

## **STOCKTON ENTERPRISE STRATEGY 2010 – 2015**

### **EXECUTIVE SUMMARY**

#### **Introduction**

Stockton-on-Tees is a diverse Borough located at the heart of the Tees Valley Sub-Region. The Borough has a population of 190,000 people with the River Tees at the heart of a mixture of urban centres, market towns and villages. With petrochemicals, energy and industrial biotechnology plants of a world scale, the University of Durham and Wolfson Research Institute within the Borough, the Wilton Centre for process industries research and innovation and Teesside University, including the Institute of Digital Innovation, nearby, Stockton-on-Tees is a place with an exciting future.

Over the last 30 years employment in the Borough has declined in traditional industries such as manufacturing and engineering. In 1991 24,100 people were employed in manufacturing, in 2008 that figure was 9,600, a 60% decline. This compares to a 52% increase in service sector jobs from 40,900 in 1991 to 62,300 in 2008 . The latest figures for 2009 are 9,400 jobs in manufacturing and 61,100 in services, however due to changes in the survey methodology these figures can not be compared to those for earlier years. The traditional industrial sectors remain important sub regionally and locally and are essential to the development of business opportunities for investment and transition into new low carbon industries, but the historic reliance on a number of large employers has left a legacy of a low business start up rate.

#### **Why do we need an enterprise strategy?**

We are taking a holistic approach to regeneration involving people, place and business. By bringing a greater focus on enterprise the benefits from regeneration will be tangible, long term and maximised for the Borough as a whole. We need an enterprise strategy for the Borough that will help change attitudes and the underlying behaviour and culture. It will help shape and underpin the physical regeneration proposals and ensure that the opportunities from that regeneration are embedded in the local community.

Stockton needs to be a competitive place, one in which businesses and people can succeed and grow, that contributes to a competitive Tees Valley. Strengthening the local economy will enable more people to find employment and become self-employed, which will improve people's wellbeing and the quality of life for all communities. Putting a competitive enterprise infrastructure in place is essential to achieving that.

The Enterprise Strategy sets out a vision for a prosperous local economy that is dynamic, inclusive and sustainable. It identifies the key areas for intervention to address some of the core barriers to enterprise growth and provides a framework against which future funds can be deployed to transform the Borough for businesses, communities and people.

The focus of the strategy is to develop new and enable the growth and sustainability of existing small and medium sized enterprises (SMEs). It addresses all aspects of enterprise from the promotion and development of a positive culture of enterprise, encouraging enterprise potential within individuals and groups, the conversion of that potential in to action to start a business, through to the realisation of the opportunities for growth and investment.

## Vision and Aims

*By 2015 the performance of Stockton exceeds that of the region and closes the enterprise gap with the UK in general.*

The aim is to increase wealth, income and employment opportunities for Stockton by:

- Embedding a culture of enterprise and entrepreneurship
- Capitalising on the opportunities for business growth
- Alleviating barriers to business growth
- Linking residents to economic opportunities in the city region

In future, what will the Stockton look like to businesses and would-be entrepreneurs?

- Starting in business will be a respected and common choice for all, especially young people
- More people will want to start in business; more people will try it out and more will succeed
- Being in business will become a recognised route out of low income and away from dependency on benefits
- No one who wants to start in business will find it a challenge to get hold of good quality information or support
- Stockton will be a place in which doing and succeeding in business is made easier by the local authorities and agencies, not more difficult
- Stockton will be a place in which businesses want to invest, grow and expand
- Business support services will provide support relevant to business needs
- A range of premises will be available that meet business needs in accessible locations.

## Strategic Context

We recognise that enterprise and the local economy is not constrained by administrative boundaries but works within a much wider economic and policy framework at an international, national, regional and sub-regional level. We therefore must recognise the implications of and seek to reflect those influences within our strategy for the local area. This includes the recently published White Paper on Local Growth and the establishment of the Tees Valley Local Enterprise Partnership. This Enterprise Strategy will contribute to achieving the priorities and outcomes in the Tees Valley Statement of Ambition 2010. This sets out the vision for the economy in the Tees Valley for the next 15 years and has two key ambitions which are: -

- to drive the transition from a high value, high carbon economy to a high value, low carbon economy, focused on renewable energy, new technologies, biological feedstocks and the reduction of the carbon footprint of our existing industries.
- to create the conditions for a more diverse and inclusive economy that builds on our strengths and allows all our people to realise their potential.

