



Economic Development Newsletter

October/November 2015

Introduction

Welcome to the October/November edition of the newsletter. In this edition, we round up the latest news from the Milton Keynes Council Economic Development Team, with a particular focus on small businesses and business start-ups. With approximately 98% of businesses in Milton Keynes employing less than 50 people, small businesses play a vital role in the local economy. Here we celebrate some of the successes of our small businesses and the support offered through the Start Up and Small Business Fortnight.

Centre for Cities

With all the work going on, it's great to see that the success and growth of Milton Keynes has once again been recognised by renowned independent think tank, Centre for Cities.

Their Small Business Outlook 2015, published in October, ranks Milton Keynes second only to London for the number of business start-ups, running at 67.7 per 10,000 people. Milton Keynes was also ranked second for the proportion of small and medium sized enterprises (SMEs) within the high-tech and digital sectors and within the top 10 (number six) for the highest density of SMEs overall.

To read the report in full, visit:

<http://www.centreforcities.org/wp-content/uploads/2015/10/Small-Business-Outlook-2015.pdf>

MK is top of the shops

Following hot on the heels of the Centre for Cities report, Milton Keynes received further recognition, this time in a report published by Property Week magazine. The report ranked Milton Keynes number one in a list of areas with the greatest potential to grow as a retail centre.

The report, compiled by location experts CACI, provides a rundown of the top 100 towns and cities that have the greatest capacity to support more mass-market retail brands. Milton Keynes was top of the prestigious list and ranked ahead of other towns and cities in the top ten including Norwich, Leicester, Birmingham, Plymouth, Reading, Huddersfield, Derby, Nottingham and Leeds.

Recognition for MK:Smart

It's great to see the MK:Smart project receiving national and international recognition. At the heart of the project is the creation of a state-of-the-art 'MK Data Hub' to support the acquisition and management of large amounts of data relevant to Milton Keynes. This includes data on how water, energy and other utilities are used in Milton Keynes, how transport flows and social and economic datasets. The Data Hub secured the award for Business IT Innovation of the Year in the



UK IT Industry Awards. This award recognises innovative new services that have delivered measurable benefits for business users or customers.

The project also beat off international competition to be shortlisted as a finalist in the Project Category of the World Smart Cities Awards. MK:Smart was highlighted as a great example of “applied innovation derived from collaborative endeavor”. The awards were presented at the World Smart City Expo World Congress, held in Barcelona, and attended by representatives from the council and the Open University. The Expo provided a fantastic opportunity to further raise the international profile of MK:Smart and Milton Keynes as a whole.

To find out more about the MK:Smart project, visit <http://www.mksmart.org/>

Minister for Small Business visits Milton Keynes

With key representatives from the South East Midlands Local Enterprise Partnership (SEMLEP), the council’s Chief Executive and council members, I had the pleasure of taking part in a roundtable discussion with the Minister for Small Business on her recent visit to Milton Keynes.

The ministerial visit, hosted by SEMLEP, saw the Rt Hon Anna Soubry MP, Minister for Small Business, Industry and Enterprise, visit our very own Niftylift which is one of the world's leading manufacturers of mobile elevated work platforms.

The Minister met with more than 30 local businesses including several Milton Keynes based companies who have received support from SEMLEP’s Velocity Growth Hub and local members of the Women in Enterprise programme. It was a fantastic occasion for the Minister to learn first-hand about the opportunities and challenges facing local entrepreneurs, as well as a chance to highlight Milton Keynes as a great place for small businesses to start and grow.

I was particularly pleased to hear the Minister describe Milton Keynes as “...a dynamic and fast growing city. From what I’ve seen today it is clearly full of entrepreneurial spirit and has the potential to continue creating new jobs and driving economic growth throughout the region.”

SEMLEP News

SEMLEP is currently leading efforts to improve the links between business and education. Preparing our young people for the world of work is vitally important and employers have a crucial role to play in developing the workforce of the future.

