

# ANNUAL REPORT 2017



SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP



#solentadvantage

# SOLENT LEP 2017 - AT A GLANCE



£125m   
invested in the economy over five years

64%   
rise in high-growth firms, twice the national average

4,900   
new homes potentially enabled through completion of supporting infrastructure

£10m   
dedicated SME investment

4,000   
learners supported



# Game-changing ambitions

Gary Jeffries, Chairman,  
and Anne-Marie Mountifield,  
Chief Executive



The Solent is a vital economic and cultural asset for the UK.

Around a million vehicles are traded through Southampton each year, it has the UK's first dedicated research centre for cancer immunology and its rate of tech sector growth is faster than any other LEP area in the UK.

Portsmouth, the home of the Royal Navy, has long been a world leader in marine engineering and is now trailblazing the spread of autonomous marine vehicle systems, with the country's first testing facility.

In life sciences, advanced manufacturing, clean tech and the creative industries, entrepreneurs are commercialising university research pursued in our region and turning it into amazing businesses.

The Solent Local Enterprise Partnership (LEP) secured £182.92m through the Solent Growth Deal to help all sectors of our economy over the period to 2020/21.

This year represents a landmark in our journey with partners to develop skills, create jobs, improve connectivity and grow prosperity.

We have exceeded the £120m investment threshold, demonstrable proof that we are successfully providing significant amounts of funding locally.

Our dedicated investment in SMEs has passed the £10m mark and we are also the LEP that has seen the most dramatic rise in high-growth firms (HGFs) during the recovery from the financial crisis. We increased our absolute number of HGFs by 64%, from 185 to 304, twice the national average.

Over the past 12 months we have partnered on many exciting and innovative projects.

They include a combined £23m investment for two specialist training facilities on the Isle of Wight and in Eastleigh, both focused on the technology and advanced manufacturing sectors.

On infrastructure support, as well as funding major road improvements, we have engaged with key businesses on

a range of major investments. Our economic strategy has secured an estimated £400m worth of investment along the M27/M271 in the Solent, as well as helping to bring forward a proposed £2bn rail investment by Network Rail to enhance its services across the Wessex region, and there remains an ambition to explore the development of a Solent Metro system.

Our ambition is to deliver a better-connected Solent. We believe we have taken significant steps towards delivering on this and the projects will strengthen the conditions that enable businesses to thrive and more highly skilled jobs and housing to be created.

We hope you enjoy reading our annual report and welcome any feedback you may have.



**SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP**

# 2017 OUTCOMES

## SKILLS

600

training places enabled at new IoW skills centre CECAMM



£9m

invested in new advanced technology centre at Eastleigh College



£1.8m

funding for the Portsmouth Naval Base Marine Engineering Centre



50%+

secondary schools engaged with our Enterprise Adviser Programme



## INNOVATION

£4.5m

support for the UK's first dedicated research centre for cancer immunology



£1.05m

towards the University of Portsmouth's future technology centre



£0.5m

investment to create England's first testing centre for autonomous maritime systems



569

attendees at the inaugural networking event Venturefest South



## INFRASTRUCTURE

£7.3m

contribution to the A27 road scheme to help alleviate congestion between Segensworth and Titchfield



135,000

sq ft of light industrial space in the latest extension of the Solent Enterprise Zone



3,000

new jobs forecast to be created through Fareham and Gosport investment programme



£7.7m

funding for new homes at Centenary Quay, Southampton



## BUSINESS SUPPORT

£10m

dedicated support for SMEs reached



260

businesses helped



76

new firms created



£36.6m

additional funding leveraged



# SKILLS



600 Training places at new IoW skills centre



£1.8m Funding for Portsmouth Naval Base Marine Engineering Centre



1,200 Technology places, Eastleigh College



50%+ Schools engaged with enterprise advisers

## SCHOOL SIGN-UPS

**Young people's careers:** We are improving our connections with young people in the Solent by increasing our work with our secondary schools through a network of enterprise advisers.

More than 50% of secondary schools in the Solent have engaged with a volunteer business expert and our ambition is to reach 100% in 2018.

These advisers help school management teams build links with employers offering the chance for students to gain valuable work experience and routes into careers.