## Local Economic Context

Whilst the recession has delayed some regeneration projects in Stockton, many are still being delivered and represent significant opportunities for employment, enterprise and business growth.

- Already a premier business location in the Tees Valley, North Shore, Southern Gateway and Bowesfield Riverside are providing further key sites on which high quality development will come forward.

- The development of the Riverside is being planned for through the proposals such as the Green Blue Heart as part of the Stockton Middlesbrough Initiative.
- Wynyard Business Park is offers a range of accommodation and facilities for businesses, and further investment is planned.
- The Council is pursuing major redevelopment proposals for Stockton and Billingham and the redevelopment of Thornaby Town centre is complete.
- Improvements are to be made to the trunk roads, including the A19, A66 and A689, that will improve traffic flows and access to key business locations.
- An initial investment of £35 million is being made towards the creation of the Tees Valley Metro and a further £60 million is to be invested in the Tees Valley Major Bus.
- Major housing regeneration schemes are already underway at Mandale and Hardwick where in the region of £200 million is being invested in new homes. Similar investment is planned for other areas including Parkfield & Mill Lane and Swainby Road.
- Two new Academies with direct links to business, enterprise and health are being created in the Borough.

The Tees Valley's economic assets and key sectors are described within the Tees Valley Statement of Ambition. To achieve the ambitions support needs to be provided to the key sectors for Tees Valley and Stockton which are: -

- petrochemicals, energy and industrial biotechnology - plants of a world scale primarily located at Billingham and Seal Sands
- low carbon technologies
- logistics and distribution - the fourth largest port in the United Kingdom and the strategic distribution site at Wynyard
- a world-class advanced engineering and manufacturing industry – including design and specialist manufacture
- tourism, leisure and retail sectors, both in our town centres and major regeneration sites
- digital and creative industries
- the health and social care sector
- business, professional and financial services

### **Barriers to Enterprise**

The challenge facing Stockton is to bring about an economic resurgence within the context of ongoing economic and social disadvantage. Stockton has higher levels of unemployment (S'ton 4.9%, GB 3.6%) and benefit dependency (S'ton 15.9%, GB 13.4%) and there are higher levels of people of working age in Stockton with no qualifications (S'ton 14.5%, GB 12.3%). Stockton has low levels of self-employment (S'ton 7.5%, GB 12.7%) and business start-ups (S'ton 44, GB 55 per 10,000 adults) and there are only 314 enterprises in Stockton per 10,000 adult population compared to 467 across Great Britain.

Our residents cite a lack of start-up finance; fears of not having the rights skills and a lack of or not knowing where to go for help and advice as some of the main barriers to starting a business.

The barriers have also been identified for groups within our community that are either under-represented, in terms of local entrepreneurs, or represent significant opportunities for growth in self-employment or business start-up. They include; children & young people; women; Black, Asian & Minority Ethnic and the over 50s.

Local businesses see the barriers to starting-up and growth as being associated with; raising finance; lack of suitable premises; low skill levels and a lack of suitably trained staff; access to local procurement opportunities; lack of ongoing support after start-up; more help on regulations and better means by which to find out about what support is available.

## Priorities

To overcome the identified barriers to enterprise the Strategy proposes twelve priorities: -

Priority 1 - Embed enterprise in to education, training and employment support services for children and young people

Priority 2 - Widen the range and reach of enterprise awareness raising activities

Priority 3 - Proactively engage with and support the disadvantaged and target groups to see self-employment as a viable option.

Priority 4 - Provide start-up support services appropriate to the needs of the individual and the type of business activity

Priority 5 - Provide support and advice for young and small businesses to improve business skills and overcome key barriers to growth

Priority 6 - Improve communication with and networking amongst all businesses to assist them to access the business support services targeted at supporting growth in Stockton

Priority 7 - improve access to and business readiness for procurement and supply opportunities in both the public and private sectors

Priority 8 - Monitor supply and demand for premises and engage the private sector to provide fit-for-purpose accommodation.

