
South East LEP Local Industrial Strategy

How can we improve the productivity of the South East economy?

**Stakeholder Workshop
14 October 2019**



Agenda

- 10.00 - 10.30 Registration and coffee
- 10.30 - 10.35 Welcome from George Kieffer
- 10.35 - 11.05 Introduction and overview
- 11.05 - 11.20 Refreshment break
- 11.20 - 12.25 Breakout discussion groups
- 12.25 - 12.50 Group feedback
- 12.50 - 13.00 Final remarks and next steps

Welcome

George Keiffer
Vice Chair, South East LEP

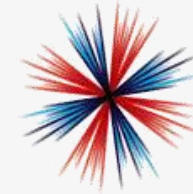




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Slido Question #1

What do you think are the biggest economic issues facing the South East region?
[select up to two options]

- Employment and earnings
- Skills and workforce capabilities
- Infrastructure (transport and digital)
- Commercial workspace
- Housing
- International trade and investment
- Other



An emerging LIS for SELEP

National Industrial Strategy (2017)



Future of Mobility



Ageing Society



Artificial Intelligence



Clean Growth



What is a LIS?



Local Industrial Strategies should set out clearly defined objectives to increase the productivity of the local economy

Local development and ownership, jointly agreed with government

Take a long term view (2030)

Supported by robust and open evidence

Align to national industrial strategy

- **Actively apply 5 foundations of productivity**
- **Think about 'Grand Challenges' where relevant**

Must be actionable to mobilise resource

Guide future government funding streams and local investment

What is a LIS?



- A future looking local strategy, feeding into the government's Industrial Strategy
- An evidence-led strategy highlighting specific strengths and opportunities that could achieve greater productivity impact
- Support and underpin the allocation of future government growth funding
- A mechanism through which private, public and other partners agree productivity-generating, long term ambitions for the area



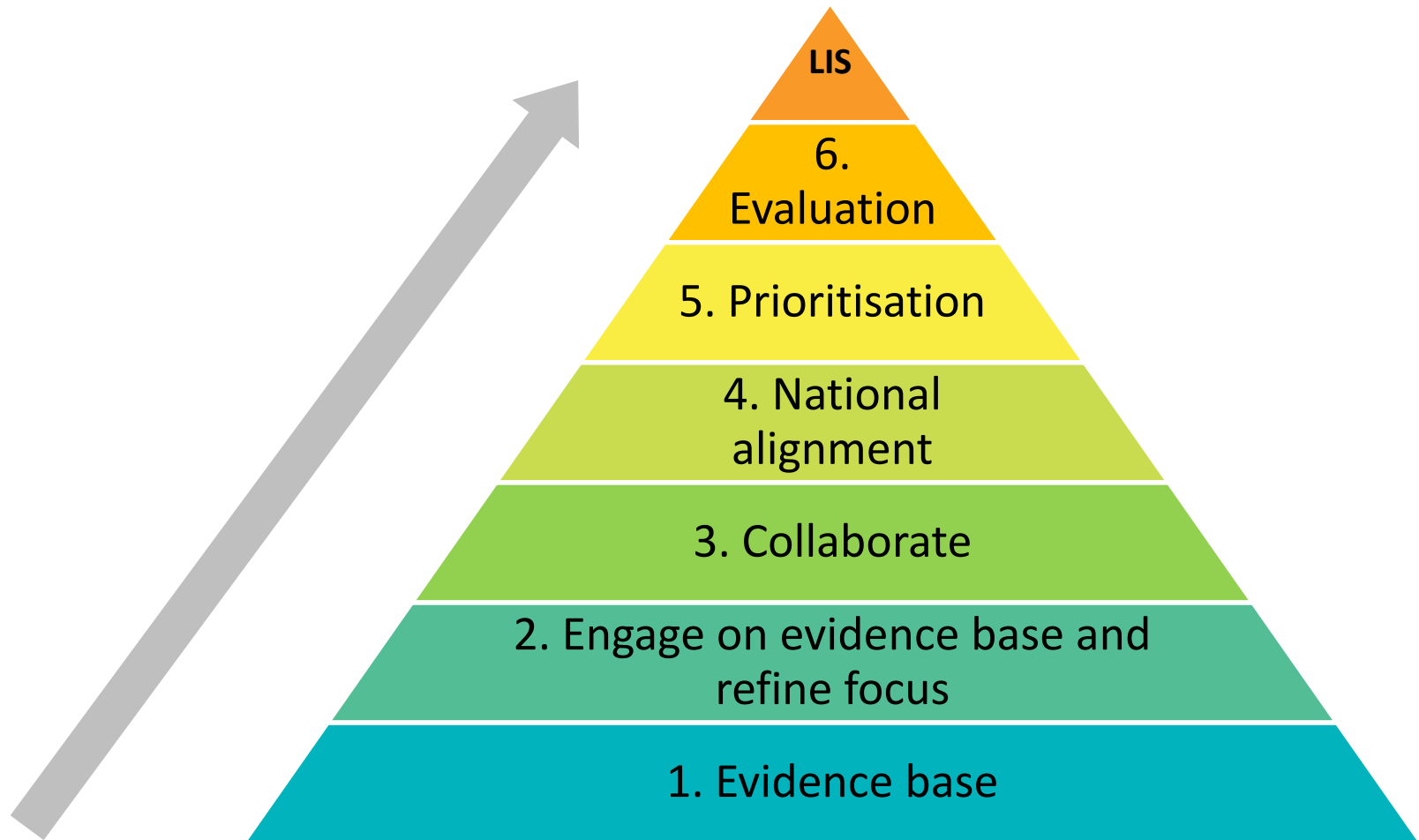
An economic plan for SELEP, including lists of potential projects

