

Brighton & Hove Economic Strategy 2013-18



On behalf of **Brighton & Hove City Council** and
Brighton & Hove Economic Partnership

Project Ref: 27670/001 | Rev: V4 | Date: June 2013

Office Address: 16 Brewhouse Yard, Clerkenwell, London EC1V 4LJ
T: +44 (0)207 566 8600 E: london@peterbrett.com



Document Control Sheet

Project Name: Brighton & Hove Economic Strategy

Project Ref: 27670/001

Report Title: Economic Strategy 2013-18

Doc Ref: V5

Date: June 2013

	Name	Position	Signature	Date
Prepared by:	MDB	Senior Associate	MDB	April 2013
Reviewed by:	Dave Lawrence	LLP Director		June 2013
Approved by:	Dave Lawrence	LLP Director		June 2013
For and on behalf of Peter Brett Associates LLP				

Revision	Date	Description	Prepared	Reviewed	Approved
V5	June 2013	Final draft	MDB	DL	DL
V6	October 2013	Final	CF	TP	NH

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Executive Summary

Introduction

1. Many places claim to be unique or special. The City¹ of Brighton and Hove is truly both. One of the world's first seaside resorts, it is home to globally recognised icons such as the Royal Pavilion, the Palace Pier and the South Downs National Park. Famous for its vibrant, cosmopolitan lifestyle with a very strong arts and cultural offer, the City is also a major European business conference and tourist destination which attracts around 8.5 million visitors per year and supports established cultural activities such as the Brighton Festival, exhibitions and community based events.
2. The identity of the City is defined by its geography, framed by the Downs and the sea with a diverse built environment ranging from fine Regency buildings to Victorian terraces, post-war housing estates and office blocks. A world-class university offer provides a highly skilled workforce, which has fuelled knowledge intensive growth through a burgeoning Creative, Digital and Information Technology (CDIT) Sector. The City's strong economic asset base also includes emerging opportunities in environmental industries, the City's proximity to London, Gatwick Airport, two Channel ports within the City Region and good infrastructure links northwards.
3. Its diversity and distinctiveness gives the City a competitive economic edge. Recognised as 'the capital of the UK's rebellious alternative economy'² it has weathered the impact of the Global Financial Crisis and flat-lining national economy since 2008 relatively well – it is the 'third fastest recovering city' in the UK³ driven by the strong performance of the tourism and cultural offer as well as the maturing of the CDIT businesses. In comparison to elsewhere, financial and business services have held their own in the City and its largest private sector employer in this sector – American Express – has just confirmed its commitment to Brighton & Hove with the construction of 335,000 sq ft of new offices.
4. The city's heritage as the archetypal seaside town, the quality of its residential neighbourhoods, and its contemporary mix of small- and medium-sized businesses in the creative, cultural and tourism sectors together give it a particular character, identity and quality of life. These factors are critical to the city's attractiveness as a place to live, work, study and invest, and hence are key to the city's future local economic development. They must be cultivated in tandem with (rather than be displaced by) other sectoral and strategic managerial interventions in the city.
5. With the age of public sector austerity likely to continue for some time, Brighton & Hove City Council (BHCC) and the City's Economic Partnership (BHEP) commissioned this refresh of the City's Economic Strategy for the period 2013 - 18. The Strategy responds to prompting for more radical and practical action from local authorities and the wider public sector as lender and investor catalyst, with private sector co-investment and commitment. The constraints of the City's geography and the extent of the travel-to-work area, together with opportunities presented by the dynamics of the wider functional economy, mean that actions need to be applied across the City Region, working closely with partners through the Coast to Capital Local Enterprise Partnership (LEP). This collaboration will be nurtured to the benefit of all within the City and its surrounding area, building upon the potential 'City Deal' between the Government and the City Region.
6. Since its election in 2010, national Government policy has been refocused upon stimulating growth in the economy rather than targeting areas in need of regeneration. The LEPs have

¹ References to the 'City' should generally be taken to mean the City's functional economic area, or emerging City region, and not the administrative boundaries of Brighton & Hove City Council. This Economic Strategy focuses on the role of Brighton & Hove in the City Region and wider Coast to Capital Local Enterprise Partnership area, rather than being a document for formal adoption by the City Region Local Authorities.

² HSBC, *Future of Business* Report 2011.

³ Centre for Cities *Recovery Index* 2013

become a new mechanism for channelling available funding under private sector leadership and a new model of public-private collaboration. With a new EU funding round from 2015 also likely to be focused on growth in an era of austerity, this refreshed Economic Strategy will enable businesses in the wider City Region to position themselves to take best advantage of these policy shifts.

7. The Strategy looks in particular to chart a course towards a low carbon and more sustainable local economy – a future where all people in the City can lead fulfilling and healthy lives efficiently, working towards using a fair share of the earth’s resources. Brighton & Hove is the UK’s first city to develop and adopt a sustainability action plan which recognises opportunities for growth within the planet’s environmental boundaries: One Planet Living. The desire for a more environmentally and socially sustainable economy presents further opportunities for its businesses.
8. The Strategy sets out a number of objectives which seek to build upon the City’s economic assets and underpin the emerging City Deal, as well as address the challenges which remain:

Strategic Objectives

- SO1 To enhance Brighton & Hove’s distinctive destination and lifestyle offer**
- SO2 To grow quality jobs and business opportunities in higher value and low carbon sectors**
- SO3 To better align jobs skills to projected needs and in support of higher value sectors**
- SO4 To tackle barriers to employment and to create employment opportunities for all**
- SO5 To establish a strong and influential Greater Brighton City Region**

9. The Strategy’s Action Plan incorporates a realistically achievable number of transformational projects to drive the evolution of the City’s economy.
10. The Economic Strategy refresh has been steered by BHCC and BHEP and developed in consultation with stakeholders in the public, private and community/voluntary sectors. By working together, we can deliver an exciting vision for the future of a strong, prosperous, sustainable and attractive City.

The City today: assets, opportunities and challenges

11. A number of significant assets have been instrumental in helping the City to weather the recent economic storms. These assets fall within the following broad headings:
 - Strength in existing and growth sectors of the economy
 - Workforce creativity, skills and demographics
 - Factors relating to the geography and location of the City
 - Quality of life and ethos of the City

Sectors to drive growth

12. The City's economy is relatively diverse and predominantly a small-micro SME economy, which gives it a flexibility and dynamism. It has one of the highest business start-up rates in the country. Unfortunately, the rate of business failures is also high and this Strategy needs to ensure that clever and innovative support mechanisms are in place to help the City's entrepreneurs in the difficult period of sustaining and growing new businesses, especially those with high growth potential.
13. The sectors that most stakeholders consider to be important to the City's economy are culture, leisure and tourism and creative, digital and IT. The culture, leisure and tourism industry is important not just as a generator of jobs but also to the influx of leisure and business tourist income. This, coupled with one of the highest rates of engagement in culture amongst residents, underpins the great cultural and artistic offer. The City's overall quality of life offer as a result is enhanced, making it a great place to invest – it was named the third best place to invest in 2012⁴ - and this, together with factors such as its popularity on the annual party political conference scene clearly enables it to punch above its weight.
14. Helped by the weakness of sterling over the past five years, the city's tourism offer has attracted a strong weekend break market but it also has a large number of language schools which, together with overseas students at the two universities, bring significant 'education tourism' to the city; one of the major 'exports' - Brighton & Hove also enjoys a niche for companies involved in outbound tourism some of which have turnovers in excess of £100m p.a. The city's tourism offer is quite diverse with a range of attractions from the typical to the unique and a wide spread of hotels from budget to five star and more restaurants per head of population than anywhere outside London and a particular strength in vegetarian and vegan establishments. With the South Downs National Park on the doorstep and the possibility of international Biosphere Reserve status, there is good potential to grow the market for eco-tourism locally – converting what is often seen as a constraint upon growth, the South Downs, into an advantage.
15. There are further opportunities in the arts and culture through a significant cluster of film related activities in the City (Hove is known as the 'birthplace of film'); and music businesses based upon successful initiatives such as Made in Brighton and The Great Escape, a leading international European music industry conference and expo which takes place in Brighton each May.
16. Whilst numbers employed in CDIT are currently low compared to other sectors, these are generally high skill jobs and they have played an important part in the broadening of the City's economic base and in increasing its international profile. It is also a sector that has significant further export potential and the ability to contribute to the Coast to Capital LEP's internationalisation strategy. The relative contribution of digital companies is growing at over twice the national average and there is significant further growth potential, fuelled by a ready supply of graduates.
17. The City's financial and business services sector has experienced some decline in response to the national and global trends. However, it has held up stronger than in many comparable cities and will continue to play a significant role in the future economy of Brighton & Hove, principally through the contribution of many small & medium sized businesses.
18. The City's economy is also well positioned to take advantage of the growth in the environmental industries sector, by virtue of existing clusters of companies, world class expertise at the two universities and an environmentally aware resident and business population. Cross-City support for environmental initiatives, championed by the City Deal process, could lever growth in this sector, particularly by exploring synergies with CDIT and learning the lessons from its rapid growth and indeed the many success stories already in this sector. There are also potential synergies between the environmental industries, Brighton University's internationally renowned

⁴ Brighton & Hove was identified by the Local Futures Group as the third best local authority area to invest in, research published in December 2012.

Centre for Sustainability of the Built Environment and the local SME construction subsector, through the extensive retrofit challenges faced by the city's aging and hard-to-treat private sector housing stock. Similarly there are opportunities to promote the refurbishment of outdated office stock, much of which was built in the 1970s and 1980s, offering the opportunity to reduce carbon footprint via a more environmentally sustainable solution than demolition and rebuild. Although Brighton & Hove doesn't have the potential to exploit the full range of environmental industries, it has these existing distinct strengths in sustainable buildings to capitalise upon.

19. There is evidence of clustering in a number of emerging sectors across the City region, such as environmental industries including renewable energy generation and its supply chain at Shoreham Port. The Strategy seeks to support growth of these clusters in particular through a network of growth hubs as promoted by the proposed City Deal.

A highly qualified workforce

20. The existence of two good universities with high graduate retention has meant that the City has a well-qualified workforce in comparison to the region (it was recently named number one for skills and qualifications by Municipal Journal⁵) and national averages, and the projected change is for a reinforcement of this trend. Workforce skills levels are a significant asset to the City and give it a competitive advantage compared with many other similar places as well as an ability to drive growth in the emerging and high-growth sectors which depend on highly skilled employees: the concept of knowledge intensive growth.

Geography of the City: Brighton & Hove in the wider world

21. The City's functional economic area extends well beyond its administrative boundaries (see figure 1) and this, together with public sector funding restraint and the new landscape for economic development, is driving co-operation with neighbouring local authorities and with the Coast to Capital LEP. The momentum building behind the emerging Greater Brighton City Region will be fundamental to future success of the City's economy and enable it to contribute significantly to UK economic growth. The willingness to cooperate is already evidenced by initiatives like the newly agreed City Deal (see below), the work to establish an international Biosphere Reserve and the Shoreham Harbour joint area action plan promoted by Brighton & Hove City, Adur District and Worthing Borough Councils. There are also supportive working relationships with East and West Sussex County Councils in relation to Energy Recovery Facilities and a Local Transport Board.
22. The Greater Brighton City Deal proposal aims to deliver significant additional economic growth by unleashing the city region's productivity potential in the eco-tech sector. Stronger links will be sought between the universities' research and development expertise and businesses in the sector. The experience of growth in the Creative, Digital and IT sector will be capitalised upon in this respect. It will aim to increase the supply and quality of modern business space, particularly incubator / grow-on space for SMEs and provide a programme of bespoke support and advice to business. A boost will be sought to housing provision across the City Region and an Investment Board will seek to leverage public and private sector funding to grow the City's economy along these priority lines.
23. If Government agrees to the City Deal programme, there will also be a generic package which will apply. Together these will present significant growth opportunities for the City's businesses, whether start-up, existing, or potential relocations to the area.
24. Figure 1.1 outlines some of the key attributes of Greater Brighton City Region including proximity to London Gatwick airport, the ports of Newhaven and Shoreham; opportunities in renewable energy production and maintenance; and, extensive, prosperous and attractive rural hinterland.

⁵ Municipal Journal, 7 February 2013.

Figure 1.1 : The Greater Brighton City Region and its assets



Greater Brighton City-Region

- Digital Quarter
- Preston Barracks Gateway
- University of Brighton
- University of Sussex
- Cleantech University Technical College
- Brighton & Hove and Lewes Downs
- UNESCO Biosphere Reserve
- Rampion Offshore Windfarm
- Toad's Hole Valley
- One Planet Living Demonstration Project
- Brighton Station
- Rail Infrastructure
- Road Infrastructure
- Port
- Airport

Quality of life and ethos of the City

25. The environment, cultural, tourism and leisure offer as well as the geography of the City combine to give a quality of life of which its residents are proud. The existence of the universities and their student population further contributes to both quality of life and ethos of the City. Cultural disciplines, science and applied technology through the universities assist in fusing the creative with the IT sector and are part of what creates the distinctive offer of the City and its value in making it a great place to locate and invest.
26. Brighton & Hove's business community and political leaders embrace its reputation for being different, seeing it as an asset to be exploited in growing the economy and are prepared to use that reputation to promote the City to the outside world.

Opportunities of a more sustainable, low carbon, economy

27. A more sustainable economy would mean more of our needs met from local, renewable and waste resources, giving people a high quality of life and using a fairer share of the earth's resources. This could include:
 - Developing the imperatives of energy security, resource efficiency and affordability into jobs and new investment for neighbourhoods, the city as a whole, and the wider City Region;
 - Encouraging businesses in the City Region to reduce carbon in their supply chains and develop more local relationships to create economic opportunities and jobs;
 - Creating more opportunities for employment at all skills levels in the city, to enable local people to participate in economic activity where they live.
28. The Coast to Capital LEP's analysis and strategic focus is focused on high growth and export orientated businesses. These complement the City Region's growth sector potential which includes:
 - Creative, Digital and IT;
 - Globally competitive eco-tech businesses (technologies and services);
 - An emerging sustainable tourism and eco-tourism offer;
 - Advanced Engineering;
 - Financial and Business services;
 - Health and life sciences;
 - Multi faceted research and development capacity with strong cross over between academic and commercial sectors;
29. Other opportunities to accelerate the transition to a more sustainable, low carbon economy include:
 - Smart City management systems that improve the quality and delivery of public services at an affordable cost;
 - Smart systems that reduce transport congestion, pollution and are energy efficient;
 - Technology innovation which reduces the need to travel; and

- Low carbon supply chains, particularly in food and construction.
30. Continued close collaboration with the LEP will therefore benefit business within the Brighton City Region.

Some challenges remain

31. Although there are many assets and opportunities which can underpin growth of the City and City Region's economy, there are also some challenges which must be addressed, as some residents continue to face inequality and worklessness. Child poverty, although no higher than the national average, is unacceptable in a city of opportunity.

Skills

32. The high skills level of graduates has resulted in some people working in roles for which they are over-qualified (sometimes characterised as 'baristas with PhDs') and often not by choice. Coupled with fewer requirements for middle range skills there is less opportunity than elsewhere for people to increase their income as a result of gaining better jobs by upskilling. Of course, the presence of highly qualified employees per se is a good thing – so the effort must be addressed at providing a range of jobs for a range of qualification and skill levels.
33. Despite significant improvement in 2012, there is a need to continue to raise the educational attainment levels of school leavers in the City in general which will also assist in the process of placing people in roles appropriate for their level of skill.

Equity

34. Challenges remain in relation to equity in the economy: in tackling inequality and 'worklessness', including addressing barriers to employment. This is a key priority for the City and details of the actions taken are set out in the City Employment and Skills Plan, the Child Poverty Commissioning Strategy and the Financial Inclusion Strategy.
35. Further initiatives to address equity include the Brighton Living Wage campaign and renewing Fair Trade City status.

Geography

36. The geography of the City presents challenges in terms of movement of people and goods - in particular along the critical east-west axes across the City Region. Bus patronage has risen at an average of 5% p.a. every year for the past decade but improvements in terms of real-time information, dedicated bus priority lanes and service enhancements must continue or congestion will inevitably become even more of an issue as the economy grows. The business community views congestion as one of its top concerns and the City's Transport Partnership will need to work effectively to maximise resources for investment and generate efficiency savings.
37. Many actions can only be taken at City Region level or higher so maintaining a close working relationship with the Coast to Capital LEP will be particularly important – especially given the devolution of Department for Transport major scheme funding to Local Transport Boards from 2015 and with £36.3m provisionally available to the LEP for the period 2015/16 – 2018/19.

Housing stock

38. The City faces particular challenges in terms of quantity, supply, affordability and quality of housing stock. It is much more likely to be older, in private tenure, in the form of converted flats, and 'hard to treat' in terms of energy efficiency than the national average. This presents a major opportunity for retrofit for construction SMEs, a critical subsector with growth potential, and would

generate many positive outcomes – employment for a highly-skilled workforce, a response to the socio-economic challenges of energy policy and cost; and, in moving along the path to a low carbon economy.

39. The constraint of housing supply also presents real barriers to labour market mobility and restricts the supply of people to take up new job opportunities, driving up the cost base for the City's workforce and holding back growth in the economy. However, it is important to protect employment land for the significant loss of such sites could risk the City becoming a dormitory town for London commuters.
40. The shortage of land within the administrative boundary requires careful allocation and strategic use of every potential development site. With a limited legacy of derelict or vacant sites, the natural boundaries of the South Downs National Park and the sea effectively define and limit the outward expansion of Brighton & Hove. Therefore, the City Plan [Core Strategy], the blueprint for the next 20 years of development, proposes a delicate balance between housing and employment space. It will be important to view separate sites in a holistic way so they can be developed strategically to maximum advantage and provide for a mix of homes to support the growth and maintenance of sustainable communities, to facilitate growth in the economy and make provision for other essential development such as retail and leisure, health, education and other community facilities. The City Plan seeks to do this in a way which respects and enhances the historic, built and natural environment of the City.
41. Similar constraints to development across the City Region mean that there are unlikely to be easy solutions to these issues. In common with the national trend, development is further hampered by the difficulty of accessing finance, or punitive rates charged by lenders.

An Economic Strategy for Brighton 2013-18

42. The Strategy set out below was shaped by the analysis of assets, opportunities and challenges set out above, informed by Government and local policy as well by the emerging collaboration at the City Region level particularly through the City Deal.
43. The Vision for this Economic Strategy is as follows:

Vision for 2018

Brighton & Hove will be on the path towards a resilient low carbon economy, known for its creative, digital, information technology businesses, growing environmental industries & services and supported by more sustainable city infrastructure. The unique cultural offer will raise the presence of the Greater Brighton City Region on the international stage and the benefits of growth will be shared by all.

How do we get there? The strategic objectives

44. In order to deliver this Vision the Strategy is broken down into the five strategic objectives which are set out in the introduction. For each of the strategic objectives, we provide below a summary description of what success might look like in 2018. The action plan which accompanies this Strategy contains a suite of projects which will enable the Strategy's objectives to be reached, with the course to success measured by a performance monitoring framework.

SO1 To enhance Brighton & Hove's distinctive destination and lifestyle offer

45. Brighton & Hove's distinctive destination and lifestyle offer is its USP. It is why people want to live in Brighton & Hove and is the basis of creating a city with the skills and investment to deliver economic growth and prosperity. Quality of place therefore matters. Investment in Brighton & Hove's assets and infrastructure needs to continue, to reflect the importance of culture, leisure and tourism whilst broadening the offer - along with developing an international reputation in the environmental industries and providing support for the 'alternative' entrepreneur, as well as social and co-operative enterprise.

What would success look like?

46. Brighton remains a popular place where people want to live;
- All sectors of Brighton's economy have grown and in particular contributions from creative and digital, environmental industries and advanced manufacturing in the wider economic area;
 - The visitor economy continues to thrive, including year-round conferencing, festivals and eco-tourism focused on the South Downs National Park and the Biosphere Reserve;
 - There are more corporate / blue chip occupiers in the City, both headquarters and R&D divisions without losing the independents;
 - There is a robust and real-time evidence base supporting, monitoring and reporting on the City's key quality of life and sustainability indicators; and
 - There will be several iconic developments in place and the highest quality seafront offer will be 'stretched' from the West Pier location through to the Marina.

SO2 To grow quality jobs and business opportunities in higher value and low carbon sectors

47. Under this objective, priority actions will aim to ensure that the economy is driven forward by growth in stronger sectors including specific environmental industries, benefitting from linkages with CDIT and the establishment of a network of growth hubs as envisaged in the City Deal. Business to business and business to customer infrastructure technology and 'know-how' will be strong and growth further facilitated through bespoke business support and mentoring programmes. The potential to grow 'green' business will target growth of the environmental industries sector but equally attempt to broaden the appeal to mainstream business, particularly the construction sector associated with residential and office retrofit. Actions will seek to ensure that there is sufficient high quality office space to meet the need identified in the City Plan and the Employment Land Study Review 2012.

What would success look like?

- Growth in the environmental industries sector has led to the City having an international reputation for low carbon industries based on their high performance and with mainstream business benefitting from spin-off 'greening' of its activities (and cost savings as a result);
- Businesses large and small have embraced the need to reduce their carbon footprint, improve their resource efficiency and are actively engaged in initiatives to do so;
- Research and development activities led by the universities have resulted in spin-off companies being established and a burgeoning cluster in the life sciences;

- New incubator space, business support and mentoring have improved the survival rate of new business;
- The local SME construction sector has been stimulated by the scale and urgency of the city's retrofit challenge, and has expanded, deepened its local supply chains and improved skills; and
- The office stock is rationalised and modernised to meet growth business needs at higher standards of energy and carbon efficiency and with fewer vacancies.

SO3 To better align jobs skills to projected needs and in support of higher value sectors

48. The city has a highly skilled workforce and this is one of its key assets. The strategy will seek to further develop these high level skills as the skills of the workforce and technical expertise in a City region are the most important drivers of knowledge-based industry business location choices. The strategy must also ensure there are jobs to match the skills of the workforce and actions will attempt to address the issue of people working in jobs below their skills levels—placing graduates in graduate level jobs, for instance. But skills development is a factor to raise workforce productivity and increase personal income throughout the occupational spectrum and further measures will seek to provide a range of opportunities at all levels – for example in upskilling for the low carbon economy through retrofit and similar projects.

What would success look like?

- The City remains a key business investment location nationally because of its highly skilled workforce and inward investment flows from this recognition;
- There is a closer alignment of post-graduate qualifications with the skills needs of industry;
- There is a greater range of employment opportunities with lower unemployment and under employment; and
- Fewer people are employed in jobs below the level of their qualifications.

SO4 To tackle barriers to employment and to create employment opportunities for all

49. Under this objective, the aim will be to ensure that all residents can benefit from growth in the City's economy, thus reducing inequality. Targeted measures will seek to continue the rise in educational standards of school leavers, ensure that basic skills levels are higher and address worklessness and the implications of the introduction of the universal benefit cap. Much of this is already being addressed through the City's Employment and Skills Plan and other strategies and the Economic Strategy recognises the critical role of such activity in delivering growth for all the City's residents. There will be more support for carers who want to work and investment to improve travel to work across the City Region.

What would success look like?

- Educational providers strive to continuously drive up attainment across the board;
- Schools and educational facilities have been improved and attainment raised to beyond the national average; and
- There is greater equity in the City, including fewer people living in poverty, support is available for people in accessing employment, such as those with caring responsibilities, the long-term

unemployed, people with physical and mental health issues, and other people that currently experience discrimination in the labour market.