Priority 9 - Improve the trading environment on industrial estates and other commercial areas to increase business investment

Priority 10 - Provide access to suitable finance that will support the creation of new and growth of existing businesses.

Priority 11 - Develop plans for key sectors to provide appropriate support and facilitate their growth

Priority 12 - Work with employers, universities, colleges, training providers and wider stakeholders to ensure the skills offer meets local needs.

## Delivery and Monitoring

The action plan below will be the means of delivering the Strategy and will be underpinned by four key principles: -

- Partnership working
- Adopting an inclusive approach
- Meaningful private sector engagement
- Targeting and impact.

Partnership will be critical to our ability to measure progress towards achieving the vision. The targets for the strategy to be achieved by 2015 are: -

- VAT/PAYE enterprise per 10,000 adult population; narrow the gap between Stockton and Great Britain by at least 15%
- Percentage of small businesses showing growth: Stockton will exceed the Tees Valley average and narrow the gap with the North East
- Self-Employment rate: Stockton will exceed the North East rate and narrow the gap with Great Britain

However this type of data can not give the full picture on local enterprise. So in addition to these measures more current and local data will be needed to effectively show what progress is being made.

**ACTION PLAN**

Actions aimed at developing new and enabling the growth and sustainability of existing businesses are set out in the table below under the main priority that they will address. The primary target businesses for each action are indicated as follows: -

N = New business creation

S = Small Enterprises

SME = Small & Medium Enterprises

<b>Priority 1</b>				
<b>Embed enterprise in to education, training and employment support services for children and young people</b>				
	Ref-Action	Outcome	Key Partners	Timeline
N	1.1 Establish baselines of enterprise education and activities in secondary and further education	Completion of a self assessment of enterprise education to identify areas for development and enable monitoring of progression..	Stockton Council, Secondary and Further education providers.	Completion by Dec 2011
N	1.2 Action plans to improve enterprise education in each provider to be formulated with actions taken.	Each educational institution (14-19) will have made an improvement compared to their baseline assessment and better emdeded enterprise in to their organisation.	Stockton Council, Secondary and Further education providers, Children & Young People	Plans in place by Dec 2011. Implementation of plans ongoing.
N	1.3 Engage enterprising champions and mentors from business in the development of enterprise activities.	Enterprise ambassadors/mentors will actively engage in the shaping and delivery of enterprise activities. Mentors will engage on projects to guide learners.	Private Sector, Stockton Council, Entrepreneurs Forum, Federation of Small Businesses. Business Ambassador programmes.	October 2009 with quarterly meetings and recruitment and engagement of mentors ongoing
N	1.4 Deliver specific enterprise workshops and business start up projects with children & young people, recognising the needs of specific groups including looked after children.	The aspirations and confidence of young people will be raised and enterprise skills developed with mentoring and support from business people and entrepreneurs.	Private Sector, Stockton Council, Secondary and Further education providers, Children & Young People	Nov 2009 – July 2012

N	1.5 Support young people through enterprise activities, CEIAG and business placements to encourage the view that self employment is a viable career option.	Young people choose to progress into setting up a business.	Princes Trust, Enterprise Agencies, Stockton Council, Secondary and Further education providers, Business Link, Children & Young People, Private Sector	2009 - 2012
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### Priority 2

#### Widen the range and reach of enterprise awareness raising activities

	Ref-Action	Outcome	Key Partners	Timeline
N	2.1 Locally promote national, regional & sub-regional enterprise awareness campaigns.	More Stockton residents, particularly from disadvantaged and rural areas, taking part in enterprise activities.	Stockton Council, Entrepreneurs Forum, Local Media, Department for Business Innovation & Skills.	3 campaigns annually
N	2.2 Promote and develop local enterprise awards.	Increase local award nominations and celebrate success.	Private Sector, Local media, Business Forum, Business Link, Stockton Council. Enterprise Agencies.	2 awards annually
N	2.3 Develop and promote case studies of successful local entrepreneurs and new businesses.	Raise awareness of local success and raise aspirations of residents.	Private Sector, Local media, Business Forum, Business Link, Entrepreneurs Forum, Stockton Council. Enterprise Agencies.	1 case study per month
N	2.4 Work in partnership with Housing, social care and voluntary/community groups to promote enterprise.	More Stockton residents, particularly from deprived areas, taking part in enterprise activities.	Catalyst, VCS organisations, Stockton Council, Tristar homes, Tees Achieve, Social Landlords	2011 onwards

