

# **Draft Business Position for A Greater Thames Valley Enterprise Partnership**



# Executive Summary

This first draft proposal has been developed on the assumption that the Secretaries of State wish to see a Local Enterprise Partnership free of any constraints from the geography of existing political administrations, and with sufficient critical mass to:

- allow faster and more economic delivery of the actions needed to promote employment and enterprise relating to private sector job creation, productivity growth targets, economic diversity, and
- provide an attractive option for inward investment against international competition.

A Greater Thames Valley Local Enterprise Partnership (GVTEP) will enable the functions of business support and innovation to contribute to goals set throughout the UK by embracing its established Innovation and Growth Teams. It will be led by business leaders with the vision to win the enthusiastic co-operation of upper tier authorities and district councils in the region. It will provide a single cohesive voice within what is already accepted by organisations in Continental Europe, North America, and Asia as a major functional economic area. It will be able to pull its weight on more or less level terms with other substantial sub-national LEPs, and in Brussels. An additional advantage is that, on joining the Ministerial table, such an LEP would be able to put a cogent case for whatever share of resources which HM Government may make available.

The GVTEP Board will provide the strategic leadership in setting local economic priorities, and in creating the right environment for business and growth, with a more localised platform for assessing the strategies needed to regenerate and strengthen individual economies. The longstanding working relationships with local authority and private sector leaders in Berkshire, Buckinghamshire, Oxfordshire and Swindon, further enhanced by the support of the proposed LEP for North Hampshire and the M3 Corridor, will yield throughout virtually the entire Thames Valley a far greater return than hitherto on any future funding which may be available from Central Government.

# Executive Summary

## Greater Thames Valley Economic Partnership Summary At-a-Glance

- Build a transformative strong enterprise-led culture.
- Harness and foster intra-Thames Valley cross border working, education, private, public and voluntary sector.
- Promote Thames Valley brand globally as the place for Innovation, R&D, knowledge economy and new technology.
- Strengthen and support rural entrepreneurs, exports, investors, small businesses, emerging sectors.
- Focus on five strategic economic priorities:
  - o Infrastructure: transport, utilities, IT, connectivity
  - o Inward investment: attract innovative overseas companies, safeguarding jobs
  - o Innovation, enterprise & skills: leadership in future skills planning, growth programmes, engagement between education and business
  - o International Trade: export-led growth, embed internationally focused culture, support entry into new markets
  - o Influencing (Advocacy) and Business Development: represent the voice of business to government, champion best practice, strengthen business engagement programme, promote low carbon practices
- Create a community interest company to work together under a lean, efficient and business-led structure. Led by a Chair from the private sector.

## *Greater Thames Valley Economic Area*



# Background and Vision

## *Background*

The Greater Thames Valley Economic Partnership (GTVEP) proposition is 'transformative' – with an innovative and clear vision for local economic change, driven jointly by the private and public sectors with a view to the establishment of a Board and supporting secretariat, but clearly and decisively, business led.

The GTVEP is a vehicle that can deliver a fundamental shift towards a public-private partnership. It places private-sector-led growth at its heart. It will re-energise and re-align the sub-region's future economic prosperity and wealth-creation. Business believes the time is right for a paradigm shift in political approach, aligned with a geography that represents the common priorities of business in the Thames Valley.

The boundaries of the Greater Thames Valley are very different in scale for various public and private organisations. There is, however, the need for cross border working to address strategic priorities which have already been recognised by businesses and all local authorities. There are clear merits of adopting the Thames Valley brand in positioning and promoting the area to an international audience.

## *Vision*

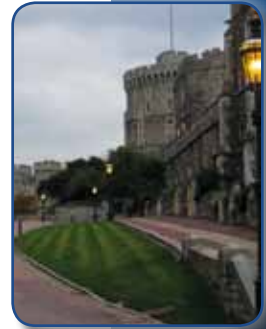
Our vision is to bring together business and local government within an economic area that shares common business, cultural and social opportunities for growth in productivity, and job creation.

