

London Anglia Local Enterprise Partnership



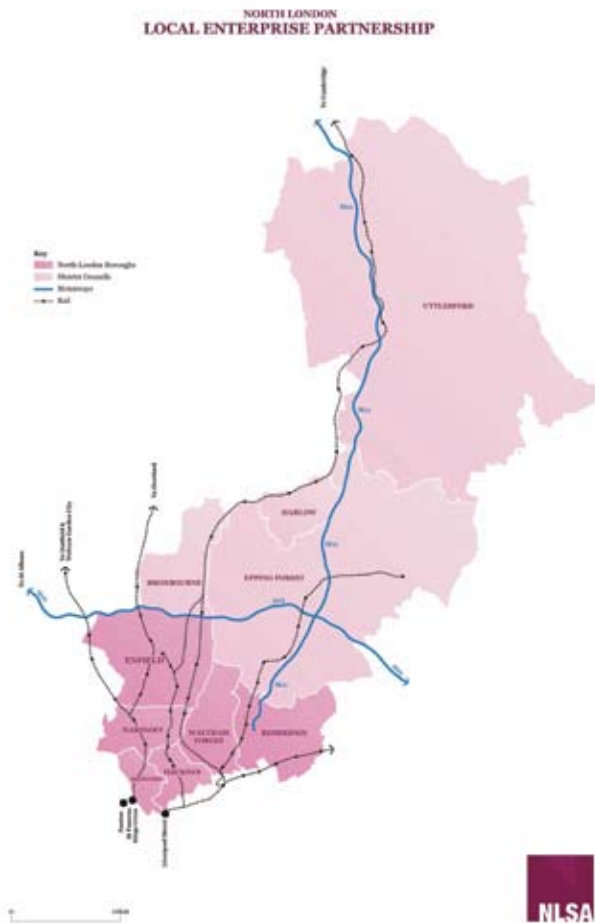
North London Strategic Alliance



Introduction

North London Business working jointly with North London Strategic Alliance is proposing a local enterprise partnership that is focussed on the Lee Valley/M11 Corridor.

This comprises the London boroughs of Enfield, Hackney, Haringey, Islington, Redbridge and Waltham Forest together with the districts of Broxbourne, Epping Forest, Harlow and Uttlesford. We believe this is a clear functional economic area based on travel to work, travel to study and business relocation patterns. The LEP will extend from the Olympic Park, and the emerging cluster around Shoreditch and Old Street north to Stansted Airport and the fringes of Cambridge.



This area has a population of 1.5 million and an economy larger than Birmingham's but it is also an area of enormous contrasts with some of the London's (and therefore England's) most deprived areas which over the past 10 years (i.e. before the period of the current recession) have been falling behind the rest of the Capital.

Both businesses and local authorities are committed to make this enterprise partnership work

and, with the HE and FE institutions ensure it has the ambition and 'clout' to make this a real and vital contributor to the national drive to grow our way out of the recession.

The LEP will be a business-led partnership of the private, public and community sectors which will facilitate the creation of a strong and vibrant economic corridor linking the innovation and research centres in London and Cambridge with the industrial, employment and growth sites of north-east London, west Essex and eastern Hertfordshire to stimulate enterprise, raise skills and get people into sustainable jobs.

The LEP will:

- ❑ Be a driver for growth that will facilitate the creation of over 25,000 new jobs and construction of 15,000 new homes by 2025;
- ❑ Ensure the most efficient use of the natural resources of the area to make the area into a place where people and business can invest and grow;
- ❑ Lobby for improved levels of inward investment, especially in transport and social infrastructure;
- ❑ Support innovation and facilitate knowledge transfer and business support to improve productivity levels and sustainability;
- ❑ Facilitate raising skills levels and develop stronger links to employers get more people, especially young people, into work through apprenticeships and work other based training;
- ❑ Support the diversification of the economy of the area, focussing on high growth business and sectors, such as food, logistics, leisure, IT and especially supporting the growth of a low carbon economy.

