GHK

gatwickdiamond

Gatwick Diamond Futures Plan - Report

Inspire - Connect – Grow

October 2008

EXECUTIVE SUMMARY

The Gatwick Diamond Initiative: Vision

The Gatwick Diamond Initiative (GDI) is a business led public – private partnership set up by the Surrey and West Sussex Economic Partnerships. The GDI aims to facilitate and co-ordinate the actions necessary to maintain a vibrant economy. The vision is bold and uncompromising:

> ***"By 2016 the Gatwick Diamond will be a world class, internationally recognised business location achieving sustainable prosperity"***

Within the GDI steering group local authority partners (Surrey and West Sussex County Councils and the six districts (Crawley, Horsham, Mid-Sussex, Mole Valley, Reigate and Banstead, Tandridge)) have *re-confirmed their commitment to the vision and to working together*. Together with local Business Link, Learning and Skills Council, SEEDA, higher education, further education and private sector partners the GDI is now uniquely positioned to transform the region and create a truly world class place to invest, work and live.

Stacking Up: Where are we now?

The GD economy performs well by UK standards. However, globalisation and the vision demand better performance. Benchmarking the area against high performing international business locations reveals more work is needed to safeguard the area's economic vibrancy and way of life:

- Relative to other European and North American airport focused international business locations the area is mid-ranking or lower. There is a deficit in knowledge economy related assets and levels of investment;

  There is a need to improve the education, learning and skills profile of the area to meet future business needs. SMART GROWTH ambitions depend on it; and

- The area's towns do not have the identity and quality of place that will attract and retain the talented people needed to secure high value added growth. The area needs to improve its infrastructure to grow sustainably and connect the economy to global value chains.

From Good to Remarkable: The Flight Plan

Over the past 18 months since the Gatwick Diamond strategy was launched, new working arrangements, plans and investments are being moved forward. We see one of the roles of this plan as facilitating the delivery of these. The Futures Plan – "flight plan" - is focused on three strategic initiatives. Each initiative has been developed in consultation with local partners and is based on a commitment to work together to deliver world class assets and services.

Inspire

— *The Gatwick Diamond Initiative will work with* further and higher education institutions to encourage and assist in improving education and training provision in the area and linking these to future business needs. Further and higher education offers and opportunities to learn and enhance skills need to inspire the current workforce and future generations if the area is to succeed in attracting and retaining high value added businesses. Universities are a key to driving the knowledge economy and the GDI needs to work with them – especially in the South East - and strengthen the links to the business community.

— *The Gatwick Diamond Initiative will work with* stakeholder partners to establish how best to attract high quality knowledge based industries to the area. We will explore the potential of the existing employment areas to provide new and improved business premises and investigate the possibility of a new, high performing business district to accommodate a range of activities, including research and development, offices and convention facilities. To achieve the vision will require world class standards in sustainable development and design.

Connect

— *The Gatwick Diamond Initiative will work with* the BAA Gatwick Team to ensure the transformational changes planned for the airport are delivered on time and with maximum benefit for the area's stakeholders – success of this £874m plus investment programme is critical to the vision.

— *The Gatwick Diamond Initiative will work with* partners to ensure that transport solutions can be secured to provide improved services and better connect the towns to each other and to serve future business needs – globally and regionally. An essential part of this will be rail station regeneration to ensure better connectivity and attractive entry points to the area.

Grow

— *The Gatwick Diamond Initiative will work tirelessly in pursuit of 'Smart Growth'*. The approach to development focuses on improving economic prospects through facilitation of high value added activities, improved educational assets, quality of life and quality of place; a sustainable agenda that serves the economy, the community and public well being as well as the environment. An integrated approach of developing universities in the area and linking these to attracting and retaining talent is a key priority of the Smart Growth initiative.

— *The Gatwick Diamond Initiative will work with* the local authority Leader's Forum to facilitate and encourage co-ordinated strategic planning and critically, the investment needed to deliver the vision. This includes town centre regeneration, much needed infrastructure improvements to transport networks and economic development initiatives – all components of a world class business location. The Gatwick Diamond Initiative will provide partners with a stronger voice and the leverage necessary to secure the investment needed to deliver sustainable prosperity today and tomorrow.

A sense of urgency: 2012

The Gatwick Diamond Initiative will be putting in place agreements with partners in each strategic area – agreements which will formally bring partners together to deliver these transformational changes. There is a sense of urgency. In 2012 the area will be on the world stage. To be truly recognised as world class the Gatwick Diamond Initiative needs to deliver what has been set out here.

An Action Plan

The Gatwick Diamond Initiative has agreed an action plan to deliver these three strategic initiatives. The action plan takes forward the necessary changes to the corporate structure and governance arrangements, to ensure they are fit for purpose.

Welcome aboard!

INTRODUCTION

The Gatwick Diamond Initiative (GDI) is a business led public – private partnership set up by the Surrey and West Sussex Economic Partnerships. It was a response several years ago to a request from business to give the area some identity which would support business growth.

The initiative is supported by the South East Regional Development Agency (SEEDA), the South East Regional Assembly (SEERA), the Government Office of the South East (GOSE), local government and a number of locally based business and economic bodies in this part of West Sussex and Surrey.

In its latest Regional Economic Strategy for the South East, SEEDA have recognised the GD as a sub regional 'Diamond for investment and growth' - a policy intended to lever political support and financial investment from the public and private sectors.

To reach this point the Gatwick Diamond has worked with partners to produce an economic development strategy, agree a 2016 Vision, achieve national and regional recognition, and move towards better co-ordination of sub-regional activities.

GHK were appointed to work with the GDI to identify and build consensus around the key deliverables that will enable the area to realise this vision. Outlined in this plan are a set of deliverable actions that will enable the Gatwick Diamond to improve its position as an area of economic success in the South East.

The Gatwick Diamond Futures Plan is the result of a consultative and collaborative process drawing support from local stakeholders to produce a plan for how the area could realise its vision:

> *"By 2016 the Gatwick Diamond will be a **world class, internationally recognised** business location achieving sustainable prosperity"*

The aspiration is that the area becomes a primary destination for high value added investment from the most advanced and successful companies – whether they are home grown or from outside the sub-region.

Achieving such status relies on the area safeguarding its many valuable assets. These must be combined with new assets to offer today and tomorrow's citizens, businesses and future investors a truly unique value proposition.

THE FUTURES PLAN

The Gatwick Diamond Futures Plan was prepared through four steps:

First, a rapid assessment of the current situation in the Gatwick Diamond was undertaken. The key economic, social and infrastructure attributes were reviewed and benchmarked against other high performing international business locations.

Second, a mapping exercise was completed with key stakeholders using "themed meetings" to assess planning, transport, business support and education and skills issues, opportunities and challenges.

Third, ideas and concepts for how the vision could be realised were discussed with stakeholders through workshops, meetings with Local Authority Chief Executives and the Gatwick Diamond Leaders Forum.

Finally, the partners worked together to define its overall direction, strategic initiatives and the actions the Gatwick Diamond Initiative would deliver to contribute to the area's existing vision.

Setting Bearings: Agreeing the Plan

Stacking Up	What is the current economic situation in the Gatwick Diamond? How does the Gatwick Diamond compare to international business locations? What are the key strategic gaps and assets needed to achieve world class status?
Flight Plan	What strategic initiatives are needed to deliver the vision? What is the role of the Gatwick Diamond Initiative in delivering the vision?
Blue Skies	What will success look like?

STACKING UP: THE EVIDENCE

From Good to Remarkable

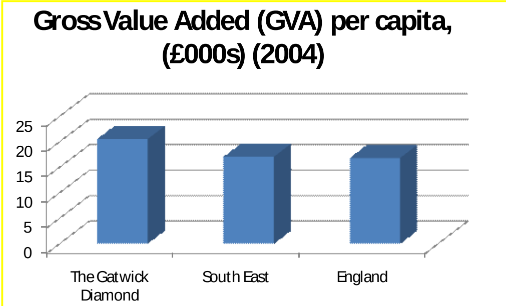
The Gatwick Diamond area is in a strong position as a regional economic and transport hub with a GVA of £13bn. The Gatwick Diamond is in a similar position statistically to the South East region, and is one of the best performing South East Diamonds. It has also recently been classified as an “Enterprise Powerhouse” by the Work Foundation.

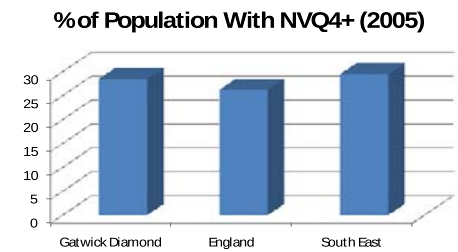
Value through People

Labour markets, education and skills perform adequately but will struggle to meet growth aspirations. The area performs adequately by regional or national standards of educational attainment, but research by Step Ahead confirms that that this does need to be higher.

Smart Growth Compromised?

Smart Growth plans use quality of life and quality of place to add value to the local economy. The area around the Gatwick Diamond has many landscape and environmental assets which can be leveraged to support such plans, but the view around a smart growth agenda needs to be unified.





Smart Places – Core Characteristics – Gatwick Diamond Scorecard

Conserve open space, farmland, natural beauty ✓

Mixed land uses – take advantage of compact building design ?

Walkable neighbourhoods ?

Provide a variety of transport choices ?

Distinctive, attractive communities with a strong quality and sense of place - inspiring ?

The economy is strong and characterised by:

- High Gross Value Added per capita,
- Business dynamism is favourable
- A favourable proportion of knowledge economy jobs are in the private sector

However causes for concern remain:

- Investment is below that of other areas in the UK, especially the SE
- High dependence on a small number of key companies,
- Low take-up rates of high quality office space.

Commuting patterns and income differentials between residents and workers confirm that a transformation is required if the area is to become an international business location. Many of the most productive individuals living in the diamond commute to work outside.

There are limited training aspirations for many residents, and a low percentage of the population currently in higher or further education.

Critical issues which must be addressed in order to achieve smart business provision:

- Lack of Quality of Place – especially in most urban centres
- Vacant office space
- Local congestion
- There is a tendency for local development plans to maintain the status quo across the area.

