

Scrutiny Committee



Report of Head of Development and Regeneration

Author: Melanie Smans

Telephone: 01235422201

Textphone: 018001 01235422201

E-mail: melanie.smans@southandvale.gov.uk

Executive member responsible: Cllr Bethia Thomas

Tel: 07906 821680

E-mail: Bethia.Thomas@whitehorsedc.gov.uk

To: Scrutiny Committee

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Business and Innovation Strategy Action Plan Update

Recommendation

1. The committee is invited to:
 - comment upon the delivery to 31 March 2019 of the Business and Innovation Strategy Action Plan 2017 to 2020.
 - make recommendations in respect of the delivery and monitoring of outlined key initiatives for 2019/2020.

Purpose of Report

1. To provide an update on the delivery of the Business and Innovation Strategy Action Plan 2017 to 2020.

Strategic Objectives

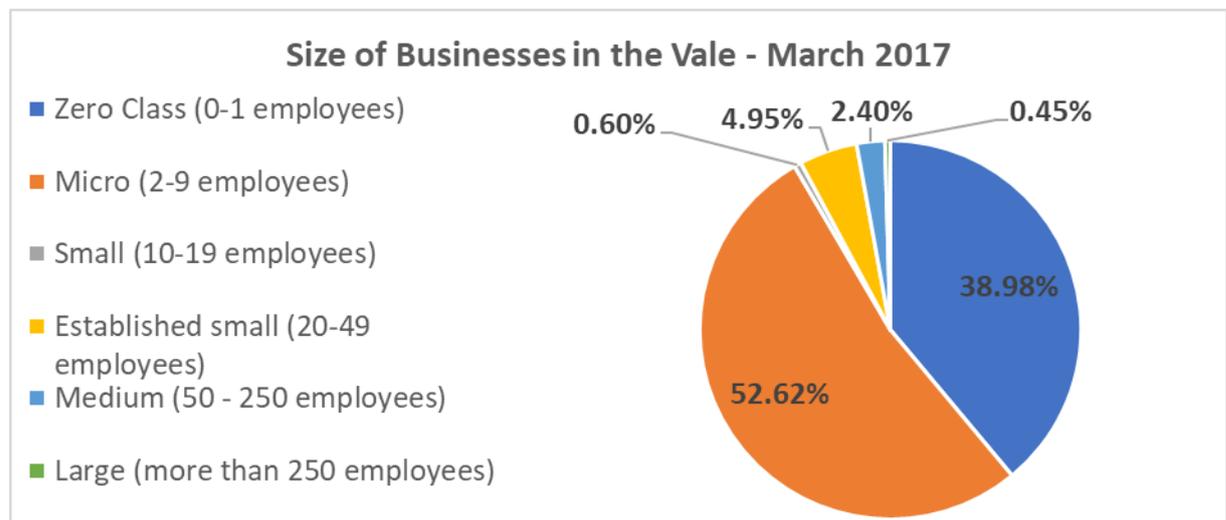
2. The Vale of White Horse District Council Corporate Plan 2016-2020 includes the strategic objectives to, “create the right conditions for economic growth, so that businesses, residents and workers can prosper”, “optimise employment opportunities”, “support tourism in Vale”, and “ensure the success of our town centres”.

Background

3. In 2015 the councils recognised the need to build stronger relationships with local businesses and support their growth. To achieve this, there was a need for the councils to gain a better understanding of the districts' small and medium

enterprises (SMEs) and their priorities. Lichfields were appointed to prepare a Business and Innovation Strategy (BIS) which provides an analysis of the SMEs in the district and recommends a series of practical steps to maximise the impact of the councils' business support interventions from 2016 to 2020.

4. In February 2017, cabinet members received a presentation on the findings of the BIS and recommended actions. The economic development team used the recommendations to develop the BIS Action Plan 2017 to 2020. The action plan demonstrates how the council supports all business in the district.
5. The development and delivery of the BIS and action plan was funded from a growth bid within the economic development budget, so no formal approval was determined necessary in relation to production of the strategy or action plan.
6. The SME BIS Final Report (March 2017) identifies the vital role that SMEs play in the economy and the need refocus the council's activity on providing support to the 5,740 SMEs in the district. In the Vale, most businesses employ less than nine employees and only three per cent of businesses employ more than 50 employees. These figures are roughly the same in March 2019 (see appendix A).

