



SOLENT
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SOLENT LEP ISLE OF WIGHT CASE STUDIES

SOLENT LEP: INVESTING IN OUR ISLAND

With a population of more than 1.3 million and over 50,000 businesses, the Solent area is an internationally recognised key economic hub anchored around the Isle of Wight, the two cities of Portsmouth and Southampton, the M27 corridor and the Solent waterway.

The major advanced manufacturing and marine cluster in the UK is located in the Solent area. With GVA and GDP contributions of £3.6 billion and £1.9 billion respectively, the sector represents around 18% of the Solent economy accounting for some 48,000 jobs.

The Isle of Wight makes a GVA contribution of £2.473 billion, provides 60,000 jobs and is a centre for renewable energy activities and a technology hub for composite materials and their application in marine technology, renewable energy and aerospace. Supporting this type of advanced manufacturing is key to the economic objectives of Solent LEP and there is a need to ensure that we build on our recognised position as the leading location for advanced manufacturing and engineering (including marine, aerospace, renewable energy, environmental technologies and composites) moving forward. The Island has a key role to play in this wider ambition and is home to many assets on which we can build, including a strong, modern manufacturing base with the potential to catalyse the Islands economy.

Notwithstanding this, we also recognise that the Island economy faces a number of challenges. Productivity levels are below regional averages and there remains high levels of seasonality in terms of employment due to the combination of an Island location with a reliance on tourism.

In response to these opportunities and challenges, the Solent LEP Board have prioritised the Island as an area for investment. The total value of our investment package for the Isle of Wight to date, including both confirmed and

planned investments, stands at £20.4m and, since establishment of the LEP, we have invested £17.4m directly in critical Island projects. This includes investment directly with Island SMEs to help create and safeguard jobs, support to safeguard the critical floating bridge link in Cowes and, of course, our flagship investment at CECAMM through the Solent Growth Deal which will provide new training opportunities for 600 students every year and ensure a strong pipeline of skills to support key Island industries in composites, advanced manufacturing and marine for years to come. Looking ahead, we hope to continue to prioritise investment for the Island and, recognising the need for further infrastructure investment in particular, will be developing a dedicated Island Infrastructure Investment Plan during 2017.

Whilst we know there is more to do, this represents an extremely strong start for LEP investment on the Island and, to date, our investment on the Island has focussed on developing skills, upgrading infrastructure and supporting the Island's small and medium sized (SME) business base - both generally and also within key industry sectors such as marine and maritime and the rural economy. The following document captures a number of highlights from this investment package.



Gary Jeffries
Solent LEP Chairman



INVESTING IN ISLAND INFRASTRUCTURE

The Solent LEP has invested £3,776,782 through the Local Growth Deal for the replacement and modernisation of the 'Floating Bridge' chain ferry linking East and West Cowes on the Isle of Wight. The Floating Bridge is a critical piece of transport infrastructure, providing a key vehicle access points for East Cowes.

Construction of the replacement bridge is now in its final stages and the stunning and iconic vessel will shortly enter service to provide both the local community and visitors with a safe efficient crossing for at least the next 25 years.

INVESTING IN SKILLS



MHI VESTAS OFFSHORE WIND



Summary:

£268,000 invested as part of a total circa £1 million MHI Vestas Offshore Wind skills investment to develop a comprehensive program of training on the Isle of Wight where the company serially manufactures the largest (offshore) wind turbine blades in the world for the record breaking V164-8.0MW turbine. This skills program will result in a raft of accredited training at level 3 for 190 employees as well as contributing to an upskilling of the Isle of Wight and wider Solent area world class composites cluster.

**Solent LEP
Investment:**
£268,000

CENTRE OF EXCELLENCE FOR COMPOSITES, ADVANCED MANUFACTURING AND MARINE (CECAMM)



Summary:

Building on the investment at MHI Vestas Offshore Wind, the Solent LEP has used £10.9 million capital funding available through the Local Growth Deal to support the Isle of Wight College's ambitious plans to build a £12 million specialist centre for engineering, offering specialised education and training for around 600 students.

The new centre will create a world-class workforce and help to assure sustainable long term economic success for local people and the island as a whole. Due to open Spring 2017, the Centre of Excellence for Composites, Advanced Manufacturing and Marine (CECamm) has been designed with guidance from Island employers to give students the skills needed for work, empowering the next workforce generation.

**Solent LEP
Investment:**
£10,900,000

INVESTING IN SME GROWTH ON THE ISLAND



RAPANUI CLOTHING LTD BRIDGING THE GAP



Summary:

Rapanui is an Award-Winning eco-fashion brand that makes organic cotton clothing in an ethically accredited, wind-powered factory. The company was founded by brothers Rob and Mart from the Isle of Wight, where Rapanui was founded in a garden shed. Rob and Mart decided to build a business that made a real contribution to sustainability.