SO5 To establish a strong and influential Greater Brighton City Region

50. Many of the opportunities and challenges require addressing at the level of the City Region – for example in providing land for a balance of employment uses, housing and infrastructure solutions. However, across the City Region there are significant environmental, landscape and infrastructure constraints to development, particularly in the central part of the City Region. Actions under this measure will therefore seek to strengthen the capacity of the emerging City Region institutions and to develop a City Region-wide approach to investment funding and programming.

What would success look like?

- The economy as a whole has grown and GVA exceeds the [regional and] national averages;
- Key strategic development sites identified in the City Plan are well into the delivery phase, including Toads Hole Valley, Preston Barracks and Circus Street, leading to a sharp rise in housing delivery;
- The Biosphere Reserve and South Downs National Park stimulate development of the City Region's offers particularly in terms of a world-class environment, tourism and food;
- Collaboration is mature and effective across the City Region and with the LEP. It transcends changes in political administrations and has resulted in a successful City Deal programme and unlocking of funding including the EU Structural Funds and the Single Local Growth Fund from 2015; and
- The 'feel good' factor is high and people are even more proud to live and work in the City.

Developing the Action Plan

51. Consistent with the City Deal proposal, this strategy identifies the environmental industries sector and the goal of creating a more sustainable city through the use of smart technology, as keys to success. However there is no-one 'silver bullet' which will deliver this success. Rather the action plan seeks to deliver on the strategic objectives of the strategy through a range of improvements which in aggregate add up to a winning transformation - what Sir Dave Brailsford, Director of British Cycling, has termed the 'aggregation of marginal gains':

"... small improvements in a number of different aspects of what we do can have a huge impact to the overall performance."⁶

52. Many of the initiatives necessary to achieve these often small but in aggregate transformational improvements are already in play and covered by existing strategies such as the City Employment and Skills Plan and the Sustainability Action Plan. The actions set out in this refresh of the City's Economic Strategy focus upon a more limited series of actions or projects and in particular a small set of project proposals which could be genuinely transformational for the City's economy. A range of possible existing and new project ideas was drawn up as set out in Section 5.1.

⁶ <http://www.youtube.com/watch?v=uCXz2EAVwd0>

Prioritising the short list

53. A prioritisation framework (see Appendix D) was then applied to the projects in the long list in order to arrive at a short list of transformational projects which form the focus of the action plan. The criteria in the prioritisation framework include the following:
- Fit with strategic objectives including sustainable development;
 - Desired focus on ‘transformational’ projects not already being taken forward;
 - Outputs and outcomes;
 - Potential funding sources, leverage of private sector investment and value for money.
54. From the application of this framework, the following shortlist was agreed:

Shortlisted Projects

Strategic Objective	Project Description
SO1	Ongoing investment in internationally competitive conference facilities
SO2	Business & Innovation Support
SO2	Eco Tech Growth Hubs
SO3	City Region Skills Escalator
SO4	Citywide Maths Project
SO5	City Region Investment Board

55. There is a detailed proforma at Appendix E setting out the proposed scope of the shortlisted projects, deliverables, outputs and outcomes, funding (including potential leverage) and fit against strategic objectives, including environmental sustainability.
56. These projects have the greatest scope for transformational impacts upon the City’s economy. Coupled with the projects in the long-list and the range of existing initiatives covered by each of the five strategic objectives, the City’s economy will grow to meet the opportunities and rise to the challenges it faces in the coming five years. At the end of the period, the economy will be stronger and more sustainable. Brighton’s residents will be wealthier, there will be less inequality, skills levels will have been raised and collaboration across the City Region will have increased to the benefit of all.
57. The longlist of projects is set out overleaf.

Longlist of projects			
Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO1: - To enhance Brighton & Hove's distinctive destination			
SO1	Ongoing investment in internationally competitive conference facilities to protect and enhance conference business within the City.	Ongoing internal improvements to reduce energy costs and improve environmental performance of the existing facility. Option analysis to be undertaken in respect of a new facility, should long term funding be identified.	Conference facilities within a high performing venue operating according to a sustainable business model that will continue to meet the needs of future UK and International conference delegates arriving in the city.
SO1	Support the infrastructure and business growth elements of the seafrost strategy particularly the arches redevelopment by the i360	New business opening and jobs at a key site on the seafrost	New affordable and flexible commercial business space
SO1	Development of a year round programme of events that supports a year round visitor offer	A full year's events programme offering more consistent jobs opportunities within the sector	All new events will be impact assessed against sustainability standards
SO1	Reinvigorating the Royal Pavilion Estate	Creating a coherent RPE to enhance understanding & appreciation of the Estate and deliver a unique mix of cultural experiences	Long term sustainability of the historic buildings and estate
SO1	Film City. Joint initiative between the city council and the University of Brighton to bring together the significant cluster of film related activity in the city	Increase employment in film media and related sectors	Building the cluster will help to attract new business and therefore sustainable jobs
SO1	Made in Brighton: Music industry focussed around maximising the opportunities for local music business	Establish Brighton as a centre for music and develop local sector	Building the cluster will help to attract new business and therefore sustainable jobs

Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO2: - To grow quality jobs and business opportunities in higher value and low carbon sectors			
SO2	Business & Innovation Support	CDIT sector job growth	Job growth in low carbon sectors
SO2	Eco Tech Growth Hubs; a network of growth hubs to support high growth sectors, linked to University specialisms	Increased employment in eco tech sectors, contribution to sector GVA, closer collaboration between Universities & businesses	Growth in low carbon sectors working with the city's universities to plan for future environmental industries business growth
SO2	Circus Street redevelopment, including new university library and teaching building	New office floorspace to accommodate higher value sectors	Development in accord with OPL principles
SO2	Environmental Industries Umbrella Group	Increased employment in eco tech sectors,	Growth in low carbon sectors
SO2	Universal retrofit of energy efficiency measures, including Green Deal approach	Increase employment in construction sector; improved quality of housing and office stock; reductions in fuel poverty	Reductions in CO2 emissions and utility bills
SO2	Business Resource Efficiency	Lower utility bills and increased demand for local eco tech products and services	Reductions in CO2 emissions; improved resource efficiency
SO2	Sustainable Materials	Reductions in waste and procurement costs; improved resource efficiency	More sustainable procurement
SO2	Sustainable Energy Generation	Improved resilience to energy price rises	Reduction in CO2 emissions
SO2	Local & Sustainable Food Production	More local food processing, more jobs, better quality food	Reduction in food miles, CO2 emissions and other environmental impacts
SO2	Local Food economy	Boost to independent food sector, visitor economy & jobs,	Reduction in CO2 emissions and environmental impacts



Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO3	Fully integrated skills & employment pathway for people of all qualification levels	Business led skills provision will drive economic growth and improve productivity across the workforce	Fully integrated skills & employment pathway for people of all qualification levels
SO3	The Green Growth Platform (GGP) will provide the intellectual infrastructure required to foster sustainable economic growth in Sussex.	Healthy innovation ecosystem, address strategic skills shortages and ensure that Low Carbon Environmental Goods and Services (LCEGS) sectors achieve the high growth rates predicted for the sector	Support the growth of City region SMEs operating in LCEGS sectors
SO3	City Employment and Skills Plan. Umbrella plan for skills provision activity across the city	Raising Skills and Employment across the city	Fully integrated skills & employment pathway for people of all qualification levels



Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO4	<p>to employment and to create employment opportunities for all</p> <p>Raising Achievement in Maths' - enhancing a city wide project to address an identified area of weakness by placing maths in more applied contexts particularly in relation to business and enterprise</p>	<p>Citywide increase in pupil attainment at key stage 4</p>	<p>Improved employment for local people leading to greater equality in the labour market</p>
SO4	<p>Living Wage Campaign: Increase uptake amongst businesses</p>	<p>Higher proportion of B&H businesses adopting the living wage standards</p>	<p>Increased social equity and a measured contribution to tackling inequality</p>
SO4	<p>City region oversight of regionally contracted training provision to better target resources towards residents and local employment</p>	<p>Jobs growth and sustainable jobs for local people</p>	<p>Increase in local jobs thereby reducing commuting costs and environmental impact</p>

SO5: To establish a strong and influential Greater Brighton City Region		
Strategic Objective	Project Description	Outcome
SO5	Unlock key development sites to create business development and innovation space	New Innovation space in the New England Quarter and Preston Barracks
SO5	Unlock development sites to address housing commercial development needs and grow the City's economy	Investment secured for Patcham Court Farm, and the King Alfred Leisure Centre
SO5	Establish the City Region Investment Board	Secure investment for infrastructure development and training
SO5	New Homes for Neighbourhoods	New homes on council owned land and estates
		Contribution to economic sustainability Innovation spaces will support knowledge intensive sector growth
		Sustainable business growth and jobs
		New sustainable approach to investment combining central and local authority assets with LEP and other private sector investors in order to unlock development
		Highest standards of sustainability

Final shortlisted projects

Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO1: - To enhance Brighton & Hove's distinctive destination and lifestyle offer			
SO1	Ongoing Investment in internationally competitive conference facilities to protect and enhance conference business within the City.	Ongoing internal improvements to reduce energy costs and improve environmental performance of the existing facility. Option analysis to be undertaken in respect of a new facility, should long term funding be identified.	Conference facilities within a high performing venue operating according to a sustainable business model that will continue to meet the needs of future UK and International conference delegates arriving in the city.
SO2: - To grow quality jobs and business opportunities in higher value and low carbon sectors			
SO2	Business & Innovation Support	CDIT sector job growth	Job growth in low carbon sectors
SO2	Eco Tech Growth Hubs; a network of growth hubs to support high growth sectors, linked to University specialisms	Increased employment in eco tech sectors, contribution to sector GVA, closer collaboration between Universities & businesses	Growth in low carbon sectors working with the city's universities to plan for future environmental industries business growth
SO3: - To better align jobs skills to projected needs and in support of higher value sectors			
SO3	City Region Skills Escalator	Fully integrated skills & employment pathway for people of all qualification levels	Business led skills provision will drive economic growth and improve productivity across the workforce
SO4: To tackle barriers to employment and to create employment opportunities for all			
SO4	Raising Achievement in Maths' - enhancing a city wide project to address an identified area of weakness by placing maths in more applied contexts particularly in relation to business and enterprise	Citywide increase in pupil attainment at key stage 4	Improved employment for local people leading to greater equality in the labour market

SO5: To establish a strong and influential Greater Brighton City Region		
SO5	Establish the City Region investment Board	Secure investment for infrastructure development and training
		New sustainable approach to investment combining central and local authority assets with LEP and other private sector investors in order to unlock development

1 The Role of Strategy

1.1 Refreshing the Strategy

- 1.1.1 Peter Brett Associates (incorporating Roger Tym and Partners), in partnership with Bio-Regional, were commissioned to undertake a refresh of Brighton & Hove's current Economic Strategy. This is timely as the UK and global economic context has changed substantially since the previous strategy was drawn up: the world has endured global financial crises, the UK has been through a double-dip recession and the Eurozone economy has been subject to repeated shocks.
- 1.1.2 With the current age of public sector austerity likely to continue for some time, Brighton & Hove City Council (BHCC) and the City's Economic Partnership (BHEP) commissioned this refresh of the City's Economic Strategy for the period 2013-18. The Strategy responds to prompts for more radical and practical action from local authorities and the wider public sector as lender and investor catalyst, with private sector co-investment and commitment. The timing of the Strategy also coincides with the City Council and its Partners pulling together a bid for City Deal which aims to provide stimulus to the growth of the Greater Brighton City Region.
- 1.1.3 But this is more than just a strategy that focuses on economic growth. It is also predicated on embedding the principles of the One Planet Living Framework. As such the Strategy needs to demonstrate that economic growth and sustainable development are compatible and can be mutually reinforcing. For the OECD (2011), "green growth means fostering economic growth and development, while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies."
- 1.1.4 Indeed a shift to new technologies encompassing a more sustainable economic path will itself create new opportunities for businesses in Brighton & Hove.

1.2 Approach

- 1.2.1 The method followed a series of five Steps:
- Baseline Analysis
 - Gap Analysis
 - Strategy Development
 - Intervention Priorities
 - Action Plan
- 1.2.2 This report follows through those same steps though in doing so we concentrate on the results of our findings rather than the processes which got us there.

1.3 Consultation

- 1.3.1 The strategy was informed by an extensive consultation process. Initially we consulted key stakeholders in the city to understand what they saw as the key strengths of the city and what they perceived to be the key challenges going forward.
- 1.3.2 An initial draft strategy was then subject to consultation with a wider group of economic stakeholders who contributed to developing the overall priorities of the Strategy. This is an economic strategy for the city as a whole and one that reaches beyond the city to embrace the Greater Brighton City Region.

- 1.3.3 The strategy has also been subject to consultation with the people and communities of Brighton & Hove. An Equalities Impact Assessment has been produced and its conclusions incorporated into this final draft Economic Strategy.

2 Shifting sands: the new policy context for economic development

2.1 Policy Context

- 2.1.1 Since the previous Economic Strategy was published in 2009, the continuing fragile national economic situation and the raft of new policies introduced after the Coalition Government came into office in May 2010 have meant that the national, regional and local policy context for economic development has been radically changed. A previously strong regional tier of governance and policy-making overseen by the Regional Assembly and SEEDA has gone, with final abolition of the SE Plan now enacted.
- 2.1.2 The Coalition Government's principal focus on deficit reduction is well-documented as is the desire to shift away from dependence upon the public sector to support for a dynamic and growing private sector. As a consequence, the Local Enterprise Partnerships (LEPs) have been created to champion business growth and encourage greater co-operation between the public and private sectors. The role of the LEPs is to be strengthened following the Government's response to the Heseltine Report, No Stone Unturned. The City has good relations with the Coast to Capital LEP and is starting to feel the financial benefit of active engagement with C2C.
- 2.1.3 Government policy is shifting from financial support of areas in need of regeneration towards providing the right policy and fiscal arrangements to facilitate economic growth across the Country – but particularly in the more successful greater South East.
- 2.1.4 National policy has also shifted significantly in favour of city regions as drivers of the national economy, including the second rank of cities nationally, into which Brighton and Hove falls. A significant emphasis has been placed on these second rank cities for future success of the national economy – particularly those such as Brighton & Hove which lie close to London as the most important national economic driver.
- 2.1.5 The recent City Deal process has also stimulated greater co-operation between the City Council and neighbouring authorities within the functional economic area. The Duty to Co-operate enshrined within the Localism Act and the National Planning Policy Framework will drive collaboration further – this is particularly critical given the tight administrative boundaries of the City and surrounding protected areas including the South Downs National Park.
- 2.1.6 The forthcoming review of the EU's structural funds will present opportunities for the City Region as it will undoubtedly seek to focus on several strands of relevance to the Brighton & Hove economy, including fostering enterprise and support for key sectors including environmental goods & services and life sciences. The LEPs will direct EU structural funds, a further rationale for close and effective working with the Coast to Capital LEP.
- 2.1.7 We are likely to see the era of public sector funding restraint continue throughout the life of this Strategy, and as a result public funding to pump-prime investment will be limited. Innovative approaches to public-private collaboration in particular will be necessary and imaginative use of public sector assets, or use of the strong local authority covenant, will feature strongly in such activities.
- 2.1.8 Within this changed national policy context, there are a number of local and wider strategies which have helped to frame this refresh of the City's Economic Strategy. The key ones are summarised in Appendix A at the end of this report.

- 2.1.9 Common themes emerging from these strategies include the need for enhanced economic growth and resilience; sustainable development through better use of natural resources; developing skills; and improving local infrastructure.

2.2 One Planet Living

Introduction

- 2.2.1 Brighton & Hove is currently independently endorsed as the UK's first One Planet City. The aim of this initiative is to create a future where it is easy, attractive and affordable for people to lead happy and healthy lives within a fair share of the earth's resources – One Planet Living. One Planet partners commit to becoming places where it is easy for residents to live a One Planet lifestyle should they choose to, by 2025. This commitment entails performance against clear targets for each of ten principles in the One Planet Living framework. It is critical therefore that the city's economic strategy presents a coherent narrative consistent with its commitment to One Planet Living principles, and demonstrates how it will move towards a low carbon economy in this timescale.
- 2.2.2 The ten One Planet principles and their associated targets have been developed to consider the range of environmental, social and economic factors needed to realise such a sustainable future. Society and the economy cannot exist long-term outside a healthy environment; consequently there are four overarching environmental imperatives behind the One Planet initiative:
- Reduce our use of natural resources (i.e. our ecological footprint);
 - Reduce our use of energy (i.e. our carbon footprint);
 - Reduce environmental pollution; and
 - Adapt to the impacts of climate change.

Reduce our use of natural resources: our ecological footprint

- 2.2.3 Ecological footprinting measures our consumption of natural resources in available global hectares of land and sea – that is, its biocapacity. Extensive scientific research tells us that our global footprint now exceeds the planet's ability to sustain its biocapacity by around 50%. If our demands on the planet continue at the same rate, by 2030 we will need the equivalent of two planets to maintain our lifestyles. 'One Planet Living' aims to make it easy, attractive and affordable for people to live within a fair share of the Earth's resources – which, according to current calculations, will be no more than 1.2 global hectares (gha) per person by 2025⁷. In the UK, the current average footprint is 4.9 gha per person, and in Brighton somewhat higher at 5.15 gha per person. This compares to China where it is 2.2 gha per person and USA where it is 8.0 gha per person. As the aim of the One Planet Initiative is to lead the way and achieve the highest levels of sustainability, endorsed One Planet partners in the UK aim for a trajectory resulting in 1.2gha per person by 2025.

Reduce our use of energy: our carbon footprint

- 2.2.4 The *One Planet* Initiative uses 'consumption-based' carbon footprinting to inform a full and holistic picture of what causes our greenhouse gas emissions and the most appropriate strategies for reducing them. Consumption-based emissions are those that arise all the way through the supply chain. These include not just direct emissions caused by fuel and energy

⁷ Based on a population of 7.67 billion, a biocapacity of 1.6gha per person and allowing 20% space for wildlife.

consumption, but also embodied emissions in goods and services purchased (for example food, manufactured items and construction materials). By 2050, a 50-80% reduction in global carbon emissions is needed to stay within acceptable limits of climate change. The UK Committee on Climate Change recommended a 80% target by 2050; this target has been enacted in law through the Climate Change Act 2008, with an interim target of 40% by 2020⁸. As the aim of the One Planet Initiative is to lead the way and achieve the highest levels of sustainability, endorsed One Planet partners in the UK aim for a trajectory resulting in a 90% cut in consumption-based emissions by 2025.

Reduce environmental pollution

- 2.2.5 Avoiding pollution to air, land or water as a result human activity is key to *One Planet Living*, whether it arises from energy generation, construction and refurbishment activities, transport vehicles, or other domestic and non-domestic activities. This involves not only examining pollution in any particular process itself, but also examining the supply chain linkages for the production of materials, equipment, goods and services upstream and downstream of the process in question. While the development of a green supply chain is supported by environmental legislation in many jurisdictions, it is challenged by the difficulty of tracing globalised supply chains, and sometimes by the scope of environmental regulation itself where it simply promotes 'end-of-pipe' technologies. As the aim of the One Planet Initiative is to lead the way and achieve the highest levels of sustainability, endorsed One Planet partners in the UK are required to develop an ongoing and evolving strategy for avoiding pollution to air, land or water as a result of activities associated with the region. All activities should aim to meet international best practice on pollution prevention. Purchasing systems for materials, equipment, goods or food should screen for pollution impacts upstream and choose suppliers with strong environmental track records supporting the emergence of a green supply chain.

Adapt to the impacts of climate change

- 2.2.6 The UK climate is changing as a result of human activity. Across the country, winter rainfall has increased in recent years and summer rainfall has decreased. There has been an increase in average temperatures and mean sea level has risen. Climate projections are telling us that we will experience hotter drier summers, warmer wetter winters, disruption in usual weather patterns and more frequent or intense weather events (e.g. heat waves, droughts, and flooding) and continued rising sea level. This is likely to have an adverse impact on people, agriculture, water quality and availability, biodiversity, human health, buildings and infrastructure, public spaces, soils and the economy⁹. Brighton & Hove City Council's Climate Change Strategy (2011) assesses the vulnerability of the city to current and future climate change, including consideration of the impact of flooding, drought and heatwaves. The community groups, activities and natural resources most vulnerable to climate change are identified and recommendations put forward for adaptation measures. These are integrated in the BHCC Sustainability Action Plan.

Towards a One Planet Economy

- 2.2.7 One Planet Living is a vision of thriving regional economies where we meet more of our needs from local, renewable and waste resources, enabling people to live a high quality of life within their fair share of the earth's resources. Brighton & Hove's Climate Change Strategy (2011) sets out the council and city's approach to realising this vision. The strategy was shaped through extensive informal stakeholder workshops and informed by the Sustainable Community Strategy (SCS), the Council's Corporate Plan and the Environmental Industries

⁸ Climate Change Committee (2010), Climate targets and global emissions trajectories. Available at: <http://bit.ly/fW3ZDV>

⁹ BHCC (2011) Monitoring Outcomes of the Scrutiny Review of Climate Change Adaptation.

Scrutiny Panel (EISP) recommendations. The Climate Change Strategy sets out a concept of a low carbon economy for Brighton & Hove based on the following elements:

- Globally competitive environmental industries sector;
- Energy efficient private, public & third sector organisations;
- Sustainable tourism;
- Well-developed environmental knowledge and skills;
- A reduced need to travel; and
- Low carbon supply chains.

What will such a 'One Planet Economy' look like?

2.2.8 In terms of different economic sectors and infrastructures, it will be one where the environmental imperatives of reducing resource use, energy use and pollution and adapting to climate change are all transformed into economic drivers for neighbourhoods, towns and cities in the region. This can include the expansion of local and regional energy generation at micro- and macro-scales, and the development and deployment of innovative technologies including district heating and biomass. It can include demonstration projects for environmental technologies and services, integrated flows of materials and waste, and sustainable transport networks. This can be translated into the following objectives:

- Greater economic opportunities in environmental technologies and services (including energy, transport, ICT, construction, food);
- Increased long-term resilience of local and regional systems of energy, waste, and transport; and
- Reduced long-term dependence on major national infrastructure and natural resources.

2.2.9 In terms of scale and catchment, it will be one where sufficient city-regional economic integration has been reached to produce a greater range of economic goods and services on a sustainable basis, particularly food, energy, water, tourism, construction materials and waste. This scaling-up of local and regional markets can support competitiveness, quality, and the emergence of centres of excellence in particular sub-sectors where there are the right combinations of local assets, entrepreneurs and institutional support. It can also build the potential for synergies between different sub-sectors to generate a particularly unique offer, for example in eco-tourism. This can be translated into the following objectives:

- More integrated and resilient city-regional supply chains for materials, food and water;
- Integrated city-regional sustainable tourism offer for visitors and locals; and
- Closer alignment of resource footprint with city's functional economic area.

2.2.10 It is also one where the city's quality of life continues to be a key part of its locational offer, helping to develop, attract and retain people. This can be translated into the following objectives:

- Reduced barriers to enterprise, employment and skills; and
- More robust evidence base for the city's quality of life and locational offer.

2.2.11 Although this Strategy is not the sole vehicle for delivering the One Planet Living principles in Brighton & Hove, this concept and objectives for a ‘One Planet Economy’ can be matched to the OPL principles at city and city-regional scales as set out in Figure 2.1. This table can therefore be used as an evaluation matrix for the projects and proposals set out in subsequent sections of this document.

Figure 2.1 Evaluation matrix setting out the city’s Climate Change Strategy in terms of the One Planet Living framework, and identifying strategic objectives working towards a One Planet Economy.