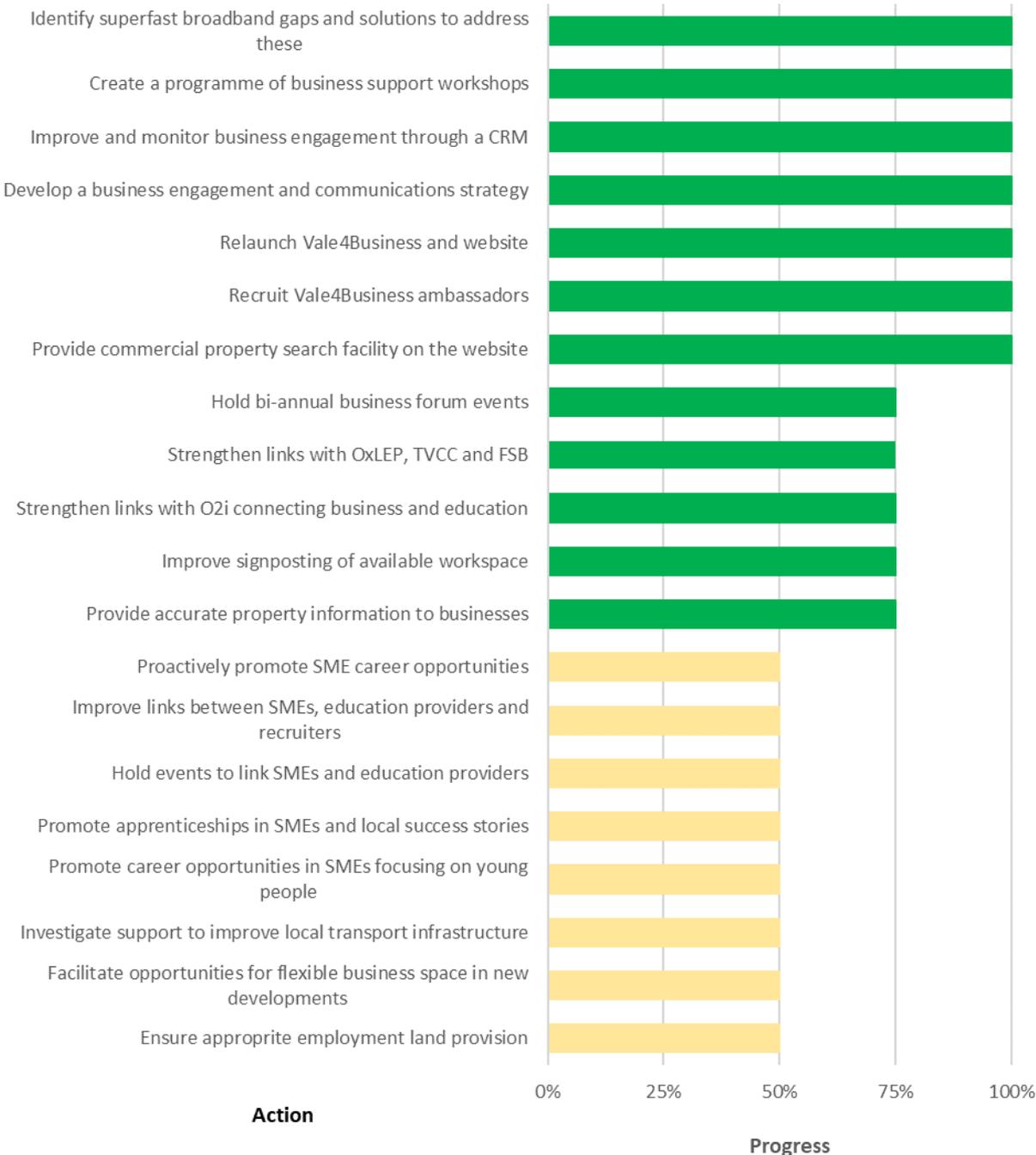


7. For this reason, the report highlights the pivotal role the council and partners play in helping the zero, micro and small businesses in the district to overcome four key barriers to growth:
 - business support
 - skills and labour force
 - infrastructure and planning
 - business space.
8. The BIS Action Plan 2017 to 2020 outlines how the council, via the economic development team, will remove the key barriers and support business growth.
9. The discussion below reports on the delivery of the BIS Action Plan as at 31 March 2019 and plans for 2019/2020.

