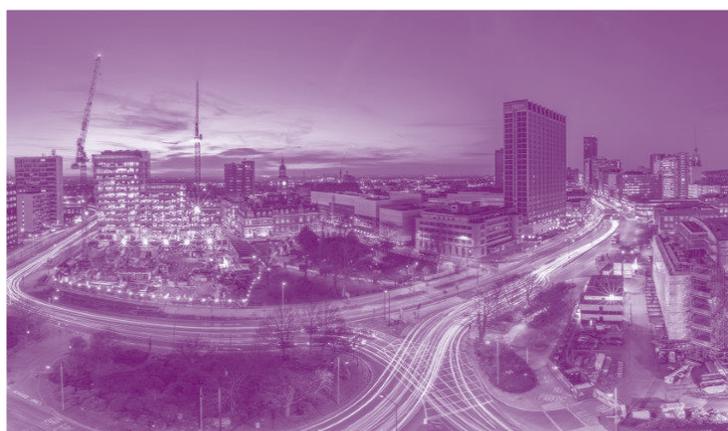




CROYDON'S
ECONOMIC STRATEGY
OPPORTUNITY FOR ALL
2019 - 2024



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Foreword: Councillor Manju Shahul Hameed – Lead Cabinet Member for Economy & Jobs



I am delighted to present Croydon’s Economic Strategy 2019-2024. In this strategy we provide a clear plan how we will work with business, residents, developers, schools, colleges and universities, and third sector providers to ensure that their welfare and improved prosperity are at the heart of the borough’s transformation into a modern European city.

Croydon is in the middle of the biggest period of transformation since the 1960s. The population is growing at a faster rate than at any time since the post war period. A £5.25 billion programme of investment is underway, including the £41 million refurbishment of Fairfield Halls; a high street development programme in South Norwood; a brand new retail centre to be built by the Croydon Partnership; a new leisure centre in New Addington; the expansion and increased capacity of Brighton Mainline; four new or improved civic squares and thousands of new homes across the borough.

The council is determined that development during this period of transformation will be shaped by the resident and local business community and that the prosperity will be shared. We also recognise that development should be sustainable. That is why environmental considerations and the longevity of new developments will remain central to our thinking throughout the planning and delivery programme.

Partnership with Croydon’s residents and public and private businesses is at the heart of this strategy. Together we can create a fairer, more inclusive Croydon with a vibrant, resilient and sustainable local economy.

Although this is a period of great opportunity for Croydon, we are not complacent. This is also a time of global economic uncertainty and structural change in the retail, technology and labour markets. This strategy outlines how we intend to make Croydon more resilient to these changes by stimulating the growth of a broader range of industries such as the creative, scientific and digital/tech sectors.

This plan also sets out how the council seeks to increase Croydon residents’ ability to respond to changes in the jobs market. By working with schools, colleges, adult education, training providers and the new University, the council intends to support residents to improve their skills in readiness for the inevitable changes ahead.

This is an exciting time for Croydon; a time of great opportunity. Together we can make sure the borough’s development benefits everyone.


Manju Shahul-Hameed
Cabinet Member for
Economy and Jobs



Key statistics

POPULATION

384,837
residents



(2nd highest in London) growing by 14% to approx 445,000 by 2031. 51.7% BAME and over 100 languages spoken. Highest population of under 18s in London.

DYNAMIC BUSINESS COMMUNITY



14,675
Businesses in Croydon



93%
of businesses in Croydon are micro businesses

99.7%

small and medium-sized enterprises (SMEs)



33%

increase in the number of businesses in Croydon from 2013 to 2018



A METROPOLITAN HOUSING CENTRE

Some of London's most affordable housing:

£361.461

(average house price in Croydon)
[RANK IN LONDON]



10,760

new home starts
(BY WHEN)



EDUCATION



86% of Croydon's schools rated either outstanding or good.