Strategic Objectives	Brighton city-region	Brighton & Hove city
Working towards a One Planet Economy	Work with regional partners to deliver...	Work with local partners to deliver...
Zero Carbon	Reduced long-term dependence on major national infrastructure and international natural resources	Increased long-term resilience and security of local energy, waste, and transport systems
Zero Waste		
Sustainable Transport		
Sustainable Materials	More integrated and resilient city-regional supply chains for materials, food and water	Greater economic opportunities in environmental technologies and services
Local & Sustainable Food		
Sustainable Water		
Land Use & Habitat	Closer alignment of resource footprint with city’s functional economic area	Reduced barriers to enterprise, employment and skills
Equity & Local Economy		
Culture & Community	Integrated city-regional sustainable tourism offer for visitors and locals	Robust evidence base for the city’s quality of life and locational offer
Health & Happiness		

2.3 Conclusions

2.3.1 From the analysis set out in Appendix A there is a good degree of synergy between the various strategies that apply within the City both vertically (up to the LEP and Government Policy) and horizontally across sectors. Thus this refreshed Economic Strategy builds on a strong tradition of inter-relationships amongst the family of strategies.

2.3.2 This high degree of synergy also applies externally to the City Council’s administrative boundaries. In some respects this creates opportunities - for example for residential development to meet the City’s needs or for the location of lower value, more land-hungry uses outside the BHCC boundaries. But it also represents some competition – in that surrounding areas are also competing for footloose inward investment and these areas also have their own pressures to meet, as well as significant infrastructure or other constraints to development. The collaboration process commenced in response to the ‘Duty to Co-operate’ set out in the Localism Act is throwing these issues into sharp spotlight. The challenge will be for the emerging governance structure of the City Region to ensure that this collaboration is deepened for the benefit of the communities and local authorities across the area.

2.3.3 From the family of strategies outlined in section 3.1 and Appendix A there is clear consensus that the economic strategy needs to:

- Fulfil the function of growing the City’s economy whilst preserving what is different and distinctive about Brighton, including its cultural and tourism offer;

- To capitalise on the opportunities of high-value and low carbon sectors in particular;
- To benefit from the high skills levels in the City, to ensure that everyone is doing a job suited to their level of skill and to support people in accessing employment;
- To bolster the emerging governance arrangements across the Greater Brighton City region and take advantage of the emerging City Deal proposals.

3 Brighton & Hove Today

3.1 Economic Overview

- 3.1.1 The baseline analysis starts with a socio-economic profile of the Brighton and Hove and of the wider City region which forms the functional economic area. We then identify the key economy assets of the city that either do, or potentially could, give it a competitive advantage. We set out how these assets can be nurtured to make them work better for the economic success of the city.
- 3.1.2 We then look at the current trajectory Brighton is on and where it might expect to be if it continues on this path. We try to distinguish where current indicators reflect the current cyclical downturn, and the extent to which there have been real structural changes that will inform the future direction of the local economy. We then set out potential alternative paths to inform the strategy.
- 3.1.3 Following a review of the assets of the City's economy and challenges it faces, we illustrate with reference to case studies what other cities of similar scale and characteristics have achieved. This is not to set to these cities up as templates for Brighton to follow but to illustrate how other cities have successfully raised their economic ambitions and to draw any relevant lessons from how they went about doing this.

3.2 Economic Structure

- 3.2.1 In setting out the economic overview of the city we do not attempt to provide a comprehensive data set as this is covered elsewhere¹⁰. Rather we set the context and highlight some of the key factors that will inform the strategy.
- 3.2.2 We also set the city in the context of the wider City Region which, for the purpose of this analysis is defined as consisting of the local authority districts of Brighton & Hove, Lewes, Adur and Worthing to be consistent with the partnership being established for the City Deal.

¹⁰ See for example the Brighton & Hove Local Information Service, <http://www.bhlis.org/>

Figure 3.1 City Deal Region and Travel to Work Area

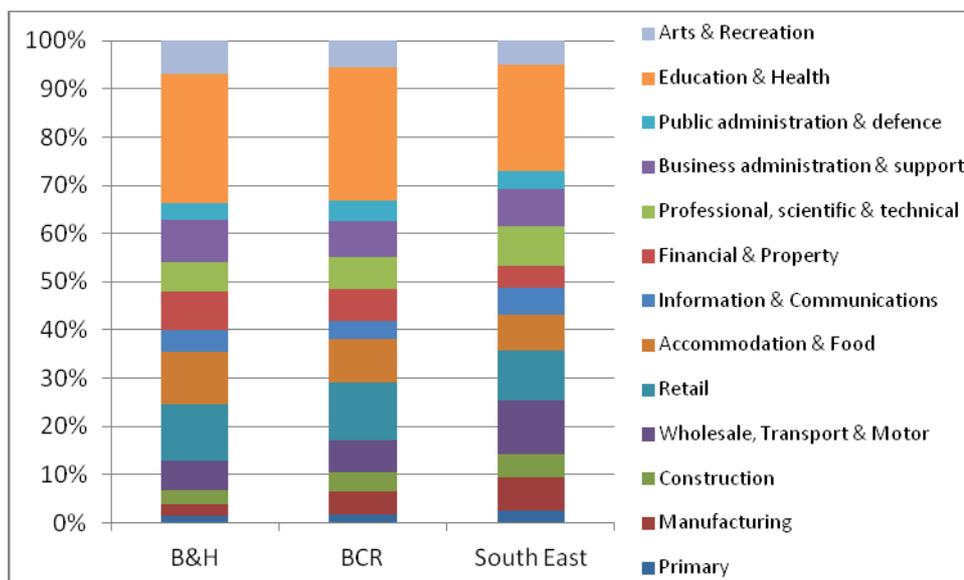


Greater Brighton City-Region

- Digital Quarter
- Preston Barracks Gateway
- University of Brighton
- University of Sussex
- Cleantech University Technical College
- Brighton & Hove and Lewes Downs
- UNESCO Biosphere Reserve
- Rampion Offshore Windfarm
- Toad's Hole Valley
- One Planet Living Demonstration Project
- Brighton Station
- Rail Infrastructure
- Road Infrastructure
- Port
- Airport

3.2.3 Brighton & Hove has a much lower proportion of employment in industrial activities than the South East as a whole. It has correspondingly higher proportions of activity in service sectors such as 'Accommodation & Food' and 'Education and Health'. If we look at the structure of the city region as a whole then this sits somewhere between that of the city and the South East, demonstrating a wider balance of activity is achieved at the city region level.

Figure 3.2 Employment Structure 2011



Source: BRES

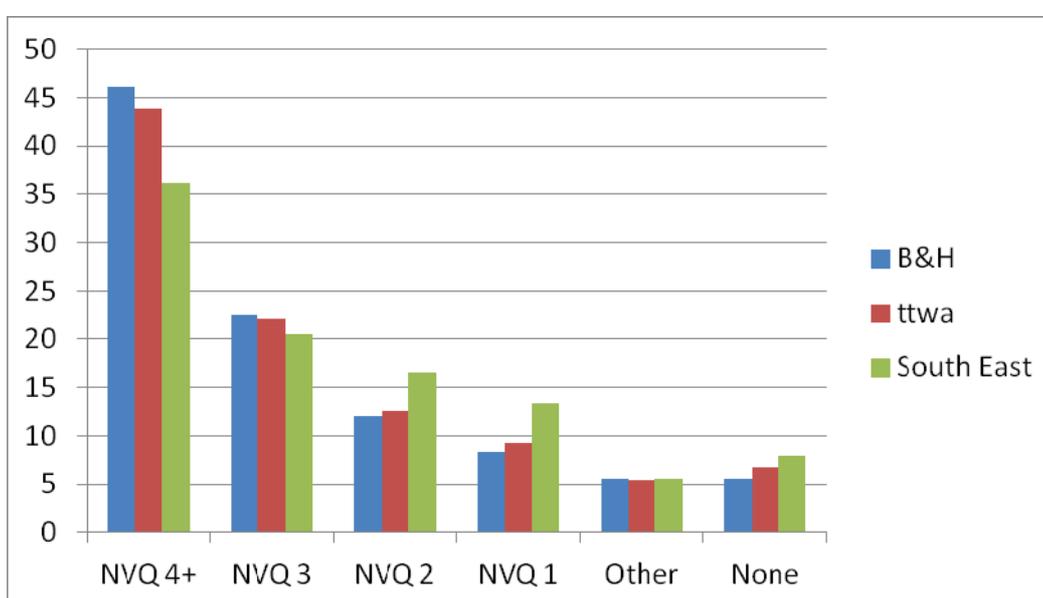
3.2.4 Whilst Brighton & Hove has a service sector economy, it is not in general the higher value services. The sectors in which the city is over-represented, and which are projected to grow at above the national average rate of growth in employment terms are primarily lower value. These are set out in the table below, which shows projected UK employment growth by sector, the relative representation (or Location Quotient) of that sector in the city; current levels of employment; and national average wages in the sector.

3.2.5 The two exceptions of higher value activity are real estate activities and information and communications, but both are of moderate size in overall employment terms.

Labour Force

3.2.6 The city and its wider hinterland have a highly skilled resident workforce. The proportions qualified to NVQ4+, degree level equivalent are amongst the highest in the country and well above the South East average. This should translate into a strong competitive advantage as skills are the key lever of prosperity¹¹ yet the high skills do not translate into high wages or high value added to the city economy. In part this is explained by workers commuting out to higher paid jobs London and Surrey, but it is also partly explained by workers being employed in occupations below their skills levels. This has a consequential effect on those lower down the skills ladder, with the least qualified being bumped off the bottom and denied entry level opportunities.

Figure 3.3 Percentage of Resident Qualifications by highest NVQ Level

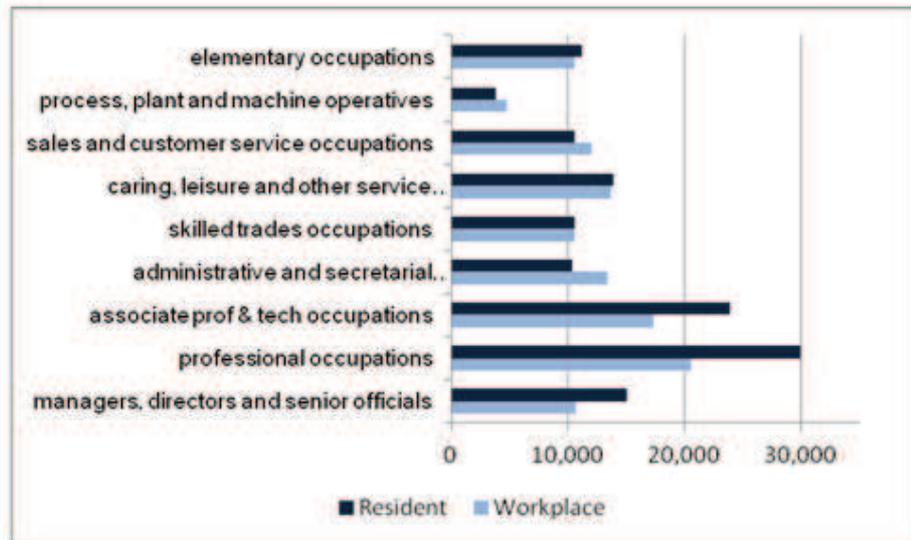


Source: APS

3.2.7 A large part of this skilled workforce is exported to higher value occupations elsewhere. Whilst for the lower value occupations the numbers of resident and workplace jobs are fairly well balanced the city exports workers in the managerial, professional and associate professional occupations. There was a net outflow of approximately 20,000 workers in these three occupational categories in 2012, Or to put it another way, whilst 53% of the city's residents work in these three higher occupational categories, only 43% of the city's jobs are in these three categories.

¹¹ See Leitch Review

Figure 3.4 Resident and Workplace Employment by Occupation

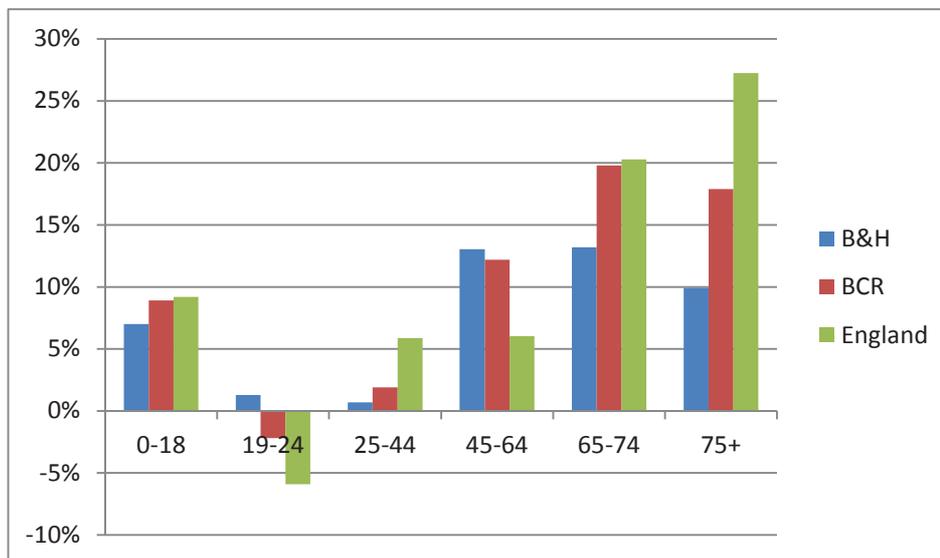


Source: APS

- 3.2.8 Despite having a very well qualified resident population. A more disappointing picture emerges when looking at educational attainment data. Here the city under-performs the national and regional average. In 2011 the proportion of pupils at end of Key Stage 4 achieving 5+ GCSEs of grade C or higher was 71.9% compared to 79.3% for the South East and 80.1% for England¹². Whilst the proportion achieving this level has been growing in the city the performance gap with the regional and national average has been widening. This problem appears to be a Secondary schools issue as the same gap is not evident at Key Stage 2. For the future workforce it suggest a position where a segment of local school leavers may struggle to find good jobs giving the competition from the highly skilled workforce that is attracted to the city.
- 3.2.9 The demographic profile, and changes to this, functions as one of the key drivers of growth for a local economy. In this regard the city has a favourable population profile. The latest sub-national population projections from the ONS show a projection population increase of 8,000 for the strategy period 2013-18, a 3% increase in just five years, although the long run projection 0.6% p.a. is below the average for England of 0.8% p.a.
- 3.2.10 More notably the working age population of the city is projected to increase 5,000 between 2013-18 (2.7%) with a particular growth in the 45-64 age group. This is on top of the increase of 15,000 already identified in the 2011 Census. This should provide particularly good medium term opportunities for the city as this is the age cohort with the highest disposable income thus providing demand for the consumer services sectors.
- 3.2.11 The way the City region works can be seen with reference to the population profile. Whilst the City has quite a distinctive growth pattern the inclusion of the wider City regional works to smooth the growth to a more traditional pattern.

¹² Neighbourhood Statistics

Figure 3.5 Projected Population Change by Age Group 2011-21



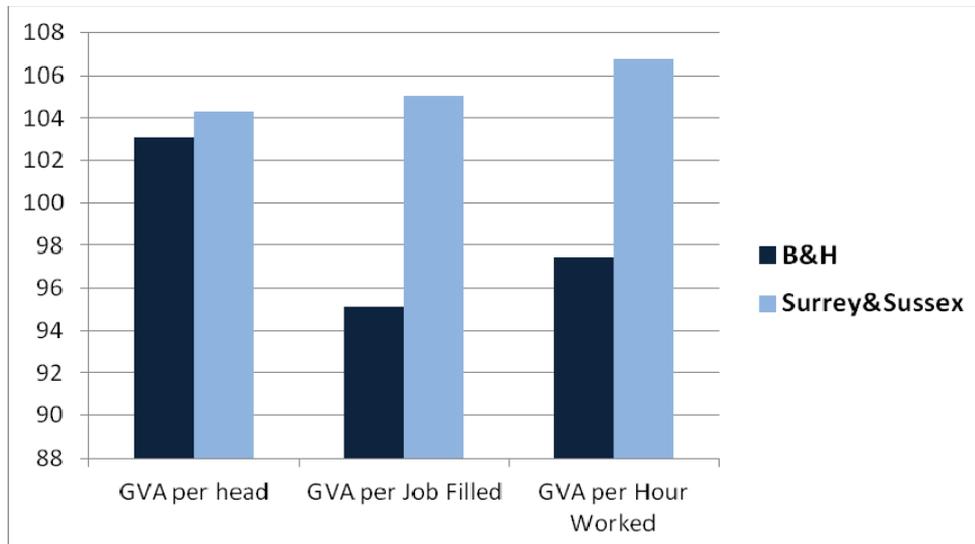
Source: ONS

- 3.2.12 Whilst the city's population is projected to grow against the national trend for 19-24 year olds, due to the student population, the city is anticipated to have very low growth amongst the 25-44 age band, which is possibly a result of lack of affordable housing and thus recent graduates and first time buyers look beyond the city's boundaries to find more affordable housing within the wider city region.

The Productivity Gap

- 3.2.13 Yet despite its highly skilled workforce and high rate of business start-ups the city under-performs in terms of its productivity. Measured in terms of GVA per head for resident population Brighton & Hove is above the national average. Yet this does not reflect the output of the city and, if measured in terms of GVA per job, or GVA per hour worked the city is well below the national average. The situation is even more stark when compared with the wider sub-region of Surrey & Sussex, which shows the city's productivity as 10% below that of the wider sub-region. If this gap were made up it would add around £500m p.a. to the City's GVA.

Figure 3.6 Productivity 2009



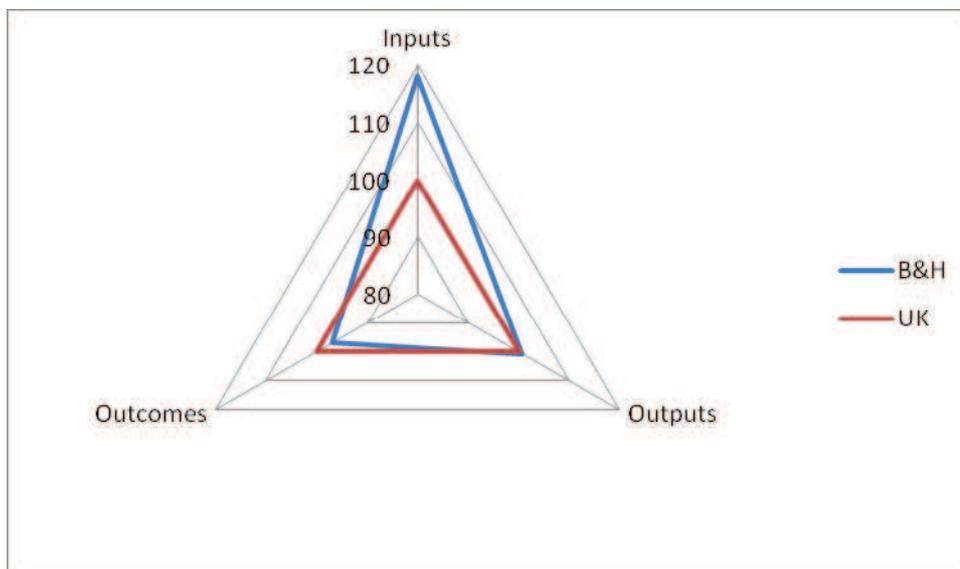
Source: ONS

There are long running structural factors that the city must tackle. The Brighton & Hove economy reveals low levels of productivity and competitiveness. This is illustrated in the UK Competitiveness index which shows that despite having a high level of assets as measured by its inputs (such as workforce skills and new business start-ups) being nearly 20% above the UK average, in terms of outcomes (such as wage levels and unemployment rates) it actually ranks some 4% below the national average. Although recent work produced by Brighton & Hove City Council shows significant improvement since 2009 compared to others similar urban areas¹³ it should be doing better. Research published by the Spatial Economics Research Centre¹⁴ found that the composition of the workforce explains more than half, and in some cases much more than half of the apparent differences in areas' wage disparities, which raises further questions about the reasons for the low levels of productivity in the city.

¹³ Greater Brighton City Deal, Policy Proposal Paper.

¹⁴ Spatial Economics Research Centre

Figure 3.7 Brighton & Hove ranked on the UK Competitiveness Index



Source: UKCI

3.2.14 The competitiveness of the wider city region does not look much stronger although for the city region the inputs are lower than those which Brighton & Hove is blessed with.

	Inputs	Outputs	Outcomes
B&H	118.1	100.6	96.9
Lewes	104.9	95.3	99.5
Adur	98.5	97.7	91.1
Worthing	99.7	104.0	97.4

Source: UKCI

3.2.15 Yet despite the low levels of productivity the Brighton & Hove economy has proved itself resilient in the face of the recent economic downturn.

3.3 Assets and Challenges

3.3.1 A number of significant assets have been instrumental in helping the City to weather the recent economic storms. These assets fall within the following broad headings:

- Strength in existing and growth sectors of the economy
- Workforce creativity, skills and demographics
- Factors relating to the geography and location of the City
- Quality of life and ethos of the City

Sectors to drive growth

- 3.3.2 The City's economy is relatively diverse and dominated by small businesses, which gives it a flexibility and dynamism. It has one of the highest business start-up rates in the country. The rate of business failures is also high. There is an entrepreneurial spirit with people willing to take risks and this Strategy needs to ensure that clever and innovative support mechanisms are in place to help the City's entrepreneurs in the difficult period of sustaining and growing new businesses, especially those with high growth potential.
- 3.3.3 The sectors that most stakeholders consider to be important to the City's economy are culture, leisure and tourism and creative, digital and IT. The culture, leisure and tourism industry is important not just as a generator of jobs but also the influx of leisure and business tourist income, coupled with one of the highest rates of engagement in culture amongst residents, underpins the great cultural and artistic offer. The City's overall quality of life offer as a result is enhanced, making it a great place to invest – it was named the third best place to invest in 2012¹⁵ - and this, together with factors such as its popularity on the annual party political conference scene clearly enables it to retain prominence.
- 3.3.4 Helped by the weakness of sterling over the past five years, the city's tourism offer has attracted a strong weekend break market but it also has a large number of language schools which, together with overseas students at the two universities, bring significant 'education tourism' to the city; one of the major 'exports' - Brighton & Hove also enjoys a niche for companies involved in outbound tourism some of which have turnovers in excess of £100m p.a. The city's tourism offer is quite diverse with a range of attractions from the typical to the unique and a wide spread of hotels from budget to five star and more restaurants per head of population than anywhere outside London and a particular strength in vegetarian and vegan establishments. With the South Downs National Park on the doorstep and the possibility of international Biosphere Reserve status, there is good potential to grow the market for eco-tourism locally – converting what is often seen as a constraint upon growth, the South Downs, into an advantage.
- 3.3.5 There are further opportunities in the arts and culture through a significant cluster of film related activities in the City (Hove is known as the 'birthplace of film'); and music businesses based upon successful initiatives such as Made in Brighton and The Great Escape, a leading international European music industry conference and expo which takes place in Brighton each May.
- 3.3.6 Whilst numbers employed in CDIT are currently low compared to other sectors, these are generally high skill jobs and they have played an important part in the broadening of the City's economic base and in increasing its international profile. It is also a sector that has significant further export potential and the ability to contribute to the Coast to Capital LEP's internationalisation strategy. The relative contribution of digital companies is growing at over twice the national average and there is significant further growth potential, fuelled by a ready supply of graduates.
- 3.3.7 The City's financial and business services sector has experienced some decline in response to the national and global trends. However, it has held up stronger than in many comparable cities and will continue to play a significant role in the future economy of Brighton & Hove, principally through the contribution of many small & medium sized businesses as well as the European Headquarters of American Express.
- 3.3.8 The City's economy is also well positioned to take advantage of the growth in the environmental industries sector, by virtue of existing clusters of companies, world class expertise at the two universities and an environmentally aware resident and business

¹⁵ Brighton & Hove was identified by the Local Futures Group as the third best local authority area to invest in, research published in December 2012.

population. Cross-City support for environmental initiatives, championed by the City Deal process, could lever growth in this sector, particularly by exploring synergies with CDIT and learning the lessons from its rapid growth and indeed the many success stories already in this sector¹⁶. There are also potential synergies between the environmental industries, Brighton University's internationally renowned Centre for Sustainability of the Built Environment and the local SME construction subsector, through the extensive retrofit challenges faced by the city's aging and hard-to-treat private sector housing stock. Similarly there are opportunities to promote the refurbishment of outdated office stock, much of which was built in the 1970s and 1980s, offering the opportunity to reduce carbon footprint via a more environmentally sustainable solution than demolition and rebuild. Although Brighton & Hove doesn't have the potential to exploit the full range of environmental industries, it has these existing distinct strengths in sustainable buildings to capitalise upon.

