

ASELA Productivity Programme

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1 Executive Summary

This document lays out four programmes that will deliver significant additional economic activity within the area.

These programmes will:

- Put South Essex at the forefront in the use of data to drive economic activity
- Retain our highly skilled knowledge workers to work and live in our communities
- Deliver innovation and change across our vibrant small enterprise community
- Support innovation and development in our key sectors
- Leverage our unique connectivity to deliver prosperity for our population
- Deliver life-long learning and support for our population by preparing them for the opportunities brought about by the changing nature of work
- Deliver new inward investment to transform our high streets into places of culture, commerce, retail and housing

These programmes are straightforward and pragmatic, building on good practice in the area and proven examples from across the world to deliver this transformation.

The Association of South Essex Local Authorities long-term inclusive productivity programme will position the area as an economic leader for 2050 and beyond. This will also form the South Essex contribution to the South East LEP Local industrial strategy and shape delivery within the Thames Estuary. South Essex will be a place that is known as forward thinking, dynamic and aspirational - providing transformational opportunities for residents, businesses and communities.

The delivery of the productivity programmes will reflect the focus of our growth corridors and the development plans of our individual places. This provides the opportunity to deliver a significant step change in the economic performance of the area.

2 Introduction

An independent report for Greater Essex by Dr Andrew Sentance published in 2017, identified that of the four corridors of Greater Essex, South Essex is the largest with 36% of Greater Essex GVA – (£12bn of the Greater Essex £33bn). The South Essex economy is important to London and to the rest of the UK.

The area has particular employment concentration in four sectors – Logistics, Construction, Health and Advanced Manufacturing and whilst the pattern varies across the area micro and small companies dominate the landscape with around 90% of enterprises employing less than nine people. This is combined with a long-term skills challenge with 8-12% of the population with no qualifications and in some places only 24% with NVQ4+ (Higher Education equivalent). The Centre for Cities report that the mix of skills and jobs make some parts of our area particularly open to the impacts of AI and Automation with 19-29% of the current working population likely to see significant declines.

We recognise that we have a unique connectivity offer with access to London and the world (through our Ports, Airport and associated business links). The London opportunity is significant with London based property companies seeing the city 'expanding' East (and West) accelerated by Cross Rail, Lower Thames Crossing and technology change on the C2C Network. London will always provide a draw for employment and drive outflows of 'employees' from South Essex, but technology disruption and the increasing importance of the user experience is driving appetite for flexible space in tech-enabled buildings in rich 'social' environments.

South Essex profile

South Essex is unique – it is home to three major ports, an international airport and all of the area is within 30 to 60 minutes of central London. South Essex supports the success of London through its ports, residents and businesses. South Essex is made up of distinctive places and communities – the application and implementation of this programme will reflect and respond to this distinctiveness.

New data is becoming available through our Local Industrial Strategy analysis – This emerging data will be used to support our programmes of activity.

South Essex is home to 790,000 people, 36,000 businesses and produces over £12bn GVA. The data below shows South Essex is a place that:

- Has a higher proportion of small and micros businesses than the UK average
- Resident qualification levels lag behind national figures, particularly at NVQ levels 3 and 4
- Disparity between resident and workplace earnings driven by proximity to London
- There are areas of significant deprivation

Business composition:

	Unit	UK	South Essex	South Essex, Compared to:		Thurrock, Compared to:		Brentwood, Compared to:		Basildon, Compared to:		Castle Point, Compared to:		Rochford, Compared to:		Southend, Compared to:	
				UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex
Micro (0-9)	%	89.3	90.7	1.38	2.51	1.13	1.55	0.17	-0.44	-1.82	2.71	1.32	1.32	-0.06	1.68	0.30	
Small (10-49)	%	8.7	7.7	-1.05	-2.43	-1.38	-1.10	-0.04	0.46	1.51	-2.02	-0.97	-0.64	0.41	-1.21	-0.16	
Medium (50-249)	%	1.6	1.3	-0.23	0.06	0.29	-0.53	-0.30	0.10	0.33	-0.46	-0.23	-0.43	-0.21	-0.46	-0.23	
Large (249+)	%	0.4	0.3	-0.12	-0.38	-0.26	-0.04	0.07	-0.12	0.00	-0.23	-0.11	-0.24	-0.13	-0.02	0.10	
Job Density (Ratio jobs:working age population)	Ratio	0.8	0.7		-0.17	-0.03	0.06	0.20		0.14	-0.32	-0.18	-0.26	-0.12	-0.14		