The Coalition Government is calling for a new approach to economic development. This will require a reorganisation of sub-national economic activity that will strengthen our economy based on a functional entity rather than administrative boundaries to provide the right environment for business and sustained economic growth taking the Thames Valley out of recession and into a new age of prosperity. The new GTVEP will bring together and build upon the existing strengths of existing business to create a strong and innovative enterprise culture in the sub-region.

The development of a GTVEP will create a new form of partnership working which will ensure that economic priorities in respect to barriers to growth and job creation are identified, prioritised and delivered with economies of scale and certainty.

The Thames Valley sub-region has built a reputation as the 'engine room of the United Kingdom', the 'Silicon Valley of the UK', and a preferred location for entrepreneurial, enterprising and innovative businesses.

**“ Return the sub-region to being one of the top performing, dynamic and sustainable economic regions in Europe ”**



Our vision recognises the UK's current difficulties and challenges the sub-region to move forward to secure continued economic growth and prosperity in existing areas of strength. This must not be taken for granted we also need to look towards new technologies, business and research clusters to continue the differentiation and subsequent prosperity we have enjoyed in the past. Earlier business reports indicated a potential 'titanic shift' in the sub-region's economic fortunes. These fears may have only partly been realised with this recent recession, and structural challenge to the UK's economy. We remain acutely aware of the challenges faced – stronger global competitors, the aging population, labour and skill deficits, serious infrastructure deficiencies, falling investment by business, and the shortage of affordable housing.

A sustainable future depends very much on having a global perspective and to achieve this we must set objectives which are innovative and internationally focused. Skills development and advocacy must be supported by international standards of infrastructure, business support within a policy framework to deliver our vision to make the Thames Valley a exemplar model of sustainable economic growth in which creativity and innovation combine to produce a successful knowledge based economy.

Doing nothing is not an option if we are to re-build the global business reputation the Thames Valley once held. A new Greater Thames Valley Enterprise Partnership will draw together Berkshire's world class investment pull, Buckinghamshire's entrepreneurial strength and high start up credentials, Oxfordshire's global innovation offer Swindon's growth potential and exceptionally high GVA performance, and the region's diverse and innovative rural economy, to respond to the Government call in the Greater Thames Valley.

Business and Partners have identified five strategic economic priorities, requiring action best co-ordinated by a GTVEP.



**“ Building the next Silicon Valley Eco-System ”**

# Strategic Priorities

## *Infrastructure*

GTVEP partners embrace road, rail and air transport, energy and utilities, Information Communications Technology (ICT) and connectivity (including broadband). They are aware that the Thames Valley requires key investment programmes to sustain its economy and keep business moving. This includes capacity and access to the UK's principal international gateway for business, London Heathrow – critical to ensure direct connectivity to emerging markets.

Provision of strategic transportation infrastructure and intra regional connections will be essential to maintaining sustainable economic growth. The GTVEP will prioritise key schemes and the investment needed to deliver them.'

High speed connectivity is a direct contributor to the region's 'smart-growth' supporting rural business and home-working as part of the knowledge-driven economy. Funds for investment are understandably scarce and an GTVEP will play a key role in attracting and securing public and private investment.



### How would a GTVEP address this?

The GTVEP will seek to bring together the private and public sector to unlock its growth potential by:

- Positioning itself to ensure the Thames Valley is not disadvantaged as the Government sets out to re-balance the UK economy.
- Championing investment in the key infrastructure investments required by the business and community – including next generation ICT.
- Securing commitments (medium and longer term) from Government to the investment priorities for the region.

**“ The Thames Valley workforce generates an economic return 65% above the UK average. One in three adult residents is qualified to degree level ”**

# Strategic Priorities

## *Inward Investment - Strategy, Attracting & Safeguarding jobs, International Promotion*

Fundamental to the Thames Valley maintaining its position as a leading business location in Europe is the development of a clear strategy to steer activity, identify target sectors, emerging technologies and markets. Inward investment trends point to a future of smaller, more footloose innovative overseas companies being attracted to the Thames Valley before “going international”. The Thames Valley must position itself to attract these potential global brands.

