Draft Croydon Economic Development Strategy
Croydon Economic Partnership

Draft
Croydon Economic Development Strategy
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1. Introduction

1.1 Croydon faces a challenging future. As a key economic hub within the greater South East, Croydon has the potential to achieve significant and sustained growth, developing into a highly competitive economic location of international renown. Croydon has not yet fulfilled its full potential economically and has in fact recently experienced something of a decline in the overall scale of the local economic base. The timing is now right for a re-invigoration of Croydon’s economic position based on an inclusive, partnership-oriented approach to economic development.

1.2 There are a number of essential factors that will support successful, inclusive and sustainable economic growth in Croydon. These factors include development of more effective business functions and networks, improved skills development, provision of sites, premises and infrastructure, successful marketing and the attraction of high value-added inward investment.

1.3 Business base diversification and skills development, in particular, are of paramount importance to Croydon’s economic future. Without a significantly improved skills base, existing businesses will struggle to diversify and generate new employment and the area will fail to attract additional investment.

1.4 It is the responsibility of all local partners collectively, public and private, to ensure that the attributes for successful economic development are all firmly in place.

1.5 This report presents a working draft of the Croydon Economic Development Strategy. The Strategy is designed to address the key challenges currently facing the local economy and the challenges that may become more apparent in the future as the area itself, as well as external influences, alter.

1.6 This is a draft strategy document. It outlines our recommendations to the Croydon Economic Development Partnership and is presented for their consideration in terms of agreeing and prioritising appropriate economic interventions. This draft strategy document does not, at this stage, represent a final set of interventions endorsed by Croydon Borough Council or any of its key partners.

1.7 These recommendations are outlined as interventions which respond to the issues surrounding each theme. These interventions are both an evolution of existing or planned delivery as well as new ideas. Given the thematic structure of this strategy, there is some duplication across themes; the detailed implementation plan rationalises these interventions to ensure efficient delivery.

Typology of Interventions

1.8 This strategy is underpinned by a series of interventions which partners have identified as being necessary to deliver sustainable and inclusive economic growth in Croydon. The majority of these interventions fall within the Strategy itself; however, other actions, whilst imperative to achieving the objectives outlined in this document will be delivered alongside the Strategy, rather than necessarily as part of it. Actions in both of these areas are included within this summary and the Strategy as a whole.
1.9 The matrices that form the bulk of this section outline each of the key interventions that make up the Economic Development Strategy, establishing their role, and importantly, deliverability. Projects are grouped under four key headings:

- **TIER 1**: Shorter term, high priority: Interventions that require rapid action from partners to address fundamental issues in Croydon’s economy and to set foundations for the delivery of the strategy as a whole;

- **TIER 2**: Longer term, high priority: Interventions that will become increasingly important as Croydon’s economy evolves. A number of these interventions will be dependant upon the successful delivery of Tier 1 interventions;

- **TIER 3**: Medium term, medium priority: Interventions that, whilst important to Croydon’s economic future will not necessarily ‘drive’ high level economic growth. These actions should be reviewed and implemented in line with the evolving needs of Croydon’s economy;

- **TIER 4**: Complementary: Interventions that will contribute to the delivery of the strategy that may not necessarily be delivered by the strategy itself; this includes large scale physical regeneration and infrastructural improvements.

1.10 In line with the implementation/action plan that accompanies this strategy, judgement is made on the deliverability of each intervention; these are colour coded as follows:

| Intervention requires little development or lead in work, but may require adaptation of existing or planned project | Some project / partnership development required as well as scoping or feasibility work. Interventions may be dependant on previous actions. | Significant lead in and development work required. Interventions are very much long term aspirations rather than short to medium term priorities. |

**Tier 1 Interventions (Shorter term, high priority)**

<table>
<thead>
<tr>
<th>Project</th>
<th>Objective</th>
<th>Deliverability</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB1: Sector Based Investment and Development</td>
<td>Diversified Business Base</td>
<td>Some initial work required, ongoing delivery</td>
</tr>
<tr>
<td>DB2: Support Business Growth and Diversification in Key Existing Sectors</td>
<td>Diversified Business Base</td>
<td>Some initial work required, ongoing delivery</td>
</tr>
<tr>
<td>DB 3: Realising the value the Voluntary and Community Sector (Including Development of a Social Enterprise Strategy)</td>
<td>Diversified Business Base</td>
<td>Building upon positive momentum and reputation to date, following continued development work</td>
</tr>
<tr>
<td>EL 1: Ensure Wider Strategic Links (including LDA and Gatwick Diamond)</td>
<td>External Connectivity</td>
<td>Few barriers to delivery</td>
</tr>
<tr>
<td>EL 2: Cross Rail Competitor Monitoring</td>
<td>External Connectivity</td>
<td>Few barriers: Could tie in with the observatory function</td>
</tr>
<tr>
<td>EL 3: Transport Strategy (Developing Quality Arrival by Road)</td>
<td>Economic Inclusion and Skills</td>
<td>Few barriers to delivery</td>
</tr>
<tr>
<td>EIS 1: Sector Education in Schools</td>
<td>Economic Inclusion</td>
<td>Partnership (with schools and LEA)</td>
</tr>
</tbody>
</table>
### Tier 2 Interventions (Longer term, high priority)

<table>
<thead>
<tr>
<th>Project</th>
<th>Objective</th>
<th>Deliverability</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB4: Business Maturity Support</td>
<td>Diversified Business Base</td>
<td>Requires some lead in (and growth amongst new starts) to achieve maximum impact</td>
</tr>
<tr>
<td>HQ 1: Small Business Space Development</td>
<td>Quality Business Environment</td>
<td>Building upon initial work undertaken by Croydon Enterprise</td>
</tr>
<tr>
<td>HQ 2: 5 Star Hotel and Conference Venue</td>
<td>Quality Business Environment</td>
<td>Feasibility required</td>
</tr>
<tr>
<td>EL 4: Creating Quality Points of Arrival: Improvement to East Croydon Station</td>
<td>External Linkage</td>
<td>Some structural/external changes and possible renaming</td>
</tr>
<tr>
<td>EL 5: Creating Quality Points of Arrival: Improvement to West Croydon Station</td>
<td>External Linkage</td>
<td>Some structural/external changes</td>
</tr>
<tr>
<td>EIS 4: Increasing Employability</td>
<td>Economic Inclusion and Skills</td>
<td>Work with education and training providers to arrange delivery, as well as identification of spaces for delivery of courses/training</td>
</tr>
<tr>
<td>EIS 5: Investigate the Presence of an HE Institution in Croydon</td>
<td>Economic Inclusion and Skills</td>
<td>Few barriers to feasibility study</td>
</tr>
<tr>
<td>II 2: Develop the Inward Investment Proposition and Process</td>
<td>Investment and Image</td>
<td>Few barriers to delivery, requires constant review and promotion</td>
</tr>
<tr>
<td>II 3: Targeting FDI; Promoting Croydon as a HQ Location</td>
<td>Investment and Image</td>
<td>Initial partnership development work required as well as market research and analysis of competitor locations</td>
</tr>
<tr>
<td>II 4: Scope and Develop the Sector Specific Marketing Offer</td>
<td>Investment and Image</td>
<td>Further research required, requires constant review and promotion</td>
</tr>
<tr>
<td>II5: Targeted Aftercare Offer</td>
<td>Investment and Image</td>
<td>No specific barriers to delivery, consolidating and enhancing existing offer</td>
</tr>
</tbody>
</table>

### Tier 3 Interventions (Medium term, medium priority)

<table>
<thead>
<tr>
<th>Project</th>
<th>Objective</th>
<th>Deliverability</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB 5: Supporting Managerial Capacity</td>
<td>Diversified Business Base</td>
<td>Initial research and scoping required</td>
</tr>
<tr>
<td>DB 6: Procurement and Supply Chain Support</td>
<td>Diversified Business Base</td>
<td>Some identification of specific procurement needs required</td>
</tr>
<tr>
<td>DB 7: Innovation Action Plans</td>
<td>Diversified Business Base</td>
<td>Initial scoping required</td>
</tr>
<tr>
<td>TCI 1: Improving the Visitor Offer</td>
<td>Town Centre/ Internal Links</td>
<td>Initial review and consolidation of existing offer, further development of facilities may be necessary</td>
</tr>
</tbody>
</table>
Tier 4 Interventions (Complementary)

<table>
<thead>
<tr>
<th>Project</th>
<th>Objective</th>
<th>Deliverability</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB 8: Champions and Mentors</td>
<td>Diversified Business Base</td>
<td>Tie in to existing business partnerships</td>
</tr>
<tr>
<td>HQ 3: Increased Safety and Security Measures</td>
<td>Quality Business Environment</td>
<td>Delivered through BID process</td>
</tr>
<tr>
<td>HQ 4: Implementation of the Alsop Vision for the Town Centre</td>
<td>Quality Business Environment</td>
<td>Delivered through the URV and by other developers. Further scoping, promotion and funding required</td>
</tr>
<tr>
<td>HQ 5: Balancing Large Scale Commercial Development, with Mixed Use Residential</td>
<td>External Connectivity</td>
<td>Delivered through the URV and by other developers. Further scoping, promotion and funding required</td>
</tr>
<tr>
<td>EL 6: Consideration of Tramlink Extensions</td>
<td>Town Centre/ Internal Links</td>
<td>Feasibility and judgement on economic impact required</td>
</tr>
<tr>
<td>TCI 2: Town Centre Management Outreach to District Centres</td>
<td>Town Centre/ Internal Links</td>
<td>Delivered through BID process and District Centres project</td>
</tr>
</tbody>
</table>

1.11 Following agreement on the vision, thematic objectives and individual action areas covered by this draft strategy, we will go on to develop a detailed Implementation Plan that explains how each priority intervention area should be delivered.

1.12 The draft Strategy incorporates a number of components developed via the following mechanisms:

- A thorough baseline analysis of Croydon’s recent economic performance;
- In-depth consultation within Croydon and at a London-wide level;
- Close working with the Croydon Economic Development Partnership via a number of key presentations and focussed discussions;
- Consideration of wider trends and forecasts relating the global performance of the London economy;
- A detailed policy review has been undertaken to ensure that the elements outlined within this Strategy are in line with the direction of travel of existing local, sub-regional and regional bodies.

1.13 The remainder of the document is structured as follows:

- **Section 2** reviews the baseline evidence relating to Croydon’s recent economic performance, highlighting strengths, weaknesses and specific areas of concern;
- **Section 3** presents a summary of the views and aspirations emerging from our detailed consultation with stakeholders within and outside of Croydon;
- **Section 4** outlines a new economic vision for Croydon and the key objectives that underpin this vision;
- **Section 5** explores each strategic objective outlining the individual action areas that should be taken forward;
• Croydon Economic Development Strategy •

• Section 6 introduces a number of implementation considerations that will be developed further in the Implementation Plan that will accompany this strategy.
2. The Croydon Economy: Current & Recent Performance

2.1 The Croydon Baseline Report presents the Borough’s socio-economic position. It uses a wide range of social and economic indicators to explore recent and current characteristics of the Borough.

2.2 Croydon is compared to a number of benchmark geographies throughout the report. These benchmark geographies are the London Boroughs of Lewisham, Bromley, Lambeth, Sutton, Merton, Kingston-Upon-Thames and Southwark, along with London as a whole and Great Britain.

2.3 The analysis of Croydon’s socio-economic position has been split into the following four broad themes:

- The Business Base;
- Labour Supply;
- Social Inclusion and Quality of Life;
- The Office, Retail and Property Market.

Croydon’s Business Base

2.4 Employment – An Overall Decline: Employment declined by 3% in Croydon between 2003 and 2005. During the same time period, employment increased in the majority of Croydon’s benchmark Boroughs and in London and Great Britain as a whole. Within Croydon, employment change was extremely variable. The wards of Addiscombe, South Norwood and Purley, experienced employment declines of over 20%, whilst in total contrast, the wards of West Thornton and Sanderstead experienced increases in employment of over 20%. Croydon Town Centre experienced employment decline of over 5% (Figure 2-1).
2.5 Sectoral Composition - Reliance on the Public Sector: Croydon has a considerable reliance on public sector employment and more specifically public administration employment, which accounts for 7.8% of jobs in the Borough (Figure 2-2). The public sector is also the fastest growing sector within the Borough. Between 2003 and 2005 the ‘human health activities’ sector grew by 48% (3,100 new jobs), the ‘social service’ sector grew by 33% (1,400 new jobs) and the ‘administration of the state’ sector grew by 16.6% (1,400 new jobs). The importance of public sector employment in the Borough is highlighted the fact that from 2003-2005, private sector employment declined by 10.5% (compared to the overall decline of 3% mentioned previously).

2.6 Higher-end business services have experienced decline in Croydon in recent years. In particular, employment in the ‘monetary intermediation’ sector declined by 47% from 2003-2005.

2-2 Top 10 Employment Sectors 2005 in Croydon

<table>
<thead>
<tr>
<th>Sector (3 digit SIC)</th>
<th>Total Jobs</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration of the State and the economic and social policy of the community</td>
<td>10,000</td>
<td>7.8</td>
</tr>
<tr>
<td>Human health activities</td>
<td>9,400</td>
<td>7.3</td>
</tr>
<tr>
<td>Other retail sale of new goods in specialised stores</td>
<td>7,800</td>
<td>6.1</td>
</tr>
<tr>
<td>Labour recruitment and provision of personnel</td>
<td>5,800</td>
<td>4.5</td>
</tr>
<tr>
<td>Retail sale in non-specialised stores</td>
<td>5,700</td>
<td>4.4</td>
</tr>
<tr>
<td>Social work activities</td>
<td>5,600</td>
<td>4.3</td>
</tr>
<tr>
<td>Primary education</td>
<td>5,200</td>
<td>4.0</td>
</tr>
<tr>
<td>Legal, accounting &amp; business services</td>
<td>4,400</td>
<td>3.4</td>
</tr>
<tr>
<td>Insurance and pension funding, except compulsory social security</td>
<td>3,900</td>
<td>3.0</td>
</tr>
</tbody>
</table>
2.7 **Business Base - A High Proportion of Large Firms:** Business density in Croydon is lower than in most of its benchmark Boroughs and Great Britain as a whole. In 2005, there were around 25 VAT registered businesses in the Borough per 1,000 population – considerably below the Great Britain average business density of over 30 per 1,000 and the London density of nearly 40 per 1,000.