STACKING UP: BENCHMARKING

The Gatwick Diamond sits in the middle of a league table of European airport international business locations. However, put in the global context the Gatwick Diamond is outperformed by many North American locations.

Europe League

	Airport IBL	Code	AIR TRANSPORT LINKS	ECONOMIC DYNAMISM	BUSINESS CLIMATE	COST OF LABOUR	QUALIFIED LABOUR	COST OF PROPERTY	ACCESS TO MARKETS	QUALITY OF LIFE	KNOWLEDGE ECONOMY	BUSINESS SERVICES	TOTAL
1	Paris (Charles de Gaulle)	CDG	9.5	3.5	2.5	4.6	7.8	1.9	8.0	6.2	5.9	9.2	59.1
2	Amsterdam	AMS	7.4	4.8	4.2	4.6	7.2	7.9	5.2	6.5	4.1	6.9	58.8
3	Frankfurt	FRA	8.9	2.3	1.7	3.8	4.7	8.7	6.1	6.2	6.3	6.8	55.5
4	Oslo	OSL	2.3	4.7	2.0	8.0	10.0	6.1	1.1	4.4	6.9	8.1	53.6
5	Brussels	BRU	3.4	2.0	2.0	6.2	8.6	7.2	5.9	6.7	3.2	7.6	52.9
6	Paris (Orly)	ORY	2.9	3.5	2.5	4.6	7.8	1.9	8.0	6.2	5.9	9.2	52.5
7	Munich	MUC	4.4	4.1	1.7	4.3	5.3	6.5	4.8	6.2	9.0	6.0	52.4
8	Zurich	ZRH	3.0	4.5	8.3	3.0	4.0	6.4	4.3	6.2	7.3	N/A	52.2
9	Madrid	MAD	5.5	4.4	3.7	5.3	5.3	5.6	4.5	7.7	2.5	7.7	52.2
10	London (Heathrow)	LHR	8.4	4.0	3.8	2.0	7.3	1.5	6.9	6.7	2.9	8.7	52.1
11	London (Gatwick)	LGW	3.7	5.4	3.8	3.7	5.9	2.9	4.7	6.7	3.2	8.4	48.3
12	Helsinki	HEL	1.9	4.3	3.3	4.0	7.8	6.4	1.7	4.9	6.1	5.8	46.1
13	London (Stansted)	STN	2.8	5.3	3.8	4.1	4.5	3.8	5.1	6.7	3.4	6.3	45.7
14	Barcelona	BCN	3.7	4.1	3.7	6.0	5.3	6.0	4.1	7.1	1.4	3.8	45.2
15	Stockholm	ARN	2.4	3.3	2.0	4.0	5.0	6.4	2.0	5.6	7.3	7.1	45.1
16	Cologne	CGN	2.5	1.4	1.7	4.4	4.1	7.1	6.4	6.2	6.2	4.8	44.7
17	Dublin	DUB	2.4	8.2	6.1	6.0	5.3	3.5	2.8	3.2	1.4	5.5	44.6
18	Manchester	MAN	2.8	4.4	3.8	4.4	3.8	6.6	3.6	6.7	1.3	6.1	43.3
19	Copenhagen	CPH	3.2	3.9	2.0	4.0	6.3	6.6	4.1	3.6	4.6	4.7	43.0
20	Vienna	VIE	2.8	3.1	4.0	3.6	2.2	6.8	3.5	7.2	3.9	4.8	41.9
21	Nice	NCE	1.6	1.8	2.5	6.6	3.4	9.0	4.6	6.2	2.5	3.1	41.5
22	Rome	FCO	3.7	2.4	1.7	4.4	0.9	6.3	4.5	7.7	2.8	6.9	41.4
23	Dusseldorf	DUS	2.2	0.6	1.7	4.4	2.2	7.7	6.8	6.2	3.9	5.6	41.4
24	Milan	MXP	3.3	3.9	1.7	4.1	0.0	6.7	7.1	6.2	3.0	5.3	41.2
25	Athens	ATH	2.1	3.4	4.3	5.0	3.8	6.4	2.4	8.3	1.1	N/A	40.7

Global Positioning*

	Airport IBL	TOTAL /100
1	Boston	72.88
2	San Francisco	71.69
3	Seattle	64.96
4	Los Angeles	62.84
5	Denver	61.05
6	New York	59.88
7	Minneapolis/St. Paul	59.59
8	Newark	58.97
9	Detroit	58.93
10	Chicago	58.55
11	Dallas/Fort Worth	58.39
12	Atlanta	57.54
13	New York (LaGuardia)	57.30
14	Philadelphia	56.80
15	Houston	53.59
16	Phoenix	51.92
17	Washington, D.C.	51.62
18	Indianapolis	51.41
19	Salt Lake City	50.86
20	Charlotte, NC	50.75
	Paris (Charles de Gaulle)	49.18
21	Tokyo	48.52
22	Memphis	47.56
23	Louisville, KY	46.51
24	Orlando, Florida	43.91
	Frankfurt	43.50
25	Las Vegas	43.45
26	Miami	43.34
	London (Heathrow)	42.64
27	Toronto	39.82
	London (Gatwick)	39.70
28	Singapore	39.09
29	Taipei	37.77
	Dublin	37.58
30	Hong Kong	32.67
	Rome	29.05

European Ranking

- The Gatwick Diamond's main strength is in economic dynamism. Gatwick is pushed up the ranking by above average air transport links, business climate, business services, and qualified labour and quality of life indicators. The wider area is also characterised by strong private equity investment, employment in high-tech services, high numbers of managers and high participation rates.
- The development of the knowledge economy and the cost of labour / property are however **key strategic gaps** which need to be addressed for the area to move up the ranking.

World Ranking

- North American locations dominate the top of the global ranking because of their great strength in knowledge economy - spending on R&D, spending on higher education, patenting, and the availability of private equity for investment. As this is a strategic gap for the Gatwick Diamond it pushes the area down the world rankings considerably – emphasising the need to address this issue.

Additionally, the airport metrics do not capture the leisure orientated nature of air services from Gatwick. For instance the top ten international destinations from Gatwick are Malaga, Palma, Alicante, Tenerife, Orlando, Amsterdam, Faro, Geneva, Barcelona and Atlanta.

**Due to the availability of like statistics, the global ranking uses a reduced set of indicators, heavily weighted towards the knowledge economy. Individual scores are out of a maximum 10.*

The European and world rankings provide an important context for considering the competitiveness of the Gatwick Diamond as an international business location. When looked at in closer detail, the rankings can be prescriptive in directing efforts for improvement and help the Gatwick Diamond strengthen its position vis-a-vis its competitors.

Build from strength – the rankings show that in many categories the Gatwick Diamond has better than average performance, the result of past investments. The rise of business services is a case in point. Insurance and advanced engineering are favourably positioned in the GD. A growing recognition and commitment to build the higher education base and leverage the benefits of university led value added growth signals a shift to smart(er) growth. These areas of strength combined with the centres of research excellence in the South East can serve as nuclei of further growth.

Address core areas of weakness – The Gatwick Diamond ranked poorly in a number of areas that are challenging to remedy in the short run – the cost of land and labour in particular. Increasing productivity, improving skills and competencies and a value-added focus are keys to transformational actions. On the labour front, steps should be taken to promote investments in labour productivity and increase spending on education to ensure a qualified workforce in the long term – the fuel of the Knowledge Economy. *The knowledge economy is a category in which the Gatwick Diamond needs to strengthen.* This deficit could be tackled from a number of directions. Greater emphasis could be placed on preparing the workforce for knowledge sector jobs through the education system. Efforts to leverage business and government spending on R&D could be increased, further support could be given to promote entrepreneurship and growing innovative businesses. Marketing campaigns should be directed at key clusters to encourage growth of these in the area.

Continue to improve air transport links – Research not included in the rankings indicates that while volumes at Gatwick are competitive, the kinds of services offered by the airport are not a usual match for an international business location. Growth at the airport should be oriented to increasing the business offer, including direct connections to other leading business locations and emerging markets.

Be prepared to compete on a world scale – The comparison of the European and World rankings show that while the Gatwick Diamond sits comfortably above the middle among its top 25 European competitors, it sinks below the top 25 North American international business locations when compared on the global standard. If the Gatwick Diamond aims to be a truly international business location it must keep its eye on the global competition and be responsive to trends and innovation from abroad.

Poised for Takeoff – The Business Base

STACKING UP: FEEDBACK

Success depends on a clear sense of direction and fully defined objectives – a message reinforced during the interview process.

Stakeholder Concerns –	Signposting Success
Gatwick Diamond at a 'tipping point' – many drivers and forces for change	*Leadership with shared direction amongst key partners*
Conflicting objectives between LDFs and opposition to development and change in some areas	*Continuing LDF convergence around a clear vision. Distinguish different roles and contributions to the Vision from different areas of the Gatwick Diamond*
Local congestion and local accessibility constraints	*Working in partnership with BAA Gatwick to deliver sustainable success*
Uncertainty about future airport growth	*Refinement of leadership and delivery arrangements around a common agenda*
Absence of dedicated higher education facilities	*Creating an environment that nurtures skills and targeted property initiatives*
Limited innovation activities	*Harness planned changes entailing a more coherent business service offer*
Wide range of enterprise and entrepreneurship support could be further integrated.	

SETTING THE COURSE

Based on three core messages the need to respond with three Strategic Initivaties becomes clear:

Becoming World Class

Benchmarking the sub-region against other successful international business locations demonstrates a need for change and a new business offer:

- Creating a **Buzz** in the local economy – moving the economy from good to remarkable
- Creating an inspiring **sense of place** that will attract and retain talented people
- Stimulating **aspiration** and creating the education and skills levels needed to secure participation in the world's most valuable industries

Messages	Strategic Priorities
Underdeveloped Knowledge Economy assets and services and other skills gaps	Developing Knowledge Economy assets, universities and plugging business focused skills gaps **– Inspiring Learning**
External connections not well tuned for business - Internal connections often hard to use and unattactive	Improving external transport connections to make them work for business success. Developing internal links to better and more sustainably join up the GD and create attractive gateways to the GD communities – **Connect**
Limited focus on Smart Growth, and quality of place	Offering high quality places where people will want to create wealth, live sustainably and have fun – **Grow**.