In recent years, and driven by the need of business to reduce costs, the Thames Valley has seen significant consolidation of multinational operations and a shift in investment focus from the UK and Europe to emerging markets in Asia and the near-East. Growing international competition from low labour/unit cost within locations outside of the UK has also led to significant and ongoing consolidation of international businesses across all sectors along the M4, M3 and M40 corridor. Importantly alternative locations are largely not in other parts of the country; therefore the GTVEP will have a critical role to play in safeguarding jobs for the UK.



### How would a GTVEP address this?

Promote the Thames Valley brand by marketing its merits to an international audience.

- Develop a centre of excellence for international trade and inward investment services, building on existing international links to deliver support to incoming businesses.
- Deliver support services to multinationals, removing barriers to growth and providing compelling support to secure re-investment decisions.
- Look to international best practice to produce a clear strategy for investment.
- Identify, recruit and support business champions to play an ambassador role for the Thames Valley.
- Develop a sub-regional strategic framework for transport, planning, housing and environment that provides the appropriate balance between the key elements of people, homes and jobs in a sustainable manner to support economic growth.

# Strategic Priorities

## *Innovation, Enterprise and Skills*

Long term enterprise growth for the sub-region will be a central pillar in the development of the GTVEP. This includes a realistic analysis of the Thames Valley's comparative advantages and our opportunities for business-led growth. Past experience indicates we may have suggested too many 'comparative advantages', not necessarily uniquely found in the Thames Valley. This has often hindered the focus and created unrealistic and unspecific targets for public funds.

The GTVEP will provide the leadership in future skills planning to effectively meet the needs of business in tomorrow's economy. Programmes to advance entrepreneurial excellence have been established; these need to be nurtured and grown as a priority. With the demise of regional business support agencies responsible for encouraging growth, new arrangements must be made to deliver successful programmes that remove barriers to growth. The South East has more manufacturing companies than any other region in the UK, with more than 18,000 manufacturers contributing £18.2bn to the regional and national economies and employing 289,000 people. These employers require engineering with relevant expertise for a modern manufacturing business backed up with creative and innovative skills. In addition to its own experiences, the GTVEP will take a proactive approach and look towards international best practice to support policy development.



### How would a GTVEP address this?

- Facilitate the development of "skills for business" to improve competitiveness.
- Build on existing skills priorities, internship and knowledge transfer placements.
- Enhance and increase the link between local employers and education providers to embed concepts like the enterprise education operating in Buckinghamshire, across the sub-region.
- Increase University placements into business.
- Support EEF to increase engagement between business and college/university to raise awareness of skillsets needed for advanced engineering companies.
- Provide access to finance and maximise any leverage of support for key growth and success areas.

## How would a GTVEP address this? - *continued*

- Design and deliver targeted and sector specific business and enterprise growth support initiatives particularly to the SME sector.
- Promote innovation, enterprise and business diversity.
- Strengthen business collaboration and networking opportunities.
- Provide encouragement and support for new business start-ups and ongoing incubation.
- Stimulate business growth, innovation, productivity and employment across a range of identified key sectors, bringing GVA and employment growth overall back up to European-high standards.

The GTVEP will look towards ‘selling the Thames Valley’, by taking responsibility for bids for central government funding (e.g. the Regional Growth Fund), supporting local powers and tools to help business (Business Improvement Districts, Supplementary Business Rates) as well as leveraging in private sector resources to deliver priority local projects. The GTVEP’s role will also seek to bring together enabling partners, and their associated funding streams, in a collaborative approach, provide greater clarity to business and secure greater value for money.



