



Business Breakfast 20 November 2013

Feedback from Round Table Discussions

The Business Breakfast included an extended discussion session, during which delegates were asked to consider two or more of 7 discussion questions assigned to each table. The questions examined were:

Question 1: What are the challenges facing your business and the opportunities for your business (teasing out the degree to which these are 'local' and 'global')?

Question 2: What would help your business to grow in North Kent (teasing out any funding needs and specific issues that would help boost growth)? What would you like TGKP – and this Growth Plan – to give the highest priority?

Question 3: What do you see as the priorities for raising workforce skills in North Kent?

Question 4: What do you think local communities in North Kent should be looking for from local businesses?

Question 5: The draft Plan focuses on five aspects of support for business growth: access to finance; supporting entrepreneurship; links between business and higher education institutions; business advice and support; and promoting exports. Are these the most important? Are there other areas where the Partnership could add value to support business growth?

Question 6: Would a strong focus on priority industrial sectors help your business? Are there other sectors with growth potential that should be highlighted? What would you like TGKP – and this Growth Plan – to give the highest priority?

Question 7: The Plan focuses on the economic potential of some key locations – notably Ebbsfleet / Swanscombe Peninsula, the Medway Superhub and the town centres of Sittingbourne, Medway, Gravesend and Dartford – and securing the infrastructure to support growth. How do you think the Partnership can best support these priority locations?

The points made are summarised below.

Question 1: What are the challenges facing your business and the opportunities for your business (teasing out the degree to which these are 'local' and 'global')?

Under *challenges*, delegates highlighted a range of issues:

- The burden of regulation on businesses, particularly on SMEs, e.g. pensions auto-enrolment;
- The difficulties navigating sources of business support, and the number of different central government funding streams and programmes, following the demise of Business Link;
- The (lack of) speed and consistency in the planning system and associated bureaucracy. Delegates urged swifter progress by councils on adopting Local Plans, but recognised their own need to engage with councils proactively and at an early stage on planning proposals;
- Difficulties recruiting skilled personnel, and of finding school-leavers, apprentices and graduates with work-ready skills. There were associated concerns about unrealistic expectations on the part of many graduates, perhaps partly reflecting on the quality of advice and guidance available, and about the scale of youth unemployment;
- The influence of London on both the employment and property markets, including the cost of housing and the state of the construction industry;
- Delegates emphasised the importance of new development being well integrated with existing communities: there were some concerns about how major infrastructure projects would link to existing services.

Turning to *opportunities*, delegates identified some positive prospects for economic growth and development of their businesses:

- North Kent has a strong and diverse SME base, and particular strength in manufacturing (e.g. in Medway and Swale);
- Expansion at Bluewater and the proposed London Paramount development offered attractive prospects for jobs on a significant scale;
- TIGER had been a boost for new business start-ups – North Kent needed more of the same.

Some delegates expressed caution about the extent to which North Kent could set the pace, and felt that economic growth was strongly dependent upon the national economy picking up. It was felt more and stronger links could be built between public and private sectors to promote growth.

Question 2: What would help your business to grow in North Kent (teasing out any funding needs and specific issues that would help boost growth)? What would you like TGKP – and this Growth Plan – to give the highest priority?

Support for start-up businesses was perceived as crucial – i.e. fostering business creation as well as growth of existing businesses. There was a perception this needed more central Government support. It was recognised that the Department for Business promoted various schemes but, going back to the Q1 responses about the number of programmes, much needed to be done to improve signposting.

It was felt TGKP could support growth by raising the profile of specific sectors and areas, with stronger marketing of those sectors and of North Kent.

Question 3: What do you see as the priorities for raising workforce skills in North Kent?

Delegates suggested a number of approaches, as well as additional points reinforcing the importance of this as a priority for action:

- The interface between business/employers and the education system:
 - o There should be more vocational training available from a younger age (UTCs in Dartford and Medway should make a contribution here);
 - o Technological change meant that both businesses and education/training providers needed to be forward-looking;
 - o Employers often complained that young people were not work-ready: some responsibility rested with schools and colleges but employers needed to engage more proactively with schools and colleges and be more specific about what kinds of work-readiness skills were most valued;
 - o There was confusion about changes to Apprenticeships, the different levels available and the nature of the offer: there needed to be more clarity about the offer;
 - o Particularly with the raising of the participation age in full time education, young people needed good quality guidance on the full range of options and opportunities available;
 - o Employers may need some help with succession planning as they contemplate an ageing workforce. It was suggested more North Kent businesses could develop graduate programmes. There was some concern about a mismatch between HE courses of study and employment opportunities, even though evidence in North Kent pointed to a fairly substantial proportion of HE students pursuing training in priority subject areas.
 - o On the responsiveness of FE/HE provision to business requirements, it was suggested businesses needed to engage more actively and articulate what they want; and that FE/HE institutions' responsiveness to those needs should be factored into funding allocation processes. Similarly, government programmes (e.g. through Job Centre Plus) needed to be responsive to the needs of North Kent businesses in supporting jobless people to access the employment market.
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Question 4: What do you think local communities in North Kent should be looking for from local businesses?

This question explored what sort of relationships businesses had with the communities who are their neighbours, customers, employees etc. Delegates recognised that communities looked to local companies to provide real jobs with career prospects. Businesses were not always sufficiently outward-facing: they could make more effort to explain what they do, engage people where they had plans that affected others (e.g. expansion of premises), and generally raise their visibility locally.