STRATEGIC INITIATIVES

Smart Growth principles provide the framework for three strategic initiatives to take forward:

Inspire

Creating, attracting and retaining talent
Developing a world class workforce
Building knowledge economy assets and strengthening links to universities

Connect

Working with the airport to create a Gatwick Diamond business asset - a value added driver

Developing local infrastructure to better integrate and share the area's many business and lifestyle assets

Improving rail line capacity, junctions and demand management as part of better service provision

Rail station regeneration to facilitate new ways of connecting with the sub-region

Grow

Delivering quality of place through creative and exciting town centre regeneration – complemented by attractive rail / transport station gateways

LDF convergence to support sustainable growth

Strengthening the identity and creating a sense of place to support the Gatwick Diamond brand

Leverage of the GD's amazing environmental assets

Deliver

Creating the partnerships that can champion the GDI, think strategically across the sub region, and work to deliver world class SMART GROWTH assets

Encourage and facilitate investment in the GDI areas

SMART GROWTH

The Gatwick Diamond Initiative believes global success will be built around SMART GROWTH development strategies – responsive to the economic challenges of globalisation, climate change and people's desire for quality of life. The Smart Growth agenda promotes an approach to development which focuses on **improving economic prospects through facilitation of high value added activities, quality of life and quality of place.** Smart growth focuses on making the best use of land and human resources to limit the need to develop green field sites and to maximise the potential of the local workforce.

One key aspiration of this agenda is to deliver a greater added value knowledge-based local economy – supporting innovation, productivity and improving the business mix to deliver more wealth smarter. The successful development of a knowledge-based economy requires the attraction and retention of both knowledge-intensive firms and a talented labour pool.

To attract and retain talented human capital, however, requires the maintenance of high quality and affordable living environments – 'Smart Places'. The Gatwick Diamond needs an integrated approach and creating smart places where talented people want to live and work is a key part of the equation.

Smart Places Checklist

Conserve open space, farmland, natural beauty

Mixed land uses – take advantage of compact building design

Walkable neighbourhoods

Provide a variety of transport choices

Distinctive, attractive communities with a strong quality and sense of place - inspiring town centres

Encourage community and stakeholder collaboration in development decisions

Source: www.epa.gov/smartgrowth/scorecards

Smart Growth Stories – Vancouver

Population growth of 50% to 2 million in 15 years to 2001 – higher growth rate than the megacities of Cairo, Jakarta, and Rio de Janeiro.

Growth on this scale is normally associated with worsening traffic congestion, and a rapidly expanding concrete footprint. However development on farmland was not an option, Vancouver was forced to 'build smart' – ie efficient use of land:

- Bus ridership increases
- Private vehicle ownership dips
- Car trips become shorter
- Walking and biking flourish

Vancouver now sells its self on its quality of life and was named the '**world's best place to live**' (EIU 2008).

SI1: INSPIRE

The Gatwick Diamond Initiative will work with further and higher education institutions to encourage and assist in improving education and training provision in the area and linking these to future business needs. The further and higher education offer and opportunities to learn and enhance skills needs to inspire the current workforce and future generations if the area is to succeed in attracting and retaining high value added businesses.

The Gatwick Diamond Initiative will work with stakeholder partners to establish how best to attract high quality, knowledge based industries to the area. We will explore the potential of the existing employment areas to provide new and improved business premises and investigate the possibility of a new, high performing business district to accommodate a range of activities, including research and development, offices and convention facilities. To achieve the vision we will require world class standards in sustainable development and design.

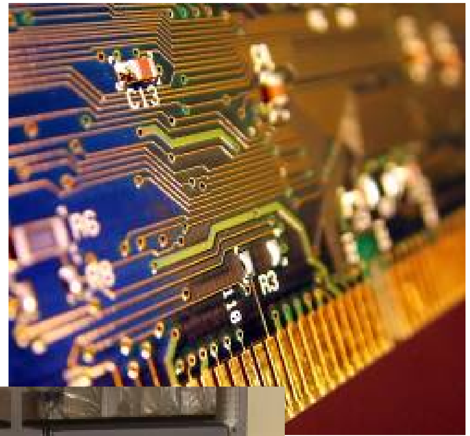
The Gatwick Diamond Futures Plan benchmarking exercise highlighted a number of issues for the Gatwick Diamond surrounding the limited development of the knowledge economy. Addressing these will be a key to securing sustainable prosperity and ensuring a creative buzz in the region. Put simply, the aim is to foster a business mix that creates value with a "small footprint"; the story is about quality and putting in place the economic drivers and assets that deliver sustainable prosperity.

Developing a World Class Workforce:

- Extended higher education course provision, both organic and incremental growth will build aspirations at the same time as human capital
- Improved employer-led, level 3+ training provision

Building knowledge assets to add value:

- A long term vision to build an innovation/research centre linked to businesses, enabling them to more fully add value to the local area
- Attract international knowledge / high value development activities to the region
- Establishment of a targeted 'Innovation Team' to support innovative companies



INSPIRE OPPORTUNITY

The GDI aims to promote a world-class development for business and education to create a truly international business and innovation district.

The GDI will support and promote developments that, over the next 5-20 years, encourage creative and innovative mixed-use facilities for knowledge based business and education.

Possible developments could include:

- An international innovation and business parks, similar in principle to those at Oxford and Surrey, or indeed several smaller ones. This would exploit the potential of Gatwick's unique location and international connectivity. A feature of such parks could be the inclusion of incubator units to encourage start up businesses and spin offs from higher education. Successful ventures would naturally expand into bigger premises.
- Internationally oriented higher and further education facilities, possibly developed in conjunction with an innovation and business park. Further education facilities might be directly linked to up-skilling the airport workforce.
- Hotels and leisure facilities, including a Gatwick Diamond arena/ conference and exhibition centre.
- Key sector developments such as healthcare, life sciences, pharmaceuticals or aviation to augment and/or replace existing but dated facilities in the area.
- Further developing the opportunities to support key sector development, value added growth and inward investment through linkages to centres of research excellence in the South East
- Distribution centres and other airport-related development.
- Park and ride, rapid access to the Gatwick Express and a new transport hub.

Developments would have to be entirely sustainable, and could underpin other highway, rail and infrastructure improvements and BAA's efforts to increase passenger capacity at Gatwick. Development would seek to serve the existing and potential airport capacity and fit with overall BAA Gatwick efforts to ensure the long term success of the airport as a GD business asset.

Specific matters that might be addressed as part of the process is the Network Rail project to modernise, expand and develop the rail services available at Gatwick. There may also be the possibility of introducing 'Automated Traffic Management', which is now being widely adopted by the Highways Agency, as a means of increasing capacity on the M23 and the adjoining sections of the M25.

SI2: CONNECT

ONE WORLD

The Gatwick Diamond Initiative will work with the BAA Gatwick team to ensure the transformational changes planned for the airport are delivered on time and with maximum benefit for the area's stakeholders – success of this £874m plus investment programme is mission critical to the vision.

The Gatwick Diamond Initiative will work with partners to secure sustainable transport solutions to better connect the towns to each other and to serve future business needs and achieve global and regional connectivity.

Gatwick Diamond Connect is aimed at addressing the challenges of:

- Ensuring that Gatwick Airport is developed in a sustainable way that both connects the region to the world economic hotspots and works with the local host communities to support SMART GROWTH solutions
- Ensuing that the Gatwick Diamond communities address the needs of sustainable transport, reduce congestion pressures and create a network of places, each offering a part of the overall global offer.
- Enhancing rail service provision through line capacity, junction and demand management improvements – all need to make the GD work better and efficiently.
- Investing in rail station regeneration to both improve connectivity and create attractive gateways to the GD communities – in effect, to symbolise the new dynamism of the area and serve as interesting places to work and socialise.

By 2015 Gatwick Airport is expected to have 282,000 aircraft movements, 40m passengers and 330,000 cargo tonnage each year. This will secure its current position as a top 10 European airport and a top 30 world airport.

Key airports such as Gatwick have an increasingly important role to play in securing the UK's position in the globalising economy. The diagram to the left sets out how airports can be local development assets – the GDI working in partnership with BAA Gatwick and the wider community will aim to maximise the benefits to the area from this valuable asset.

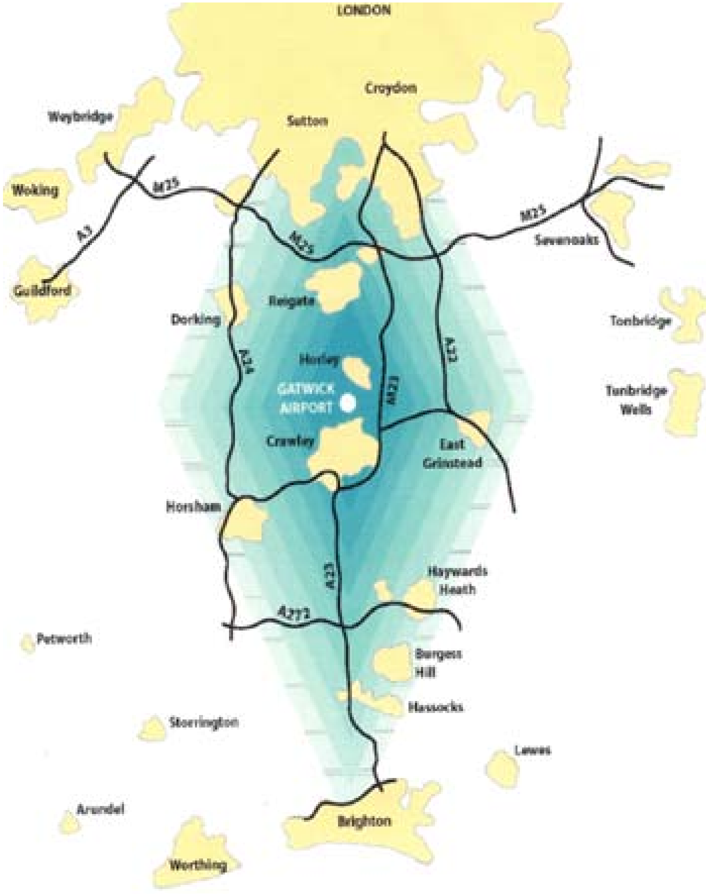
Flight plan:

Leveraging the airport as a business asset

- Delivering the proposed investment plan on time and for the joint benefit of BAA, its customers and the community
- Working *with* BAA as a strategic partner across a range of development opportunities
- Working to connect the region to the world's economic "hotspots" and to build a new customer base for the airport.
- Working with BAA on maximising the 2012 Olympic Gateway exposure the Gatwick Diamond area will get

ONE DIAMOND

Local transport infrastructure within the Gatwick Diamond is characterised by a dense network of road and rail connections. However, this network often becomes overloaded – to the extent to which many areas have a reputation for excessive congestion.