### Priority 3

#### Proactively engage with and support the disadvantaged and target groups to see self-employment as a viable option.

	Ref-Action	Outcome	Key Partners	Timeline
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N	3.1 Provide outreach and community based Enterprise Coaching, including bespoke action plans, via Enterprise Gateways	Will raise awareness of enterprise and encourage and support more residents from disadvantaged groups to explore enterprise and self employment	Five Lamps, Enterprise Made Simple , Business Link, Stockton Council, Working Links, Job Centre Plus, A4E	Oct 2009 – Mar 2012
N	3.2 Provide Enterprise support for the unemployed	Support for unemployed residents considering setting up in business	Department of Work & Pensions, Job Centre Plus, Stockton Council	2011 onwards
N	3.3 Provide enterprise support that addresses the needs of specific groups	Encourage greater awareness of self employment amongst and remove barriers for disadvantaged groups, women, BAME and older people.	Stockton Council, Enterprise Agencies, WIN, VCS organisations.	2011 onwards
N	3.4 Evaluation of regional pilot enterprise journey activities	Help advise the development of best practice models and future provision.	One North East, Enterprise Agencies and providers, Stockton Council	2011 onwards
<b>Priority 4</b>				
<b>Provide start-up support services appropriate to the needs of the individual and the type of business activity</b>				
	Ref-Action	Outcome	Key Partners	Timeline
N	4.1 Provide Start-up Support via Enterprise Gateways	Local provision of tailored support in Stockton, Thornaby and Billingham.  Increase in residents starting up in business	Business link, Five Lamps, Enterprise Made Simple, Stockton Council.	Oct 2009 – Mar 2012
N	4.2 Establish a local Enterprise Network	More co-ordinated approach to improve access to and simplify support to residents.	Business Link, Enterprise Agencies, Job Centre Plus, Stockton Council, Princes Trust	Aug 2010 onwards
N	4.3 Provide access to start-up support that meets the needs of different types of business	More sustainable businesses and diversified local economy, including the rural economy	Business Link, Enterprise Agencies, Stockton Council, Sector specialists & innovation connectors.	Nov 2010 onwards

N	4.4 Support residents to gain business skills through workshops and training courses.	Improved skills leading to more confidence about starting and running a business.	Business Link, Tees Achieve, Five Lamps, Stockton Council, Teesside University	Ongoing
<b>Priority 5</b>				
<b>Provide support and advice for young and small businesses to improve business skills and overcome key barriers to growth</b>				
	Ref-Action	Outcome	Key Partners	Timeline
S	5.1 Provide intensive support to small businesses to overcome key barriers to growth (Over the Threshold project)	At least 70 existing small businesses enabled to grow.	Stockton Council, Business & Enterprise North East	2010 - 2012
S	5.2 Provide ongoing mentoring support, including through the Enterprise Gateways	Clients who have set up in business through the Gateways provided with ongoing support.	Stockton Council, Business Link, The Five lamps, Enterprise made Simple, Business Ambassador programmes.	2010 onwards
S	5.3 Improve the transition of young businesses into mainstream support	Effective handover of recent start-up businesses into the Business Link service.	Enterprise Agencies, Business Link, Stockton Council	2010 onwards
S	5.4 Support and promote small businesses to access new markets and customers	The viability and sustainability of small businesses is improved.	Stockton Council, Five Lamps, local media.	Coverage on businesses in each Stockton News and other media. 2010 onwards
<b>Priority 6</b>				
<b>Improve communication with and networking amongst all businesses to assist them to access the business support services targeted at supporting growth in Stockton</b>				
	Ref-Action	Outcome	Key Partners	Timeline
SME	6.1 Improve joint working between business support organisations	A common agenda for the communication and delivery of business support services.	Business Link, Stockton Council, Tees Valley Unlimited, NECC, FSB	Ongoing
SME	6.2 Proactively engage with local businesses	Greater awareness of and better access to support services. Better understanding of business needs to advise service improvement	Tees Valley Unlimited, Stockton Council, Business Link, Private Sector, NECC, FSB	Business engagement visits with monthly reports on issues and actions