SEMLEP is working in partnership with the national Careers and Enterprise Company Programme and will be developing a network of Enterprise Advisers across the South East Midlands to work directly with the leadership of individual schools and colleges. These volunteers, drawn from business and other employers, large and small, will help to develop effective employer engagement plans.

SEMLEP has also entered into partnership with Inspiring the Future, a free scheme which aims to connect schools and colleges with employers and those in the work of world. Through the partnership, a free brokerage service will be provided to link local businesses with our schools and



colleges, helping to create a workforce with the talent and aspirations that the growing economy demands.

Milton Keynes will be taking full advantage of the opportunities arising through this work and with colleagues from the Setting and School Effectiveness team we are already looking at how schools in Milton Keynes can benefit.

Further information is available on the SEMLEP website, <http://www.semlep.com/business-skills/>

In addition, SEMLEP has recently announced further opportunities for organisations to access European funding to support the start-up and growth of SMEs. Up to £4million of ERDF is available under two current calls for funding:

- £2 million for projects which promote energy efficiency and renewable energy and which adopt low carbon technologies.
- £2 million for projects related to research and innovation.

The deadline for applications for both ERDF funds is 29 January 2016. Further information is available on the SEMLEP website, <http://www.semlep.com/european-funding-2014-2020/>

Team News

MIPM

For the second year running, the Team attended the UK's largest property trade show, MIPM, at Olympia, London. This year's event attracted almost 4,000 national and international delegates, with 600 investors and 35 cities and regions exhibiting.

Invest MK, joined by the MK Development Partnership, joined forces to showcase MK at the event. Invest MK secured a premium exhibition stand, which meant we were promoting ourselves alongside other major players like London, Manchester and Liverpool. There was a lot of interest in MK and our commercial and residential development opportunities.

We are now following up the contacts made at the exhibition and as a direct result of our presence, a number of enquiries have already been received.

Start Up and Small Business Fortnight

Our commitment to supporting start-ups and small businesses was reflected in the Start Up and Small Business Fortnight, held in November. The fortnight, led by the Team in partnership with Milton Keynes College, celebrated business and enterprise in Milton Keynes in the run up to the national Small Business Saturday campaign on Saturday 5 December 2015.

Building on last year's successful Start-up Week and Small Business Fortnight events, this year saw twenty free workshops held, covering areas including starting a business, marketing, employment law and research and development. In addition, 121 business surgery appointments were available, offering targeted support to those with a small or start-up business. In total, over 120 bookings were received across the two weeks.



The fortnight was then rounded off in style with Milton Keynes' first Start up weekend on 27 November. Developers, designers, managers, marketing experts and start-up enthusiasts gathered at Innovatemk to develop their ideas, form start-ups and pitch their ideas to compete for a final prize.

Innovatemk is an exciting new incubator facility established in partnership with Tech Mahindra and others and located within the offices of Tech Mahindra. To find out more visit <http://www.online.innovatemk.com/>

MK Digital Awards

Along with my colleague, Sarah Gonsalves, Head of Policy and Performance, I attended the first MK Digital Awards. The Awards recognised digital talent from across the borough and was the first awards scheme to be exclusively dedicated to online work.

It was a pleasure to present the gold, silver and bronze awards for "small business website", with the winners coming from photography, fitness and website design. It's great to see a variety of small businesses in Milton Keynes innovatively using the web and social media to support their success and growth.

For more information, visit <http://mkdigitalawards.co.uk/>

Milton Keynes Draft Skills Strategy

The draft Milton Keynes Skills Strategy is now open for public consultation. Following extensive consultation with local partners from education and training, business representatives, and the voluntary and community sector, the draft Strategy has been produced outlining ways in which, together, we can look to ensure the skills of local people meet the needs of existing businesses and new inward investors.