	Unit	UK	South Essex, Compared to:		Thurrock, Compared to:		Brentwood, Compared to:		Basildon, Compared to:		Castle Point, Compared to:		Rochford, Compared to:		Southend, Compared to:	
			UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex	UK	South Essex
Working age population (2017)	%	62.9	61.5	-1.40	0.47	1.87	-1.68	-0.28	-0.85	0.55	-4.56	-3.16	-2.82	-1.42	-1.36	0.04
Economically active (16-64) (2017)	%	48.8	50.4	1.63	1.60	-0.03	-3.77	-5.40	-1.38	-3.01	4.09	2.46	7.34	5.71	3.06	1.43
Median full time earnings (Workplace) (2018)	£	569.0	553.0	-16	-21.2	-5.00	-40	56	-2.00	14	-64	-48	8.00	24	-57	-41
Median full time earnings (Residents) (2018)	£	569.0	643.0	74	10.30	-64	185	111	26.00	-48	-39	-35	161	87	25.00	-49
Micro (0-9)	%	89.3	90.7	1.38	2.51	1.13	1.55	0.17	-0.44	-1.82	2.71	1.32	1.32	-0.06	1.68	0.30
Small (10-49)	%	8.7	7.7	-1.05	-2.43	-1.38	-1.10	-0.04	0.46	1.51	-2.02	-0.97	-0.64	0.41	-1.21	-0.16
Medium (50-249)	%	1.6	1.3	-0.23	0.06	0.29	-0.53	-0.30	0.10	0.33	-0.46	-0.23	-0.43	-0.21	-0.46	-0.23
Large (249+)	%	0.4	0.3	-0.12	-0.38	-0.26	-0.04	0.07	-0.12	0.00	-0.23	-0.11	-0.24	-0.13	-0.02	0.10
% Working Age Population NVQ1+ (2017)	%	85.2	85.3	0.05	-5.30	-5.35	9.70	9.65	-3.00	-3.05	-4.40	-4.45	3.70	3.65	-0.40	-0.45
% Working Age Population NVQ2+ (2017)	%	74.5	66.9	-7.57	-12.60	-5.03	8.50	16.07	-22.20	-14.63	-11.50	-3.93	-3.50	4.07	-4.10	3.47
% Working Age Population NVQ3+ (2017)	%	57.0	46.9	-10.13	-14.10	-3.97	-3.10	7.03	-13.20	-3.07	-22.00	-11.87	-1.40	8.73	-7.00	3.13
% Working Age Population NVQ4+ (2017)	%	38.4	27.9	-10.50	-13.80	-3.30	2.40	12.90	-10.60	-0.10	-25.40	-14.90	-7.90	2.60	-7.70	2.80
% Working Age Population No Qualifications (2017)	%	8.0	10.5	2.45	4.00	1.55	-8.00	-10.45	2.10	-0.35	3.80	1.35	-8.00	-10.45	-0.10	-2.55
Claimant Count	%	2.3	2.3	0.04	0.18	0.14	-2.27	-2.31	0.34	0.30	-1.09	-1.13	-1.24	-1.28	1.10	1.06
Job Density (Ratio jobs:working age population)	Ratio	0.8	0.7	-0.17	-0.17	-0.03	0.06	0.20		0.14	-0.32	-0.18	-0.26	-0.12	-0.14	

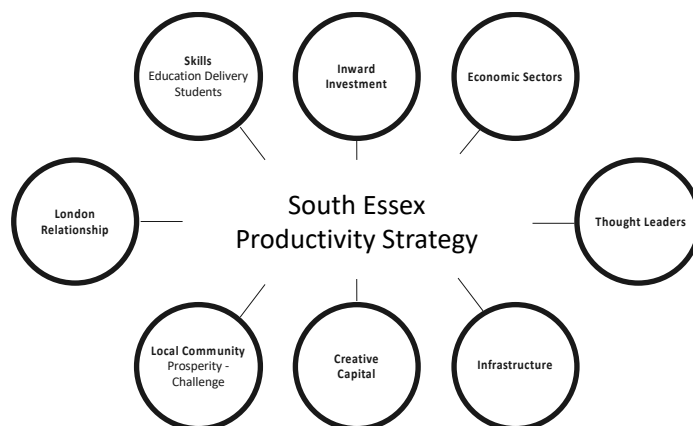
The pillars of productivity, as identified in the Governments Industrial Strategy, are the Business environment, Place, Infrastructure, Skills and Innovation. The community recognise the issues with current provision and the drivers of future change. The table below outlines the current challenges within South Essex, mapped against the productivity pillars.

Foundations of Productivity	Current South Essex Challenges	Future Productivity Drivers
Innovation	<ul style="list-style-type: none"> Lack of demand for innovation driven by Aspiration, skills and understanding of opportunities/benefits Lack of diversity across business Business isolation with few opportunities to interact Large SME Base with few breakthrough businesses Limited access to local 'capital' investment 	<ul style="list-style-type: none"> Diversity is critical Encouraging access to innovation from local business to local business Encouraging collisions between different people and businesses Appropriate and timely support for business growth (education, access, money)
Skills	<ul style="list-style-type: none"> Variation in school performance Complex ecosystem of skills provision Pockets of very low skills Limited access to career planning and skills advice No advanced research base Limited provision of higher level skills 	<ul style="list-style-type: none"> Access to Core Skills Career planning and advice Raising skills levels for all Higher level F/HE Skills Easy access to Lifelong learning
Infrastructure	<ul style="list-style-type: none"> Patchy/Poor Provision of base infrastructure Lack of clarity around infrastructure purpose Local challenges – islands and peninsula Poor gigabit fibre deployment Some challenges in Energy Infrastructure 	<ul style="list-style-type: none"> Managed and focussed infrastructure Transport services (getting people to work) Fibre network deployment
Place and Business Environment	<ul style="list-style-type: none"> Poor SME space availability 180-degree Market and Resource access (due to Thames) Reliance on out of town business parks Limited space flexibility (supporting growth and contraction) No Thames focus 	<ul style="list-style-type: none"> High quality, safe public spaces Culture and creative lead Symbiotic Education and Commerce Smart Town centres High street employment space A business support ecosystem of services, advice and finance

