



Building a vibrant and thriving digital tech ecosystem

An Integrated Action Plan for Basingstoke and Deane



Connect
Basingstoke



INTRODUCTION

This action plan was developed as part of TechTown, an URBACT Action Planning Network which ran from May 2016 to May 2018.

The TechTown project focuses on the digital economy and how medium-sized cities can grow their digital sector and create new jobs. It has brought together 11 European medium-sized cities looking to understand better the role of the digital sector in economic growth and resilience. Through a series of transnational exchanges, the partner cities explored some of the key building blocks of a strong digital economy:

- Understanding digital
- Supporting digital tech entrepreneurs
- Growing digital tech talent
- Places and spaces
- Digital transformation
- The smart city agenda and the digital economy

Alongside the transnational exchanges, Basingstoke worked with a group of local stakeholders (URBACT Local Group) from the public, private, voluntary and educational sector to identify the local challenges and barriers faced by the digital tech sector in the town. Integrating the learning generated by the project, the group of stakeholders worked together to develop a series of actions aimed at enabling and supporting a thriving and vibrant digital tech ecosystem.

ABOUT BASINGSTOKE AND DEANE

The borough of Basingstoke and Deane covers an area of over 245 square miles in north Hampshire, with the town of Basingstoke being the main urban settlement in the borough and the focus for key services, economic activity and employment.

The town is surrounded by attractive rural areas, including small towns and villages, with over 75% of the land within the borough defined as agricultural or woodland and a significant part being designated as a part of the North Wessex Downs Area of Outstanding Natural Beauty (AONB).

The number of residents in the borough has steadily increased since Basingstoke's designation as an expanded town in the 1960s and the population stands at around 174,600. The population of the borough is expected to rise to almost 250,000 people by 2050.

In the Local Plan period up to 2029, 15,300 new homes are to be built, with 3,500 to be located at Manydown to the west of Basingstoke.

Basingstoke and Deane is located within the Enterprise M3 Local Enterprise Partnership.

THE LOCAL ECONOMY

Basingstoke and Deane has a strong and diverse economy with a good balance of businesses across a range of sectors, including advanced manufacturing and ICT, financial and business services, creative industries, logistics and distribution, digital tech, and environmental technologies.

The borough has high level of employment with 87.7% of the working age population being economically active. Unemployment is low at 2.5%. The economy is worth £5.2bn in Gross Value Added (GVA) and there are over 7,700 businesses providing 83,000 jobs. The borough has a high start up rate of just over 1,000 new businesses being created every year with a survival rate of 47.1% after 5 years.

Main sectors

Source: Nomis

Sector	Number of jobs	Percentage	South East
Manufacturing	6,000	7.2%	8.1%
Construction	5,000	6%	4.6%
Wholesale and retail trade	17,000	20.5%	15.3%
Information and Technology	6,000	7.2%	4.2%
Professional, scientific and technical activities	7,000	8.4%	8.6%
Administrative and support service activities	8,000	9.6%	9%
Education	7,000	8.4%	8.9%
Human health and social work activities	10,000	12%	13.3%

Qualifications

Source: Nomis

Qualification level	Percentage	South East percentage
NVQ 4 and above	38.6%	41.4%
NVQ 3 and above	62.4%	60.2%
NVQ 2 and above	80.5%	77.5%
NVQ 1 and above	93.4%	88.8%
Other	3.7%	5.8%

THE DIGITAL TECH SECTOR

The Enterprise M3 area consistently ranks as one of the UK's leading digital economies across a range of indicators. Together with Thames Valley Berkshire and London, it forms part of a wider South East digital cluster.

In 2016, the digital economy in the EM3 area was:

- 8,500 Digital Businesses
- 50,270 Employed
- 1.8 Location Quotient vs. UK
- 92% < 10 employees



- 7.4% of all Enterprise M3 jobs
- £4.17bn GVA in 2014
- £105,460 GVA/worker vs.national average of £83,000

The EM3 LEP ranks second out of all LEP in terms of location quotient after Thames Valley Berkshire LEP and third for its number of businesses and employees.