Progress of BIS Action Plan 2017 to 2020

10. Of the 20 actions, 12 are on track or completed. Use of the customer relationship management system (CRM) has allowed the team to better track and record business engagement, and the amount of time spent on each business. The actions related to the skills agenda will be progressed over the next year as the team is better resourced to create the necessary links and deliver strong outcomes for local businesses, residents and the council.

Delivery of BIS Action Plan 2017 to 2020



Key Successes

11. Over the last year, there have been many successes that have positively impacted local businesses and increase awareness of the council's support for business.

These include:

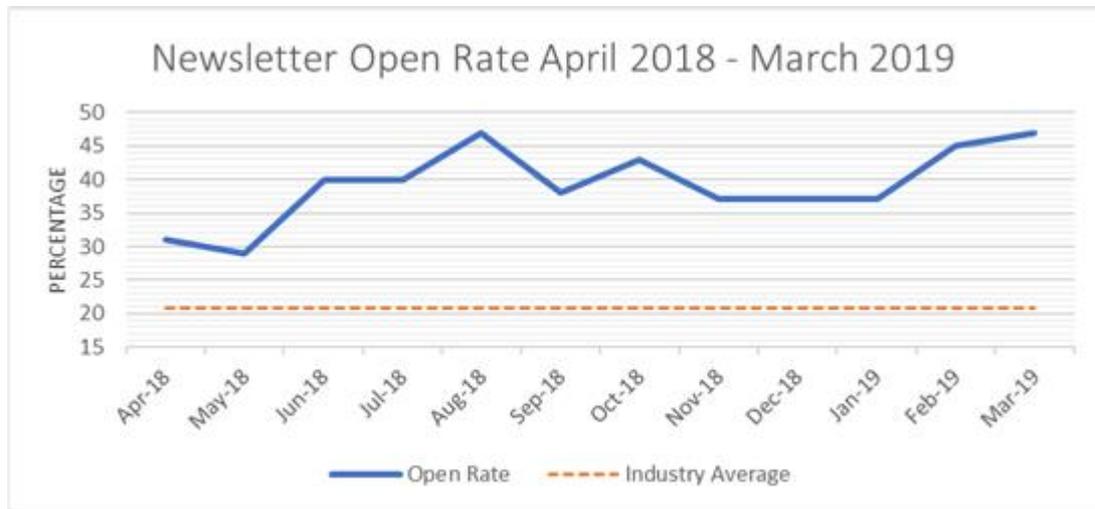
- Leading and supporting the Larkmead Young Enterprise team. The school was the South and Vale District runner-up and the only state school in the Oxfordshire final. The team was the winner of the Oxfordshire Sustainability Award and Student Journey Award.
- Faringdon Popup Business School saw 30 new businesses start and deliver £34 return for every £1 invested by the Vale.
- as at 1 June 2019, 97.33 per cent of the district had access to superfast broadband.
- In 2018/2019, 22 new enquiries about available business space in the district were received.
- 56 applications were received for the South and Vale Business Awards. The awards increased awareness of the council's support for businesses with 20 external articles, 17,023 website visits and a newsletter open rate of 50.46 per cent (industry average is 20.77 per cent) during the five-month award programme.
- due to the strengthened relationship with OxLEP and the inward investment team, the team has been invited to support the Department of International Trade (DIT) and is actively leading the engagement of two foreign businesses in the district.
- in 2018/2019, 150 new businesses sought support from the team including Rebellion Film Studio and Hachette/Bookpoint.
- leading the implementation and monitoring of Community Employment Plans for the Crab Hill (Wantage) and North Abingdon developments.
- increasing the strategic focus of the team, the economic development manager represented the council on the Oxfordshire Local Industrial Strategy Steering Group and the Oxfordshire Digital Infrastructure Programme Management Board. The team is leading the support package for businesses and residents affected by the Swindon Honda closure and uncertainty of Brexit.