- 3.3.9 There is evidence of clustering in a number of emerging sectors across the City region (such as environmental industries including renewable energy generation and its supply chain at Shoreham Port). The Strategy seeks to support growth of these clusters, in particular through a network of growth hubs as promoted by the proposed City Deal.

A highly qualified workforce

- 3.3.10 The existence of two good universities with high graduate retention has meant that the City has a well-qualified workforce in comparison to the region (it was recently named number 1 for skills and qualifications by Municipal Journal¹⁷) and national averages, and the projected change is for a reinforcement of this trend. Workforce skills levels are a significant asset to the City and give it a competitive advantage compared with many other similar places as well as an ability to drive growth in the emerging and high-growth sectors which depend on highly skilled employees: the concept of knowledge intensive growth.

Geography of the City: Brighton & Hove in the wider world

- 3.3.11 The City's functional economic area extends well beyond its administrative boundaries (see figure 1.1) and this, together with public sector funding restraint and the new landscape for economic development, is driving co-operation with neighbouring local authorities and with the Coast to Capital LEP. The momentum building behind the emerging Greater Brighton City Region will be fundamental to future success of the City's economy and enable it to contribute significantly to UK economic growth. The willingness to cooperate is already evidenced by initiatives like the newly agreed City Deal, the work to establish an international Biosphere Reserve and the Shoreham Harbour joint area action plan promoted by Brighton & Hove City, Adur District and Worthing Borough Councils. There are also supportive working relationships with East and West Sussex County Councils in relation to Energy Recovery Facilities and a Local Transport Board.
- 3.3.12 The Greater Brighton City Deal proposal aims to deliver significant additional economic growth by unleashing the city region's productivity potential in the eco-tech sector. Stronger links will be sought between the universities' research and development expertise and businesses in the sector. The experience of growth in the Creative, Digital and IT sector will be capitalised upon in this respect. It will aim to increase the supply and quality of modern business space, particularly incubator / grow-on space for SMEs and provide a programme of bespoke support and advice to business. A boost will be sought to housing provision across the City Region and an Investment Board will seek to leverage public and private sector funding to grow the City's economy along these priority lines.

¹⁶ For example, see <http://www.brightonbusiness.co.uk/html/ni20090403.425404.htm>

¹⁷ Municipal Journal, 7 February 2013.

3.3.13 If Government agrees to the City Deal programme, there will also be a generic package which will apply. Together these will present significant growth opportunities for the City's businesses, whether start-up, existing, or potential relocations to the area.

3.3.14 The City Council has stated its desire to work more closely with its City Region partners irrespective of the outcome of the City Deal process. Given the thrust of national policy to channel national and international funding programmes through the LEPs, such closer collaboration across local authority boundaries will be necessary in order to unlock these funding programmes and benefit from the opportunities of working at the scale of the City Region.

Quality of life and ethos of the City

3.3.15 The environment, cultural, tourism and leisure offer as well as the geography of the City combine to give a quality of life of which its residents are proud. The existence of the universities and their student population further contributes to both quality of life and ethos of the City. Cultural disciplines, science and applied technology through the universities assist in fusing the creative with the IT sector and are part of what creates the distinctive offer of the City and its value in making it a great place to locate and invest.

3.3.16 "Quality of place – particularly natural, recreational, and lifestyle amenities – is absolutely vital in attracting knowledge workers and in supporting leading-edge high technology firms and industries. Knowledge workers balance economic opportunity and lifestyle in selecting a place to live and work. Given that they have a wealth of job opportunities, knowledge workers have the ability to choose cities and regions that are attractive places to live as well as work"¹⁸. Brighton has the ingredients and it now has the ambition to be a major driver of the UK economy in the South East, outside London.

3.3.17 Brighton & Hove's business community and political leaders embrace its reputation for being different, seeing it as an asset to be exploited in growing the economy and are prepared to use that reputation to promote the City to the outside world.

Opportunities of a more sustainable, low carbon, economy

3.3.18 A more sustainable economy would mean more of our needs met from local, renewable and waste resources, giving people a high quality of life and using a fairer share of the earth's resources. This could include:

- Developing the imperatives of energy security, resource efficiency and affordability into jobs and new investment for neighbourhoods, the city as a whole, and the wider City Region;
- Encouraging businesses in the City Region to reduce carbon in their supply chains and develop more local relationships to create economic opportunities and jobs;
- Creating more opportunities for employment at all skills levels in the city, to enable local people to participate in economic activity where they live.

3.3.19 The Coast to Capital LEP's analysis and strategic focus is focused on high growth and export orientated businesses. These complement the City Region's growth sector potential which includes:

- Creative, Digital and IT;

¹⁸ Richard Florida

- Globally competitive eco-tech businesses (technologies and services);
- An emerging sustainable tourism and eco-tourism offer;
- Advanced Engineering;
- Financial and Business services;
- Health and life sciences;
- Multi faceted research and development capacity with strong cross over between academic and commercial sectors;

3.3.20 Other opportunities to accelerate the transition to a more sustainable, low carbon, economy include:

- Smart City management systems that improve the quality and delivery of public services at an affordable cost;
- Smart systems that reduce transport congestion, pollution and are energy efficient;
- Technology innovation which reduces the need to travel; and
- Low carbon supply chains, particularly in food and construction.

3.3.21 Continued close collaboration with the LEP will therefore benefit business within the Brighton City Region.

Some challenges remain

3.3.22 Although there are many assets and opportunities which can underpin growth of the City and City Region's economy, there are also some challenges which must be addressed, as some residents continue to face inequality and worklessness. Child poverty, although no higher than the national average, is unacceptable in a city of opportunity.

Skills

3.3.23 The high skills level of graduates has resulted in some people working in roles for which they are over-qualified (sometimes characterised as 'baristas with PhDs') and often not by choice. Coupled with fewer requirements for middle range skills there is less opportunity than elsewhere for people to increase their income as a result of gaining better jobs by upskilling. Of course, the presence of highly qualified employees per se is a good thing – so the effort must be addressed at providing a range of jobs for a range of qualification and skill levels.

3.3.24 Despite significant improvement in 2012, there is a need to continue to raise the educational attainment levels of school leavers in the City in general which will also assist in the process of placing people in roles appropriate for their level of skill. There is a particular city-wide focus on maths, with the aim of 'making maths outstanding'. This aims to build on the improvements already underway, with the subject being integral to improving attainment in STEM disciplines and having a strong driver for business as well.

Equity

3.3.25 Challenges remain in relation to equity in the economy: in tackling inequality and 'worklessness', including addressing barriers to employment. Actions are already underway through existing initiatives such as the Brighton Living Wage Campaign which aims to

increase the number of businesses which adopt the living wage standard of pay (which has been calculated to enable an appropriate standard of living, above the national minimum wage) and renewing Fair Trade City status.

3.3.26 The City Employment and Skills Plan recommends a balanced approach to job creation and schemes to support local people to compete effectively in the labour market. It suggests that there is a particular need to focus on young people, where it is widely recognised that periods of unemployment can have long-term negative impacts.

3.3.27 Equity is a key driver for this strategy but many of the actions are already set out in detail in other documents and are not repeated here. For example the:

- **City Employment and Skills Plan** – with its targets to reduce the level of young people who are Not in Employment Education or Training
- **Child Poverty Commissioning Strategy** – which prioritises increasing the numbers of parents carers and young people who are trained and get paid a living wage
- **Financial Inclusion Strategy** – a strategy that provides advice to help people to deal with problems of debt, money and fuel poverty.

Geography

3.3.28 The geography of the City presents challenges in terms of movement of people and goods - in particular along the critical east-west axes across the City Region. Bus patronage has risen at an average of 5% p.a. every year for the past decade but improvements in terms of real-time information, dedicated bus priority lanes and service enhancements must continue or congestion will inevitably become even more of an issue as the economy grows. The business community views congestion as one of its top concerns and the City's Transport Partnership will need to work effectively to maximise resources for investment and generate efficiency savings.

3.3.29 Many actions can only be taken at City Region level or higher so maintaining a close working relationship with the Coast to Capital LEP will be particularly important – especially given the devolution of Department for Transport major scheme funding to Local Transport Boards from 2015 and with £36.3m provisionally available to the LEP for the period 2015/16 – 2018/19.

Housing stock

3.3.30 The City faces particular challenges in terms of quantity, supply, affordability and quality of housing stock. It is much more likely to be older, in private tenure, in the form of converted flats, and 'hard to treat' in terms of energy efficiency than the national average. This presents a major opportunity for retrofit for construction SMEs, a critical subsector with growth potential, and would generate many positive outcomes – employment for a highly-skilled workforce, a response to the socio-economic challenges of energy policy and cost and in moving along the path to a low carbon economy.

3.3.31 The constraint of housing supply also presents real barriers to labour market mobility and restricts the supply of people to take up new job opportunities, driving up the cost base of the City's workforce and holding back growth in the economy. However, it is important to protect employment land for the significant loss of such sites could risk the City becoming a dormitory town for London commuters.

3.3.32 The shortage of land within the administrative boundary requires careful allocation and strategic use of every potential development site. With a limited legacy of derelict or vacant

sites, the natural boundaries of the South Downs National Park and the sea effectively define and limit the outward expansion of Brighton & Hove. Therefore, the City Plan [Core Strategy], the blueprint for the next 20 years of development, proposes a delicate balance between housing and employment space. It will be important to view separate sites in a holistic way so they can be developed strategically to maximum advantage and provide for a mix of homes to support the growth and maintenance of sustainable communities, to facilitate growth in the economy and make provision for other essential development such as retail and leisure, health, education and other community facilities. The City Plan seeks to do this in a way which respects and enhances the historic, built and natural environment of the City.

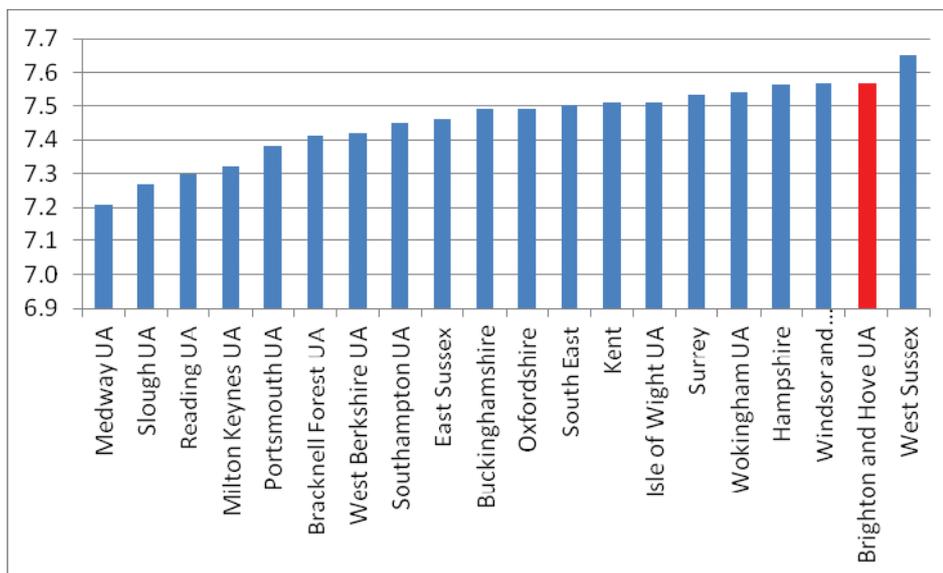
- 3.3.33 Similar constraints to development across the City Region mean that there are unlikely to be easy solutions to these issues. In common with the national trend, development is further hampered by the difficulty of accessing finance, or punitive rates charged by lenders.

3.4 Indicators of Sustainable Economic Welfare

- 3.4.1 As we have noted Brighton is not a conventional city and its success should not necessarily be measured in conventional ways.
- 3.4.2 We have noted above how Brighton under-performs in terms of GVA and how this seems partly at odds with Brighton being a successful city in terms of being a place where people want to live. In part this may be due to GVA being an inadequate measure of overall economic well-being.
- 3.4.3 GVA is a monetary measure and it is a measure of output. It measures what people produce not what they consume and it captures only market transactions of goods and services. So, for example, to the extent that people are self-sufficient in producing goods and services for their own consumption these will not be captured in GVA. Neither does it capture non-market leisure activity such as walking along the beach.
- 3.4.4 GVA as a measure also contains no distributional element. This increase in GVA can be achieved by increasing incomes of those at the top end of the income scale whilst leaving those low down unaffected. There was some evidence from the last economic boom of a decoupling of the relationship between overall GVA growth and average wages. A report by the TUC noted that over the period 2000-08 labour productivity increased by 1.6% p.a. on average but real wages over the same period only rose by 0.9% p.a.
- 3.4.5 There have been many attempts to establish better or alternative measures of economic activity. Some try to adjust for GVA to take account of factors that GVA does not measure well, such as quality of services. Others try to introduce wider indicators such as sustainability factors. The Human Development Index, for example incorporates measures on education.
- 3.4.6 One of the most prominent recent exercises of this nature was a commission set up by the former President of France Nicolas Sarkozy. The Sarkozy Commission came up with 12 recommendations (see Appendix B) in an attempt to produce more rounded measures.
- 3.4.7 But despite its short-comings GVA is still an important indicator as it does measure economic output and that is what is used to provide people with material well-being. It is also favoured by the Government and the EU so it is likely to remain a significant measure.
- 3.4.8 There are very few of these measures that have been universally developed and applicable down to the city level so it is difficult to measure how broadly Brighton might compare on such indices. The city may have attained a level of maturity and economic balance with which it is satisfied. The so-called Easterlin paradox states that beyond a certain level of GVA the relationship between income and reported levels of happiness declines markedly.

- 3.4.9 The UK has started to experiment with measures of subjective wellbeing. On these indicators Brighton scores higher than the national average. On one of the four subjective measures, that of Life Satisfaction, Brighton & Hove has the second highest average score of any of the South East authorities, second only to West Sussex.

Figure 3.8 Average Score for 'Life Satisfaction'



3.4.10 Brighton has for many years as an economy underperformed in terms of traditional measures such as GVA. But because GVA is an inadequate measure of economic welfare this may not be fully recognising the economic value of the city and at worst risks sending misleading policy signals.

3.4.11 The answer is the city needs to truly work out what its overall policy goals are and then work out what measures it needs to monitor in order to track progress towards these goals. But this will require stability and broad agreement over what those outcomes should be and also over what other measures should be. We don't believe it would be a fruitful exercise to try and achieve that consensus as part of this project, but it can form part of the work programme of this strategy.

3.4.12 One of the great values of GVA for all its other limitations is that it provides a clear measure that enables places to be benchmarked against each other both nationally and internationally. And it is still clear that Brighton could achieve a significantly higher output given its level of resources.

3.5 Benchmarking Brighton

3.5.1 For the purposes of this study, it is useful to clarify what economic success could look like for Brighton & Hove. We can do this by identifying cities comparable in terms of size, economy and character, whose local economic development strategy Brighton & Hove can reasonably aspire to emulate in the medium term – particularly in environmental and technology-related sectors. By focussing this search on European cities, we can also identify potential future partnership opportunities for knowledge exchange and joint funding bids. Such benchmarking should be considered indicative rather than definitive, as Brighton & Hove's distinctiveness makes direct comparisons difficult: it is a seaside city much more than a port city; a regional centre but not an administrative capital; an economic centre driven more by SMEs than by major employers, and so on.

Criteria for selection

3.5.2 To enable reasonable and useful comparison, each potential comparator city should have the following characteristics:

- Primary urban centre in a small city-region (i.e. not part of an extended conurbation);
- High quality of life, particularly in terms of access to natural landscape resources (e.g. sea, mountains, etc.);
- Distinctive identity, particularly in terms of culture, character, and way-of-life;
- Service sectors dominant in the local economy, e.g. tourism, creative sector, ICT, etc.; and
- Strong local universities and research institutes, with identified specialisms and spin-offs.

3.5.3 Using the above methodology, three cities were selected:

- **Freiburg (Germany)** - Green City, BioTech Region
- **Graz (Austria)** - Design Capital, EnviroTech Region
- **Montpellier (France)** – Mediterranean Technopole

3.5.4 A detailed profile of each of these cities is set out in Appendix C covering economic sectors and institutions and case studies of key local and regional projects.

3.5.5 The key lessons drawn from these profiles are summarised below.

Lessons for Brighton & Hove

3.5.6 Each of the cities cited has benefitted from strong regional policies on the part of state, national and/or federal government, and from a wide range of regulatory and direct powers available to local and city-regional government. Little of these structural factors is currently replicable in England, nevertheless the following lessons can be drawn from the comparator cities:

- **Use a strong sectoral focus to bring together private, public and research partners** with clear goals, shared governance, dedicated development agencies, and programmes focussed on delivery (Freiburg, Montpellier, Graz).
- **Network or 'bundle' existing research and production assets** in the city-region and beyond to create centres of excellence, make optimal use of previously existing infrastructure and contacts to industry (Graz), or to fill structural gaps in local expertise or capacity (Freiburg, Montpellier);
- **Concentrate high-tech facilities and support services** in a particular area (Freiburg, Graz) and, ideally, close to major research facilities and ancillary facilities including public transport (Montpellier);
- **Provide a platform for sector-specific events** by using the city's conference and trade-show facilities (Montpellier), and establish city-regional prize funds to foreground local success and innovation (Freiburg);
- **Use the city and city-region as a demonstrator project** for locally-developed technologies and applications through procurement policies, asset development and joint ventures (Freiburg, Graz); and

- **Continue to develop the city's character and quality of life as a key part of the locational offer** to attract, develop and retain a highly-skilled workforce (Freiburg, Montpellier, Graz).¹⁹

3.5.7 Strength of leadership is common to all these places and although the legislative and regulatory context is different in each there are common threads in relation to delivering strong executive decision making, having a strong link from strategy through to action and tailoring the strategy to the area's assets and potential.

Cultivating distinctiveness

3.5.8 In addition to benchmarking Brighton in terms of local economic development, it is useful also to clarify what success could feel like for Brighton & Hove. The city's heritage as the archetypal seaside town, the quality of its residential neighbourhoods, and its contemporary mix of small- and medium-sized businesses in the creative, cultural and tourism sectors together give it a particular character, identity and quality of life. These factors are critical to the city's attractiveness as a place to live, work, study and invest, and hence are key to the city's future local economic development. They must be cultivated in tandem with (rather than be displaced by) other sectoral and strategic managerial interventions in the city.

3.5.9 However, relatively few cities have developed a truly strategic city-wide approach to cultivating distinctiveness. More often such initiatives are focussed in particular neighbourhoods or localities, led by the community, arts and/or business sectors, and tolerated or benignly neglected on the part of city authorities and other stakeholders. Three rare examples of strategic approaches to cultivating distinctiveness on a city-wide basis are presented below²⁰:

- Community-led distinctiveness: Seattle's Department of Neighbourhoods;
- Culture-led distinctiveness: the "Keep Austin Weird" campaign; and
- Business-led distinctiveness: Berlin's "Urban Pioneers" policies.

3.5.10 Each of these examples refers to much larger cities with greater resources and strong metropolitan identities, nevertheless the following lessons can be drawn from the comparator cities:

- Distinctive city policies – e.g. for neighbourliness, 'weirdness' or temporariness – should **respond to existing local character, conditions and interests**, rather than simply overlaying or imposing ideas from elsewhere;
- Each of these approaches is structured directly or indirectly to **perform an important role in local economic development** through supporting local businesses, business sectors and/or the city's quality of life;
- Each of these examples transcends consultation and participation to **invite citizen co-production** of locally distinctive solutions, with significant support from the local authority;

¹⁹ This final point is further developed in the following section.

²⁰ Note, however, that each of these city-regions is substantially larger than Brighton & Hove: Seattle 2.65m, Austin 1.66m, Berlin 4.30m (OECD 2008). Hence each enjoys much greater scope and resources to develop such bespoke city management strategies.

- All the examples **provide a permissive and enabling framework** for action by neighbours, cultural entrepreneurs and businesses, structure partnership approaches between citizens and the private sector;
- Each of the examples help the city to communicate its distinctiveness to citizens and investors new, old and potential , in a way that is easy to **integrate as part of the city marketing strategy**; and
- Character and quality of life are at the heart of each of these examples, and demonstrate ways to **retain and develop these qualities while the city grows** and inevitably changes.

4 Vision and Strategic Objectives

4.1 Vision for Brighton & Hove 2018

- 4.1.1 We used the preceding analysis of assets, challenges and opportunities to devise a vision for the city's economy in 2018 that is specific to Brighton & Hove and reflects what we believe the city wants to achieve.

Vision for 2018

Brighton & Hove will be on the path towards a resilient low carbon economy, known for its creative, digital, information technology businesses, growing environmental industries & services and supported by more sustainable city infrastructure. The unique cultural offer will raise the presence of the Greater Brighton City Region on the international stage and the benefits of growth will be shared by all.

4.2 Strategic Objectives

- 4.2.1 In order to achieve this Vision we have defined a number of Strategic Objectives, into which actions and projects have been placed. The Strategic Objectives respond to the policy context, assets and challenges, and are as follows:

SO1 To enhance Brighton & Hove's distinctive destination and lifestyle offer

SO2 To grow quality jobs and business opportunities in higher value and low carbon sectors

SO3 To better align jobs skills to projected needs and in support of higher value sectors

SO4 To tackle barriers to employment and to create employment opportunities for all

SO5 To establish a strong and influential Greater Brighton City Region

- 4.2.2 For each of the Strategic Objectives, we set out below the rationale for actions, a description of what success will look like in 2018 and suggestions of the range of interventions.

SO1: To maintain Brighton's distinctive destination and lifestyle offer

- 4.2.3 Brighton & Hove's distinctive destination and lifestyle offer is its USP. It is why people want to live in the city and is the basis for creating a city with the skills and investment to deliver economic growth and prosperity. Quality of place therefore matters. Fuelled by labour mobility and increasing personal wealth, many households will have a growing choice as to where they live. These households contain the highly qualified workers that Brighton has successfully attracted and retained "Quality of place – particularly natural, recreational, and lifestyle amenities – is absolutely vital in attracting knowledge workers and in supporting leading-edge high technology firms and industries. Knowledge workers balance economic opportunity and lifestyle in selecting a place to live and work. Given that they have a wealth of

job opportunities, knowledge workers have the ability to choose cities and regions that are attractive places to live as well as work”.²¹

4.2.4 Flows of economic activity are accelerated and more footloose than ever. Traditionally, economic productivity was determined by location (such as natural endowment and property offers), and technology and corporate strength; but since the 1980s/90s, telecoms mean that physical location matters less – and place-based socio-cultural externalities matter more.²² In this highly competitive environment, it is important that Brighton embeds quality economic activity as deeply as possible in the local economy²³

4.2.5 This shift is further accelerated by the emergence of the internet. Continued investment in the infrastructure to support faster broadband speeds will be necessary in the City, as with all successful places in future, together with three more aspects of these positive externalities:

- The ability to provide locations and context for face-to-face contact – such as a retail offer
- To provide for social and cultural interaction – such as, cafes, restaurants, theatres
- The ability to concentrate labour markets and expertise.²⁴

What would success look like in 2018?