3. Stakeholder and Community Input

The programme has captured many ‘voices’ from across industry, thought leaders and the “community” to create an integrated, coherent and straightforward statement of the Productivity Strategy. Ensuring that as many people as possible have a voice has created a richer product. Engaging people in the process, allows them to respond to the challenges presented and work together to deliver and implement a shared ambition. It has also enabled us to deepen understanding around the data, and approaches to tackling the issues identified.

Communities engaged:



This section provides a summary of the views of the stakeholders we met. We have organised their responses within the Productivity Pillars identified by the government.

Innovation

Each of discussions covered a wide range of issues not just related to the expertise of the group gathered. Almost all are local people with families or commitments within our communities beyond their professional interest or contribution. Innovation came up in many forms and across all the discussions and we discussed Innovation drivers across our area. Our contributors identified that we need to think differently and smarter at all levels in our communities and organisations. We all need access to different stimulus – people, skills and combinations of business. In particular the groups raised the implications of isolation and how it kills innovation and is a critical element of the small/micro business in the area.

All recognised that we need to increase the diversity of people in different industries, different points of view and the groups identified that in their view diversity is critical for driving increased productivity.

There was a lot of discussion about Creativity and how this a vital component of innovation, skills and culture. All believed that we need to encourage more creative training, problem solving creative skills and creative expression. The creative area is seen as a particularly significant opportunity for South Essex with work already underway and recognised by our contributors.

Many suggested that Local government can act as a facilitator and convener of events – with appropriate support around regulation, providing facilities and supporting local, innovative procurement.

Key Themes emerged:

- Innovation hubs need to be about diversity
- Local innovators need support
- Creativity and culture can drive innovation

Skills

We had many passionate discussions on the provision of skills and training across our area. The contributions ranged far and wide including the impression that our schools are patchy with the grammar structure creating potential imbalances in resources and outcomes. There was a clearly expressed view that we need to better connect schools to the local community and business with greater representation in governor roles and more local direction of school activity. It was a clear theme that business (particularly local business) are not involved enough in the Schools and FE sector across the area.

The providers of education in the area discussed the impact of a lack of long term planning and funding reduces the ability to deliver appropriate and effective skills. There was much discussion of apprenticeship funding and its needless complexity. Education in the area has a complex cocktail of providers and options which even professionals within the sector find challenging to navigate. Our groups recognised that it's hard to get people back into teaching, for instance becoming a lecturer after a long career in industry, because of the higher salaries on offer within the industry and a perception that the status of teaching is falling. This inevitably leads to valuable experience being poorly shared and under exploited.

Educators, business and community leaders discussed the inequality of expectation acting as a critical constraint and that we need to engage young people in planning their own futures. Many mentioned that we could use mentoring and develop clearly communicated paths to success to improve aspirations.

We discussed the range of skills training available and its appropriateness for the current and future work environment. All agreed that *'Analytical and interpersonal skills, such as problem-solving, creating thinking and customer awareness have never been so important and it is essential people entering and remaining in the labour market are equipped with them.'*

Often too much emphasis is placed on specific 'hard' technical skills such as plumbing or carpentry whilst core skills are not given the weight and importance they need. In particular education providers (supported by all the business leaders we talked to, talked about the real value of Soft Core skills (that are not soft at all) that are often delivered alongside other courses.

These core soft skills are changing but current funding models and approaches force providers to deliver hard technical skills and often the student themselves do not fully understand the importance of these core skills. We met with 16-18 year old students at a Southend community college who understood the need for hard skills that 'I can describe to my Mum and Dad' but did not understand 'why I still need to do maths?'

Core Skills Now	Core Skills Future
Team Skills	Team Skills
Communication	Communication
English/Maths	Critical Thinking
Digital	Digital
Resilience	Resilience

Within this debate about skills requirements and skills access it was clear that local education leaders did not see Higher Education as always the appropriate solution and they want to see a managed strategy from 11 to 25 (and beyond). Later age education is widely seen as an area of strength but needs easier access, explanation and encouragement. It was recognised that skills need to provide an escalator for everyone and that training of any sort is always good and does not need to be specific.