12. The remainder of the paper outlines the delivery of the actions under the four action plan themes of business support, skills and labour force, infrastructure and planning, and business space.

Business Support

13. A key finding of the BIS Final Report (March 2017) was the lack of general awareness of available business support. A recommendation was to use social media to increase awareness of the Vale4Business brand and signpost available support. The Vale4Business brand was relaunched in 2017. Internal and external feedback in 2017/2018 was that there was much duplication between the Vale4Business and SOBusiness (South Oxfordshire District Council brand) brands and confusion about the team's identity. To reduce duplication, save finances and increase brand clarity, in 2018/2019 work began to combine both brands and launch 'South and Vale Business Support'.

14. A key success of 2018/2019 was the relaunch of the co-branded 'South and Vale Business Support' newsletter. Following feedback, the format was changed to highlight news and upcoming events as these are the most requested. The new format saw the open rate increase from 35.4 per cent to 46.0 per cent. The industry average is 20.77 per cent.



15. The economic development team manages four social media accounts:

- South and Vale Business Support website, Twitter, LinkedIn and newsletter
- Science Vale website. Twitter, LinkedIn, Facebook and newsletter
- Love Wantage Twitter, Facebook and website
- Visit Southern Oxfordshire Twitter and website

16. Across these platforms, the team directly engages approximately 15 per cent of the businesses located in the Vale. This number is steady as the introduction of GDPR legislation in May 2018 required the team to cleanse and rebuild the contact database within the Tractivity customer relationship management system.

South and Vale Business Awards

17. Following the success of the Vale4Business Awards in 2018, the inaugural South and Vale Business Awards (SVBAs) were held in 2019. Based on lessons learnt, best practice and advice from the organisers of the West Oxfordshire Business Awards (WOBAs), Oxford Business Awards (OBAs) and Cherwell Business Awards, it was decided that businesses would be celebrated in nine award categories. Applications opened October 2018 at a launch event attended by 90 business leaders. There were 52 applications received by the closing date in January 2019.

18. The awards ceremony was held on 15 March 2019 at the Williams Conference Centre. The evening was a fantastic opportunity to showcase the best of the Vale businesses and provided networking opportunities for the 180 attendees. The Business and Innovation magazine was the ceremony media partner and provided national promotion of the awards and finalists. The winners have featured in Vale4Business and district council communications.

19. Corporate sponsorship was secured for each award and key support functions (photography, media, design and printing). The sponsors actively engaged with the

award programme: judging and visiting finalists, promoting the awards, and promoting the team's services. Through this process, the team has strengthened relationships with the sponsors who are now key advocates for the work of the team and support available for businesses. Due to their positive experience, sponsors have already committed to supporting the 2019/2020 awards. Due to the level of sponsorship secured, the awards programme did not use any council funds, only officer time.

20. The awards programme has been a wonderful platform to increase engagement with businesses throughout the district and awareness of the support available. Throughout the awards programme there were:

- 255,523 impressions across social media platforms
- 1,421 Twitter profile visits
- 17,023 visits to the website
- 20 external articles written about the SVBAs.

Business database and engagement

21. A key action of the BIS Action Plan 2017 to 2020 is to improve and monitor business engagement through use of a customer relationship management system and a business database.

22. In August 2017, the team procured a subscription to Tractivity, an online CRM. Tractivity is a market leader and offers a fully tailored, economic development-specific CRM that is used by public economic development teams across the UK and Europe. The Tractivity CRM has been designed and proven to support local authorities to improve business intelligence, enquiry handling, and e-communications: all key actions from the BIS.

23. The Tractivity CRM integrates with the MINT database which is used to find out information and contact details about businesses – what they do, who runs them, how successful they are and their structure. MINT also has the function to keep the team's data up to date. Together, Tractivity and MINT will provide reports on the number of business births each quarter, the increase in the district's GDP, the number and type of new businesses in the area, and ownership details of businesses. For example, in 2018/2019 there were 716 new businesses incorporated in the Vale.