The partnership is aware of proposals emerging from along the western boundary based on the A5/ North Circular Road and will work closely with its neighbours to support this initiative. Similarly, the Lee Valley/M11 LEP will work with partners in the Thames Gateway, central London, Hertfordshire, Essex and Cambridge where this will support the aims and objectives of the Lee Valley/M11 Corridor.

This proposal acknowledges the special circumstances of London and is very clear that, while we think it is vital to have a series of sub-regional LEPs in London that are based on the major communication corridors, there has to be a regional layer which acts on behalf of the whole of London. This has to be the GLA family and we

regard the proposed reform of the LDA/GLA as a very helpful development and process through which we can agree the optimal spatial level for intervention that will support the growth of the private sector, lowering levels of worklessness and improving the economic linkages between inner and outer London and beyond this to the greater south-east through to Cambridge. In this way we believe the Lee Valley/M11 LEP is a positive response to the white paper “Local growth: realising every place’s potential” and the objectives of the Mayor’s Outer London Commission.

The Lee Valley/M11 LEP is based on existing partnership working of the NLSA, North London Business, the ‘Cross Border Group’¹ and the West Anglia Routes Group². However, we agree with the coalition government that growth in private enterprise is the way out of this recession but that to be truly effective this has to be a true partnership between the public and private sectors and between the boroughs and the GLA.

LEPs will be the new ‘national standard’ and for the Lee Valley/M11 to have the profile and effectiveness that will be taken seriously by large private sector companies it needs to have the same status that will be accorded to partnerships outside the Capital. Similarly, businesses need to know that, when they work with boroughs and districts in the corridor, they are working with the partnership that matters, which is acting with the support of the Mayor.

Added Value of the Lee Valley/M11 Corridor LEP

In proposing this LEP partners are mindful that the last thing needed is more bureaucracy which would create further layers and confusion to business looking for levels of certainty that will give them confidence to invest and grow their businesses.

This LEP will be the catalyst for the reform and simplification of existing structures within public sector planning and regeneration functions and streamlining business support and representation within the private sector.

The partnership will achieve this by bringing together regional and local government with higher and further education into a partnership which is led by the private sector.

This sub-regional LEP will work closely with the GLA/regional LEP but its importance and effectiveness comes from the fact that it will be built

¹The ‘Cross Border Group’ comprises: Enfield, Broxbourne, Epping Forest, Lee Valley Regional Park Authority and the Corporation of London which meets to discuss transport and planning issues across the M25

on a public and private sector partnership which understands the needs of people and businesses based outside central London, which can join up supply chains which extend from inner London out to the Greater South-East economy and which will be a vital part of the delivery mechanism needed to support a dynamic economy to grow and provide new jobs.

Conformity to London Plan, EDS and Transport Strategy

The Lee Valley/M11 Corridor LEP would work to deliver major elements of the London Plan and the EDS. North London:

- ❑ Contains the Upper Lee Valley, London’s largest Opportunity Area;
- ❑ Contains a major Regeneration Area, the Lee Valley corridor;
- ❑ Is the London element of the interregional London-Stansed-Cambridge Peterborough corridor;
- ❑ Borders the Olympic Park and includes Olympic Host Boroughs Waltham Forest and Hackney
- ❑ Contains the emerging Enterprise Zone in Old Street, Hoxton and Shoreditch.

North London’s LEP is consistent with the objectives and approach of the Mayor of London’s Outer London Commission. The functions of the LEP have been drawn up with reference not only to the EDS objectives, but also the draft LDA Investment Strategy 2011/12 which gives the best indication of the future approach to the GLA’s delivery of regeneration services.

North London’s transport objectives are also consistent with the Mayor’s Transport Strategy and emerging North London Sub Regional Transport Plan which NLSA/NLB have been closely involved in the development of.