SME	6.3 Improve access to sector specialist support and facilities, including the regional Innovation Connectors, for local businesses and communities.	More Stockton businesses benefiting from the support and facilities available through the Innovation Connectors.	NEPIC/CPI, Digital City, Stockton Council, NetPark	Nov 2010 onwards
SME	6.4 Provide access to advice, information and intertrading opportunities through business networks and forums	Greater awareness and take up of support services.	NECC, Stockton Council, Stockton Business Forum, FSB, Business Link, Entrepreneurs Forum, TV Business Club	2010 onwards Stockton Business Forum meets four times a year
SME	6.5 Regular communication with local businesses through newsletters, websites, events, etc.	Greater awareness of the available opportunities and services and changes in the local economy.	Business Link, Stockton Council, Tees Valley Unlimited.	Monthly business bulletins. Quarterly Stockton News
<b>Priority 7</b>				
<b>improve access to and business readiness for procurement and supply opportunities in both the public and private sectors</b>				
	Ref-Action	Outcome	Key Partners	Timeline
S	7.1 Provide support to small businesses so that they are better prepared to secure new work (Over the Threshold project)	Intensive support provided to improve businesses chances of securing new work	Business Link, Stockton Council	2010 - 2012
SME	7.2 Provide generic and tender specific procurement training workshops for local businesses	Improve businesses readiness for bidding for tenders. Increase the amount of local spend by the Council.	Business Link, Stockton Council	2010 onwards
SME	7.3 Improve access to and promote low value and sub contracting opportunities from Council contracts	More sub-contracting work carried out by local businesses	Stockton Council, Main Contractors, Private Sector	2010 onwards
SME	7.4 Improve access to and promote web based tender adverts	Information easier to find and use on appropriate web sites so increasing use by local businesses.	Stockton Council, Stockton Business Forum	2010 onwards

SME	7.5 Identify and promote local supply chain opportunities linked to major private sector investments	More local businesses gain supply contracts from medium and large companies	Tees Valley Unlimited, Stockton Council, Private Sector, NEPIC	2011 onwards
SME	7.6 Establish a business registration scheme for intertrading and identifying local businesses for public sector quotations	Ensuring that at least one local business is included when the Council is seeking quotations	Stockton Council, Stockton Business Forum, Private Sector	2009 onwards

**Priority 8****Monitor supply and demand for premises and engage the private sector to provide fit-for-purpose accommodation.**

	Ref-Action	Outcome	Key Partners	Timeline
SME	8.1 Identify demand and future supply requirements for business accommodation in partnership with TVU.	To identify market/sector opportunities and their accommodation needs and facilitate business growth.	Tees Valley Unlimited, Tees Valley Councils, Private sector	Sept 2010
N & S	8.2 Develop business space to meet the needs of new and small businesses.	Business units available to meet the needs of small businesses and key sectors	Private Developers, Stockton Council,	2011 onwards
SME	8.3 Continue to work with the Private Sector to provide suitable accommodation for growing businesses, including as part of Regeneration Schemes	To build on existing links with the Private Sector and develop a proactive approach to partnership working. To ensure early involvement in the development of the schemes encouraging consideration to the needs/demands of growing businesses.	Stockton Council, Developers, Private Sector, Tees Valley Unlimited.	Ongoing

**Priority 9****Improve the trading environment on industrial estates and other commercial areas to increase business investment**

	Ref-Action	Outcome	Key Partners	Timeline
SME	9.1 Identify environmental and other issues via business engagement visits and work with Council services and other organisations to develop solutions.	Improvements made to commercial areas to resolve issues.	Stockton Council (R&ED, CFYA, Transport, Landscape), Private Sector, Police.	Ongoing

SME	9.2 Work with groups of businesses where appropriate to consider the potential for the introduction of further Business Improvement Districts.	Business Improvement Districts set up when/where they are an appropriate solution to the issues identified.	Stockton Council, Private Sector, other agencies depending of key issues to be addressed.	As opportunities are identified
SME	9.3 Work with Council Services to ensure businesses are involved in the development and delivery of improvement schemes in commercial areas.	Improved trading environment and better image. Better business engagement and reduced disruption during works.	Stockton Council (R&ED, CFYA, Transport, Landscape), Private Sector, Highways Agency.	Schemes to be identified through annual plans.