24. Tractivity allows the team to record 'business engagement' – the number of times the team has interacted with a business. In 2018/2019, the team engaged over 150 new businesses across South and Vale. These businesses sought several types of support including finding premises, general business advice, planning support, and signposting other support services.

25. Due to the strengthened relationship with OxLEP and Department of International Trade (DIT), the team has been invited to support the account management of foreign owned businesses and inward investment enquiries. The team is currently actively leading the engagement of two foreign businesses in the district.

Economic Development Lead – Vale Towns

26. The Economic Development Lead - Vale Towns post was created following a 2017/2018 review of the market town coordinator initiative. In consultation with the

Faringdon and Wantage town councils, it was agreed that model did not represent a cost or resource effective model of market town support. The economic development team was unable to continue to provide the necessary support to the wider SME community (as recommended by the BIS) as well as deliver tailored support to the market towns. The Economic Development Lead – Vale Towns is funded for two years to take a district level approach to increasing footfall in all Vale towns. This is being achieved by focusing on increasing the visitor economy.

27. The key successes of the post since it was filled in January 2019 include:

- relaunching the ‘Visit the Vale of White Horse District’ leaflet in English and French.
- partnering with Experience Oxfordshire to promote the district nationally and internationally.
- working with Salters Steamers to deliver more boat rides from Oxford to Abingdon.
- partnering with Abingdon Chamber of Commerce to design and distribute a town map of all town centre businesses.
- working with Grove Parish Council to develop a ‘welcome to the district’ pack for new residents to promote local businesses and services.
- creating a Vale Tourism Forum for local stakeholders to discuss coordinated promotion of events and the towns.

Skills and Labour Force

28. A key focus for the team has been to address the skills agenda: help businesses attract and retain staff and increase resident’s awareness of local job opportunities. For example, in 2018/2019, the largest number of jobs were created in the digital sector and the highest number of vacancies were for human resources and industrial relations officers, programmers and software developers, and teachers (see appendix A). To address the skills agenda, an economic development lead that specialises in skills has been recruited.

29. A key success in 2018/2019 was the Young Enterprise initiative. The team was invited to be the Young Enterprise advisors for Larkmead School. It involved supporting students every week for nine months to start a business. Due to the great support from the economic development team, the school was the South and Vale District runner-up and was the only state school in the Oxfordshire Final. The school was the winner of the Oxfordshire Sustainability award and Best Student Journey award.

Popup Business School

30. The Popup Business School is a start-up training course that teaches people how to start a business with no money. The district council funded and held a Popup Business School at the Pump House, Faringdon from 4 – 8 February 2019. The total cost of the school was £13,000. The school was supported by the Faringdon Chamber of Commerce (£2,000 contribution) and Faringdon Town Council (£450 contribution in the form of free room hire).

31. The key outcomes of the week-long event are:

- a. 56 people attended each day. Of these 41 per cent were unemployed and 30 per cent were self-employed. These people and the presenters contributed to the local economy each day by frequenting local shops.
 - b. By the end of the week 33 per cent of attendees had started trading and 63 per cent were almost ready. Businesses created include crochet heirloom blankets, a life-coaching programme, handmade sofas, craft workshops, a food experience consultancy and a pop-up museum consultant.
 - c. By the end of the week 30 per cent had made a sale.
 - d. The event was attended and covered by BBC Oxford who interviewed the owner of a salon in Faringdon.
 - e. The event resulted in £34 return for every £1 invested in the event.
 - f. Attendees came from across the country Faringdon, Swindon, Reading, Chipping Norton, Witney, Watlington, Henley-on-Thames.
 - g. Overall awareness of Faringdon increased with 4,544 people viewing advertising on social media which was shown 14,631 times in the month leading up to the event.
 - h. Feedback from participants included:
 - 32. *“This course is immensely valuable to people like me. By paying for us to succeed, you have sent me the message that I would like to find business in and around Faringdon”.*
 - 33. *“You have changed my view of the impact my local council can have on unemployment and individual happiness. The local community will benefit from the changes that have been made this week in people’s view of what they can do.”*
34. A second school was held in Berinsfield 29 April – 3 May 2019. Many people attended as they were unable to attend the Faringdon event or had heard positive feedback from people who did attend.
35. To support residents and businesses impacted by the Honda closure, a second school will be held in Shrivenham 7 – 11 October 2019. It will be free to attend with promotion commencing in the summer.