MP Caroline Dinenage, fifth from left, visits Henry Court Community College in Fareham to see how students are benefiting from the Enterprise Adviser Network

## APPRENTICESHIPS

### Tech places at Eastleigh College:

More than 1,200 apprenticeship opportunities are on the way thanks to the redevelopment of existing accommodation and a new advanced technology centre.

We have invested £9m to benefit students of all ages studying computer science, engineering and construction. Facilities include new labs, CAD suites and industrial robotics.



## FUNDING NEWS



Picture courtesy PCC

### GLOBAL CLOUT IN MARITIME MARKET

**Raising productivity:** We have contributed £1.8m towards the Portsmouth Naval Base Marine Engineering Centre.

This facility will help to grow the skills needed to support productivity and global competitiveness in the naval and wider marine and maritime markets.

### MANUFACTURING TRAINING CENTRE



**Marine boost:** The Centre of Excellence for Composites, Advanced Manufacturing and Marine (CECMM), part of the Isle of Wight College has begun providing specialised training for 600 students and apprentices annually.

Activities at the £10.9m centre include boat construction and design, engineering, fabrication, electronics and 3D printing.





Engineers of the future

# INNOVATION



£4.5m

for UK's first  
centre for cancer  
immunology



569

attendees at the  
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£1.05m

towards University  
of Portsmouth's  
future technology  
centre



£0.5m

England's first  
testing centre for  
autonomous  
maritime systems



## AUTONOMOUS VEHICLES AND SYSTEMS

**Future technology now:** We invested £457,000 to help design and deliver England's first dedicated testing service for unmanned marine systems. The Portsmouth facility lowers the cost of market entry for SMEs in this future-facing sector as it enables them to trial autonomous craft and kit in a safe, controlled and realistic environment. It also supports knowledge sharing through extensive business-to-business collaboration among partners including BAE Systems, ASV Global, Bluebear Systems Research and SeeByte.

## FIGHTING CANCER

**Next generation life sciences:** The UK's first dedicated centre for cancer immunology research opens in Southampton in 2018.

The £25m facility will drive truly life-saving research underpinning the next generation of therapies.

As well as contributing to hopes for the future eradication of cancer, it will accelerate local economic growth and job creation through a cluster of related business activity leveraging its expertise.

## ENGINEERING

**Translating technology into business:** The £11m University of Portsmouth Future Technology Centre (FTC) provides learners with hands-on experience of specialist technology in an industrial-standard training environment. The FTC is the hub for delivering the University's higher level qualifications in engineering which are designed to develop creative answers to global challenges. Companies can take advantage of the centre's new production technologies, translating innovation into business growth.

## VENTUREFEST

**Bringing entrepreneurs and investors together:** To help drive innovation through peer-to-peer networking and investment funding, we worked with seven founding partners to host the inaugural Venturefest South.

Nearly 570 innovators, entrepreneurs and investors spent the day discussing the commercialisation of bleeding-edge ideas and how best to shape business growth.

There were 18 high-level pitches for a cumulative funding ask of £26m.

The momentum has built with further events during 2017/18, including a digital conference on the Isle of Wight, all culminating in Venturefest South 2018.



# INFRASTRUCTURE



£7.3m contribution to the A27 road scheme



3,000 new jobs forecast for Fareham and Gosport



135,000 sq ft of industrial space in Solent Enterprise Zone



£7.7m for new homes at Centenary Quay, Southampton

## TRANSPORT LINKS

**Connecting people and business:** A27 road improvements are alleviating traffic congestion, improving road safety and increasing connectivity, especially for residents, businesses and visitors in Fareham and Gosport.

Alongside delivery on the ground, 2017 saw us secure funding for a transformational Stubbington bypass, valued at more than £34m and set to encourage new investment at key sites, including the Solent Enterprise Zone. It has the potential to create 3,000 jobs, unlock significant housing opportunities and enable 248,000 square metres of business floor space.

Our economic strategy has secured an estimated £400m worth of investment along the M27/M271 in the Solent, as well as helping to bring forward a proposed £2bn rail investment by Network Rail to enhance its services across the Wessex region, including delivering a more reliable service for the millions of people who travel on the route every day, from Waterloo to Portsmouth, and beyond.