Awareness of the draft Skills Strategy and consultation was further raised through a presentation at the 8 December Business Council meeting. The Business Council embraces all business organisations in MK including the Chamber of Commerce, FSB, IOD, BLP, CBI, Biztech, Town Councils, MKCCM, universities, developers and retailers.

The public consultation runs until **Monday, 21 December** and we would welcome further feedback. To have your say, visit:

<http://www.milton-keynes.gov.uk/consultations/Consultation/2380>

We are aiming for Cabinet sign off in early 2016.

Women Leaders and Local Government Challenge

I had the pleasure of joining a number of inspirational women at the recent Women Leaders MK Awards evening. The awards recognise the contribution made by women leaders across MK in



areas such as public services, business services, science and technology, the environment, community, and entrepreneurship.

I was extremely honoured to win the Business Services award, sponsored by Milton Keynes business Amway, in recognition of my contribution to inward investment and business growth in Milton Keynes. For further details, visit <http://www.womenleadersmk.co.uk/>

Alongside this, I have made it through to the final 10 in the Local Government Challenge (LG Challenge) and I'm already looking forward to the first challenge in February 2016. As part of the LG Challenge, I will be taking part in a series of real-life challenges in host authorities around the country, testing both my individual and team working skills. This will be a great opportunity to showcase Milton Keynes Council and highlight some of the exciting developments occurring within the Borough.

For more information, visit <http://www.local.gov.uk/lgchallenge>

Business Visits

In this edition we showcase some home grown businesses and also international businesses that call Milton Keynes home:

- We were delighted to meet with JUXT, a software development and consulting business that have recently moved into Milton Keynes. JUXT use Clojure programming language to creating digital platforms for their customers. It was great to welcome another innovative business in the digital sector to Milton Keynes.
- We met with both MKCCM and MK Chamber to update them on the progress of the draft Milton Keynes Skills Strategy and to gain their feedback and opinions on specific areas of the Strategy. Continued engagement with business representative organisations is key to ensuring businesses are aware of the draft Skills Strategy and recognise the value of their contributions to its development and successful implementation.
- Sticking with skills and jobs, we caught up with the recruitment services manager for the University of Bedfordshire which includes UCMK. A useful discussion took place around graduate recruitment and the benefits that both students and businesses receive when they take part in a 1 year industrial placement.
- Along with SEMLEP, we were invited to Ideal Combi, a Danish company that specialises in manufacturing energy efficient windows and doors to discuss business support at a local and regional level. This provided an opportunity to highlight the business support services that we offer as well as providing Ideal Combi with updates on various projects taking place in Milton Keynes and the wider SEMLEP region. It was also good to hear about the business challenges that Ideal Combi are facing and to discuss solutions.



Social Media

Our social media presence goes from strength to strength, our Twitter followers at the end of November stood at 3,364 (an increase of 4.3% from September) and our LinkedIn connections at 2,280 (an increase of 2.7%). The Economic Development team continues to promote MK through social media channels to ensure that MK possesses the advantage with national and international business stakeholders.

Enquiries

The overall enquiry figures show 257 enquiries to date this year, and the investment successes stand at 77. Throughout October and November, we had 14 investment successes consisting of six micro, seven small and one large business. The team continues to promote MK through multiple channels and partners.

Help Spread the Word

Follow us at @InvestMK at www.twitter.com/InvestMK and by joining our LinkedIn group at <http://uk.linkedin.com/in/investmk>

And as we approach the end of another busy and successful year in Milton Keynes, can I wish everyone a very happy Christmas and a prosperous New Year. I'm looking forward to 2016 and the opportunities the new year will bring.