Key themes emerged:

- Simplicity or simple access to skills is required – designed from the user/customer perspective
- People need to be encouraged into education
- We need a plan from 11 to 25 for skills provision
- Business and Community needs greater involvement
- A long term (funded) plan is critical

Infrastructure

There was much discussion in all our groups across the area about developing better infrastructure although little commentary about road connectivity. People clearly viewed roads as a potential solution but not always the right one. We discussed the need to broaden the thinking about the network and that it is important to engage and work with Kent, Suffolk and Norfolk.

It was clear that the environmental impact needs to be the core consideration – ‘before everything’ was mentioned by small and large business owners alike. There was a constant cry that we need to reduce commuting reflecting the reality of life outside a major global city that sucks up workers of all skill levels. Many groups discussed the importance of encouraging people to work locally and supporting business move from, or back from London. A business leader in Grays said that ‘infrastructure needs to reflect usage and be designed to meet the current and future needs of local people’ it should not be generic and based on ‘road based’ thinking. One business leader said that ‘future people flows need to be properly understood and options explored (i.e. High-speed/capacity rail v roads) to address these needs’. All our contributors recognised that opportunity is constrained by geography and infrastructure – ‘I will struggle to engage clients in Kent’ and that this is particularly true for some of our island communities.

Every group from thought leaders to local educators and small to large business leaders recognised that digital infrastructure is critical to support all business but particularly those in intensive knowledge and ideas areas of activity.

It was clear that we need to reflect the different needs for each community – for instance our groups highlighted that Thurrock clearly has different work connectivity issues to Southend.

Key themes emerged:

- Appropriate (to the need) infrastructure is required
- Roads are not (always) the answer
- Upgradeable, highly resilient digital infrastructure is critical
- We need to reflect local issues as one solution will not fit all

Business environment

The conversations on the business environment covered a wide range of issues which often reflected particular local circumstances. However, common themes did emerge including the need for better support for local activity – local driven procurement, support for local innovation and support for local creative activity.

All the business we spoke to and many of the other people commented that it is hard for business to access people (and people to access business) and that we need appropriate local infrastructure to connect people to work. In a number of cases people said that ‘appropriate infrastructure is not always roads – roads are not always the answer’.

Critically we need the right skills but there is more need for increasing core skills and not specific capabilities. A message we heard was ‘Give me enthusiastic people and I will train them’ the need is not always for oven ready skills. Smaller businesses often ask for specific skills ‘oven ready’ – particularly data, web, IT skills – and also ask for core skills. Tesco have a programme to move people from ‘Warehouse to Wheels’ with South Essex College that shows a successful education and business partnership. It was clear from the contributions across our groups that the needs of larger businesses are often very different from that of small and micro businesses, and we need to have a skills and training system that can meet the requirements of both. Many of the groups discussed the need for wider awareness of the career opportunities that are available locally and the links between gaining the right skills and these opportunities. One business owner said that ‘too few people understand that if they gain this skill they can get that job which will help them with more money and better stability’.

Small and single person business leaders (and this sector is large and important to our region) discussed their particular needs including specific training support, appropriate infrastructure (often digital) and meeting/ working space. A number talked about the impact of isolation on small and single person business owners and how high streets could provide a solution if they had the right mix of space.

It was clear from the conversations that there are too few home grown large businesses success stories that we can share and are being shared within the community. A number of leaders said that we need to highlight the success that does exist and try to create mentors. Many recognised the crucial part Local government can play by acting as convenor of different groups and a sort of ‘super network creator’.

Key themes emerged again and again:

- Skills development is critical
- Access to staff via appropriate infrastructure
- Availability of quality, appropriate space
- Increased access to markets
- Appropriate local support for local business

Place

Often our conversations centred on the pride people feel for their own community and how they wanted to make a difference to improve their own lives and the lives of others. Place is critical component of that conversation and identity is important. In a meeting in Southend we heard a local business man say 'We are local people and we like where we are and we have much to be proud of'. This was supported and reinforced by educators in the room. In Basildon the conversation covered similar themes with a local small business owner reflecting that 'We need safe and pleasant communities' and 'we need to break down social and work isolation'. All the groups mentioned that air quality and green space is critical to their sense of community and their desire to see their communities improve. In Southend, Basildon and Thurrock groups insisted that even Strong communities need support and need to be encouraged to be open and diverse.

Many of our contributors from young educational leaders, middle aged business owners to retiring small business managers talk of the importance of work life balance and the importance of the social scene for attracting and retaining talent – culture, entertainment, coffee shop and independent retailers are all mentioned a key drivers of community and social cohesion. It was widely felt that too many commute either from our communities into London or commute into our community to work.

There was widespread concern about the place and importance of the high street. With a small business owner in Greys reflecting the views of many by saying 'We need to address the purpose of the high street – what is it for?'

Many small business owners in Greys, Basildon and Southend talked about the importance of blending Innovation, business and creativity within every place, acting as an inspiration and opportunity.

Whilst we did not dwell on housing a number of groups discussed the needs for more affordable housing in a flexible environment that allows people to grow their families and stay within our communities.