## UK DISTRIBUTION

**Creating job opportunities:** We invested £4.5m to build an essential link road for the Dunsbury Park business campus in Havant, which is creating employment space for an expected 3,400 new jobs.

Since our investment, clothing brand Fat Face has established itself as the first tenant with a new UK distribution centre at the site.

## HOMES

**Opening doors:** The Solent has a chronic shortage of housing and so the delivery of new homes features very prominently in our economic strategy. We secured £7.7m of funding to bring forward the next phase of development at Centenary Quay in Southampton.

This investment will unlock more than £64m in additional private sector investment and enable the delivery of more than 340 new homes.

## ENTERPRISE ZONE

**Workspace:** The Solent Enterprise Zone at Daedalus near Lee-on-the-Solent, Gosport, is fast becoming a major employment hub.

It includes the Centre of Excellence for Advanced Manufacturing Skills Training (CEMAST), part of Fareham College. CEMAST attracted particular praise as a training environment from Ofsted in the college's 2017 Outstanding inspection report.



The zone also features the Fareham Innovation Centre (above), which offers serviced office space for start-ups and fledgling companies, mainly working in marine, aerospace and engineering. We have provided a £2m grant to support a 3,400 square metre extension due to open in April 2018. It will offer further office and workshop space and a new conferencing suite available to local businesses.

## THE HARD

**Portsmouth's new welcome:** Located between the world-famous Historic Dockyard and Gunwharf Quays, The Hard is hugely important to Portsmouth as a transport interchange.

Bus, train and boat services all come together here. We worked with Portsmouth City Council to fund a new transport hub as part of the area's wider regeneration.





# BUSINESS SUPPORT



£10m dedicated support for SMEs reached



76

new firms created



260 businesses helped



£36.6m additional funding leveraged

## WORKING TOGETHER

**Putting business first:** Through our various support programmes, we have so far provided more than £10 million in grant funding to 260 SMEs, helping to create or safeguard more than 1,400 jobs and securing additional investment in excess of £36.6m directly into businesses. We've also played a key role in 76 start-ups.

## ON TOUR

**Face to face:** We held more than 40 separate events in 2017, directly engaging over 2,000 businesses in every local authority area across our region. The events included conferences, SME-focused support sessions and strategic roundtables for businesses to discuss economic strategy.

## SOLENT GROWTH HUB

**Navigating the landscape of help:** For many decision makers, the first point of contact with us is the Solent Growth Hub. This is our dedicated business support arm, offering independent advice and signposting to grants, loans and other funding sources. It is central to our goal of making it easy for businesses to find high-quality support.

The hub has a team of 'navigators', each with their own commercial experience and ability to tap into business networks.