Pam Gosal

Head of Corporate Economic Development & Inward Investment

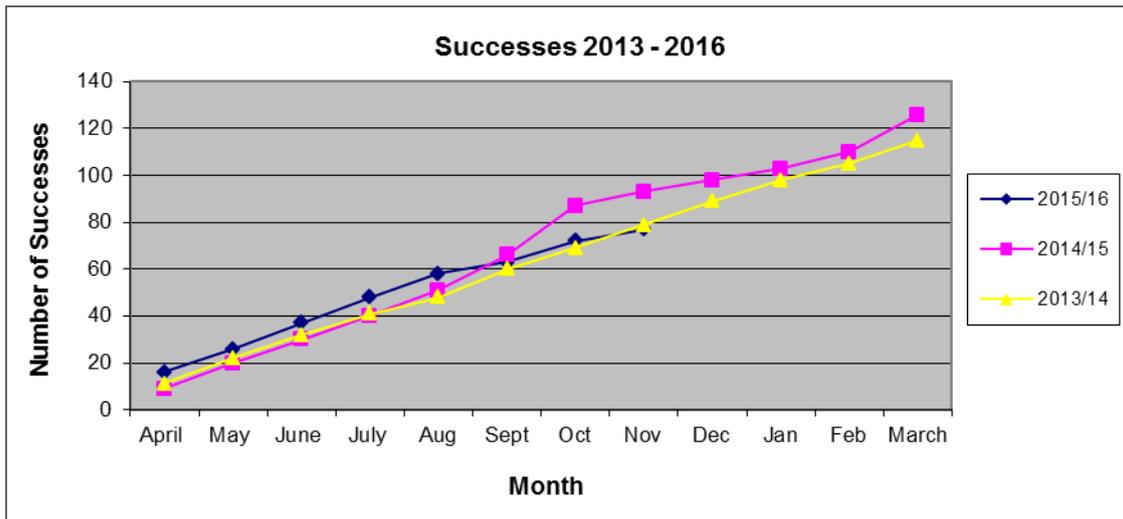
Economic Development: Invest MK contact: 01908 200800

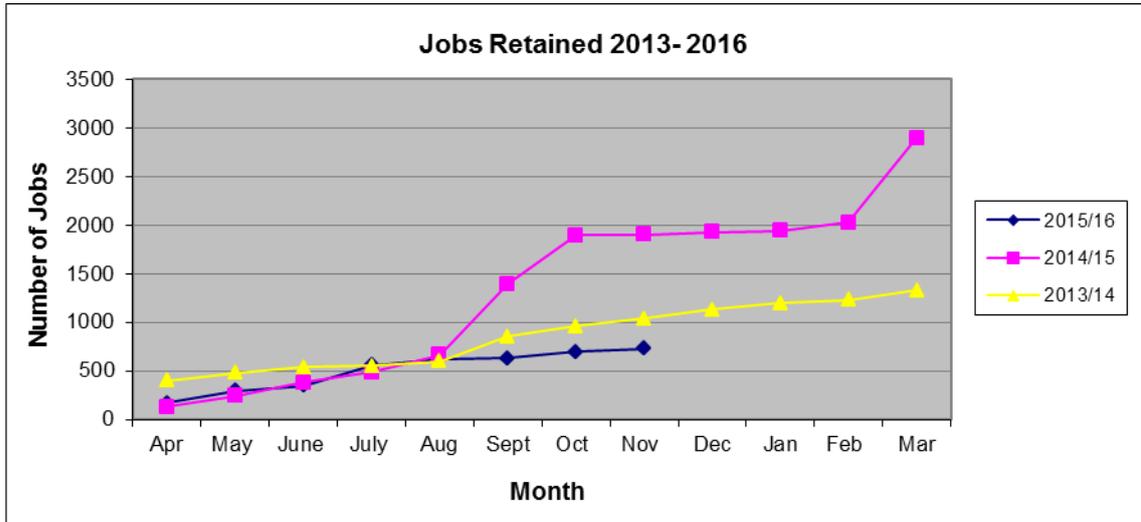
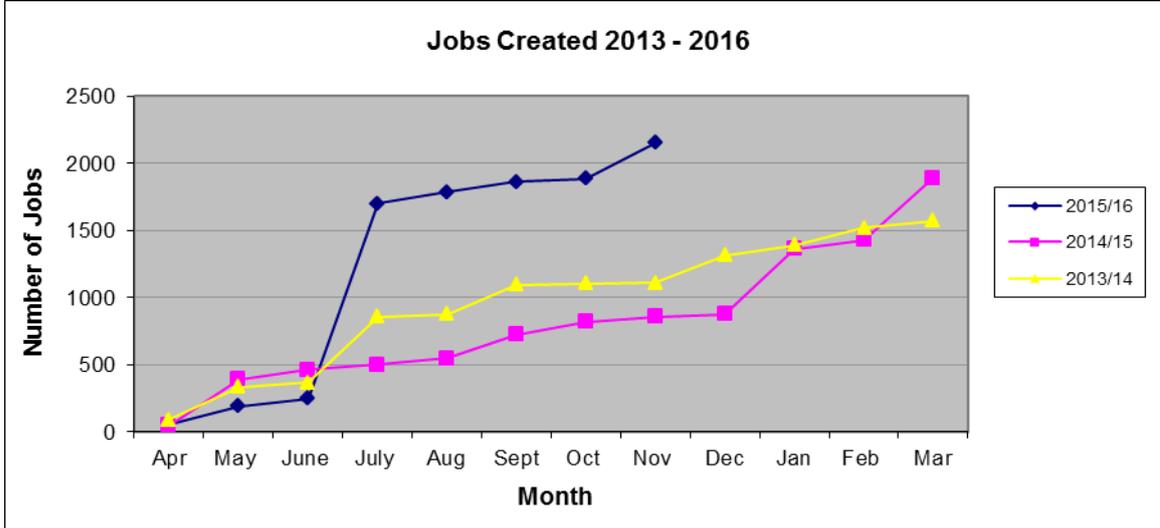
enquiries@investmiltonkeynes.com

