

Public Document Pack



AYLESBURY VALE DISTRICT COUNCIL

Democratic Services

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Text Relay Prefix your telephone number with 18001
Date Not Specified

ECONOMY AND BUSINESS DEVELOPMENT SCRUTINY COMMITTEE

A meeting of the Economy and Business Development Scrutiny Committee will be held at **6.30 pm** on **Wednesday 20 January 2016** in **The Olympic Room, Aylesbury Vale District Council, The Gateway, Gatehouse Road, Aylesbury, HP19 8FF**, when your attendance is requested.

Membership: Councillor P Strachan (Chairman); Councillors A Southam (Vice-Chairman), B Adams, A Christensen, M Hawkett, T Hunter-Watts, P Irwin, C Poll, M Stamp, J Ward and W Whyte

Contact Officer for meeting arrangements: Charlotte Gordon; cgordon@aylesburyvaledc.gov.uk;

AGENDA

1. APOLOGIES

2. TEMPORARY CHANGES TO MEMBERSHIP

Any changes will be reported at the meeting.

3. MINUTES (Pages 1 - 30)

To approve as a correct record the Minutes of the meeting held on 26 October 2015, copy attached as an Appendix.

4. DECLARATION OF INTEREST

Members to declare any interests.

5. AYLESBURY TOWN CENTRE PARTNERSHIP UPDATE (Pages 31 - 32)

6. QUARTERLY ECONOMIC UPDATE (Pages 33 - 34)

7. RESPONDING TO BUSINESS NEEDS (Verbal Report)

8. INWARD INVESTMENT STRATEGY (Pages 35 - 50)

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Public Document Pack Agenda Item 3

Economy and Business Development Scrutiny Committee

26 OCTOBER 2015

PRESENT: Councillor P Strachan (Chairman); Councillors A Southam (Vice-Chairman), B Adams, A Christensen, P Cooper, M Hawkett, P Irwin, C Poll and W Whyte

APOLOGIES: Councillors B Foster

1. MINUTES

RESOLVED:

That the minutes of the meeting held on 15 September 2015 be agreed as a correct record.

2. DECLARATION OF INTEREST

There were no declarations of interest.

3. SKILLS AND TRAINING UPDATE

The Economy and Business Development Scrutiny Committee received a report outlining the skills shortages faced by local employers. The report provided an update on the progress made by local partners in addressing the issues of skills to ensure that workforce was work ready and had the skills required by employers. The Committee received three presentations; from Ian Harper, University Campus Aylesbury Vale (UCAV), Ruth Farwell, Buckinghamshire Thames Valley Local Enterprise Partnership and Jackie Campbell, Skills Development Manager, Buckinghamshire Thames Valley Local Enterprise Partnership. David Handley, Director, Thame Workholding was in attendance to provide an account the skills shortages experienced.

The Committee were informed that one in three businesses had reported a skills gap, especially with job specific skills. The skills that were lacked in particular included technical or practical skills and IT skills. Businesses across the Vale reported experiencing difficulties recruiting skilled people.

David Handley, Director of Thame Workholding, attended the meeting to provide a first hand account of the difficulties experienced in recruitment and skills shortages. He stated that education centres did not talk to businesses to establish which skills would make students most marketable. It was also noted that education centres tended to use equipment that was either out of date or too sophisticated for most businesses. He suggested that it would be helpful if additional links between education providers and employers were established.

Councillors suggested that there may be a lack of interest in engineering amongst students, but it was noted that education establishments may not be guiding students towards this as a career choice. It was also suggested that careers advice at schools could be improved. It was questioned how companies should be able to communicate with schools and also with parents.

The Committee received a presentation (attached) from Ian Harper, the General Manager of University Campus Aylesbury Vale (UCAV), which was noted to be a partnership between Aylesbury Vale District Council and Buckinghamshire Education, Skills and Training (BEST). BEST was an educational partnership formed by Aylesbury College and Buckinghamshire New University to enable the delivery of a broad range of

educational opportunities to meet the area's education and skills needs. This would include the delivery of degree level courses and professional development programmes. It was noted that UCAV would include two technology centres and would aim to support the delivery of technical and higher level workforces skills development within Aylesbury and Bucks.

Two presentations were received from the Bucks Thames Valley Local Enterprise Partnership (BTVLEP). A Skills and Employability Board was set up to support BTVLEP with its skills strategy. The Bucks Skills Hub was noted to be at the centre of the activities for the Bucks Skills and Employability Programme. This programme had recently been launched and would provide an online presence to improve engagement between schools, employers and training providers. The BTVLEP Skills and Employability Programme would provide:

1. A closer engagement between schools and employers to work ready employees
2. Information, advice and guidance to young people by showcasing opportunities in Bucks,
3. Increasing apprenticeship opportunities including higher level apprenticeships.

Ruth Farwell attended the meeting and provided a presentation giving an overview of the strategic position of the BTVLEP Skills and Employability Programme. Jackie Campbell, Skills Development Management for BTVLEP gave a presentation to the committee providing members with an overview of the 'OppsinBucks' initiative. Both presentations are attached.

After receiving the presentations, Councillors stated that a link between educators and businesses would be beneficial. It was noted that other countries had a much stronger link between education and businesses, where a majority of degrees were received via vocational courses. Degree level apprenticeships in this country would follow that model.

The Economy and Business Development Scrutiny Committee extended their thanks to the speakers who attended the meeting, and

RESOLVED:

That the content of the presentations be noted.

4. AYLESBURY TOWN CENTRE UPDATE

The Economy and Business Development Scrutiny Committee received a report that provided an update on the progress made in implementing the actions outlined in the Aylesbury Town Centre Improvement Plan. The Improvement Plan was developed by Aylesbury Vale District Council in liaison with Buckinghamshire County Council and Aylesbury Town Council. A number of private sector stakeholders and the general public were consulted before the Plan was finalised in 2014.

The Plan comprised of four key elements:

- i) The establishment of seven guiding principles designed to enable partners to collectively and carefully manage the future development of the town centre
- ii) Identifying a Vision and unique selling point for the town centre, i.e. what do we want Aylesbury town to be and be known for, what will be the compelling reason(s) for people to live, work and visit?
- iii) Defining two strategic aims to determine what action should and needs to be taken. These reflect the guiding principles and the Vision.
- iv) A set of actions for the different areas of the town, e.g. Kingsbury, together with a set of actions that support the whole of the town centre, e.g. setting up a joint

marketing group to promote the town centre in a consistent and engaging way.

It was noted that, while the Plan has no statutory status, since being finalised and published, it has had considerable influence on a range of other strategies, policies and decisions both within and outside the council. It was referred to by Development Management when considering town centre planning applications, by Licensing and Economic Development when reviewing policies and it also formed part of the suite of marketing material to invite developers to bid for works relating to Waterside North.

The Committee received a presentation from the Head of Communications, Marketing & Town Centre Management, which provided an update on the implementation of the Plan, which is attached.

