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St Helens City Growth Strategy



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Summary

City Growth Strategies is a pilot programme, funded by the Small Business Service (Phoenix Development Fund). It promotes a market-led approach to turning round disadvantaged areas, concentrating on economic potential rather than social problems. St Helens is one of seven pilots which involve business leadership; a robust evidence base; and exploiting business clusters to drive improvements in productivity and local prosperity.

Features of the St Helens approach include strong business-led public/private partnership; focus on transforming the area (its economy, attractiveness and attitudes); and taking advantage of the national programme as an opportunity to raise its profile and energise local commitment.

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<p><i>City Growth Strategies target inner cities and other disadvantaged areas, seeking to exploit economic potential and foster enterprise, not dwell on social problems.</i></p>	<h2 style="text-align: center;">Aims/Objectives</h2> <p>The City Growth Strategy initiative is a programme set up as part of the government's policy for 'enterprise for all', and was instigated by the Chancellor of the Exchequer, Gordon Brown. It targets disadvantaged areas, especially inner cities, seeking to exploit economic potential which is often overlooked, such as strategic location, transport and communications infrastructure, an available but underutilised pool of labour, and latent entrepreneurial talent.</p> <p>The programme aims to turn round traditional ways of thinking about urban social problems, promoting enterprise and economic potential rather than dwelling on problems. The aims of the City Growth Strategies are:</p> <ul style="list-style-type: none"> • identify market-based strategies and engage the private sector in urban revitalisation • make the inner city a more competitive location for business • increase income, wealth, and job opportunities for inner city residents • change perceptions and attitudes regarding opportunities in inner cities • create leadership and institutions that will push the agenda forward • increase productivity of the region by revitalising inner city <p>The inspiration for the City Growth Strategies comes from the ICIC (Initiative for a Competitive Inner City), which was set up in the USA in 1994 by Prof. Michael Porter. ICIC have developed the approach in the inner cities, e.g., of Boston, New York and St Louis. ICIC believe that, if business is placed genuinely at the centre of the strategy, much else will fall into place around it as a basis for long-term, sustainable renewal. The concept of 'clusters' is a central idea: concentrations of related and supporting industries which combine to form sources of innovation and productivity growth, and which can be used as a tool for local economic development.</p> <p><i>St Helens: one of seven pilots</i></p> <p>St Helens is one of seven pilot areas, benefiting from funding (2002-04) from the Small Business Service (SBS) to research and develop the local strategy and prime implementation. (The other pilots are Plymouth, Nottingham, London City Fringe, London Haringey, London Heathrow City and London South Central.)</p> <p>The opportunity to take part in the national pilot programme appealed to St Helens Council, as instigators of the bid, in helping to:</p>
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	<ul style="list-style-type: none"> • develop a sound research base • inform and add value to other initiatives • promote more of an enterprise culture in St Helens • build on existing track record of partnership working between public and private sectors, and strong working relationship between Council and Chamber • bring new status, publicity, confidence, and provide an opportunity for networking.
<p><i>St Helens, North West</i></p>	<p>Where</p> <p>The CGS pilot covers the Borough of St Helens, including the town itself and nearby settlements. St Helens is in the north west of England, roughly 12 miles from the centre of Liverpool and 25 miles from the centre of Manchester. The population is around 180,000.</p> <p>St Helens has high unemployment and low enterprise levels, which reflects its insufficient economic diversification. Prominent traditional sectors of glassware (dominated by Pilkington), and coal mining are now very much reduced. Mining used to employ over 50% of the workforce. The Borough qualifies for Neighbourhood Renewal Funding, ranking 42nd on the Index of Multiple Deprivation 2000.</p> <p>The strengths of the borough include its strategic regional location, in the middle of a market of 7 million people; relatively low property prices; education provision (with a high rate of post 16 participation) and a skilled and motivated workforce. There are many brownfield sites available for development. Weaknesses include negative environmental perceptions, low presence of knowledge-base industries, relatively low levels of entrepreneurship and innovation, and a limited range of housing availability for higher skilled workers.</p>
<p><i>Strong business engagement at strategic level; extensive research; consultations; strategy and action plans</i></p>	<p>How did it do it?</p> <p>Setting up</p> <p>The Chamber and the Council set up the St Helens CGS initiative jointly in April 2002, recruiting the Board through personal approaches to leading members of the local business community. These individuals were selected because they were busy and influential people. Some were expected to decline, but all accepted the invitation.</p> <p>These recruits had a number of reasons for joining, including:</p> <ul style="list-style-type: none"> • the chance to make a real difference to St Helens, where all have

- a base and vested interest in the area's prosperity;
- the innovative approach of a private sector-led project;
- a desire to learn from the USA, through the ICIC connection.

The prominent role of the Chamber also gave reassurance that business involvement mattered. The composition of the Board ensures private sector leadership - a key principle behind CGS. 13 out of the 16 members are from the sector. The Board is supported by a small dedicated CGS Team.