²West Anglia Routes Group comprises boroughs, districts and counties from Newham/City of London to Cambridge who work together to lobby for improvements to the West Anglia/Cambridge rail network

Upper Lee Valley: A focus for investment

With an area of 3,000 hectares the ULV is London's largest Opportunity Areas identified in the London Plan. It runs into and is spatially connected to the Lower Lea Valley, identified as a priority in the Draft Replacement London Plan during the period of delivery of the 2012 Olympics. It is projected to deliver up to 10,500 new homes and 15,000 new jobs.

NLSA has developed a shared vision for the Upper Lee Valley, setting out an agreed long term future based on housing and employment growth, using the physical assets of the valley. This is being used by the GLA group to inform the Upper Lee Valley Opportunity Area Planning Frameworks.

Added value of a Lee Valley/M11 Corridor LEP

North London has successful sub regional arrangements that the Lee Valley/M11 Corridor LEP will consolidate.

- ❑ North London Strategic Alliance: A tight political partnership of boroughs, with FE, HE and third sector representation;
- ❑ North London Business: The area's investor development agency representing a strong network of some 12,000 private sector companies.

The closer partnership of private sector and political leadership will tackle barriers to business growth, facilitate private sector success and develop shared strategies for the local economy.

Pan-London agencies have not been as successful in delivering support in North London as they have in other areas. This is partly due to the demographics of the local business community, the high proportion of ethnically owned businesses and the difficulty for central/pan London agencies to proactively engage with and understand local businesses.

Think London's own commissioned research revealed North London being passed by in terms of London's foreign direct investment. However, the same study revealed future opportunities where foreign owned businesses would locate. North London's offer is very different to the rest of London

(negligible financial/professional services etc) and as a result needs to be positioned carefully not just to serve the area but in addition to help London maintain its economic and industrial balance.

The underperformance of Business Links in terms of active out-reach and engagement is also well understood. With the focus on growth industries local knowledge will be increasingly important.

The cross-regional LEP would deliver much needed services, working in close partnership with regional Government, ensuring added, complementary and tailored value not duplication.

In addition, because it is cross-regional, this partnership will continue inter-regional work to maintain a strong, connected regional economy that is not limited by administrative boundaries.

The support for this LEP initiative from business is apparent from the extensive list of businesses willing to lend their name to the LEP.

Functions of the Lee Valley/M11 Corridor LEP

1. **Attracting investment.** North London needs to improve its profile as a good business location and investment opportunity developing a strong offer responsive to the needs of business and the investment community. While UKTI and pan-London agencies lead on attracting international investors the sub-regional LEP will focus on referrals and account managing detailed case work as well as helping indigenous investors with appropriate offers of space.

The LEP will also will make the strategic case for specific sector clusters in the Lee Valley/M11 Corridor³, with a focused approach to potential investors. It will also intervene in the local planning processes to ensure the economic case for development is heard. The LEP would work to renew and bring into active use the area's underutilised office space leading on assisting major mixed schemes.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Assisted over 12,000 businesses to locate in the area creating over 3,600 jobs;

³Key clusters are: food production and distribution, print, pharmaceutical, logistics, advanced manufacturing, resource processing, leisure, cultural, and information technology,

- ❑ Added almost £80m into the local economy;
- ❑ Created a business network of over 15,000 businesses;
- ❑ Created a pipeline of over 30,000 jobs forward to 2030;
- ❑ Positioned north London as a business friendly area creating strategic business boards/forums in our boroughs.

2. **Promote Growth.** Large mixed-use schemes will not only provide much needed housing but also provide significant numbers of jobs. For example, Blackhorse Lane in Waltham Forest will provide over 2,000 homes and 500 new jobs, Tottenham Hale will be the location for 800 new jobs and 5,000 homes, the new Spurs stadium 800 new jobs and 300 homes and the development at Meridian Water (Central Leaside) will generate 1,500 jobs and up to 5,000 new homes. The LEP will continue to support mixed used development, promoting the area and providing advice to investors and planning authorities.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Assisted major regeneration schemes in the area that have generated over £5bn of investment;
- ❑ Promoted private sector investment via privately funded conferences, promotional visits and web-based information;
- ❑ Assisted in the development of numerous master plans, support on economic appraisals and expert design information;
- ❑ Attended and provided evidence to numerous planning committees and provide cross-boundary co-ordination around planning and investment;
- ❑ Helped secure major investment such as the successor Growth Area Funding (we note the 20th October letter from Housing Minister stating that Regional Growth Fund will have a role in supporting housing growth);
- ❑ Support a coordinated approach around Devolved Delivery Agreements.