## FUNDING TOMORROW'S TECH UNICORNS



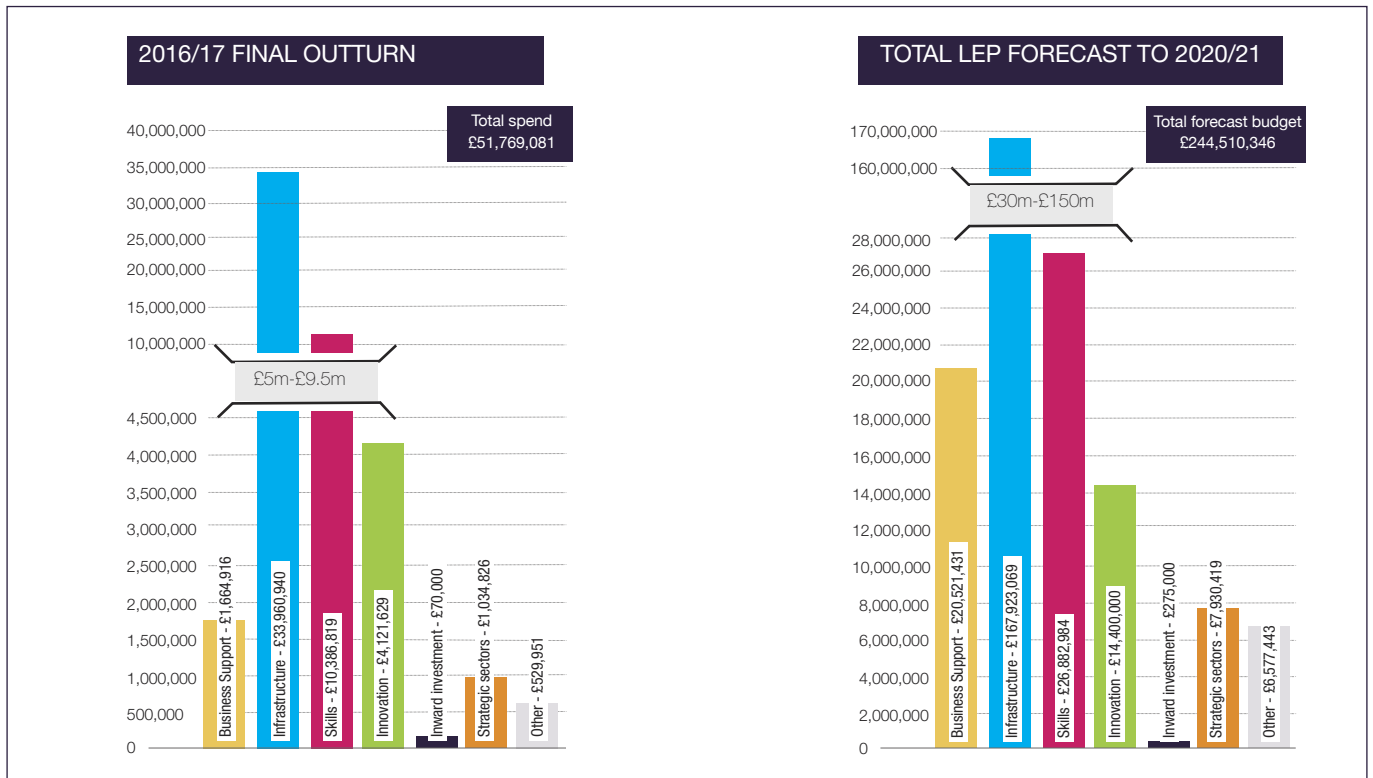
**Incubating tech start-ups:** 2017 saw us launch the Z21 (zero to one) Innovation Fund, a collaboration between us and the Web Science Institute, based at the University of Southampton.

The aim of the fund is to accelerate the growth of web-based start-ups, point them towards investment and create high-tech jobs in the Solent region.



Tecsew: Funded by Solent LEP and helped by our Growth Hub team to grow at new premises on the Solent Enterprise Zone.

# Financial Forecasts to 2020/21



## Sources of funding

Source of Funding £	2016/17 Budget	Total LEP Forecast Budget
Other Government Funding Programmes	12,988,578	29,655,049
Solent Growth Deal *	37,807,313	177,257,261
Solent Growing Places Fund	177,585	29,965,974
Central Government Funding	715,532	3,652,726
Other	80,073	2,635,436
Local Government Funding	0	343,900
European Funding	0	1,000,000
<b>Totals</b>	<b>51,769,081</b>	<b>244,510,346</b>

\* Figures exclude funding for Watermark Westquay. Project included in Solent Growth Deal and funds provided directly to Southampton City Council by Government.

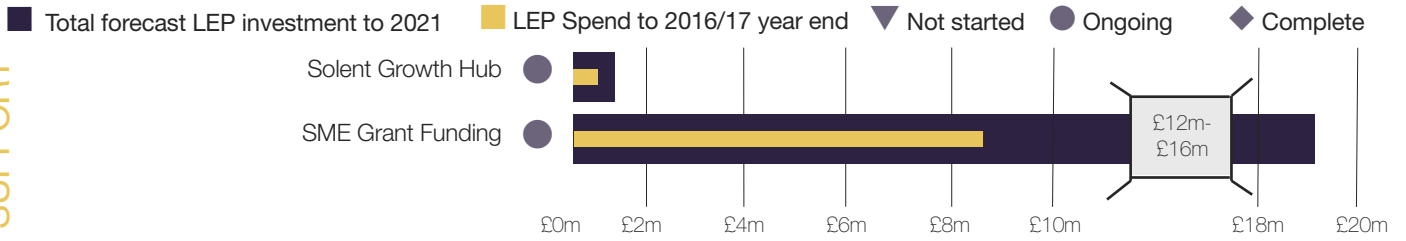
Figures from Solent LEP Final Outturn, May 2017