The contact and engagement with schools was particularly important. There was perceived to be a poor understanding within schools – which also tended to be insufficiently outward looking – about the diversity of businesses and the opportunities they could offer. Work was needed on both sides to improve understanding. This could include businesses going into schools on a regular basis, getting involved in schemes such as young enterprise, expanding work experience opportunities and building these more fully into study programmes.

Question 5: The draft Plan focuses on five aspects of support for business growth: access to finance; supporting entrepreneurship; links between business and higher education institutions; business advice and support; and promoting exports. Are these the most important? Are there other areas where the Partnership could add value to support business growth?

Delegates endorsed these five areas as both relevant and important in supporting business growth. Observations on these priorities included:

- Access to finance was easing (compared to the depths of the economic downturn), but initiatives like TIGER were helpful. Nonetheless the process of preparing business plans was challenging: this was an area where many businesses could do with more help.
- Marketing of TIGER and other schemes needed to use all available media – paper-based, digital, radio etc – to get the word about.
- Agreement that North Kent businesses needed to increase exporting: awareness-raising about exporting opportunities was vital.
- Businesses should make more use of existing portals (e.g. Open 4 Business): TGKP and local authorities already signpost some but existing portals would benefit from greater profile and coherence.

Other issues identified included:

- Businesses struggled to understand and navigate the complexity of the planning system and processes. It was recognised that Government was trying to streamline the planning policy framework, and that this was primarily local authorities' remit. It was suggested there might be value in reviewing information and guidance geared to a business audience.
 - Businesses found public sector procurement processes cumbersome, and SMEs found it hard to compete for local authority (and other) contracts. Delegates suggested that, subject to competition rules, authorities should have policies and practices that gave some degree of preference to local companies. There could also be some sharing of best practice between local authorities (in North Kent and drawing lessons from elsewhere) to enable SMEs to bid into procurement of public sector contracts for goods and services.
 - In a similar vein, delegates suggested that as construction picked up momentum in North Kent, firms should be giving some priority to locally-based labour, subject to meeting requirements for skills.
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Question 6: Would a strong focus on priority industrial sectors help your business? Are there other sectors with growth potential that should be highlighted? What would you like TGKP – and this Growth Plan – to give the highest priority?

Delegates broadly supported the value in promoting key sectors that had significant growth potential, though the point was also made that economic activity and growth was to be welcomed regardless of the sector in which it comes. Promoting higher value sectors – and the higher value / skilled jobs that go with them – was commendable in its own right, but delegates suggested that we should not dismiss the value of skilled trades

(which were statistically over-represented in North Kent compared with national and regional averages): these too needed to be nurtured because our economy needed them, particularly to replace an ageing workforce in skilled manufacturing jobs.

It was observed that the Paramount development, if it went ahead, would generate significant jobs during the construction phase as well as afterwards in operation, and that local authorities and other partners could perhaps play an important role in helping to ensure North Kent companies and residents were able to compete effectively for jobs and contracts.

Question 7: The Plan focuses on the economic potential of some key locations – notably Ebbsfleet / Swanscombe Peninsula, the Medway Superhub and the town centres of Sittingbourne, Medway, Gravesend and Dartford – and securing the infrastructure to support growth. How do you think the Partnership can best support these priority locations?

Once again, the potential of the Paramount / Swanscombe Peninsula development figured large in the discussions, highlighting both challenges and opportunities where TGKP might play a role:

- Clearly if it went ahead, the Paramount resort would be a major boost to the visitor economy in North Kent and it would be useful to see how TGKP could work with other organisations and stakeholders to promote the tourism and leisure offer in North Kent;
- Development at Swanscombe Peninsula would potentially boost the attractions of Ebbsfleet as a business location, but it remained to be seen what shape that would take. At this stage there was simply a consensus view that earlier aspirations for Ebbsfleet as a major financial district were unlikely to be pursued.
- It was observed that if the Paramount Resort offered potential for up to 27,000 direct and indirect jobs, this would far exceed the jobless cohort in North Kent. Inevitably, across the range of skills and disciplines required, the resort would draw in labour from further afield in Essex, Kent and London. But it would be important that work was done by councils and other agencies to enable North Kent residents to compete for jobs as they come on stream.
- Development at Swanscombe Peninsula and Ebbsfleet would add strain to local infrastructure, particularly transport systems. It would be important for TGKP to continue lobbying hard with central Government and the South East LEP to prioritise investment in infrastructure, for instance the A2 junctions at Ebbsfleet and Bean.

Turning to other ways TGKP could support priority locations, delegates made the following suggestions:

- TGKP could help in marketing the potential of Ebbsfleet and raising the profile of North Kent generally;
- Similarly, there were several sites on the Isle of Sheppey that were an important part of the Medway Superhub offer: it would be good for TGKP to help raise their profile.
- Some delegates referred to the Government's consultation on options for location of a Lower Thames Crossing and expressed a preference for Option C. TGKP's own response had been neutral between options A and C but had urged Government to rule out option B.
- Delegates drew attention to the uneven quality of broadband coverage in North Kent: this was an essential ingredient of business infrastructure and TGKP could potentially do more lobbying for rapid roll-out of improvements in under-served localities.
- It was suggested that for businesses and the economy to grow, local authorities might need to review Green Belt boundaries.

TGKP undertook to take account of this feedback, alongside other consultation responses, in finalising its new Growth Plan.