



SCRUTINY: FINANCE REVIEW GROUP		AGENDA ITEM
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DATE OF MEETING:	13 th December 2012	
REPORT AUTHOR:	Head of Business and Consumer Services	
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SUBJECT:	Delivering Business Growth	

PURPOSE

1. The purpose of the report is to give Members an overview of activity being undertaken to support business growth in the town.

RECOMMENDATIONS

2. **Finance Review Group are asked to give any views on further actions to be investigated to drive business growth in Luton.**

REPORT

3. The Economic Development Service uses the following Economic Priority Statement to drive the economic growth agenda for the town. These priorities were developed following the preparation of a Local Economic Assessment in 2010.

4 key priorities for activity have been identified:

- Improving Luton's skill base;
- Reducing levels of worklessness;
- Focusing business support activities (start-up, growth and inward investment) around key sectors and clusters identified as: Airport related; Engineering (including automotive); Aerospace; ICT; Creative Arts and Media; Retail; Construction; Green technology; and medical/health/sport related;
- Creating the right environment for businesses to thrive.

5. A number of core elements of our approach will be:

- Partnership - Strong partnership working including as part of the Local Enterprise Partnership;
- Additionality - Making any funding that is coming in to the town work harder by delivering added value;

- Focus - Selecting a smaller number of key areas and ensuring a shared alignment of priorities;
- Evidence based - There will need to be a clear link between the evidence base and activities to be undertaken. The evidence base will need to be maintained.

6. Key activity areas

6.1 Improving Luton's Skills Base:

- i) Development of a Skills Statement for Luton to guide the commissioning strategies of the Skills Funding Agency, National Apprenticeship Scheme and YPLA and the delivery of local providers;
- ii) Development of a Luton providers network;
- iii) Ensuring that providers, including schools, are aware of future needs of Luton's economy;
- iv) One-stop shop for impartial information, advice and guidance;
- v) Ensuring that local providers are meeting the needs of local business with a particular focus on the needs of the identified clusters and sectors.

6.2 Reducing Levels of Worklessness:

- i) Working with JC+ and local delivery partners to ensure that programmes and activities are meeting needs;
- ii) Maximising the opportunities of ESF to support the worklessness agenda;
- iii) Developing new Intermediate Labour Market projects and initiatives.

6.3 Cluster and Sector Focus:

- i) Inward investment activity targeted at key sectors and clusters.
- ii) Sector and cluster networking;
- iii) Working with key partners to develop and deliver programmes which are focused on the needs of key clusters and sectors;
- iv) Linking activity at the Innovation Centre and Business Base with other start-up facilities – Chamber, Hat Factory, Marsh Farm, Portland Court, Alma Street;
- v) Developing stronger links with business intermediaries so that they can make businesses aware of the support that is available;
- vi) Ensuring that businesses are aware of the opportunities available through the University Sector and Further education sector to support businesses to support innovation;

6.4 Creating the right environment for business to thrive:

- i) Securing funding for and delivery Junction 10 A;
- ii) Delivery of new employment space at Napier Park, Butterfield and Century Park;
- iii) Delivery of town centre regeneration programme including Station Quarter to change the image and perception of the town.

7. Clearly, priorities relating to skills and unemployment will contribute to the Council's agenda of ensuring that local people have the maximum opportunities to access jobs and all the wider economic and social benefits this can bring. A recent Skills and Employability summit has been used to progress this agenda working with partners such as Job Centre Plus.

8. The Council has always supported business growth through the Economic Development Service but now there are financial benefits if new business rate growth can be generated in the town. To support collaborative work on this an officer group has been established. This includes Revenues and Benefits, Economic Development, Planning and Finance.
9. This group is currently working on a number of initiatives:
 - Developing a business rate model so that the Council can forecast potential business rate income based on losses of commercial property and new build;
 - The development of a single business database for Luton;
 - Further analysis of empty property business rate information to consider where there are any issues that the Council can address;
 - Planned inward investment activity targeted at clusters and sectors which have a strong association with Luton;
 - Developing better working relations with the Valuation Office so that new premises and conversions can be added into the business rates base and information on ratings is shared;
 - Monitoring the progress of major development schemes through the planning process.
10. Further information can be provided on these at the meeting.
11. It should be noted that currently businesses pay business rates even if the property is vacant.

Other opportunities

12. At the present time the Council does not offer any financial incentives to get businesses to relocate or to grow in Luton. Officers are currently developing some options around this and an update will be made at the meeting.
13. Members may have other ideas which they would like officers to investigate.