RESOLVED

That the progress made in implementing the actions outlined in the Aylesbury Town Centre Improvement Plan be noted.

5. WORK PROGRAMME

The Committee was provided with a work programme outlining the items that would be considered at future meetings. It was noted that the following items were currently on the work programme:

7 December 2015

- Aylesbury Vale Estates Business Plan
- Economic Development Budget

30 January 2016

It was noted that there were currently no items anticipated for the meeting in January.


15 March 2016

- Economic Development and Inward Investment Strategy

RESOLVED:


That the work programme of the scrutiny committee as circulated at the meeting be agreed.

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University Campus Aylesbury Vale


the journey starts here...>



An introduction to UCAV and BEST

- Occupied by BEST - Buckinghamshire Education, Skills & Training.
- Established as a partnership between Bucks New University and Aylesbury College.
- Delivering to businesses and individuals requiring a mix of further and higher education in vocational areas.
- A partnership which other institutions may wish to join in future.


the journey starts here...>



The campus itself...

- Will open in mid November.
- A vocational, professional and higher education centre to provide progression to the highest levels of study.
- Individuals can access employer-led education and training.
- Will include two technology centres and will combine research, innovation and education supporting the delivery of technician and higher level workforce skills development.

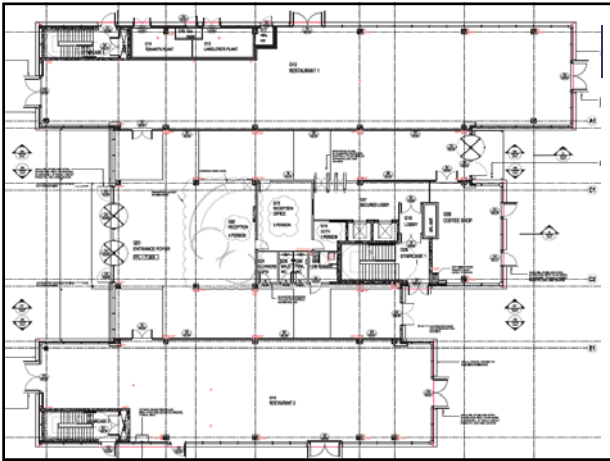
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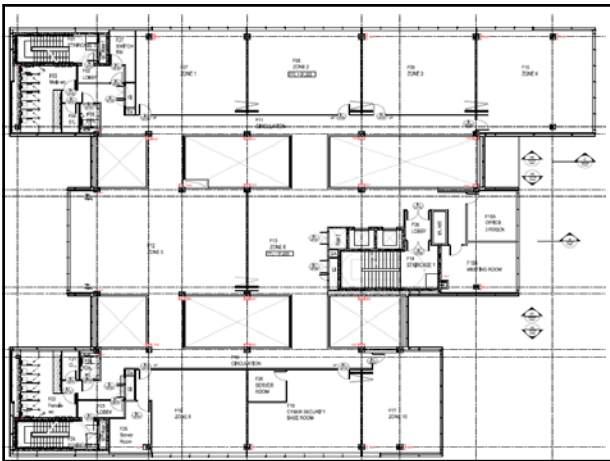


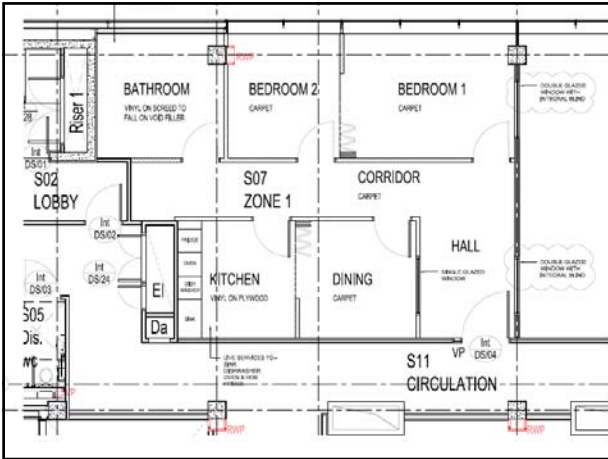
The campus itself...


- A spacious atrium.
- Ample general meeting and event space.
- A purpose-built cybersecurity facility.
- An assisted living facility.
- Flexible teaching and learning spaces.

the journey starts here. >









Higher education courses for 2015-16

BEng Mechanical Engineering Design	Three years
Foundation Degree Business Management	Two years
Foundation Degree Early Years Care	Two years
Foundation Degree Health and Social Care	Two years
Foundation Degree Computing	Two years

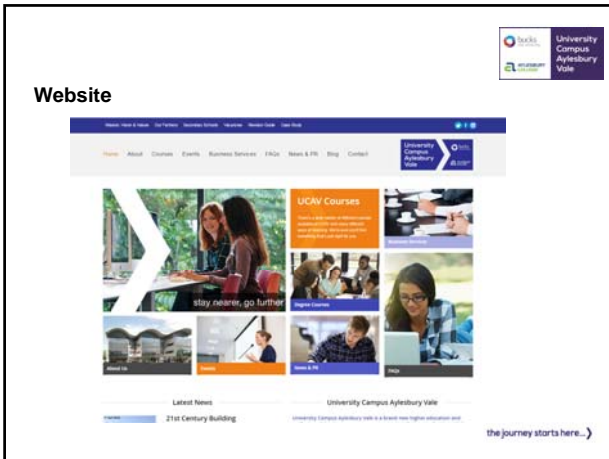
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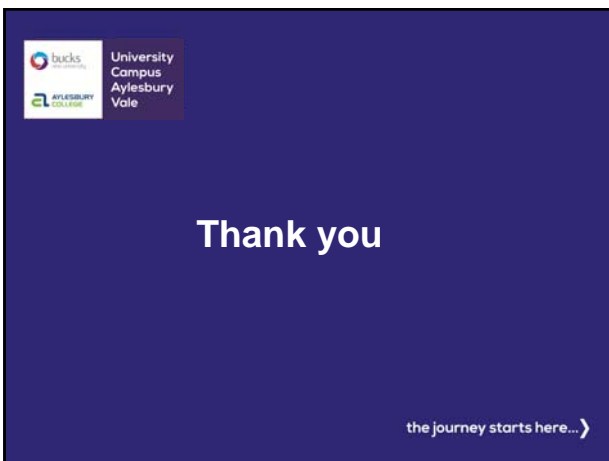
Other courses

- Certificate in Knowledge of Policing
- PRINCE 2
- Business analysis
- Software testing and other BCS courses
- Cyber security and resilience
- Telehealth and telecare
- Health care study days
- Social work
- Counselling skills

the journey starts here... >







Buckinghamshire
 Thames Valley LOCAL ENTERPRISE PARTNERSHIP
 THE ENTREPRENEURIAL HEART OF BRITAIN