Flight Plan

- Joining up the Gatwick Diamond communities to form a network of connected centres of innovation and exciting lifestyles.
  - o Developing Fastway bus network to better link the GD's centres.
  - o Efficient rail links supported by new rail / transport stations that signify the area's aspirations and welcoming spirit for innovative businesses and people.
  - o A network that facilitates creative exchange, opportunity and a enjoyable way to move around

Importantly, addressing the congestion issues requires a co-ordinated approach and a wider regional perspective in partnership building.

SI3: GROW

The Gatwick Diamond Initiative will work tirelessly in pursuit of 'Smart Growth'. The approach to development focuses on improving economic prospects through facilitation of high value added activities, quality of life and quality of place; a sustainable agenda that serves the economy, the community, public well being as well as the environment.

The Gatwick Diamond Initiative will work with the local authority Leader's Forum to encourage co-ordinated strategic planning and the investment needed to deliver town centre and transport interchange regeneration, much needed infrastructure improvements to transport networks and economic development initiatives – all components of a world class business location. The GDI offers the opportunity to provide partners with a stronger voice and the leverage necessary to secure the investment needed to deliver sustainable prosperity today and tomorrow. The guiding principles are:

Principle 1 – Smart Centres

The GDI will support regeneration and continued development of town centres - an economic development agenda targeted to provide services and facilities for local residents and improve the quality of place; the aim is to deliver live/work communities supported by catalytic rail station regeneration.

The promotion of recreational activities in town centres including but not limited to cycle rental schemes, local gyms, supporting local restaurants, local festivals and other ways to support the evening economy.

Improvement of the cultural offer of town centres and other urban and rural destinations including facilities for the visual, performing and, community arts, heritage and visitor attractions

Principle 2 – Smart Business Infrastructure

The GDI will work with partners to improve the ability of existing business areas to accommodate high value-added activities. It will investigate the potential for the creation of a business and innovation "district"/sub-region incorporating a science/technology park and/or niche initiatives in association with higher education and business R&D interests. This could include an incubator / innovation centre network across urban and/or "rural" locations. Complementing this can be the promotion of a major conference and exhibition centre with hotel accommodation. This can be supported by the development of business led, employability focused training provision partnerships along with creating wireless free internet accessible public spaces and business zones – a 21C investment and working space.

Principle 3 – Smart Environment

The GDI will encourage innovative building design and iconic architecture, through competitions and the promotion of exemplar buildings – leadership in energy, environment and design standard befitting of a new business model.

Countryside recreation initiatives for businesses, investors, visitors and residents - including hotels, spas, country houses and gardens, restaurants, golf, riding, country parks and countryside interpretation.

Making the countryside more accessible - publicising bus routes running through areas of outstanding natural beauty, walking and cycle routes.

Principle 4 – Smart Infrastructure

The GDI will promote walking and cycle friendly neighbourhoods, and networks. Local transport investment in buses and rail/stations to connect GD centres is important and a priority. The infrastructure look and feel should form part of the GD's distinctive offer – a great place to invest, work and live a creative and fulfilling life.

GDI PARTNERSHIP WORKING: A SHARED AGENDA

To achieve the vision requires collaborative working among the partners. The Gatwick Diamond Initiative is focused on encouraging and facilitating investment: It should focus on putting in place three task groups to take forward the SMART GROWTH strategic initiatives.

GD Corporate Priority Actions: - See Annex Priority Actions to Deliver the Inspire – Connect – Grow Future Plan

- Agree governance structure / management arrangements
- *Fast track* the preparation of the Memorandums of Understanding (MoUs) for each strategic initiatives – target to complete these by end of 2008

	July	August	September	October	November	December	2009	2010+
Corporate								
Governance/ Management Arrangements								
Agree Marketing/ Communications Plan								
Prepare GDI budget								
Prepare GDI detailed corporate plan								
Inspire								
Agree theme group structure, composition and TOR								
Facilitate dialogue with FE's								
Develope working relationships with new innovation teams and business								
Prepare MoU for IIBD Potential								
Connect								
Agree theme group structure, composition and TOR								
Prepare MoU for BAA Gatwick								
Identify list of key transport / connectivity issues for GD								
Grow								
Agree theme group structure, composition and TOR								
Prepare MoU with LA's to facilitate deliver of the SMART GROWTH								
Identify "hot list" of key infrastructure issues that joint								

MoUs: A Framework for Shared Success

MoUs Key Features:

- **Direction** – Clear goals and objectives defined / agreed
- **Organisation** – Governance and management arrangements defined and decision-making procedures agreed.
- **Resources** –HR and financial resources needed to achieve the objectives agreed and each partner's contribution agreed
- **Deliverables** – Clearly defined outputs and KPIs.

WHAT WILL SUCCESS LOOK LIKE?

Creating a dynamic, “Smart Place”:

By 2016 the Gatwick Diamond will have raised its high quality environment and lifestyles to the next level, retaining what is remarkable and creating even more. Behind this will be a flourishing and growing knowledge intensive economy developed under smart growth principles which encourages continuous innovation, creativity and entrepreneurship. Improved business areas across the GD, possibly combined with an international business and innovation district will provide a truly world class business and career offer. The creation of new centres for research and business innovation will reshape the area’s global profile. This reshaping reaped the benefits of Gatwick Airport’s creative approach to managing aviation sustainably and linking its new terminal and surface transport upgrade to SMART GROWTH transport solutions across the area – where did all the cars go?

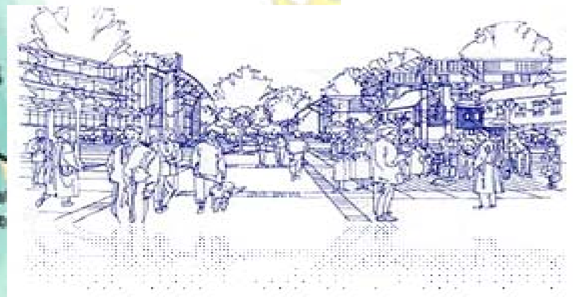
The Smart Growth solution for the Gatwick Diamond will be a “well connected network” – in the physical, business and organisational senses. It will work to connect infrastructure and development investment in a way which supports regionally and locally sustainable development – particularly of knowledge-based assets and infrastructure.

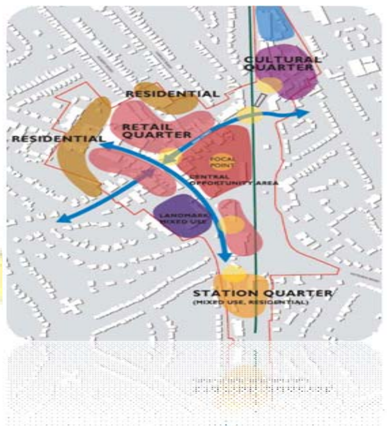
The Gatwick Diamond will be well connected in terms of physical transport infrastructure with improved:

- Air links
- Strategic rail links
- Local rail links / stations /Fastway
- Walking neighbourhoods / urban cycling networks

The business infrastructure will also be better connected with:

- A new knowledge based airport related business hub offering international business connectivity
- HEI, research and innovation hub (s) at the heart of the connected Gatwick Diamond
- A network of innovation centres
- New commercial and business facilities in well connected GD town centres
- Business led, employability focused training provision partnerships





The Diamond will do this by acknowledging that, whilst property development and infrastructure delivery will be through local and regional delivery agencies and the private sector, the Gatwick Diamond Initiative will:

- Develop this Future Plan as a complimentary component of local development frameworks and plans and anchor Diamond policies through the South East Plan and other plan engagement and alignment.
- Provide a framework for convergence of the knowledge-led component of individual Growth Area economic strategies in MKSM
- Support private sector initiatives for knowledge-based developments, innovation and enterprise facilities, and HEI facility expansion to promote
- Support development of affordable housing for key workers and other priority groups around knowledge-based business infrastructure in the Diamond
- Develop and influence delivery of smart growth local transport solutions within and around knowledge-based centres in the area – walking, cycling, innovative public transit systems
- Influence prioritisation of sub-regional and other growth point infrastructure investment bids to deliver better connectivity between Diamond centres and influence international connectivity through relations with BAA and the airlines.

More than this, each element complements each other in a virtuous, self reinforcing circle.

Strategic | **Beacons**

Inspire

Connect → BAA £874m CAPEX programme
Fastway expansion – linking to Redhill Station Upgrade (June 2008)
Horley Station Interchange upgrade (June 2008)

Grow → Town centre regeneration across the GD: Redhill, East Grinstead, Haywards Heath, Burgess Hill, Town Centre N Crawley, Southwater Village, Office developments in Redhill and Horley and New Leader’s Group committed to

ANNEX:

A1 Benchmarking Details

A2 Case Studies

A3 Current Development Priorities

A4 Economic Profile

A5 Priority Actions to Deliver the Inspire – Connect – Grow Future Plan

BENCHMARKING METHODOLOGY

European Ranking

The international business locations selected for the ranking were those areas with Europe's top twenty five busiest airports. Ten categories were selected to evaluate the IBLs, and indicators chosen to give a measurement of strength in each of the categories. Numbers of indicators per category varied between one and three. Each indicator was measured on a scale from 0 to 10 (10 being the strongest performance, 0 the poorest). Scores for each indicator were combined to give each IBL a ranking from zero to ten. The scores per indicator were averaged to give each IBL a score out of ten in each of the categories. Scores from each category added up to give each IBL a ranking out of 100. The table below provides a summary of categories, indicators per category and the source of statistics per indicator. In most cases, the statistics for a particular indicator were from the same data source. However in certain circumstances this had to be supplemented from other data sources.