EMPLOYMENT SPACE

The third largest office market outside central London

5.8 million ft² office space



2.8 million ft²

New Grade A Office Space under development



£34 p/ft²

Prime Grade A Office Space



REGENERATION PLANS (20XX-20XX)

£5.25bn

regeneration programme

23,594

new jobs



5,097

jobs in the construction phase



£320m

school investment programme



GROWTH IN KEY SECTORS

ENGINEERING CONSTRUCTION



FINANCIAL SERVICES & INSURANCE



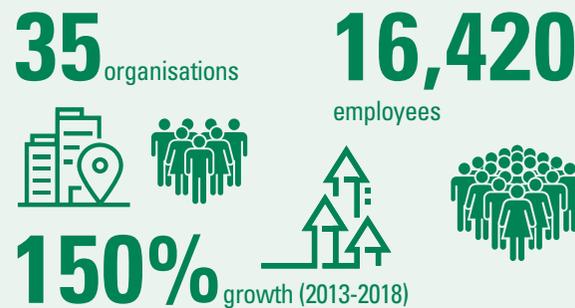
GOVERNMENT PUBLIC SECTOR



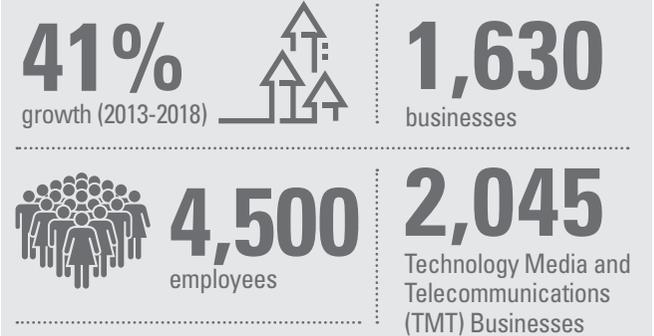
RETAIL



LOGISTICS



CROYDON.DIGITAL



TECHNOLOGY, MEDIA & TELECOMMUNICATION



► Purpose of Strategy

Croydon is undergoing rapid change. Over the next five years, the borough will experience population growth, a growing influx of new communities and physical transformation on an unprecedented scale, all of which are likely to have an enormous impact on the environment.

Croydon is undergoing rapid change. Over the next five years, the borough will experience population growth, a growing influx of new communities and physical transformation on an unprecedented scale, all of which are likely to have an enormous impact on the environment.

Over the next five years, how we do business, produce, consume, work and live will require a fundamental system change if we are to ensure that growth is resource efficient and sustainable in years to come.

Our Economic Strategy 2019-2024 builds on our current successes. It guides and informs the initiatives needed to deliver sustainable and inclusive growth. Through collaboration and innovative approaches, we aim to create a strong, resilient and dynamic economy that places residents and businesses at the heart of opportunity.

The strategy is based on **four key priorities**:

- 1. To create places where businesses, investors and resident want to live, trade and invest**
- 2. To create the business environment for growth**
- 3. To invest in ideas that can deliver real change for Croydon**
- 4. To invest in our people**

The Strategy will also reflect the the Council's **Climate Emergency Declaration** under which we commit to becoming carbon neutral by 2030.

They also reflect national and regional priorities and support **Croydon Council's 2018-22 Corporate Plan**:

- **Businesses move here and invest; our existing businesses grow**
the aim of this strategy is to support sustainable economic growth that increases economic prosperity across Croydon. It aims to increase the number and profitability of businesses, and the number of secure and well-paid jobs in the borough.
- **Everybody has the opportunity to work and build their career**
the strategy will deliver and support an extensive skills and employability offer for residents to help them access those new secure and well-paid jobs.

Our priorities are the result of extensive consultation and engagement with businesses, residents and partner organisations across Croydon. This began in March 2017 with the work of the Small Business Commission and concluded in June 2019 following the Economic Strategy and Croydon Year of Business engagement. We have engaged with over 4,000 business delegates from 1,845 businesses at 175 events.

We will know if the strategy is working by creating and monitoring an annual delivery plan which will be owned and managed by Future Place Board a sub-group of the .



► Wider Economic Context

Croydon's economy does not exist in a vacuum – it is affected by global, national and regional changes and fluctuations.

- Impact of Brexit on the economy - uncertainty is slowing business investment and increasing operating costs.
- Businesses face chronic skills shortages – 90% of employers struggle to recruit workers. Lack of clarity about future immigration rules is contributing to a fall in immigration for work (ONS).
- Lack of access to finance continues to hamper growth of small and medium-sized enterprises (SMEs).
- Online retailing and rises in business rates continues to cause high streets to decline.
- The world of work is changing, fast paces automation and increasing reliance on artificial intelligence mean that 65% of school age children will go into jobs that do not currently exist.