**“ The Thames Valley workforce generates an economic return 65% above the UK average. One in three adult residents is qualified to degree level ”**

# Strategic Priorities

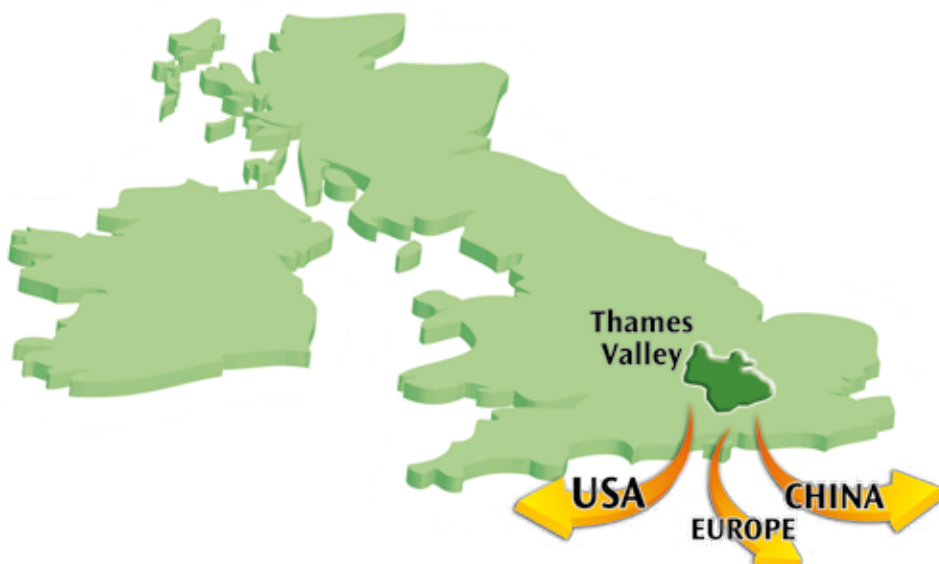
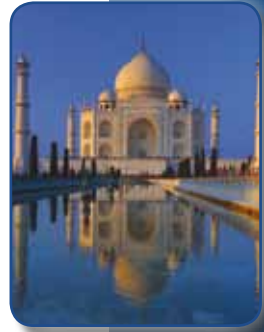
## *International Trade*

The Thames Valley has a global reputation and an international perspective when it comes to doing business. It is, however, subject to the opportunities and threats of international trade and markets.

Export-led growth is essential, especially from smaller and mid-sized firms crucial to the economic recovery. This comes in many guises, including supporting international collaboration/trade and market development plus an understanding of overseas market places. The Thames Valley is at the forefront of UK plc's efforts to increase international trade as a method of moving away from recession and into a new phase of sustainable economic growth.

### How would a GTVEP address this?

- Support and promote international trade.
- Increase awareness of international market opportunities.
- Build and strengthen sub-regional and sector collaboration and international connections.
- Increase the number of businesses trading, successfully and sustainably, internationally.
- Embed an international trade culture in a new generation of businesses.
- Help those already trading, do so more effectively, efficiently and profitably. Support their entry into new international markets.



# Strategic Priorities

## *Influencing (Advocacy) and Business Development*

The GTVEP will respond directly to the direction of its partners both public and private sector, to best represent the needs of the sub-region, in nationally significant matters. A strong business led “Thames Valley” branded proposition is core to its advocacy role. This proposition will also provide a clear route for business to engage with and directly support public sector partners to influence Government on the key objectives and priorities of the sub-region.

GTVEP business networks will be structured to support key policy decision-makers, as well as providing a vehicle to drive forward the vision, thereby effectively representing the voice of business and the community in the Thames Valley.



### How would a GTVEP address this?

- To act as ambassador for the Greater Thames Valley area in securing inward investment and development of global markets.
- Ensure centralised and integrated communication resources are available to support local economic priorities as set out in local plans.
- Ensure a voice and inclusion for all parts of the economic area including rural business.
- Provide opportunity for the less advantaged areas and recognise the need to nurture and support these areas of the enterprise economy.
- Networking with other business and organisations overseas.
- Identify and promote the business opportunities and commercial advantages of shifting to low carbon practices and means of production.
- Strengthen the business engagement programme and offer – there needs to be a congruent, empathic relationship between business and the public sector.
- Strengthen cross-boundary and business networks to foster greater collaboration and effectiveness in growing stronger supply chains, and building business.
- Champion international and innovative best practice to refresh and reinvigorate business networks, including, for example ‘experiential learning’, a proven factor in creating competences for firms and their leaders from Scandinavia.

