



LUTON CITY GROWTH

**ASSESSING THE
EVIDENCE BASE**

Executive Summary

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1. Executive Summary

- 1.1 This note summarises the main report prepared by Regeneris Consulting which reviewed the existing and emerging evidence base to the City Growth process in Luton. The executive covers the process followed, the outcomes which were derived and the recommendations which have been proposed.

Overview of Process

- 1.2 Regeneris Consulting were commissioned at the end of May 2005 to review the existing evidence base. We drew upon discussions with a wide range of partners in order to identify the key research documents available. A key contact in this process was Bedfordshire and Luton Economic Development Partnership, who have recently collated the existing research base via the Local Economic Research Forum. We have also sought to identify where studies are currently underway in order to fill gaps in the evidence base and where there are plans to commission useful work in future.
- 1.3 Whilst we have sought to identify the evidence base in full we are aware that a number of partners have not been able to respond within the study period. Although we have reviewed the key work identified by the Local Economic Forum there may be further useful documents still to emerge.

A Thematic Approach

- 1.4 Our review was structured around four broad emerging themes identified by the City Growth Luton Board¹. The geographical focus of research under these themes varies according to the nature of the issues addressed and the remit of those partners funding the work. The four broad themes are:
- Labour and Skills
 - Image
 - Infrastructure – housing; business premises and land; and local, national and global connectivity
 - Enterprise and Business Development.
- 1.5 For each of these themes we summarise the of key research documents. In total we have reviewed over 50 documents as part of this work.

A Cluster Approach

- 1.6 Having completed the thematic mapping work, City Growth Luton also asked Regeneris Consulting to consider the evidence base in relation to five clusters that have been selected as a focus for Luton. Table 1-1 provides a comparison of the clusters identified by Luton City Growth with those on which EEDA will focus resources in coming years. There is considerable overlap between these clusters, providing opportunities to draw in additional resources and support. However, little of the regional cluster based research is, as we shall see, of direct applicability to Luton.

¹ Note: we have excluded consideration of cross regional delivery as this area is not one on which there is a research base as such and any work needs to be informed by the future content of the City Growth strategy

Table 1-1: Clusters – Comparing EEDA and City Growth Priorities	
EEDA Target Clusters	City Growth Clusters
	Transport & Logistics
Energy	
	Airport & airport-related
Environmental	
Motorsport	
Hi-Tech Industries	ICT (partial overlap)*
Aerospace	Aerospace
Food & Drink	Food & Drink
Bio-technology	
Source: EEDA Website	
Note: ICT is identified by eeda as a target sector but there appears to have been little work on it to date	

Key Messages on Themes

1.7 The key messages are:

- Labour and Skills.** The evidence base for this theme is quite wide ranging in its scope. It is clear that for Luton itself there has been some geographically specific work undertaken, whilst in other cases Luton is included within the wider geographical context of Luton and Bedfordshire. It is the view of Regeneris Consulting that this *thematic* research area has a strong evidence base and that there is no strong case for additional work apart potentially for work on and supply issues related to labour flexibility. However, we do identify a number of potential areas for further *cluster-specific* work (below).
- Image.** There is a reasonable evidence base on Luton's external image –which highlights a number of problems related to perceptions (and some realities). There is no rigorous benchmarking of Luton as a place to live (i.e. its “liveability” assessment) this is something other City Growth areas have looked into and the Board may wish to consider this.
- Infrastructure.** The evidence base under the Infrastructure theme does not tend to be Luton specific, often covering broader regional and sub-regional areas. There is a developing evidence base related to the implications of the Growth Areas, the implications of the expansion of the Airport and, we understand, on accessibility issues. There has been considerable amount of research into employment land and property issues, although there does not appear to have been a detailed assessment of current and future business property needs and comparison with supply.
- Business Development.** The evidence base for this theme is, in our view, surprisingly weak and much is driven at a regional level. There is an absence of detailed research into the reasons for low start up and survival rates and, we believe, a strong case for further research into the low business start-up rates overall in Luton CG area and by different groups (for instance different ethnic minority groups). (This would need to assess the relative importance of cultural, business structure, opportunity, educational and other factors as well as the role that the business support infrastructure could play).