- Brighton remains a popular place where people want to live;
- All sectors of Brighton’s economy have grown and in particular contributions from creative and digital, environmental industries and advanced manufacturing in the wider economic area;
- The visitor economy continues to thrive, including year-round conferencing, festivals and eco-tourism focused on the South Downs National Park and the Biosphere Reserve;
- There are more corporate / blue chip occupiers in the City, both headquarters and R&D divisions without losing the independents;
- There is a robust and real-time evidence base supporting, monitoring and reporting on the City’s key quality of life and sustainability indicators; and
- There will be several iconic developments in place and the highest quality seafront offer will be ‘stretched’ from the West Pier location through to the Marina.

4.2.6 Priority areas for intervention will include:

- Brighton Re-Invented – 21st century, year-round, business conferencing, retailing & cultural destination

²¹ Florida, R (2000) *Competing in the age of talent: quality of place and the new economy*

²² Gordon, I presentation to GEMACA

http://www.lse.ac.uk/collections/LSELondon/events/gemaca/Gordon_presentation.ppt

²³ There is some debate about whether it is sensible to say that geographical entities can be said to “compete”. Krugman argues that geographical entities do not compete as if they were ‘Coke and Pepsi’; the analogy is false, as countries have no profit and loss account and effectively function as customers of each other.

²⁴ Amin and Thrift (1992) Neo-Marshallian nodes in Global Networks *International Journal of Urban and Regional Research* v16 p 571-587

- Investing in the assets, from providing modern(ised) intelligent workspace to the re-awakening of the Royal Pavilion Estate
- Stretching the seafront (from the West Pier to the Marina)
- New Eco-Tourism offer
- Equipping social & cooperative enterprise for growth
- Film City
- Global branding - Made in Brighton

4.2.7 Key measures under this Strategic Objective will include tourism spend per visitor, dwell times, and resident satisfaction as well as the alternative indicators of economic wellbeing discussed in the previous chapter.

SO2 To grow quality jobs and business opportunities in higher value and low carbon sectors

4.2.8 Brighton has relatively low, but growing, productivity as established in the previous chapter. It needs to lock itself into a new technological growth path. But the city has wider sustainability objectives and thus wishes to ensure this new technological growth path is based on low carbon technologies.

4.2.9 James Simmie in a paper for the National Endowment on Science and Technology and the Arts (NESTA)²⁵ puts the role of innovation and change at the centre of explanations of why areas have performed in the way that they do. He suggests that the economic future of places rests to a certain extent on its historic economic “path”. Places are therefore said to be “path dependent”. But equally, there are points when places lose momentum as a result of rising external competition or an internal decline in dynamism. This is the “path decay” phase.

4.2.10 According to Simmie, places become path dependent because²⁶

- There are (originally) profits to be made – which leads to firms and consumers being locked-into repetitive patterns of production and consumption, and hence this limits the opportunity for new products and services to make it to the market.
- Technological (and capital) “lock-in” occurs, where areas are tied to existing technologies;
- Institutional inertia which includes Governmental, organisational or cultural systems that lag behind economic change. Simmie points out that the development of economies is not just the result of economic factors but also simultaneous “technological, socio-cultural and institutional developments”.

4.2.11 However, in comparison to many areas the Greater Brighton City region does not have a legacy as a result structural economic change (for example there are no large derelict former manufacturing sites). There is the opportunity for the City to lock itself into a new higher path dependency based on a new wave of technologies – and this is evidenced by the recent strong growth trend. If it misses this wave the City risks being locked into its existing path and risks entering the ‘path decay’ phase.

²⁵ Simmie et al (2008) *History matters: Path dependence and innovation in British city-regions*

²⁶ Simmie et al (2008) *History matters: Path dependence and innovation in British city-regions* (5)

4.2.12 So, it can be seen that the success of the City Deal proposal to develop a network of growth hubs to support high growth sectors, linked to university specialisms would be just this shift to a higher path dependency. The result of this change will be to deliver higher incomes for Brighton residents without negative environmental impact.

What would success look like in 2018?

- Growth in the environmental industries sector has led to the City having an international reputation for low carbon industries based on their high performance and with mainstream business benefitting from spin-off 'greening' of its activities (and cost savings as a result);
- Businesses large and small have embraced the need to reduce their carbon footprint, improve their resource efficiency and are actively engaged in initiatives to do so;
- Research and development activities led by the universities have resulted in spin-off companies being established and a burgeoning cluster in the life sciences;
- New incubator space, business support and mentoring have improved the survival rate of new business;
- The local SME construction sector has been stimulated by the scale and urgency of the city's retrofit challenge, and has expanded, deepened its local supply chains and improved skills; and
- The office stock is rationalised and modernised to meet growth business needs at higher standards of energy and carbon efficiency and with fewer vacancies.

4.2.13 Priority areas for intervention will include:

- Developing a network of growth hubs, to support high growth sectors, linked to university specialisms;
- Support to business networking & R&D in growth sectors including creative, digital & IT and environmental industries & services;
- City Region Growth Accelerator: a bespoke, locally delivered business innovation support programme;
- Exploring opportunities to develop a regional business cluster in 'Life science';
- Strengthening business to business & business to customer infrastructure technology & 'know-how';
- Stimulating the retrofit construction industry;
- Bespoke government business support & mentoring programmes

4.2.14 Key measures under this Strategic Objective will include the number of additional jobs in the target sectors and the failure rate of new businesses.

SO3 To better align jobs skills to projected needs and in support of higher value sectors

4.2.15 Skills are the key lever of prosperity. Incomes for low skilled labour will fall. Treasury research notes that, over recent decades, there has been a "striking [negative] shift in the

employment and earnings prospects of workers with low skills.”²⁷ Unskilled people will find that labour demand for their skills falls, eroding their wage bargaining power.²⁸ Work from the International Monetary Fund concludes that technological improvements (not globalisation) generate these inequalities. Effective use of technology requires a skilled workforce, reducing equality by driving up the wages of the skilled relative to the unskilled. In developed economies, skills premiums will rise, and downward pressure on the incomes of the low-skilled will continue.²⁹

4.2.16 What this highly skilled workforce will deliver is the attraction of leading edge businesses. Providing the right environment for knowledge-intensive jobs will be important. Whilst the public sector cannot necessarily make investments in knowledge intensive industries, it can help to facilitate the creation of environments where this investment can take place, particularly through the universities.

4.2.17 The skills of the workforce and technical expertise in a region are the most important drivers of knowledge-based industry business location choices.³⁰ This is because highly skilled or specialised staff are sourced sub-regionally (as opposed to locally for less skilled staff). The effective labour market for any company is geographically extended by a high quality transport system, which enables companies to be within reach of a larger labour pool within any given commuting time. Developing as a city region can offer this wider and deeper labour pool and transport improvements are needed to facilitate travel of workers within the sub-region and to support new and existing supply chains.

4.2.18 Given this backdrop, the proposed Greater Brighton Skills & Employment Board will bring together the existing successful partnerships from across the city region in an attempt to create a fully integrated skills and employment pathway for people of all qualification levels. This will address current fragmentation between the funding and services of the Skills Funding Agency, Young People Learning Agency, DWP, and JobCentre Plus, as well as EU funded programmes and local initiatives.

4.2.19 The proposed Skills & Employment Board aims to:

- Develop a Greater Brighton Skills and Employment Plan aligned to Coast to Capital LEPs Local Skills Strategy;
- Work with FE colleges, training providers and 6th Forms to ensure there is a stronger match between the aspirations and skills of young people entering workforce and the needs of employers;
- Explore new ways to encourage direct employer links with schools as a way of inspiring and informing young people, using the LEP and the Greater Brighton Skills & Employment Partnership to facilitate this engagement;
- Work with the business community and FE providers to increase the number of apprenticeship and advanced apprenticeship places available, with clear progression routes into higher apprenticeship / higher education pathways. Better alignment of FE and HE work placements; and

²⁷ p8 HM Treasury and DWP (2001) *The Changing Welfare State: Employment Opportunity for All*, London: HM Treasury and DWP.

²⁸ *Helping workers to navigate in 'globalised' labour markets*, OECD Policy Brief, June 2005 and *OECD Labour Markets: A Mountain or a Molehill?* Chapter 1, OECD Economic Outlook 2005.

²⁹ IMF *World Economic Outlook 2007*

³⁰ quoted DfT (undated) *The Importance of Transport on Business' Location Decisions 91*

- Work with the universities to ensure a range of work placements and internships for graduates and undergraduates to ensure a higher proportion move into graduate level employment.

What would success look like in 2018?

- The City remains a key business investment location nationally because of its highly skilled workforce and inward investment flows from this recognition;
- There is a closer alignment of post-graduate qualifications with the skills needs of industry;
- There is a greater range of employment opportunities with lower unemployment and under employment; and
- Fewer people are employed in jobs below the level of their qualifications.

4.2.20 Priority areas for intervention will include:

- Graduate & post graduate placement schemes
- Maintaining the competitiveness of the city as a University destination
- Meeting employer demand for skills – City Region Skills Escalator. A fully integrated skills and employment pathway for people to provide a range of upskilling opportunities through the job spectrum
- Retaining the Graduates
- Skills for the Low Carbon economy
- Local control over regional training contracts to provide bespoke training & skills programmes to meet business requirements.

4.2.21 The key indicators to measure success under this Objective will be the numbers of NVQ4+ qualified workers employed in the city and the rate of productivity.

SO4 To tackle barriers to employment and to create employment opportunities for all

4.2.22 Brighton has relatively low employment rates and despite having a high skilled workforce has a segment of its workforce that is low skilled. The secondary school attainment rate has increased in recent years, but there remains a segment of the workforce that is low-skilled.

4.2.23 The trend in the relationship between skills levels and inequality is relatively clear: pressures from globalisation and the closely associated process of technological change will erode the pay of the lowest skilled. Globalisation and technological change will drive underlying pressures on relative incomes. Unskilled people will find that labour demand falls, eroding their wage bargaining power. In developed economies, skills premiums will rise, and pressure on the incomes of the low-skilled will continue^{31 32}

³¹ Helping workers to navigate in 'globalised' labour markets, OECD Policy Brief, June 2005 and OECD Labour Markets: A Mountain or a Molehill? Chapter 1, OECD Economic Outlook 2005.

³² Recent work from the International Monetary Fund attempts to separate the process of globalisation from technological change. It concludes that it is technological change, rather than the capital flows released by

- 4.2.24 Treasury research states that “A key economic driving force behind these trends [in worklessness] has been a striking shift in the employment and earnings prospects of workers with low skills.”³³ The collapse in demand for unskilled workers is not confined to Britain, but is common across the industrialised world.
- 4.2.25 The aim of this objective is to provide all residents with a foot on the employment ladder and ensure all Brighton residents are able to share in growth. Compared to a person with no skills, research has shown that Level 1 numeracy skills equate to a 2-3 percentage point improvement in the chance of being employed whilst Level 1 literacy can lead to a 10 percentage point higher probability of being employed³⁴.
- 4.2.26 Clearly, though, training programmes on their own are not likely to be sufficient in overcoming equity problems. Research by the IES for DWP concluded that, “while training can be an important ingredient in any labour market programme designed to help low qualified people find work; it is unlikely to be successful on its own. It needs to be offered in combination with other measures such as support with finding jobs or job placements, perhaps more general career support and advice and, for women in particular, affordable and accessible childcare. Furthermore, the training does perhaps need to be more tailored to local labour market needs.”³⁵
- 4.2.27 Research has identified the issues facing those young adults who are not in education, employment or training (NEET). NEETS are 20 times more likely to commit a crime and 22 times more likely to be a teenage mother. NEETS are estimated to cost the taxpayer an extra £100,000 over the course of their lifetime. As a result, one experienced commentator on this issue has argued that “the potential paybacks for really making a difference to this group exceed the payback you can get from almost any other area of public spending.”³⁶
- 4.2.28 This is a particular issue for Brighton & Hove as research of the 53 largest towns and cities in the Great Britain has placed the city in the High NEET category, with more than 18% of young people aged 16-24 classified as NEET in 2009-10 compared to an average for urban GB of 16.1% - the city ranked 18th out of the 53 cities.
- 4.2.29 However, more recent figures for the 16-18 category show rapid improvement in the numbers of people classified as NEET and the figures for December 2012 compare favourably with the city’s statistical near neighbours, as shown in the table below. Figures for ‘unknowns’, i.e. the number of young people for whom it is not known whether they are in work, training or not in work, is below the 5% threshold considered for reliability of the NEET figure.

globalisation, that generate inequalities. Effective use of technology requires a skilled workforce, worsening inequality by driving up the wages of the skilled relative to the unskilled. See IMF *World Economic Outlook* 2007

³³ p8 HM Treasury and DWP (2001) *The Changing Welfare State: Employment Opportunity for All*, London: HM Treasury and DWP.

³⁴ The returns to academic, vocational and basic skills in Britain, McIntosh, Dearden, Myck and Vignoles, (2000) *Skills Task Force Research Paper 20* – quoted in Leitch Review

³⁵ The impact of learning on unemployed, low qualified adults: a systematic review – Institute for Employment Research- Department for Work and Pensions Research Report No. 375

³⁶ news.bbc.co.uk/1/hi/magazine/4158696.stm. Geoff Mulgan became director of the Young Foundation in September 2004. Between 1997 and 2004 he had various roles in government including director of the Government’s Strategy Unit and head of policy in the Prime Minister’s office. He is credited with the discovery of NEETS as a distinct group

Table 4.1 Recent 16-18 NEET figures as compared to statistical neighbours

December 2012	16-18 NEET	16-18 Not knows
Brighton and Hove	6.7%	4.2%
Mean indicator for statistical neighbours	6.6%	7.0%

4.2.30 Across the City Region, the responsibilities of carers (of both children and adults) are a significant barrier preventing people from working. Accessing transport for work can also be problematic and effective City Region-wide travel planning can help to address this issue.

What would success look like in 2018?

- Ambition amongst educational providers has been raised to drive up attainment across the board;
- Schools and educational facilities have been improved and attainment raised to beyond the national average; and
- There is greater equity in the City, including fewer people living in poverty, support is available for people in accessing employment, such as those with caring responsibilities, the long-term unemployed, people with physical and mental health issues, and other people that currently experience discrimination.

4.2.31 Priority areas for intervention will include:

- Raising educational achievement through pioneer initiatives (e.g. maths because of the importance of the STEM subjects to high growth businesses)
- Engage employers with schools in shaping pathways to employment
- Enable those out of work to compete in the labour market by ensuring they have the necessary basic skills
- Regional employment travel to work planning & investment
- New affordable housing investment supporting working households
- A package of support for carers who want to work - ensuring the infrastructure is available to enable workers with caring responsibilities to access job opportunities.

4.2.32 The measures of success will include employment rates and indicators such as child poverty rates (as they are a good proxy for wider inequality in communities).

SO5 To establish a strong and influential Greater Brighton City Region

4.2.33 This Strategic Objective is somewhat different in that it does not derive directly from the City's existing vision but rather is a recognition that the solutions do not lie exclusively within the city's boundaries. Brighton has a functional economic area that extends beyond its boundaries and that there is a need to grow the institutions to match. As demonstrated by

Cheshire and Magrini (2005), where administrative boundaries are smaller than the economic areas affected by any decision, economic development can suffer³⁷.

4.2.34 Having the area function better as a city region will help. The BIS paper on Local Growth (2010) cites a, “recent study looking at agglomeration of cities in Great Britain suggests that a doubling in the working-age population within an area is associated with a 3.5 per cent increase in productivity in the area.”³⁸ But as the BIS report later notes, “Agglomeration is not simply a matter of size and urban density but of the economic roles and linkages between places.”³⁹

4.2.35 Local authorities cannot do much, if anything, to

- Affect macro-economic environment, business regulation, carbon markets, higher education;
- Pay for direct intervention (e.g. real-world projects or programmes) in the economy. The days of significant regeneration budgets are effectively over.

4.2.36 But local authorities can be genuinely effective if they

- Plan and regulate entrepreneurially: get the regulations they do control – particularly planning – to be genuinely business friendly, proactive, and pro-development
- Use the new General Power of Competence entrepreneurially - engage in innovative activity to help stimulate growth by beginning to join up new revenue streams, powers and local assets, together with a more proactive, longer-term role in development. ‘The new General Power of Competence has the potential to create the space where innovative and proactive attitudes to these challenges could be rewarded – with those authorities who are prepared to accept a greater degree of risk or take a more long term stake in local developments, now able to do so more easily’.
- Use new revenue streams entrepreneurially: Community Infrastructure Levy, New Homes Bonus, Housing Revenue Account
- Lead and manage networks entrepreneurially: governance networks matter to growth, improving competitiveness is “a collaborative process involving multiple levels of government, companies [and] educational institutions...a large number of factors impact on competitiveness and hence only a broad coalition can hope to improve [it].”

4.2.37 The draft Brighton & Hove City Deal proposal⁴⁰ sets out a range of possible asks of Government with corresponding commitments from the City Region partners. Should the City Deal proceed, success will be dependent upon the adoption of an entrepreneurial approach as discussed above.

³⁷ Cheshire, P. and Magrini, S. (2005). European Urban Growth: throwing some economic light into the black box. Paper presented to 45th European Regional Science Association Congress, Amsterdam <http://ideas.repec.org/p/wiw/wiwsa/ersa05p13.html>

³⁸ Puga, D, (2010) The Magnitude and Causes of Agglomeration Economies. Journal of Regional Science. 50(1): 203-219 <http://onlinelibrary.wiley.com/doi/10.1111/j.1467-9787.2009.00657.x/full>

³⁹ Understanding Local Growth – BIS (2010)

⁴⁰ Greater Brighton City Deal, Policy Proposal Paper, draft May 2013.

What would success look like?

- The economy as a whole has grown and GVA exceeds the [regional and] national averages;
- Key strategic development sites are well into the delivery phase, including Toads Hole Valley, Preston Barracks and Circus Street, leading to a sharp rise in housing delivery;
- The Biosphere Reserve and South Downs National Park stimulate development of the City Region's offers particularly in terms of a world-class environment, tourism and food;
- Collaboration is mature and effective across the City Region and with the LEP. It transcends changes in political administrations and has resulted in a successful City Deal programme and unlocking of funding including the EU Structural Funds and the Single Local Growth Fund from 2015 ; and
- The 'feelgood' factor is high and people are even more proud to live and work in the City.

4.2.38 Priority areas for intervention will include:

- Delivery of the key strategic sites in public sector ownership
- Consolidate City Region leadership governance & Investment Board
- Devise & implement a £ multi-million, 10 year City Region investment programme
- Devise & implement a City Region business growth & investment communications strategy
- Define distinct spatial roles for the component parts of the Greater Brighton City Region

4.2.39 Success will be measured by effective co-operation with neighbouring authorities; having clearly defined spatial roles within the city region and by the establishment of a City Region Investment Programme.

5 Developing the action plan

5.1.1 Consistent with the Greater Brighton City Deal proposal, this strategy identifies the environmental industries sector and the goal of creating a more sustainable city through the use of smart technology, as keys to success. This approach is informed by lessons from the study of comparator cities Freiburg, Graz and Montpellier, where a strong sectoral focus has enabled public, private, and research partners to be brought together with clear goals, shared governance, dedicated development agencies, and programmes focussed on delivery.

5.1.2 The experience from Graz also suggests making optimal use of existing infrastructure, production assets, research capacity and sectoral networks, rather than committing to the creation of new resources from scratch. This can also enable different locations and settlements to gradually develop specialised roles in building the capacity of the environmental industries sector in the city-region as a whole. All three comparator cities have built this specialist sectoral capacity by concentrating new high-tech facilities and support services in a particular location or development.

5.1.3 It is critical to identify those aspects that have the potential to support transformational change in the city economy, and concentrate efforts here. For Montpellier, this involved providing a platform for sector-specific events by using the city's existing conference and trade-show facilities – much as the Eco Technology show is attempting to showcase and drive growth in the sector in Brighton. For Freiburg, it meant providing a modest amount of seed capital to establish a city-regional prize fund to showcase success and innovation of existing local enterprises. For Graz, it meant using the city and city-region as a demonstrator project for locally-developed technologies and applications by modifying procurement policies, development existing assets and extending joint ventures.

5.1.4 However there is no-one 'silver bullet' which will deliver this success. Rather the action plan seeks to deliver on the strategic objectives of the strategy through a range of improvements which in aggregate add up to a winning transformation - what Sir Dave Brailsford, Director of British Cycling, has termed the 'aggregation of marginal gains':

"... small improvements in a number of different aspects of what we do can have a huge impact to the overall performance."⁴¹

5.1.5 Many of the initiatives necessary to achieve these often small but in aggregate transformational improvements are already in place. They are set out in a range of existing strategy documents such as the City Employment & Skills Plan and the Sustainability Action Plan.

5.1.6 The actions set out in this refresh of the City's Economic Strategy also respond to the austerity agenda and the reduced availability of public (and private) sector funding. They therefore focus upon a more limited series of actions or projects and in particular a small set of project proposals which could be genuinely transformational for the City's economy. A range of possible existing and new project ideas was discussed and considered by the client and consultancy team, as set out in the table below.