Basingstoke has been identified as the town with the highest number of digital businesses in the EM3 LEP area with 341 companies. This is only a reflection of the reality. Through intelligence gathering at local level, it is estimated that the town has in excess of 800 digital tech businesses.

This high concentration led to Basingstoke being ranked no 1 for digital in 2013 based on location quotient. More recently, Basingstoke was identified as one of the top 10 tech hubs of tomorrow. The Joblift study, which analysed the number of tech vacancies in towns and cities of less than 200,000 inhabitants, showed that 26% of vacancies in Basingstoke were tech-focused. In the TechNation 2018 report, Basingstoke ranked 4th for digital tech concentration, 5th for digital tech productivity per worker and 7th for digital tech turnover nationally.

Basingstoke's digital sector is diverse and includes large global companies and a significant number of SMEs and start ups. Main specialisms are software development, cyber security, digital communications and cloud based products and services. The sector is also supported by a wide range a hardware manufacturers and resellers. There is no geographic concentration and digital businesses in Basingstoke are scattered all over the borough.

The Information and Technology sector alone employs 6,000 people in Basingstoke which represents 7.2% of total employment. This is only a small proportion of local employment in digital tech as this industry cuts across all other sectors.

The digital sector has grown over the years thanks to the availability of affordable flexible space, proximity to London, existing large digital companies and local enterprising culture.

Basingstoke and TechTown

Through a series of transnational events, the TechTown network gave Basingstoke the opportunity to have access to good practices and expertise that have helped shape this action plan. The following key learning points are of particular relevance to Basingstoke:

- Places and spaces: the experience of the Digital Media Centre in Barnsley and the use of space as a catalyst to connect the digital community
- Large capital projects as a way to foster digital innovation: the experience of Loop City in using significant infrastructure project to attract investment in digital tech innovation and demonstrators
- Digital transformation: the experience of Gavle in the use of digital technology to support the adaption of more traditional industries

- Using the Smart City agenda as a way to engage digital tech start ups in creating new technologies and innovation
- Growing talent: engaging education and business in raising awareness of the digital tech sector in formal and informal education and the experience of Cesis in working with young people at an younger age

THE ACTION PLAN

An Economic Growth Strategy for the borough

Basingstoke and Deane Borough Council is currently developing an economic growth strategy which provides a strategic approach and direction to ensure the borough's economy continues to grow and remains competitive and is able to respond to population growth, new business and labour trends, technological change and national and global drivers.

The strategy has been developed in consultation with a wide range of internal and external stakeholders who helped identify the core challenges faced by the borough and helped define the focus and priorities of the strategy.

The consultation showed that although infrastructure, housing, transport and commercial property are all essential to economic growth, the main driver of a successful economy is people. Access to a suitably skilled workforce and talent was consistently cited as the main barrier to growth by local stakeholders. For this reason, it has been agreed to focus the economic growth strategy on attracting, retaining and growing talent.

This action plan with its specific focus on the digital tech economy is an integral part of the wider economic agenda and will be integrated into the Economic Growth Strategy when it is finalised early 2019.

The Growth Strategy and this Integrated Action Plan reflect wider national policy such as the government's industrial strategy with its focus on digital skills, technical education and digital innovation particularly in fields such as Artificial Intelligence or 5G. It also reflects the priority areas identified in the Enterprise M3 LEP Strategic Economic Plan which focuses on the digital tech sector and its connections to other sectors such as aerospace, defence, gaming or life sciences.

Local challenges

Through regular meetings of the URBACT Local Group and a series of wider engagement and consultation events, a better understanding of the challenges faced by the local digital tech sector has been gained. This process also helped identify some of the needs of the sector as well as existing and future opportunities.