Replacement for other local economic policy or plans, but better co-ordinating and aligning them at a LEP level for greater gains

A bidding document in itself

An exclusively public sector strategy for growth

Six key steps



The wider strategic context

South East LEP

Growth Deal and
Strategic Economic Plan

March 2014

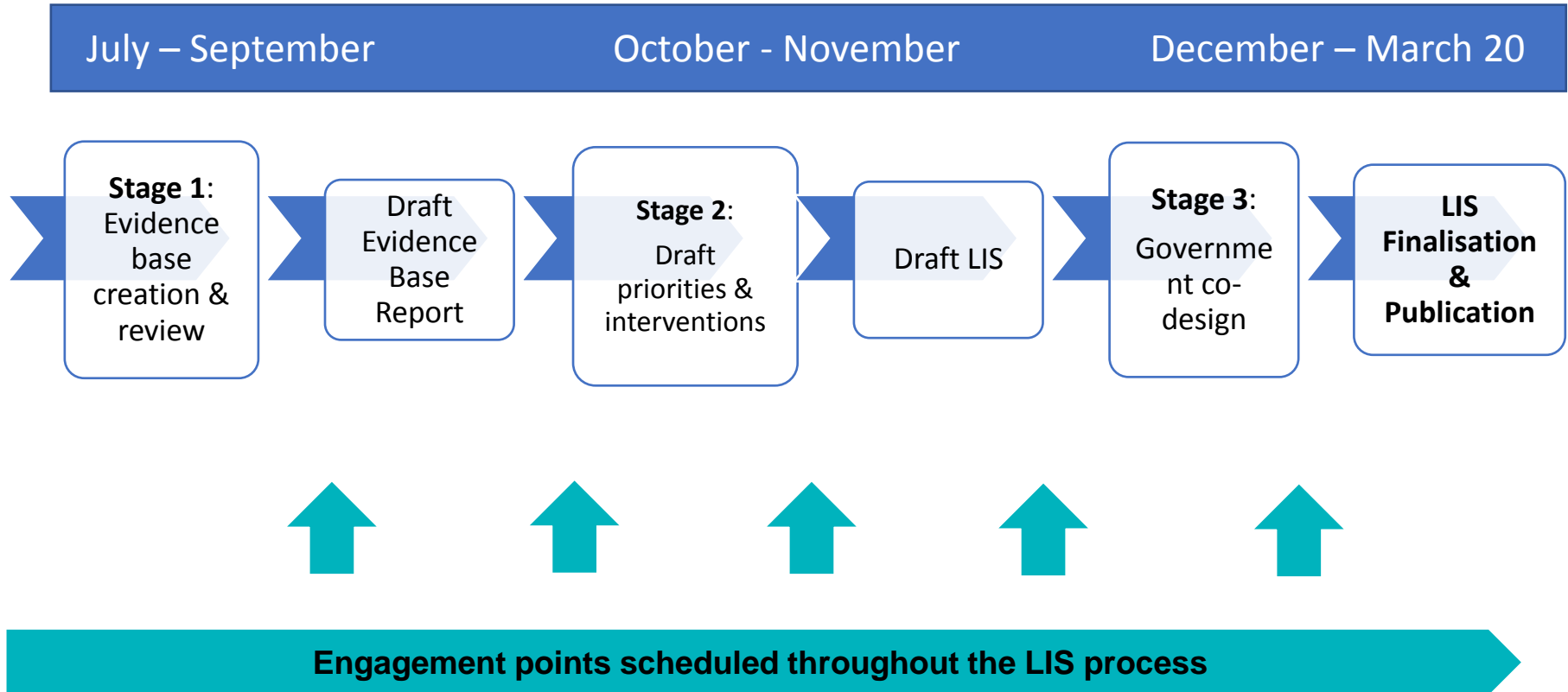
South East



The SELEP geography



Timeline and approach



Unpacking productivity

The five foundations of productivity



The link to productivity



Ideas

- Commitment to R&D
- Universities and wider innovation ecosystem
- Commercialisation of research
- Access to finance



People

- Matching skills to business needs
- Available and responsive pool of labour
- Access to industry-leading talent



Infrastructure

- Transport and physical connectivity
- Digital connectivity
- Housing and business premises



Business Env.

- Clear proposition and key sector assets
- Enterprise and risk appetite
- Clusters/growth hubs
- Access to finance



Place

- Profile and perceptions
- Housing quality and affordability
- Culture, leisure and quality of life

Grand Challenges

Anticipating future economic trends and opportunities



Future of Mobility

How can SELEP exploit opportunities presented through the Grand Challenges?



Ageing Society

Does the local economy already offer, or could credibly generate, opportunities for local experimentation and innovation?



Artificial Intelligence

Do local conditions present a strong case for national investment?