⁴¹ <http://www.youtube.com/watch?v=uCXz2EAVwd0>



Longlist of projects			
Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO1: - To enhance Brighton & Hove's distinctive destination and lifestyle offer			
SO1	Ongoing investment in internationally competitive conference facilities to protect and enhance conference business within the City.	Ongoing internal improvements to reduce energy costs and improve environmental performance of the existing facility. Option analysis to be undertaken in respect of a new facility, should long term funding be identified.	Conference facilities within a high performing venue operating according to a sustainable business model that will continue to meet the needs of future UK and International conference delegates arriving in the city.
SO1	Support the infrastructure and business growth elements of the seafront strategy particularly the arches redevelopment by the i360	New business opening and jobs at a key site on the seafront	New affordable and flexible commercial business space
SO1	Development of a year round programme of events that supports a year round visitor offer	A full year's events programme offering more consistent jobs opportunities within the sector	All new events will be impact assessed against sustainability standards
SO1	Reinvigorating the Royal Pavilion Estate	Creating a coherent RPE to enhance understanding & appreciation of the Estate and deliver a unique mix of cultural experiences	Long term sustainability of the historic buildings and estate
SO1	Film City. Joint initiative between the city council and the University of Brighton to bring together the significant cluster of film related activity in the city	Increase employment in film media and related sectors	Building the cluster will help to attract new business and therefore sustainable jobs
SO1	<i>Made in Brighton</i> : Music industry focussed around maximising the opportunities for local music business	Establish Brighton as a centre for music and develop local sector	Building the cluster will help to attract new business and therefore sustainable jobs

Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO2: - To grow quality jobs and business opportunities in higher value and low carbon sectors			
SO2	Business & Innovation Support	CDIT sector job growth	Job growth in low carbon sectors
SO2	Eco Tech Growth Hubs; a network of growth hubs to support high growth sectors, linked to University specialisms	Increased employment in eco tech sectors, contribution to sector GVA, closer collaboration between Universities & businesses	Growth in low carbon sectors working with the city's universities to plan for future environmental industries business growth
SO2	Circus Street redevelopment, including new university library and teaching building	New office floorspace to accommodate higher value sectors	Development in accord with OPL principles
SO2	Environmental Industries Umbrella Group	Increased employment in eco tech sectors,	Growth in low carbon sectors
SO2	Universal retrofit of energy efficiency measures, including Green Deal approach	Increase employment in construction sector; improved quality of housing and office stock; reductions in fuel poverty	Reductions in CO2 emissions and utility bills
SO2	Business Resource Efficiency	Lower utility bills and increased demand for local eco tech products and services	Reductions in CO2 emissions; improved resource efficiency
SO2	Sustainable Materials	Reductions in waste and procurement costs; improved resource efficiency	More sustainable procurement
SO2	Sustainable Energy Generation	Improved resilience to energy price rises	Reduction in CO2 emissions
SO2	Local & Sustainable Food Production	More local food processing, more jobs, better quality food	Reduction in food miles, CO2 emissions and other environmental impacts
SO2	Local Food economy	Boost to independent food sector, visitor economy & jobs,	Reduction in CO2 emissions and environmental impacts



Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO3	Fully integrated skills & employment pathway for people of all qualification levels	Business led skills provision will drive economic growth and improve productivity across the workforce	Fully integrated skills & employment pathway for people of all qualification levels
SO3	The Green Growth Platform (GGP) will provide the intellectual infrastructure required to foster sustainable economic growth in Sussex.	Healthy innovation ecosystem, address strategic skills shortages and ensure that Low Carbon Environmental Goods and Services (LCEGS) sectors achieve the high growth rates predicted for the sector	Support the growth of City region SMEs operating in LCEGS sectors
SO3	City Employment and Skills Plan. Umbrella plan for skills provision activity across the city	Raising Skills and Employment across the city	Fully integrated skills & employment pathway for people of all qualification levels



Strategic Objective	Project Description	Outcome	Contribution to economic sustainability
SO4	<p>to employment and to create employment opportunities for all</p> <p>Raising Achievement in Maths' - enhancing a city wide project to address an identified area of weakness by placing maths in more applied contexts particularly in relation to business and enterprise</p>	<p>Citywide increase in pupil attainment at key stage 4</p>	<p>Improved employment for local people leading to greater equality in the labour market</p>
SO4	<p>Living Wage Campaign: Increase uptake amongst businesses</p>	<p>Higher proportion of B&H businesses adopting the living wage standards</p>	<p>Increased social equity and a measured contribution to tackling inequality</p>
SO4	<p>City region oversight of regionally contracted training provision to better target resources towards residents and local employment</p>	<p>Jobs growth and sustainable jobs for local people</p>	<p>Increase in local jobs thereby reducing commuting costs and environmental impact</p>

SO5: To establish a strong and influential Greater Brighton City Region		
Strategic Objective	Project Description	Outcome
SO5	Unlock key development sites to create business development and innovation space	New Innovation space in the New England Quarter and Preston Barracks
SO5	Unlock development sites to address housing commercial development needs and grow the City's economy	Investment secured for Patcham Court Farm, and the King Alfred Leisure Centre
SO5	Establish the City Region Investment Board	Secure investment for infrastructure development and training
SO5	New Homes for Neighbourhoods	New homes on council owned land and estates
		Contribution to economic sustainability Innovation spaces will support knowledge intensive sector growth
		Sustainable business growth and jobs
		New sustainable approach to investment combining central and local authority assets with LEP and other private sector investors in order to unlock development
		Highest standards of sustainability

5.2 Prioritising a short list

5.2.1 A prioritisation framework was then applied to the projects in the long list in order to arrive at a short list of transformational projects which form the focus of the action plan. The criteria in the prioritisation framework include the following:

- Fit with strategic objectives including sustainable development and the *One Planet Living* Framework;
- Desired focus on ‘transformational’ projects not already being taken forward;
- Outputs and outcomes;
- Potential funding sources, leverage of private sector investment and value for money.

5.2.2 The following table sets out brief details of each of the projects in the long-list. The prioritisation matrix detailing the scoring of projects is at Appendix D. There is also detailed proforma at Appendix E setting out the proposed scope of the above shortlisted projects, deliverables, outputs and outcomes, funding (including potential leverage) and fit against strategic objectives, including the One Planet Living principles.

Table 5.1: Final Shortlisted Projects

Strategic Objective	Project Description
SO1	Ongoing investment in internationally competitive conference facilities
SO2	Business and Innovation Support
SO2	Eco Tech Growth Hubs
SO3	City Region Skills Escalator
SO4	Citywide Maths Project
SO5	City Region Investment Board

5.2.3 These projects have the greatest scope for transformational impacts upon the City’s economy. Coupled with the projects in the long-list and the range of existing initiatives covered by each of the five strategic objectives, the City’s economy will grow to meet the opportunities and rise to the challenges it faces in the coming five years. At the end of the period, the economy will be stronger and more sustainable. Brighton’s residents will be wealthier, there will be less inequality, skills levels will have been raised and collaboration across the City Region will have increased to the benefit of all.

PBA / Bioregional Consultancy Team

June 2013

Appendix A Summary of key policy documents

Coast to Capital LEP

The Coast to Capital's Strategy for Growth was published in July 2012. It has two strategic objectives:

- To increase levels of enterprise and entrepreneurship
- To increase levels of business internationalisation

The strategic vision and objectives of the LEP are summarised in the following diagram:

Creating the right conditions for growth

To make Coast to Capital an economy with credible claims to be a global business area, we need to address factors affecting the environment and conditions for business and growth. Our approach will involve:

- **Place:** creating the right conditions for growth.
- **Enterprise & international:** focusing on those aspects which underpin key strategic objectives.
- Fostering the best possible **physical & fiscal** conditions.
- Addressing common challenges:
 - **planning, investment and development**
 - **finance, infrastructure**
 - **availability/access to suitable land**
 - **skills and people issues**

Summary

The diagram opposite summarises our strategic vision and objectives:



The City's economy fits well with the LEP's approach for high growth which is focused upon the following sectors:

- Health and life sciences
- Creative, Digital and IT
- Advanced Engineering

- Financial and Business services
- Environmental Technologies

Of these sectors, only advanced engineering is not significant within the City – although there is a growing cluster within the functional economic area related to Ricardo at Shoreham.

Sustainable Community Strategy

The Brighton & Hove Strategic Partnership's Sustainable Community Strategy sets out the overarching vision and policy direction under which all other local strategies should fall. Refreshed in 2010, it states the following:

The vision for the city

The vision is for Brighton & Hove to be City of Opportunity. It is a city where opportunities are provided for our residents to improve their lives, for our children to excel and a place for business to thrive. It is a place that provides these opportunities in a sustainable and inclusive way that reduces inequality and protects the environment.

Promoting Enterprise and Learning is the first Priority Area set out in the Strategy and the Vision is for:

A vibrant, socially and culturally diverse place with a wide range of job opportunities supported by accessible child care. A city that supports businesses to grow, encourages investment, innovation and a healthy and sustainable economy, and actively promotes learning and training opportunities for people of all ages.

The SCS places a strong emphasis on supporting social enterprise, promoting, what it describes as the city's "established strengths in decarbonised industries", and exploiting "the growth potential of sustainable/environmental industries in the city". It sets out aims to support the growth of the creative industries, with particular reference to digital media and gaming; to brand the city as an "exceptional business tourism destination"; to encourage large employers to develop workplace learning plans; to develop bespoke apprenticeships, internships, volunteer and work placement schemes for key sectors; to use Section 106 agreements to improve opportunities for local people; and to introduce 17 new Diploma qualifications for 14-19 year olds.

Economic Strategy 2008-16

The Brighton & Hove Economic Strategy 2008-16 was the forerunner of this Strategy. It was published by the B&H Economic Partnership in 2009 - hence the desire to refresh it for the current policy and public sector funding environment. Nonetheless, many of the objectives within it are still relevant to today and have been carried through into this refresh. These include support to sectors such as digital/creative, addressing skills gaps and improving school performance and addressing areas of weakness in the physical fabric and infrastructure of the City including poor housing stock and office accommodation, traffic congestion and the public realm.

City Deal

The emerging City Region was invited to submit an expression of interest under the Government's Wave 2 City Deal initiative. At the time of writing, the initial EoI is being worked up into a full proposal for Government to consider, with submission required by the end of June 2013.

Key partners in the Greater Brighton City Deal proposal are:

- Brighton & Hove City Council, Lewes District Council, Adur District Council, Mid Sussex District Council, Worthing Borough Council
- Coast to Capital Local Enterprise Partnership (LEP)
- University of Brighton, University of Sussex
- Local Business Partnerships and key local businesses, including Ricardo, EON, EDF, American Express

The City Deal aims to:

- Forge stronger links between our universities and teaching institutions with the eco tech business growth sector to drive investment in the locality, exploit growth export markets and raise local productivity;
- Improve the quantity, quality and access to modern business premises particularly for the SMEs seeking modern and managed move on space at affordable terms;
- Deliver more locally tailored, sustained and integrated business advice and access to investment support.
- Working with national programme providers and using existing infrastructure and business networks (e.g. Wired Sussex), to actively raise the success potential of SMEs locating in the city region;
- Work closely with the LEPs, UKTI and our universities to successfully access growth export markets;
- Leverage private and available public sector investment within an integrated local investment board programme addressing city infrastructure, business support and supply chain development, employment and skills development and housing.

Inward Investment Prospectus

The Brighton for Business inward investment prospectus was launched in the form of a website in autumn 2012. It seeks to capitalise on the City's economic assets, its workforce skills and quality of life in the City which led to it being identified by the Local Futures Group (December 2012) as the third most attractive local authority area in the country for business investment.

Employment & Skills Plan

The City Employment & Skills Plan, Better skills, better jobs, better lives 2011-14 sets the target of creating 6000 new jobs by 2014 through increased internationalisation and entrepreneurship (including the social enterprise sector) as well as ensuring that all local residents are equipped to compete for jobs in the city's labour market.

Brighton & Hove Strategy for the Visitor Economy (2008-2018)

The refreshed strategy sees tourism as making a “significant contribution to improving the quality of life for local people”, with the potential to act as a “catalyst for improving the environment” It highlights the need for staff training, to work with the FE and HE sectors to develop skills to address “the lack of local skilled labour to support the tourism sector” and to develop a business-to-business mentoring system.

Brighton & Hove City Council Cultural Strategy (2009)

The Cultural Strategy reflects the high value placed upon culture by the City which both helps to define its identity, underpin its economy and boost its wellbeing. The strategy identifies “a unique Brighton & Hove spirit of creativity, open-mindedness and free spiritedness”. A number of actions for the economy are set out, as follows:

- Continue to invest in cultural provision for the city; maintaining and developing the quality, freshness and uniqueness of the content
- Prioritise support to the creative industries sector; encouraging workspace expansion, including it in both mixed use schemes and as planning gain
- Develop the sustainable tourism charter hotel initiative
- Highlight the role of culture in relevant investment strategies such as the Economic Strategy
- Work with partners to develop new initiatives for the city’s cultural calendar such as the Book and the Rose
- Develop the destination marketing activity to generate an increase in the £408m tourism impact

Brighton & Hove City Council Corporate Plan 2011-15 and Medium Term Financial Strategy (MTFS)

The Corporate Plan sets out Brighton & Hove City Council’s strategic direction and priorities for the next four years. It describes how the council will help to deliver the vision of the City’s Sustainable Community Strategy, by improving council services and through closer working with residents, businesses and community and voluntary organisations.

The Plan has four priorities:

- Tackling inequality
- Creating a more sustainable city
- Engaging people who live and work in the city
- Modernising the council

The Plan further supports the sectoral focus on environmental technologies and services, as well as digital and creative and the visitor economy in general and eco-tourism in particular.

The Council will integrate its service and financial planning on the basis of need ensuring cost effective outcomes. The MTFS sets out in more detail what the council will do and what it aims to achieve.

The budget principles applied to the current budget strategy have been designed to support the council’s Corporate Plan priorities as far as possible within resource constraints, including:

- An intention to raise council tax by 2% in order to protect as far as possible services for the most vulnerable
- Providing resources to enable a fair and low income council tax reduction scheme that has taken full account of equalities considerations alongside resources to support financial inclusion, discretionary funds and a Local Discretionary Social Fund
- Regard for the new Government incentive from April 2013 to grow the local economy implementing appropriate strategies to encourage economic growth and new jobs working closely with the Coast to Capital Local Enterprise Partnership and neighbouring local authorities
- Prioritising service and resources, through service pressure funding, for the young, elderly and vulnerable to continue to tackle inequality
- Promoting efficient use of public money and sustainable use of resources through support for key programme e.g. value for money projects
- Continuing to support partnership working with public, private and third sector organisations to ensure effective engagement of people and partnerships across the city
- Ensuring all services continually review their assets to determine any that are surplus to requirements which can be disposed of in order to meet the council's other corporate capital investment priorities and reduce its carbon footprint

Brighton & Hove City Plan & Employment Land Supply study report

The draft City Plan (Part 1) was agreed by the City Council in January 2013 and following final publication consultation during February and April 2013 was submitted to the Secretary of State for independent examination, expected September 2013. Once adopted the City Plan will be a key delivery mechanism for a wide range of city wide strategies and council priorities. The Plan sets out a vision and objectives for the development and growth of Brighton & Hove up to 2030; identifies broad locations for development and allocates strategic sites and employment sites.

The Vision for the City's economy set out in the submission City Plan, February 2013, is as follows:

“By 2030, Brighton & Hove will have a resilient local economy with sufficient jobs at all levels. Local residents will have the skills to enable them to progress through the labour market and earn incomes to help them live successfully within the city. New housing will be provided, of different types and tenures and in suitable locations to match a range of requirements and lifetime needs.

- *Brighton & Hove will play a full role in the economic growth and development of the South East region, through a coordinated partnership approach with neighbouring authorities and the Local Enterprise Partnership.*
- *The economic performance of the city will continue to improve and the city's long-term unemployment rate will have fallen with an increase in employment rates.*
- *Sustainable economic growth will be achieved by ensuring a range of suitable employment sites and premises; supporting the city's key and growing employment sectors with a well-trained and suitably skilled local workforce and by securing training and support for local entrepreneurs and start-up businesses.*

- *Significant new development will be directed to areas of the city with good sustainable transport links and to those areas in need of regeneration and renewal.*
- *New housing will be delivered to help meet housing demand and need. This will help achieve more sustainable communities with a range of housing types and tenures, including family homes and homes to match lifetime needs.*
- *To be England's favourite 'Creative City' through an expanded base and support for the arts and creative industries across the city, drawing on the local workforce, and a thriving creative and cultural quarter in the city centre.*
- *To be one of Europe's best meeting destinations and the city's tourism industry will have grown significantly but sustainably into a year-round profitable business.*
- *To be a world class cultural and heritage offer with a strong connection to the character of Brighton & Hove providing the best for residents and tourists."*

Furthermore, " ... by 2030 the city will have made significant progress towards becoming a resource efficient, Zero Carbon City and a city that is adapting well to climate change."

The City Plan proposes eight Development Areas across the city to accommodate significant amount of new development over the plan period (to 2030). Within these development areas, local priorities for future development and change are set out and strategic allocations are identified. Strategic Allocations are sites whose regeneration/ redevelopment area considered critical to the overall delivery of housing and employment growth over the plan period. The focus for the City Plan is on ensuring the appropriate mix and type of employment floorspace is a principal element of all regeneration, development and renewal projects within the city.

For example:

DA3 Lewes Road – supports the academic corridor with the identification of Preston Barracks and nearby University of Brighton sites as a significant opportunity for high quality employment, training and academic floorspace as well as housing and student accommodation.

DA4 New England Quarter and London Road area – proposals and allocations to bring forward c.20,000 sq m of office floorspace and recognises and safeguards the CDIT hub at New England House.

DA7 Toads Hole Valley – mixed use sustainable development that will provide significant family and affordable housing, modern office space and a new school to meet the future needs of the city.

DA8 Shoreham Harbour – strategy for the comprehensive regeneration of Shoreham Harbour and the potential for employment and housing development at South Portslade Industrial Estate and Aldrington Basin to be delivered through a joint area action plan with Adur District Council, West Sussex County Council.

The City Plan also sets out city wide policies to support an attractive and sustainable city with healthy and balanced communities.

As part of the evidence base for the City Plan, the City Council has commissioned (2012) a review of its Employment Land Study. The study found that demand for office space remains strong particularly for small units in Central Brighton and the station / Queens Road area. The significant lack of delivery of office space in the last 10 years is constraining future office activity in the City.

The Employment Land Study Review 2012 recommended that the City Plan be guided by forecast growth requirements of 112,240 sq m of office floorspace (B1a, B1b) to 2030 and 43,430 sq m of industrial floorspace (B1c, B2 and B8) over the plan period. The council's approach to employment land policy should aim to at least fully meet its employment space needs over the Plan period so that the economy is not unduly constrained. The City Plan therefore indicates that unmet employment land needs (c.34,000 sq of industrial floorspace and c. 21,000 – 26,000 sq m of office space) will need to be addressed through further allocations in the City Plan part 2.

The Study further recommended:

- A need to prepare a delivery trajectory for the Plan period identifying a realistic delivery pipeline of employment sites over the short, medium and long-term.
- That opportunities are taken to maximise the delivery of small-scale, managed, affordable workspace.

City Deal Prospectus

The wider City Region (BHCC and partners in its functional economic area) have collaborated in the submission of a Prospectus to Government for the second tranche of City Deals. The broad approach to be developed if the bid is successful is as follows:

“... to marry talent within creative and digital media and environmental technology sectors to accelerate business growth, creating an international reputation for an ‘eco-tech’ economy in the city region and the South East.”

Business growth depends on a more coordinated approach to development sites across the city region, delivering up to date business premises and affordable housing, and meeting the highest sustainable building standards which will in turn support a growing eco-tech industry

Using space more effectively across the city region depends on reviving transport systems to move people and products within the region and export internationally, complemented by the best use of not only infrastructure but technology.”

Neighbouring authority strategies

The establishment of the C2C LEP and the recent City Deal process has galvanised collaboration across the Greater Brighton City Region – as defined by the functional economic area. The Duty to Co-operate on spatial planning matters will no doubt drive this collaboration further. The following local authorities can be considered to be part of the City Region and their relevant headline strategic objectives are set out below:

Lewes District Council (LDC)

The regeneration of the port and town of Newhaven is the main priority for Lewes DC. Newhaven is one of two ports (with Shoreham) in Brighton's functional economic area and housing market, and there are strong synergies to be gained from closer working between these areas – in terms of the transportation role of the port, ancillary activities (including use related to renewable energies particularly offshore wind) as well as residential and lower value commercial development. LDC joined the Coast to Capital LEP after its initial formation (it is also a member of the South East LEP) to benefit from the opportunities afforded by closer working and is an active participant in the emerging City Region governance structure.

East Sussex County Council (ESCC)

ESCC's recently (2012) published Economic Development Strategy identifies a polarisation between the more deprived parts of the County, particularly the coastal towns (including Newhaven) and the rest of East Sussex. The EDS aims to address this with a vision that *"By 2021, East Sussex will have a stronger, more resilient, inclusive and balanced economy, built on an expanded private sector base in a county recognised for its distinctive character and excellent connectivity."* A number of strategic priorities have been put in place to deliver this Vision.

- **Strategic Priority 1:** Create the right environment to attract new businesses, retain existing ones and foster enterprise, job creation and innovation - encouraging and supporting entrepreneurship, business growth and R&D activities;
- **Strategic Priority 2:** Enhance the skills base – raise aspirations, help tackle worklessness and exclusion by raising aspirations, including entrepreneurship, and skills as a barrier to work/vocational progression;
- **Strategic Priority 3:** Improve connectivity - rail, road and broadband connectivity and speed improvements are critical for East Sussex to take advantage of its privileged location;
- **Strategic Priority 4:** Upgrade the provision of commercial premises - ensure workspace is sufficient, appropriate, sustainable and flexible for business needs, contributing to attracting and retaining businesses and jobs;
- **Strategic Priority 5:** Improve housing choice and availability;
- **Strategic Priority 6:** Move towards a low carbon economy; and
- **Strategic Priority 7:** Build the East Sussex visitor profile – its identity, and enhance the quality of offer to become a key destination for visitors.

South Downs National Park Authority (SDNPA)

The SDNP was created in April 2011. As England's newest National Park it is in the process of developing its management plan and core strategy, but in common with all National Park Authorities, the SDNPA has a statutory duty to "...work in partnership to foster the social and economic well-being of local communities with the National Park." Of particular relevance to the B&HES will be the management of the area closest to the City and measures to promote diversification of the rural economy. The SDNPA is also contributing to the development of the Coast to Capital LEP growth plan.

Adur and Worthing District Councils (A&WDCs)

A joint regeneration team for A&WDCs was created in 2010. An Economic Plan is being developed and consultation is expected imminently. Initially the focus was on the delivery of the [Masterplan for Worthing](#), which had a purely town centre and seafront focus and the implementation of the [Masterplan for Shoreham - Shoreham Renaissance](#), which had a purely town centre and seafront focus and the implementation of the Masterplan for Shoreham - Shoreham Renaissance. Regeneration now encompasses a much wider range of issues which all contribute to the physical and social regeneration of the area including strategic projects, business development and tourism.

A joint Area Action Plan is being developed with between BHCC, Adur District Council and West Sussex County Council that will set out a comprehensive, deliverable plan for the future revitalisation of Shoreham Harbour.

Mid Sussex District Council

The Mid Sussex DC Economic Development Strategy was refreshed in March 2013. It sets out an action plan of sets out 18 specific actions to be taken by the Council by March 2015 within four strategic objectives which are as follows:

Objective i) – Supporting the Economy

Facilitating the development of additional and better quality business space in Mid Sussex; delivering starter units at Bridge Road; and supporting the revitalisation of our town centres

Objective ii) – Improving self-sufficiency

Delivering the District Plan economic policies including the allocation of the strategic employment site at Burgess Hill

Objective iii) – The ‘Whole Council Approach’

Providing support and advice to businesses on meeting regulations (such as licensing, planning and building control); paying invoices quickly; and procuring services with local small and medium sized enterprises where practical to do so

Objective iv) – Engaging with wider partnerships

Working through the Gatwick Diamond Initiative to develop a workforce with the right skills to meet business needs; and working with West Sussex County Council and other partners to provide support and incentives to those currently dependant on benefits to find work and/or increase their earning potential (linked to changes to Council Tax Support Scheme)

West Sussex County Council (WSCC)

WSCC has recently published its Economic Strategy 2012-20, Supporting Economic Growth in West Sussex. This sets as a vision:

An economy with a thriving entrepreneurial culture that actively supports and promotes sustainable living and working communities and makes the most of its natural, physical and human capital assets; and which attracts, retains and grows well connected businesses that are staffed by a highly skilled and motivated workforce, producing high value goods and services.

To deliver this vision it identifies seven strategic priorities:

- **Strategic Priority 1:** Promote West Sussex as a First Class Business Location
- **Strategic Priority 2:** Understand and respond to the needs of established businesses and support people to start and grow successful enterprises
- **Strategic Priority 3:** Adapt and respond to new funding conditions and opportunities to ensure that West Sussex secures investment to support its economic development priorities
- **Strategic Priority 4:** Deliver the transport and communications infrastructure that businesses and residents need
- **Strategic Priority 5:** Make best use of land and property to support a robust and sustainable economy
- **Strategic Priority 6:** Support the creation of a range of jobs that enable people to participate in the labour market in a way that best reflects their needs at different life stages
- **Strategic Priority 7:** Support local people to acquire the skills that the economy needs

Appendix B Recommendations of Sarkozy Commission

Recommendation 1: When evaluating material well-being, look at income and consumption rather than production

Recommendation 2: Emphasise the household perspective

Recommendation 3: Consider income and consumption jointly with wealth

Recommendation 4: Give more prominence to the distribution of income, consumption and wealth

Recommendation 5: Broaden income measures to non-market activities

Recommendation 6: Quality of life depends on people's objective conditions and capabilities. Steps should be taken to improve measures of people's health, education, personal activities and environmental conditions. In particular, substantial effort should be devoted to developing and implementing robust, reliable measures of social connections, political voice, and insecurity that can be shown to predict life satisfaction.