2.8 The ‘Banking, Finance and Insurance’ sector accounts for the greatest proportion of individual businesses in Croydon, suggesting that the high proportion of public sector employees in the Borough described earlier are employed by a relatively small number of large employers. This is backed up by the fact that the proportion of businesses employing more than 50 people in Croydon is more than double the proportions in both London and Great Britain. Consequently, a higher proportion of the workforce is employed in businesses that employ more than 50 people than in Great Britain, London and the benchmark town centres. Around 44% of people working in Croydon Town Centre work in businesses that employ more than 200 people, compared to 36% in London and 31% in Great Britain.

2.9 **Enterprise – Low Rates of New Business Survival:** The rate of enterprise in Croydon (30 VAT registrations per 10,000 population in 2005) is average when compared to Great Britain but low when compared to London and many of the benchmark Boroughs. This is compounded by poor business survival rates. The 65.5% survival rate of new businesses in Croydon is lower than the England average (71.2%) and the averages of many LEGI areas.

2.10 Despite these figures, Croydon has relatively high levels of self employment. Around 11% of the Borough’s working age population are self employed. Whist this figure is comparable to that of London, it is higher than that of Great Britain as a whole (9.3%), and many of the benchmark Boroughs.

2.11 **The Knowledge Intensive Sector – Declines in Employment:** Knowledge Intensive industries account for 34.9% of businesses in Croydon. This is slightly lower than the London average (37.4%), but larger than the Great Britain average (29.6%). Croydon’s knowledge intensive employment is concentrated in the town centre. Around 41% of those working in Croydon Town Centre are based in knowledge intensive industries, compared to 28.7% across the whole Borough. However, employment in knowledge-based industries declined by 12.6% in Croydon from 2003-2005. During the same time period, employment in the same industries rose in Great Britain, London and most of the benchmark towns. This is a concern, considering the high-value nature of knowledge intensive industries and associated high skill employment.

2.12 **The Creative Sector:** Croydon fares slightly better in terms of Creative Sector employment, an increasingly important component of diverse and successful economies. DTZ’s 2005 analysis of Creative Industries in Croydon (based on 2003 data) found that the Borough was home to nearly 1,500 creative businesses and 7,500 sector employees. This made Croydon the third largest creative employment location in South London, after Richmond and Wandsworth. Since then, the Creative industries in Croydon have continued to grow. Data for 2005 shows that there are 1,750 creative businesses within Croydon, employing 8,500...
2.13 **Population:** Croydon is the largest London Borough by population. The Borough’s population has increased at a similar rate to the national average over the past 15 years and stood at 330,587 in the 2001 Census. The age structure of the population in Croydon is similar to that of Great Britain as a whole and many of its benchmark Boroughs.

2.14 **Ethnicity – A Diverse Borough:** The Borough is very ethnically diverse when compared to England. Around 70% of the population in the Borough are classified in the ‘white’ ethnic group, compared to 91% in England. Levels of ethnic diversity, however, are similar to those in London as a whole and about average in relation to the benchmark Boroughs. A more detailed breakdown reveals that Croydon has a relatively large ‘Asian’ ethnic group population and as a result, the Borough has a more equal mix between the ‘Black’ and ‘Asian’ ethnic groups than most of the benchmark Boroughs.

2.15 **Education and Qualifications – A Low Level of Higher Qualifications:** The proportion of people with no qualifications in Croydon (13.8%) is similar to both London and Great Britain. Levels of education vary within the Borough. A large number of SOA’s have ‘no qualification’ rates of over 40% in the area around New Addington to the east of the Borough. The area around Croydon Town Centre in the north of the Borough, along with a few SOAs in the extreme south of the Borough also suffers from concentrations of people with no qualifications. Although the overall proportion of people with no qualifications in Croydon is average, the Borough performs less well when the level of qualification held by residents is taken into account:

- The proportion of pupils in the Borough achieving Level 4+ at Key Stage 2 in Mathematics, Science and English is lower than in both London and England;
- At 42.7%, the proportion of pupils achieving 5+ A* to C grades at GCSE in Croydon is below the England average of 45.8% and well below the average attainment in the benchmark Boroughs of Sutton, Bromley and Kingston.
- A relatively low proportion of people in Croydon have degree level qualifications. Only 29.7% of the working age population was qualified up to NVQ4 level in 2006. Although this is slightly higher than the England average of 27.9%, only Lewisham out of the benchmark Boroughs fares worse. In real terms, Croydon would need an extra 10,824 people to have NVQ Level 4 qualifications for it to have the same proportion of people qualified to the same level as London.

2.16 On a more positive note, between 2002 and 2006, the proportion of the working age population with NVQ Level 4 qualifications increased by 8.4% - well above the national average increase of 3.6% (Figure 2-3).
2.17 Skills – A High Proportion of Lower Skilled Occupations: This lack of higher level qualifications may be a reason for the relatively high level of lower skilled occupations in Croydon. The Borough has a lower proportion of employment in higher skilled ‘managerial, professional and technical’ occupations than all the benchmark Boroughs (Figure 2-4). The Croydon figure of 44% compares to a London average of 52%. As a result, lower skilled occupations such as ‘Administrative occupations’, ‘elementary administration and service occupations’, and ‘caring personal service occupations’ are more concentrated in Croydon than in London and Great Britain as a whole. These trends holds true when the public and private sectors are considered separately.

2.18 Economic Activity: In 2006, the economic activity rate in Croydon was 78.5% - a similar rate to that in Great Britain as a whole and 4% greater than the rate in London (74.8%). Despite
this, economic activity rates fell by 4% from 2004-2006 – a time during which economic activity rates in Great Britain were stable.

2.19 **Unemployment:** The 2006 ILO unemployment rate in Croydon was higher than the Great Britain average, standing at 6.7%. Despite this, the rate was lower than the unemployment rate in London and several of Croydon’s benchmark Boroughs. According to the Claimant Count, unemployment in Croydon declined by around 1% from 1999 to 2007 - a rate of decline similar to that experienced by London and Great Britain as a whole. The Claimant Count put unemployment rates in Croydon at 2.5% in 2007. Unemployment rates vary extensively within the Borough of Croydon. The wards of South Norwood and Thornton Heath have high unemployment levels of 5%. This contrasts with an unemployment rate of just over 1% seen in the ward of Selsdon and Ballards and the Borough average of around 3%.

2.20 **Travel to Work – A Net Exporter of Labour:** Croydon is a net exporter of labour, with a net daily outflow of 28,000. Approximately 50,000 people commute into Croydon on a daily basis, accounting for 39% of people working in the Borough. The main origins of these commuters are Sutton, Merton, Bromley, Tandridge and Lambeth. At the same time, however, around 78,000 commute out of Croydon each day for work purposes. The main destinations of these commuters are Westminster, Lambeth, Sutton, the City of London and Bromley. The majority of those commuting both into and out of Croydon are employed in higher skill occupations.

2.21 When those commuting into just Croydon Town Centre are considered, similar patterns emerge. Croydon Borough itself provides by far the most workers, with the majority of the rest of in-commuters accounted for by Croydon’s neighbouring Boroughs.

### Social Inclusion and Quality of Life

2.22 **Severe Pockets of Deprivation in the Borough:** Croydon has pockets of severe deprivation (Figure 2-5). Particular wards in the north and east of the Borough suffer from high levels of deprivation across a number of deprivation domains. These wards include Ashburton, Broad Green, Fairfield, Fieldway, New Addington, Thornton Heath, South Norwood, Selhurst and Waddon. As a whole, the Borough suffers from the most severe and widespread instances of deprivation in terms of Housing and Services and the least severe instances of deprivation in terms of health.
2.23 **Average Levels of Health:** Croydon sits on the London and England averages on many indicators for health. Life Expectancy in Croydon is similar to the London and national averages. Whilst at birth, the average male in the Borough can expect to live for 77.5 years (higher than London and England), the average woman can expect to live for 81 years (very marginally lower than London and England).

2.24 In 2003, the Standardised Mortality Rate in Croydon was under 100 and just under the rates for London and England. Meanwhile, in 2001 just over 14.5% of the population in Croydon suffered from long term limiting illnesses. This is lower than the England and London figures and again around average for the benchmark Boroughs. It is important, however, that specific concentrations of poor health within the Borough are not masked and forgotten by Borough wide averages.

2.25 Levels of teenage conception decreased in London and England between 2001 and 2004 to 48.3 and 41.5 per 1000 respectively. In Croydon, however, rates increased to 55.4 per 1000 in 2004. This figure is considerably higher than the figure in the benchmark Borough of Kingston (25.6%) but lower than the figure in the benchmark Borough of Southwark (85.5%).

2.26 **Relatively Low Wages:** People who live in Croydon tend to be paid more than those who work there. Wages are above the GB average but lower than in London (Figure 2-6). Mean weekly pay by residence in Croydon is £496.5, whilst mean weekly pay by workplace is £459.9. This means that on average, people living in Croydon earn £37 a week more than those working in Croydon. People living in Croydon earn £81 less than those who live in London and those working in Croydon earn £159 less than those who work in London. Wages are average when compared to the benchmark Boroughs.
2.27 Between 2005-2006, Croydon benefitted from favourable changes in mean weekly wages when compared to its benchmark Boroughs. An overall rise in weekly wages of 7.5% included a rise of 13.9% in the part time sector. This rise in part-time wages was far higher than that seen in any of Croydon’s benchmark Boroughs and only Sutton and Bromley saw larger wage rises overall.

2-6 A Comparison of Average Weekly Employee Wages by Residence and Workplace

<table>
<thead>
<tr>
<th>People Living in Croydon Earn Per Week...</th>
<th>People Working in Croydon Earn Per Week...</th>
</tr>
</thead>
<tbody>
<tr>
<td>£37 more than people working in Croydon</td>
<td>£37 less than people living in Croydon</td>
</tr>
<tr>
<td>£81 less than those who live in London</td>
<td>£159 less than those who work in London</td>
</tr>
<tr>
<td>£52 more than the national average</td>
<td>£17 more than the national average</td>
</tr>
</tbody>
</table>

Source: ONS ASHE © Crown Copyright

2.28 **Criminal Activity - Concentrated in Croydon Town Centre:** The Borough of Croydon has average levels of crime in comparison to the other London Boroughs. The Borough is ranked ninth lowest amongst all 32 London Boroughs in terms of total crimes recorded in 2007. Total crime in the Borough has also decreased in recent years, from 105 crimes per 1000 population in 2001, to 94 crimes per 1000 population in 2007. The London average in 2007 was 123 crimes per 1000 population.

However, levels of crime vary throughout the Borough. In 2007, Croydon town centre experienced by far the greatest amount of crime – 259 crimes per 1000 population. This contrasted with the Selsdon and Ballards ward which experienced only 32 crimes per 1000 population in 2007. It is important to note, however, that whist Croydon Town Centre has higher levels of crime than the rest of the Borough, similar levels of crime are experienced by town centre wards in Croydon’s benchmark Boroughs and throughout the rest of London (Figure 2-7).

2-7 Highest Crime Levels by Ward by Benchmark Borough, 2007

Source: Metropolitan Police Crime Statistics
The Office, Retail and Property Market

2.29 **An Ageing Office Stock:** Croydon has more office floorspace than anywhere else in South London. The available floorspace in Croydon Town Centre is 58,000 sqm (on 16 sites over 929 sqm) of which 58% is second hand Grade A and 42% is second hand Grade B. However, a disproportionately high proportion is old stock (1940-1970) and only 6% is new (1990-2003) compared to 57% in Reading and 60% in Crawley.

2.30 **Retail Offer:** Croydon is home to two shopping centres which are classified in the 100 largest shopping centres in the country. A third centre, the sixth largest new retail development in the country, is set to open in 2008.

2.31 **Competitive Residential Property Prices:** Average property prices in Croydon are lower than in neighbouring Boroughs such as Kingston and Sutton. These relatively low prices equate to good value for money when the short journey time from Croydon into Central London is considered. The journey time from East Croydon to London (in this case London Bridge) is around 15 minutes on average and the average property price in Croydon is £238,584. In relation to many of the areas, Croydon has also seen relatively low rises in property prices between 2003-2006. This is especially true, when the high price increases in two of Croydon’s neighbouring areas (Sutton and Kingston) are considered (Figure 2-8).

![Average Property Prices 2003 and 2006 by Area](source)

**Source:** Land Registry Residential Property Prices © Crown Copyright
3. **The Croydon Economy: Local Perspectives**

3.1 This section summarises the views of the many stakeholders consulted during the strategy development process and provides an indication of Croydon at present. These views, from both the public and private sector, contributed to the formation of the Strategy and provide a solid basis from which to plan Croydon’s future.

3.2 The chapter covers the following:

- The Economic Climate
- Education and Skills
- Social Inclusion
- Environment and Image
- Infrastructure and Physical Development

3.3 Each of these is detailed in turn below:

**The Economic Climate**

3.4 Following a prosperous past as London’s prime back office location a number of large, high profile businesses are located in Croydon, such as the Home Office, BT and Nestle. Strengthening this business base further by diversifying away from a fragile dependency on large public sector employers (such as the Council and Home Office) and increasing private sector allegiance to the Borough to address relocation trends, would be seen by both public and private sector consultees as a positive step for the Borough.

3.5 Public sector stakeholders hold the view that Croydon has the potential to be the economic hub of South London and a location of choice, as well as being more influential in the south London sub-region and in relation to the South East Development Agency and the Gatwick Diamond. Private sector stakeholders identify the benefits of capitalising on the Borough’s healthy rate of business start-ups by addressing business survival issues as this will decrease the dependency on larger employers, making Croydon’s economy more stable from exogenous influences.

3.6 The development of economic partnerships, such as the successful LEGI programme and the Business Improvement District, are seen by businesses as positive initiatives in Croydon. These could be used as a basis to separate out the remits of various agencies, as at present, the business community generally feel that there is duplication and overlap in local delivery of business support and economic development services. One suggestion was that an Enterprise Agency, with the strategic lead of the Economic Development Partnership, be created, to act as the delivery body for economic development with responsibility for inward investment in the Borough.

3.7 Croydon is currently on the cusp of significant regeneration, with several development plans in the pipeline. There is recognition that a joined up approach with a common vision is essential to the successful achievement of the desired renaissance. Stakeholders identified that Croydon needs a streamlined delivery vehicle and partnership which focuses on a few
key developments with major impacts (rather than trying to tackle every issue and spreading resources too thinly).