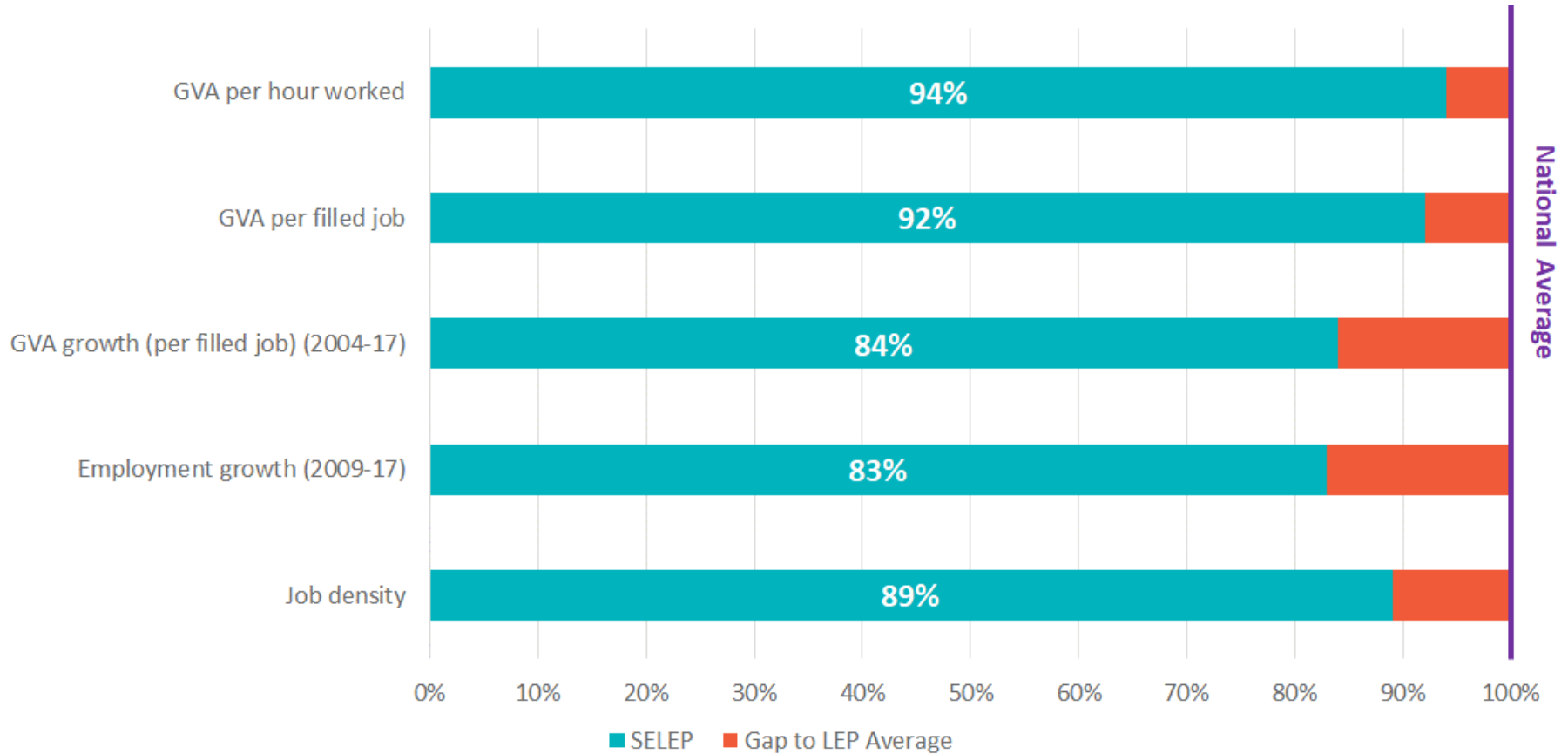


Clean Growth

The LIS evidence base

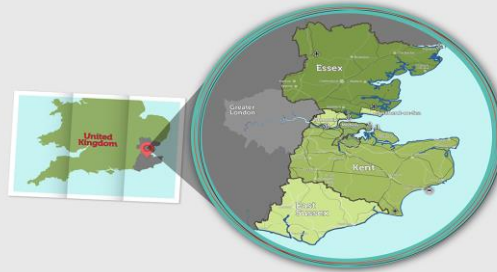
Challenges and opportunities

SELEP productivity 'scorecard'



Source: Various

Economy and Productivity Overview



Productivity Issue

- Low GVA indicators across the board, linked to SELEP's sectoral profile
- Significant geographical variation in productivity performance across SELEP

Opportunities and Potential Areas of Focus

- Particular growth opportunities within creative/digital, marine/maritime, life sciences and low carbon technology
- How can SELEP better position to respond to macro trends?
- How to spread strong GVA/productivity performance across more of SELEP area?
- Presence of particular sector concentrations and clusters across SELEP reflecting inherent economic assets, strengths and locational advantages

Ideas



Productivity Issue

- Low levels of R&D spending amongst business base
- R&D expenditure by higher education sector amongst the lowest in the country
- SELEP's share of national innovation funding substantially lower than it's share of population and business stock

Opportunities and Potential Areas of Focus

- How can more firms be encouraged to engage and invest to grow a stronger innovation culture?
- How can we make more of the existing HE / FE presence?
- How can collaboration between SELEP's HE and business base be improved to better respond to innovation funding opportunities?