Statistics were available at a number of geographic scales. Most of the statistics used were at the NUTS2 regional level. Some statistics were available only at the national level, such as for taxation. Where possible, local statistics at the town and city level were used.

Category	Indicator	Source
Air Transit Links	Passenger Movements	Airports Council International, World Airport Traffic Report 2006
	Aircraft Movements	Airports Council International, World Airport Traffic Report 2006
	Cargo Tonnage	Airports Council International, World Airport Traffic Report 2006
Economic Dynamism	GDP growth, by NUTS 2 regions, 1995-2004 (Annual average % change)	EUROSTAT – Regions: Statistical Yearbook 2007 Data for Switzerland and Norway was obtained at the national level from OECD Country Statistical Profiles 2007
	Unemployment Rate, by NUTS 2 region, 2005	EUROSTAT – Regio, harmonized regional statistical database Data for Zurich was obtained from Swiss Statistics (Unemployment rate in % (annual average), 2002)
Business Climate	Corporate Tax Rate	KPMG's Corporate and Indirect Tax Rate Survey 2007
	Indirect Tax Rate (VAT)	KPMG's Corporate and Indirect Tax Rate Survey 2007
Cost of Labour	Labour cost, wages and salaries, direct remuneration - Regional data, 2004 (All NACE branches except agriculture, fishing, public administration, private households and extra-territorial organizations)	EUROSTAT – Regio, harmonized regional statistical database
	Labour productivity – GDP/Employment, by NUTS 2 regions, 2004	EUROSTAT – Regio, harmonized regional statistical database
Qualified Labour	Educational attainment level, percentage of 25- to 64-year-olds in the population with tertiary education, by NUTS 2 regions, 2005	EUROSTAT – Regions: Statistical Yearbook 2007 Data for Zurich was obtained from Swiss Statistics (Educational Attainment (25-64 years), Higher education %, 2000)
Cost and Availability of Property	Class A Central Business District (CBD) Office Rent (EUR/sqm/month)	Colliers, Office Rents Map 2007 Cologne was given the same values as Dusseldorf, London (Gatwick) and London (Stansted) were given the same values as London suburban. Data for Nice was sourced from CBRE, Market View, France Regions, 1st half 2007.
	Class A Suburban Office Rent (EUR/sqm/month)	Colliers, Office Rents Map 2007
	Vacancy (%)	Colliers, Office Rents Map 2007 Note: Vacancy rates for London (Gatwick) and London (Stansted) were sourced from UK Statistics, Neighbourhood Statistics, for Crawley and Harlow, respectively.
Access to Markets	NUTS2 regional population, 2004	EUROSTAT – Regio, harmonized regional statistical database
	Population within a 400km radius, based on NUTS2 regional population, 2004	EUROSTAT – Regio, harmonized regional statistical database
Quality of Life	Cost of Living, as measured by Comparative Price Levels	OECD, Main Economic Indicators, February 2008
Knowledge Economy	Total R & D expenditure as a percentage of GDP, all sectors, 2003	EUROSTAT – Regions: Statistical Yearbook 2007
	Human resources in science and technology by virtue of occupation as a percentage of the labour force, 2005	EUROSTAT – Regions: Statistical Yearbook 2007
	Total patent applications to the EPO per million inhabitants, EU-25, by NUTS 2 regions, 2002	EUROSTAT – Regions: Statistical Yearbook 2007
Business Services	% of total non-financial business economy employment, specialisation in computer services (NACE K 72), EU-27 and Norway, by NUTS 2 regions, 2004	EUROSTAT – Regions: Statistical Yearbook 2007
	% of total non-financial business economy employment, specialisation in other business services (NACE K 74), EU-27 and Norway, by NUTS 2 regions, 2004	EUROSTAT – Regions: Statistical Yearbook 2007

World Ranking

The world ranking was more challenging than the European ranking since most of the data needed could no longer be found at one source, EUROSTAT. For the European ranking, EUROSTAT was an invaluable source of data and offered standardized statistical categories, at a common geographic scale, the NUTS2 region. For the world ranking, the main issue was matching common statistical categories across different jurisdictions. To solve this problem, the World Ranking depended heavily on global rankings carried out by other organisations, particularly the World Knowledge Competitiveness Index 2005 (WKCI 2005). The Competitive Index from the WKCI 2005 is a composite of the following indicators:

Human Capital Components

- Economic Activity Rate
- Number of Managers per 1,000 inhabitants
- Employment in IT and Computer Manufacturing per 1,000 inhabitants
- Employment in Biotechnology and Chemicals per 1,000 inhabitants
- Employment in Automotive and Mechanical Engineering per 1,000 inhabitants
- Employment in Instrumentation and Electrical Machinery per 1,000 inhabitants
- Employment in High-Tech Services per 1,000 inhabitants

Financial Capital Components

- Per capita Private Equity Investment

Knowledge Capital Components

- Per Capita Expenditures on R&D performed by Government
- Per Capita Expenditures on R&D performed by Business
- Number of Patents Registered per one million inhabitants

Regional Economy Outputs

- Labour productivity
- Mean Gross Monthly Earnings
- Unemployment Rates
- Knowledge Sustainability
- Per Capita Public Expenditures on Primary and Secondary Education
- Per Capita Public Expenditures on Higher Education
- Secure Servers per one million inhabitants
- Internet Hosts per 1,000 inhabitants

Broadband Access per 1,000 inhabitants

The advantage of using the WKCI 2005 ranking was that it covered off many of the categories selected in the European ranking. For this reason the European Ranking categories of Economic Dynamism, Cost of Labour, Qualified Labour, Knowledge Economy and Business Services were collapsed into one category, Competiveness in the Knowledge Economy. However the WKCI 2005 was not a perfect replacement for these other categories, the result being that the World Ranking is weighted more heavily to the side of strengths in the knowledge economy. For this reason the two rankings measure slightly different things. In addition, the geographic scale of the units of comparison is slightly larger in the WKCI 2005. The Gatwick Diamond was considered as part of the South East, UK. Despite these methodological challenges, as an overview, the World Ranking allows us understand where the Gatwick Diamond sits amongst its competitors. The IBLs selected for the ranking were again chosen based on the ranking of their airports, in this case the top 26 North American airports and as a point of comparison, the top 4 Asian airports.

To reflect the compression of several categories into one, Competitiveness in the Knowledge Economy, this new category was weighted out of 40. The four remaining categories, Air Transit Links, Business Climate, Quality of Life, and Cost and Availability of Property were each weighted out of 10, as in the European Ranking. These figures added up gave an overall ranking out of 80, which was converted into a ranking out of 100. The table below provides a summary of categories, indicators per category and the source of statistics per indicator for the World Ranking.

Category	Indicator	Source
Air Transit Links	Passenger Movements	Airports Council International, World Airport Traffic Report 2006
	Aircraft Movements	Airports Council International, World Airport Traffic Report 2006
	Cargo Tonnage	Airports Council International, World Airport Traffic Report 2006
Competiveness in the Knowledge Economy	Competitiveness Index	World Knowledge Competitiveness Index 2005, Robert Huggins Associates
Business Climate	Corporate Tax Rate	KPMG's Corporate and Indirect Tax Rate Survey 2007
	Indirect Tax Rate (VAT or sales tax)	KPMG's Corporate and Indirect Tax Rate Survey 2007; State Sales Tax Rates (January 1, 2008), Federation of Tax Administrators web site
Quality of Life	Cost of Living	Comparative Price Levels, 2005 International Comparison Program, World Bank (February 2008)
	Physicians per 1,000 inhabitants (latest available year)	World Health Organization Statistical Information System (WHOSIS), Taiwan figure from: Research report on medical education and supply and demand of physicians. Part III: Global trends. B. International trends: Taiwan. Hong Kong figure from: Hong Kong in Brief 2006
	Household expenditure on recreation and culture, as a % of GDP (national level), 2004	OECD Statistical Factbook 2007
Cost and Availability of Property	Class A Central Business District (CBD) Office Gross Rent ($US/sqf/year)	Colliers International Global Office Real Estate Review 2008 Data for Indianapolis and Louisville was obtained from Colliers International US Real Estate Review 2008. Outstanding markets were sourced from Colliers, Office Rents Map 2007. Cologne was given the same values as Dusseldorf, London (Gatwick) and London (Stansted) were given the same values as London suburban.
	Class A Suburban Office Gross Rent ($US/sqf/year)	Colliers, Office Rents Map 2007
	Vacancy (%) (Classes A, B, C in the CBD)	Colliers, Office Rents Map 2007 Note: Vacancy rates for London (Gatwick) and London (Stansted) were sourced from UK Statistics, Neighbourhood Statistics, for Crawley and Harlow, respectively.

Case Studies: Airport-anchored International Business Sub-Regions

Model 1: Real Estate Development Driven

Development at the airport and the vicinity creates a new business node within the region. The features of these kinds of development:

- Use immediate proximity to the airport as a key selling feature. They tend to be businesses directly related to aviation or those that value easy access for air freight or business travel.
- Often aim to attract or stimulate the creation of clusters of development, often in knowledge economy sectors.
- Exist at many different scales, from business parks to "Airport Cities"

Model 2: Airport as Regional Asset

Unlike model 1, this model does not concentrate economic development activity in the physical vicinity of the airport. Rather it works to tailor the services of airport to the needs of regional business clusters.

Key to this model is the alignment of strategies and the creation of institutions and organisations to push for common interests and promote the regional economy.

Example: Amsterdam Schiphol

Schiphol combines a world class hub airport with extensive real estate development to create an international business location that rivals others in the region and strengthens the Netherlands' global position.

Development at Schiphol includes retail, entertainment, class A office space, distribution centres, industrial and business parks

Public sector led (the airport operator is public as well) but institutions have been created to partner with the private sector for real estate development and the promotion of the area.

Example: Raleigh Durham

Raleigh Durham has created itself as an essential strategic asset to knowledge economy clusters in the Research Triangle area of North Carolina, home to three universities and the largest research park in the US.

A public-private partnership exists to promote the economic development of the region. Its offices are located at the airport.

Businesses and airport work together on destination and airline recruitment. The airport surveys local businesses to better understand their aviation-related needs

The airport is a central part of regional economic planning.