UK labour market

- Employment rate is at a record high. Employment has grown significantly for women and older workers, while youth unemployment rates have fallen back to levels seen before the financial crisis.
- In-work poverty - Low growth and weak productivity have seen the most prolonged period of pay stagnation. Household income has declined by 0.5% in the period from 2016-17 to 2018-19.
- One in four workers are low paid, and one in four of these have been on low pay for a decade or more.
- Rise of the gig economy - At least 3.8 million people are in insecure work, such as agency work, zero-hour contracts and low-paid self-employment.
- Automation will lead to changing job roles or increase the risk of job-losses in some sectors of the economy.
- People with disabilities and people from minority ethnic communities continue to experience labour market barriers and are twice as likely to be unemployed. Gender, disability and ethnicity pay and progression gaps remain.

UK Industrial Strategy

published in 2017 outlines five objectives which aim to address current challenges in the UK economy

- To become the world's most innovative economy
- To create good jobs and greater earning power
- Upgrade the UK's infrastructure
- Ensure that the UK is the best place in the world to start and grow a business
- Deliver prosperous communities across the UK

Four opportunities have been identified for growth. These are:

- **Artificial intelligence and the data economy** – Already transforming business models across many sectors.
- **New forms of mobility** – Advances in technology and engineering are leading to new forms of mobility such as electric road vehicles and high capacity rail.
- **Clean Growth** – The move to cleaner economic growth through low carbon technologies and the efficient use of resources.
- **Ageing society** – The ageing population will create new demand for technologies, products and services, including new care technologies, new housing models and innovative savings products for retirement.



► Focus on Sustainable Economic Growth

The UK government has committed to reducing net UK carbon emissions by 35% in 2020 and 100% by 2050. These targets are set out in the Climate Change Act 2008 (as amended). Croydon is committed to economically, socially and environmentally sustainable economic growth with environmental sustainability being driven by the work of the Climate Change Commission.

2019 was a landmark year for Croydon as we declared a Climate Emergency Declaration under which we commit to becoming carbon neutral by 2030.

All residents and businesses will be empowered and encouraged to play their part in making Croydon the most sustainable borough in London through the proposed climate change emergency commission, putting into place action plans to ensure that we achieve our target.

The Croydon Context

In Croydon 50% of emissions come from housing, 25% from transport, and 24% are industrial and commercial emissions. More could be done to support businesses to adopt a lower carbon footprint; **greater use of digital technologies, energy efficient workspaces and live/work schemes could further reduce emissions.**

Only 36% of homes are well insulated in Croydon, leading to higher energy bills. 11% of households in the area are in fuel poverty (2011 Census), including our most disadvantaged neighbourhoods. The council's capital investment programme of £26.7m per annum is already:

Piloting the 'Energiesprong' whole house retrofit solution in 32 dwellings. This will achieve near zero net carbon emissions for some of our most vulnerable residents.

- Installing ground source heat pumps in 15 sites across the borough
- Delivering a rolling programme of boiler, window and door replacements, communal heating upgrades and top-up insulation on all council properties.
- Continually seeking to optimise investment from government schemes such as the Renewable Heat Incentive (RHI).

In Croydon only 49% of people commute by public transport, 1% cycle, and 8% walk. We know that residents living near the town centre walk to work more than those who live further away. **Enabling residents to access local employment opportunities and ensuring that businesses are supported to create local job opportunities** will help to reduce the carbon footprint of residents travelling to work.

Croydon has 41 electric vehicle charging points (EV chargers). Research suggests that there should be at least 141 EV chargers in the borough. The council is currently investing in 300 EV charging points across the town centre as part of the Growth Zone programme.

Currently Croydon has 6MW of renewable power. If the borough matched the best of similar local authority areas it would have 57MW. **Supporting the low carbon economy, or**



new green economy to start up and grow in Croydon will be instrumental in the switch to renewable power.

Croydon reuses, recycles and composts 38% of its household waste. This compares to the best figure of 49% in similar local authorities. To increase this figure, we need to **embed the circular economy** (the circular economy is an economic system which aims to eliminate waste and the continual use of resources) **in sectors such as creative industries, built environment, food and manufacturing.** We will achieve this through **collaboration across supply chains and between businesses, research and community organisations; and through ensuring business support and finance are accessible by circular economy businesses.**

► Local Context

We consulted widely with businesses and stakeholders in Croydon and their concerns reflect national concerns facing the UK economy.