3.8 Public Sector partners identify a strong business community with good supply chains and networks. Local businesses engage in the community and are committed to operating locally. There is an identified need to review public sector commissioning frameworks to ensure that the voluntary sector and social enterprises are not excluded from delivery. Ensuring that Croydon maximises the benefits of alternative business models, in delivering across both private and public sector markets, will be important to the full integration of the third sector.

<table>
<thead>
<tr>
<th>Key Opportunities</th>
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<tbody>
<tr>
<td>• Maximising benefits of a strong entrepreneurial culture to diversify the economy away from reliance on larger businesses</td>
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<tr>
<td>• Developing/strengthening relationships with strategic bodies in the wider London and South East regions</td>
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<tr>
<td>• Streamlined delivery of business support and economic development services</td>
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<tr>
<td>• Promoting a common vision and a developing a stream-lined delivery vehicle and partnership focusing on key developments</td>
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<tr>
<td>• Assistance to third sector organisations and creation of a transparent commissioning processes to increase voluntary sector and social enterprise involvement in delivery</td>
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3.9 Croydon has very good public transport links. In particular, private sector stakeholders view the 15 minute train journey to central London as a major benefit. Road traffic is regarded as being no worse than anywhere else and road links are felt to have improved. The introduction of TramLink has helped to reduce town centre traffic considerably. There is an opportunity to take advantage of the tram system and the improved travel to work time that it provides.

3.10 Transport links to the South East (and also to Gatwick and City Airports) were also viewed positively. The East London line extension will enhance transport accessibility for Croydon. However, there is also a perception among businesses that East Croydon Station is “unwelcoming, too small and overcrowded” and that heavy investment is needed to deal with increasing commuter volumes. Similarly, it was suggested that West Croydon station stands neglected, possibly due to the fact that it only serves local communities.

3.11 Croydon has approximately 7.5 million sq ft of office accommodation with top rentals being around £22 per sq ft. This is up from £18.50 a year ago (£25 was achieved in 1992 before the property crash). Rents have been driven up by a lack of supply. The vacancy rate is about 7.5% and tends to vary between 7-10%. There have been virtually no new office developments in the past 20 years. The successful properties are refurbished modern buildings.

3.12 There is almost 1.5 million sq ft of office development in the pipeline (including plans for Croydon Gateway, 100 George Street and Croydon College). Agents views are that demand is likely to come from existing Croydon based companies that need additional space or more modern accommodation. This will release some older office properties that can either be refurbished or redeveloped for residential use. Stakeholders feel that there needs to be better use of the current (and considerable) open space, if the office opportunity is to be
fully capitalised upon. Provision of appropriate accommodation and infrastructure for embryonic and expanding businesses if felt to be important.

3.14 There was general agreement amongst private sector consultees that the Park Place and Gateway developments could have a major part to play as development and investment catalysts. The Gateway development scheme in particular is seen as having great potential to act as a catalyst to boost Croydon’s image. The timescale for the implementation of these projects has been extended and Croydon is now in an ideal position to benefit from their go-ahead.

3.15 There is a business view that an individual organisation is required to lead the co-ordination of forthcoming developments. This will overcome issues of slow decision making lead times and stalled developments (which is partly down to the local planning regime restricting development and investment by over specifying what needs to happen on specific sites) which can affect investor confidence. As the 2012 Olympics approaches, development focus may shift towards Stratford and away from places such as Croydon. Ensuring investor confidence continues will be key to mitigating this shift as far as possible.

3.16 Croydon’s retail offer is perceived by the private sector to have improved considerably, though there is a general view that further improvements will keep the sector competitive in light of increasing pressure from the competitor locations such as Bluewater and Bromley town centre. Public sector stakeholders feel that Croydon’s retail offer would be strengthened and complemented by distinctive boutique shops and specialist ethnic retail as well as taking advantage of Surrey Street Market, one of the oldest established markets in the country.

3.17 The role of the District Centres was emphasised by many. Stakeholders identify the need to think of Croydon as a Borough and not just a town centre, with recognition of the ongoing programme of District Centre regeneration in wards such as New Addington, Coulsdon, South Norwood and Addiscombe. Difficulty in generating the land values in other parts of the Borough is acknowledged as a barrier to achieving regeneration on a par with the Town Centre. It was suggested that each District Centre needs to develop viable commercial space and have individual Economic Strategies and Inward Investment offers.

3.18 There is optimism about the residential property market in Croydon. Stakeholders identify a broad range of residential property available in Croydon. There are also many plans for future development of the area, including the provision of new residential space in vacant office accommodation and a general increase in the volume of residential development in Croydon Town Centre over the next decade. New developments may help in balancing the range of quality on offer in view of a concentration of low quality private let accommodation in Thornton Heath.

3.19 Future development activity will be influenced by the new Alsop Vision which will be used to excite interest in Croydon Town Centre and is also seen as a public realm exercise, encouraging S106 contributions. The vision includes proposals for a university quarter and


associated cultural development and also includes the Arrowcroft Scheme for the Gateway site.

**Key Opportunities**
- Promotion of strategic transport links and fast travelling times to central London and airports
- Bringing forward office developments and refurbishments to improve the quality of office accommodation on offer and attract high value added businesses
- Improvements to public spaces to attract businesses and employees to the area
- Diversification of the retail offer
- Strengthening the role of District Centres as locations of choice for London residents and businesses, promoting low rates and rents in comparison to central London
- Supporting residential developments in order to increase town centre living and bring 24 hour vibrancy to the town
- Bringing forward key elements of the Alsop Vision, particularly to improve public realm

**Education and Skills**

3.20 The core skills base of Croydon is regarded by stakeholders as being reasonably good and businesses generally have few problems recruiting individuals with the skills they require. This is, in part, due to the effective transport links which expand the Borough’s catchment area to both Greater London and the South. Similarly, the public sector consultees point to the benefits of relatively low labour costs. Graduate recruitment in particular is felt to be unhindered, particularly as employers feel recent graduates are keen to work for them. Despite this, some large companies struggle to recruit senior managers and highly skilled technical staff locally, reporting that many of them are ‘lost’ to the City or the Gatwick and Crawley area.

3.21 Problems in attracting and retaining high quality staff are understood to be due, in part, to the quality of life offer in the Borough which competes with central London. As a result of recruitment and retention difficulties of highly qualified staff it is felt by stakeholders that recruitment requirements have been lowered and lower level staff have been taken on. Conversely, it has been highlighted that SMEs report struggling to recruit staff at the lower end of the skills spectrum, possibly linked to wages and the lack of affordable housing locally. As a result, there is considerable reliance on recruitment agency staff to fill these posts. Private sector stakeholders suggested that there is strong demand for shorter courses (as opposed to NVQs) to assist local businesses in addressing a current lack of on the job training.

3.22 There is a view that many of the employment opportunities in Croydon are in low level positions and are dominated by part time and temporary employment. Salaries are relatively low and are not comparable with central London. Whilst employment opportunities exist in retail and financial services, Croydon residents often lose out on these opportunities to in-commuters. Conversely, there was a consensus that higher value added jobs are needed in Croydon if it is to avoid losing out to the City and Canary Wharf. A significant problem for local businesses is that wages are considerably higher in London, even taking into account travelling costs, which impacts on recruitment of qualified individuals.

3.23 Croydon is felt to benefit from good local private and grammar schools, though this is not matched by the Borough’s comprehensive school offer. Stakeholders identified that some communities, especially those in the South of the Borough, choose to educate their children outside of LB Croydon. Around 50% of Croydon’s young people attend secondary school outside of the Borough. Public sector stakeholders feel that progression through the
education system is hindered, possibly due to low aspirations and a lack of role models resulting in limited levels of post 16 education progression and instances of a in-effective progression to employment.

3.24 The possibility of having a “university” or significant higher education provision is regarded by stakeholders as an opportunity to generate a highly qualified labour pool and attract and support businesses. Building relationships between the private sector (for example the Chamber of Commerce) and education institutions would improve links to employment and benefit both the individual and the business. Provision of higher education facilities may also act to retain qualified young people in the Borough despite the need for more graduate employment opportunities in the area. London Metropolitan University is currently showing some interest in Croydon College’s HE provision which may lead to the creation of a ‘university’ facility in Croydon.

3.25 Public sector stakeholders feel that the percentage of people not in education, employment or training (the NEET group) needs to be addressed. The current figure of 8% needs to be brought down to 7% - something which the ‘NEET working group’ is looking to address with the development of flexible responses. There was a suggestion that employer compacts, an initiative used by Stratford, local guarantees and local pledges should be implemented in order to increase levels of work based learning and local recruitment.

**Key Opportunities**
- Draw on comparatively low residential costs to attract high calibre employees
- Developing ‘on the job’ training schemes to retain employees and ensure Continual Professional Development (CPD) and ‘intrapreneurialism’ (entrepreneurial mindset within place of work)
- Developing a higher education provision within the Borough in conjunction with Croydon College to improve student aspirations, skills and qualifications and attract businesses to the skilled labour pool
- Developing sector specific education programmes to improve Croydon’s educational offer and ensure young people leave school and further education with the appropriate technical, as well as theoretical, competencies to enter into local employment
- Addressing economic inactivity to boost the workforce of the Borough and arrest social exclusion

**Social Inclusion**

3.26 Croydon is identified by stakeholders as a fairly prosperous Borough with one or two areas of deprivation - the worst being Broad Green and New Addington / Fieldway. Despite cultural differences across the Borough, the level of community integration is regarded as a strength. A number of businesses emphasised the need for consultation with local residents to ensure their views are incorporated in changes within the Borough.

3.27 Stakeholders identify a North/South divide in the Borough. The south of the Borough is generally considered affluent and is often associated with Surrey as opposed to the rest of Croydon. While such segregation is negative, diversity in the Borough should be seen as a positive.

3.28 The Tram Link is considered to be a positive start for connecting the residents of New Addington to opportunities in the wider area. Stakeholders suggest that this has yet to be capitalised upon fully. It was highlighted that a large number of deprived residents are moving to Croydon from central London (in particular from Lambeth).

3.29 There is a very strong voluntary sector in Croydon, with the highest levels of volunteering in London. The Council has Beacon status for the delivery of voluntary and community services.
The voluntary sector can play a key role in accessing deprived groups and, in conjunction with LEGI, has the potential to take forward social enterprise activities.

**Key Opportunities**
- Maximising current levels of community integration
- Promoting Croydon’s internal connectivity
- Strengthening the role of the voluntary sector and social enterprises in delivering community services

**Environment & Image**

3.30 Visually, Croydon, particularly the Town Centre, is characterised by the architecture of previous decades, such as “tired 1960s buildings”. Stakeholders identify that the Town Centre is visually unattractive and lacks vibrancy. The Wellesley Road/George Street area of the Town Centre is seen to be in particular need of attention with the dual carriageway currently “splitting the town in two”. Commentators identify a ‘slow decay’ (characterised by closed buildings and inadequate maintenance) creeping into certain areas. Improvements to the ‘eyescape’ at key entrance points to Croydon would be a successful measure to promoting first impressions and could be achieved through a “coordinated and joined up public/private approach to promote a new image for Croydon”.

3.31 There is a perception of high crime levels amongst stakeholders. In particular, ongoing issues with rough-sleepers and drinkers in Croydon were highlighted. West Croydon was cited as being particularly problematic, with the suggestion that it becomes a ‘no go’ area after dark. In reality, Croydon Borough has the 10th lowest crime rate in London and crime rates have been declining in recent years. The police themselves view youth crime and antisocial behaviour as one of the biggest issues in Croydon. This sort of crime often goes unrecorded and thus does not show up in statistics. According to the police, a lack of community schools in the Borough and in neighbouring Boroughs is a major cause of the problem, as it results in groups of youths travelling across the Borough to get to school.

3.32 Consultations revealed that Croydon would benefit from an improved recreation and visitor offer. At present the Town Centre has a busy night time economy, characterised by pubs and bars. Stakeholders feel that this offer could be successfully diversified to include restaurants and alternative evening entertainment. Access to the countryside was seen as a particular redeeming feature of Croydon.

3.33 In terms of inward investment, stakeholders feel that Croydon has not been particularly successful in attracting company HQs, particularly in recent years, resulting in few business decision makers being based in Croydon. There is a general feeling that many of the back office functions that were important to Croydon in the 1970s and 1980s are now moving elsewhere with no reinvestment. Reversing this trend is an area of potential opportunity and Croydon should capitalise on the reported strong level of overseas interest by promoting its lower cost office space in comparison to the City and Canary Wharf, as well as taking the opportunity to address the current lack of modern, prime office stock to attract London based firms.

3.34 Public sector stakeholders suggest that responsibility for inward investment should be controlled and managed locally. Setting up an individual organisation responsible for handling inward investment inquiries in the Borough would enable the cataloguing of information regarding the volume and nature of enquiries. In addition, improving
communication to businesses, with a single vision and proposition, is identified as important to promoting an inward investment offer and brand.

**Key Opportunities**
- Improving visual gateways to the Town Centre such as East and West Croydon stations
- Supporting private sector developer interest
- Diversifying the Town Centres night time offer to attract a wider range of users and decrease fear of crime
- Promoting proximity to the countryside as part of Croydon’s quality of life offer
- Developing an inward investment strategy and management framework
4. An Economic Vision for Croydon

Key Challenges for the Croydon Economy

4.1 In-depth investigation of the current state of the Croydon economy alongside wide ranging consultation has revealed a number of key challenges and areas where action must be taken if the economy is to improve. This strategy sets out the range of actions necessary to address these challenges.

4.2 The key challenges for Croydon are summarised briefly below.

Business Base

4.3 There has been an employment decline in Croydon over recent years; this comes at a time when employment in London and Great Britain as a whole has increased. Croydon has a considerable reliance on public sector employment and more specifically public administration. The public sector is also the fastest growing sector within the Borough, with human health activities and social service activities expanding particularly rapidly. The importance of public sector employment in the Borough is highlighted the fact that from 2003-2005, non-public sector employment declined by 10.5%. Higher-end business services have experienced decline in Croydon in recent years – the monetary intermediation sector in particular.

4.4 Business density in Croydon is lower than the London average. The Borough has a very high proportion of employment in medium and large sized companies. Levels of enterprise are average when compared to Great Britain but low when compared to London. New business survival rates are also low.

4.5 Stakeholders across both public and private sectors have expressed a number of aspirations for the Borough as a business location. These include Croydon becoming a ‘buzzing’ business environment where new companies get through the 3 year barrier and start to become high growth employers. A commonly expressed goal is that Croydon firmly establishes itself as South London’s premier business location, whilst offering a modern, low cost alternative to Central London (and to Birmingham, Bristol and Manchester).