People



Productivity Issue

- Low proportion of working-age population and an ageing society
- Population lacks many of the higher level skills crucial to drive productivity growth
- Significant spatial variation in resident higher level skills
- Pockets of persistent socio-economic deprivation

Opportunities and Potential Areas of Focus

- How can SELEP's coastal communities be regenerated and revitalised to attract broader demographic mix and more economically-active population?
- How can we better promote higher education opportunities associated with SELEP's substantial HE and FE offer?
- Increasing labour market participation and reducing welfare dependency

Business Environment



Productivity Issue

- Business start-up trailing behind other areas
- SELEP's business base underperforms when it comes to scaling-up
- Low business representation in most productive sector groups (e.g. ICT, finance and insurance)

Opportunities and Potential Areas of Focus

- How can SELEP's growing population be encouraged to start-up their own business?
- How can existing SELEP firms be supported to overcome barriers to scale-up and growth?
- How can SELEP attract/target high productivity sectors to locate and grow here?
- Maximising the potential of SELEP's existing innovation clusters to support and facilitate commercial spin-offs/business start-ups

Infrastructure



Productivity Issue

- Transport infrastructure suffers from congestion despite receiving major investment
- Ensuring the continued resilience of SELEP's transport networks
- Identified risks from flooding and erosion across many coastal parts of SELEP

Opportunities and Potential Areas of Focus

- The international gateway role played by SELEP underlines the case for future investment in the area's infrastructure networks, particularly post-Brexit
- How can SELEP's unique infrastructure assets be harnessed/maximised to boost productivity growth at both the local and national level?
- Opportunities for local research institutions to respond to climate change challenges through pioneering innovative resource management solutions

Place



Productivity Issue

- Dispersed nature of SELEP's geography, economic areas and assets
- Housing provision – quantity and relative affordability
- Particular challenges to growth and prosperity in coastal and rural areas

Opportunities and Potential Areas of Focus

- Opportunities for local economic distinctiveness and for different centres within SELEP to develop their own unique economic identity
- Significant opportunities to accelerate housing delivery through new settlements and urban extensions across SELEP area
- How can SELEP's rural and coastal economies more effectively harness natural capital, heritage and cultural assets to diversify its economic base?

Key productivity opportunities



Ideas

- Advance the role of EZ
- Create an innovation board/ forum
- Increase R&D spend – business & HE
- Advance digital tech (application of)
- Sector/cluster approach e.g. agri-tech & links to London/ Cambridge



People

- Develop Leadership & Management Skills in SME's
- Expand digital skills development – sectors/rural/coastal?
- Support businesses with training & apprenticeship growth



Infrastructure

- LTX
- HS1 from East Sussex
- Extension of Crossrail to Ebbsfleet
- Connectivity to Garden Communities
- Road and rail access for the major ports & airports
- Unlock potential of our ports
- Investment in green



Business Env.

- Creation of future/grow on workspace – Garden Communities, High St
- Collaboration on R&D funding & commercialization of
- Boosting high growth start and scale up enterprises – Growth Hubs, Universities



Place

- Develop sustainable garden communities, through innovative place making & as a testbed for new design & construction innovation
- Creation of a Tourism Zone (creative & cultural)
- Boosting the product innovation leaders as key sectors to place making*

Discussion Groups

Questions for discussion

- 1. Which of the productivity issues are most important to you?**
- 2. How can our economic assets, strengths and USPs be better utilised to help address these issues?**
- 3. What could potential solutions look like?**
- 4. How could the SELEP LIS be used to prioritise interventions to help deliver these?**

Final Remarks and Next Steps

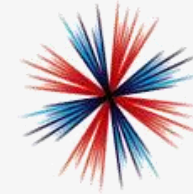
Helen Russell / Sharon Spicer
South East LEP



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Slido Question #2

What do you think should be a priority for SELEP in the LIS?

[select up to two options]

- Improving skills and workforce capabilities
- Supporting increased productivity in individual businesses and sectors
- Investment in R&D and innovation
- Improving infrastructure and connectivity
- Promoting and maximising SELEP as a national and international gateway
- Creating high quality communities, towns and high streets
- Maximising our natural assets, including coastal and rural areas
- Addressing climate change, clean growth and resilience
- Other



Next Steps

- Ongoing stakeholder engagement and discussion
- Refine and supplement the evidence base
- Developing priorities, propositions and potential interventions
- Drafting LIS strategy and co-design with government