STRENGTHS

- Strong employment growth over the past five years
- Third largest office market outside central London
- Public transport connectivity to central London and the South East
- Town Centre Regeneration
- Good Employer Charter
- Croydon Works job brokerage and Apprenticeship Academy



WEAKNESSES

- High proportion of low paid jobs (25% paid below London Living Wage)
- High level of in-work poverty (16,600 families claiming tax credits)
- Third highest unemployment rate in London (7.2%)
- Perceptions of crime and lack of safety
- Lack of affordable housing



OPPORTUNITIES

- Young agile workforce
- Link between businesses and further education
- Growing culture sector
- Night time economy
- International trade
- Potential for collaboration and Innovation
- Gatwick Airport and Aerospace cluster
- Environmentally sustainable growth



THREATS

- Brexit impact on future investment and sectors where EU nationals fill high volume vacancies (construction, retail and hospitality, and health & social care)
- Market forces accelerating change
- Rising business rates
- Falling high street footfall
- Lack of flexible and affordable workspace and industrial space
- Lack of access to fast digital connectivity



A rapidly changing economy requires a dynamic response which addresses the strengths, weaknesses, opportunities and threats identified by our businesses, residents and stakeholders.



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► Our Vision

A BOROUGH OF SUSTAINABLE GROWTH

Croydon is a borough that invest in ideas and infrastructure to attract investors and businesses, providing new homes and jobs. A place which reduces its negative impact on the environment and achieves balanced economic growth across our metropolitan and town centres.

Our high streets will have a good mix cultural, learning, leisure, commercial, residential and retail spaces which meet the needs of local communities.

Our high streets have broad range of uses that meet the needs of local communities and where there is a good mix cultural, learning, leisure, commercial, residential and retail spaces.

A FAIRER ECONOMY

Croydon has an open and fair economy that works for all residents and businesses and creates jobs that pay well.

It is rich in productive and profitable Small and Medium Sized Enterprises as well as larger employers.

Employers invest in our people, where excellent training and support enable access to jobs that ensure financial independence.

A DYNAMIC BUSINESS ENVIRONMENT

Businesses are supported in a dynamic business environment, connected by high speed broadband and reliable, affordable and sustainable modes of transport.

Businesses and residents benefit from a thriving evening and night time economy, and a diverse cultural scene.

A range of affordable workspaces options will support our growth sectors.

A BOROUGH WHICH NURTURES IDEAS IN AN ENTERPRISING CULTURE

One of the most innovative boroughs in London, where ideas, creative and autonomous thinking is nurtured through collaboration with communities, businesses and higher education institutions.

Croydon growth sectors will include creative, digital, innovation and new green technology sectors. We will maintain and improve the health & care sector, and reduce dependence on low paid roles in service, retail and hospitality sectors.

► Building on our current successes

A borough of sustainable growth

Our £5.2bn regeneration programme is gaining momentum with:

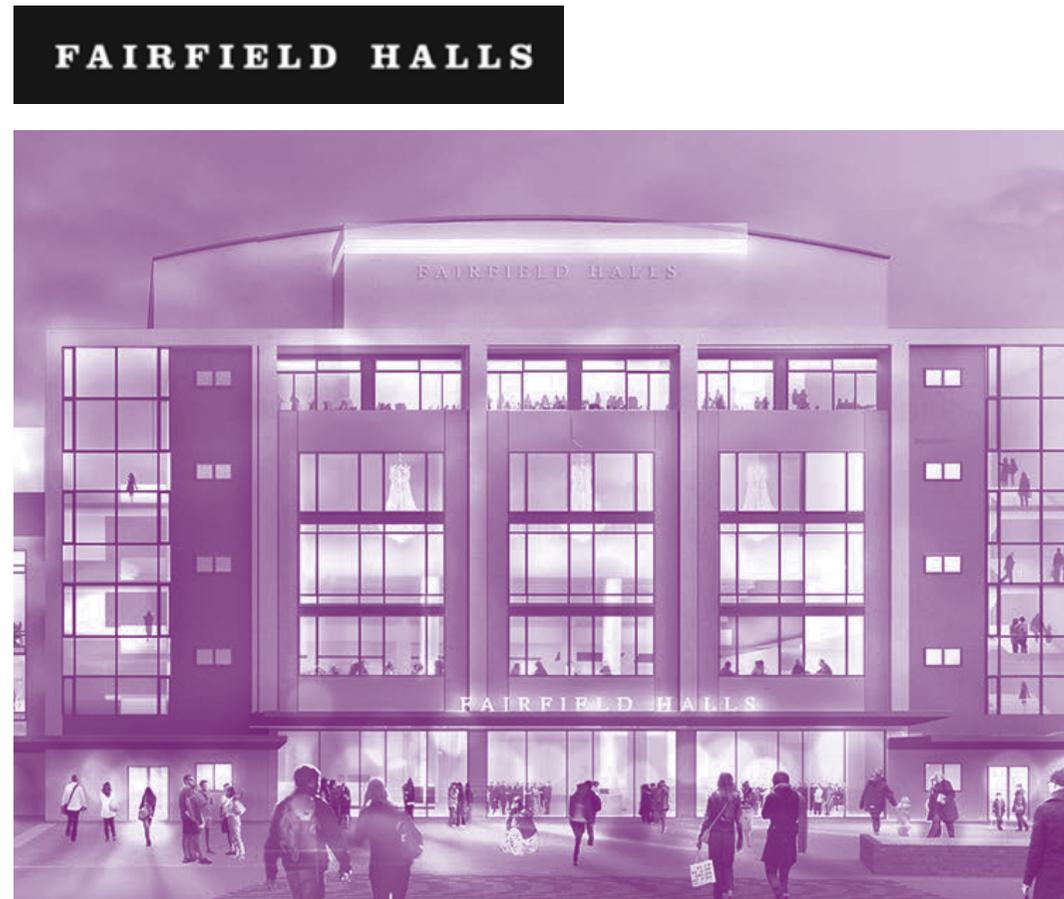
- 1,346 net additional new homes built (2018/19)
- 15 mixed use developments on site
- 13 pipeline developments
- Planning approved for a further 15 sites

Transport and infrastructure

- Planning for the Brighton Mainline is underway. Croydon Council is supporting Network Rail prepare the business case for investment.
- A23 Fiveways Junction – Croydon Council working with TfL to ensure the Fiveways scheme starts on site in 2021.

Culture

- £41m redevelopment of an iconic arts venue has opened.





CROYDON DIGITAL

The voice of Croydon's tech community

→ About this site



A new digital strategy for Croydon - update
The draft text of Croydon Council's new digital strategy is now available to read and comment upon. Let us know your views.
16th February 2024
Croydon Council

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Get your entries and nominations in for the digital, data and technology category of the Croydon Business Awards for Friday 20 June!
14th February 2024
Amy Dalrymple - Digital Lead Croydon



Top 10 traits of successful smart cities
With over 10 years of experience in the smart cities sector, our Digital opens the black box like to see thinking in Croydon.
1st February 2024
Ian Dugan - Network



Big changes on their way for Croydon Digital
Celebrating the Croydon Digital brand and website with a much expanded range, better content and new features.
1st February 2024
Croydon Council



TSC

MacBook Pro

▶ A dynamic business environment

A new **digital services team** is now established with key responsibilities for:

- Developing a Smart City vision and programme of infrastructure improvements to enhance the borough through digital innovation and technology.
- Supporting and growing Croydon's Tech sector.
- Developing digital skills education across the borough.



Revitalising high streets: South Norwood Good Food Growth

A programme to regenerate South Norwood's high streets which suffer from high vacancy rates and decline through four workstreams. Making up a comprehensive programme to intensify the local economy and civic infrastructure, supporting creative and social enterprises, and establishing a strong identity for the area.



London Growth Hub

From November 2019, one of five London Growth Hubs will be located in Croydon, offering face to face advice and resources. Based at the Sussex Innovation Centre, the centre will support businesses with a range of business support needs, including Brexit preparations.



Croydon Enterprise Loan Fund



£3.5m lent to Croydon SMEs
331 loans issued

Creative Enterprise Zone

The Zone enables creative industries to grow by providing workspace, skills and business support.

A key element of the programme is Croydon Music City which aims to help emerging talent succeed in the entertainment industry and supports the music industry to fulfil its potential.