A key challenge for Croydon is to become a successful component of the wider London economy, whilst also being able to compete separately as a ‘standalone’ economy. A range of indicators show that Croydon’s economy performs at a level close to the national average. More importantly, however, the Borough consistently underperforms in comparison to London. London is the key benchmark geography and one which Croydon must match up to if it to compete as a strong economy in its own right.

Croydon’s economic performance is average when compared to its benchmark Boroughs across South London. Whilst Boroughs such as Lewisham consistently perform worse than Croydon, Boroughs such as Sutton, Merton and Kingston-Upon-Thames consistently perform better. Croydon must improve its performance considerably if it is to be regarded as a key component of the London economy.
Labour Market

4.6 The proportion of people with no qualifications is similar in Croydon to the national position. In comparison to London, however, a relatively low proportion of people in Croydon have degree level qualifications. The Borough has a lower proportion of employment in the higher skilled managerial, professional and technical occupations than the London average. This trend also holds true when just the main source of jobs in the Borough – the public sector – is considered.

4.7 Economic Activity rates have declined in Croydon recently, at a time when economic activity rates in Great Britain have been stable. Economic activity rates, however, remain close to the GB average and the averages of many of the surrounding Boroughs. Unemployment levels are higher than those in GB, but average relative to the baseline Boroughs and lower than in London. Croydon is a net exporter of labour and majority of those commuting both into and out of Croydon are employed in higher skill occupations.

4.8 The need to develop of a highly skilled workforce in Croydon, exhibiting all of the attributes required of dynamic growing businesses, is a key aspiration across public and private commentators.

Low levels of qualifications attainment, a high proportion of lower skilled occupations, falling economic activity rates and a net out-flow of labour are all inter-linked and present a challenge for Croydon in its bid to remain competitive with neighbouring areas and with London and the wider South East. It is especially worrying that the sector that the Borough is increasingly dependent upon – the public sector - is itself dominated by lower skilled occupations.

Social Inclusion and Quality of Life

4.9 Croydon has pockets of severe deprivation in some areas. In particular, the two wards that surround Croydon Town Centre and New Addington consistently suffer from high levels of deprivation across a number of indicators. Wages are generally above the GB average in Croydon but lower than in London.

4.10 The Borough of Croydon has average levels of crime in comparison to the other London Boroughs. However, levels of crime vary throughout Croydon. Criminal activity is concentrated in certain wards of the Borough and in particular in Croydon Town Centre.

Quality of life is an important factor in the attraction and retention of both population and businesses. A low quality of life ‘offer’ is likely to present a strong disincentive to the types of high skilled workers and top end businesses that the Borough needs to attract if it is to remain competitive both inside and outside of London. Thus the pockets of deprivation and criminal activity in the Borough, along with the more general deprivation in terms of housing and services are particularly challenging.

The Office, Retail and Property Market

4.11 Croydon has more office floorspace than anywhere else in South London. However, a disproportionate amount of this office stock is relatively old and often of poor quality. Average property prices in Croydon are lower than in neighbouring Boroughs such as Kingston and Sutton and have been increasing at a slower rate. These relatively low prices do, however, offer good value for money when the short journey time from Croydon into Central London is considered.
4.12 Public and private sector stakeholders express a need for a much higher quality business environment overall in Croydon. If creative industries, for example, are to develop and grow fully, certain types of flexible business space will be required and the development of parts of the town centre that ‘feel different’. There is also a perceived need for more leisure based offerings; an improved restaurant offer and a better entertainment mix.

Whilst Croydon has large amount of office floorspace and relatively cheap property prices, a large proportion of the office stock is old and the Borough suffers from high levels of deprivation in terms of housing and services. Croydon has the potential to be attractive both to firms looking to relocate and for individuals seeking value for money property in the capital. However, if the Borough is to fulfil this potential, it must work to upgrade its office stock and to improve the quality of housing and services and the all round package that it offers.

Image & Aspiration

4.13 Image is seen by all stakeholders a key priority and currently as a major negative. A common view is that no single body is responsible currently for marketing Croydon. A realistic image could be developed around, for example, ‘a place that gets business done’. Marketing and re-branding must be done in conjunction with physical development. There is a need to improve image by strengthening communities across the Borough and this will, in turn, lead to improvements in skills and subsequently investment;

Croydon faces a twin challenge of ensuring that all the right attributes are in place for successful economic development and then ensuring that this package of attributes is presented effectively to target audiences in the form of a cohesive and well supported brand. The need for strong, consistent and sophisticated promotion of Croydon is paramount to the future success of the Borough in a highly globalised and increasingly competitive economy.

Croydon’s Strategic Vision & Objectives

Dovetailing with existing Objectives

4.14 There are a number of vision statements that currently shape the work of partners, both public and private, in moving towards an improved socio-economic performance in Croydon. Croydon’s Sustainable Community Strategy (2007-2010) for example comprises a number of aims and objectives within the theme area of ‘Regenerating the Borough’, that are of direct relevance. These aims and objectives include:

- To promote the prosperity and equality of all Croydon’s businesses and residents through ensuring it continues to be the major commercial and employment centre in South London by:
  - Encouraging enterprise and growth of businesses and new investment; and
  - Ensuring Croydon residents have the skills and employment support to meet employers needs and realise their economic potential;

- To make Croydon town centre the leading metropolitan centre in the South of England, with a vibrant mix of uses and develop the potential of district centres across the borough as the heart of local communities;
To communicate the positive aspects of Croydon to attract investment and to encourage people to take pride in the borough.

4.15 **Croydon Enterprise** in taking forward the Borough’s successful bid for LEGI funding has developed a ten-year programme to regenerate Croydon’s deprived areas and use entrepreneurship to improve the economic conditions of these communities. The long term vision is to ensure that:

- By 2016, Croydon will be a dynamic and thriving economy in the London region, based on a climate of enterprise and entrepreneurship, reflecting the diversity and creativity of all of Croydon’s communities and businesses, ensuring growth and opportunities for all.

- The underpinning strategic objectives are to:
  
  - Increase total entrepreneurial activity in Croydon’s most deprived areas
  - Support sustainable growth and reduce the failure rate of locally-owned business in deprived areas
  - Attract appropriate inward investment and franchising into deprived areas, making use of local labour.

4.16 The new **Alsop vision** for Croydon town centre - Third City - also sets out a range of objectives and aspirations which are pertinent to the Borough’s economic future. The Alsop Vision presents a number of key recommendations:

- Improving Connectivity – tackling the physical divides in Croydon town centre by making changes to Wellesley Road and Roman Way, and improving the link between West Croydon and East Croydon;

- Introducing water to the town centre – bringing the River Wandle back to the surface in various parts of the town centre;

- Improving access to and quality of the three parks close to the town centre;

- Increasing the town centre population - from 4,000 to over 40,000;

- Improving the shopping and living offer – including a redevelopment of the Whitgift shopping centre;

- Developing a University Quarter in the town – increasing access to higher education whilst providing the town centre with a more diverse population.

4.17 It is clear that there has been considerable work undertaken already in developing aims, objectives and aspirations for Croydon’s future. The role of this new **Economic Development Strategy** therefore is to provide a strong overarching structure for this existing set of priorities while effectively outlining additional critical actions that must be implemented in order to maximise the economic potential of Croydon and ensure that all of the Borough’s communities can share in an improved economic future.
The Economic Development Strategy must incorporate and pay heed to the visions and aspirations of all stakeholders, some of which are expressed in the existing strategies set out by various organisations and initiatives.

In working towards the design of a new Economic Development Strategy, the Croydon Economic Development Partnership has expressed its collective aspiration in the form of a set of ‘key words’ that express how Croydon must look and feel in the future. This represents essentially a desirable ‘economic glossary’ for Croydon and is presented below:
5. Economic Development Strategy: Objectives

5.1 In essence, the economic development strategy will comprise a number of critical actions shaped around a number of key objectives. These objectives, presented below, are drawn from analysis of the current economic characteristics of the Borough and recent performance, as well as the various issues and aspirations expressed by key stakeholders.

**Croydon Economic Development Strategy – Objectives**

To achieve a successfully diversified business base that balances retail and public sector strengths with a range of additional high value-added business activities as well as high rates of sustainable new enterprise formation.

*Key words: Successful, Prosperous*

To design and develop a high quality business environment that allows enterprises to form, grow and evolve as fully as possible and remain in Croydon.

*Key words: Competitive, Innovative*

To maximise the economic benefit from Croydon’s external linkages with other key economic hubs.

*Key words: Destination, Ambitious*

To achieve the maximum economic impact of Croydon Town Centre and to ensure the most effective connectivity with other district centres across the Borough.

*Key words: Vibrant, Desirable*

To maximise economic inclusion across Croydon’s communities, especially through upgrading the quality of the local skills and qualifications base.

*Key words: Inclusive, Creative*

To improve the quality of economic partnerships in Croydon and achieve the most effective design and management of the Borough’s external image.

*Key words: Sustainable, Distinctive*

5.2 Each theme area translates into a set of specific actions. Before outlining these action areas in detail, it is useful to set out the desirable outcomes associated with each of these key theme areas. These are presented below.
<table>
<thead>
<tr>
<th>Objective</th>
<th>Current Position</th>
<th>Target Position by 2018</th>
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</table>
| (1) To achieve a successfully diversified business base that balances retail and public sector strengths with a range of additional high value-added business activities as well as high rates of sustainable new enterprise formation. | • Recent employment decline has resulted in Croydon becoming less important as a key economic centre within London.  
• There is an over-reliance on the public sector and retail as sources of employment and limited representation of jobs in high value added knowledge based sectors.  
• The rate of new business formation is low by London standards, with survival rates being particularly problematic.  
• Croydon currently has an ill-defined and poorly communicated inward investment offer | • Croydon achieves year on year, net employment growth of 5% per annum  
• The Public sector and Retail combined account for no more than 35% of total employment. Employment in Creative and Cultural Industries and Knowledge Intensive industries is on a par with the London average.  
• Business formation and survival rates to reach at least the London average  
• Achievement of rates of inward investment and re-investment are commensurate with Croydon’s position as the ‘third city’ in Greater London |
| (2) To design and develop a high quality business environment that allows enterprises to form, grow and evolve as fully as possible and remain in Croydon. | • The office base in Croydon is considered outdated and is not characterised by a decent supply of high specification accommodation  
• Croydon fares badly in terms of quality of life and quality of amenity experienced by town centre based workers  
• Space for a diverse range of SME businesses is limited and certain segments of the market are not adequately catered for in terms of incubation and move on space in accessible locations | • Croydon is renowned as a competitive, modern, high spec, high quality office location offering excellent value for money. Occupancy rates are high and there are a number of iconic, easily recognisable business premises  
• The external environment is greener, well designed and provides high quality amenities due to the full implementation of the Alsop vision for Croydon Town Centre  
• Business space is diverse and affordable, providing a strong platform for growth in niche business services and creative and cultural industries in particular |
| (3) To maximise the economic benefit from Croydon’s external linkages with other key economic hubs | • Croydon has an underdeveloped relationship with the broader South East Region and does not maximise its excellent connectivity to central London  
• Croydon is not prepared adequately to respond to ongoing transport developments and transport needs across London | • Croydon is fully perceived as a key economic hub within the Greater South East of England, combining excellent links to central London with proximity to Gatwick Airport, Brighton, Crawley, Guildford and other key centres.  
• Croydon is established as a superior transport and business node relative to other competitor locations in east or west London. International linkage via Gatwick Airport becomes a key feature of the Croydon offer. |
| (4) To achieve the maximum economic impact of Croydon | • Croydon town centre exhibits a lack of quality in its overall leisure, amenity and visitor | • Croydon is a well regarded destination for visitors offering excellent and affordable quality of life to town centre residents, |
**Croydon Economic Development Strategy**

| Town Centre and to ensure the most effective connectivity with other district centres across the Borough | offer. It is under-developed as a visitor destination.  
- There are significant concerns regarding crime and anti-social behaviour in the town centre.  
- The residential base in the town centre is small currently and there is a lack of mixed use accommodation generally.  
- There is a relative lack of connectivity between some districts and the town centre with limited complementarity or variation in the individual offers available across districts | visitors and workers alike. There is a range of quality restaurants and bars on a par with central London.  
- The town centre residential population has increased to 30,000 with an associated quality amenity and entertainment offer  
- The town centre is a relatively crime free destination, offering a well rounded family leisure experience extending around the clock  
- District centres have developed key leisure, employment and amenity offers which fully complement the town centre. Connectivity is excellent via regular bus and Tramlink connections. |

| (5) To maximise economic inclusion across Croydon’s communities, especially through upgrading the quality of the local skills and qualifications base | A number of neighbourhoods experience severe socio-economic disadvantage in comparison with the national position and other London Boroughs  
- The skills base is relatively weak by London standards with in particular a limited share of the workforce have degree level equivalent qualifications  
- There are some gaps in learning and training provision in Croydon, particularly at HE level, with correspondingly low rates of progression from school to FE and then HE level learning.  
- There is a suppressed demand for and utilisation of higher level skills amongst employers in Croydon. | Croydon does not possess any SOA neighbourhoods within the 10% most deprived in London. Economic activity rates are at last 10 percentage points above the London average. All wards have economic activity rates at the London average as a minimum  
- The share of the Croydon workforce with degree level qualifications or equivalent at least matches the London average. The share of the workforce with no qualifications is at least 5 percentage points below the London average.  
- Croydon develops a significant HE level presence in bespoke accommodation and located in a key cultural area, successfully in partnership with Croydon College and a selection of HE level partners.  
- There is a significant increase in the utilisation of higher level skills across both the public and the private sectors, with 50% of the workforce receiving some form of employer sponsored training annually. |

| (6) To improve the quality of economic partnerships in Croydon and achieve the most effective design and management of the Borough’s external image | There has been a lack of direction and agreement in recent years in terms of Croydon’s economic priorities.  
- There is no single organisation managing Croydon’s inward investment function and limited information is available on how the Borough is perceived currently as an investment location  
- There are considerable concerns regarding the overall image of the borough and how Croydon is viewed and | The main recommendations of the Economic Development Strategy are implemented in full  
- Croydon has a well recognised and well managed brand applied in conjunction with a communication and marketing strategy that is considered as an example of international best practice  
- The image of Croydon improves significantly with ongoing and consistently positive reporting across a range of media both nationally and internationally. Croydon is considered as a location that has successfully achieved physical and economic ‘renaissance’ on a |
5.3 Each objective theme area is presented in detail in the followings section.
The Strategy Themes

(1) Diversified Business base

6.1 Croydon’s strategy to create increased diversity within its business base is linked to the ability of local partners to support internal and external diversification and improve the conditions for investment (and re-investment) in both new and existing industrial sectors. This requires input from individuals and agencies across the borough and will need to include the development of a suite of activities designed to create a highly appropriate skills base, high quality premises and an ambitious business support offer.