Research

Several substantial research projects were conducted between April 2002 to March 2003, funded from the SBS budget and EU Objective 1. These covered four areas:

1) Property

This research sought to develop a clear understanding of the property needs compared to the quality and quantity of the actual stock of industrial and commercial property in the borough, and the implications for the CGS.

2) External perceptions

This study reviewed external perceptions of St Helens and the wider sub-region as a place for investment. Trends were analysed and telephone interviews conducted with inward investment intermediaries, locators into adjoining areas and locators into St Helens.

3) Cluster and growth companies.

This is a key part of the CGS model, and was a new approach for St Helens. Over 300 interviews with local businesses helped to identify the cluster and growth industries in the area. These were:

- Building materials technology
- Tourism and leisure
- Distribution and logistics
- Furniture and furnishings (this cluster had been previously unrecognised)
- Technical testing and R&D

4) Economic Development Actors and Actions

This review sought to understand the potential overlaps, gaps and opportunities that lie in the provision of economic development services in the area.

A Baseline Report was then prepared to pull together and bring out

the key messages about the economy and business base of St Helens, highlight key opportunities and challenges facing St Helens to provide a starting point for developing the strategy.

Board members were involved in all stages of the research: agreeing briefs, signing off progress and final reports, etc - with a few individuals involved more deeply (e.g., on the property review). Some members of the Board initially felt at the time that the research stage was unnecessarily slow, but all agreed in later stages that the research was essential.

Strategy

Based on the research, a draft strategy was produced in May 2003, incorporating the four themes of: Transforming Our Business Base; Achieving a Cultural Transformation; Achieving a Physical Transformation; and Transforming Perceptions of St Helens.

The document was debated by the Board at a productive awayday, determining overall priorities and what needed to be in an action plan. The draft was then refined by the Project Manager into a draft for consultation.

Consultation and Launch

The St Helens partners put much energy into consulting extensively on the draft Strategy in June and July 2003. There were consultation events; media and PR work; use of the new St Helens City Growth website; and efforts to engage the voluntary sector through a CGS co-ordinated event.

The City Growth Strategy was approved by the CGS Board and the St Helens Local Strategic Partnership in September 2003 and launched nationally by the Chancellor of the Exchequer in October 2003 along with the strategies of the other CGS pilots.

Taking the Strategy Forward

Under the Business Base theme, the strategy includes the development of Cluster Action Plans, driven by local cluster action teams led by Cluster Champions drawn from the CGS Board. Typically these Teams are:

- identifying common issues for firms in the cluster,
- examining opportunities to pool resources,
- developing joint facilities,
- influencing recruitment, skills supply and demand, and
- identifying and exploiting market opportunities.

Links have been clearly identified with the sectoral/ cluster strategies of the Merseyside Partnership and NWDA.

A key need is to connect local companies better to existing business support, and St Helens Chamber is setting up a Business Partners Team as a pilot project. Members of this team will undertake a concentrated series of company visits to establish business needs and channel them to solutions. This will link to an extension of business mentoring (Business Buddies), exploiting the skills and knowledge of experienced businesspeople to the benefit of smaller companies.

Other actions contained in the strategy include:

- 'Creating an Enterprise Hotspot': enterprise in schools and colleges; Graduate Enterprise Greenhouse (feasibility study); 'Red Tape Busting Package';
- plugging into wider developments (notably job and business opportunities associated with the development of the Omega site, a major development just outside the borough boundary), and ensuring better links to these, e.g., through improved public transport;
- promoting 'liveability' in the area: making it a more attractive place to live, work and play (revitalising the town centre, improving leisure facilities and public space, creating three new urban villages, and ensuring better connections - physical and broadband). One quick win project is the 'Grot Spot Audit', to identify the 50 worst sites in the Borough and produce initial solutions, easy to implement;
- promoting the profile of the St Helens, through local ambassadors, marketing (Destination St Helens), and 'beacons of glass' (glass structures, illuminated at night, highlighting the positive association of the area with high tech glass manufacture).

The strategy links to other local mechanisms to ensure that the benefits it brings reach the *whole* of the Borough, including the most deprived areas. These include the St Helens Territorial Employment Pact, through which, for example, support (e.g., pre-recruitment training) is provided to inward investors in recruiting from disadvantaged communities.

Funding

Funding for the CGS pilot came first from the SBS's Phoenix Fund (with £1.5m shared amongst the seven pilot projects over the period from January 2002 to March 2004). A further £400,000 was secured locally from the Merseyside Objective 1 Programme.