Recommendation 7: Quality-of-life indicators in all the dimensions covered should assess inequalities in a comprehensive way

Recommendation 8: Surveys should be designed to assess the links between various quality-of-life domains for each person, and this information should be used when designing policies in various fields

Recommendation 9: Statistical offices should provide the information needed to aggregate across quality-of-life dimensions, allowing the construction of different indexes.

Recommendation 10: Measures of both objective and subjective well-being provide key information about people's quality of life. Statistical offices should incorporate questions to capture people's life evaluations, hedonic experiences and priorities in their own survey.

Recommendation 11: Sustainability assessment requires a well-identified dashboard of indicators. The distinctive feature of the components of this dashboard should be that they are interpretable as variations of some underlying "stocks". A monetary index of sustainability has its place in such a dashboard but, under the current state of the art, it should remain essentially focused on economic aspects of sustainability.

Recommendation 12: The environmental aspects of sustainability deserve a separate follow-up based on a well-chosen set of physical indicators. In particular there is a need for a clear indicator of our proximity to dangerous levels of environmental damage (such as associated with climate change or the depletion of fishingstocks.)

Appendix C Benchmarking local economic development

For the purposes of this study, it is useful to clarify what economic success could look like for Brighton & Hove. We can do this by identifying cities comparable in terms of size, economy and character, whose local economic development strategy Brighton & Hove can reasonably aspire to emulate in the medium term – particularly in ‘Eco-tech’ related sectors. By focussing this search on European cities, we can also identify potential future partnership opportunities for knowledge exchange and joint funding bids. Such benchmarking should be considered indicative rather than definitive, as Brighton & Hove’s distinctiveness makes direct comparisons difficult: it is a seaside city much more than a port city; a regional centre but not an administrative capital; an economic centre driven more by SMEs than by major employers, etc.

Criteria for selection

To enable reasonable and useful comparison, each potential comparator city should have the following characteristics:

- Primary urban centre in a small city-region (i.e. not part of an extended conurbation);
- High quality of life, particularly in terms of access to natural landscape resources (e.g. sea, mountains, etc.);
- Distinctive identity, particularly in terms of culture, character, and way-of-life;
- Service sectors dominant in the local economy, e.g. tourism, creative sector, ICT, etc.; and
- Strong local universities and research institutes, with identified specialisms and spin-offs.

Data sources

This analysis draws on two major international sources of comparative socio-economic data on cities – the European Union (via Eurostat) and the Organisation for Economic Cooperation and Development (OECD). Eurostat provides detailed comparative data for metropolitan agglomerations in the MetroReg 42 dataset, with further labour market and quality of life data available for cities in the Urban Audit⁴³ dataset. While both of these datasets cover urban areas of a size appropriate for this study, there are particular methodological difficulties in comparing data on many smaller English cities with their counterparts elsewhere in Europe. In the MetroReg category, data on the city of Brighton & Hove is available however data on most comparable cities usually includes their various suburbs and conurbations, and sometimes also their city-regions. In the Urban Audit category, no data on either Brighton & Hove or the city-region is available.

The OECD has developed ‘a new methodology for defining urban areas as functional economic places in a consistent way across countries’ in its Metropolitan Areas⁴⁴ dataset. This provides more refined comparative data on more than 1,000 urban areas with a population greater than 50,000 in the 28 OECD countries. Again, however, while this dataset covers urban areas of a size appropriate for this study, there is no data available in a disaggregated form for either Brighton & Hove or the city-region specifically.

⁴² MetroReg areas are defined as NUTS 3 Regions or combinations of NUTS 3 Regions.
http://epp.eurostat.ec.europa.eu/portal/page/portal/region_cities/metropolitan_regions

⁴³ For further detail see http://epp.eurostat.ec.europa.eu/portal/page/portal/region_cities/city_urban

⁴⁴ OECD (2012) Redefining "Urban": A New Way to Measure Metropolitan Areas.
<http://www.oecd.org/regional/redefiningurbananewwaytomeasuremetropolitanareas.htm>

Methodology for selection

This study is therefore cautious and selective when drawing on this comparative data, and used the following methodology:

- The population and area of both Brighton & Hove city and the Brighton city-region were estimated through ONS population estimates;
- City-regions of comparable size were identified from the various databases, and filtered by a general websearch for those with a similar macroeconomic background (i.e. Western Europe), strong local economic performance, and range of economic sectors (i.e. predominantly service sectors and particularly Eco-tech); and
- A final selection was made which combined a qualitative judgement of cities whose identity is sufficiently distinctive to compare with Brighton & Hove, with a spread of cities from different jurisdictions.

Table C.1 Population and area of Brighton & Hove and Brighton City-Region

Unitary Authority	District/Borough	Population	Area sqkm	Density pop/s qkm
Brighton & Hove		273,000	87.54	3,118.6
West Sussex	Adur	61,300	41.80	
	Worthing	105,000	32.48	
	Mid-Sussex	140,200	334.02	
East Sussex	Lewes	97,600	292.00	
Brighton City-Region		677,100	787.84	859.4

(Source: ONS 2011 Population Estimates)

Selected cities

Using the above methodology, three cities were selected: Freiburg (Germany), Graz (Austria), and Montpellier (France). Each is profiled in turn on the following pages. As noted in Table C1, the OECD dataset identifies the functional economic area of each of these cities as of comparable size to Brighton. However the more detailed MetroReg time series and Urban Audit dataset both use different catchments. Hence comparative data is only used selectively where 'city' or 'city-region' catchments are broadly comparable.

Table.C.1. Comparable data on city scale (shown in yellow) and city-region scale (shown in blue). Freiburg provides the best statistical 'fit' for Brighton in terms of the city (Urban Audit), and the city-region (MetroReg and OECD).

Source Dataset	OFFICE for NATIONAL STATISTICS		EUROSTAT MetroReg		EUROSTAT Urban Audit (Core City)		OECD Metropolitan areas					
	Population only	Population estimates	GDP, GVA	Annual comparative data	Education, Employment	GDP, Annual growth	2008					
Topics	Area sqkm	Density pop/sqkm	Population sqkm	Density pop/sqkm	Population sqkm	Density pop/sqkm	Population sqkm	Density pop/sqkm				
Date	2011		2001-2010		2012							
Brighton & Hove	273,000	87.54	3,118.6	257,702	79.7	3,220.3						
Brighton City-Region	677,100	787.84	859.4									
Freiburg, Germany				633,799	2,211.3	285.8	224,191 (2010-2012)	153.1	1,464.3	529,703	1,511.7	350.4
Graz, Austria				404,093	1,228.3	329.7	250,738 (2007-2009)	127.6	1,965.0	604,551	3,105.0	194.7
Montpellier, France				1,042,699	6,101.0	170.0	406,139 (2003-2006)	439.9	923.3	598,655	2,204.2	271.6

Freiburg: ‘Green City, BioTech Region’

	OECD (2008) ⁴⁵	MetroReg (2008) ⁴⁶
Population City-Region	529,703	633,799
GDP per capita at current market prices	£20,634	£22,016
GDP growth (annual average 2000-2008)	1.37%	1.53%
GVA per capita at basic prices	–	£19,812
GVA growth (annual average 2000-2008)	–	2.11%

Freiburg is a university city located in the Black Forest in southwest Germany, at the heart of the wine-growing region of which it is administrative capital. It has a strong reputation as a pioneer of sustainable urban development, both in terms of city planning policy and procurement, urban extension and regeneration practice, and technical know-how. It has developed its research capacities to support an economic base in hi-tech environmental engineering and biomedical services. It enjoys the warmest and sunniest climate in Germany, and is a significant centre for leisure and professional tourism.

Freiburg provides a good ‘fit’ for Brighton in terms of Urban Audit data on the core city, which indicates:

- High and rising proportion of working age population with third level qualifications (rising from 21.2% in 1999-02 to 34.5% in 2007-09);
- High and rising rate of part-time employment (rising from 20% in 1989-93 to 39.2% in 2007-09);
- Moderate and consistent rate of self-employment (11-9% in period 1989-2009);
- Moderate and consistent rate of unemployment (6.0-8.5% in period 1994-2009);

Economic sectors and institutions

Microtechnology

Microtechnology involves measurement, control, remote sensing, and automation systems. More than 30 percent of Germany’s microsystems technology and business is located in the transregional ‘MicroTEC Southwest’ cluster between Karlsruhe, Stuttgart and Freiburg. With more than 30 academic departments and more than 600 academic staff in the Freiburg region, the city-region is home to one of the largest collection of researchers in microsystems technology in Europe. Major employers include Endress + Hauser, Micronas, SICK and TESTO, as well as SMEs. This is complemented and strengthened by a first class environment with other scientific disciplines, such as nanotechnology, medical, engineering, manufacturing technology and life sciences.

IT, media and computer science

Freiburg is a regional and national media centre, with several large and many small publishers, a prestigious daily newspaper, and several radio stations. There is also an emerging IT and multimedia

⁴⁵ Based on exchange rate of \$1=£0.57 (Source: IRS <http://www.irs.gov/Individuals/International-Taxpayers/Yearly-Average-Currency-Exchange-Rates>)

⁴⁶ Based on exchange rate of €1=£0.89094 (Source: ECB http://sdw.ecb.europa.eu/quickview.do?SERIES_KEY=120.EXR.A.GBP.EUR.SP00.A)

sector with software development, electronic commerce and web design, supported by 'Medienforum Freiburg', a development partnership between the city of Freiburg, the University of Freiburg, the University of Applied Sciences and local media representatives. Its purpose is to develop a regional cooperation and competence network, linking IT suppliers and users, and other SME support.

Environmental Engineering and Services

Freiburg has a high profile in environmental engineering (in particular solar technology) and sustainable development, through decades of partnership between city government, academia and the private sector. 'SolarRegion Freiburg' is a long term development programme which has resulted in multiple benefits for both the environment and the local economy since 1986. The local Fraunhofer Institute for Solar Energy Technologies is the largest solar energy research institute in Europe, with over 1,200 staff investigating scientific and technological fundamentals for solar energy applications, through the development of production technology and prototypes, to the construction of demonstration systems. The city government's local planning regulations and public procurement policies have stimulated local production of PV and other solar technologies.

The 'Green City Cluster' development agency creates cross-sector links between companies and institutions in environmental engineering and solar energy. Through its activities, the cluster acts as a platform for collaborations in the research and development of innovative products and assists in positioning the region's products and services in the markets of the future.

Tourism, Conferences and Professional visits

Annually, Freiburg welcomes more than a million overnight visitors and more than ten million day-visitors. At the Freiburg exhibition centre, more than half a million people attend around 35 trade fairs, exhibitions, concerts, TV programmes and other events. In addition around 25,000 people from all over the world make professional visits to learn about the 'Freiburg model' of sustainable development – students, educators, city planners, architects, engineers, entrepreneurs, investors, contractors and energy service providers, as well as high-level international political representatives and business delegations.

Case Study: Biotechnology

Freiburg is home to number of Germany's leading clinical and biotechnological research facilities including the University Hospital (one of the largest in Germany), the University of Freiburg, and over 40 research institutes including the Max Planck Institute for Immunobiology and the Tumour Biology Centre. Despite the city's relatively small production capacity in the biotechnology sector, it has developed institutional arrangements to link its outstanding research capabilities to the significant production and development capacity in neighbouring cities and regions. In this way it has developed local expertise in knowledge transfer and stimulated local economic development in the sector. The institutional arrangements involve a range of transnational, regional, city-regional, and local projects as follows.

Trans-national project: BioValley Life Sciences network

Straddling the border areas of Germany, France and Switzerland, the tri-national BioValley Life Sciences network 'bundles' the industrial, research and institutional resources of Freiburg and Karlsruhe (D), Basel (CH) and Strasbourg (F) to create a transnational region at the heart of the European single market. Supported since 1997 by the EU INTERREG Program for the Upper Rhine, BioValley provides a range of services including:

- Matchmaking commercial, academic and scientific partners and their respective products, research and technologies;
- Promoting network partnerships directly and at national and international Life Sciences fairs;
- Networking through a regular events programme, for example giving a chosen company (from SMEs to major pharmaceutical concerns) or academic researcher group the possibility to present their company, work or competences in front of an audience of around 20 – 70 people; and
- Supporting the cross-border "Biotechnology" programme between the universities of Basel, Freiburg, Karlsruhe and Strasbourg.
- BioValley also markets the transnational region externally as combining a great quality of life with excellent locational advantages for biotech businesses including:
- Highly-skilled cosmopolitan workforce of 50,000 qualified employees, including 15,000 scientists;
- 600 Pharmaceutical and MedTech companies covering the whole value chain for pharmaceuticals and medical devices, many of which are located in the area's 14 Technology Parks;
- 10 Universities and Academic Research Institutes, with 100,000 Students;

Regional project: BioRegio Freiburg & BioMed Freiburg Technology Foundation

BioRegio Freiburg is a programme supported by the German federal government whose primary objective is to expand employment and enterprise in the biotechnology sector across the wider Freiburg region. It is a partner programme of the tri-national BioValley Life Sciences network. Again it positions the area as an attractive and dynamic region, offering a high quality of life and an excellent and varied company and research landscape. Its focus is particularly on biomedical innovation, which includes the areas of biotechnology, medical devices, pharmaceuticals, and gene therapy.

The programme is co-ordinated by the BioMed Freiburg Technology Foundation, a partnership of the city of Freiburg, the Technology Transfer Office of the University of Freiburg, local economic partnerships and regional banks. Its purpose is to promote applied research and their translation into commercial application. It provides the following services:

- Consultation and network management to start-up companies and company founders in the field of life sciences to assist with set-up in the region through contacts with investors, authorities, chambers of commerce, potential cooperation partners and partners in the BioValley network;
- Public relations and location marketing through national and international exhibitions, presentations and conferences; and
- Information exchange through close contact and discusses current developments at regular meetings with experts from industry and science and the BioRegions in Baden-Württemberg and Germany.

City-Regional project: Freiburg Innovation Prize

An initiative of BioMed Freiburg and other partners, this annual €7.5k prize is awarded by an independent jury to SMEs in the local city-region only for exemplary and innovative achievements in the development of new products or processes with evidence of marketability (through existing or imminent commercial exploitation).

Local project: BioTechPark Freiburg

BioTechPark Freiburg is managed and marketed by the BioMed Freiburg Technology Foundation as an ideal location for new and established companies engaged in biotechnology, microsystems technology, medicine technology, pharmacy and related fields. Admissions are overseen by a scientific advisory board. It is accommodated in three interconnected buildings providing:

- 30,000 m² of modern and functionally equipped offices, conference rooms and laboratories with complete technical infrastructure, with reasonable and graduated rent for a subsidised period of seven years, unlimited lease agreements and expansion possibilities at the same location;
- 4,000 m² of subsidised area for start-ups, with fully-equipped start-up laboratory with time- or project-specific rental terms;
- Business support services including finance, conceptual design, strategy, marketing, sales and contact with public agencies; and
- Liaison with the University of Freiburg and other research institutions of the Freiburg area, as well as urban and regional business development via the BioRegio and BioValley networks.

Montpellier: ‘Mediterranean Technopole’

	OECD (2008) ⁴⁷	MetroReg (2008) ⁴⁸
Population City-Region	598,655	1,019,798
GDP per capita at current market prices	£17,328	£21,367
GDP growth (annual average 2000-2008)	3.35%	3.87%
GVA per capita at basic prices	–	£17,228
GVA growth (annual average 2000-2008)	–	4.91%

Montpellier is located less than 10km from the Mediterranean coast in south-central France, and is administrative capital of the Languedoc-Roussillon region. It has been the country’s fastest-growing city since 1990, and has benefitted from its strong regional policy which has concentrated investment in the city-region’s high-tech sectors – in particular the life sciences, appropriate to a city which claims the oldest medical school in the Western world. Strong city-regional government positions itself as a “one stop shop” for inward investment and a key partner for the business development and marketing of innovation. The city is ranked second in France for start-up companies, and markets itself as combining a high tech opportunity with a distinctively ‘Mediterranean’ quality of life.

The Urban Audit dataset is not comparable with Brighton & Hove.

Economic sectors

Agronomy

The food chain is a strong pillar of the city-regional economy with 1200 processors, and over 25,000 employees based around three core areas: grapes, grains and agricultural services. Firstly, the city-region is part of France’s the largest winegrowing region, Languedoc-Roussillon, accounting for nearly a third of the national production. Secondly, it is a major producer of durum wheat for the production of dry pasta and semolina. Thirdly, the agricultural services sector develops engineering, management and ICT solutions for agronomy. LRIA (Languedoc-Roussillon Agrifood Enterprises) brings together all the companies in the region on a joint platform.

Digital Media and ICT

Montpellier city-region is home to major ICT employers including IBM, Dell, PC Soft Windev and Genesys Conferencing, and has one of the highest rates of employment growth in French edition software. A network of smaller SMEs is supported by a federated association (PixLR) and the international MIG (Montpellier In Game) trade fair (a four-day event now in its third year). The city-region also specialises in robotics, lasers, sensors and microelectronics, supported by a network of research institutes and sectoral agencies.

Environmental Engineering and Services

Montpellier is well-represented in Environmental Chemistry and Renewable Energy sub-sectors. Both sectors involve linkages between research, enterprise and SMEs. The Environmental Chemistry

⁴⁷ Based on exchange rate of \$1=£0.57 (Source: IRS <http://www.irs.gov/Individuals/International-Taxpayers/Yearly-Average-Currency-Exchange-Rates>)

⁴⁸ Based on exchange rate of €1=£0.89094 (Source: ECB http://sdw.ecb.europa.eu/quickview.do?SERIES_KEY=120.EXR.A.GBP.EUR.SP00.A)

sector is anchored by major pharmaceutical Balard and local research institutes in biochemistry, materials science, complex fluids, nanomaterials, etc. with more than 500 researchers and post-docs. The renewable energy sub-sector includes biomass, wind and photovoltaic technologies, and is anchored by the country's second-largest solar and wind turbine arrays and a sector-specific environmental business park, Garosud. The role of construction sector SMEs as a key part of the supply chain is recognised through training programmes for tradespeople and installers. The city also hosts Energaïa, an annual international renewable energy technologies trade show, supported by the Derbi trade association.

Water

The water sector includes over 600 researchers in 12 scientific institutions and 10 joint research units , together with 400 companies representing an annual turnover of more than €700 million, including Veolia Water, Suez Environment, and a range of innovative SMEs. The association VERSeau Development aims to facilitate and coordinate programs and scientific research in the field of water while the network brings together regional research and production chain around innovation and international business development. The city also hosts Hydrogaïa , an annual international water trade show.

Case Study: Life Sciences

Montpellier is the focus for the highest-ranked and second-largest Life Sciences cluster in France. The research potential is strong, with the presence of numerous laboratories and public research institutes, a university hospital and a dynamic network of innovative companies. On the research theme of infectious diseases alone, the city is home to more than 430 scientists based in its universities and research institutes, and nearly 80 people in the university hospital , together producing more 500 international publications and 100 patents in the last 4 years. Montpellier's quality of life helps it attract and retain a wide range of skills required for the development of medical diagnosis: basic clinical research, resources, biological samples, innovative instruments for molecular detection, high-resolution imaging, robotics and automation for applications in routine innovative solutions for the treatment of large volumes of data, proteomic and genetic studies and clinical validations. The city has also benefitted from France's strong regional policy in concentrating major life-sciences research investments in the city-region, through a combination of trans-regional and local projects as follows.

Trans-regional project: EuroBiomed competitiveness cluster

EuroBiomed is a nationally-driven Health and Life-sciences cluster spanning the Provence Alpes Côte d'Azur and Languedoc-Roussillon regions. Created in 2009 by merging a number of local and regional associations, the network brings together more than 400 companies (mostly SMEs) in 4 technology parks, 39,000 students in 8 top-ranked universities and higher education institutions, 400 research laboratories, and 4 hospitals with clinical research capacity. Eurobiomed's aims are to link and develop synergies between companies, public laboratories, and training facilities through partnership projects, support innovations in health service delivery, enhance the visibility of the business network, and support business development and job creation. It provides a range of services including:

- Support for relationship management (particularly for SMEs) through networking events, thematic conferences, shared tools, etc. ;
- Support for assembly of R & D projects, including identification of academic and industrial partners, assisting in the implementation files responses to tenders, and endorsement of projects;

- Dedicated real estate solutions and public sector support services are available for companies.
- Management of linkages to European networks

Eurobiomed has recognized expertise in a number of areas:

- Rare and/or infectious diseases (tropical and emerging);
- Medical devices, biomarkers and diagnostics;
- Immunology and therapeutic applications; and
- Care and support of aging, neurological diseases and disability.

Local project: Biopôle Euromédecine Business Centre

Biopôle Euromédecine is a business centre created by Montpellier Agglomération local government, located on a 31ha site in the 220ha Euromédecine business park in northern Montpellier. This location is served by good road and public transport infrastructure, accommodates a range of leisure and retail facilities, and is surrounded by research centres, Montpellier University and University Hospital, and numerous companies in the life science sector: health, agronomics, water, and environment. Its six buildings provide:

- 21,000 m² of flexible and secure offices and laboratory accommodation available from 100sqm, including a P3 laboratory, with shared infrastructure, reserved roof-space for specialised plant, and externally-accessible storage and delivery areas;
- Direct aid and tax benefits classified under investment aid for SMEs;
- Existing business include Clinical Val d'Aurelle , IBM Dual Site (outsourcing), Labover (laboratory equipment and facilities), Horiba Medical (automatic medical analysis), C2 Diagnostics (medical diagnostic equipment in vitro), Techsia (software), Idenix Pharmaceuticals (R & D Infectious Diseases), Bio-Rad (clinical diagnoses), Schlumberger (petrophysical software), CNRS , INSERM , CRLC (diagnosis and cancer care), La Poste DIC (SSII), Space Sentein (training).

Graz: 'Design Capital, EnviroTech Region'

	OECD (2008) ⁴⁹	MetroReg (2008) ⁵⁰
Population City-Region	604,551	404,093
GDP per capita at current market prices	£22,247	£31,268
GDP growth (annual average 2000-2008)	2.40%	–
GVA per capita at basic prices	–	–
GVA growth (annual average 2000-2008)	–	–

Graz is administrative capital of the Styria region in south-east Austria in the foothills of the Alps and a rich agricultural basin. It has a distinctive cultural identity with strong links to Slovenia, whose border is less than 40km distant. Graz is a former European Capital of Culture (2003), and has a well-preserved 'old town' which has been designated a UNESCO World Heritage site. The city is a centre for design excellence in the automotive, construction and product design sectors. The city-region has the strongest economic growth in the country, and is an international focus for advanced environmental technology and 'cleantech'.

Graz provides a good 'fit' for Brighton in terms of Urban Audit data on the core city. While this dataset is incomplete, it indicates:

- High proportion of working age population with third level qualifications (25.5% in 2007-09); and
- Moderate and rising rate of self-employment (7-10% in period 1989-2009);

Economic sectors

Automotive Design

Styria and Graz city-region are home to Austria's premier automotive industry cluster, with over 40,000 employees in 180 partner companies, generating an annual turnover of around 10 billion euros. In 1995, five major enterprises (AVL, Krenhof, Magna Steyr, SFG and TCM International) came together to form ACStyria Autocluster – a sectoral development agency to link up business, industry, research and public institutions in addition to identifying areas of strength and synergies. As a cross-company platform, ACStyria has set itself the target of raising the innovation performance of its members by means of cross-industry projects, seminars and events and increasing value creation in Styria. Its focus is on innovations and technologies in the field of "Green Cars - Clean Mobility" with three main priorities: ECO-Powertrains, ECO-Materials and ECO-Design & Smart Production. In this way, Styria's automotive industry is moving towards an innovative model of intelligent electrified powertrains with the appropriate range, assemblies and components made from environmentally-compatible and resource-saving materials, and cost-efficient production technologies.