## *Delivering an Inclusive Economy*

We will achieve a balanced-strategy that supports both the urban and rural economies.

The rural environment that makes up the majority of the Thames Valley is a vital component of the sub-region. In fact, significant portions of the area are also covered by Areas of Outstanding Natural Beauty (AONB). It contains high levels of self-employment, a high proportion of home-based and small and medium sized businesses, as well as significant agricultural and horticultural production and tourism interests.

For these reasons, the rural economy will also have a key focus within specific, as well as cross-cutting, priorities of the GTVEP. These include inward investment, R&D and innovation; and broadband availability. All have equal prominence in the rural areas, as they do in the small market towns that serve the rural communities, as they do in our main urban centres.

### How would a GTVEP address this?

- The GTVEP will seek to focus its attention on supporting a small number of strategic ‘interventions’
- The GTVEP will seek to bring together and mobilise key partners/ budgets to help promote sustainable rural development.
- Encourage sustainable development of the rural economy by providing examples of best practice and potential solutions to practical problems.
- Expedite ICT connectivity with both public and private sector committed strategies.



**“ 28,000 workers are directly engaged in R&D, nearly as many as Oxford and Cambridge combined ”**

# Appendix 1

## *About Thames Valley Chamber of Commerce*

- A not for profit private company owned by its members
- Accredited by the British Chambers of Commerce and co-operate with a network of 55 other UK Chambers
- Recently voted “National Chamber of the Year” winner by business
- £4.3m turnover and team of 40
- 2,000 member companies including micro, small, medium and major-sized companies
- Commercial divisions in international trade and delivery of commercial contracts
- Issuing 78% of South East’s export documentation and 25% of the UK
- Strong connections with Embassies, International Chambers of Commerce and Industry Organisations
- 8,000 business people attend more than 230 events held annually
- A scalable consultation and business engagement forum using the network of Chambers of Commerce
- Centre of Excellence for International Trade Services and “Business International” programme

- In partnership with UKTI, a programme for attracting investors into the area and support for major companies operating in the area via TVCC “Economic Alliance” programme
- Start-up and micro business support with free business mentoring and advice
- Young Chamber Programme – developing young people, empowering and encouraging enterprise and steering towards volunteering in later years
- Strategic thought leadership providing strategic engagement with experts and major business by using TVCC’s “Windsor Debates”
- Political engagement using “Microsoft Political Forum”
- Planning and housing expertise using TVCC private sector planning forums throughout the Thames Valley
- Infrastructure forums using TVCC’s Transport forum and expanding to include ICT
- Platform for public sector to address business at “Business Leaders Forum” at Henley Business School
- Thames Valley Low Carbon Forum in partnership with SSE and GE

## Appendix 2

# Partnerships

### *GTVEP will promote the success of Partners' Initiatives*

- Economic Partnerships
- Business Angel Networks and Funding Organisations
- Business Advisors
- Innovation & Growth Teams
- Education Business Partnerships (EBP)
- Community Councils
- Business Community Partnerships
- UKTI
- Business Link
- Local Authorities
- Thames Valley Business Advisors

### *TVCC Current Partner Initiatives*

- Business Advice Service – Start-up Support – Bucks New University & Thames Valley University
- Young Chamber – Developing enterprise in schools in partnership with EBP
- UKTI Market briefings and visits – UKTI
- Business engagement – West Berks Council
- Be Your Own Boss Club – Slough Borough Council
- Apprenticeships – Government supported training - LSC
- Flexible office space for investors - SEGRO

### *TVCC External Partners*

Chambers of Commerce – Global Network  
Embassies - London and Overseas  
Neighbouring LEPs  
Existing adjoining Strategic Economic Partnership

### *Opinion & Advocacy*

Thames Valley Chamber of Commerce will ensure opinion and advice is available at a local, county and Greater Thames Valley level It will provide a range of forums either existing TVCC forums or those of the other partners.

Thames Valley Chamber of Commerce Group will make provision for business membership organisations including CBI, IOD, FSB (and others as recommended by local authorities) to take places at the structured business engagement programmes including taking places on The Greater Thames Valley Forum and its sub-groups.