Key themes emerged:

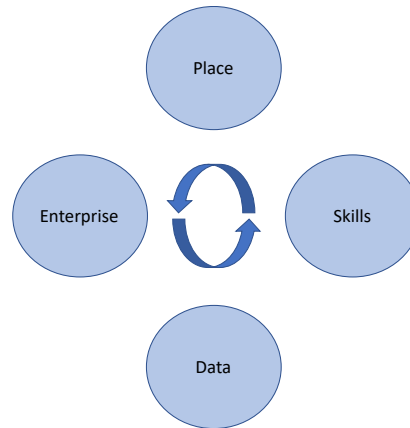
- We have some great communities but they are under pressure
- There is a lot of fear about the future
- Communities want to engage and lead change
- Develop a new sense of purpose for our high streets and town centres

Using the data, and the narrative responses from our engagement, we see five key forces that will shape future productivity in South Essex.

- **The nature of work has changed and will continue to do so** Experts expect rapid and sustained change for employers and employees with the old definitions of work and career completely forgone. Longer working lives, Multiple careers, jobs and periods of skills development will be the norm. Critical thinking, creativity, team work and collaboration will be the vital skills of the future.
- **High skilled knowledge-based work will be the key drivers** of future economic activity. High skilled workers will seek areas of high job, culture, education and entertainment density

- **Connectivity between people, businesses, markets and knowledge is increasingly important.** Proximity matters and access to local and international markets will drive future growth.
- **Lower skilled workforce will continue to face significant challenges,** but critical new skills can allow them to cope and prosper in periods of rapid change. Low skilled opportunities are difficult to retain unless based around clusters of higher skilled employment.
- **Innovation happens between multiple individuals, organisations and sectors.** Diversity and collisions between people and companies and between sectors are critical to driving innovation.

Our analysis of the data, contributions from our groups and iterative conversations with groups of leaders across business in each of our areas brought together many common themes covering Place, Enterprise, Skills and Data. It was clear that the interplay and interaction of these areas offered the greatest areas of opportunity for impact on our productivity objectives. The programmes developed have been described, reviewed and changed in response to many conversations with local representatives.



We have identified a range of opportunity areas we can exploit to ensure that the South Essex economy grows sustainably, continuing to be exciting and future focussed.

Opportunities for South Essex	Implications and Impact
Opportunity to grow the economy by supporting our vibrant SME community	~90% of enterprises are micro or small. Our SME community could be more innovative and productive
Opportunity to grow the economy by seizing the implications of Data and connectivity	We can use public sector data sets and access to develop and foster new businesses and improve public service delivery
Opportunity to retain and attract highly skilled knowledge workers by building on and enhancing our communities	Our town centres can retain and attract High quality, skilled knowledge workers but we need a rich mix of culture, social and business focussed local centres
Opportunity to leverage our unique connectivity with London the major Ports and Southend Airport	The ASELA area provides a unique set of connectivity – globally through our Ports and Airport and with good and improving connections to London
Opportunity for inward investment by providing high quality space for local business and London businesses to expand	We can seize on the advantage of London growth to attract new business and drive local improvements in place and community
Opportunity for our population as our key sectors change significantly in the next few years	Logistics, Construction, Advanced Manufacturing and Health are key employment sectors and likely to experience fundamental change in the next few years
Opportunity to improve access to work by transforming our transport services	Local geography and historical connections can restrict access to work and skills development

In response to these challenges, opportunities and response from the community we have developed four compelling, practical and important programmes that will deliver on the promise of South Essex for all its residents and businesses.

4. Four Programmes

Four programmes of work have been developed to respond to the challenges and opportunities outlined in section three. In this section we will provide an outline of each of the four programmes, their focus, the practical steps involved in their delivery and the impact these programmes will have.

All the programmes will reflect the needs of our local communities supporting and responding to the emerging Growth Corridors and supported by data collected for the Local Industrial Strategy.

The ambitions of this set of programmes are rooted in the intention to drive productivity in South Essex whilst ensuring that the people who live there are able to both contribute to and benefit from that growth.



These programmes will deliver clear impact across the entire area.

Vibrant Places Programme

We will reimagine our town centres as places of culture, entertainment, commerce, retail and housing. Building on the excellent work already underway a cross area initiative will allow us to bring forward investment to deliver the highest quality places. Acting as the showcase for the area as we look to London and beyond for new investment and workers. This programme will support local initiatives focused on delivering the broader productivity objectives attracting high quality work, skills and infrastructure for our population.

It is clear from our analysis that highly skilled knowledge workers increasingly require a mixed environment that includes;

- Many different types of employer;
- A rich social experience of restaurants, coffee shops and bars;
- Access to culture and a clear focus on culture;
- Combined in a high quality, built environment.

This is not only true for highly skilled workers; these environments will support and grow our local businesses - with opportunities for local entrepreneurs, small and large businesses. We will be able to encourage and support the best in a mixed economy of differing skills. Exactly the rich economic culture the area contains.

We will establish an appropriate inward investment agency that will have the clear objective to retain (and attract) high skilled knowledge workers by increasing the underlying quality of our town centers and improving prosperity across our area by supporting a mixed economy of High, Medium and Low skills.