Key Components of the Theme:
- Identifying new target sectors for growth and their support requirements;
- Rebalancing the local economy away from an over-reliance on retail and public services;
- Moving towards a better mix of higher value-added functions, especially associated with business services and creative industries;
- Moving away from back-office functions to higher value added, more highly skilled functions;
- Supporting higher levels of new enterprise formation and increasing the survival and sustainability of small businesses in Croydon.

Outcome

6.2 By 2010 Croydon’s Economy will exhibit signs of increasing diversity; this will include increased awareness in target sectors and initial evidence of new businesses in these sectors as well as an increase in innovative practices with Croydon’s traditional activities. By 2017 this will be converted into a more diverse economic base where partners are able to respond to the needs of a dynamic group of growing businesses. By this stage Croydons’ productivity will have increased significantly, as will the skills and aspirations of the local population.

The Issue

6.3 Croydon’s business base at present is relatively skewed towards public sector and retail dominated activities. Any economy which relies too heavily on a small number of large employers or on particular market segments is laying itself open to risk from exogenous shocks including structural change, changes in consumer culture and, in light of the public sector presence, Government policy decisions.

6.4 In addition, where the Croydon economy does display some diversification, such as in business services and the financial sector, functions tend to be ‘back office’ in nature and are therefore vulnerable to head-office decisions, particularly, though not exclusively, associated with relocation. Back office functions typically rely on lower level skills, potentially restricting the training, employment and progression opportunities of local people, while also generating lower Gross Value Added, a term which has become synonymous with a productive, efficient and ‘healthy’ economy.

6.5 Diversifying the business base, both to reduce dependence on the narrow base provided by the public sector and retail activities, as well as to broaden out the functions carried out by firms individually to more value-added activities, is key to strengthening the economy of
Croydon.

Diversification in Croydon

6.6 In seeking to diversify its business base, Croydon needs configure a response that not only encourages investment in new sectors (external diversification), but also builds upon Croydon’s existing strengths and ensures that existing businesses are supported in developing higher value added functions (internal diversification). These are discussed in turn below:

External Diversification

6.7 Available data, wider consultation and analysis on prevailing economic trends suggests that there a number of sectors that provide an opportunity for increased growth and investment in Croydon, specifically:

- Business services (especially higher level, specialised services in financial intermediation and financial support services, ICT and Technology);
- Creative and cultural industries
- Leisure and Hospitality
- Education

6.8 To engender growth in these sectors Croydon needs to support the development of specific actions that will encourage business and employment growth. These include:

- Development of a detailed inward investment strategy for each ‘opportunity sector’ accompanied by appropriate processes to respond to, signpost and record inward investment enquiries.
- Appropriate property provision, in terms of location, floorspace, ICT etc. (Linkages with Theme 2 – Quality Business Environment).
- Supporting an appropriately skilled labour force, both locally and externally.
- A step change in the provision of transparent business support linked directly to the needs of key sectors.
- Support in developing relevant supply chains and business networks not only in Croydon but also in London and the wider South East.

*Critically, partners must maintain adequate market intelligence to ensure that Croydon remain responsive to external factors influencing the sector mix within the town.

6.9 Property is of course highly important in achieving sector stimulation and diversification. Indeed significant investment in sites, premises and infrastructure can stimulate rapid growth, particularly in relatively footloose sectors such as Advanced Manufacturing, ICT (development) and science related industries. With this in mind, Cane Hill provides as significant opportunity for the borough.
6.10 For some time it has been Croydon Council’s intention to develop Cane Hill as a science park. Such a development will help to re-balance the Croydon economy and in particular help to attract higher value-added and knowledge transfer industries. English Partnerships are currently engaged on a consultation over the future use of the site. Croydon Council should work with other partners to try to ensure that part of the site is used for a science park. Complementary to a science park would be to use part of the site for higher education.

Internal Diversification

6.11 External diversification with the intention of supporting the growth in sectors that are not currently dominant in Croydon represents on of the key risks outlined in this strategy. With this in mind it is also highly important to support existing strong sectors in the Borough, specifically supporting development of higher value-added functions where possible.

6.12 Providing a targeted suite of interventions (similar to those outlined above) is clearly important to ensure further, enhanced reinvestment from Croydon’s core sectors (namely retail, public services, construction, ‘back office’ financial and business services and aspects of creative and cultural industries).

6.13 It is critical to Croydon’s economic future that partners respond to the needs of established sectors and companies within the borough’s economy. With this in mind a flexible programme of internal diversification should be initiated to ensure that Croydon maintains and extends it’s comparative advantage in relation to it’s strengths. Core activities will include:

- Supporting businesses, to develop **higher-value added functions** through: spin offs; start-ups; and, attracting existing higher-value added companies to the area.

- Building upon existing business service and creative industry functions present in the Borough to establish **identifiable networks of communication and knowledge exchange** to attract additional businesses operating in higher-value added functions in this sector, and to expand activities of those already present.

- Ensuring effective **supply chains and network linkages** between businesses, as well as with public and voluntary sectors, are well developed and easily evident to businesses considering moving to the area.

- Supporting higher levels of **new enterprise formation and increasing the survival and sustainability of SMEs** in Croydon:
  - Supporting successful existing projects;
  - Provide start-up and grow-on business spaces linked to supply chains and marketing support (Linkages with Theme 2 – Quality Business Environment)
  - Assist businesses in accessing Business Link support to ensure business plans, financial models, new markets and so on are explored fully and developed in an informed and sustainable manner
Establish a business ‘champions’ scheme whereby successful business people from, or running a business in, the local area offer either informal or structured mentor support to start-up businesses or SMEs.

Strategic Foundations

6.14 Specific activities designed to support the development of a more diverse business base in Croydon should be integrated into existing programmes of delivery and objectives of key funding and delivery partners.

6.15 Croydon Enterprise’s delivery of the LEGI programme has provided the basis for the creation of greater diversity through enterprise and evolution of existing small businesses. The flexibility of Croydon Enterprise’s interventions presents an opportunity to secure quick wins in this area. Supply Chain support, development of small business space across the borough and finance support all correlate with the key components of this theme. Importantly, unlike other areas, Croydon has been able to mobilise its Community and Voluntary Sector to deliver elements of business support across the borough (the successful Community Accountant Service illustrating this). Continuing this successful delivery should help ensure that not only is Croydon’s business base more diverse, but also more inclusive.

6.16 Ongoing partnership improvement between Job Centre Plus, Learning Skills Council and Delivery Bodies (in particularly Croydon College and South London Learning Partnership) provide momentum for the delivery of improved work based training (in particular Train to Gain). This is accompanied by a general desire amongst providers to improve their responsiveness to the needs of businesses in line with the wider objectives of the Business Support Simplification Process (BSSP) and new Business Link London model.

Interventions

6.17 Building upon the strategic foundations outlined above, this strategy proposes a programme of complementary activity. These intervention areas are introduced below and are elaborated upon in the accompanying Implementation Plan.
### Intervention

**DB1: Sector Based Investment and Development**  
Delivery of effective business support to drive formation and growth of businesses in key target sectors, including:
- Product/service development and diversification targeted at key growth businesses  
- Marketing and sales support  
- Support to develop and utilise innovative business practices and new technologies  
- Recruitment, training and staff retention  
- Support for businesses to adapt to evolving health and safety, environmental and legal requirements  
- Effective supply of sites and premises  

A key area of activity will involve the deployment of an effective inward investment programme targeted at opportunity sector.

<table>
<thead>
<tr>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of employment and business activities in sectors currently under-represented in Croydon.</td>
</tr>
<tr>
<td>Successful diversification of the economy and increase overall economic performance and competitiveness</td>
</tr>
<tr>
<td>Increasing rates of new inward investment in target sectors support mechanisms</td>
</tr>
</tbody>
</table>

**DB2: Support Business Growth and Diversification in Key Existing sectors**  
Provision of tailored support for sectors that are already prominent in Croydon (Retail Sector, Public Sector and certain Business Service sectors that are already prominent, including back office functions). Support activities will cover similar activities to those listed above for target opportunity sectors i.e.
- Product/service development and diversification  
- Marketing and sales support  
- Support to develop and utilise innovative business practices  
- Recruitment training and staff retention  
- Support for businesses to adapt to evolving health and safety and legal requirements  
- Effective supply of sites and premises  

<table>
<thead>
<tr>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increases in performance of existing key sectors</td>
</tr>
<tr>
<td>Higher levels of employment</td>
</tr>
<tr>
<td>Higher demand for skills on the part of key sector employers</td>
</tr>
<tr>
<td>Increased GVA and increased diversity of products and services.</td>
</tr>
<tr>
<td>The retail and public service sectors in particular will develop higher skill, niche functions, increasing their value within the local economy</td>
</tr>
</tbody>
</table>

**DB 3: Realising the Value of the Voluntary and Community Sector (Including development of a Social Enterprise Strategy)**  
Harnessing the activities of the Voluntary and Community Sector (VCS) in the Borough and build its capacity as a local employer. Development of a Borough-wide set of actions to support the formation, development and sustainability of social enterprises.

<table>
<thead>
<tr>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>The VCS and social enterprise sectors will become stronger sectors in Croydon.</td>
</tr>
<tr>
<td>Establishment and growth of lager numbers of sustainable social enterprises capable of delivering services to Croydon’s communities</td>
</tr>
</tbody>
</table>

**DB4: Business Maturity Support**  
Support for business to achieve significant growth and successful maturity. Effective targeting of businesses with high growth potential and will involve intensive support in the form of managerial, marketing and product/service development, but also in provision of effective space for growth.  

A key element of this action area is to encourage suitable businesses to move effectively from an initial micro stage to a high growth stage and then ultimately to become sustainable and remain in Croydon.

<table>
<thead>
<tr>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>Increase in the number of small businesses demonstrating high and achievable growth.</td>
</tr>
<tr>
<td>Significant increase in the survival rate of new businesses in Croydon</td>
</tr>
</tbody>
</table>

**DB 5: Supporting Managerial Capacity**  
Developing more effective managerial capacity across all sectors (public and private) in Croydon. This will enable the effective deployment of new techniques and technologies, increase demand for and utilisation of skills and raise levels of productivity.

<table>
<thead>
<tr>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>Improved managerial capacity across the Croydon business base</td>
</tr>
<tr>
<td>Increased levels of high value added and higher income employment.</td>
</tr>
</tbody>
</table>

**DB 6: Procurement and Supply Chain Support**  
Construction of effective supply chain structures that enable Croydon

<table>
<thead>
<tr>
<th>Outcome</th>
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</thead>
<tbody>
<tr>
<td>Development of robust supply chain linkages across and between sectors</td>
</tr>
</tbody>
</table>
Based businesses to both lead and participate in valuable supply networks. This action will be geared towards ensuring that key employers in Croydon are fully equipped with quality local suppliers, as far as this is possible, embedding them further into the local business community. In addition, development of supply chain linkages will provide additional opportunities for local SMEs to more effectively exploit market opportunities. Development of effective support for SMEs in Croydon to take advantage of contracts issued by larger public and private sector organisations. This action area will require development of support services for smaller organisations to guide them through complex, large scale procurement systems.

**DB 7: Innovation Action Plans**
Development of support to enable all organisations in Croydon, public and private, to innovate effectively. This actions are will involve the deployment of intensive support to help organisations to adapt to and exploit new technologies and to innovate in terms of their own product and service offer.

**DB 8: Champions and Mentors**
Identification of key private sector organisations to act as ‘champions’ for the business community in Croydon. Recruitment of local, high profile business representatives to:
- Help raise the profile of Croydon as a premier business location
- Ensure appropriate business input to key strategies and intervention plans
- Assist with the implementation of a business engagement strategy

The Business Champions would perform a number of additional functions. These would include mentoring smaller organisations with growth potential, as well as supporting the Borough’s efforts to market itself to external investors.

<table>
<thead>
<tr>
<th>Based businesses to both lead and participate in valuable supply networks.</th>
<th>Increase in the number of Croydon based companies able to successfully bid for large scale contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Croydon.</td>
<td>Increase in inward investment and reinvestment.</td>
</tr>
</tbody>
</table>

**DB 7: Innovation Action Plans**
- Increase in the level of innovative activity in terms of organisational process, product and service design.
- Employment growth in high skill, high value added activities.

**DB 8: Champions and Mentors**
- Improved image of Croydon as a business location.
- Improved effectiveness of business processes on the part of high growth firms.
- Improved intervention processes, better reflecting business local needs and timescales.
- Development of a coordinated local ‘voice of business’.
(2) Quality Business Environment

6.18 The private sector is beginning to respond to many of the opportunities Croydon presents that, when realised, will help produce a step change in the quality of the local business environment. Therefore any collective, strategic effort to improve Croydon’s business environment needs to be about facilitation and enabling rather than public sector subsidy. It is about unlocking the barriers to the realisation of Croydon’s business potential rather than wholesale regeneration and public intervention.

Key Components of the Theme:
- Initiating a policy of business property renewal – improving the overall quality of business spaces in Croydon;
- Linking the new Alsop vision for Croydon Town Centre to the need for better business spaces and an improved quality of working life;
- Actively retaining existing businesses through improvements to the business environment;
- Fully exploiting the possibility of changing uses within the office base in Croydon (e.g. older office stock converted into residential);
- Designing a high quality inward investment proposition in Croydon with regard to business space and office environment.

Outcome

6.19 By 2015 Croydon will be regarded as the leading business location in South London and the southern quadrant of the greater South East. It will have been transformed into an attractive, cosmopolitan and modern business environment that meets the current and future needs of new and existing business. This will have resulted in a significant and sustained increase in the flow of inward investment and re-investment in Croydon.