BUILDING CONDITIONS FOR SUSTAINABLE ECONOMIC GROWTH IN THE ENTREPRENEURIAL HEART OF BRITAIN




COME AND SEE WHAT WE DO WWW.BTVLEP.CO.UK

KEY DATA (UKCES 2014)

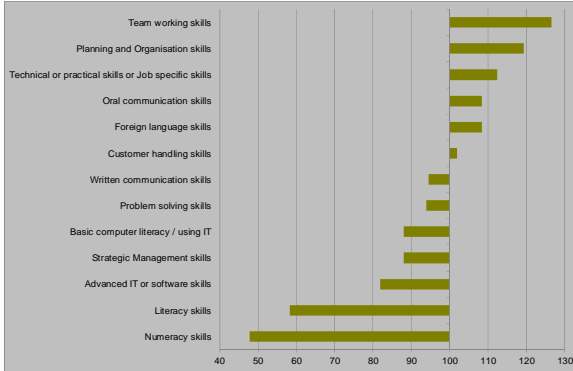
- 77% of Buck's employers are satisfied with the work readiness of young people, but this is among the lowest of the 39 LEPs
- 7% of companies report skills gaps, the highest proportion among LEPs
- 64% of companies with skills gaps most commonly cite technical or practical skills or job specific skills

Problem Solving/Decision Making



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SKILLS GAPS IN BUCKINGHAMSHIRE (UKCES 2014)



Skill Category	Number of Gaps (Approximate)
Team working skills	125
Planning and Organisation skills	120
Technical or practical skills or Job specific skills	115
Oral communication skills	110
Foreign language skills	105
Customer handling skills	100
Written communication skills	95
Problem solving skills	90
Basic computer literacy / using IT	85
Strategic Management skills	80
Advanced IT or software skills	75
Literacy skills	65
Numeracy skills	55

COME AND SEE WHAT WE DO WWW.BTVLEP.CO.UK

OUR VISION FOR SKILLS

Our vision is to work in partnership to build a world class, sustainable system for preparing young people for the world of work, for inspiring young people to attune their career aspirations to the future needs of the economy and for directing them to make the right choices to get them there.

COME AND SEE WHAT WE DO WWW.BTVLEP.CO.UK

THE CURRENT PRIORITIES

- Improve the work readiness of young people
- Develop a more effective local system of careers advice and guidance
- Continue to develop the number and range of apprenticeship opportunities within Buckinghamshire and develop a much wider range of opportunities for higher and degree level apprenticeships
- Improve the market intelligence about the local labour market
- Provide a reference point for future skills needs
- Promote a skills system that is more responsive to the needs of local employers

COME AND SEE WHAT WE DO WWW.BTVLEP.CO.UK

FOCUS & WORK TO DATE: THE BUCKS SKILLS HUB

An innovative platform to enable educators to get more out of their interactions with business

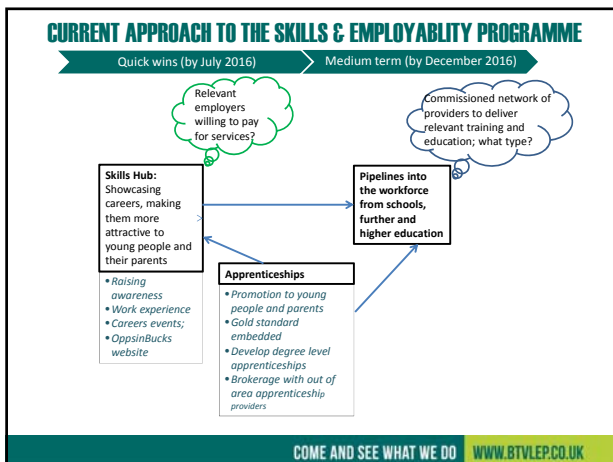
Influenced by

- Leading priority, national and local: to enhance employer involvement in education
- January workshop for schools and colleges
- Funding opportunity
- Partnership contribution
- Area ripe for productivity gains



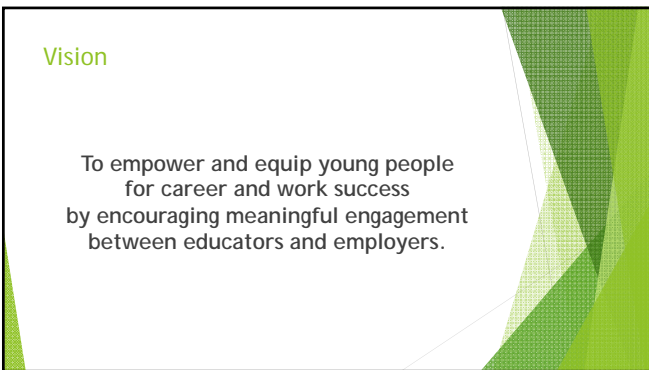
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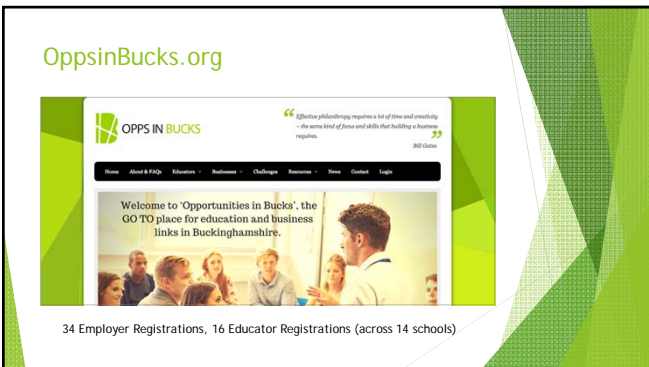




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OppsinBucks.org
Posts Offering Support/Requesting Help

8 Employer Offers and 2 Educator Requests to date

OppsinBucks.org
Employer-Led Resources

Benefits for young people

- ▶ Connecting their education to the world of work
- ▶ Better careers and progression advice
- ▶ Increased confidence and improved employability
- ▶ Better understanding of competencies and gaining skills through real experience (MySkillsBucks)
 - ▶ Professional skills such as networking, etiquette, communication, positive attitude/work ethic
 - ▶ Problem solving and decision making
 - ▶ Teamwork and leadership

Business will benefit too!

It's an opportunity to:

- ▶ Find local recruits, for example through work experience and part-time work
- ▶ Shape employability skills and develop tomorrow's workforce
- ▶ Pass on enthusiasm for your sector
- ▶ Influence teaching to make it relevant to the local economy
- ▶ Promote your business to schools and their stakeholders

On Twitter - please follow!