## Appendix 3

# Governance & Structure

### *Governance*

The GTVEP will be a Community Interest Company. The not-for-profit company would allow the organisation to run in a business-like way, provide re-assurances to stakeholders and allow politicians, businesses and other key partners, to work strongly together towards the delivery of the common vision for the Greater Thames Valley. We are proposing a lean, efficient and business led structure which will give a strong and direct message to Government of our focus on delivering our vision.

### *The Board*

The GTVEP will be chaired by a regional champion and leading representative from the business community. As the key business representative, and a champion for business, the Chair will be elected by the private sector. The Chair will be supported by a number of dynamic business leaders appointed to the Board. Local Authority Partners will have a vital role to play and will have direct representation on the Board. The aim is to bring in the wide range of creative, innovative, insightful minds who share the common ambition and drive to help make the Greater Thames Valley a highly prosperous and successful region.

### *Greater Thames Valley Business Forum*

Since a key function of the GTVEP is to provide marketing and business support to local strategies and their chosen delivery bodies. A Forum would be made up of specialists, experts, leaders, community interest groups, educational and business to prioritise and develop the strategy for cooperation across borders. The use of sub-groups will be adopted to focus in on special areas of the strategy.

### *Representation and Accountability*

Recognising the need for democratic process and accountability the board will monitor the progress of the strategy by agreed achievements and be able to introduce new priorities or drop old objectives in response to a changing economic landscape. Voting will be 50:50 public and private with a casting vote in exceptional circumstances by the private sector Chair.

### *Board and Secretariat*

The GTVEP will have a secretariat in order to achieve a smooth transition from current arrangements and to function in the future. They may prefer an existing business support body to undertake this role or agree to establish a new neutral entity. TVCC will host administrative functions until a handover is agreed.

## *Board and Secretariat -continued*

The TVCC role, with other business organisations will be to act as an “Honest Broker” to ensure that the GTVEP is truly business led whilst fully engaged in partnership with the public sector.

TVCC would transfer the new GTVEP to the Board and secretariat when it is established and fulfill a business representation role alongside other business organisations. Once the new structure is up and running, TVCC will continue with its contribution to delivering international trade, representation and inward investment services.

## *Timescale for Delivery*

Although there is no reference to a suggested timetable for delivery from Government, many of the actions and interventions are partly in place and with partner support can be expedited swiftly.

## Appendix 4

# Thames Valley Enterprises in 2009 by Employment Size Band

### Employment size

	0 - 4	5 - 9	10 - 19	20 - 49	50 - 99	100 - 249	250 - 499	500 - 999	1,000 +	TOTAL
Bracknell Forest UA	3,410	630	330	230	90	50	15	15	5	4,775
Reading UA	4,240	1,095	625	520	200	100	30	10	5	6,825
Slough UA	3,035	715	410	330	140	110	35	10	5	4,790
West Berkshire UA	6,415	1,200	665	430	140	90	35	10	5	8,990
Windsor & Maidenhead UA	6,815	1,175	605	410	105	85	20	10	5	9,230
Wokingham UA	5,720	840	490	320	120	55	20	5	5	7,575
Aylesbury Vale	7,170	1,110	575	360	135	70	15	5	5	9,445
Chiltern	4,605	610	325	175	50	30	5	5	0	5,805
South Bucks	3,590	600	295	175	70	30	5	5	0	4,770
Wycombe	7,055	1,190	630	410	170	85	20	5	0	9,565
Basingstoke and Deane	5,385	990	565	420	165	95	30	15	0	7,665
Cherwell	5,035	1,070	610	400	125	65	20	5	0	7,330
Oxford	3,540	1,075	635	420	150	95	20	15	10	5,960
South Oxfordshire	6,030	1,000	555	295	85	40	15	5	5	8,030
Vale of White Horse	4,170	825	460	335	105	50	25	5	0	5,975
West Oxfordshire	4,350	870	440	250	60	40	5	5	0	6,020
Swindon UA	4,565	1,105	590	465	185	110	45	25	5	7,095