Full financial forecasts are available at [solentlep.org.uk](http://solentlep.org.uk)

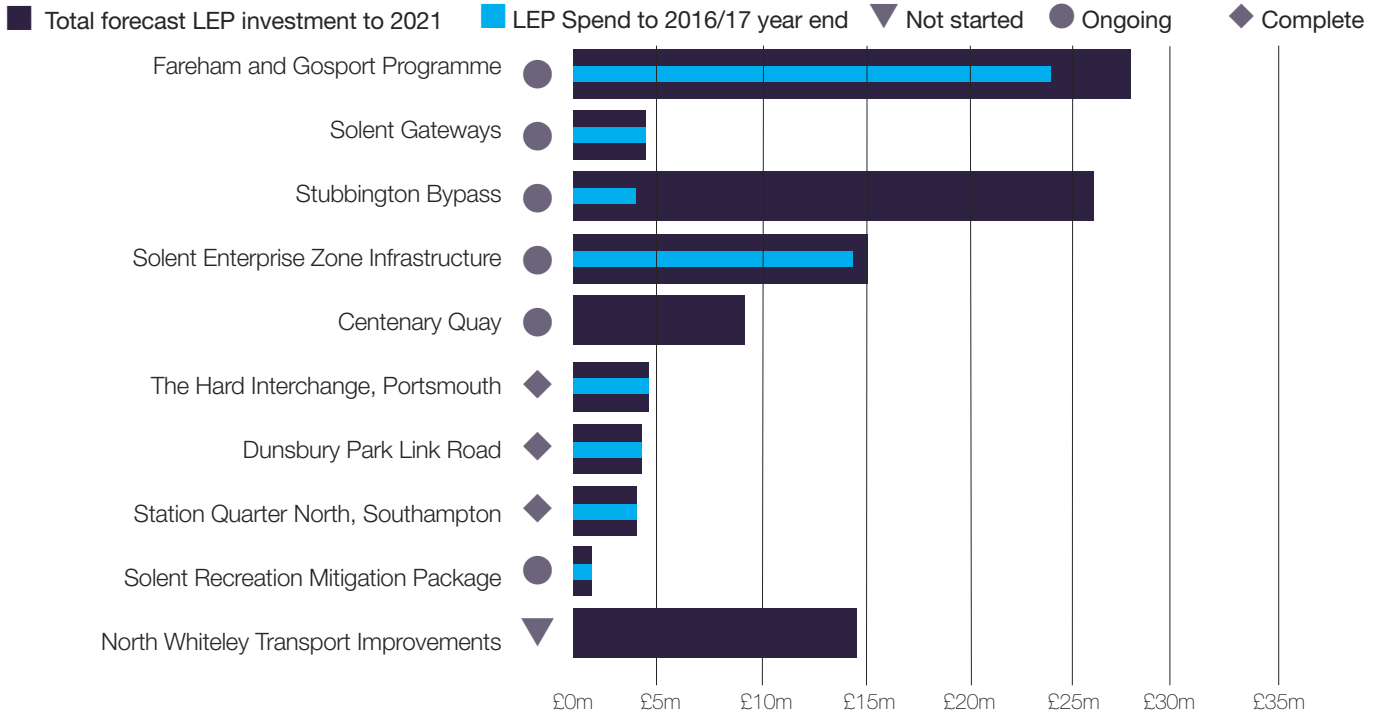


# SOLENT LEP - PROJECT DASHBOARD

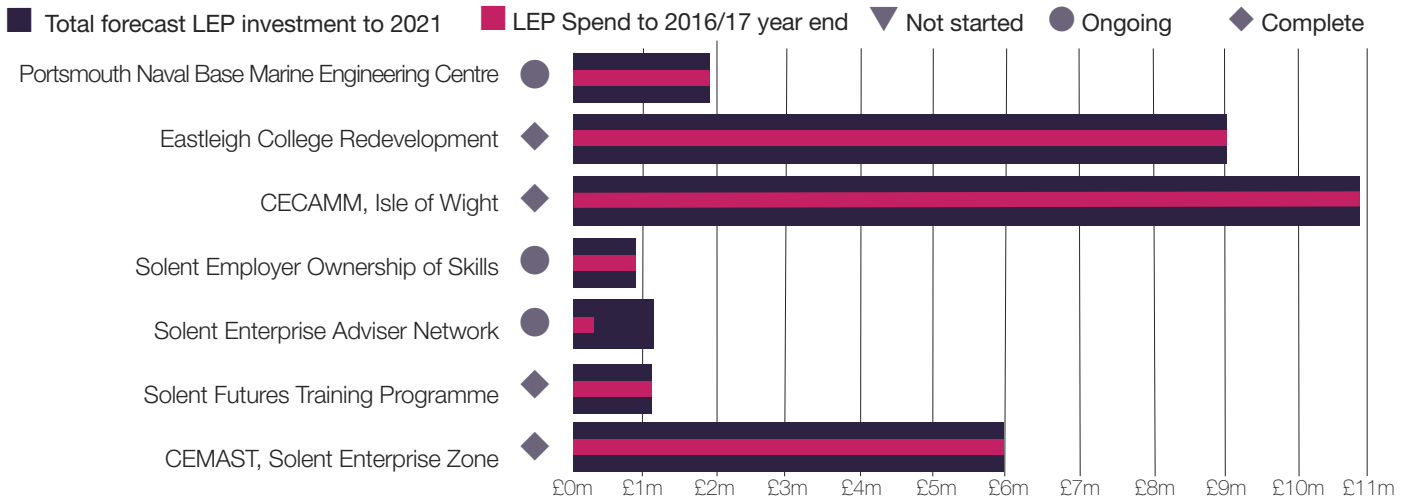
## BUSINESS SUPPORT



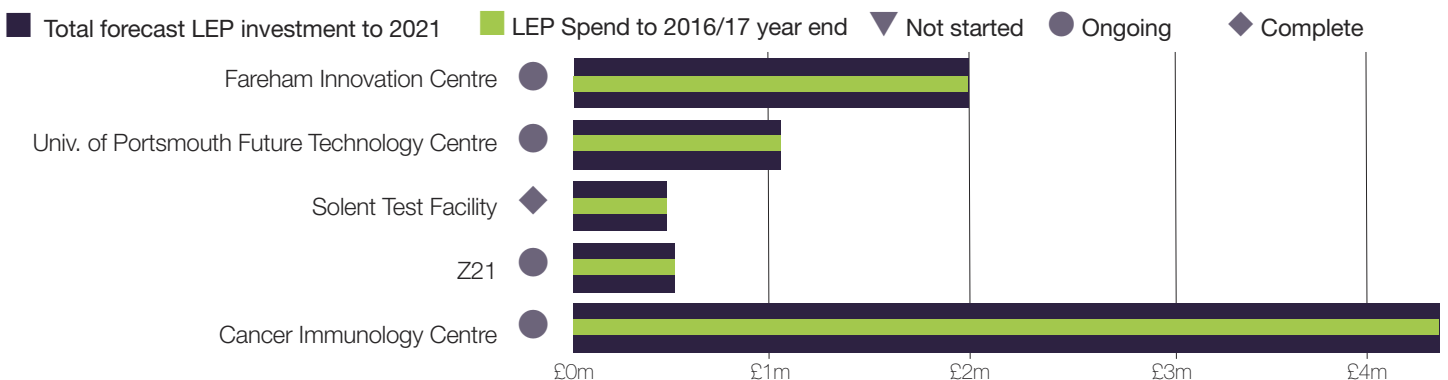
## INFRASTRUCTURE



## SKILLS



## INNOVATION





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t: 02392 688924

e: [info@solentlep.org.uk](mailto:info@solentlep.org.uk)

w: [solentlep.org.uk](http://solentlep.org.uk)

Solent LEP Office

1000 Lakeside North Harbour, Western Road, Portsmouth PO6 3EN

