



# Industrial Strategy: Building a Britain fit for the Future

## Report to the Greater Brighton Economic Board February 2018

### Background & Context

In January 2017 The Greater Brighton Economic Board welcomed the publication of Government's Industrial Strategy Green Paper and the renewed emphasis on improving productivity and achieving an economy that works for everyone.

In the document, HM Government identified 10 pillars that were believed to be important in driving forward the industrial strategy across the entire economy;

1. Investing in science, research and innovation
2. Developing skills
3. Upgrading infrastructure
4. Supporting business to start and grow
5. Improving procurement
6. Encouraging trade and inward investment
7. Delivering affordable energy and clean growth
8. Cultivating world-leading sectors
9. Driving growth across the whole country
10. Creating the right institutions to bring together sectors and places

As part of the consultation process the Government produced a list of 38 questions covering all 10 pillars, and in April 2017 Greater Brighton published a comprehensive response to Central Government. The response acknowledged the areas where Greater Brighton was in accord with Government thinking, but more importantly clearly articulated where it was felt that Government was not going far enough in its proposals, was not clear in its direction or where there was other reason for concern.

The full consultation response from Greater Brighton can be viewed by clicking [this link](#), and the Executive Summary from that document can be found at [Appendix 1](#).

### Industrial Strategy: Building a Britain fit for the Future

Following a period of review, in November 2017 Central Government then published its Industrial Strategy White Paper; "Building a Britain fit for the future."

In the new document, Government emphasises that its overriding ambition is to **"to create an economy that boosts productivity and earning power throughout the UK."** Instead of the 10 pillars highlighted in the Green Paper, the White Paper identifies "Five Foundations" of productivity that are "the essential attributes of every successful economy", and align to Government's vision for a transformed economy:



- 1. Ideas**  
*the world's most innovative economy*
- 2. People**  
*good jobs and greater earning power for all*
- 3. Infrastructure**  
*a major upgrade to the UK's infrastructure*
- 4. Business environment**  
*the best place to start and grow a business*
- 5. Places**  
*Prosperous communities across the UK*

In addition to these Five Foundations, the White Paper also sets a number of “Grand Challenges” to put the United Kingdom at the forefront of the industries of the future, and these are summarised below.

- 1. AI & Data Economy**  
*Putting the UK at the forefront of the artificial intelligence and data revolution*
  - We will make the UK a global centre for artificial intelligence and data driven innovation
  - We will lead the world in safe and ethical use of data and artificial intelligence giving confidence and clarity to citizens and business
  - We will support sectors to boost their productivity through artificial intelligence and data analytic technologies
  - We will help people develop the skills needed for jobs of the future
- 2. Future of Mobility**  
*Becoming a world leader in the way people, goods and services move*
  - We will establish a flexible regulatory framework to encourage new modes of transport and new business models
  - We will seize the opportunities and address the challenges of moving from hydrocarbon to zero emission vehicles
  - We will prepare for a future of new mobility services, increased autonomy, journey sharing and a blurring of the distinctions between public and private transport
- 3. Clean Growth**  
*Maximising the advantages for UK industry from the global shift to clean growth*
  - We will develop smart systems for cheap and clean energy across power, heating and transport
  - We will put the UK at the forefront of the global move to high-efficiency agriculture
  - We will transform construction techniques to dramatically improve efficiency



- We will make our energy intensive industries competitive in the clean economy
- We will make the UK the global standard-setter for finance that supports clean growth

#### **4. Ageing Society**

*Harness the power of innovation to help meet the needs of an ageing society*

- We will support new products and services for the growing global population of older people, meeting important social needs and realising the business opportunity for the UK
- We will leverage our health data to improve health outcomes and UK leadership in life sciences
- We will support care providers to adapt their business models to changing demands, encouraging new models of care to develop and flourish
- We will support sectors to adapt to a changing and ageing workforce

In order to deliver on this, Government had proposed a number of key policies linked to one or more of the Five Foundations. Some had previously been announced by Government including a number in the Autumn Budget, which proceeded publication of the White Paper by a few days.