Investment Success Update

| | October 2015 | Year to Date | November 2015 | Year to Date |
|--|-------------------------|-----------------------------|--------------------------|-----------------------------|
| Companies arriving in or relocating within MK | 9 | 72 | 5 | 77 |
| From Target Group* | 4 | 20 | 1 | 21 |
| Total Jobs Created | 22 | 1882 | 270 | 2152 |
| Total Jobs Retained | 68 | 695 | 35 | 730 |

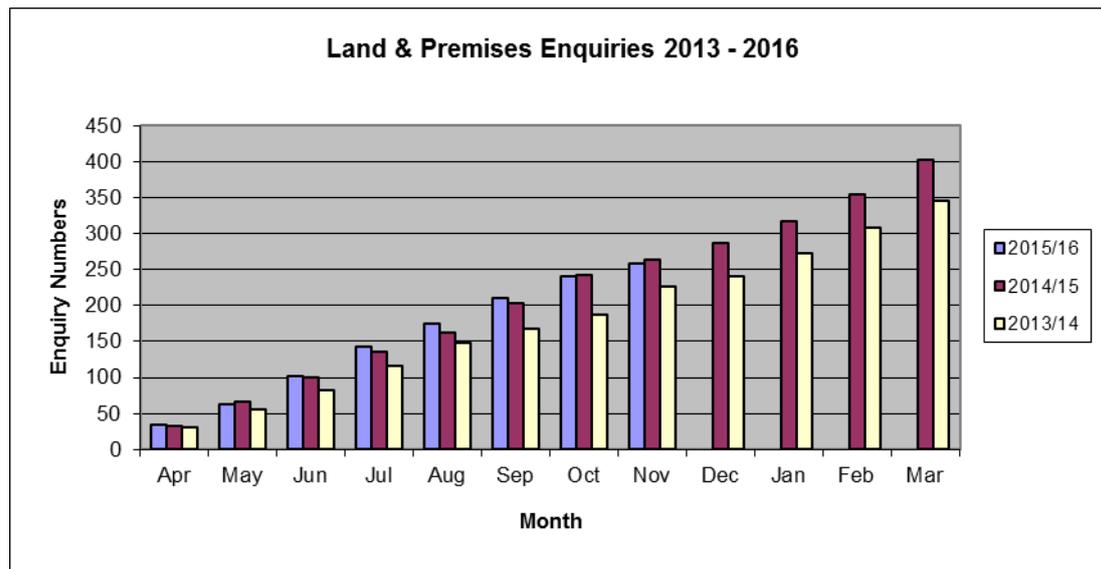
* **High growth, high value, knowledge-based businesses**