Programme elements will include:

- **Secure** private and public sector investment to provide fit for purpose assets – Places, Residential, Commercial and Retail
- **Attract** occupancy of these assets with the right mix and quality of tenants
- **Deliver** a high-quality user experience for the target market
- **Support** local community inclusion and value creation
- **Enhance our cultural identity and offer** through 'South Essex Creates' - A 10-year culture investment plan supported by a new 'Chief of Arts and Culture'.

The initial focus for this programme are straightforward:

- Establish the inward investment agency
- Create plans based around our growth corridors and rooted in local initiatives
- Create an Investor Prospectus (for Private Investors etc.) Working with local master plans and community initiatives
- Develop and deliver marketing to Investors with particular focus on London – To secure funding and potential occupants
- Develop and deliver an Inward Investment plan – To secure occupancy
- Respond to the challenges of the Thames Estuary initiatives
- Establish 'South Essex Creates' - A 10-year culture investment plan with a new 'Chief of Arts and Culture' to enrich the environment for the new occupiers

Programme	Note	Impact Metric	Potential Impact	Impact
Vibrant Places Programme	<ul style="list-style-type: none"> • Raise the average salary of the region by encouraging the retention of high skilled employees 	<ul style="list-style-type: none"> • Bring forward investment in high quality commercial property and spaces in our town centres • Raise mean average salary 	£50+ million investment in commercial space	<ul style="list-style-type: none"> • Deliver inward investment, • Raise average incomes

Enterprise Growth Programme

We will make our entire business community more effective and efficient. We will create more economic value through our marvellous micro, small and medium sized enterprises, as well as support our key large employers.

Delivering productivity change for our business community involves a number of critical elements from training through access to technology to appropriate technical support. However, core to this is

accessibility – can the business find out about the services available and then access them in an effective and timely fashion. To address this challenge in Boston (USA) the local authority works through the business support community – e.g. local marketing, accounting and technical support businesses - to deliver change. Providing them with access to skills programmes, open innovation opportunities and networks and sometimes appropriate funding that they then deliver and develop for their clients. Working with the local business community in this way is highly effective. Activity like this is going on in pockets within our area. This activity can be targeted and reinforced to meet the needs of our diverse segments of small enterprise with activities that support:

- Increasing efficiency, accessing technology, improve exports, recognising skill levels, access to training, succession planning, increasing innovation and open innovation
- Clusters of segments – logistics, advanced manufacturing, construction, creative sector based, seasonal, London focused

Our larger businesses in key sectors want the opportunity to build local support and the local supply chains. We can help make this happen through supporting open innovation and collaboration allowing small businesses to seek opportunities to support larger businesses and sectors.

We must not stand still but build on our existing capabilities and experience. As construction moves from a trade-based business to an advanced manufacturing environment we are well placed to bring skills we have in both sectors together. Working with leading companies and our academic partners we will bring these sectors together to develop new ways of working.

This programme will have the clear objective of improving the productivity and effectiveness of our Small and Medium sized enterprise and driving growth in our key business areas. Across our area we have a wide range of businesses of all sizes supported by an existing network of collaborative forums. Our programme will build on and enhance this collaboration.

Programme elements will include:

- **Support** local business growth through effective organisation of private sector business support with access to skills and potential
- **Bring together** private funding, local business support companies and solutions to meet local SME needs
- **Encourage** open innovation with spin outs between large local business and local entrepreneurs
- **Engage** Academic partners and local key sector organisations to map the ecosystem/ supply chain and understand the development of construction as Advanced Manufacturing
- **Establish** procurement and sourcing frameworks to encourage local solutions

The initial focus for this programme will involve:

- Establish a private sector focused Business Support Group based on the Boston model of using commercial intermediaries (Accountants, Marketing, Legal etc.) as the connector to the small business community
- Re-energise the Growth Hubs to support and focus this activity
- Engage Academic partners to research the ecosystem and explore the implications of Construction as advanced manufacturing
- Support the creation of a small early stage investment fund
- Respond to the needs of our coastal communities

Programme	Note	Impact Metric	Potential Impact	Impact
Enterprise Growth Programme	<ul style="list-style-type: none"> Encourage SMEs across region to recruit one new member of staff 	<ul style="list-style-type: none"> Increase productivity by the equivalent of one person for every Micro and SME businesses 	>23,000 Micro and Small businesses across the region	<ul style="list-style-type: none"> The economic equivalent of ~23,000 New Jobs created

Case Study: Krakow, Poland

The Krakow Technology Park

- A statutory support instrument for companies planning new investments
- Entrepreneurs are given 10 to 15 years to complete the investment and take advantage of a tax relief, regardless of the size of the company they run
- Provide access to hardware, software and network infrastructure

Future Work Programme

We will increase the skills base of our community and help them develop the skills they need throughout their lives. We will help them acquire new skills or improve their existing capacities whilst reinforcing the critical ‘soft’ skills that will drive future economic performance. The area has significant skills challenges that will only be exacerbated by technology change and the overall economic moves to more reliance on skilled staff. We are well positioned to innovate through this change, adapting to future skills and technological needs and focusing on other emerging sectors of growth including the creative and cultural sector and health services.