#### **Ideas**

- Raise total research and development (R&D) investment to 2.4% of GDP by 2027
- Increase the rate of R&D tax credit to 12%
- Invest £725m in a new Industrial Strategy Challenge Fund Programmes to capture the value of innovation

#### **People**

- Establish a technical education system that rivals the best in the world to stand alongside our world-class higher education system
- Invest an additional £406m in maths, digital and technical education, helping to address the shortage of science, technology, engineering and maths (STEM) skills
- Create a new National Retraining Scheme that supports people to re-skill beginning with a £64m investment for digital and construction training

#### **Infrastructure**

- Increase the National Productivity Investment Fund to £31bn, supporting investments in transport, housing and digital infrastructure
- Support electric vehicles through £400m charging infrastructure investment and an extra £100m to extend the plug-in car grant
- Boost digital infrastructure with over £1bn of public investment including £176m for 5G and £200m for local areas to encourage roll out of full-fibre networks



## Business Environment

- Launch and roll-out Sector Deals – partnerships between government and industry aiming to increase sector productivity. The first sector deals are life sciences, construction, artificial intelligence and the automotive sector
- Drive over £20bn of investment in innovative and high-potential businesses, including through establishing a new £2.5bn Investment Fund, incubated in the British Business Bank
- Launch a review of the actions that could be most effective in improving the productivity and growth of small and medium sized businesses, including how to address what has been called the ‘long tail’ of lower productivity firms

## Places

- Agree Local Industrial Strategies that build on local strengths and deliver on economic opportunities
- Create a new Transforming Cities Fund that will provide £1.7bn for intra-city transport. This will fund projects that drive productivity by improving connections within city regions
- Provide £42m to pilot a Teacher Development Premium. This will test the impact of a £1,000 budget for high-quality professional development for teachers working in areas that have fallen behind

## Ideas

### Key policies

- Raise total research and development (R&D) investment to 2.4% of GDP by 2027
- Increase the rate of R&D tax credit to 12%
- Invest £725m in a new Industrial Strategy Challenge Fund Programmes to capture the value of innovation

### Key Messages

- *Greater Brighton welcomes the general increase in R&D Investment to 2027, and likewise the increase in the R&D tax credit to 12%. However, one of the biggest challenges that our two universities and other innovators face is the end of Horizon 2020 Funding. Horizon 2020 is likely to be replaced by another scheme aimed at supporting university-driven R&D. However, there is still a great deal of uncertainty around access to sources of funding once the United Kingdom leaves the European Union, and we need clarity from Government on this.*

*Government has pledged to launch the UK Shared Prosperity Fund following departure from the European Union and intends to consult this year on the precise design and priorities for the fund. Greater Brighton looks forward to receiving more information on that process and participating in the consultation.*

- *Investment in R&D may have the potential to increase productivity and rate of growth of small and medium sized businesses, and therefore help those firms that have been unable to keep pace with productivity leaders – the so called ‘long tail’ of lower productivity firms.*
- *Greater Brighton would like to see a review of the methodologies employed by the Higher Education Innovation Fund (HEIF) and Research Excellence Framework (REF) to allocate research funding to universities. The REF provides Quality Related (QR) grant allocation, based on a scale which is weighted towards world-leading (3\* or 4\*) research. Domestic, national and local engagement which is not world leading (1\* or 2\* research) attracts no QR.*

*Recent changes to the HEIF allocation formula concentrated resources in the universities which demonstrated greater critical mass of commercial success in running short courses, hiring out equipment and delivering consultancy – regardless of strategic direction or regional economic impact. In addition the HEIF allocation formula only rewards universities’ own commercial successes, rather than their external impact on the economy. Moreover, ‘Collaborative Research’ with companies (like the 20-year partnership between the University of Brighton and Ricardo) does not count towards the HEIF.*

*The HEIF and REF funding formulae serve as a direct disincentive to undertake collaborative R&D with regional SMEs and other companies, which hinders the ability of universities to drive skills and growth at a local and regional level. Greater Brighton welcomes the commitment of Government set out in the White Paper to **“increase funding that supports universities and businesses working together to innovate and commercialise research.”** Greater Brighton would like to see more detail around this, both on terms of the extra funding available, and the emphasis placed on working with local and regional SMEs.*