3. **Enterprise and innovation.** As well as being the location for multinationals such as Coca Cola, McDonalds, Aesica and Bombardier Transportation, the vast majority of businesses in north London are SME and micro businesses. Many of these SMEs are closely connected to specific ethnic communities.

The LEP will integrate local provision to provide pro-support to start-ups and existing businesses, including access to finance and new markets, skills, premises and other business support, as well as possible a business mentoring schemes. This will include the level of outreach and responsiveness to local needs that pan-London provision is unable to provide. It will also continue to develop and promote ERDF and other bids.

It will develop a strong relationship with further and higher education to support knowledge transfer and promote innovation. North London has good transport links to London's world class universities and land/office availability to support business incubation.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Provided geographically based networks to support local business, for example around town centres;
- ❑ Provided sector based networks to promote access to new markets and business support, for example around food, hospitality and business services;
- ❑ Work with the third sector, including possibilities for social enterprise;
- ❑ Lobbied successfully for a reduction in the Crossrail Business Levy, as well as more devolved delivery for skills and business support.

4. **Transition to a low carbon economy.** The £3.7bn contract for waste handling in north London is a unique opportunity to develop a stronger economy based on resource recovery and use this to power a decentralised heat network which, in turn, will be a major opportunity for businesses with high energy needs. The Lee Valley/M11 Corridor LEP will be uniquely placed to add value to GLA initiatives by bring landowners, commercial and not for profit businesses together, encouraging further investment and growth in this key sector. In addition, the LEP will support stronger links with HE to support innovation and knowledge transfer to make businesses in the sub-region less demanding on natural resources and lower their production of greenhouse gas.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Attracted external funding to investigate the potential for energy distribution networks;

- ❑ Worked with the North London Waste Authority on the regeneration potential of its investment;
 - ❑ Rolling out Islington's Climate Change Partnership which already includes over 200 member organisations;
 - ❑ Make the case for the Green Enterprise District to extend further up the Lee Valley.
5. **Making and moving.** The LEP provides a strong interregional lobby strongly for improvements to the West Anglia Line, Thameslink and North London Line, together with better strategic road routes, for example junction interchanges on the M11 and M25. This will be central to a strategy which builds on current strengths of freight, logistics and manufacturing as well as emerging sectors, particularly those associated with resource recovery and the transition to a low carbon economy. These services will be vital to support a growing city.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Secured major investment in our rail and strategic road network and continued to make the case for Crossrail to be implemented across the planned route;
- ❑ Continued to make the strategic case for sub-regional transport investment;
- ❑ In London's second largest industrial area supported a business led freight quality partnerships.

The LEP will provide close working with businesses in Hertfordshire which have also a strong basis in freight, logistics and manufacturing e.g. News International.

6. **Supporting people.** As a business-led partnership the Lee Valley/M11 Corridor LEP will ensure close links between businesses and the new Work Programme. The LEP will build on the success of the Apprenticeship Company which has been formed by the College of Haringey, Enfield and North East London to create more private sector opportunities for young people in the area, specifically in SMEs. It will also build on the work done by boroughs and groups of boroughs in tackling worklessness, for example North London Pledge. We would wish to promote greater links including between business leaders with schools and Colleges.

The LEP will build on and extend the achievements of the NLB/NLSA partnership to date:

- ❑ Attracted ERDF and LDA funded work programs to raise skill levels across the area and put people into work;

- ❑ Co-ordinated and managed these programmes to ensure maximum value;
- ❑ Provided networks between the private and education sectors;
- ❑ Forging stronger links with the London Skills and Employment Board (Chaired by the Mayor of London), the Skills Funding Agency and the Young People's Learning Agency;
- ❑ Engage with the prime contractors delivering the Work Programme.