For the implementation of the strategy, key funding sources are Objective 1, the RDA, and to a lesser extent English Partnerships Coalfields programme, LSC and SBS. Other sources are being targeted for specific projects (such as the Forestry Commission, for

	<p>'linear forests' along routes into the Borough). Funding has already been secured for a number of projects including the Centrics Court Business Incubator.</p>
<p><i>Partnership led by St Helens Chamber and Council, with majority of business representatives</i></p>	<h2>Who was involved?</h2> <p>The St Helens CGS Board comprises:</p> <ul style="list-style-type: none"> • Alfred H Knight Group • Bethell Building Services Ltd • Brendon Phipps • David Lord Consultants Ltd • Ena Shaw Ltd • Haydock Park Racecourse Company Ltd • Hilton St Helens • Logic Systems Consultants Ltd • Langtree Group plc • NatWest Commercial Banking • NGF Europe Ltd • ST Group Ltd • St Helens Chamber • St Helens Council • St Helens Local Strategic Partnership • Temploy Recruitment Ltd <p>The chair and 'Business Champion' for CGS is Andrew Smith from ST Group.</p> <p>Having overseen the strategy development phase, the CGS Board has agreed to continue in the role of monitoring delivery. It will provide St Helens Local Strategic Partnership with progress updates via the LSP's Economic Prosperity Sub-Group. The LSP views the CGS strategy as a key component of the overall St Helens community strategy.</p> <p>The Council and Chamber have responsibility for the successful implementation of the majority of the CGS projects. Other partners, e.g., St Helens College, Connexions and the Education Business Partnership, are involved on a project-by-project basis.</p> <p>As with the other CGS pilots, ICIC have helped transfer the US model and provided technical support and advice through meetings, telephone and email. The SBS have offered advice on procedural</p>

	<p>matters, and facilitated learning across the CGS pilot areas. They have exercised a light touch, recognising the need for each pilot to develop in ways which best add value locally.</p>
<p><i>Effective team working; fresh thinking; a new strategy with sound backing; and confidence of success</i></p>	<p>What did it achieve?</p> <p>Partnership & Strategy</p> <p>The main achievement to date of the St Helens City Growth pilot has been the development of the strategy with strong partner backing. This was launched as part of a national conference in October 2003 with the Chancellor of the Exchequer and Prof Michael Porter.</p> <p>CGS has provided the Borough with the opportunity to build on past successes and take its regeneration ambitions forward to the next stage, with the concept of cluster development encouraging fresh thinking. It has provided an opportunity to excite business interest (drawn in part by a desire to learn from the USA) and raise the profile of the area.</p> <p>GHK Consulting, as part of their interim evaluation of the CGS programme nationally for SBS, concluded that the partnership is active, focused and committed. It derives strength from the substantial involvement of business people through their drive and standing in the local business community. Public and private sector members of the Board have learned from each other, prepared to rethink some of the ways they had looked at the development of the area in the past.</p> <p>GHK fund that partners are confident about CGS making a significant impact, though they are concerned about a possible 'implementation gap', the risk that funding will not be secured from other agencies, like NWDA and the LSC, on which success will significantly depend.</p> <p>Impact Measurement</p> <p>It is too early to consider the impact of St Helens. However, the CGS partners have been developing their thinking on impact measurement and are making use of the standard set of Economic Regeneration Indicators developed by the Audit Commission. They will evaluate success at both project and strategic levels, the latter in relation to the four key themes. While some data is readily available (e.g., on employment by cluster and on business start-up rates), more work will be needed to establish baselines and progress, e.g., on business satisfaction with the location and on perceptions of the area.</p>

Check list

Research

- Value investment in robust research to help improve strategy and the case for attracting support from local stakeholders, potential investors and funding agencies. While some CGS partners felt that they did not learn a great deal from the research, it has brought wider benefits for St Helens in strengthening the local case for change and investment.
- A focus on building on economic strengths, rather than dwelling on weaknesses helps energise business interest.
- Take a fresh look at your research needs, and focus on opportunities and underlying explanations of barriers to local competitiveness. Take stock of previous research and evaluation and be prepared to challenge received wisdom.

The Board

- Consider who will be the best people to involve from the business community: their sector, their connections and influence, personal motivations, how embedded their business is in the area, etc. The Chamber and Council deliberately approached very busy people on a personal basis - and found to their surprise that all wanted to be involved.
- Ensure a balance with public sector involvement: the local Council and public sector bodies have crucial roles in delivering the strategy, and understand what's doable in accessing and using public funds. Much of the cost of the strategy will need to be met from the public purse.
- Invest energy in developing a shared vision, and work through the sometimes difficult stage of determining priorities.

Roles of Project Manager and Chair

- Ensure you have a project manager with the right skills to support and facilitate partnership working: engaging the interest of individual board members, acting as a broker, keeping communications flowing and help ensure partners do their jobs.
- A good chair is important: local, unbiased, personally committed, able to provide strong leadership and ensure the active involvement of all partners.

Funding

- Build a sound case for your proposals to put to funding bodies. Explain the strategy, and how it will help them achieve their objectives. Involve them early, so that there are no surprises at a later stage.
- Use opportunities like City Growth Strategies to promote a positive image for your area. St Helens are making a concerted effort on publicity and awareness-raising (locally and further afield to enhance the profile of 'St Helens City Growth' and its ambitions. Tours are proposed not only for prospective inward investors but also for local people, to demonstrate how the town is changing and opportunities available on the doorstep and next door (like the Omega site).

Contacts

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More about St Helens City Growth at www.sthelenscitygrowth.com (including the Economic Baseline Study)

More about City Growth Strategies (the other pilots, evaluation reports, etc) at www.sbs.gov.uk/citygrowth/