## People

### Key Policies

- Establish a technical education system that rivals the best in the world to stand alongside our world-class higher education system
- Invest an additional £406m in maths digital and technical education, helping to address the shortage of science, technology, engineering and maths (STEM) skills
- Create a new National Retraining Scheme that supports people to re-skill beginning with a £64m investment for digital and construction training

### Key Messages:

- *The Greater Brighton Economic Board welcomes Government's desire to establish a technical education system to sit alongside the higher education system. The City Region already has the UTC@Harbourside technical college in Newhaven, aimed at 14-18 year old students with a keen interest in science, technology, engineering, maths and computing. We also therefore welcome the additional £406m to be invested in STEM skills training and learning.*
- *The City Region has further aspirations in terms of skills-based and technical education. The Board asks Government to work with the City Region to support the Greater Brighton Metropolitan College (GB Met) and partners in its application to establish an Institute of Technology in the City Region focused on digital and creative skills.*
- *There is huge potential for higher level and degree apprenticeships to serve as a route for people from under-represented groups to upskill, progress and reskill whilst in paid employment. Partnership arrangements between universities and local employers subject to the apprenticeship levy can enable these 'levies' to be re-invested back into their own workforces and the local economy. The commitment from Government that it will work with the Institute for Apprenticeships to prioritise apprenticeship standards development for the creative industries in areas where they are experiencing skills gaps and shortages, is welcome.*
- *The rise of artificial intelligence and the resulting automation of more and more complex tasks, coupled with longer life expectancy and people working longer, will mean that it will soon be common place for an individual to have more than one career through their working life. Therefore, reskilling and retraining are going to become ever-more crucial in the near future. The creation of a new National Retraining Scheme is recognition that Government is aware of the upcoming challenge, and it is therefore welcome. The initial £64m earmarked for the scheme is to focus on key skills such as digital and construction, and Greater Brighton would urge Government to extend the scheme to other sectors over the coming years.*

- *The White Paper outlines plans to devolve the adult education budget to mayoral areas from 2019. Greater Brighton has effective and accountable governance structures in place, and would ask that similar devolved powers be extended to the City Region. With a devolved budget our regions' adult education providers will be able to work with the business community and other partners, to ensure that the City Region has the optimal supply of skilled labour.*

## Infrastructure

### Key Policies

- Increase the National Productivity Investment Fund to £31bn, supporting investments in transport, housing and digital infrastructure
- Support electric vehicles through £400m charging infrastructure investment and an extra £100m to extend the plug-in car grant
- Boost digital infrastructure with over £1bn pf public investment including £176m for 5G and £200m for local areas to encourage roll out of full-fibre networks

### Key Messages

- *Increasing the National Productivity Fund to £31bn was a policy announced in the Autumn Budget. Government has stated that it will take a more strategic approach to investment in infrastructure, so that it supports the objectives of the Industrial Strategy, better understands national and regional disparities in productivity and opportunity to ensure growth in all regions, and increases the competitiveness of the UK in overseas markets.*
- *The Greater Brighton Economic Board welcomes the emphasis that White Paper places on digital infrastructure. The Greater Brighton Economic Board would like to work with Government and other partners to develop a Local Digital Connectivity Delivery Plan, along similar lines to the local mobile connectivity delivery plans proposed by the National Infrastructure Commission. This would include both mobile connectivity and broadband. The Board welcomes Government investment of £176m in 5G technologies and the £200m allocated for the Local Full Fibre Network (LFFN) Programme.*

- *In terms of the LFFN Programme, funding is being allocated by the Department for Digital, Media and Sport (DCMS) and several Greater Brighton partners have been preparing funding bids ahead of the first deadline at the end January 2018.*
- *Despite clean growth being one of the Industrial Strategy White Paper's Challenges, the document is very light on specific detail around energy and water, both in terms of affordability, and also sustainability and resilience. However, Government did publish its [Clean Growth Strategy](#) in October 2017, just before the White Paper, and that document contains greater detail on the Government's vision.*
- *Greater Brighton is committed to leading the way to a low-carbon economy. Low carbon growth will be at the heart of the Greater Brighton Economy, which will build a strong, progressive and competitive industrial base to deliver jobs and prosperity well into the future. To that end, the Board has committed funding towards an Energy Plan for Greater Brighton and funds have also been agreed in the 2017/18 budget to support a Greater Brighton Water Plan.*
- *Greater Brighton would like to restate the asks of Government detailed in the response to the Green Paper. The first ask is that Government ensures that the low carbon transition is investable by providing a policy climate and incentives in a long term framework offering certainty and stability. Government also needs to ensure that when the United Kingdom exits the European Union, high environmental ambition and effective regulation is retained. In addition, Government needs to encourage and support cities and city regions like Greater Brighton to grow their decentralised smart energy sector.*