Case Study: Raleigh Durham

Raleigh Durham is a modest size airport located in Wake County, North Carolina. It is worthy of consideration as a case study because of its location in a region with particularly intense knowledge economy activity and its success in becoming a strategic asset to local businesses. The Raleigh Durham area is known as the Research Triangle, derived from name of the Research Triangle Park, the largest research park in the world, home to over 140 organisations and 50,000 employees. The region's knowledge economy strengths are further bolstered by the presence of three major universities, Duke University, University of North Carolina, and North Carolina State University.

The Research Triangle Regional Partnership (RTRP) is a public-private partnership that promotes economic development in the region. Physically located at the airport, it has worked with the Raleigh Durham Airport Authority on expansion initiatives, including the increase in number of airlines serving the area and frequency and destinations of international passenger and cargo departures.

The RTRP manages the regional competitiveness strategy, a 5-year, $5-million program for job creation that includes 30 actions to support the growth of key emerging clusters. Specific airport-related actions include:

- Co-funding destination and airline recruitment;
- Conducting formal and informal surveys of local business to monitor changing air service requirements;
- Funding marketing campaigns for new airlines landing at the Raleigh-Durham Airport in local media;
- Mediating partnership formation between airlines and local firms; and
- Making air services central on the agenda of regional bodies dealing with transportation.

More general actions include promoting the growth of industry clusters where the region has a competitive advantage: pharmaceuticals, biological agents and infectious diseases, agricultural biotechnology, pervasive computing, advanced medical care, analytical instrumentation, nanoscale technologies, informatics, vehicle component parts and logistics and distribution.

Triangle J Council of Governments is a regional organization that works with the RTRP and the Airport among other organizations to develop regional strategies and carry out regional initiatives. It administers an 85-acre Foreign Trade Zone near the airport.

The initiatives described above as well as others have succeeded in connecting the airport with regional development efforts, and tailoring the expansion of services to meet the needs of the most dynamic part of the regional economy, knowledge economy clusters.

Case Study: Amsterdam Schiphol

Amsterdam Schiphol, located 18 km outside of Amsterdam, is a major hub airport with high transfer rates and excellent network quality. It has combined this high volume of traffic with major development around the airport to strengthen the city region as a business location.

Schiphol is one of the most successful examples of airport-related development and a model for the "Airport City" approach. Development around Schiphol incorporates hotels, conference facilities, class-A office buildings and business parks for transportation intensive industries, such as telecommunications, logistics and distribution. Schiphol's passenger terminal offers such an extensive shopping, dining and entertainment options that it effectively doubles as a shopping mall. Schiphol rivals the Amsterdam CBD as a business location with higher rents on Class-A office space.

In the 1990s there was a shift of thinking at Schiphol Airport. The emphasis shifted from protecting the airport's land for expansion purposes to exploiting the economic potential of the airport vicinity. The public sector has played a large and often direct role in development at Schiphol, through the following organizations:

The Schiphol Group – the publically-owned airport operator.

Schiphol Area Development Corporation (SADC) – a publically-owned development corporation whose activities include:

- Land acquisition;
- Development of business parks and office locations (through its subsidiary, Schiphol Real Estate, and other developers);
- International marketing of its own locations and region (through Amsterdam Airport Area);
- Assistance for new international businesses in choosing their location in the Schiphol region;

- Realization of infrastructure projects; and
- Park management.

Amsterdam Airport Area (AAA) – A public-private partnership of organizations involved in the development of office and industrial parks around Schiphol. AAA is responsible for marketing the area and acting as a point of contact for businesses relocating to the area.

Public control over the development process is further reinforced by public ownership of much of the land in the airport area. The emphasis of the development process has therefore been on inter-governmental cooperation and avoiding inter-municipal competition for commercial activities. A common land pool was established in 1987 to coordinate the land supply. Development in the area is further shaped by the public sector through regional economic and land-use planning frameworks which establish zoning regulations to evaluate whether proposed land uses are related to the airport. The aim here is to preserve sites closest to Schiphol for uses directly related to the airport and limit problems of congestion.

Schiphol has been broadly successful in creating a regional economy anchored by the airport. Marketing of the area has linked the stature of Schiphol as a world-class airport, to the concept of the "Airport City" and the identification of the region as a significant international business location. Over 120 hectares of industrial and office parks have been built. Schiphol has been successful in attracting European headquarters and distribution centres, as well as other retail and office facilities. It is estimated that Schiphol has generated 120,000 direct and indirect jobs.

Case Study: Toronto Pearson

Toronto Pearson Airport has recently made efforts to strengthen its role in regional economic development through the creation of an economic development strategy. One key goal of the strategy development process was to align the airport's approach to development with those of the surrounding municipalities. Toronto, Brampton and Mississauga have taken a cluster-based approach to their economic development efforts. Therefore the economic development strategy is oriented to better servicing the clusters of economic activity within Pearson's zone of influence.

Pearson Airport is run by the Greater Toronto Airports Authority (GTAA), a not-for-profit corporation governed by a 15-member board drawn from nominees from four regional municipalities, the City of Toronto, the Province of Ontario and the Government of Canada, and from the Greater Toronto Area business and professional community. The development of the strategy included a consultation process involving airport-related businesses, representatives from leading business clusters, municipal representatives, and broader municipal and regional trade promotion groups.

The consultation process generated a list of priority items that formed the backbone of the strategy. Unlike the Schiphol case study, for the most part the emphasis of the strategy is not on developing the airport's immediate vicinity which is already quite built-up and congested, but how the airport can better serve the region with specific emphasis on the key clusters driving the development of the knowledge economy in the Greater Toronto Area. The exception to this general orientation is how remaining developable land can be used to strengthen the aeronautical cluster or create facilities, such as a Maintenance, Repair and Overhaul (MRO) facility that are closely linked to airport operations.

Priority actions include:

- An action plan to improve air cargo services, to identify the service requirements of regional firms and the gaps in service;
- An annual survey of business in key clusters to determine gaps in service (both passenger and cargo) and other economic development opportunities;
- Coalition building for lobbying senior levels of government on air service agreements and information gathering;
- Coordinated information gathering with local municipalities;
- Alignment of airport land development strategies with the economic development strategies of local municipalities; and
- Labour force development initiatives.

To inform the process, Pearson drew on best practices from elsewhere and created a database of firms operating within the airport's zone of influence.

Other Airport-related Real Estate Development Examples

Aviapolis	
Copenhagen	Orestaden is a new city being built in proximity to the Copenhagen Airport to take advantage of the global access offered by the airport, the new connectivity offered by the new Oresund bridge to southern Sweden and the research capacity of the University of Copenhagen. The proposed development will be 60% office, 20% other commercial and 20% residential. The focus of the development is "high tech" clusters.
Helsinki-Vantaa	Aviapolis is a rapidly growing business, retail, entertainment and housing area in Central Vantaa covering 42 square kilometres including the Helsinki-Vantaa airport. The area aims to attract pharmaceutical and hi-tech companies. Development is moving forward through partnerships between the public and private sectors.
Frankfurt	Due to local environmental restrictions, Frankfurt airport has seen less development directly adjacent to the airport. Instead it has developed as a polycentric airport city, connected by excellent transportation infrastructure (highways, light rail, rail). Nearer the airport are the Frankfurt airport centres including the Airport Conference Centre, and the AIRRAIL centre with 170,000 square metres of offices, hotel and retail above a high speed train station. Also nearby are Monchhof, 72 ha of trade logistics and Gateway Gardens, the former US Army base, 35 ha being developed for mixed-use.
Business Parks	
Nice	Sophia-Antipolis Science park, near the airport is a centre for research and science industries
Cork	Cork Airport Business Park is home to 14 companies, with 11 more due to relocate there. Developing clusters include electronics and pharmaceuticals.
Focus on Logistics and Distribution	
Rome Fiumicino Airport	An intermodal centre is being developed adjacent to Cargo City as a centre for transport operators and shipping agents with a capacity of 5-7 million tonnes a year. It connects into the highway network west of Rome and the Rome-Genoa rail line.
Lyon Saint Exupery Airport	Promotion of 'Lyon Logistics', using Isle d'Abeau, adjacent to the airport as a centre for logistics companies.
Vienna Airport	Area around the airport functions as an "entrepot" into Eastern Europe. Presence of companies such as Hewlett Packard, 3M, Volvo, and Danfoss.

TOWARDS A SMART GROWTH COALITION: COMMON PURPOSE, COMPLEMENTARY ASSETS, MORE PROSPERITY

Local Authority	Development Philosophy	Local Priorities	Strategic assets for the GD overall offer	Smart growth fit	Strategic Initiatives / Priority Joint Actions
Crawley	Sustainable Growth focus – employment and housing	Planning and investment policies which support major housing, employment and commercial developments	Regional economic and business centre. National / international airport / connectivity Centre providing social, leisure and cultural service offer of the Diamond	Commitment to economic and housing growth. Poor identity and quality of place absent	Smart Centres: town centre regeneration and promotion of recreation activities in urban centres
Mid Sussex	Accommodating challenging housing growth targets whilst maintaining quality of built and natural environment	Dispersed development strategy for new housing development with continued protection of the high quality natural environment. Development of employment areas to reduce the need for commuting	Provision of new quality housing developments Commitment to improving quality of place Hiqh quality natural environment - >50% in AONB	Commitment to challenging sustainable growth targets in housing and employment. High quality of the natural environment -compromised by poor quality town centres	Actions to make the countryside more accessible, Building a quality of place into local town centres – to attract commercial / economic, social and cultural wealth generating assets
Horsham	Recent visioning exercise has confirmed sustainable growth commitment	A growth in homes and jobs matched by an improvement in the local service offer	Commercial centre with important leisure and cultural service offer	Commitment to sustainable growth. High quality natural and built environment providing important part of the quality of life assets of GD.	Smart Centres: Secure occupiers for high quality vacant office floor space and appropriate uses for lesser quality stock. Continue to develop, promote and enhance existing high quality town centre. Promotion of leisure and cultural activities in town centre and district.
Reigate & Banstead	Growth Point status secured – support for sustainable housing and infrastructure development	Planning for growth within existing urban areas - safeguarding Green Belt and valued landscape character areas. Regeneration and development of Redhill as regional transport hub	Provision of new quality housing developments Commitment to improving quality of place	Commitment to sustainable growth High quality of the natural environment -compromised by poor quality town centres	Building a quality of place into town centres Regeneration and development of Redhill as regional transport hub