We note this approach is consistent with the Mayor's view that boroughs will play an enhanced role in skills and employment (GLA Proposals for Devolution, June 2010).

Evidence Base

Business creation

The sub region has 14% of London's population but only 8% of the jobs. This gap is set to widen with population growth projected to increase by 160,000- equivalent to a city the size of Peterborough while jobs are expected to grow by 5%, half the London average of 12%.

North London is entrepreneurial, while lagging behind the rest of London, the rate of new business start up is greater, at 14.3%, than the national average of 11.7%. However the survival rate at 24 months is the lowest in London. North London businesses also close at a much faster rate than the rest of the country. Business density per head of population is accordingly the lowest in London.

Inward investment

North London assists London's position as a global city by providing space for businesses that service London's population with goods and services. Traditionally the area has fared well with inward investment coming direct rather than through central London agencies. North London Business has supported most of the area's major inward investment successes, e.g. Greenstar (Eire) was supported directly creating 200 jobs providing London with a major materials recycling centre.

Property investors have been successfully attracted and supported helping bring jobs and infrastructure improvements to the area. North London's property portal has proved to be an effective tool in a part of London where small business units are not marketed by central London agents, this market

failure has been overcome locally by connecting investors with small local agents.

Skills and Worklessness

There is significant polarisation of skills in North London with 41.2% of the population with level 4 or above (compared to 38.6% for London), while 17.4% of the population has a level 1 or below (compared to 12% for London).

Despite the large working age population in North London, the employment rate is lower at 62.3% than in London 69.2% and England 73.4%. Alongside a low employment rate is the high number of people claiming out of work benefits 18.1% compared to 13.7% for London and 13.2% nationally. There is a strong spatial concentration of deprivation along the Upper Lee Valley, with some wards showing the highest number of JSA claimants in London.

Related to worklessness is high incidence of deprivation with 38.9% of children living in families in receipt of out of work benefits compared to 27.6% in London and 19.2% in England.

Public sector employment

The public sector provides 29% (279,800) of employment in North London compared to a national figure of 21%.

Public Sector Jobs (including Herts and Essex districts)

	% Public Sector Jobs	Number of Jobs
Haringey	29%	18,000
Hackney	25%	23,500
Harlow	24%	10,000
Enfield	31%	29,000
Epping Forest	20%	8,600
Waltham Forest	32%	17,900
Redbridge	34%	23,700
Islington	20%	37,600
Broxbourne	14%	4,700

ONS, 2008

Governance & Efficiency

The LEP will be business led overseen by an independent Board largely made up of business leaders representing the whole area. This reflects the current business lead board of NLB. The LEP will also have Local Authority politicians, GLA, education and voluntary sector representation. There will be a private sector Chair.

The Lee Valley/M11 Corridor LEP builds on the solid foundations of North London Business (NLB) and the North London Strategic Alliance (NLSA), who will be working increasingly closely together. They respectively have boards composed of leading business people and borough Lead members.