## Business Environment

### Key Policies

- Launch and roll-out Sector Deals – partnerships between government and industry aiming to increase sector productivity. The first sector deals are life sciences, construction, artificial intelligence and the automotive sector
- Driver over £20bn of investment in innovative and high-potential businesses, including through establishing a new £2.5bn Investment Fund, incubated in the British Business Bank
- Launch a review of the actions that could be most effective in improving the productivity and growth of small and medium sized businesses, including how to address what has been called the 'long tail' of lower productivity firms.



## Key Messages

- *Greater Brighton is encouraged by the fact that Government are proactively seeking to launch and roll-out sector deals. However, what is not clear is how a deal for a sector at a national level will drive benefits at a regional or local level. In addition there is a lack of information around the linkages and crossover between the proposed Sector Deals and other types of Deal that Government is looking to develop with localities e.g. Housing & Growth Deals, and how Sector Deals may fit alongside wider Local Industrial Strategies.*
- *The Industrial Strategy White Paper recognises that knowledge intensive industries are the key to the United Kingdom becoming the “world’s most innovative economy”, and this is welcomed by Greater Brighton. As well as the CDIT Sector discussed above, the Greater Brighton Region boasts industry leading research and innovation in the knowledge intensive areas of advanced engineering, quantum technology and life sciences. Greater Brighton would be keen on engaging with Government to understand how Government policy and intervention can support our key sectors.*
- *The economy of Greater Brighton is based on a large number of small and micro businesses and a much smaller number of organisations operate at significant scale. Difficulties in accessing finance, the lack of grow-on commercial space (exacerbated in recent years by Permitted Development Rights), and access to talent, are cited as several of the main barriers to businesses expanding and realising scale. It is disappointing that given the important role that SMEs play in the Greater Brighton economy, and wider national economy, that the White Paper does not contain more concrete proposals around how Government will support SMEs to develop and grow. The White Paper acknowledges the requirement for SMEs to be able to access finance, and that the “Scale-Up Taskforce” will work alongside the private sector to help businesses to scale up, but there is very little that is tangible.*

## Places

### Key Policies

- Agree Local Industrial Strategies that build on local strengths and deliver on economic opportunities
- Create a new Transforming Cities Fund that will provide £1.7bn form intra-city transport. This will fund projects that rive productivity by improving connections within city regions
- Provide £42m to pilot a Teacher Development Premium. This will test the impact of a £1,000 budget for high-quality professional development for teachers working in areas that have fallen behind