⁴⁹ Based on exchange rate of \$1=£0.57 (Source: IRS <http://www.irs.gov/Individuals/International-Taxpayers/Yearly-Average-Currency-Exchange-Rates>)

⁵⁰ Based on exchange rate of €1=£0.89094 (Source: ECB http://sdw.ecb.europa.eu/quickview.do?SERIES_KEY=120.EXR.A.GBP.EUR.SP00.A)

Life Sciences and Biotechnology

Graz is home to three centres of excellence in medical engineering and pharmaceutical engineering, including Graz University Hospital, the largest hospital in Central Europe. Over 70 local companies are supported by the cluster organisation Human.technology. styria, set up in 2004 by eight major sectoral partners to promote sectoral development in three strategic areas: pharmaceutical engineering and production processes, advanced biomedical sensor technologies and biomechanics, and biobanking and biomarker technologies.

Case study: Environmental Engineering and Services

Styria and the Graz city-region are already in the top three locations in Europe for environmental services. With a recycling rate of 65 %, Graz and Styria, the region is a leader in implementing its own expertise in the field of material flow management. With a renewable energy contribution of 25 % to end-user energy consumption, the region is already significantly ahead of the EU goal for 2020. The city of Graz itself is a demonstrator project for innovation in the sector through public procurement and business engagement initiatives. This economic cluster is being consolidated and developed through a range of transnational, regional and local projects as follows:

Trans-national project: EcoCluP

The Graz city-region is a member of the EU INNOVA EcoCluP (“Eco-innovative Cluster Partnership for growth and internationalisation”) network of 13 European environmental engineering clusters. These 13 partners from 10 countries unite more than 3,500 cluster companies (predominantly SMEs) as well as 430 research institutions in Austria, Denmark, Finland, France, Germany, Hungary, Holland, Spain, Sweden and England (EnviroCluster Peterborough). The aim of the project is to provide support measures and services for quickly growing companies in the various cluster sectors in order to support business growth and internationalisation. Services include:

- Active knowledge exchange and networking (match-making events, workshops and business trips);
- Assistance with innovation management and external financing; and
- Dissemination of a partner-developed toolbox to for risk and innovation management.

Regional project: Styria ‘Green Tech Valley’

EcoCluP’s regional partner in Austria is the Eco World Styria network, which manages the Styria Green Tech Valley environmental technology cluster. This cluster involves:

- 170 companies in energy and environmental technology;
- 4 centres of eco-innovation competence and 4 technically-related universities and universities of applied sciences;
- €3 bn annual green tech turnover with 18 % annual growth (2005-2010);

The aim of the ‘Green Tech Valley’ programme is to increase competitiveness, support innovation, and establish Styria as the No. 1 location for energy and environmental engineering in Europe.

Membership services include:

- Participation in the design of the location of the future with new research topics, technological model projects, and cooperation with the ECO companies;

- Strategy support, consulting on the subjects of national and international markets, technologies, cooperation partners, and funding; and
- Innovation support, through technology roundtable, innovation potential evaluation, technology and development partner identification, project development.

Partners in the 'Green Tech Valley' initiative are in the following fields of renewable energy and environmental technology:

- Biomass, biogas, biodiesel, solar thermal and other renewables;
- Material flow management (technologies making it possible to recycle waste efficiently); and
- Water resource management.

City-regional project: BIOENERGY 2020+ Centre

BIOENERGY 2020+ is a Competence Centre for Energy & Biomass, headquartered in Graz. Its aim is to establish an Austrian platform for research and development in the field of bioenergy, and become the expert partner for special technology transfer activities and international innovation programmes. The scientific objectives are designed to reflect the current expectations of EU and national energy policy – through sustainable improvement of current technology and the development of new, innovative technologies. BIOENERGY 2020+ is a federally-supported network of five leading scientific centres conducting applied research across different sites in the Graz city-region. Bundling the resources into one competence centre, linked by network and across locations, results in application-oriented findings across the entire value chain of bioenergy, while ensuring an optimal use of previously existing infrastructure and contacts to industry. Founded in 2008, it now employs 90 people in research, development and demonstration. Services include contract research and advice, technical analysis (fuel review, function tests, etc.) and training .

Local project: Ökoprofit Graz

Ökoprofit (ECOlogical PROject For Integrated environmental Technology) is a training programme developed by the city council in collaboration with the Technical University of Graz for all Graz companies wishing to use the principles of sustainability to their economic advantage. This win-win partnership model for companies and communities promotes the use of integrated environmental technologies, particularly those developed in the city-region. Its aim is to reduce operational emissions and conserve natural resources while reducing the operational costs (environmental and economic). The programme involves a number of different strands:

- Ökoprofit Basic training is focussed on companies in the manufacturing and services sectors, involving a programme of eight workshops together with individual consultations to assist in knowledge transfer;
- Ökoprofit Micro is a core training and advice programme for enterprises employing less than 20 people;
- Ökoprofit Tourism, a special module for enterprises in the catering and hospitality sectors; and
- Ökoprofit Club, a network for the accredited enterprises, which are monitored and supported to achieve further savings, and develop their environmental know-how on a continuing basis (e.g. "Learning from the best").

Ökoprofit accreditation is based on the guidelines for environmental management systems ISO 14001 and EMAS and thus has been an important factor in the uptake and implementation of EMS in the city-

region broadly. In 2007/08 alone, more than 305 environmental measures were implemented by 40 Graz companies as part of the "Ökoprofit" initiative.

Community-led distinctiveness: Seattle' Department of Neighborhoods⁵¹

More than most, Seattle is "a city of neighbourhoods": early European settlers established widely scattered settlements on the surrounding hills. These grew in parallel into neighbourhoods and autonomous towns before merging into the metropolitan area, though the same street-names are found in many areas. In response, the City of Seattle has developed a distinctive neighbourhood policy. Since 1989, its Department of Neighborhoods has been providing programmes and services that engage people in civic participation, foster stronger communities, make government more accessible, and preserve and enhance the character of the each neighbourhood. The programme involves a number of components:

- The city is subdivided into thirteen neighbourhood districts, each with its own **Neighborhood Co-ordinator** whose role is to encourage and support civic engagement, serve as liaisons between the City and community, and coordinate activities that bring government closer to the community. Paris of neighbourhoods share **Neighborhood Service Centers** (or "little city halls ") to act as a focus for local democracy, disseminate information about Seattle services and programmes, and provide payment and information services.
- A **Neighborhood Matching Fund** provides resources for community-driven projects that enhance and strengthen neighbourhoods. All projects must be initiated, planned and implemented by community members in partnership with the council, and every award whether large or small is matched by neighbourhoods' or communities' resources of volunteer labour, donated materials, donated professional services and/ or cash. Since 1988, the Fund has awarded more than \$49 million to more than 4,000 projects, generated an additional \$72 million of community match-funding, and engaged more than 86,000 volunteers who have donated over 574,000 hours.
- A **Public Outreach and Engagement Program** increases access to information, resources, and civic processes for the diverse groups and individuals in each neighbourhood, including historically underrepresented populations. This ensures that city government provides information to all community members, forges connections, fosters relationships, and receives rich, diverse, and meaningful civic participation.
- The **Major Institutions and Schools Program** provides a way for neighbours of Seattle's Hospitals, Universities and Colleges to be directly involved in producing, implementing and monitoring development plans for those institutions to assure that neighbourhood concerns are considered when those plans are made. For major institutions, a city-appointed Citizens Advisory Committee (CAC) brings together the interests of the institution, the surrounding neighbourhood, and the council. Member advise on the development of a Major Institution Master Plan, transport management plan, and other planning conditions for the institution to maintain and develop the health and 'livability' of the area. This includes consideration of changes in the surrounding 'overlay area' including demolitions, changes of use, residential developments, and other proposals which may be unrelated to but stimulated by the Major Institution. The work of the CAC is open to public scrutiny through formal public examination, after which a Hearing Examiner

⁵¹ Sources for this section include www.seattle.gov and Diers, J (2010) Neighbor Power: Building Community the Seattle Way.

makes recommendations to the council. On implementation, the committee monitors and reviews progress of the plan and considers applications for amendments. For smaller institutions such as primary schools, a similar but simpler process guides 'departures' from existing planning policy in terms of closure of existing schools or establishment of new schools.

- The Department of Neighborhoods also runs a number of area-based programmes including:
- The **Historic Preservation Program**, responsible for the designation and protection of more than 450 historic structures, sites, objects, and vessels, as well as eight historic districts across the city.
- The **P-Patch Community Gardening Program** oversees 78 'P-Patches' distributed throughout the city on 44.5 acres of land. Over 4,400 community gardeners grow food on 13.5 acres of the land and steward for the public an additional 31 acres. Each P-Patch accommodates individual gardening plots for which members pay an annual fee, as well as shared open spaces which members maintain together.

Culture-led distinctiveness: 'Keep Austin Weird' 52

Austin has a reputation for its friendly culture, accepting of artistic and individual expression (musicians, intellectuals, LGBT, naturalists, environmentalists, and subcultures and people who are not mainstream). In recent years Austin has been listed amongst the leading USA cities in terms of sustainability, for quality of life, for friendliness of people, for 'block' parties, as retirement destination, and for live music. According to the Nielsen Company, adults in Austin read and contribute to blogs more than those in any other U.S. metropolitan area, and other sources claim the city has the highest internet usage in Texas.

Within the city, the characteristically "Texas-style" sense of independence find its expression in a liberal tradition of eclectic lifestyles, a desire to protect small unique local businesses, and a reaction to the perceived rise of conservative influences in the state. The city has a long history of vocal citizen resistance to development projects perceived to degrade the environment, or to threaten the natural and cultural landscapes. Two feature films "Slacker" (1991), a day in the life of the city, and "Dazed and Confused" (1993), about the last day of class at an Austin high school, portrayed citizens intent on having a good time regardless of money, status and material possessions.

The campaign to 'Keep Austin Weird' was instigated by a local librarian who was concerned about Austin's 'Houstinization', i.e. "rapid descent into commercialism and over-development". The slogan was then trademarked and used to market a series of T-shirts, hats, mugs and bumper stickers.⁵³ Non-commercial aspects of the city – for example its famous bat colony, its local celebrities, and its extensive collection of unusual public art – have been cited as further evidence of the city's weirdness. The campaign was adopted by the Austin Independent Business Alliance, and championed by traders in the 'SoCo' downtown district, with its mix of coffee shops, eccentric stores, restaurants, food trucks, trailers and festivals – including the annual 'Keep Austin Weird' festival, now in its eleventh year.

However the campaign has never been endorsed or adopted by the city administration or the wider business community. The word 'weird' is not mentioned in 'Imagine Austin', the city's strategic development plan for the next 30 years. Critics have also suggested that the campaign has done little to further social justice issues affecting minority populations in the city, and has merely displaced commercialisation and gentrification from historically working-class White neighbourhoods to historically African-American and Latino neighbourhoods.

⁵² Sources for this section include online research, Wikipedia, and Long, J. (2010) *Weird City, Sense of place and creative resistance in Austin, Texas*.

⁵³ A rival company developed an alternative 'Make Austin Normal' slogan and now produces a similar range of items, in a way, proving the point.

Business-led distinctiveness: Berlin's 'Urban Pioneers' policies 54

Over the past 20 years since reunification, the city of Berlin has undergone major structural change in terms of infrastructure, land use, demographics, institutional arrangements, and local economic development. Over this time a huge number of real estate assets large and small have been released, many without any clear plan for re-use (at least initially). Initially many of these sites were occupied in a spontaneous, improvised, and unregulated manner by local people and creative groups. In response, the city's planning policy has gradually integrated and structured detailed guidance for temporary uses of these assets by such 'Urban Pioneers'. Over the past decade, an extensive range of regulatory, financial, and management instruments (see Table C.2) has been developed by Berlin's planning authorities to facilitate, support, and guide their development. From a regulatory perspective, provisions for temporary use provide planning authorities with a useful mechanism to manage the slow-down and optimise restructuring processes of great complexity and intensity. This approach is a sort of 'holding pattern' whereby some major long-term decision-making can be deferred to the future (which hopefully will be more economically favourable), while some short-term negative impacts of vacancy and redundancy can be mitigated.

According to the city's Senator for Urban Development, Berlin is now "a laboratory for temporary use". Temporary uses are as diverse as other land uses and include workspace, residential space, public open space, play areas, wildlife areas, and the full range of leisure activities from cafes and restaurants to nightclubs, hostels and campsites.

From the beginning, Berlin landowners and developers were alert to the potential economic benefits of permitting temporary uses. The presence of even temporary tenants can deter vandalism, theft, and other opportunistic crime, onsite and in the public domain adjacent. The rental income stream can reduce overheads such as rates, utilities, etc. while not requiring significant investment on the part of the landowner. For firms with extensive building stock, the risks of allowing temporary uses may be marginal compared with the long-term prospects for their asset portfolio. In some cases, temporary uses can enable investment required in remediation/ decontamination/ reconstruction/ marketing/ etc. to be deferred to a more favourable point in the future. Most significantly, it can help establish effective 'place recognition' which can be incorporated into subsequent marketing strategies. In a small number of cases, temporary uses have surpassed expectations and made a successful transition to permanent occupancy as a valuable anchor tenant.

However there are also many economic risks for a landowner. The real estate market may interpret temporary use as an indicator of poor locational, constructional, or other characteristics of the asset. Temporary users may lack business acumen to realise the identified benefits or anticipated opportunities of the location. It may be particularly difficult to predict or manage the activities of the temporary users, and there is the potential that these may be contrary to the long-term marketing objectives of the site. Temporary users may also attempt to establish property rights beyond the terms of the temporary use agreement, or may even establish a "prior claim" to permanent occupancy by virtue of cultural, political, environmental, religious, or other agenda.

⁵⁴ Sources for this section includes Berlin government website and other online research, as well as Senatsverwaltung für Stadtentwicklung Berlin (2007) Urban Pioneers, Temporary use and urban development in Berlin.

The structured and supportive role of the planning authority was crucial not only in unlocking these opportunities and mitigating these risks, but also represented a key part of a local economic development strategy for the emerging creative sector in the city. The policies made underused and undervalued real estate assets available to subcultural groups to 'scale up' their ideas. The availability of such assets are an important locational advantage for the city, and the creative economy certainly would not exist in Berlin in its current dimensions without this diverse range of inexpensive commercial and residential spaces. The rapid success of these subcultural entrepreneurs has in countless cases created an attractive (and often youth-oriented) 'scene' which has changed perceptions of particular urban locations in a way that impacts directly on the market value and marketability of those assets. The city government itself regards the temporary leaseholders as "truffle pigs, for they have made sites such as those in the inner city Spree riverside area into attractive locations for capital-intensive investments."⁵⁵

⁵⁵ Senatsverwaltung für Stadtentwicklung Berlin: 136.

Table C.2. Instruments and services provided by Berlin planning authorities to regulate and support temporary uses. Information collated from Senatsverwaltung für Stadtentwicklung Berlin: 159-171.

INSTRUMENT	EXAMPLE
Contracts & Agreements	<ul style="list-style-type: none"> • Temporary Use Contract – i.e. short-term tenancy; • Relinquishment Contract – permission to use a site without ownership rights; • Maintenance Contract – permission to maintain a site (in exchange for free use of the site);
Licenses & Permits	<ul style="list-style-type: none"> • Planning Permission for a limited period; • Proposals exempted from the need for planning permission; • License for 'Flying Buildings' – permitting serial construction on different sites; • Temporary tolerance – 'turning a blind eye'; • Exceptional License for restricted use of a protected park; • Revocation of a planning permission already granted, to facilitate temporary use;
Financial Support	<ul style="list-style-type: none"> • Providing direct financial and material support; • Relinquishing sites free of charge; • Exempting temporary uses from rates; • Extending council public liability insurance; • Advising on funding applications and financial planning; • Organising secondment of Council officers; • Acting as guarantor;
Construction	<ul style="list-style-type: none"> • Ensuring public safety through traffic orders etc.; • Creating infrastructure/ subdivisions/ other enabling works;
Mediation & Agency	<ul style="list-style-type: none"> • Organising open forums and other public events; • Conducting site and premises audits of council assets; • Coordination units (at local authority level); • Neighbourhood Management (at neighbourhood level);
Marketing	<ul style="list-style-type: none"> • Running "brainstorming appeals" for particular sites; • Running competitions for particular sites; • Modifying tendering procedures to include temporary uses; • Identifying available spaces, e.g. through notice boards, hoardings;

A significant number of temporary uses are also focussed on environmental, community, and neighbourhood development. In some cases, temporary uses as private dwellings or businesses have had an enlivening effect on the neighbourhood's image and, from the Planning Authority's perspective, reduce the negative impacts of long-term vacancy for other residents and businesses. In other cases, the uses are effectively public goods (such as parks, play areas, wildlife areas), enabling the Planning Authority to broker their delivery at little expense, subsidised on the one hand by the landowner who releases their real estate assets, and on the other by the community groups who undertake to manage and maintain them.

Berlin's suite of 'temporary use' policies can be considered much more than simply a pragmatic approach to the slow-down in the city's urban and economic development in the period 1995-2005. They represent an innovative approach to the incubation of a new economic sector, the delivery of public goods (e.g. parks), the regeneration of inner city residential neighbourhoods, and the deferral of investment and decision-making to a more economically favourable time. Whilst their implementation has not been without tensions or conflicts, the outcomes of more than ten years of their use include the development and professionalization of the creative industries sector in what is now one of Europe's major arts and culture centres, and support to the property sector in realising some of Europe's fastest-growing land and asset values.

Appendix D: Project Prioritisation Matrix

Strategic Objective	Project Description	Outcome	Contribution to economic sustainability	Score	Job creation potential	High value skills?	Contribution to SO	Contribution to Other SO	Genuinely transformational ?	OPL risk & Opportunity	Public Sector Cost	Private Sector Leverage	Deliverability	Impact	Cost/Risk
					1	1	1	1	2	1	1	2	1	3 V High +	Zero
S01	Brighton Centre				1	0	1	0	0	1	0	0	1	2 High +	low
S01	Seafront Strategy: arches redevelopment			4	1	0	1	0	0	1	0	0	1	1 +	Mod-Low
S01	Year round programme of events			5	1	0	1	0	0	1	0	1	0	0 Neutral	moderate
S01	Re-awakening Brighton's Royal Estate			2	1	0	1	0	0	1	-3	2	-2	-1 -	mod-high
S01	Film City			10	1	1	1	0	0	1	2	1	2	-2 Bg -	High
S01	Made in Brighton			8	1	0	1	0	0	1	2	1	1	-3 V High -	V. High
S02	Green Growth Project Fund			15	2	2	2	1	2	1	-1	2	0		
S02	Business and Innovation Support			13	2	3	2	1	2	1	-2	1	0		
S02	Eco Tech Growth Hubs			14	2	2	2	1	2	2	-2	2	-1		
S02	Circus Street			13	2	1	2	0	1	1	1	2	0		
S02	Environmental Industries Umbrella Group			12	1	2	2	1	0	2	1	1	1		
S02	Universal Retrofit			13	2	1	2	0	1	2	-1	2	1		
S02	Business Resource Efficiency			11	1	1	1	0	0	2	2	1	2		
S02	Sustainable Materials			3	0	0	1	1	0	2	0	0	-1		
S02	Sustainable Energy			1	0	0	1	0	0	2	-2	1	-2		
S03	City Region Skills Escalator			16	2	3	2	2	1	2	-2	2	1		
S04	Citywide Maths Project			9	1	2	2	0	1	1	0	0	1		
S04	Living Wage Campaign			0	-1	0	2	0	0	2	0	-1	-1		
S05	New Homes for New Neighbourhoods			7	1	0	1	1	0	1	-1	1	2		
S05	City Region Investment Fund			13	2	2	2	1	1	1	-2	2	1		

Appendix E Proformas for Shortlisted Projects

Project Name: -
Project Outline <i>An overview of what is proposed and the timescale for implementation.</i>
<i>Film City is a new joint initiative between Brighton & Hove city council and the University of Brighton to bring together the significant cluster of film related activity in the city. The city demonstrates success across all aspects of film – ‘Film Culture’, talent and business development and films being made in the city. We have the local business, talent and expertise here to take a regional lead and to build national and international profile.</i>
<i>We are currently establishing a Film City web-site and city wide steering group to take this forward.</i>
Lead Organisation Responsible for delivery
<i>Brighton & Hove city council (arts and cultural projects) and University of Brighton (Screen Archive and Cine City)</i>
Outputs and outcomes What are the expected outputs (direct, measurable) and outcomes (contribution to wider economy and quality of life) from the project?
Outputs: <i>Increased awareness and recognition of the Film cluster in and outside the city Increased attendances at Film Culture events (exhibitions, cinema, festivals, museum, heritage) amongst residents and visitors Increased inward investment into film – into strategic development organisations and into individual productions Increased numbers of local businesses and services employed by visiting film company productions Increased numbers of young people having employment and training opportunities in film Increased numbers of film related businesses moving to the city Increased numbers of films and moving image content being made in the city</i>

<p>Outcomes: <i>A thriving film industry that contributes to the creative economy in the city More opportunities for young people to build a career in the creative industries A dynamic and vibrant cultural tourism offer International awareness of the city as a cultural and creative industry centre (through depiction in film and moving image)</i></p>	<p>How this will help deliver the Strategic Objective? (BHCC led projects must also state how the project links to the Council’s Corporate Plan) <i>Set out the logic chain. Is there evidence to support this? This should include some evidence on the scale of any impact and the time to deliver change.</i></p>
<p>SO1 To enhance Brighton & Hove’s distinctive destination and lifestyle offer Support and growth of the city’s film and moving image sector A newly articulated tourism offer around film and moving image.</p>	<p>Baseline Context <i>What is the current situation locally? Why is it relevant in the B&H context?</i></p>
<p><i>We do not have accurate baseline of the film cluster here and this piece of work needs to take place in the coming months. However we can demonstrate some impressive recent growth. Since Film City’s inception Creative England have been based in the city 2 days a month and a Brighton based consortium is expected to be the BFI regional audience hub for the south east.</i></p>	

<p>Impact on One Planet Living objective <i>How does this impact on OPL. Is this positive or negative?</i></p> <p><i>Clustering enables better use of resources generally. Specifically the initiative contributes to Culture & Community and Sustainable Transport through encouraging utilisation of local resources.</i></p>
<p>How to Measure Progress <i>What monitoring indicators and targets should be established to measure progress? These may be output or outcome indicators.</i></p> <p>Numbers of film related businesses Numbers of audience/ visitors Number of work experience opportunities Number of local contracts Number of productions made in the city Press coverage Website visits (for new Film City website)</p>
<p>Project financials</p> <p>Estimated total project cost and anticipated source(s) of funding</p> <p>£20,000p.a</p> <p>Estimated cost to the lead organisation</p> <p>£10,000 p.a. (inc staff time)</p> <p>Other public & private sector funding required</p> <p>The action plan is being developed and this will include projected financials and business plans.</p>

How much of the funding is already identified and confirmed? (broken down by source and amount)	
£0	
If funding not identified what actions are proposed to secure the funds?	
Development of an action plan and fundraising strategy.	
Name and contact details of the lead officer responsible for developing this project	
Officer Name:	Tel No:
Donna Close, Arts & Cultural projects Manager	01273 292008