Next steps



- ▶ Work Experience
 - ▶ Apprenticeships
 - ▶ Education Leaver Opportunities
 - ▶ Part-time work
- (All of the above will be available to students via an app)
- ▶ Careers and Enterprise Festival next July



Eye Opening Aylesbury

Transforming Aylesbury

Town Centre



Eye Opening Aylesbury

Our approach

- County town - connotations and expectations
- Want to build sustainable communities - not dormitory towns or settlements
- Want to attract investment to provide employment - whether in or out of the town
- Recognise the importance of retaining and attracting employees
- Facilitate the lifestyle, quality places and spaces people aspire to

Eye Opening Aylesbury

Our approach

- Proactive strategy to take leading role in regeneration of the town centre
 - Direct investment in infrastructure and employment growth
 - Bringing together public and private sector to work collaboratively
 - Creating a Vision and improvement plan for the town

Direct investment Eye Opening Aylesbury

- Aylesbury Waterside Theatre
 - Over 200,000 visitors a year (worth over £8m extra spend in local economy)
- Catalyst for further investment and growth
 - restaurants
 - Waitrose and Travelodge
 - tourism: bed and breakfast, hotels etc
- Delivers rental stream for AVDC
- Feel good factor
- Created new opportunities - new marina and boathouse

Travelodge Eye Opening Aylesbury



Waitrose, Travelodge, car park, public realm Eye Opening Aylesbury

- Around 200 jobs
- Bringing in new visitors to the town centre
- Travelodge very high occupancy rates
- Created footfall for High Street and Walton Street

University Campus Aylesbury Vale Eye Opening Aylesbury

- Head of the canal basin
- Built by AVDC for tenants - Bucks New University and Aylesbury College
- 700 students: courses geared towards local employer needs
- Keys handed over
- Includes 2 public restaurants and café space
- Redevelopment of the canal basin - new public space and opening up of waterway for tourism



Waterside North Eye Opening Aylesbury

- Masterplan but development will be in phases








Eye
Opening
Aylesbury

Phase 1 and BCC Enabling Works

- Planning application approved
- New temporary car park opening November 2015
- Demolition of:
 - One TVP buildings
 - Rear of OCO
 - 5-7 Walton Street
 - Annex B



Eye
Opening
Aylesbury

Phase 1 of BCC development

- Old County Offices redevelopment
 - Mixed development
 - Restaurant
 - Residential
 - Community/BCC usage

Eye





Waterside North Eye Opening Aylesbury

- Outline planning application approved
 - up to five restaurants
 - some commercial space fronting Long Lionel
 - three floors of residential above
 - new public square
- Development partner approach
- Report to cabinet, scrutiny and council
- Detailed planning - Spring 2016
 - Start on site - Autumn 2016
 - Complete - Early Spring 2017

Partnership approach Eye Opening Aylesbury

- Town Centre Plan
 - Steering Group AVDC, BCC and ATC
 - Sub-groups to take forward actions - wide range of stakeholders
- Aylesbury Town Centre Partnership -
 - 80 plus members
 - 75% funding from AVDC
- Dynamic Town Centre Partnership

Eye Opening Aylesbury

Vision and improvement plan

- Aylesbury Town Centre Plan
- Shared Vision and unique selling point
- Clear guiding principles for future development
- Action plans for improvement by private and public sector
- Honest about the challenges



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Eye Opening Aylesbury

Aylesbury Town Centre Plan

- Approved by scrutiny and cabinet
- Not a planning document
- But has resonance and weight

Eye Opening Aylesbury

The Vision for Aylesbury:

Aylesbury will

... be a high profile, sub-regional centre for entertainment and the arts, which has added a distinctive edge to its market town heritage

... be a distinctive, 'best in class', modern market town, which is attractive, safe, sustainable, and accessible

... provide a quality, day and evening environment in terms of leisure, retail and food and drink, which attracts and brings together people of all ages and communities from within its enviable catchment.

It will be a destination of choice, not just convenience.







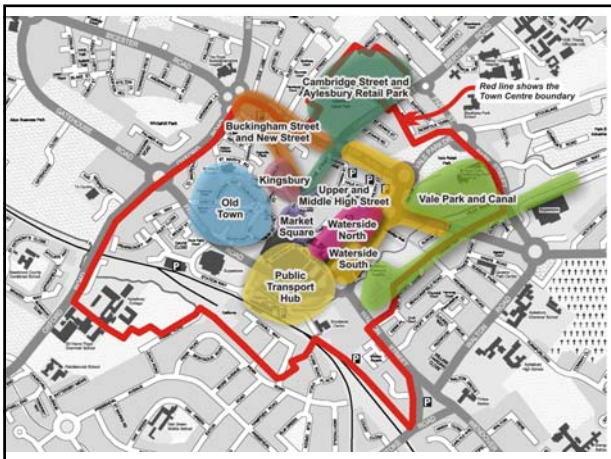






The Delivery Plans Eye Opening Aylesbury

- Plans for different areas of the town but all reflecting the Vision and Principles
- Also whole town actions - lots already happening
- We haven't 'zoned' to allow for flexibility but some natural uses/clustering emerging



Priorities Eye Opening Aylesbury

- Waterside North and University Campus
- Kingsbury
- Setting up the joint marketing group
- Market Square

Kingsbury Eye Opening
Aylesbury

- Vision and mini plan linking to Roald Dahl
- Regeneration of public space
- Sainsbury's Section 106 money
- Needs commitment of landlords and tenants
- Using company experienced at landlord engagement
- Cars parking on the pavements

Kingsbury Eye Opening
Aylesbury




Joint marketing group Eye Opening
Aylesbury

- Joined up plan and messages
- Signage audit and plan
- Dedicated Aylesbury town centre website
- Strengthening Eye Opening brand
- Awareness raising

Signage Eye Opening Aylesbury

- Inconsistent and non-existent
- Specialist company appointed to audit and develop plan
- Stakeholder input - internal and external
- Oven ready plan to bid for money

New website
visitaylesbury.co.uk



Eye Opening Aylesbury



Market Square

Eye Opening Aylesbury

- Intensive investment in the markets



Changes

Eye Opening Aylesbury

AYLESBURY
VINTAGE & CRAFT
BAZAAR

I ♥ AYLs MKT

EVERY TUESDAY
9AM - 2PM
MARKET SQUARE

39



Markets Eye Opening Aylesbury

- Markets nationwide are struggling
- Access is an issue
 - retaining the heritage of the cobbles
 - making more customer friendly
- Upgrading the electricity
- Anti-social behaviour - cars parking on the cobbles
- Removal of the bollards



AYLESBURY TOWN CENTRE PARTNERSHIP UPDATE

1 Purpose

- 1.1 To provide members of the scrutiny committee with an update of the work of the Aylesbury Town Centre Partnership.

2 Recommendations

- | |
|--|
| 2.1 That members note the update provided in the presentation. |
|--|

3 Supporting information

- 3.1 In October 2015, the Committee received a presentation on the latest progress with the plans for the redevelopment of Aylesbury Town Centre. The work of the Aylesbury Town Centre Partnership was referenced in this presentation and it was agreed that it would be useful to have an update on the Partnership at the next meeting.
- 3.2 The Aylesbury Town Centre Manager, Diana Fawcett will attend to present to the committee an update on the work of the partnership over the last year, together with an overview of the key activities planned for the coming year.

4 Resource implications

- 4.1 None at the present time.