Community Employment Plans

36. In 2017 the Oxfordshire Growth Board endorsed OxLEP’s proposal to work with developers to create Community Employment Plans (CEPs) which outline a commitment to provide employment and training opportunities and use local suppliers during the life of the construction phase.
37. The Vale Draft Local Plan 2031 Part 2: Detailed Policies and Additional Sites includes Development Policy 10: Community Employment Plans (CEPs). It highlights that

“All new developments should consider how they can create opportunities for local employment and the development of local skills and expertise, including

through apprenticeships. They should also seek to maximise opportunities for sourcing suppliers and services locally during construction.”

38. The economic development team is responsible for creating, managing and delivering CEPs. The current CEPs are:

- St Modwen Crab Hill/King’s Grove development (Wantage)
- North Abingdon development – land north of Dunmore Road and Twelve Acre Drive
- Botley West Way redevelopment.

St Mowden has proactively engaged the community and schools by hosting site visits, attending careers fairs and supporting volunteering groups. Events are planned for 2019 include ‘Meet the Buyer’ sessions where local businesses can learn about opportunities to win contracts with the developers.

Infrastructure and Planning

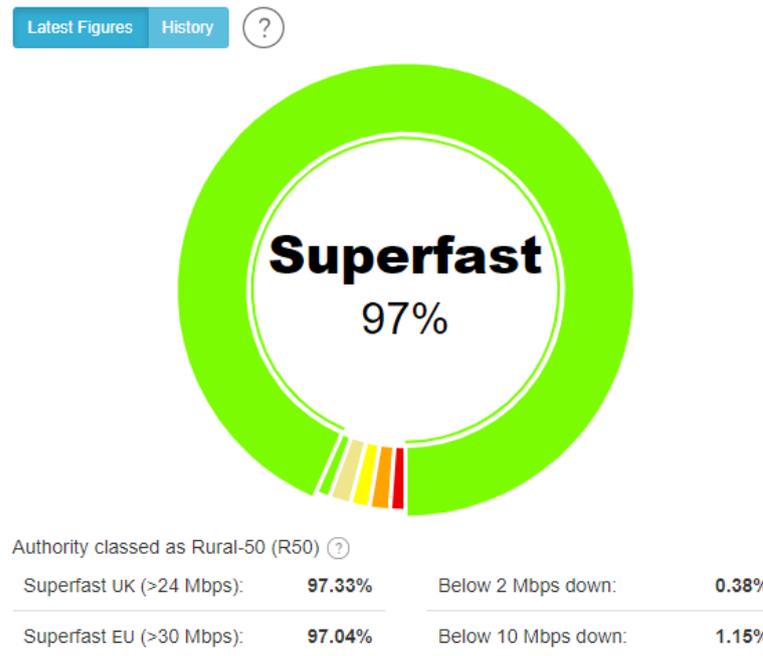
39. The team is invited to comment on relevant planning applications including proposals for mixed-use on employment sites, creation of visitor accommodation and loss of employment land. In 2018/2019 the team provided formal comments on 22 applications. This is a slight decrease from 2017/2018 as the number of applications regarding employment sites has decreased.

Broadband coverage

40. 75 per cent of respondents to the BIS research cited access to high speed broadband as very important or important. The council is part of the Better Broadband for Oxfordshire project. There have been two phases to this project to date. The first phase was a £25 million investment funded by Oxfordshire County Council, the government and BT. The second phase saw investment of £10.68 million made up of funding from the district councils, Oxfordshire County Council, BT, OxLEP, SEMLEP and government match funding. This included a contribution of £250,000 from Vale Council which was matched by government. It also included prioritisation for the key business parks in the Vale and the delivery of superfast broadband to 4,498 Vale premises.

41. The team represents the council on the Better Broadband for Oxfordshire project board. As at 1 June 2019, more than 97 per cent of the district had access to superfast broadband. The remaining three per cent is expected to be delivered by the central government.