**Priority 10**

**Provide access to suitable finance that will support the creation of new and growth of existing businesses.**

	Ref-Action	Outcome	Key Partners	Timeline
N	10.1 Provide financial support for the creation of new businesses, ensuring accessibility by residents of disadvantaged areas and target groups.	More people becoming self-employed and new businesses created by reducing the 'lack of finance' barrier.	Stockton Council, Enterprise Agencies, Business Link, Banks	2010 onwards
S	10.2 Ensure small businesses have access to the financial support needed to enable them to grow.	Small existing companies supported to grow and create jobs	Stockton Council, Business Link, Enterprise Agencies, Banks	2009 onwards
SME	10.3 Improve access to Government and European funded finance schemes for local businesses	Improve awareness of schemes administered regionally, ensuring maximum accessibility to companies in the Borough.	Business Link, Tees Valley Unlimited, Stockton Council, Financial Intermediaries	2010 onwards
SME	10.4 Promote the availability of alternative loan and other financial schemes	Greater awareness of loan schemes & venture capital investment to business who find it difficult to obtain finance via traditional routes.	Five Lamps, N-Star, UK Steel Enterprise, En-Trust, Finance Tree, Business Link, Stockton Council, Enterprise Revolution	Ongoing

**Priority 11**

**Develop plans for key sectors to provide appropriate support and facilitate their growth**

	Ref-Action	Outcome	Key Partners	Timeline
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SME	11.1 Continue to implement the North & South Tees Industrial Framework including the preparation of Sector Development Plans	Sector development plans produced and forward strategies agreed for developing and promoting the sector opportunities.	Tees Valley Unlimited, Tees Valley LAs, Private Sector	Plans preparation 2010 onwards
SME	11.2 Work with Partners and sector specialists to provide support for and facilitate the growth of the key sectors	New investment and jobs secured in the Borough including in petrochemicals, energy and industrial biotechnology low carbon technologies, advanced engineering and manufacturing	Tees Valley Unlimited, Stockton Council, Private Sector, Tees Valley Engineering Partnership, NEPIC	2010 onwards
N & SME	11.3 Prepare and implement a Creative & Digital Industries Cluster Development Plan for Stockton.	Mapping of the sector completed, plan developed and actions agreed.	Stockton Council, Private Sector, Cultural Partnership, Business Link, Digital City.	Mapping commenced Sept 2010 Action Plan Feb 2011.
N & S	11.4 Prepare a retail action plan linked to the regeneration of the Town Centres.	Opportunities and needs identified, plan developed and actions agreed.	Stockton Council, Private Sector, Business Link, Five Lamps.	March 2011
N & SME	11.5 Scope out other potential local growth sector opportunities and develop plans as appropriate.	Health & Social Care and Leisure & Tourism to be initial priority sectors	Stockton Council, Private Sector, University of Durham, Business Link, Tees Valley Unlimited	2011 onwards

### Priority 12

**Work with employers, universities, colleges, training providers and wider stakeholders to ensure the skills offer meets local needs.**

	Ref-Action	Outcome	Key Partners	Timeline
SME	12.1 Work in partnership to more fully engage employers in 14 - 19 education and training delivery	A future workforce that has the skills to meet the needs of local businesses and the changing economy	Stockton Council, Schools, Colleges, Employers, Education Business Partnership.	Action Plan Sept 2010 More employers engaged in schools/colleges July 2011 and ongoing
SME	12.2 To work with Universities and engage with employers to improve skill levels and encourage the take-up of Graduate Schemes	An increase in the number graduates remaining in the Borough and the Tees Valley. Higher skilled/quality workforce for local employers	Stockton Council, Universities of Durham & Teesside, Graduates, Private Sector	2010 onwards

SME	12.3 Develop new engagement mechanisms to explore and articulate (on an ongoing basis) the key areas of demand linked to growth sectors to educational institutions	An improvement in the skills levels of local residents.  Better workforce for local employers	Tees Valley Unlimited, Stockton Council and other Tees Valley Councils, Job Centre Plus, Skills Funding Agency, Employers, Colleges and Universities.	April 2011 onwards
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