partner for knowledge exchange and the development of shared approaches to common challenges.	The Economic Partnership, City Council	Short Term	Spatial Approach: Greater South East
<b>MORE EQUAL</b>				
REF	WHAT	WHO	WHEN	LINKS WITH REGIONAL STRATEGY
R1	Reduce NEET rates of 16-18 year olds.	City Council, FE institutions, Job Centre Plus, Education Business Partnership	Medium term	Smart Growth, Sustainable Prosperity, Transformational action: Education led regeneration
R2	Promote the Skills Pledge that commits employers to train staff to a full Level 2 qualification (5 x GCSEs at A* - C grade or equivalent) & promote Train to Gain and Skills Accounts to local employers.	Education Business Partnership, The Economic Partnership, City Council	Short Term	Smart Growth, Transformational action: Education led regeneration
R3	Use the city's construction programme to provide employment and training opportunities	The city council, developers	Short Term - Medium Term	Smart Growth, Transformational action: Education led regeneration

	for those furthest from the labour market.				
R4	Promote and assist employers to establish Local Employment Partnerships (LEPs) and apprenticeship schemes and to take advantage of new flexibilities introduced into the Train to Gain scheme.	The Economic Partnership, SEEDA, City Council, Business Link, Sussex Employment & Skills Board, Job Centre Plus	Short Term	Smart Growth	
R5	Establish a Local Delivery Vehicle for improving the stock of social housing. Use the allocation of social housing to encourage mixed tenure and address issues of worklessness via job seeker compacts and skills training agreements linked to tenancies for social housing.	City Council, Strategic Housing Partnership	Short term	Smart Growth, Sustainable Prosperity	
R7	Support the city's Third Sector organisations to contribute towards economic prosperity	The City Council, Brighton & Hove Community & Voluntary Sector Forum	Short Term	Smart Growth, Sustainable Prosperity	
R8	Develop a range of low cost home ownership options to assist householders to become homeowners.	Strategic Housing Partnership, City Council	Short term	Smart Growth, Sustainable Prosperity	
R9	Increase the supply of affordable homes and family homes in the city available to the workforce	City Council, Strategic Housing Partnership, developers.	Medium term	Smart Growth, Sustainable Prosperity	