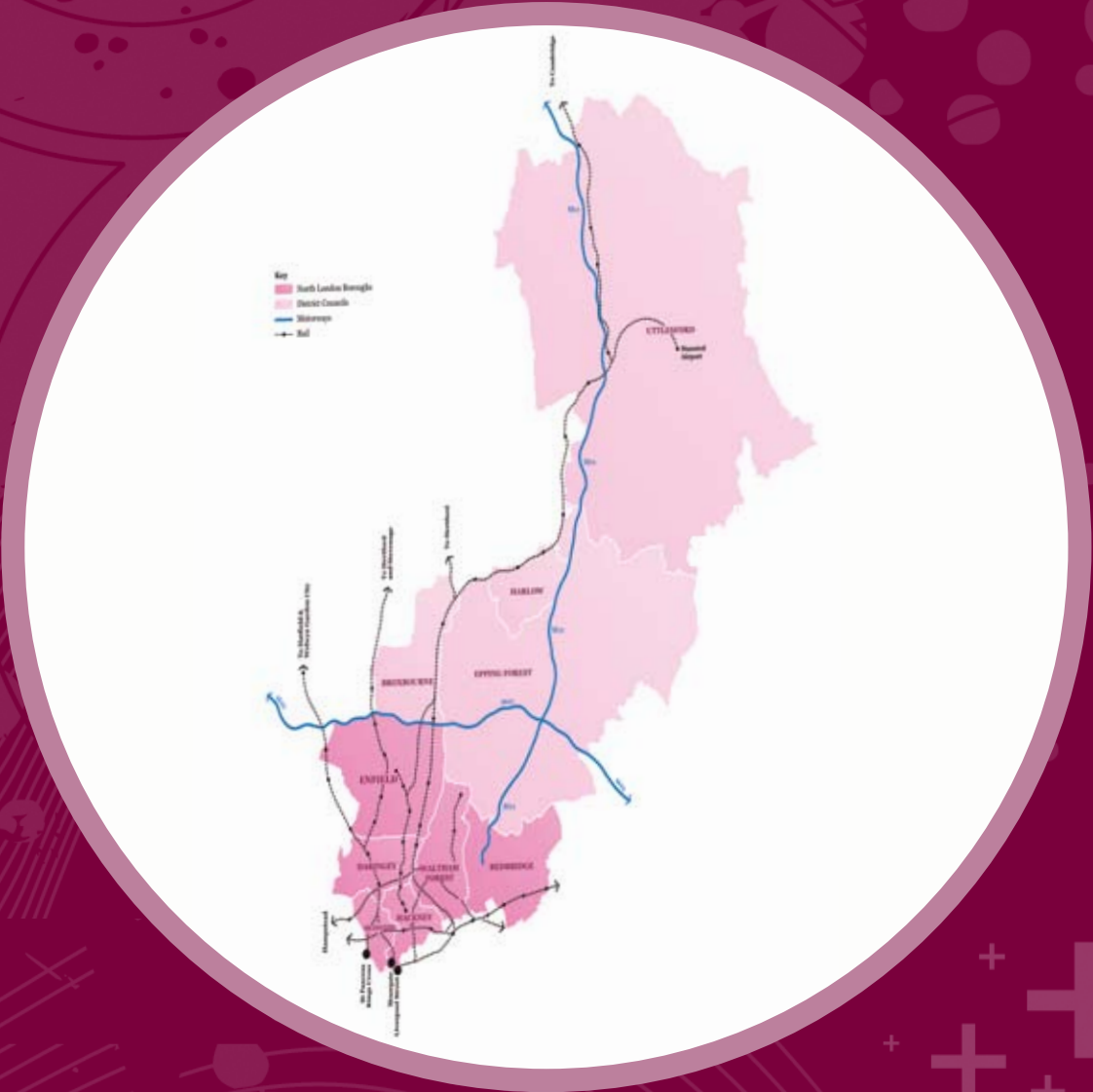
There will be a major focus on delivering efficiency savings for public sector investment. The LEP will rigorously monitor activity to ensure a strong focus on value for money and investment in real results. The LEP will draw together what is already happening and simplify the delivery architecture where possible.

The organisation will have three specific delivery sub-committees:

The Finance and Enterprise Committee. One of the underlying problems of North London is that it has a low profile amongst the financing community. The Finance Sector Board will consist of the Area Directors of major banks together with some principal property financiers/funds from Central London and its remit will be to lead on innovative ways that promote the area as a haven for investment and support enterprise and growth in the sub-region.

The Investment Committee. This will consist of key property investors from across the area and Local Authority Directors responsible for economic development or its planning/place shaping part. The objective of this Board will be to ensure that the area is well placed for future investment.

Skills and Employment Committee. This will be made up of business leaders, education and training providers and local authorities. It will focus on ensuring business has access to a trained workforce and local communities have links and skills to access employment.



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