Contact Officer	Diana Fawcett, Aylesbury Town Centre Manager 01296 585880
Background Documents	None

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INWARD INVESTMENT AND PARTNERSHIP WORKING

1 Purpose

- 1.1 To provide Members with an update on our proposed future approach to Inward Investment, following a report by an Inward Investment expert.

2 Recommendations/for decision

That Scrutiny Committee is asked to:

- 2.1 Note the information contained in the report.
- 2.2 Consider and endorse the revised direction of travel to Inward Investment activity from 2016 onwards, recognising that a detailed joint stakeholder action plan is to be developed and agreed shortly.

3 Executive summary

- 3.1 In the previous inward investment review paper considered by Members at the Economy and Business Development Scrutiny Committee on 17 March 2014, mention was made of the fact that although significant progress had been made in progressing the key recommendations set out in the original 2009 strategy, it was important to continuously review our approach to take account of market developments and operate in as efficient a manner as possible.
- 3.2 The first step in this process is to ensure that we work together smartly through one 'joined up' strategy and action plan with other strategic stakeholders across Buckinghamshire, whilst maximising the resources available through UKTI and SEMLEP, BTVLEP, BBF and other commercial intermediaries.
- 3.3 Following a recent economic development stakeholder meeting in December 2015, all agreed that we should align our strategies and develop one joint action plan across all areas of economic development related activity around the thematic issues of business survival and growth, skills 'fit for purpose' and infrastructure – working together smartly on inward investment activity falls under the theme of 'business survival and growth'. The aim would be to agree the common outcomes we want to achieve and develop a joint action plan which will provide clarity around lead and supporting roles and responsibilities. We aim to develop and agree this joint action plan with stakeholders over the next month or so.
- 3.4 The intended outcomes for all the main areas of economic development activity is as follows:
 - *Inward Investment/trade*: seamless inward investment and aftercare service
 - *Business engagement*: clear rationale for strategic business engagement & protocols
 - *Business support*: simplified access to business support through the Growth hub

- *Skills*: support business insight & engagement in support of Bucks Skills Hub; strengthen sector skills & innovation programmes sub-regionally
- *Joint sub-regional infrastructure work*: East/West Rail, Strategic Alliance, Midlands Connect, Vale of Aylesbury Local Plan and Aylesbury Town Centre Partnership Masterplan

3.5 Key suggested roles for AVDC

The caveat is that these still need to be discussed and agreed with stakeholders shortly as a joint action plan is developed and agreed and may be subject to some change. The Inward Investment consultant proposed that AVDC might consider taking the following headings below as lead roles.

Given the resources available to the Council, the roles and areas of focus for the Economic Growth team need to be very sharply defined. In an ideal scenario, AVDC could consider taking a lead roles in some of the activity under these headings, **but possibly not all.**

- Place Marketing

Roles:

- Define and continually update the Aylesbury Vale proposition.
- Responsibility for outward facing website(s) to promote the area;
- Provision of any supporting materials or collateral
- Provision of communication messages, case studies and hooks for social media

Resource: Considered discussion would need to be given to this, especially since it is proposed that the promotion of the Vale is not done in isolation for inward investment purposes and should be profiled as Aylesbury Vale, Buckinghamshire.

Furthermore, there is an added new dimension of how the Governance, programme management and marketing activity related to taking forward the Enterprise Zones is undertaken with BTVLEP, AVDC and BBF. It certainly requires more intensive focused activity in this area than we currently have deployed.

- Investor Development

Roles:

- Agree (and share with partners) a clear plan for investor development
- Identify key strategic companies in area, especially high-growth ones
- Follow companies and decision-makers on social media

- Monitor local businesses for expansion/contraction trigger points
- Record engagements on shared CRM (Evolutive)

Resource: This would be an ongoing responsibility of the Economic Growth managers. This would need to involve a wider discussion about business engagement not only in Aylesbury Vale but also Buckinghamshire, taking into account what the LEPs, BBF and UKTI can also provide capacity and help with.

- Intermediary Engagement

Roles:

- Identify key local advisors (property, accountants, bankers, lawyers) who are lead generators but also can offer a 'soft landing' support in Buckinghamshire
- Engage through regular communications and social media
- Record engagements on shared CRM (Evolutive)
- Plan for greater commercialisation and revenue generation with local business

Resource: This would be an ongoing responsibility of the Economic Growth team alongside other stakeholders.

- Investor Targeting

Roles:

- Support BBF and input to create a shared plan for investor targeting (London/UK firms)
- Support BBF and SEMLEP with UKTI enquiries (international firms)
- Engage and leverage UKTI and sector agency connections to ensure AV/Bucks message is heard

Resource: This would be an ongoing responsibility of the Economic Growth managers alongside other stakeholders.

- Additional Research Support

There is a clear need to equip the team with the necessary training (especially in terms of social media), but there is a requirement to support the team with a dedicated research and administrative function. This new role would be responsible for:

- Ensuring Evolutive is kept up-to-date

- Provide team with daily feed of intelligence and news on AV companies
- Provide background research on local companies

3.6 **The suggested key changes needed to AVDC and a Bucks wide approach which are still to be discussed and agreed include:**

- 3.6.1 ***Inward investment resourcing (see Appendix 1):*** there is a need to adopt a holistic approach to inward investment resourcing with stakeholders nationally, sub-regional and locally. This will involve clarity and agreement on lead and supporting roles with UK Trade and Industry (UKTI), Bucks Thames Valley Local Enterprise Partnership (BTVLEP), Bucks Business First (BBF), South East Midlands Local Enterprise Partnership (SEMLEP), Bucks Advantage, Bucks County Council and AVDC, following a virtual matrix management approach to partnership working
- 3.6.2 ***Revised approach to investor targeting (see Appendix 2):*** AVDC should commit to being an active and supportive partner to BBF, BTVLEP and SEMLEP in all matters relating to inward investment. The team should become a trusted local resource for partners which can be relied upon to:
- deliver up-to-date information on sites, skills and the Aylesbury Vale offer
 - share corporate intelligence, news and success stories that helps the wider offer
 - provide clear and consistent messages which support the wider county and regional offers
 - support partners with visits and additional research as necessary
 - share enquiries received to respond to jointly

This service can only be delivered if there is a strong degree of trust and a level of resource which should be focused on establishing Aylesbury Vale as a smart centre for corporate and sector intelligence. This requires:

- a much simplified inward investment key messaging website, being used mainly as the platform for social media and case studies
- better use of new social media tools
- a small team of engaged, business-focused people

- 3.6.2 ***Leveraging private sector revenue and income streams:*** The announcement in November 2015 that Business Rates will be retained at the local level by 2020 has potentially huge significance for inward investment.