Vale of White Horse Superfast and Fibre Coverage



Source: <https://labs.thinkbroadband.com/local/uk>

- Oxfordshire County Council (OCC) has secured a DEFRA grant to deliver the Broadband for Rural Businesses in Oxfordshire (BIRO) programme. It will result in ultrafast broadband delivered to 282 Vale business premises and 213 residential premises. It will be completed by September 2020. This will be achieved at no additional cost to the Vale
- The team is a member of the Oxfordshire Digital Infrastructure Programme Management Board which aims to progress the delivery of superfast and 5G infrastructure throughout the county. A MOU is being developed for delivery partners to be aware of individual operational responsibilities required to facilitate delivery of digital infrastructure in Oxfordshire.

Business Space

- In 2018/2019, the team recorded 22 new enquiries about business space. Successes for 2018/2019 include:
 - Supporting more than 10 businesses to find new premises in the Vale. For example, Montala, a recipient of the Royal Warrant of Appointment to Her Majesty the Queen, is a rapidly growing IT company based in Faringdon. The owner sought the team's support when he was unable to find an appropriate site within the Faringdon area. If a site was not found, Montala would look to move to Swindon. The team worked with agents and the owner to identify a suitable site in Shrivenham. Montala relocated to Shrivenham in May. Due to the team's help, 30 local jobs were safeguarded and there will be more created over the next 18 months.
 - In Abingdon, team worked closely with estate agents, businesses and the council's planning department to bring a wine bar and restaurant to two long term vacant units on the High Street. This will have a great positive impact on the night time economy and encourage more businesses to the High Street.

- Supporting Rebellion with their move to the new premises and providing advice on planning, skills, and local supply chains.

45. The team has monthly meetings with local developers and agents to discuss current and upcoming sites as well as trends. For example, over the last two years, there have been very few sites for freehold purchase with most properties offered for lease. This is a barrier for businesses who wish to safeguard their future and purchase land. Over the previous months, there has been much anecdotal evidence that businesses are less inclined to enter long-term leases due to the uncertainty of Brexit.

46. Most businesses are seeking between 3,000-10,000 square feet of office space. The spaces that are available are viewed as unaffordable or not value for money. Expanding market town businesses wish to remain in the town and will not consider moving to a neighbouring town. The primary reason is that the workforce will not travel e.g. from Wantage to Faringdon or Faringdon to Abingdon. The commitment to remaining in the town is commendable but represents a barrier to growth when larger businesses spaces are unavailable.

Financial Implications

47. The delivery of the BIS Action Plan 2017 to 2020 is funded through the standing economic development budget.

48. The economic development team has secured £7,500 for 2019/2020 from central government Brexit Impact Support funding provided to the Vale.

Legal Implications

49. There are no legal implications associated with the delivery of the BIS Action Plan 2017 to 2020.

Risks

50. There are no legal, political, financial or social risks associated with the delivery of the BIS Action Plan.

51. The protracted uncertainty of the Brexit decision and process is negatively impacting Vale businesses and towns. The short, medium and long term impact of the uncertainty is unknown.

Other Implications

52. The Science Vale marketing role is now part of the economic development team. This provides a terrific opportunity to continue the joint approach to promoting the entire Vale economy and the local innovative ecosystem.

Conclusion

53.9. The economic development team has worked hard to continue to deliver BIS Action Plan 2017 to 2020 and positive outcomes for local small businesses. All team vacancies have been filled and is now resourced to address four key areas of focus for 2019/2020:

- a. foster partnership working with businesses, schools and training providers to increase awareness of local careers, apprenticeships and vacancies.
- b. provide targeted support for businesses impacted by the uncertainty of Brexit and the Swindon Honda Closure.
- c. boost the visitor economy to increase market town footfall
- d. identify and explore opportunities to generate income for the council