These can be summarised as follows:

Challenges	Opportunities
<ul style="list-style-type: none"> • There are skills shortages at all levels making it difficult for employers to recruit – these are particularly acute in the STEM sector • The current business and enterprise support offer is disjointed and patchy and not always relevant • Enterprise is not promoted enough as a successful career path within schools and colleges • Young people leaving education do not have the skills to perform effectively in the world of work and educational attainment locally is below expectations • There is a lack of dedicated networking and peer to peer support for local entrepreneurs to collaborate and co-create • Connections between larger businesses and the start up community are not well established • Basingstoke still suffers from a poor image and perception which can undermine its attractiveness as a place to live and work • There is a lot of innovation happening locally but it is not visible • The lack of higher education provision makes it difficult to attract, retain and grow talent locally • There is a disconnect between careers advice and guidance and the opportunities offered by the local labour market and economy 	<ul style="list-style-type: none"> • The borough has clear growth ambitions supported by infrastructure investment • The expected growth in population could enlarge the pool of talent as well as creating additional opportunities for new products and services • The borough has a diverse business base and stronger connections between sectors could foster innovation • The 5G test bed could help give a clear USP for the town and open up a wealth of business opportunities • The Smart Basingstoke programme offers opportunities for innovation • The borough has been recognised as a creative cluster • The creation of a co-working space and the SETsquared incubator in Basing View could act as a catalyst to establish a strong digital tech cluster • The regeneration of Basing View and the Enterprise Zone status could provide opportunities to attract more businesses to the area • The borough’s proximity to London and the Thames Valley and its excellent transport links should be maximised • The borough’s quality of life and strong retail and cultural offer are key assets for attracting and retaining talent • The borough has strong links with the EM3 LEP and has been identified as a growth town

But... what’s the main problem?

When asked to narrow things down to one core problem, stakeholders agreed that the main barrier to the growth of the digital tech sector and job creation is the lack of access to the relevant support and access to talent.

Problem statement

Digital Tech entrepreneurs and businesses do not have access to the adequate support and talent to start and grow a business

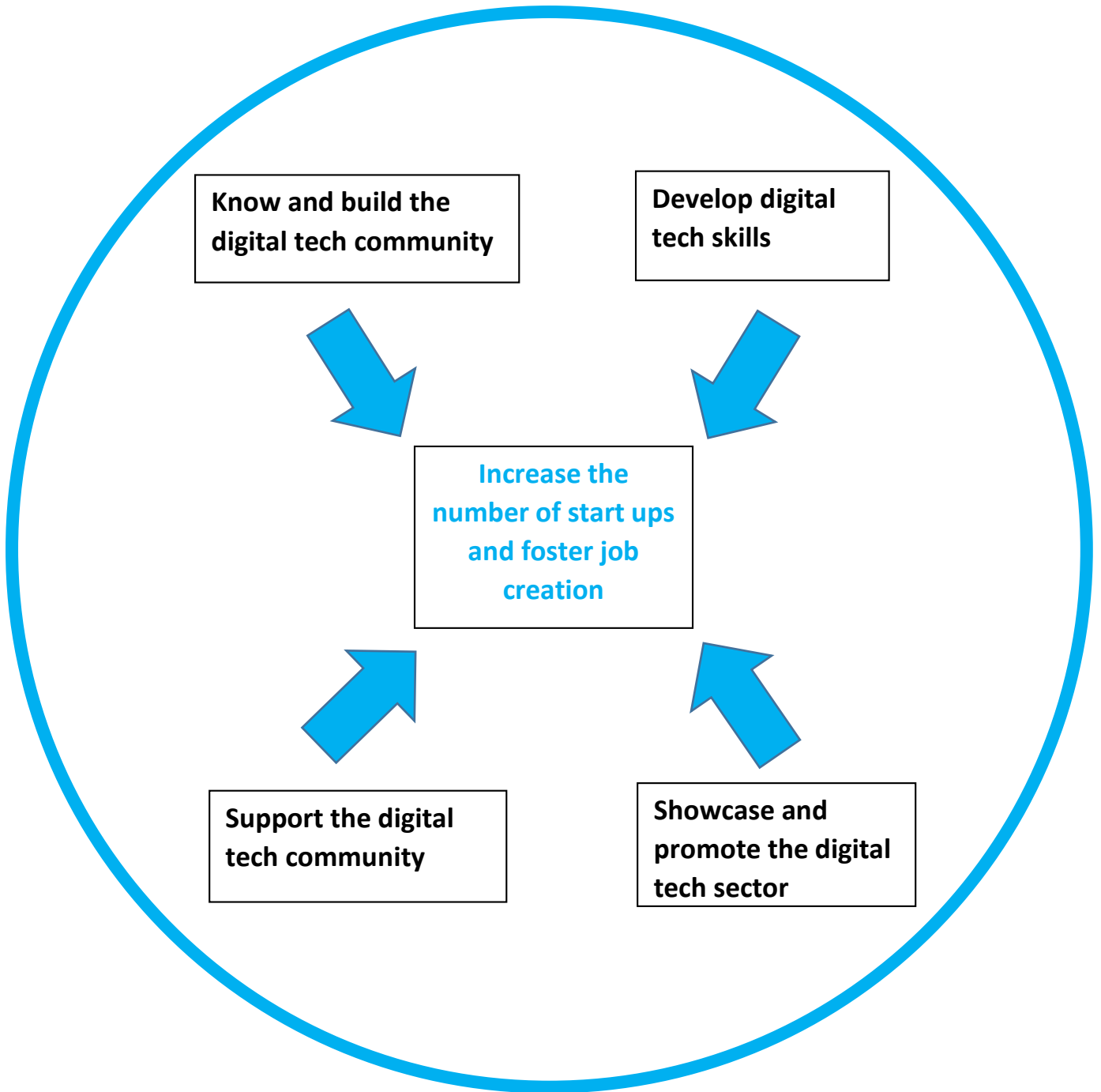
So... what are we going to do about it?