One of the problems of trying to resource and plan inward investment attraction strategies is the lack of any direct link in terms of benefits to the local authority. Previously, when an inward investor landed in the Vale, the area reaped the benefits of additional jobs, often higher salaries, contributing to a rise in economic indicators and feeding the economy through multiplier effects. The real cash benefits are realised by local landowners, developers, property agents, lawyers, banks, accountants, recruiters, and suppliers of everything else from IT to carpets, signage and stationery. Although this will change in future as the Council's new trading company Vale Commerce Ltd starts to offer support packages to businesses.

In future, local councils will receive a direct cash bonus in terms of the retained business rates on the inward investment project. This is likely to have a number of impacts:

- inward investment teams will be viewed as crucial revenue generators
- councils will be able to make ROI decisions on how much to invest in inward investment
- inward investment targets may be tilted towards those that deliver most business rates

3.6.3 **Commercial propositions:** There is a need to move away from place marketing to commercial propositions aimed at addressing commercial drivers for re-location and investment. These will include general manufacturing and head office/back office service propositions as well as ‘niche’ offers such as High Performance Technology, Space etc.

3.6.4 **Enterprise Zones:** a focus on accelerating the investment in the Enterprise Zone sites will enhance the business rate uplift to the Council and attract well paid knowledge economy businesses in manufacturing (automotive, space, food and drink manufacturing). This will be in addition to the uplift in rates through additional investment being attracted to the Town Centre through the Regeneration programme being undertaken around the Waterside.

3.6.5 **Future employment site allocations under VALP:** there is a need to review the existing and future allocation of employment sites to ensure they are strategically located and of the right quality and ‘fit for purpose’ under the evolving Vale of Aylesbury Local Plan (VALP), at the same time as influencing the release of allocations with no demand for other purposes, including future housing allocations.

3.6.6 **Use of social media and smart tools :** there is a need for a proactive business led approach to social media and use of smart tools – timely market research and business intelligence regarding business trends, growth, investment and relocation plans is critical. These changes are fundamental prerequisites for creating a business-led, smarter, engaged and informed approach to inward investment and investor development.

Leveraging new tools to support inward investment activity is something that runs through this new approach and is at the heart of creating a smart central hub of corporate intelligence within the Economic Growth Team or Council as a result of impending Business Reviews. The most important three tools that underpin this approach are:

- Google (News Alerts and Searches)
- LinkedIn (Updates, Connections, Groups and Engagement)
- Twitter (Updates, Intelligence and Engagement)

As a minimum it is recommended that there is a need for:

- professional training and support to get the relevant people team(s) up and running and provide a steer on usage
- the creation of team Twitter feed – InvestAylesburyVale (@InvestAVBucks)

Good examples of local councils that have set up an inward investment focused social media presence include:

<https://twitter.com/Investintelford>

<https://twitter.com/InvestMK>

<https://twitter.com/InvestNorthTyne>

- 3.6.7 **Investor Development Plan (see Appendix 2):** the need for a revised Investor Development and Business engagement plan is critical. Investor development (previously known as ‘aftercare’) is without doubt the most important part of any inward investment strategy. For UK locations, investor development produces more projects; creates more new jobs; and is more cost-effective than the attraction of new investors. Perversely it is often the poor relation in terms of resources, priorities and activities.

The AVDC team should take a proactive lead in investor development. Whilst other county, LEP, regional and UKTI teams will have their own relationships with different businesses in Aylesbury Vale, they cannot have the same sustained, local view and ongoing engagement that the Council team can offer.

An investor development plan would have the following objectives:

- to be the central resource for intelligence and information on Aylesbury Vale businesses
- to be the first port of call for expanding businesses in Aylesbury Vale
- to promote and share Aylesbury Vale business success stories

- 3.6.8 **Working with commercial intermediaries:** an indirect method of attracting inward investment is based on identifying the most prolific corporate advisors, multipliers and influencers that are regularly involved in location and expansion decision-making.

Intermediaries and multipliers can be specialist inward investment consultants; sector and market specialists in professional firms; influential bloggers and broadcasters; advisors in government agencies, embassies and trade associations. They also include inward investment specialists in major banks, accountancy and law firms or HR/executive recruitment advisors.

Placing multipliers at the heart of an inward investment strategy makes good sense and is a far more sustainable approach than conventional lead generation activities which are, by their very nature, hit and miss. In the current economic climate, a bespoke approach that builds long-term relationships will always trump the quick-fix mentality of mass mailings and telemarketing. The most effective multiplier programmes recognise this and are built one person at a time.

- 3.6.9 **Agents and developers:** key intermediaries need to be made aware of the Aylesbury Vale offer, especially local and regional property agents. For more general external intermediaries like bankers, accountants and law firms based in London and sectoral intermediaries, the optimum level would be through partners at the county/LEP levels.

AVDC should identify and specifically target property agents in Buckinghamshire, Oxford and Milton Keynes that have a responsibility for the area – as well as major national agents in Birmingham or London that are responsible for key sites in Aylesbury Vale.

Once identified, there should be an introductory contact that is bespoke, which seeks to explain the AV offer and assess interest. There then needs to be a sustained relationship building programme to build mutual trust and knowledge. Intermediaries can then be integrated into the social media activities to maintain a flow of contact and regular updates on key developments – especially the new Enterprise Zones.

Intermediaries that have an interest in the Aylesbury Vale area, such as Birmingham-based property agents responsible for marketing key sites, should be contacted and briefed on how the council can help them with materials, statistics and supporting stories.

AVDC should work with stakeholders to continue to bring property agents and developers together in a regular Developers Forum, on a quarterly basis. This could be a useful tool through which the team can engage with agents and provide regular updates on Enterprise Zone issues. The Developers Forum will be an important route to establish the credibility for future shared cost-sharing ventures with private sector partners and attracting new sources of revenue.

- 3.6.10 ***Agreement on joint measures and outcomes:*** a discussion needs to be held regarding new inward investment targets and enhancing future business rates income and associated timelines.

4.0 Supporting information

- 4.1 The refreshed strategy takes into account the recommendations from the review by independent Inward Investment Consultant, Adam Breeze in December 2015 and how best to utilise the expertise and resources of UKTI and BBF, BTVLEP and SEMLEP.

The fundamental approach to business investment and growth, including inward investment, is as follows:

- supporting entrepreneurs and startups
- helping facilitate growth of local companies
- working with existing investors on expansions
- advising partners on local product (stories, sites, skills, supply-chains)
- ensuring local intermediaries are informed about the offer
- supporting regional and national partners with enquiries and visits

- 4.2 The optimum resourcing of these activities should not be determined solely by the amount of budget Aylesbury Vale District Council has to spend on it.

- 4.3 A wider solution lies in embracing these key challenges:

- establish the link between inward investment and the funding of statutory services
- begin the process of income generating (or at least cost-neutral) activities
- leverage partner activities and avoid duplication
- explore potential for greater self-service through website
- embrace free tools to research, engage and support

- 4.4 It holds true for UKTI and ourselves that most of the growth comes from existing companies, including foreign investors based here already, with new

foreign investors account for only 40% of UKTI’s portfolio, the remainder from new growth associated with account management of existing investors.