Summary Conclusions

- 1.8 **Thematic/Cross-Cluster Gaps.** From our review and by undertaking an assessment of the relative importance of all issues, the extent to which it is or is not covered by the existing evidence base and the extent to which the issues could be influenced by City Growth, we have identified a four research priorities these are:
- Labour supply and demand and **labour flexibility**. Understanding role of foreign / migrant labour and implications for skills and employability activities. Actions to help improve labour flexibility and access to jobs outside 9-5 hours. *Cross-cluster research.*
 - Factors behind **low business start-up rates** (rigorous quantitative analysis and attitudes survey). *Cross-cluster research.*
 - Detailed audit of **property demand** (and provision) in City Growth area
 - Understanding the 'relative' **liveability** / quality of life in Luton.
- 1.9 An additional issue which has been thrown up by our review, but not already identified by the City Growth Board is understanding how to encourage City Growth firms (mainly SMEs) to make improved use of ICT (in particular developing applications to maximise the impact of broadband connectivity).
- 1.10 **Clusters.** The Luton CG Board is progressing five clusters and four themes. We have looked at each cluster in the context of these themes. Table 1-2 shows evidence based for each cluster. There are large gaps, which is hardly surprising as, to date, there has been no focus on these cluster at a Luton level. We have shaded the cells where there is a strong research gap. These are
- Labour and skills: aerospace, transport and logistics, ICT and food and drink
 - Business development issues: transport and logistics, ICT and food and drink
- 1.11 We do not highlight the gaps in infrastructure issues by cluster. Although these are not covered by cluster in details, they do not represent, in our view, a key gap. Also image issues are not covered by cluster, but are best seen as a generic issue for Luton across sectors/clusters.

Table 1-2: Luton CG Clusters – assessment of evidence base

	Airport & Airport-related	Aerospace	Transport & Logistics	ICT	Food & Drink
Labour & Skills	Reasonably covered. Future skills requirements from an expanded Luton airport have been identified within the evidence base (Bone Wells and Transport gateways, Halcrow study)	Not covered. Aside from the regional importance of the airport, local skills issues within the aerospace sector are not addressed (although they are covered in brief regionally in the Eastern Aerospace Alliance report).	Covered in small part. The Transport Gateways work was regionally based with reference to airports (Luton included) and skills issues. Within this document road haulage skill shortages are also highlighted. Overall there is little within the evidence base for this cluster.	Not covered locally. A regional ICT sector study has also been completed which maps out the ICT sector regionally. This is not specifically useful for Luton directly but does offer some context about ICT skills regionally.	Not covered locally. A regional food and drink sector report has also been compiled. However it is very brief and as regionally based does not offer specific Luton information / research.
Image	Not specifically covered. However, best seen a cross-cutting themes not cluster specific				
Infrastructure	Reasonably covered. There is a good overview of the expansion plans for London-Luton and of the estimated economic impacts. Surface access infrastructure is not fully addressed.	Not covered. The identified evidence base makes no reference to the infrastructural requirements of this sector, although they are unlikely to be different from other sectors	Covered in part. There is a good overview of planned improvements to the strategic road network in and around Luton, together with brief assessments of the property requirements of the sector.	Not covered locally. Not addressed in the identified evidence base. Infrastructure (broadband availability) is now strong in Luton.	Reasonably covered. The nature of property requirements for Food and Drink manufacturers are reviewed and the evidence base includes assessments of the local property markets.
Business Development	Not covered. Aside from citing the airport and related activity as a key asset, the evidence base does not make reference to the Business Development requirements of this sector.	Not covered locally. The evidence base does not make reference to the Business Development requirements of this cluster in Luton. However, there is a comprehensive regional study.	Not covered. The evidence base locally or regionally does not make reference to the Business Development requirements of this sector.	Not covered. A regional ICT sector study has also been completed. This is not specifically useful for Luton but does offer some context about business issues regionally.	Not covered. The evidence base does not make reference to the Business Development requirements of this sector locally. Some of its issues are covered in the regional sector strategy
Note: most significant gaps shaded					



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