Building upon the work that is already taking place and the existing assets the town already has, we will continue to work with our partners to remove the barriers faced by the local digital tech community and provide a supportive environment where digital tech business can grow and thrive.

Our overall strategic objectives are to increase the number of tech start ups and foster job creation in the digital tech sector. We will achieve this by enabling the creation of a thriving digital tech ecosystem by focusing on four key pillars:

- Know and build the digital tech community
- Support the digital tech community
- Showcase the digital tech sector
- Develop digital tech skills

DIGITAL TECH ECOSYSTEM



How are we going to do it?

THEMATIC PILLAR	KNOW AND BUILD THE DIGITAL TECH COMMUNITY				
ACTION	ORGANISE AND DELIVER A PROGRAMME OF DIGITAL TECH FOCUSED EVENTS				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Organise a hack weekend to bring together the local tech community	Basingstoke Tech Scene	BDBC SETsquared DeskLodge	November 2017	£2,500 – pilot funded through TechTown	Event delivered Number of participants
Organise a Internet of Things focused hackathon	SETsquared	BDBC DeskLodge Basingstoke Tech Scene Digital Tech businesses	April 2018	£3,500 – funded through entrance fee, BDBC budget and corporate sponsorship	Event delivered Number of participants Number of new marketable technology created
Organise Town Hall meetings bringing together SETsquared start ups	SETsquared	DeskLodge	Every two weeks	Staff time	Number of companies attending events Number of events over 12 months
Set up and run Talk 5G events aimed at bringing together businesses interested in 5G development	SETsquared	5GIC BDBC	Every two months from April 2018	Staff time	Number of businesses attending events Number of events over 12 months
Run Google Developer Group meetings	SETsquared	BDBC DeskLodge	Every two months from May 2018	Staff time	Number of businesses attending events Number of events over 12 months

ACTION	DEVELOP CLEAR SECTOR PROPOSITIONS TO UNDERSTAND LOCAL SECTORS AND CLUSTERING POTENTIAL				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Commission research into local sectors to gather data and intelligence on number of businesses, GVA, number of jobs, value of jobs, etc.	BDBC	EM3 LEP	March 2018	£10,000 – funded by BDBC	Study report
Review and analyse findings of report to identify sector strengths and weaknesses and build sector propositions	BDBC	EM3 LEP	June 2018	Staff time	Analysis completed Sector propositions completed
Use sector propositions to identify ways of better connecting sectors	BDBC	EM3 LEP SETsquared	September 2018	Staff time	Detailed plan to sector cross-fertilisation