Local Authority	Development Philosophy	Local Priorities	Strategic assets for the GD overall offer	Smart growth fit	Strategic Initiatives / Priority Joint Actions
Tandridge	Limited sustainable growth which protects the environment and uses resources prudently *“Where the community lives and works within environmental limits”*	Retention of the Green Belt and protection of the countryside Meeting local housing needs with adequate infrastructure	Hiqh quality natural environment - >50% in AONB Good connectivity to/from London - but dilutes offer to the Diamond?	Live and work in a high quality environment – though limited opportunities High quality of the local environment for leisure and recreation	Increase access to high quality environment Provide more visitor, leisure and recreation infrastructure Provide more live and work opportunities
Mole Valley	Meeting a fair share of the region’s growth but in a way that minimises change	Preservation of the local environment Meeting the needs of those who live and work in the district	Hiqh quality natural environment Quality of place of centres of Leatherhead and Dorking	Hiqh quality natural environment providing important part of the quality of life assets of GD	Increase access to high quality environment Provide more visitor, leisure and recreation infrastructure

ECONOMIC PROFILE

Headlines

	The Gatwick Diamond	South East	England
Gross Value Added (GVA) per capita, (£000s)	20.57	17.09	16.85
Gross Value Added (GVA) per FTE employee job, (£000s)	43.14	39.29	39.51
Percentage of the working age population in employment	79.9%	79.0%	74.6%
Average (mean) gross weekly earnings for full-time employees	570.5	539.0	526.1
Average annual growth in GVA, (%, constant 2002 prices) 1999-2004	3.3	3.5	3.0
Annual number of VAT registrations per 10,000 adult population	48.4	43.5	39.3
Percentage of the population of working age	61%	61%	62%
Percentage of the working age population that are economically inactive	17%	18%	22%

Drivers 1: Innovation

	The Gatwick Diamond	South East	England
Percentage of firms introducing new/novel products/processes between	29.9%	32.1%	30.8%
Percentage of annual turnover due to new/novel products introduced	47.2%	42.3%	40.0%
Annual patent applications to the EPO per 10,000 population	12.2	n/a	13.7
R&D employees per 1,000 employees	7.6	8.0	4.1

Drivers 2: Investment

	The Gatwick Diamond	South East	England
Gross Fixed Capital Formation (GFCF) per capita, (£)	2655	2895	2576
Government Output per capita, (£)	2261	2717	2631
Government GFCF per capita, (£)	102	175	165
Government Investment Grants per capita, (£)	81	98	118

Drivers 3: Human Capital

	The Gatwick Diamond	South East	England
Average annual population growth, (%) 1999-2004	0.4	0.5	0.5
Average annual productivity growth, (%) 1999-2004	2.0	2.3	2.2
Percentage of the population with degree level qualifications	31.6%	29.5%	26.2%
Percentage of the population with no qualifications	7.7%	10.1%	14.1%
Percentage of the population aged between 16 and 24 with no	8.3%	10.1%	13.0%
HE/FE students as percentage of the resident population	5.2%	6.9%	7.3%

Drivers 4: Economic Diversity and Specialisation

	The Gatwick Diamond	South East	England
Manufacturing Employment Diversity Index	11.5	13.5	13.6
Services Employment Diversity Index	12.1	10.9	11.0
Percentage of employees in Knowledge Intensive Business Services	9.75%	10.09%	7.49%
Percentage of employees in the creative industries	6.10%	6.56%	4.89%

Drivers 5: Connectivity

	The Gatwick Diamond	South East	England
Average (mean) speed of road traffic in urban areas, (mph)	n/a	n/a	n/a
Percentage of employees in ICT services	2.64%	3.46%	1.98%
Rail journey time to London from largest rail station, (mins)	33	n/a	n/a
Travel time by car to Heathrow Airport from the largest urban centre,	58	n/a	n/a

Drivers 6: Quality of Life

	The Gatwick Diamond	South East	England
Infant mortality rate per 1,000 live births	3.37	4.07	5.15
Percentage of the population in low income households	5.9%	8.8%	13.8%
ILO unemployment rate, (%)	3.4%	3.7%	4.6%
Adult suicide rate per 100,000 population	8.8	10.8	11.3

Growth Projections

Gross Value Added (millions £, 2003 prices)

	1997	2003	2005	2006	2007	2016	2020
Gatwick Diamond	10,163	13,014	13,375	13,882	14,390	18,244	19,834
South East	114,325	144,132	151,171	156,315	162,065	209,021	230,384
UK	818,187	973,746	1,029,047	1,060,238	1,093,547	1,375,430	1,502,666

Gross Value Added by Industry (millions £, 2003 prices)

	1997	2003	2005	2006	2007	2016	2020
Agriculture, Forestry & Fishing	90	92	99	103	104	93	87
Oil & Gas Extraction	19	0	0	0	0	0	0
Other Mining	13	10	12	14	16	20	21
Food, Drink & Tobacco	98	128	99	90	91	99	100
Textiles & Clothing	10	12	15	15	15	18	19
Wood & Wood Products	43	33	27	26	27	27	26
Paper, Printing & Publishing	257	314	290	276	277	305	319
Fuel Refining	4	10	9	9	9	2	2
Chemicals	97	174	175	189	188	250	292
Rubber & Plastics	29	53	37	42	42	48	50
Minerals	34	53	62	65	64	58	52
Metals	42	78	76	77	79	88	93
Machinery & Equipment	128	123	137	159	160	141	138
Electrical & Optical Equipment	270	263	279	319	326	451	517
Transport Equipment	106	95	105	111	113	107	104
Other 'Other' Manufacturing	31	32	31	33	33	35	39
Gas, Electricity & Water	137	180	152	157	159	197	214
Construction	746	830	800	779	783	909	981
Wholesaling	760	934	982	1001	1028	1350	1495
Retailing	470	677	696	710	747	991	1092
Hotels & Catering	297	391	399	433	466	626	688
Transport	937	1305	1262	1411	1484	2024	2238
Communications	159	349	397	446	493	711	803
Banking & Insurance	1078	1569	1768	1947	2122	2690	2616
Business Services	1227	1911	2196	2281	2451	3870	4606
Other F&Bs	469	638	663	667	715	1033	1163
Public Admin. & Defence	318	345	372	378	383	379	378
Education	526	537	546	559	562	677	749
Health	495	628	648	636	660	819	910
Other 'Other' Services	518	650	608	629	637	879	996
Agriculture, Forestry & Fishing	90	92	99	103	104	93	87
Mining & Utilities	168	190	165	172	175	217	235
Metals, Minerals & Chemicals	177	313	322	340	341	397	438
Engineering	505	482	524	587	600	697	759
Other Manufacturing	470	572	497	480	483	535	551
Construction	746	830	800	779	783	909	981
Distribution, Hotels & Catering	1529	2004	2079	2144	2241	2967	3273
Transport & Communications	1097	1654	1660	1858	1976	2736	3039
Financial & Business Services	2775	4116	4626	4895	5287	7594	8386
Other (Mainly Public) Services	1857	2158	2173	2204	2240	2755	3031

Sum of projections for 6 GD Districts

Total Employment Levels

	1997	2003	2005	2006	2007	2016	2020
Gatwick Diamond	333,696	369,412	366,932	369,096	371,485	395,825	400,557
South East	3,901,499	4,251,878	4,337,692	4,379,713	4,415,465	4,699,889	4,765,384
UK	28,243,744	30,101,993	30,813,246	31,191,868	31,478,989	32,804,182	33,047,360

Total Employment Levels by Industry

	1997	2003	2005	2006	2007	2016	2020
Agriculture, Forestry & Fishing	5,994	4,125	5,372	4,784	4,504	3,615	3,177
Oil & Gas Extraction	156	17	4	3	1	0	0
Other Mining	248	105	110	127	144	136	122
Food, Drink & Tobacco	1,792	1,979	1,380	1,278	1,295	1,192	1,124
Textiles & Clothing	610	628	827	783	698	672	633
Wood & Wood Products	1,169	725	668	580	593	466	411
Paper, Printing & Publishing	5,545	6,158	5,413	5,121	4,976	5,084	5,150
Fuel Refining	47	126	72	73	68	19	19
Chemicals	1,553	2,106	1,726	1,765	1,749	1,566	1,561
Rubber & Plastics	993	1,472	994	1,075	1,028	984	924
Minerals	1,010	1,258	1,142	1,145	1,031	773	681
Metals	2,343	3,214	2,776	2,623	2,606	2,824	2,979
Machinery & Equipment	3,771	3,043	2,954	3,122	2,952	2,259	2,052
Electrical & Optical Equipment	9,328	6,699	6,078	6,334	6,119	6,251	6,342
Transport Equipment	3,115	2,320	2,216	2,114	2,094	1,669	1,518
Other 'Other' Manufacturing	2,466	2,205	1,856	1,889	1,820	1,899	1,913
Gas, Electricity & Water	1,402	1,508	910	1,028	1,075	849	767
Construction	24,932	25,278	24,135	24,809	24,686	23,933	23,891
Wholesaling	25,593	24,667	25,341	24,638	24,621	24,258	24,120
Retailing	31,055	34,503	33,882	33,175	33,846	36,152	36,533
Hotels & Catering	19,788	21,312	21,967	22,365	22,780	27,205	28,171
Transport	28,445	34,475	32,684	34,948	35,029	38,564	38,830
Communications	5,516	7,395	7,106	7,770	7,669	8,493	8,653
Banking & Insurance	19,032	21,793	21,333	21,488	21,325	24,525	24,109
Business Services	53,077	62,214	65,291	64,112	65,982	72,986	75,276
Other F&Bs	9,065	11,316	11,467	11,121	11,419	13,127	13,449
Public Admin. & Defence	7,203	8,330	9,032	9,097	8,960	8,609	8,467
Education	21,482	24,646	24,744	25,542	25,784	25,931	26,349
Health	27,520	31,644	33,454	33,480	33,743	36,296	37,321
Other 'Other' Services	19,439	24,151	22,006	22,705	22,878	25,488	26,014
Agriculture, Forestry & Fishing	5,994	4,125	5,372	4,784	4,504	3,615	3,177
Mining & Utilities	1,807	1,632	1,023	1,159	1,222	987	890
Metals, Minerals & Chemicals	4,951	6,703	5,714	5,604	5,454	5,181	5,239
Engineering	16,217	12,062	11,247	11,570	11,168	10,179	9,913
Other Manufacturing	12,574	13,168	11,139	10,726	10,413	10,296	10,159
Construction	24,932	25,278	24,135	24,809	24,686	23,933	23,891
Distribution, Hotels & Catering	76,439	80,483	81,190	80,178	81,248	87,614	88,822
Transport & Communications	33,962	41,869	39,791	42,720	42,698	47,056	47,485
Financial & Business Services	81,175	95,322	98,092	96,724	98,729	110,640	112,833
Other (Mainly Public) Services	75,648	88,773	89,232	90,823	91,366	96,324	98,151