Enquiry Activity Update

The chart below shows the trends for commercial land and premises enquiries from 2013 – 2015



Enquiries

We received 47 enquiries this October and November compared to 59 last year and therefore the cumulative total for the year to date is 258 against 263 in 2014.

Our current caseload is 19 category 'A' and 39 category 'B' enquiries.

(Category 'A' covers enquiries from UKTI and foreign owned businesses; land enquiries; industrial premises over 50k sqft; office premises over 10k sqft. and key business sectors. Category 'B' enquiries cover all other requests for support.)

The figures in the tables and graphs above help to show that MK is open for business and also that there is a very positive outlook on the economy in MK.

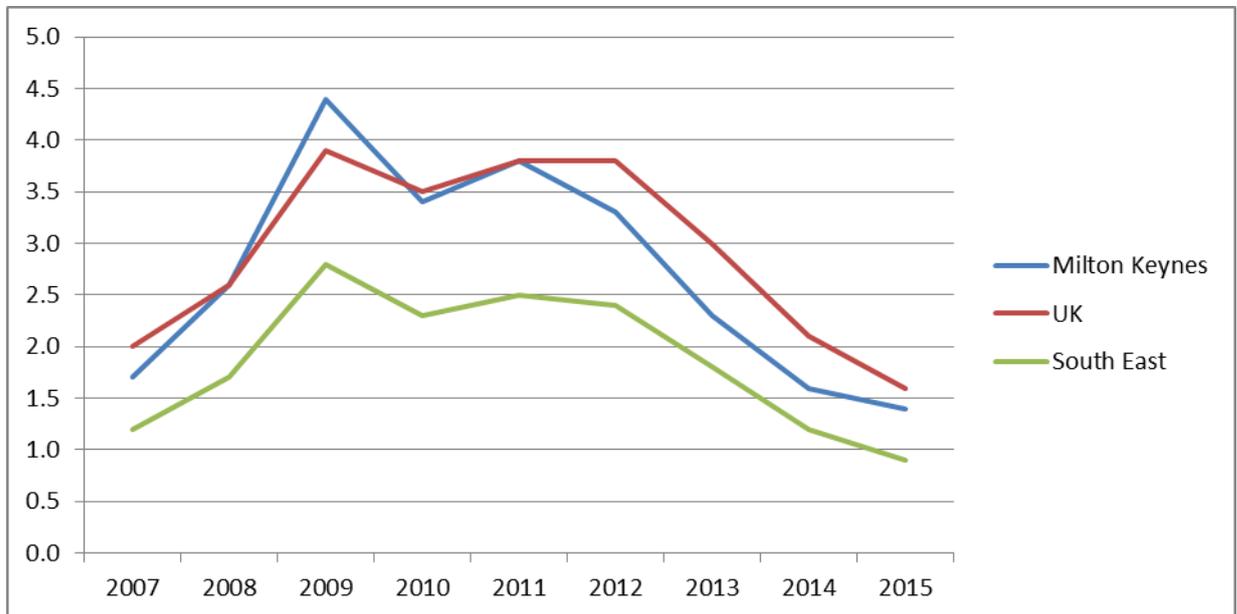
| Enquiries by Sector | October 2014 | October 2015 | November 2014 | November 2015 |
|------------------------------|--------------|--------------|---------------|---------------|
| Office | 10 | 7 | 6 | 4 |
| Industrial | 6 | 9 | 8 | 11 |
| Retail | 3 | 7 | 2 | 0 |
| Land | 3 | 1 | 1 | 1 |
| Information and Support | 2 | 5 | 4 | 2 |
| Total for Year so far | 160 | 240 | 215 | 258 |