The Issues

6.20 Research and consultation with major locally based businesses has identified a number of important issues and challenges facing Croydon in terms of creating a more successful and attractive business environment. These include:

- The shifting of investment focus to Stratford for the Olympic Games could be a threat to the redevelopment of Croydon’s business offer.
- The maintenance of Gatwick as London’s second airport and as a business (rather than leisure) airport will be important to businesses located in Croydon.
- Crossrail will obviously improve east–west transport links and may strengthen the comparative position of Maidenhead and Heathrow in the west through to the City and Canary Wharf (although it will not open to 2017).
- A challenge is to improve Croydon’s economy while seeking wherever possible to ‘decouple’ this growth from the negative aspects it brings (such as transport congestion and unaffordable housing) and to safeguard the area’s environmental quality.
Pressure on business and industrial development sites from housing and retail warehousing may restrict the supply of prime employment land.

Increased competition from other ‘out of town’ business locations (e.g. Crawley, Guildford, Brighton) as businesses move further from London may threaten the rejuvenation of Croydon as an employment location.

It could be argued that the boundaries for the Croydon economy are artificial in nature and bear no relevance to the business community - its local economy is massively influenced by what goes on beyond its borders in London and the wider South East.

6.21 A key prerequisite therefore for successful economic development and implementation is direct and meaningful dialogue between public stakeholders and the business community on an on-going basis. In this respect Croydon is well placed to draw upon existing business networks and promote improved partnership working with business, in particular deciding on a proposition to present to improve engagement for the long term, showing that this is not a once-only action.

6.22 This will require the development of a coordinated business engagement strategy, hopefully to help develop proposals for intervention but also to get buy-in and commitment from the business community to economic action planning and implementation. In promoting Croydon there is a need to provide a coordinated approach. This means working with developers, investors and other groups to agree the Croydon inward investment ‘offer’ that will be promoted both internally and externally.

6.23 London Borough of Croydon also has a major role to play in the allocation and protection of employment land and has considerable powers in this respect. However, positive management of a restricted supply of employment land and housing land needs to be based on sound knowledge of land availability and business requirements and be a transparent and credible process.

Creating a quality business environment in Croydon

6.24 With the above challenges in mind, the strategy needs to focus on a number of key objectives, these include:

- Exploiting the potential for increasing the density of residential accommodation in Croydon town centre, thereby creating a centre that has a vibrant mix of office, residential, leisure and retail uses. This will help to improve both the overall quality and perception of Croydon town centre as a buoyant and high quality location for business.

- Providing a high quality business property offer in Croydon to meet the current and future needs on new and existing businesses.

- Creating a new brand and image for Croydon, partly built on forthcoming developer and investor momentum (modern, dynamic, sustainable).

- Bringing forward office developments that complement Town Centre proposals and
add to the creation of social and informal open and pleasant space for residents, employees and visitors.

- Ensuring that Croydon competes effectively on quality, price and connectivity (economic location being a function of transport, speed and connectivity).
- Engendering a dynamic and active property development market in Croydon and where appropriate going with the grain of current trends (e.g. from older office to residential accommodation)

**Strategic Foundations**

6.25 Creating a quality business environment in Croydon is a core thematic area for intervention. As such, it is important that existing positive development in this area is taken into account and drawn into the strategy, this includes:

- Croydon BID (in particular for security, environment, promotion issues).
- Inward investment and business retention strategies at a local and London wide level
- LAA Economic Development and Enterprise block
- London Plan and Economic Strategy
- Numerous local economic strategies and business support action plans
- The extensive range of major commercial industrial, leisure and residential development proposals for Croydon

**Interventions**

6.26 This strategy proposes a programme of activity that will complement, add to and help facilitate the strategic foundations highlighted above. These intervention areas are introduced below and are elaborated upon in the accompanying Implementation Plan.
<table>
<thead>
<tr>
<th>Intervention</th>
<th>Outcome</th>
</tr>
</thead>
</table>
| **HQ 1: Small Business Space Development**                                  | • Addressing market failure in the provision of small and medium sized business.  
• Increased and more diversified business base in Croydon with a more vibrant and sustainable SME sector.                                   |
| Development of range of easily accessible, flexible space appropriate to    |                                                                                                                                                                                                          |
| the needs of a variety of sectors, especially creative and cultural        |                                                                                                                                                                                                          |
| industries and niche, high value added business services. Development        |                                                                                                                                                                                                          |
| of sufficient volumes of move-on space in order to ensure that growing      |                                                                                                                                                                                                          |
| enterprises remain in Croydon. (This will include the business spaces      |                                                                                                                                                                                                          |
| planned by Croydon Enterprise and the proposed development of Cane Hill    |                                                                                                                                                                                                          |
| Science Park.)                                                              |                                                                                                                                                                                                          |
| **HQ 2: 5 Star Hotel and Conference Venue**                                | • Improved business facilities in Croydon assisting with attracting external investment and existing business retention.  
• Enhanced tourism product and leisure offering in Croydon.                 |
| Development of a 5 star conference venue and hotel in central Croydon.     |                                                                                                                                                                                                          |
| Provision of quality accommodation, meeting and conference facilities       |                                                                                                                                                                                                          |
| located as centrally as possible in Croydon Town centre.                    |                                                                                                                                                                                                          |
| **HQ 3: Increased Safety and Security Measures**                           | • The perception and reality of Croydon will be as a vibrant and safe 24 hour city.  
• Increased demand for and use of retail, leisure and recreation facilities |
| Building upon the momentum created by the BID process to develop a         | in Croydon.  
• Local media will promote the virtues of the low crime rate in Croydon to |
| more comprehensive, long term safety and security programme for the         | residents, businesses and visitors.                                                                      |
| town centre and main business districts of Croydon, geared towards the     |                                                                                                                                                                                                          |
| needs of a modern 24 hour city. This action must involve all sectors and    |                                                                                                                                                                                                          |
| age groups of the local community with particular focus at transport       |                                                                                                                                                                                                          |
| interchanges and crime ‘hot spots’                                         |                                                                                                                                                                                                          |
| **HQ 4: Implementation of the Alsop Vision for the Town Centre**            | • The development and delivery of the Alsop vision for Croydon being fully integrated with the needs of local businesses.  
• Achievement of a town centre that feels different and comprises both    |
| Recruitment of project officer to ensure the development of a fully        | business and residential populations.                                                                    |
| integrated, quality business and residential environment resulting from    |                                                                                                                                                                                                          |
| Alsop proposals. responsibilities will include:                           |                                                                                                                                                                                                          |
| • Liaise with all key stakeholders                                         |                                                                                                                                                                                                          |
| • Engage with key target market groups                                     |                                                                                                                                                                                                          |
| • Develop and maintain effective communication channels                     |                                                                                                                                                                                                          |
| • Operate an effective promotional campaign and information system        |                                                                                                                                                                                                          |
| **HQ 5: Balancing Large Scale Commercial Development, with Mixed Use       | • Croydon will be regarded as a prime area for investment and one in which developers and investors are welcomed and encouraged, reinforcing its reputation as a ‘good place to do business’.  
• The creation of a dynamic and active property development market in     |
| Residential**                                                              | Croydon that is proactive in addressing market failure and meeting the needs of a thriving, vibrant and dynamic changing Croydon.                                                                     |
| Development of a tender specification and commissioning of a              |                                                                                                                                                                                                          |
| feasibility study to investigate opportunities to diversify the use of     |                                                                                                                                                                                                          |
| town centre spaces. For example, office to residential conversions,         |                                                                                                                                                                                                          |
| incorporating different types of business space and facilitating large     |                                                                                                                                                                                                          |
| commercial developments.                                                   |                                                                                                                                                                                                          |
(5) External Connectivity

6.27 Despite its proximity to the UK’s most successful regions (London and South East), Croydon has been unable to share in this growth. Croydon needs to reassert its position as a location of strategic and economic importance to both London and the South East. To this end Croydon has an opportunity to pursue a strategy that seeks to ‘re-introduce’ the borough to key regional and sub regional strategies; whilst, in the long term, seeking to develop physical links which will allow Croydon to become a key economic node, not only in South London but also in London and the South East.

Key Components of the Theme:
- Maximising Croydon’s existing transport assets, especially connectivity to central London, Surrey/Sussex and the Gatwick Diamond\(^1\);
- Fully defining Croydon’s role with regard to different spatial and access nodes and identifying the relevant economic characteristics and role;
- Ensuring Croydon is ready to take full advantage of (or counteract) future transport plans especially related to Crossrail and the East London Line extension;

Outcome

6.28 By 2010 Croydon will be recognised as a key strategic location for economic growth by both the LDA and SEEDA. Croydon partners will be active within regional strategic partnerships and will have fostered strong links within the Gatwick Diamond. By 2018 Physical, transport links will ensure that Croydon is the key transport interchange in South London and the recognised gateway to London from the south of England; improved connectivity will mean Croydon will grow not only as a business location, but also as a key hub for the public sector.

The Issues

6.29 Croydon’s physical links are relatively good and offer a key comparative advantage over other locations in outer London. Unfortunately, Croydon has developed a lack of strategic identity and linkage (with London and the South East) which has meant that it has been unable to extract maximum value from its location. Partners in Croydon need to be strongly influencing debates on the economic future of London and the South East; currently, this is not the case.

6.30 Whilst connections to London, Gatwick Airport and key locations in Surrey and Sussex are strong, this strength is based on rail links on a North to South arterial route which in many cases does not promote quality links between Croydon and the rest of South London. Further improvements in East-West transport links through Croydon should be considered a key priority in supporting the town’s (and borough’s) development as a key sub-regional district centre.

6.31 A further tangible issue is the quality of points of arrival in Croydon and the impact that this has, particularly in relation to the town centre. Key stakeholders and local business people

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\(^1\) The Gatwick Diamond is a business led, joint venture by the Surrey and West Sussex Economic Partnerships to facilitate and co-ordinate the actions necessary to maintain strong economic growth in this area.
have made it clear that East Croydon Station, whilst functional, is prone to overcrowding and provides an uninspiring and disconnected gateway to the town. West Croydon Station also invokes a feeling of being disconnected and is currently considered to be of significantly less importance than East Croydon despite excellent links to London.

Developing Better Connections to Croydon

6.32 Establishing and promoting the locational advantages of Croydon will be a critical factor in driving investment, changing perceptions and improving the Borough’s (and town centre’s) functionality as an economic node. Understanding Croydon’s position in relation to its wider economic geography is an important element of the strategy and the activities of partners.

6.33 Croydon needs to establish a role and reputation as one of the key economic nodes in London. The Borough needs to implement recommendations outlined in the London Plan and complement high profile, demand led office development with high quality transport inter-changes that reflects the town’s position as London’s third most important office location.

6.34 Developing ‘360 degree’ economy is a key objective for this strategy. Croydon needs to align itself with growing markets within the South East and the goals outlined in SEEDA’s Regional Economic Strategy. This includes a commitment to increased innovation support and broadband access for all. Sectorally, Croydon needs to ensure that it has the right offer to compliment and capitalise upon the South East’s growing businesses (such as advanced manufacturing and Environmental Technologies sectors.)

6.35 Proximity to Gatwick Airport is a key element of Croydon’s offer and a significant advantage over competitor locations. Croydon must harness its relationship with Gatwick Airport and its position at the northern end of the Gatwick Diamond. Road and rail links to the airport should be maintained with proximity continuing to form a key element of the Croydon offer. Again, strategic relationships will be imperative to formalising this relationship to extract maximum value.

6.36 Enhancing Croydon’s role as the major service hub for South London is critical to the area’s future success; Croydon needs to be the metropolitan capital of the sub region. As well as encouraging the development of further public sector functions in the borough, it is important to develop more effective links to other key locations across South London. Indeed, it is vital that all future development (both economic and physical) is phased alongside proposed transport improvement; in particular the development of East London Line and the ongoing upgrade of the Thameslink service. Partners must ensure that these initiatives remain priorities to regional stakeholders (in particular TfL).

6.37 London’s evolving transport system presents considerable opportunities for Croydon; by 2018 central and east London will be ‘closer’ to Croydon whilst Croydon town centre will be better linked to the rest of the borough than ever before. There are however, also threats from improved transport (mainly linked to the fact Croydon will be required to compete with a number of new locations within the South East; Crossrail is the most oft cited example of this. In many respects Crossrail represents both an opportunity and a threat for Croydon. It will bring with it increased competition from locations in Essex and west London, whilst also providing better connectivity with Heathrow, Stratford and the Thames
6.38 Critically, Crossrail will not be operational until 2017 at the earliest. It is important that Croydon exploits its current comparative transport advantage in relation to locations better connected with Crossrail and subsequently implements initiatives to ‘soften’ any negative implications. Croydon must devote some resources to monitoring the performance of its new and existing competitor locations.

**Strategic Foundations**

6.39 Many of the interventions outlined below relate to the development of new, stronger strategic foundations to position Croydon for future growth. That said, there are a number of existing regional and sub-regional strategic entities which have already created momentum developing Croydon’s strategic influence over London and the South East.

6.40 Croydon College’s lead in the London Capital Colleges network provides an exemplar for Croydon organisations that could increase their influence over wider decision making process. Whilst ‘Celsius’ (new business partnership representing the ‘top’100 businesses in South London) and South London Learning Partnership are both examples of sub regional partnerships with significant stake in Croydon (and vice versa). Supporting partners who have an opportunity to contribute and lead other agendas at regional and national level will be important in changing perceptions of Croydon.

6.41 It is clear that given the scale of Croydon’s ambitions, relationships with LDA, SEEDA and (importantly to this theme) TfL must improve, whilst every effort must be made to improve awareness of Croydon’s future plans at central government level.