54. Key initiatives for 2019/2020 include:

- a. Deliver an intervention support package for businesses and residents impacted by Honda closure:
 - i. Networking breakfast with Swindon Borough Council - June 2019
 - ii. Popup Business School in Shrivenham – October 2019
 - iii. Jobs fair – March 2019
 - iv. Drop-in events in Watchfield, Shrivenham and Faringdon as needed
- b. Deliver an intervention support package for businesses impacted by the uncertainty of Brexit. This includes holding workshops and bolstering the visitor economy. Launch the Duke of York iDEA digital skills programme
- c. Support the promotion of business space at Grove Business Park and Shrivenham 100.
- d. Deliver the South and Vale Business Awards in May 2020.
- e. Support the Local Development Order review for Milton Park and the exploration of an Article 4 direction to safeguard employment space on business parks
- f. Support market towns and the tourism sector by fostering the visitor economy.
- g. Partner with Oxfordshire councils to ratify and deliver the Oxfordshire Digital Infrastructure Delivery Strategy and Partnership.
- h. Partnering with OxLEP, Oxfordshire Councils, business leaders to implement the Oxfordshire Local Industrial Strategy projects, ensuring maximum benefits for Vale businesses.
- i. Work with Rebellion Film Studios to foster and grow the creative industry and supply chain.
- j. Identify and explore income generation streams for the council from economic development initiatives.

55. There is increasing demand from micro and small businesses for flexible working space. Over the last six months the team has been approached by businesses, developers and growth hubs in other districts to explore the appetite for the Vale Council to fund and operate a growth hub/innovation centre. This has the possibility to generate income for the council as well as provide much needed space. A detailed feasibility study would be required if the council wished to pursue income generation streams.

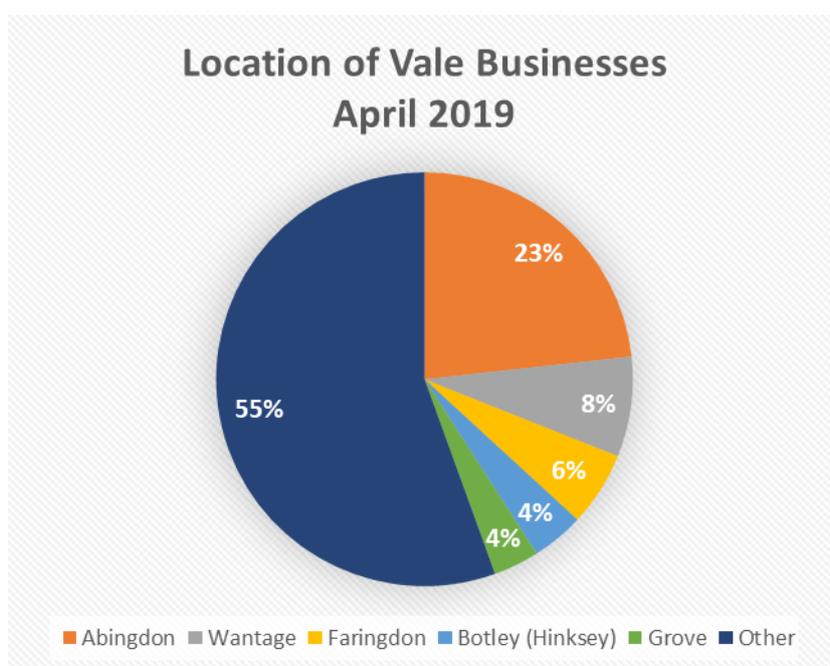
Background Papers

- Nil

Appendix A – Vale of White Horse Economic Ecosystem

- total businesses in the district – 1 April 2019

| Town | Number of Businesses | % of Businesses in the Vale | New Businesses in March 2019 | Growth/Decline |
|------------------|----------------------|-----------------------------|------------------------------|----------------|
| Abingdon | 1932 | 23% | 16 | 0.8% |
| Wantage | 650 | 8% | 8 | 1.2% |
| Faringdon | 483 | 6% | 5 | 1.0% |
| Botley (Hinksey) | 338 | 4% | 2 | 0.6% |
| Grove | 295 | 4% | 2 | 0.7% |
| Other | 4612 | 55% | 40 | 0.9% |
| Total | 8310 | 100% | 73 | 5.2% |



- From 2012 to 2017, 7,400 jobs were created in the Vale. The top three sectors for job creation were:
 - Digital – 1,530 jobs
 - Education and childcare – 1,200 jobs
 - Education and knowledge creation – 1,200 jobs
- The greatest growing demand is for:
 - human resources and industrial relation officers
 - programmers and software developers
 - biological scientists and biochemists
 - secondary education teachers
 - IT specialist managers