The Labour Market in Milton Keynes, November 2015

Unemployment (claimant count) in Milton Keynes was 1.4% in November 2015. This is a fall of 0.1% from October 2015 and a fall of 0.2% from this time last year (the claimant count stood at 1.6% in November 2014). There were 2,316 claimants in Milton Keynes in November 2015. This is a fall of 234 individuals from October 2015.

The Milton Keynes claimant count of 1.4% is lower than the national (UK) rate of 1.6% but higher than the regional (south east) figure of 0.9%. The chart below shows the unemployment (claimant count) rates in MK, the South East and the UK from 2007.



| | Milton Keynes | UK | South East |
|------|----------------------|-----------|-------------------|
| 2007 | 1.7 | 2.0 | 1.2 |
| 2008 | 2.6 | 2.6 | 1.7 |
| 2009 | 4.4 | 3.9 | 2.8 |
| 2010 | 3.4 | 3.5 | 2.3 |
| 2011 | 3.8 | 3.8 | 2.5 |
| 2012 | 3.3 | 3.8 | 2.4 |
| 2013 | 2.3 | 3.0 | 1.8 |
| 2014 | 1.6 | 2.1 | 1.2 |
| 2015 | 1.4 | 1.6 | 0.9 |

Source: Job Seekers Allowance, Office for National Statistics via NOMIS



Unemployment amongst young people (18-24 year olds) remains an issue locally, regionally and nationally. Young people made up 17% of unemployed claimants in Milton Keynes in November 2015 compared to 18% in the South East and 18.7% in the UK.

Overall however, the unemployment (claimant) rate in Milton Keynes is low and continuing to fall and the economic outlook is improving.

Getting our residents back into work

October was almost another record month for the Neighbourhood Employment Programme (NEP) in terms of securing job starts for its service users (61 job starts compared to 63 in October 2014). This is a major achievement considering the falling rates of unemployment in Milton Keynes. In October, 28% of all unemployed JSA claimants in Milton Keynes were supported into work via the NEP which demonstrates the value of the service. October also saw the NEP conduct its first 'data share' transaction with the Job Centre/DWP (Department of Works and Pensions). This is a unique agreement with the DWP in which the NEP can better track the outcomes of those that have been supported into sustainable employment. This produced a 76% success rate for those who have started and sustained work over the last six months. This is a significantly higher rate than the typical 40-50% ballpark figure many other providers have suggested is the norm.

The council's Strengthening Families Programme has also established a programme of employment support. A Job Centre/DWP Employment Advisor has been seconded to the council and will provide additional support to unemployed families identified as eligible under the governments Troubled Families Agenda. The service will provide targeted employment support to this client group. Other targeted employment support services such as Richmond fellowship and Equality Works have continued to succeed in supporting clients with special needs into training, work experience, voluntary work and paid employment. Again, this is a great success considering the current competitive working environment. The Youth Information, Advice and Guidance service (formally Connexions) has now aligned its delivery with the NEP and will be providing support to young people Not in Education, Training or Employment (NEET) from a variety of community based venues.

Invest MK has continued to link the NEP with new businesses and they, along with a representative from Job Centre Plus, now visit businesses offering a joint approach to helping recruit to current vacancies at no cost to the employer. This is proving a very attractive option to businesses and ongoing discussions are currently taking place with Kuehne + Nagel assisting with the recruitment for the Waitrose Distribution Centre at Magna Park.