## Key Messages

- *Key policy 1, around commissioning of Local Industrial Strategies that build on economic strengths and deliver on local opportunities is welcome, and in accord with the Greater Brighton response to the Industrial Strategy Green Paper. However, the geography of a Local Industrial Strategy for the City Region is yet to be determined. Government has indicated that Local Industrial Strategies are likely to follow LEP boundaries and geographies, but Greater Brighton is its own distinct region and functional economic area, and a wider LEP Local Industrial Strategy may not be optimal in supporting Greater Brighton deliver its full potential.*
- *The Greater Brighton Economic Board believes that the region should have its own identity and strategy when it comes to Government's agenda, to compete and to enable the region to go further and faster in a rapidly changing world. GVA per head has fallen in the South East and disparities exist within regions, as well as between, regions. The City Region's productivity, whilst comparable to the UK average, is not what it could be, given the proximity to London, access to international markets and the area's asset base. There also exist pockets of deprivation and high levels of inequality across the region. The City Region requires continued investment to maintain and increase productivity levels in its successful sectors such as the CDIT sector and advanced engineering, and stimulate growth in emerging sectors, such as life sciences and quantum technologies. Investment in Greater Brighton would be used to deliver 'quick wins' and high returns in terms of productivity.*
- *The Greater Brighton Economic Board is encouraged that government "**will deliver bespoke housing deals where demand is high**", and that Government "**wants to support places with ambitious and innovative plans to build additional homes where they are needed, and which will support wider innovation.**" Access to housing, including affordable housing is a key challenge for the City Region and one of the leading barriers to future growth, and the housing and infrastructure challenge was demonstrated to Government during the Greater Brighton City Region Charrette of 28-29 September 2017. Government has already done a housing deal with the Oxfordshire county and district councils and are looking at others. We are currently developing our proposals for a Greater Brighton Housing & Growth Deal, and will be working with colleagues from BEIS, DCLG and the HCA over the coming months.*
- *The Greater Brighton Economic Board welcomes the funding Government has announced for intra-city transport through the new £1.7bn Transforming Cities Fund. However, it is disappointing that £850m, which is 50% of the fund, will head directly to the six combined authorities with elected mayors. The remaining £850m will be allocated via a competitive process, details of which are as yet unknown. Greater Brighton will work with Coast to Capital and other partners to make a clear and strong case for investment in the Brighton Mainline and M23/A23 corridor; The City Region, which is home to the UK's second busiest airport, needs an efficient and*

*reliable railway service to maintain its competitiveness, drive its economic growth and boost employment.*

- *Greater Brighton would like government to work with local partners to build on the strong international profile of the M23/A23 corridor to boost inward investment and exports. The Greater Brighton Economic Board is acutely aware of the need to develop a strong proposition for encouraging new market investment, and in autumn 2017 commissioned consultants to produce an Inward Investment and Export Strategy for the City Region. This work is due to be complete in April 2018 and will inform future plans.*
- *The Greater Brighton Economic Board would like to reiterate that attracting trade and investment cannot be seen in isolation from issues such as transport infrastructure, housing availability and the suitability and availability of employment floor space. More commercial space is needed; the physical constraints on investment have discouraged developers from commercial development where housing yields are higher.*
- *In addition to commissioning an Inward Investment and Export Strategy for Greater Brighton, the Greater Brighton partners are piloting a new City Ambassador Role as an example of a modern “Alderman” role within local government. The role aims to provide an opportunity for nominated individuals to represent and promote the growth sectors across Greater Brighton, help attract inward investment, support trade delegations and missions, voice the needs of the sector and influence the City Region’s strategic development.*
- *The Business Ambassador initiative forms part of a wider “City Halls for Business” model that Greater Brighton is looking to adopt. The model will use Brighton’s Town Hall as a multi-agency hub to support business growth, attract inward investment and promote trade.*

## **Conclusions and next steps**

Many of the proposals outlined in the Industrial Strategy White Paper are welcome and there is some clear alignment between Government thinking and the aims and objectives of Greater Brighton. Particularly welcome are some of the changes to have occurred between the publication of the Green Paper and the White Paper, and our response to the Green Paper seems to have had some influence.

There are a number of areas where Greater Brighton needs to address productivity and other local issues and a number of these were highlighted during the Greater Brighton City Region Charrette. Government seems to be open to deals that support housing delivery and local growth, so as per the report which followed the Charrette, we will continue developing proposals for a Housing & Growth Deal for Greater Brighton which would also support the CDIT Cluster.



Other issues will need to be picked up as part of the ongoing and long-term dialogue with Government, and Greater Brighton will be working with both Government and Coast to Capital as we build towards a Local Industrial Strategy.