The company requested over £42,000 funding to support a total project cost of £298,695 which would help with the growth of the new business through the introduction of new products, expansion internationally through the use of e-commerce and expansion in retail operations. Through this investment the company managed to create/safeguard 16 jobs.

Since the grant was awarded, the company have since invested in further growth and hopes to create up to 20 new jobs in the next two years as they expand production.

**Solent LEP
Investment:**
£42,000

IOW ESPRESSO BRIDGING THE GAP ARMED FORCES FUND



Summary:

IOW Espresso is a family run business, driven by a passion for real coffee. They import most of their products directly from the manufacturer or produce it themselves in their roastery. They offer Barista training up to Latte Art level and also have a cafe in Newport, the Islands capital town, so are able to give advice on equipment, layout and practices based on first-hand experience.

The company requested £6,100 funding to support a total project cost of £30,497 to enable the creation of the café roaster. Through this investment the company aim to create 1 new job.

**Solent LEP
Investment:**
£6,100

INVESTING IN KEY ISLAND SECTORS: MARINE AND MARITIME

MARINE DATA SYSTEMS BRIDGING THE GAP FUND



Summary:

Marine Data Systems Limited develop and manufacture marine navigation and control systems from their base on the Isle of Wight. Their equipment is fitted in the military naval ships of NATO, the Gulf States and the Far East, and is also in use on the liners of the world's leading leisure shipping lines - including P&O™ and Disney®.

MDSL's challenge was a lack of space in which to expand to meet the demands of their growth program.

The company requested £50,000 funding to support a total project cost of £101,241 which contributed to the extension and renovation of their current facility, resulting in a high quality reception area with improved access and increased purpose built space for housing environmental test equipment. This enabled the company to create/safeguard 11 jobs.

**Solent LEP
Investment:
£50,000**

VIKOMA INTERNATIONAL LTD ISLE OF WIGHT EXPANSION FUND



Summary:

Vikoma International Limited, founded by British Petroleum in 1967 following the Torrey Canyon oil spill, is a world leader in the design and manufacture of oil and chemical pollution control systems.

Their market leading position is supported by a highly knowledgeable and experienced engineering design team, together with an in-house manufacturing capability and an extensive global sales network.

The company requested £475,000 funding to support a total project cost of £2,475,000 which would support the purchase of new plant and equipment for the development of new products and markets. This investment would enable the safeguarding of 58 jobs and the creation of 9 jobs.

**Solent LEP
Investment:
£475,000**

INVESTING IN KEY ISLAND SECTORS: RURAL ECONOMY

NATURAL ENTERPRISE

In January 2016 the Solent LEP launched the Isle of Wight Rural SME Fund in partnership with Natural Enterprise, who manage this fund on behalf of the LEP, to support the Isle of Wight's rural community. The IOW has the largest rural sector in the Solent and the LEP knows how critically important these businesses are to the Island's economy. Natural Enterprise offer a wide range of services from economic development work, extensive project delivery, through to managing European and other Rural & Economic Development Funding Programmes. Based on the Isle of Wight and as part of the Island 2000 Trust charity, Natural Enterprise's profits are reinvested for the sole benefit of the Isle of Wight, its communities and countryside.

Graham Biss, Managing Director of Natural Enterprise, said:

“Interest in the IW Rural Fund has exceeded our expectations. Since its launch in February 2016 the Fund has supported 18 businesses to create 30 new jobs and safeguard a further 35. The Fund has already made a difference to the Island's economy. Whilst the key reason for the success of the Fund is the quality of the businesses applying, great credit should go to the Local Action Group, the team at Natural Enterprise and the partnership with the Solent LEP.”

Image Credit: Visit Isle of Wight

ISLE OF WIGHT DISTILLERY IOW RURAL SME FUND



Summary:

Recognising huge growth and potential in the food and beverage sector for premium high end products especially with traceability or connection with a local territory, the IW Distillery creates niche small batch products unashamedly making provenance part of its USP. Wight Mermaid Gin is flavoured with foraged coastal botanics; IW Whisky has a unique locally brewed base using IW barley and is already the subject of a 'waiting list' three years before being ready! Wight Rock Vodka is also a local grain based spirit but the latest product has an even more interesting local story. 'Victory Navy-strength Gin' named after the illustrious Portsmouth-based warship, is 57% proof and made under licence for the Royal Navy National Museum.

Solent LEP Investment: £5,350

LIVING LARDER IOW RURAL SME FUND



Summary:

Living Larder is a wholesale vegetable grower and veg box distributor, run by Will & Aimee Steward in Apse Heath. The business was founded in June 2015, after Will Steward, a successful engineer, followed a long-held dream to return to the dormant family farm, started in 1922 and re-establish it as a successful horticultural business. Having first trialled the market in 2013 with a small bed of cucumbers the business has rapidly expanded to cover 6 of the 20 acres available and includes 3 commercial-size poly-tunnels growing a large range vegetables all year round.

Solent LEP Investment: £10,000



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