**Interventions**

6.42 Much of the activity emerging from this theme will involve lobbying and influencing existing structures and promoting Croydon’s role to a wider partnership group. The lack of direct tangible outputs does not, however, make these interventions any less important in the overall delivery of this strategy.
<table>
<thead>
<tr>
<th>Intervention</th>
<th>Outcome</th>
</tr>
</thead>
</table>
| **EL 1: Ensure Wider Strategic Links** *(including LDA and Gatwick Diamond)*  
Work with relevant partners to ensure that Croydon is a key strategic stakeholder in relevant bodies. This should include dialogue with the Gatwick Diamond Partnership with a view to establishing membership for Croydon or at least formal arrangements for joint working. | • Realisation of benefits linked to geographical position  
• Improved strategic linkages  
• Increased influence of Croydon over other structures and agencies |
| **EL 2: Crossrail Competitor Monitoring**  
Address current concerns over increased competition from locations on the proposed Crossrail route. Ensure that Relevant information and monitoring takes place of locations with similar (post Crossrail) commuting times to central London to ensure Croydon is able to respond to new pressures in the market within which it competes. This will ultimately form the basis of marketing linked to Thameslink 2000 and London Overground | • Improved competitive-ness  
• More responsive ‘offer’ in terms of Croydon’s position as an investment location |
| **EL 3: Transport Strategy**  
*Also Links to Improving Croydon Town Centre and Internal Linkages*  
A long term sustainable transport strategy for Croydon needs to be developed that takes into account the forthcoming changes to the structure, fabric and layout of Croydon town centre, in particular in relation to new major developments and transport connectivity (e.g. bus routes). | • Clear ‘way forward’ on transport issues  
• Ability to ensure that transport remains a key component of the Croydon offer  
• Improved transport links and potential increase in visitors |
| **EL 4: Creating Quality Points of Arrival: Improvement to East Croydon Station**  
Undertake a feasibility study into significant improvements at East Croydon station, considering the following in particular:  
• Improving and enlarging the concourse areas  
• Ensuring a more welcoming experience for those alighting at East Croydon  
• Providing further entry and exit points, specifically linked to the development of the Gateway site.  
• Improving legibility in relation to town centre | • Improved points of arrival  
• Increased station capacity  
• Improved perception of Croydon, especially a better first impressions |
| **EL 5: Creating Quality Points of Arrival: Improvement to West Croydon Station**  
Undertake a feasibility study into significant improvements at East Croydon station, considering the following in particular:  
• Improving and enlarging the concourse areas  
• Ensuring a more welcoming experience for those alighting at East Croydon  
• Providing further entry and exit points, specifically linked to the development of the Gateway site.  
• Improving legibility in relation to town centre | • Improved point of arrival  
• Increased station capacity  
• Integration of London Overground into Croydon |
| **EL 6: Consideration of Tramlink Extensions**  
Support the ongoing extension of the Tramlink system East and West. This includes current proposals to extend the network west to Purley, Streatham and Tooting and perhaps most importantly to Crystal Palace. In the long term, links with Bromley Town Centre should also be considered. | • Consolidate Croydon’s strategic importance to South London.  
• Improved access to opportunities for residents in South London. |
(4) Town Centre & Internal Linkages

6.43 Over the past 20 years Croydon has lost its reputation as one of the country’s leading shopping destinations. Many new out of town retail developments have emerged during this period and there has been considerable reinvestment in existing retail centres. Whilst the reality of the situation is that Croydon still presents a fair retail offer, it struggles in almost every other aspect of its town centre – crime perception, user friendliness, parking, family restaurants, image and presenting an attractive overall shopping environment.

6.44 Given its catchment potential, being located between the huge economic hinterlands of the South East and London, Croydon is clearly not realising its full potential. There are however proposals to reverse this decline, in particular through the Alsop town centre master plan, the Park Place development and the recently developed BID scheme.

Key Components of the Theme:
- Maximising the retail, leisure and recreation offer of Croydon Town Centre;
- Ensuring that users of the town centre feel safe and secure;
- Maximising economic linkages between Croydon Town Centre and other district centres across the Borough;
- Addressing Croydon Borough’s socio-economic (and perceived) North-South divide;
- Ensuring the Croydon BID is fully integrated into the emerging economic strategy for the Borough.

Outcome

6.45 Croydon becomes London’s third biggest retail centre by 2013, with the town centre providing a more balanced mix of high quality retail, leisure, office and residential accommodation. It will provide 24 hour facilities and have a rejuvenated, vibrant, ‘downtown’ feel that appeals to businesses, residents and visitors to Croydon.

The Issue

6.46 The economic success of the Town Centre is vital to the overall prosperity of Croydon Borough. Currently, the Town Centre faces serious competition from a number of other centres including Kingston upon Thames, Bromley, Bluewater and indeed Central London. These centres have been continually reinvesting in their offer and upgrading their infrastructure and overall visitor experience. Also, the increase in internet shopping will have significant long term impacts on convenience and comparison shopping patterns in Croydon. Croydon centre is not helped by unwelcoming station/transport interchange arrival points.

Developing the town centre and internal linkages in Croydon

6.47 Recent consultations with retailers and shoppers during the BID development phase and our own consultations with businesses undertaken as part of the study confirm high levels of dissatisfaction with Croydon’s town centre offering. In order to address these concerns there is therefore a need to undertake and facilitate actions that will result in the following:

- Developing Croydon town centre into a buoyant, ‘buzzing’ economic hub based on a
Croydon Economic Development Strategy

- Strong mix of business, residential and leisure functions;
- Developing perceptions of Croydon as a centre of cultural and commercial vitality (e.g. cosmopolitan image with tram and boulevards);
- Creation of a unified, bustling, pedestrian friendly town-centre that competes with major retail centres;
- Increased retail provision helping to address economic inactivity in relatively disadvantaged wards;
- Developing a centre with a vibrant and safe evening economy;
- Reducing leakage of expenditure by local Croydon residents

Strategic Foundations

6.48 The redevelopment and re-branding of Croydon town centre is perhaps the single most crucial aspect of the Economic Strategy. It is therefore vital that existing and proposed interventions are taken into account and that the Economic Development Strategy helps complement and facilitate these proposals. Key considerations should include:

- Croydon BID,
- Major town centre development proposals, in particular the Gateway, Park Place and residential proposals
- LAA Economic Development and Enterprise block
- London Plan and Economic Strategy

Interventions

6.49 Specific, broad project interventions that would help to address the issues or challenges in Croydon include the following:
## Croydon Economic Development Strategy

<table>
<thead>
<tr>
<th>Intervention</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TCI 1: Improving the Visitor Offer</strong></td>
<td>• Extended length of visits to Croydon town centre</td>
</tr>
<tr>
<td>Development of a stronger and more appealing visitor offer overall.</td>
<td>• Transformation of Croydon to a 24 hour city</td>
</tr>
<tr>
<td>Set up a working group to oversee the production of a strategy and action</td>
<td>• Greater family friendly environment</td>
</tr>
<tr>
<td>plan (with specialist input) to improve Croydon’s visitor offer</td>
<td></td>
</tr>
<tr>
<td>including non-shopping activities, family orientated entertainment and</td>
<td></td>
</tr>
<tr>
<td>leisure provision and a significantly extended night-time economy</td>
<td></td>
</tr>
<tr>
<td><strong>TCI 2: Town Centre Management Outreach to District Centres</strong></td>
<td></td>
</tr>
<tr>
<td>Expansion of Croydon Enterprises District Centre Managers project across the</td>
<td>• More viable and sustainable District Centres</td>
</tr>
<tr>
<td>Borough’s District Centres. District Centre Managers help to increase</td>
<td>• Better links to Croydon Town Centre</td>
</tr>
<tr>
<td>interest in local services and subsequently increase footfall and help</td>
<td>• Improved service provision for local people.</td>
</tr>
<tr>
<td>sustain businesses in local centre. Each district centre will seek to deliver</td>
<td>• Better spread of economic growth</td>
</tr>
<tr>
<td>core aspects of the strategy, in particular inward investment and marketing</td>
<td></td>
</tr>
<tr>
<td>projects (II1 and II2)</td>
<td></td>
</tr>
</tbody>
</table>

Also key to the achievement of objective in relation to this themes will be the delivery of **EL 3: Transport Strategy**
(5) Economic Inclusion & Skills

6.50 Through economic inclusion and skills development, the working and resident population of the Borough themselves will be able to become part of Croydon’s offer. Economic inclusion is important in order to ensure that individuals are able to benefit from economic growth while a strong, tailored skills base further ensures this growth takes place. This section of the strategy therefore covers two key intervention areas: increasing access to information and opportunity to support economic inclusion, especially among the resident population in deprived areas; and, focusing skills development on those skills needs identified by key sectors in the Borough.

6.51 The key components of the theme are as follows:

Key Components of the Theme:
- Ensuring that the people of Croydon themselves become part of the overall investment offer;
- Maximising access to economic opportunities for all residents of the Borough;
- Increasing the overall quality of the local skills base through improved access to and take-up of learning opportunities;
- Supporting community cohesion and participation in community activities (including social enterprise);
- Ensuring the Croydon LEGI programme and successor strategy is fully integrated into the Economic Strategy for the Borough;
- Taking full advantage economically of demographic change, especially migrant workers’ skills.

Outcome

6.52 By 2015 there will be close links forged between industry and education, ensuring that the academic and vocational curriculum reflects the skills requirements of Croydon’s key business sectors as well as resident skills requirements. There will be transparent education pathways and skills progression routes as well as easy-to-use and understand information portals in each of the District centres. By 2028 Croydon’s residents will not face any barriers to economic participation and benefit while the skills profile of both residents and employees in the Borough will match that required by business sectors which are key growth and strength areas of Croydon’s economy.

The Issue

6.53 Competitive economies demonstrate quality across a range of relevant socio-economic factors. Critical to this is the availability of a strong skills and qualifications base either within the area itself or within relatively close proximity. In this manner, the local residents of an area by virtue of their strong skills attributes effectively become part of the investment ‘offer’.

6.54 This is not currently the case in Croydon. The local skills base is relatively weak by London standards (although performs close to the national average), which means that the Borough is less attractive than other locations in London and the greater South East for high value added sectoral functions. A large share of the employment base in Croydon currently relies on at best intermediate and often lower level skills.
6.55 In addition, a large proportion of Croydon’s residents, particularly those in the more deprived areas of the Borough, face barriers to participating in and benefiting from the economy. To fully maximise their potential, both for economic inclusion and to benefit the economy, initiatives are required to decrease these barriers.

**Economic Inclusion and Skills in Croydon**

6.56 It is imperative that the overall quality of the skills base in Croydon increases, in order that the area can compete effectively for investment in key target sectors, many of which rely on the availability of higher level skills and qualifications.

6.57 Improvements in the local skills base not only increase the potential for drawing in new investment, they also have the effect of raising the economic potential of individuals and increase the ability of local people to access higher value-added, and therefore higher income, jobs. Skills development has the potential dual impact of macroeconomic and individual, personal improvement.

6.58 There is a well documented positive relationship between skills and qualification levels on the part of individuals and their social and personal outcomes. Skills development is one of the key ways that social inclusion can be promoted across all communities, especially those experiencing multiple forms of deprivation or exclusion. It is vitally important in this regard to ensure a careful balance between the needs of employers regarding skills, qualifications and competencies, and the needs of individuals. Additionally, an effective balance also must be achieved across the various categories of qualifications and competencies ranging from highly vocational, to the traditionally academic and encompassing increasingly important attributes associated with creativity, flexibility and enterprise.

6.59 While economic inclusion and skills are interrelated to some degree they can be separated to illustrate intervention requirements and are discussed in turn below:

**Economic Inclusion**

6.60 Building upon the work of LEGI in the Borough’s most disadvantaged areas, actions designed to improve employability potential and associated skills amongst excluded groups which are demonstrating positive impacts should be rolled out to other parts of Croydon where possible. In addition, there is a need for other successful aspects of the Croydon LEGI programme to be mainstreamed especially where these are generating positive outcomes for excluded groups. This may include improving access to information on education, training and employment opportunities as well as clear financial information regarding the work-benefit trade off. Making transparent what is to be gained from improving skills, entering education or gaining employment as well as providing clear pathways to such activity is key.

**Skills**

6.61 There is a need to ensure that the take up and penetration of existing learning provision is maximised, particularly at FE level. There is a broad range of learning available in Croydon currently and there is a need to ensure that local communities and local employers are benefitting as fully as possible from this existing provision. This may require additional marketing of learning availability and the development of extended community learning
facilities and learning aimed at taking communities further into established progression systems.

6.62 The relationship between employer training needs and the responsiveness of the education and training infrastructure should be developed further. This will require additional employer engagement and more participation in curriculum development and design (within existing policy and funding constraints). In addition, this will also require additional marketing to employers regarding the benefits of workforce training.

6.63 Establishing a broader range of HE level provision in Croydon should also be investigated. If feasible, the development of HE level courses, tied to sector specific needs should be actively taken forward, as well as the establishment of closer working relationship with relevant HE institutions.

6.64 Given the proportion of the Borough’s higher skilled residents who commute out of the area on a daily basis, mechanisms for drawing these skills back into the Borough’s labour market should be investigated. This may require activities associated with a more careful matching of skills of local people to employer needs in Croydon.

Strategic Foundations

6.65 There already exist a number of specific activities aimed at addressing social exclusion and skills in Croydon. These will assist with both specific interventions and with delivery arrangements.

6.66 The LEGI programme and Croydon Enterprise aim to integrate people from deprived neighbourhoods into the economy through business start up and employment. The Economic Strategy will be able to build on the foundations already laid, for example, partnerships and delivery arrangements. Croydon Enterprise is considered to be a useful tool in delivering some of the proposed interventions.

6.67 The forthcoming District Centre strategies may give some provision for delivery arrangements and interventions. This should be considered by Croydon Economic Development Partnership and Croydon Borough Council once the strategies are produced.

6.68 Physical developments such as those in New Addington will provide upgraded and additional community facilities and offer further scope for project delivery, particularly those related to economic inclusion such as the proposed Economic Access Points project. The co-location of Job Centre Plus and Croydon Education and Training Services (CETS) in particular will be instrumental in improving the transparency of pathways from benefits to employment and in up-skilling residents in line with business requirements.

6.69 The Croydon Economic Development Partnership will provide a useful platform for developing linkages between the private, education and voluntary and community sectors. The Partnership is private sector led and includes representatives of the public and voluntary sectors. These linkages will help to foster further networks through which knowledge sharing can take place regarding skills needs of businesses.

6.70 Existing work carried out by the voluntary and community sector can be fostered to deliver specific interventions outlined below. For example, the Croydon Education Business
Partnership (CEBP) is an independent business and charity assisting businesses in forging links with schools and colleges in the Borough. These linkages help young people to develop key workplace skills as well as to understand potential employment opportunities which exist locally. Additionally, Croydon Commitment Employability Project assists young people in finding work placements some of which lead to full time employment. Work such as this can be built upon to increase economic inclusion and skills among Croydon’s population.

6.71 The Alsop Vision for Croydon has identified an area around West Croydon station as ideal for a university campus, as well as a site at Fairfield complementing the Art College. Though the presence of a university is not secured this should be taken into consideration when considering any potential future HE offer of Croydon.