This programme has a clear objective to recognise and respond to the new reality of work – Multi employers, multi jobs, lifelong learning, the impact and opportunities of AI and automation - by providing effective access to training and skills development. We must also recognise the challenges of our area by providing effective, flexible connections and access to work.

We will empower our communities and businesses to shape their own skills and travel solutions.

To grow our own Higher Skilled knowledge workers and act as a catalyst for development we will bring forward plans for a Higher Education Institute. Across the area we have a mix of skills providers that already work together, providing the glue, scale and capabilities for us to deliver this programme.

Programme elements will include:

- Develop** a single skills interface for both business and individuals
- Engage** skills providers, local business service providers and employers to develop solutions that meet local needs
- Develop a career pathway solution** – advice and support at all stages of life
- Deliver local transport solutions** to meet flexible needs of employers and employees (particularly to address local bottle necks around peninsula and islands)
- Ensure** innovation in the delivery of public services through capturing the best of local service delivery
- Bring forward plans** for a higher education institute in the area to drive innovation, respond to business need for skills and provide a focus for high quality development

The initial focus for this programme will involve:

- Engage the local leading skills providers to develop a ‘Skills Interface’ - providing a clear and easy to use way for business and our communities to access and shape the skills available
- Engage the skills providers and business to develop an effective ‘life-long’ careers pathway
- Re-energise and potentially repurpose the Growth Hubs to support skills development and career pathways

- Bring forward plans for a Higher Education Institute
- Develop a ‘transport service’ alongside a commercial partner to meet local needs
- Encourage ‘Skills innovation commitments’ – based on the Gothenburg model working with large local employers to drive skills innovation (‘this is what we need – if you get the skill we will employ you’ - similar to the checkout to truck driver model currently used by Tesco and South Essex College)

Programme	Note	Impact Metric	Potential Impact	Impact
Future Work Programme	<ul style="list-style-type: none"> • Reskill population to grasp opportunities of AI and Automation • Support average salary rise 	<ul style="list-style-type: none"> • 300,000+ economically active in the region • >20% of the population currently in jobs in occupations very likely to be impacted by 2030 	<p>~60,000 jobs changed by AI and Automation</p> <p>Additional benefits from University not calculated</p>	<ul style="list-style-type: none"> • ~60,000 people reskilled

Case Study: Gothenburg, Sweden

Invitation for Commitments - The city works together with industry

City of Gothenburg has commitments with Volvo PV and Volvo Cars working on sustainable mobility innovations such as Drive Me and Electricity. They also work together with 21 partners on district heating and cooling solutions such as CELSIUS together.

Data Transformation Programme

We have the opportunity to create a world leading data initiative leap frogging our competitors to combine data from across our area to support existing major business, boost our small business sector and act as the platform for continued public sector transformation. There are many examples from across the world of areas seizing the data initiative to drive considerable economic benefit – achieving 10-15% overall growth. Our focus on utilization of data will underpin our ability to evolve our economy, we will maximise use of the data available to us, for example our public sector data, to provide us with the intelligence we need to grow

Working together across the area will allow us to bring together large data sets and sufficient scale to support the delivery of proven solutions and the development of solutions designed to meet the particular needs of our area.

Data transformation will allow:

- Our key sectors to more effectively manage their supply chain and access appropriate resources
- Our small businesses will see opportunities to improve their services, access resources and develop new solutions
- Our economy to be more efficient and innovative by encouraging open innovation and collaboration
- Support the transformation of the public sector by focusing resources more effectively and delivering new solutions in new ways

We must recognise and respond to the critical nature of the underlying data and information flows across our area. Effective data programme is not ‘just’ the roll out of effective and widely available Gigabit connectivity but it is the use of the infrastructure and the data available to transform how we deliver services and how business and our community operate.

Programme elements will include:

- **Legal and regulatory review** to ensure we manage and use data in a sensitive and effective manner
- **Work with public and private partners** to create a shared ‘data’ environment in which information is made available across the area to people, business, research and to support public policy
- **Work with commercial partners to bring forward area wide solutions** that will generate business efficiency and activity. E.g. smart travel planning and ticketing, Care access and monitoring, Crowd sourced logistics information, Energy management etc
- **Working with our academic partners** we will look to create world leading ‘living labs’ focussed on core areas for the area including freight, distribution and logistics. This will create new commercial opportunities and see a significant increase in research spend and patent applications.