THEMATIC PILLAR	SUPPORT THE DIGITAL TECH COMMUNITY				
ACTION	DEPLOY TECHNOLOGY INFRASTRUCTURE				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Build and deploy a low powered network to enable IoT and sensor technology	Barter for Things	BDBC SETsquared	April 2018	Privately funded	Network installed
Create 5G VR suite	5GIC	BDBC DeskLodge	March 2018	£5,000 – funded by BDBC with in kind support from DeskLodge	VR suite opened and functional
ACTION	DEVELOP A PROGRAMME OF BUSINESS SUPPORT AND ACCELERATION				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Run and deliver a Digital Acceleration Programme	SETsquared	BDBC Rushmoor BC	September 2016 to September 2018	£2.5m – ERDF funding	Number of courses delivered

		EM3 Growth Hub University of Surrey Hampshire CC			Number of businesses completing courses Number of businesses joining SETsquared programme
Set up a 5G accelerator	Candescence	SETsquared EM3 LEP EM3 Growth Hub BDBC Private Sector partners	June 2018 – to run for 6 months initially	£300,000 – partnership funding and corporate sponsorship	Number of companies completing programme

THEMATIC PILLAR	SHOWCASE AND PROMOTE THE DIGITAL TECH SECTOR				
ACTION	IDENTIFY AND ATTEND TECH FOCUSED EVENTS				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Attend and man stand at VentureFest South to promote Basingstoke at tech hub	BDBC	SETsquared DeskLodge 5GIC	March 2018	£500 + staff time	Number of new contacts made
ACTION	RAISE PROFILE OF LOCAL DIGITAL TECH SCENE				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Create a local digital tech e-bulletin	Juicy Marketing	DeskLodge BDBC SETsquared Basingstoke Tech Scene EM3 Growth Hub	To start in April 2018 – to be issued monthly	Privately funded	Number of e-bulletins Number of stories/news items Number of “click through”
Use sector propositions study to develop inward investment materials to	BDBC	EM3 LEP	September 2018	Staff time	Number of marketing collaterals created

promote Basingstoke as a tech hub					
-----------------------------------	--	--	--	--	--

OBJECTIVE	DEVELOP DIGITAL SKILLS				
ACTION	RUN PROJECTS AIMED AT RAISING AWARENESS OF THE DIGITAL TECH SECTOR AND CAREERS				
Activities	Lead	Partners	Timescales	Resources	Output indicators
Organise and deliver the TeenTech event	Basingstoke Consortium	BDBC HCC University of Winchester Private sector companies	June 2018	£30,000 – funded through corporate sponsorship	Event delivered Number of schools and students attending the event Number of businesses delivering activities during the event
Create a virtual art trail as part of the Basingstoke Festival involving local schools, artists and tech entrepreneurs	BDBC	Secondary schools Local artists Tech entrepreneur	July 2018	£15,000 – Arts Council England	Number of students involved Number of workshops held Number of artworks created Number of “visitors”
Develop and deliver a transnational project aimed at linking digital and creative skills	BDBC	Secondary Schools Queen Mary’s College Tech businesses City of Dubrovnik City of Cesis	November 2018 to October 2020	£300,000 – Erasmus +	Project delivered New resources created Number of students, digital tech start ups and creative engaged

MEASURING SUCCESS

Ultimately, we will measure the impact of this Integrated Action Plan and the wider economic growth strategy through an increase of the number of start ups and the number of jobs created by these start ups. However, this is a long-term result indicator and along the way we will also measure impact and success through the following result indicators:

- Higher number of businesses involved in digital tech events and activities
- Number of new digital tech businesses created
- Amount of investment secured by start ups involved in the SETsquared programme
- Number of digital tech businesses moving to the borough
- Where possible, number of new digital tech jobs created

URBACT LOCAL GROUP

The following organisations have been involved in the development of this Integrated Action Plan through their participation in the URBACT Local Group:

- Basingstoke and Deane Borough Council
- SETsquared
- 5G Innovation Centre
- Basingstoke Consortium
- Queen Mary's College
- Basingstoke College of Technology
- Hampshire Chamber of Commerce
- Hampshire County Council
- Connect TVT
- Local digital tech start ups

The URBACT LOCAL GROUP will be replaced by a steering committee that will oversee and monitor the implementation and delivery of the Economic Growth Strategy.