Interventions

6.72 Building upon the strategic foundations outlined above, this strategy proposes a programme of complementary activity. The intervention areas are introduced below and are elaborated upon in the accompanying Implementation Plan.
<table>
<thead>
<tr>
<th>Intervention</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EIS 1: Sector Education in Schools</strong>&lt;br&gt;Providing education in schools aligned to the key Croydon business sectors to ensure a skilled local labour pool and high employment levels. The project will involve: Ongoing awareness raising and training for teachers; Linkage between employers in key sectors and schools; Development of work placement opportunities for 14 years+ young people in key sectors; Development of school based projects; Shadowing of school management teams by managerial level staff in core sector businesses.</td>
<td>• Young people will leave school with skills and qualifications which are sought after by the sectors operating in Croydon.&lt;br&gt;• Longer term reduction in out commuting as residents are ‘matched’ to local opportunities.&lt;br&gt;• The inward investment offer will be improved as companies recognise the talented and accessible labour pool.</td>
</tr>
<tr>
<td><strong>EIS 2: Targeted Work Placement Offer</strong>&lt;br&gt;Development of significant, extended work placement opportunities and employer compacts linked to education and local training projects in key sectors, incorporating key and generic skills development.</td>
<td>• Local people will be better placed to access job opportunities. Increased knowledge exchange between further and higher education and businesses.</td>
</tr>
<tr>
<td><strong>EIS 3: Sector Specific FE Offer</strong>&lt;br&gt;Develop the Further Education offer of locally relevant skills and qualifications to ensure that students develop those qualities and skills required by Croydon’s key sectors. Project delivery will comprise:&lt;br&gt;• Development of formal structures that allow close working between employers and FE providers.&lt;br&gt;• Development of curricula tied to key sector or market needs in Croydon.&lt;br&gt;• Development of effective collaborative arrangements between FE providers, private training providers and HE level partners.&lt;br&gt;• Development of Croydon College as a hub for delivery of FE level training and learning tied to the needs of key sectors.</td>
<td>• Skills of young people entering the labour market will be aligned to the needs of Croydon’s businesses, generating increased retention of skills and an improved inward investment offer.</td>
</tr>
<tr>
<td><strong>EIS 4: Increasing Employability</strong>&lt;br&gt;Providing local skills training and qualification courses in Croydon’s districts, closely aligned to local employment opportunities. Components include:&lt;br&gt;• Identification of additional sectors and their skills requirements and local employment opportunities.&lt;br&gt;• Delivery of relevant training (especially Entry to Employment) in deprived areas of the Borough through local centres.&lt;br&gt;• Providing signposting/linkages to employment opportunities or other signposting bodies.</td>
<td>• Croydon residents, particularly those experiencing social and economic exclusion, will be able to develop the skills required to enter the workforce.</td>
</tr>
<tr>
<td><strong>EIS 5: Development of an HE presence in Croydon</strong>&lt;br&gt;Development of a significant and appropriate HE presence within Croydon. This will not only respond to the needs of the population of South London (and the wider South East) but will also link to Cane Hill Science Park, Croydon College and other key educational nodes in the borough.</td>
<td>• Significant increase in the scope of delivery locally&lt;br&gt;• Significant new resource for the area&lt;br&gt;• Changing perceptions of Croydon</td>
</tr>
</tbody>
</table>

Also key to the achievement of this objective will be the delivery of [DB 8: Champions and Mentors](#)
(6) Investment & Image

6.73 Changing perceptions and image of Croydon is arguably the most important short to medium term outcome of this strategy. Developing a new investment offer (and securing subsequent investment) is important not only for this Economic Development Strategy, but will also be vital in underpinning the planned physical development of Croydon (and the implementation of the new ‘Third City’ vision). The programme of activity outlined in relation to this theme is designed to ensure that Croydon develops an offer and reputation, not only as a successful London borough, but also as an internationally renowned business location and destination.

Key Components of the Theme:
- Build the capacity of the Economic Development Partnership and ensure key linkage with the other main partnerships across the borough;
- Identify and utilise key private sector ambassadors/mentors;
- Fully define the inward investment proposition and management structure;
- Ensure complementarity between the emerging Regeneration Vehicle, the Economic Strategy and future marketing activity.

Outcome

6.74 Croydon’s ability to compete effectively as a location in new and future markets is the key outcome of this theme. By 2010, the borough will have mapped out its offer and inward investment proposition, mechanisms will be in place to improve internal and external perceptions of the borough and new markets for investment will be tested. By 2018, perceptions of Croydon will have changed completely. Residents will be proud to live in borough whilst the town centre will be establishing reputation as a key location from UK headquarters. of growing global businesses

The Issue

6.75 Over the last 30 years Croydon has developed a reputation which is far from conducive to innovation, business growth and high returns on investment. As well as negative perceptions, Croydon also has a strategically ‘ambiguous’ relationship with London and the wider South East region making it difficult for the area to position itself in economic and political terms. This has had a negative impact on growth and on ability to deliver upon sub-regional and regional objectives; critically, this has also hindered the development of a robust, flexible inward investment offer.

6.76 Generally, perceptions of the borough are poor and lack of economic opportunity for many residents is compounded by a lack of civic pride. Impressions of Croydon in local and national media are generally poor, whilst the town centre underperforms as a desirable business location and generator of investment. Critically, Croydon is not currently regarded as business friendly.

Creating a New Image to Drive Investment

6.77 Improving Croydon’s image and increasing investment is very much a process of evolution,
where various new and existing processes come together to become more efficient and responsive, improving image and leading to higher rates of investment and business retention. The diagram below outlines how the evolution of Croydon’s image development and marketing offer could look:

6.78 Croydon must develop an image which creates broad appeal. The wider community of the borough needs to galvanise to generate new impressions of Croydon that not only generate new investment, but also create a sustainable sense of civic pride, encouraging peer to peer marketing and increased ‘positivity’ when considering the borough as a location to live and work.

6.79 The development of Croydon’s inward investment proposition(s) needs to be seen as an iterative process that evolves with the borough. Whereas in the past 30 years Croydon’s offer to ‘the market’ has largely remained static, now it must be constantly reviewed. Similarly, ambitious development proposals should be linked to ambitious marketing, partners must be prepared to explore new markets for investment, developing links with ‘non-traditional’ markets, always considering the next stage in the borough (and town’s) evolution.

6.80 Perhaps one of the most important lessons that can be learned from Croydon’s recent economic history is the importance of continuing to support businesses once they have located within the borough; of equal importance to securing new investment, is protecting existing investment and developing a reputation as a pro-business location. To deliver this, Croydon’s business representative groups will need to evolve into entities that are able to respond quickly to specific issues of importance to businesses, developing expertise in relation to key sectors and links to a diverse range of partnership bodies.

6.81 Croydon has many sectoral and locational strengths which will evolve and ideally grow in the future. It is important that marketing and inward investment propositions are responsive to this; bespoke offers and solutions are proven to be more effective. In implementing this strategy, partners may wish to take some managed risks in promoting Croydon, exploiting new and evolving markets and opportunities to create a significant and successful location.

6.82 Finally, the production of this strategy provides a useful juncture to start to identify and
utilise successful businesses and developers and mobilises them as ambassadorial figures. This may include successful local figures who can act as mentors and form part of an enhanced publicity offer as well as key developers who will provide an important link into wider property and development circles.

**Strategic Foundations**

6.83 Much of the required change in perceptions of Croydon (and its offer to investors) will be guided by the successful implementation of the physical vision and development led through the **Urban Regeneration Vehicle**. It is important that the activities of partners outlined in the economic strategy link closely to this physical change. In particular, it is critical that the inward investment offer evolves with physical development.

6.84 Whilst Croydon needs to create its own unique offer it can’t ‘go it alone’ in promoting and delivering the offer. It is important that any image, branding and marketing activities are undertaken alongside local (Local people, Croydon Enterprise,. BID team, District Centres team), Regional (South London Business, LDA) and National / International (UKTI) partners.

**Interventions**

6.85 Building upon the strategic foundations outlined above, this strategy proposes a programme of complementary activity. The intervention areas are introduced below and are elaborated upon in the accompanying Implementation Plan.
<table>
<thead>
<tr>
<th>Intervention</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>II1: Image and Brand Creation Exercise</strong></td>
<td>• Increase in positive messages in local and national media</td>
</tr>
<tr>
<td>Significant re-branding exercise including:</td>
<td>• Increased external recognition of Croydon</td>
</tr>
<tr>
<td>• Development of new branding for Croydon, promoting a new image.</td>
<td>• Increased visitor numbers and investment</td>
</tr>
<tr>
<td>• Encourage events of international, national and regional importance to Croydon.</td>
<td></td>
</tr>
<tr>
<td>• Croydon Pride — Develop a campaign to foster greater pride amongst residents across the borough</td>
<td></td>
</tr>
<tr>
<td>• Recruit businesses to act as ‘Business Ambassadors’ leading peer to peer marketing</td>
<td></td>
</tr>
<tr>
<td>• Mobilisation of the local media to promote the message.</td>
<td></td>
</tr>
<tr>
<td><strong>II 2: Develop the Inward Investment Proposition and Process</strong></td>
<td>• Increase in investment and businesses locating in the borough</td>
</tr>
<tr>
<td>Development and subsequent promotion of a single, acknowledged</td>
<td>• Increase positive perceptions amongst the business community</td>
</tr>
<tr>
<td>inward investment proposition for Croydon. This should focus upon</td>
<td></td>
</tr>
<tr>
<td>targeted, personalised responses to enquires allowing ‘rapid response’</td>
<td></td>
</tr>
<tr>
<td>Key elements include:</td>
<td></td>
</tr>
<tr>
<td>Along side this, a single entity will take responsibility for inward</td>
<td></td>
</tr>
<tr>
<td>investment and marketing for Croydon specifically.</td>
<td></td>
</tr>
<tr>
<td><strong>II 3: Targeting FDI; Promoting Croydon as a HQ Location</strong></td>
<td>• Increase in investment and businesses locating in the borough</td>
</tr>
<tr>
<td>Adopting a more expansive approach to Inward Investment employing</td>
<td>• Increase in number of HQs in Croydon</td>
</tr>
<tr>
<td>targeted marketing to growing economies worldwide promoting Croydon as an ideal location for UK/ European HQs. Initial focus on high growth economies such as BRICs (Brazil, Russia, India, China) and, in terms of future growth the N11 (Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, Philippines, South Korea, Turkey and Vietnam)</td>
<td></td>
</tr>
<tr>
<td><strong>II 4: Scope and Develop the Sector Specific Marketing Offer</strong></td>
<td>• Increase in investment and businesses locating in the borough</td>
</tr>
<tr>
<td>Development of specific marketing plans for each opportunity sector,</td>
<td>• Development of sector specialisms</td>
</tr>
<tr>
<td>outlining the comparative advantage of Croydon for each particular sector.</td>
<td></td>
</tr>
<tr>
<td>(Business services, creative and cultural industries and leisure</td>
<td></td>
</tr>
<tr>
<td>and hospitality have all been identified as sector strengths)</td>
<td></td>
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<td><strong>II5: Targeted Aftercare Offer</strong></td>
<td>• Improved business retention</td>
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<tr>
<td>Development of a specific team or individual with responsibility for</td>
<td>• Stronger business / public sector links</td>
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<td>continuous liaison with businesses investing (or re-investing) in Croydon.</td>
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<td>Specifically, this will include the brokerage of specific solutions to</td>
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<td>specific problems faced by Croydon’s businesses. This will focus on</td>
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<td>improving levels of investment in Croydon whilst also strengthening</td>
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<td>knowledge and understanding of local business community.</td>
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7. **Implementation Considerations**

7.1 The realisation of the Croydon Economic Development Strategy will ultimately involve the successful delivery of a number of specific project actions, building directly upon the ‘areas for intervention’ outlined in this document. Priority actions with associated phasing and costs are presented in detail in an accompanying Implementation Plan.

7.2 Project implementation will require action and contributions from a variety of partners, and these partners will vary depending on the specific nature of the actions involved. It is imperative that the relevant partners agree the detail of the actions and the precise phasing of delivery. A number of Croydon’s main partnership bodies will play key roles in the delivery of economic strategy interventions. In particular, the London South LSC, Croydon College, The Economic Development Partnership itself and business representatives (including South London Business, Croydon Business and the Chamber of Commerce) will all be directly involved in the design, delivery or monitoring of specific strategy interventions.

7.3 A number of the priority actions for Croydon are already underway or are likely to begin in the near future. In addition, an important element of delivery of economic improvement for Croydon is tied to the successful implementation of the various development proposals and masterplans, each of which acts as a platform for economic growth in its own right, supporting the contributions by various partners. The actions of the Croydon Economic Development Partnership, as a facilitator of economic change, will provide leverage for improved impact on the part of a whole range of economic development partners.

**Specific considerations**

7.4 There are a number of specific considerations that will be explored and addressed by the accompanying Implementation Plan. These considerations include:

- The role of the **Croydon Economic Development Partnership**. This relatively new grouping has managed to develop good momentum, meeting regularly and providing an effective and much needed forum for public and private sectors to come together and agree economic priorities. There is a clear need to ensure the continued growth and evolution of this group through appropriate capacity building. It is also important to ensure that membership is reviewed and refreshed where necessary while maintaining a core, ongoing membership, and that the remit and tasks of the Partnership are also reviewed and updated where necessary. The Partnership should specifically extend its skills as an effective lobbying vehicle and guardian of any new Croydon brand and associated marketing messages.

- **Funding**. All of the actions outlined in this document will require to be resourced in some form or other. In some cases new sources of funding may be required whereas in other instances action can be taken forward through the ‘bending’ or reorientation of existing funding pots. It will be important for partners to explore and identify fully the most appropriate balance between new sources of funding and existing resources and ensure the full utilisation of LAA mechanisms and existing large scale programmes in terms of funding opportunity.
• **Croydon Economic Development Strategy**

- **Croydon’s LEGI Programme.** Due to central Government policy change, the LEGI programme in Croydon (in common with all other qualifying areas) is undergoing a period of change. It is vital that the existing LEGI priorities are revisited, aligned with the Economic Development Strategy but that there is a corresponding guarantee that the neighbourhoods and specific areas of interest of LEGI are retained within the overall approach to economic development in Croydon.

- **Phasing.** A full understanding of the necessary phasing of economic interventions and actions is fundamental to the successful implementation of this strategy. In particular, as specific developments come forward (e.g. The Croydon Gateway Development) it will be important to ensure that an appropriate skills and business support infrastructure has been designed in a bespoke nature in anticipation, order to maximise the economic benefit for the local area. Approaches to skills and business development must be proactive rather than reactive in nature. This may require lobbying or influencing the remits of other organisations or governance arrangements in order to ensure that Croydon has a specific response to its evolving economic needs.
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