## **Potential Components of a Housing & Growth Deal for Greater Brighton**

1. Creation of Development Zone or similar vehicle, including a Land Value Capture mechanism and simplified CPO powers, with a holistic place-making and community focus
2. A grant-based land development fund to unlock delivery
3. VAT exemption on empty property refurbishment, bringing it in line with new developments
4. Supporting Councils in their direct and indirect delivery of affordable homes – through lifting the HRA cap, local flexibility around Right-to-Buy receipts and relaxing the rules/relationships between councils and subsidiaries
5. An infrastructure deal that includes up-front funding for infrastructure development to encourage development and accelerate delivery
6. Retention of a greater proportion of Business Rate Growth for schemes that have a significant infrastructure element
7. Support from the Office of Low Emission Vehicles (OLEV) to develop and deliver a model for the roll out of a comprehensive network of electric vehicle charging points in Brighton & Hove and the wider Greater Brighton Region
8. Support from BEIS to develop a Greater Brighton Energy Plan, that supports energy resilience and security to deliver economic growth across the City Region
9. Support from Government on the City Region's Housing & Infrastructure Fund (HIF) submitted bids.
10. Investment in ultrafast (full-fibre) broadband infrastructure and digital mobile infrastructure through funding from the DCMS Local Full Fibre Network Programme
11. Commit R&D support for CDIT and University sectors post Horizon 2020
12. Support the Brighton Digital Catapult to pilot 5G technologies across the Greater Brighton Economy
13. A local Digital Connectivity Plan for broadband and mobile connectivity
14. Establish support mechanisms to help innovators to scale-up from prototype to market ready products and realise scale
15. Review Permitted Development Rights to protect move-on space for the SMEs, and simplify access to funding streams for SMEs.
16. Establishment of a Greater Brighton Creative Industries Council to align local, regional and national organisations to meet the needs of the creative and cultural industries locally.



In addition to the above, Greater Brighton will work towards developing a wider Local Industrial Strategy which will also bring in a number of asks around skills, university funding and trade & export.

## **Potential Knowledge Intensive Growth & Skills Asks**

1. Re-balancing the HEIF allocation formula to take greater account of regional economic engagement and impact would enable the more regionally engaged universities to increase their reach
2. An incentive scheme to draw SMEs to work with universities (like Innovation Vouchers) would stimulate improved SME/university engagement
3. Increase apprenticeship numbers by incentivising SMEs to recruit apprentices
4. Accelerate the creation of apprenticeship frameworks, so that providers are able to respond to the needs of employers
5. Widen access to higher level qualifications by increasing the range and quality of Higher and Degree Level Apprenticeships
6. Support the City Region's FE Colleges secure investment via the proposed £170m of capital funds proposed in the Industrial Strategy, to help strengthen provision in line with Greater Brighton sector growth priorities
7. Devolution of adult education budget in 2019, in line with powers granted to mayoral areas

## **Potential Inward Investment, Trade & Export Asks**

1. Support from DiT in developing a strategy and place-based DiT presence through co-location with the new Brighton City Hall for Business.

In addition, Greater Brighton will continue to seek funding through current and future funding streams in order to achieve its objectives including:

- Local Growth Fund (LGF) held by Coast to Capital
- Housing Infrastructure Fund (HIF)
- Local Full Fibre Network (LFFN) Challenge Fund
- Transforming Cities Fund



## **Appendix 1 – Greater Brighton executive summary response to the Industrial Strategy Green Paper (Agreed by the Board on 17<sup>th</sup> April 2017)**

### **Southern Accelerator - Driving growth across the whole county**

The South East region is strategically important to the UK economy, not just in terms of the fiscal contribution that it makes to the Exchequer but also in the opportunities it creates for increased economic activity elsewhere in the UK. The Coast to Capital Local Enterprise Partnership area and the Greater Brighton City Region is a key gateway for the United Kingdom to the rest of the world. Gatwick and two ports, Shoreham and Newhaven, sit within the region.

It is important that the success of the South East economy continues to be recognised. The Greater Brighton Economic Board believes that the creation of the **Southern Accelerator**, similar to the Northern Powerhouse and the Midlands Engine, would provide an overarching vision for the region within which other structures, strategies and bids would sit. With relatively modest interventions in the City Region's road, rail and digital infrastructure and with the tools to unlock the essential housing and employment floor-space, Greater Brighton can deliver improved productivity and growth.

### **Empowering City Regions to respond to the challenge - upgrading infrastructure**

The Greater Brighton Economic Board welcomes Government's desire to better align the planning of infrastructure more effectively with local growth priorities. The Board asks to work with Government, through the Coast to Capital Local Enterprise Partnership and Transport for the South East, on its strategic transport corridors – especially north-south, the M23/Brighton Main Line corridor, and east-west, the A27/A259/Coastway corridor.

The Board welcomes the additional £1.1b of funding Government has announced for local roads and transport and is highly supportive of Government's view that long-term funding certainty is the best way to plan infrastructure investment. It seeks a decentralised and consolidated transport fund with a multi-year settlement from Government.