- 4.5 UKTI is focusing account management resource on Foreign Direct Investment (FDI) which has not come through them but might provide new projects leading to investment and jobs growth, as well as the LEPs recruiting FDI capacity and resource and identification of non-UKTI involved FDI.
- 4.6 Almost every piece of research on why inward investors seek new locations produces the same list of key drivers (and this is supported by our own experience of more than 100 inward investment projects)
 - #1 New or better access to **markets/customers**
 - #2 New or better access to **suppliers**
 - #3 New or better access to **talent**
 - #4 **Cost** savings
 - #5 Other

(nb: Quality of Life is not in top 10)
- 4.7 These drivers are common to almost all firms across every sector. The ongoing pursuit of more customers, more efficient supply-chain linkages, attracting and retaining the best staff in a cost-effective location defines the inward investment landscape.
- 4.8 There are certain events and issues which are more likely to increase the likelihood of businesses looking to expand or relocate. These ‘triggers’ can be useful when engaging with existing investors as well as identifying potential new inward investors.

Trigger	Example
Acquisition & Merger	HQ relocation, portfolio rationalisation
New Business Models	New location as a catalyst to instill desired change
Capacity Constraints	Manufacturing plant expansion vs. new site
Cost Reduction	Migrate operations to lower production cost areas
Enhance Supply Chain	Reconfigured distribution network
Lease Expirations	Renew current lease vs. evaluating new sites
Market Development	New operations to serve new markets
Knowledge Collaboration	R&D cluster proximity
Talent Development	Growth issues and opportunity to optimise sources of talent
Workforce Constraints	Enhance competitive workplace environment
Business Climate	Enhance external environment

- 4.8.1 For Aylesbury Vale, these trigger points should frame the conversations and engagements with local companies and the solutions that the Vale can provide should be the foundation of the proposition
- 4.8.2 Every analysis of foreign inward investment into the UK shows that expansion of existing facilities and reinvestment by companies that are already based here delivers more successful outcomes than new arrivals.
- 4.8.3 In 2014/15, UKTI recorded that more than half of the successful ‘inward investment’ projects were from existing investors. In terms of jobs created per project, expansion projects produced on average five times more jobs than

new arrivals. Average jobs created by new FDI is 16, average jobs created by expansions is 77.

- 4.8.4 Not only does investor development produce more projects and jobs than pursuing new investors; they are easier to reach and should be easier to influence. They represent a fixed target audience which the local inward investment team should be engaged with. Existing investors should be more amenable to engagement given the many issues that they will likely face locally – from transport, rates, skills, property and supply-chains.
- 4.8.5 The reasons why investor development should be the number one priority for Aylesbury Vale:
- They produce more projects
 - They generate more jobs.
 - They are easier to reach.
 - They are easier to influence
 - The approach is more sustainable
- 4.8.6 Whilst LEPs increasingly provide the local context and framework of the ‘local’ delivery of the UK, first principles of attracting Foreign Direct Investment into the UK, it should be recognised that inward investment enquiries and opportunities from elsewhere in the UK or locally can come directly to AVDC.

5.0 Recent progress and opportunities

5.1 Enterprise Zones

In the Autumn Statement 2015, the Chancellor announced the approval of BTVLEP and Aylesbury Vale’s three sites which made up Buckinghamshire’s Enterprise Zone bid. Enterprise Zones are an important part of the Government’s programme to devolve responsibility for leadership of local growth and provide a powerful tool for Local Enterprise Partnerships to develop their local economy.

In total, the Enterprise Zone designation covers 96 hectares identified as being the most suitable for creating higher value uses at the three locations in question. In total there is potential for the creation of 8665 new direct jobs, the strength of the bid being the quality of jobs being created.

The designated sites include the **site K development** at Silverstone which is wholly located in Aylesbury Vale, the **Space propulsion area only** of the Westcott Venture Park that has not had significant investment for over 70 years, and the **Arla/Woodlands** site adjacent to the A41.

Our approach to focusing on **key employment sites** has increased in importance, with a priority in helping to take forward and deliver the recently approved **enterprise zone** sites of Silverstone, Westcott and Arla Woodlands with BTVLEP and partners, to accelerate private sector investment and business rates revenue income by 2020.

- 5.2 Each of these has been positioned with UKTI as being part of the national offer in growth sectors where the UK has both a global and nationally significant offer in the value and supply chain with other selected LEPs. All of these sites are also recognized as being nationally significant by UKTI and there is significant activity going on with various stakeholders nationally on each of these sites.
- Silverstone Park is positioned with UKTI and the Automotive Investment Organisation as a major centre of excellence at the heart of Motorsports Valley and a hotbed for future R&D for the automotive sector, linked to 6 LEPs within the Midlands representing the most significant national concentration of automotive activity within the Midlands Engine
 - Westcott Venture Park is seen by UKTI and the UK Space Agency as having an important role as part of the group of LEPs that have a concentration of significant UK space activity, linked to Harwell
 - The Arla Woodlands site is recognised as part of the concentration of nationally significant food and drink manufacturing and processing companies within the South East Midlands LEP sub-region as well as the Stoke Mandeville brand and associated sports and healthcare related activity.

- 5.3 Businesses basing themselves on Enterprise Zones can access a number of benefits:
- up to 100% business rate discount worth up to £275,000 per annum over a 5 year period
 - 100% retention of business rate growth for LEPs to enable them to fund development on Enterprise Zones

- 5.4 Future consideration of approaches to leveraging private sector income to support a sustainable inward investment model include:

Sheffield City Region

The ability for local areas with an enterprise zone to retain the business rates receipts has facilitated a new mechanism for funding inward investment activities. The model being adopted by a number of locations, most notably Sheffield and Leeds, is to create LEP-wide inward investment teams funded through a 5-year loan from the city council to the LEP, which will be repaid through the income generated by the team through business rate receipts on their Enterprise Zones.

This has enabled the Sheffield City Region to create a team of around 6 people and conduct international targeting activities. Leeds City Region began to create a similar model in 2015.

<http://scrinvest.com/>

Derby

Invest in Derby/Marketing Derby has one of the best functioning private sector support mechanisms. Their Bondholder scheme brings in around £250,000 each year to supplement the resources of the 5 or 6 person team responsible for inward investment and place marketing. Bondholders are

companies and organisations that showcase what is best about Derby and who support the need to raise the city's profile. Over 170 businesses have committed to the scheme ranging from the large, iconic global brands in the city through to SMEs. Fees are based on employees ranging from £500 for firms that have under 10 staff, through to £5,000 for larger companies.
www.marketingderby.co.uk/bondholders/bondholders

Nottingham and Nottinghamshire

Invest in Nottingham is the council-run inward investment team, and it established a private sector arm, formerly known as the Invest in Nottingham Club to help them to attract investment to the city. The Club has been rebranded Nottingham Means Business and is likely to be incorporated into a new umbrella place marketing organisation that brings together Invest in Nottingham and the tourism body Experience Nottingham. The model for NMB was that each of more than 150 members pay £500 each year to support initiatives as diverse as hosted tours, Invest in Nottingham Days (in London and Nottingham), sector initiatives and marketing.