The initial focus for this programme will involve:

- Create a data transformation team to bring forward investment and economic activity
- Work with Academic and public sector Partners to create an open data structure
- Work with commercial partners to develop and deliver area wide data services

Programme	Note	Impact Metric	Potential Impact	Impact
Data Transformation Programme	<ul style="list-style-type: none"> • Support new business models based on wide data integration and support 	<ul style="list-style-type: none"> • £12Bn GVA in the region • Lift in GVA from Data applications and access • Cisco analysis and case studies • 10-15% growth 	10% growth in GVA across the region	<ul style="list-style-type: none"> • £1.2Bn in economic growth

5. Key Risks

A complex and long running programme always faces risks. These risks can be managed given sufficient organisation, leadership and flexibility in approach. We have identified the following key risks, implications and mitigation strategies.

Risk	Description	Implications	Mitigation
Do Nothing	The set of programmes is either not completed or is not signed off	South Essex economy will continue to lag national performance, gap likely to widen	Adoption of the programmes with commitment to develop and deliver the Implementation plan
Lack of engaged Leadership	No senior level ownership of the programmes	Resources and leadership not available to develop and deliver programmes. Outcomes will not be achieved	Clearly identified and committed senior lead responsible and accountable for delivery
Poor ASELA Programme co-ordination and Inconsistent approach	Poor co-ordination of activity across the ASELA programme – eg with investment and growth corridors Lack of consistency in the approach to delivering the programmes	Muddled programme, resulting in sub optimal implementation and ambitions missed	A clear programme management structure for ASELA with clearly identified and engaged senior owners and workstream leads – with mechanisms for co-ordination
Insufficient Resource to	Resources (people, time and expertise) are not sufficient to deliver	Sub optimal Action Plan and implementation, outcomes not realised	Clear identification and recruitment of resources to deliver programmes

Risk	Description	Implications	Mitigation
create and deliver programmes	and/or roll out the Action Plan		

6 Outline plan of action and Resources

This programme will fit into the overall ASELA delivery framework and be managed within the agreed programme management framework. The resources outlined below are for the management of the four programmes discussed above.

BE AWARE: Programme resources have not yet been agreed.

Resources for Productivity Programme Delivery

The appropriate resource would have three objectives.

1. Deliver the agreed programmes
2. To produce the detailed action plan to deliver the programme
3. Identify the optimum organisational model to ensure delivery

This group would:

1. Work across the ASELA programme and more broadly leveraging and coordinating local skills and abilities
2. Challenge current approaches and develop appropriate solutions to ensure delivery of the four programmes.
3. Work with each corridor to provide a distinctive and relevant programme while maintaining overall programme priorities
4. Define and deliver against a clear set of South Essex wide objectives

Next Steps (100 day plan)

A work plan will be developed to cover the following:

Leadership and Management

- ASELA Programme management – clear identification of senior owner of the Productivity Programmes and confirmation that they are able to provide sufficient time and leadership, and provide high level co-ordination across the whole ASELA programme
- Identify the programme lead for the workstream
- Confirm the core project team tasked with developing the implementation plan
- Establish and maintain practical level cross-ASELA programme links
- Confirm leads for growth corridors

Activities

- Mapping of current activity, cross reference to the 4 programmes of the Productivity programmes and test fit
- Develop the scope of each of the 4 programmes with areas of activity/projects within each

- Consider current resources and other inputs
- Establish data sources to be used to support the development of the plan
- Identify all partner organisations that will have a role in implementation
- Identify gaps between Productivity programme aims and current delivery, and develop proposals for new areas of activity

Engagement with partners

- Engagement plan to be developed by the project team
- Secure input from a wide range of partners
- Use the principle of co-design in developing actions

Deliverables

- Implementation plan for the Productivity programmes
- Engagement plan

Decisions required

- ASELA Approval of the Productivity Programmes
- Approval of the resources to commit to the development of the Implementation Plan
- Approval of the Implementation Plan
- Approval of new arrangements for delivery

The team will develop a plan to deliver each of the 4 programmes reflecting the needs of local communities and the growth corridors. Each plan will:

- Provide detailed scope, activities and outputs for each programme by area
- Show how current and planned activity fits with the LEP industrial Strategy and the Productivity Programmes, and where this activity could be re-focused to align with the aims and objectives of the Strategy
- Have a clear delivery plan including resource requirements, with transition arrangements should new delivery models be needed
- Clearly identify the organisations responsible for convening specific sub-programmes or areas of activity, and the commissioning/delivery arrangements
- Be clear how Implementation will work alongside the wider ASELA programme and other workstreams – connectivity, investment and place and in relationship with growth area plans
- Clearly define individual projects or areas of work with a resource plan articulating how they will be realised
- Develop proposals for dealing with inconsistencies in service provision across South Essex

7 References and supporting data

Essex Employment & Skills Board District profiles for Basildon, Brentwood, Castle Point, Rochford, Southend on Sea and Thurrock (2019)
 South Essex Economic Development Needs Assessment (2017)
 Essex Economic Commission Report (2017)
 Essex Economic Commission Evidence Base Review (2019)
 Centre for Cities – City data (2019)
 Basildon Future Challenges and Opportunities, Hatch Regeneris (2019)

Made Smarter Review, HM Government (2017)

Economic Outlook, July 2018, PWC (2018)

Thames Estuary 2050 Commission Technical Report, Arup (2018)