Sum of projections for 6 GD Districts

Skills Report

Sector	Sector Requirements	Gatwick Diamond provision	Issues
Retail	• High demand for skills at Level 2 and below • Annual demand for around 3,500 new entrants • Accounts for 12% of employment	• Most learning at Level 2 • Very limited directly relevant provision • Accounts for less than 1% of supply	Sector provision appears to be significantly below likely employer demand but this may be met by school leavers and those with non-sector specific qualifications.
Hotels & Leisure	• High demand for skills at Level 2 and level 3 • Accounts for 9% of employment • Annual demand for 2,800 new entrants	• Learning is more focused at level 3 • Accounts for 18% of supply • A wide range of subject areas are relevant to the sector	Provision appears to be relevant in terms of scale but is more focused on performing arts and tourism than hotels & restaurants where demand is stronger
Professional Services	• High demand for skills at Level 4+ • Accounts for 10% of employment • Annual demand for 2,800 new entrants	• Most learning at Level 3 • Accounts for 4% of supply • Directly relevant provision strongly focused on ICT practitioners	Provision does not appear to match employer demand, especially as entrants with ICT practitioner qualifications could join any sector. However, demand but this may be met by Higher Education graduates and those with non-sector specific qualifications.
Transport & supporting services	• Demand for labour at all Levels • Accounts for 10% of employment • Annual demand for 2,000 new entrants	• Learning strongly focused at Level 1 or below • Accounts for 5% of supply • Focus on the maintenance side of the sector (motor mechanics)	Sector provision appears to be below likely employer demand, especially at Level 2+. There may also be scope to develop a greater diversity of provision.
Financial services	• Demand for labour at all Levels • Accounts for 6% of employment • Annual demand for 1,200 new entrants	• No major vocational learning provision in the Gatwick Diamond that is directly relevant	Sector provision appears to be significantly below likely employer demand but this may be met by those with non-sector specific qualifications, entrants from Higher Education or training of unqualified entrants 'on the job' with private providers or professional bodies.
Advanced man. & engineering	• Demand for labour at all Levels • High levels of skill shortage vacancies • Accounts for 4% of employment	• Learning is most common at Level 2 • Accounts for 13% of supply • Accounts for a significant proportion of all Work Based Learning	The supply of skills in this sector appears to outweigh demand, although it could be that Gatwick Diamond providers are serving a wide geographical area with this provision

Source: Step Ahead Research

GDI: Priority Actions to Deliver the Inspire – Connect – Grow Future Plan

Activity	Purpose	Specific Actions	<6mths	6 – 12 mths	12mth+	Milestones
Corporate						
Governance / Management Arrangements	*Ensure appropriate arrangements are in place to deliver, monitor and evaluate the Future Plan*	*GDI SG meeting with GD Leaders Forum*	*09/08*			*GDI Structure agreed and implemented*
Agree Marketing / Communications Plan	*Strengthen GDI brand and improve international business recognition*	*SG to nominate working group to prepare plan* *SG agree TOR / Deliverables* *Secure airport buy-in* *Prepare Plan / SG Endorsement* *Go Live* *Website upgrade / maintenance*	*End 09/08* *End 12/08*	*Q1*		*Plan preparation agreed* *Plan agreed* *Initiate implementation*
Prepare GDI budget	*To provide budget to support GDI over the period ending 2012*	*SG to agree budget process and likely funding models and sources* *Prepare budget based on MoUs – present to partners*	*End 11 / 08*			*Budget plan*
Prepare GDI detailed corporate plan based on MoUs	*Align GDI work flows and resources to the needs of the MoUs for the Inspire – Connect – Grow Initiatives*	*SG & Theme Group Leaders meeting to review MoUs and prepare GDI Plan* *Agree funding models – partner contributions*	*End 12 / 08*			*Agreed plan to end 2012 / plan review process agreed*
Inspire						
Agree Theme Group structure, composition and TOR	*Ensure theme group matches the requirements to deliver the Inspire Initiatives*	*SG to agree key partners* *Meetings –businesses and developers active in the sub-*	*09/08* *10/08*			*Theme Group Formed* *TOR agreed*

Activity	***Purpose***	***Specific Actions***	***<6mths***	***6 – 12 mths***	***12mth+***	***Milestones***
TOR		*regional economy focused on innovation led initiatives, FE, HE, business support services* *Workshop / meeting to agree TOR*	*09 / 08*			*Resources agreed*
Facilitate dialogue with FEs	*GDI to assist with improved provision of FE to serve business needs*	*Continue discussions – identify key actions with partners* *Identify GDI actions with partners*	⇒	⇒	⇒	*Agreed Plan* *Progress reports*
Develop working relationship with new innovation teams and business support	*Ensure GDI focus on developing the business mix towards higher value-added activities* *Link to GG*	*Theme Group nominates liaise person* *Meetings with BL / Innovation teams to define GDI role*	*10 / 08*	⇒	⇒	*GDI SG Agenda Item* *Progress reports*
Secure effective 'evidence base' to underpin economic policies in emerging Local Development Frameworks	Ensure statutory plans are well place to help deliver high quality business premises	Theme group to work with LAs to ensure joined up approach and integration with spatial planning.	01/09			Sub regional studies agreed. Progress reports on implementation[T5]
Prepare MoU with LAs and other agencies for investigating potential international innovation and business district	Agree framework to assess the feasibility of developing a high performing business district with: research, development and office space; hospitality, retail and convention facilities and a national transport interchange. (Note: GVA Grimley Study to consider strategic planning policy	Theme Group nominates liaise person (s) Arrange meetings with relevant stakeholders Agree joint funding model / partner contributions for study work.	End 12/08			*MoU agreed* *Initiate implementation*

Activity	***Purpose***	***Specific Actions***	***<6mths***	***6 – 12 mths***	***12mth+***	***Milestones***
business district	context and other potential locations.	Prepare / Agree MoU Initiate next phase studies				
Work with LAs and other agencies to establish the potential for existing employment areas to accommodate new high value businesses	Ensure that in accordance with the principles of smart growth best use is made of existing land and premises within the built up area.	Theme Group Leader to liaise with LAs to ensure employment land assessments are being undertaken Establish level of support to be given to strategic initiatives for improving the offer of business areas	12/08			Land assessment completed. Improvement initiatives in place and being implemented.
Connect						
Agree Theme Group structure, composition and TOR	*Ensure theme group matches the requirements to deliver the Connect Initiatives*	*SG to agree key partners* *Initiate Meetings – BAA, NR, HA, LAs,* *Workshop / meeting to agree TOR*	*09 / 08* *08/9 / 08*			*Theme Group Formed* *TOR agreed* *Resources agreed*
Prepare MoU with BAA Gatwick	*To ensure the transformational changes planned for the airport are delivered on time and with maximum benefit for our area's stakeholders – success of this £874m plus investment programme is mission critical to our vision*	*Theme Group Leader to arrange meeting with BAA Team* *Agree MoU structure and preparation programme* *Agree approval process* *Prepare MoU* *Agree MoU*	*09/08* *09 / 08* *10 / 08*	⇒	⇒	*Agreed MoU* *Initiate Implementation* *Progress monitoring*

Activity	Purpose	Specific Actions	<6mths	6 – 12 mths	12mth+	Milestones
Identify list of key transport / connectivity issues for GD	*To ensure that we secure sustainable transport solutions to better connect our towns to each other and to serve future business needs – globally and regionally*	*Theme Group to agree process for identifying priority actions* *Short list priorities and agree plan to address these* *Meetings – Network Rail, Highways Agency, Railway companies – including lobbing office of Rail Regulation*	*12 / 08*	⇒	⇒	*Priority list of key projects / issues* *Action plan to address each* *Progress monitoring*
Grow						
Agree Theme Group structure, composition and TOR	*Ensure theme group matches the requirements to deliver the Grow Initiatives*	*SG to agree key partners* *Initiate Meetings – LAs,* *Workshop / meeting to agree TOR – Working arrangements*	*08/9 / 08*			*Theme Group Formed* *TOR agreed* *Resources agreed*
Prepare MoU with LAs to facilitate delivery of the SMART GROWTH initiative	*To build a strong working relationship among the local authority Leader's Group to facilitate and encourage co-ordinated strategic planning and critically, the investment needed to deliver town centre regeneration, infrastructure improvements to our transport networks and economic development initiatives*	*Develop / revise existing LG as appropriate to strategic planning and delivery requirements* *Arrange meetings among partners to enable joint planning – officer level* *Agree work plan going forward* *Agree HR and budget needs*	*09 / 08* *10 / 08* *11 / 08*	⇒	⇒	*Agreed MoU* *Agreed*
Identify "hot list" of key infrastructure issues that need joint approach	*Identify key issues shared by LAs that require joint attention to secure timely deliver infrastructure improvements*	*Theme Group to prepare critical issues / key investments* *Arrange meetings with key partners needed to resolve issues*	*12 / 08*		⇒	*Hotlist prepared* *Monitoring of hot list delivery progress*

Activity	***Purpose***	***Specific Actions***	***<6mths***	***6 – 12 mths***	***12mth+***	***Milestones***
		needed to resolve issues *Prepare action list to address these*		*Q3*		