The difference with this, as opposed to the Derby Bondholders, is the lower subscription and flat fee irrespective of size. This is due to the fact that a key requirement of the scheme is what members can put in, by way of in-kind contributions. This can be extremely useful when organising events, where venue, transport, food, photography and PR can all be offered without charge.
<http://www.nottinghammeansbusiness.com/>

- 5.5 Other corporate sponsorship models have been successful in Liverpool, Hull, Cardiff and Reading – which Manchester, Birmingham, Leeds, Stoke and others have a limited trade show version that enables them to attend events like MIPIM (Manchester takes around 75 companies to MIPIM each paying £5-10,000 – allowing the city to put on key events and maintain a high profile)

6 Resource implications

6.1 Social media and business intelligence hub

The recent Inward Investment review report highlights the importance of social media as a rich and effective resource for market and business intelligence and is providing a day's training to AVDC and partners on how to utilise this free resource effectively and with little cost. To do this consistently and effectively will require new additional capacity within the Council, which could possibly form part of a wider intelligence unit in support of the 'commercialisation' of the Council and offering new business services and products, generating new revenue streams for the Council through Vale Commerce Ltd. This should form part of the Business Reviews being undertaken as part of the move to Commercial AVDC.

6.2 Enterprise Zones

There will be a need to work effectively in partnership on the Enterprise Zones as progress will be monitored closely on a quarterly basis by DCLG and BIS regarding progress in meeting the latest position on investment, land development, jobs created, uplift in land value and enhanced business rates

over and above an agreed baseline. There could be the need for more collective dedicated capacity and support which could in part be funded out of the uplift in business rates to be generated.

6.3 Investor and sector development

There are opportunities to work with UKTI with other LEPs on sector and FDI development as we are already doing with High Performance Technologies, Space and Food and Drink, especially where this is greater market opportunity and critical mass of companies and supply chains which are synergistic with AVDC's direction of travel.

6.4 New inward investment models

At some stage in the future, we might collectively benefit from exploring the options from securing private sector sponsorship to fund inward investment and investor development activity, more likely to be a sustainable model as we move towards greater devolution, including moves to combined authorities.

There is more resource from UKTI's Partnership and Business Development team to help support engaging with those non involved UKTI foreign investors and locally significant FDI companies in future, in addition to additional resource and capacity from SEMLEP through EU funded investor development/account management roles

7 Response to Key Aims and Objectives

7.1 This paper responds to growing the economy and supporting inward investment as well as developing Commercial AVDC and generating revenue for the Council to sustain its future services.

7.2 The activities outlined in the report will be funded from within the existing budgets allocated for ED, namely social media and communications resource from the underspend on the ED LABGI marketing allocation. As Business Reviews will be undertaken, opportunities to utilise cross Council resource where there is synergy will be explored as the organisation moves to Commercial AVDC.

Appendix 1: Proposed matrix roles and responsibilities (all still to be agreed with stakeholders leading to a joint action plan)

Focus	AVDC	Partners
Product Offer (Aylesbury Vale place brand)	Lead	AVDC team to define and share AV “product offer” with partners
Product Development (sites, skills, supply-chain)	Support	AVDC team to actively support LEPs and other agencies to enhance AV product offer.
Investor Development (existing businesses)	Lead	AVDC to lead; information shared with LEPs and UKTI as necessary.
Intermediary Engagement (property agents, advisors)	Lead	AVDC to lead on local engagement with property agents; support LEPs/BBF on others
Investor Targeting (national) (esp London companies)	Support	AVDC to support future ‘Locate in Buckinghamshire’ activities by BBF.
Investor Targeting (global)	Support	AVDC to support UKTI through LEPs.

As the matrix shows, based on our research, consultations and experience elsewhere, the optimal division of responsibility and focus should have AVDC as an active and supporting partner on all activities, but taking the lead enhancing the local product offer and engaging with local companies. All external inward investment activities should be driven at a wider geographic level.

Appendix 2: AVDC Investor Development Approach (all still to be discussed and agreed with stakeholders leading to a joint action plan)

The following steps should form the basis of a new investor development approach for AVDC:

- Identification

Build a list of the key businesses located in Aylesbury Vale. This list should include the largest employers; the fastest growing local firms; all foreign investors; businesses in strategically important sectors. The list should have no prescribed size. It should be seen as an evolving list with flexibility on prioritisation. Much of the baseline information will already exist on the Evolutive CRM, which needs to be cleaned up and updated.

- Account Management

Traditional account management approaches to investor development have been tried by many economic development teams such as UKTI, Scottish Enterprise, and, until they were abolished, most Regional Development Agencies. Typically these were well resourced programmes which tried to account manage large numbers of businesses. Trying to replicate these account management processes at the local council level would require a major investment and would not necessarily be the optimum approach.

- New Approach

Rather than trying to micro-manage relationships with every significant business in Aylesbury Vale, AVDC should exploit social media better to identify; engage and support local businesses.



- Intelligence

The team should have at its core, the ability to track and research all strategically important developments related to Aylesbury Vale's key businesses. Using Google news alerts and monitoring LinkedIn and Twitter feeds can be automated to create a

daily feed of information on local businesses. The new approach should see the team positioned as the central point of local corporate intelligence. This knowledge will help to build credibility for the team in the eyes of the local business community and will also help with future revenue generating ideas (see below).

- Engagement

Rather than having annual formal meetings with local businesses and submitting detailed written reports onto a CRM system, the new approach should be informal and light-touch. The intelligence that is received, such as a new client win; a new hire; comments on expansion etc, should provide a hook for the team to engage with the company. This might be a simple congratulatory email or a request for additional information and raising the question of whether there is anything the council can help with. Subsequent follow-up conversations or meetings should take place if required and any communication recorded on Evolutive.

- Promotion

The final element of the new approach to investor development is to promote positive stories and share the intelligence receive. This can be done very easily through social media platforms, particularly Twitter (through individual and corporate accounts) and LinkedIn (through updates and posts). There is an ongoing need to increase the size of the followers and networks (both of an Invest in Aylesbury feed and individual team members). This will be covered in the social media training that is being provided to the team by Breeze Strategy.

- Supply-Chain Linkages

Traditional investor development issues that relate to the future sustainability and growth of the company's presence in Aylesbury are very important, these will include:

- expansion/contraction issues that impact sites and property
- recruitment, retention and skills issues
- parking, transport and connectivity
- business rates

However, perhaps the most fruitful conversations with larger companies, especially in the manufacturing sectors, can relate to the firm's existing supply-chain linkages. It can be useful to identify who the firm's major suppliers/customers are – and which of these might benefit from having a base closer to the local investor. This could then result in a joint approach with that company to explore opportunities with their suppliers.

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