The Board plans to greatly increase the scale and pace of housing delivery through various mechanisms. It asks Government to support the work of the West Sussex and Greater Brighton Strategic Planning Board in developing a spatial framework for the area that brings together in one place the housing and employment space required over the next ten years linked to the long term strategic infrastructure and other transport plans.

### **City Halls for Business - Creating the right institutions to bring together sector and places**

The Greater Brighton Economic Board welcomes the Green Paper's recognition that competitor economies often have strong local institutions. The Board is ready to pilot a 'City Halls for Business' model, using Brighton's Town Hall as a multi-agency hub to support



business growth, attract inward investment and promote trade. The City Hall for Business would provide a regional/local space for the Department for International Trade to enable a central/local collaborative focus for activities that seek to promote investment into the City and the City Region and support businesses to export.

### ***Sector Alderman / City Ambassadors - Encouraging Trade and Inward Investment***

The Greater Brighton Economic Board recognises the need to bring more business expertise into local governance and improve links between councils and the private sector. A City Ambassador role is being piloted as an example of a modern “Alderman” type role within local government. The role aims to provide an opportunity for nominated individuals to represent and promote the growth sectors of the City Region, help attract inward investment, support trade delegations and missions, voice the needs of their sector and influence the City Region's strategic developments.

### **Innovation South - Investing in Science, Research & Innovation - bolstering the role of R&D at a regional level to deliver placed based growth**

By ensuring both that R&D is prioritised nationally and that the creators of R&D are more closely aligned with place and with the end users of R&D, innovation will embed across the country. The Greater Brighton Economic Board would like to see stronger alignment of university research incentives with place based economic development. This will help to accelerate economic growth and can also help the City Region to find solutions to big societal challenges.

Greater Brighton is a partner in Innovation South, one of the eight Science and Innovation audits announced by Government as part of the Autumn Statement 2016. The Innovation South audit is focused on a number of core themes that will look at five enabling technologies: Digital; Quantum; Photonics; Cyber and Big Data Analytics applied across four sectors; Connected Digital; Advanced Engineering; Bio-Science, and; Marine/Maritime. All of these are existing regional strengths that are potentially global in profile. Understanding regional industrial needs will be central to the success of the Industrial Strategy, and the Greater Brighton Economic Board looks forward to engaging with Government to learn from the audit's findings.

### **Greater Brighton Smart Growth – Cultivating World Leading Sectors**

The Greater Brighton Economic Board is currently taking steps to better understand the City Region's sectors and sub-sectors and is developing a Smart Growth Strategy for Greater Brighton. The purpose of the Strategy, which will ‘deliver deeper’ than the Innovation South audit, is three-fold: to pinpoint the sectors and sub-sectors in the local economy that are large and specialised enough to provide a comparative advantage; to identify the key challenges that firms within these sectors face, and; to set-out what can and should be done





to support these firms and their growth. The Board therefore welcomes the advent of the Industrial Strategy Challenge Fund as one that will support the work that is already being done to facilitate business investment in R&D business innovation.

### **Place based infrastructure solutions – to deliver affordable energy and clean growth**

The Greater Brighton Economic Board welcomes the Green Paper's focus on working with the energy industries and regulators to manage the changes to energy networks required in the transition to a low carbon economy. The Board would like to pilot a new approach to utility companies working more closely together on place based infrastructure, energy security and smart grid solutions to support growth and respond to challenges, such as the roll out of electric vehicles.

### **Business resilience and growth – supporting business to start and grow**

The proposed capital investment sources outlined in the Green Paper are welcomed by the Greater Brighton Economic Board. However, the Board is concerned that the limited supply of revenue funds for direct business advice and support will limit the ability of businesses to take advantage of the new funding avenues being offered by Government.

### **Skills for the future –developing skills**

The Greater Brighton Economic Board supports Government's intention to upgrade and refocus existing Further Education Institutions. It asks Government to work with and support the City Region to refocus the newly created Greater Brighton Metropolitan College (GBMet) and the UTC in Newhaven to seek investment via the proposed £170m of capital funds proposed in the Industrial Strategy.