► A Fairer Economy

The Good Employer Charter

- The Good Employer Charter encourages employers to pay the London Living Wage.
- Working with employers, Croydon Works our free professional recruitment service has secured employment for over 1000 in the last few years. It offers employment support and training to residents looking for work or a better job and then matches them to real time vacancies with employers.
- Croydon Apprenticeship Academy a partnership between the council, Croydon College and other training providers works with businesses and residents to promote apprenticeships as combined training and employment pathway that means that residents earn while they learn. The academy has been leading the 100 apprentices in 100 days campaign which on day 50 has 52 apprentices in jobs.

Better Working Futures

- Better Working Futures focuses on supporting people with disabilities and health conditions into jobs and helps them to remain in work. The tailored integrated package of health interventions coupled with programme of training and employment support.



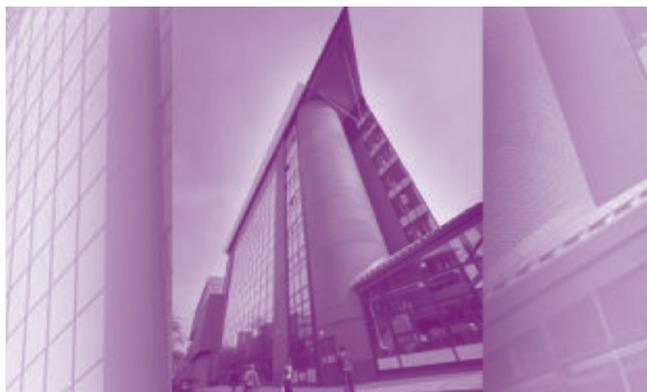
► Ideas in an enterprising culture

Croydon Creative Campus

We're on our way to becoming a global centre of higher education.

In March 2018 we launched our Creative Campus Concept at MIPIM, the international real estate event. A year later, a ground breaking new partnership between Croydon Council and London Southbank University was announced to support the university's expansion into Croydon.

The development of a state of the art campus is expected to commence in early 2020 and will be delivered in 2 phases.



Phase 1 will create around **1.7m²** of teaching and incubation space. The anticipated economic benefits of a university campus in Croydon in terms of direct jobs and skills are substantial – the curriculum will support our growth sectors focusing on creative and digital, health & care and innovation and technology.

A higher education presence is also expected to facilitate collaboration between higher education institutions, businesses and communities, leading to a growth in innovation and knowledge exchange. This will benefit our residents in years to come.

Economic Benefits of Phase 1

ECONOMIC BENEFITS OF PHASE 1



JOBS IN THE WIDER ECONOMY



JOBS IN THE WIDER ECONOMY



The following priorities will build on these successes to create a legacy for growth in Croydon.

▶ OUR PRIORITIES

1. To create places where businesses, investors and residents want to live, trade and invest

Vision

A borough of sustainable growth.

What we will do

- Create public spaces that transform the look and feel of the borough around major employment sites to bring investment and growth. This includes Queen’s Square, College Green and North End.
- Invest in infrastructure to unlock growth, working with partners to do so; this includes delivering major road, rail and digital infrastructure measures, such as improvements to the A23, Fiveways Junction and Brighton Mainline, and investment in tram extensions.
- Support a vibrant and diverse leisure and cultural offer, by developing and supporting the delivery of an evening and night time economy action plan and embedding culture at the heart of regeneration through initiatives such as music city, creative enterprise zone and supporting businesses through our work in licensing, planning and economic development.
- Create outstanding digital connectivity within the borough.
- Ensure there is a strong “meanwhile” offer during the redevelopment cycle in the metropolitan centre and at other key sites in our town centres – we will work with landlords and businesses to fill interim space that supports the footfall of the area.
- Work with stakeholders and partners to facilitate the development of good quality flexible workspace through initiatives such as business rate relief, planning and inward investment. Deliver balanced growth not only in the town centre but also our district centre, by creating Community Economic Development plans with our communities in specific recognisable economic areas.

What will success look like?

- New public places, homes and leisure opportunities
- Clean Streets that are safe and well lit
- Good Schools and Colleges
- A varied, high quality and exciting evening and night time scene
- Infrastructure that unlocks growth by improving connectivity and permeability
- Fast digital infrastructure
- Good quality affordable and flexible workspace
- Well used high streets with a good mix of retail, residential, community, leisure and residential use 

2. To create a business environment for growth

Vision

A dynamic business environment.

What we will do

- Implement a responsive development management and building control offer that drives commercial and industrial development in key locations.
- Lobby central government for a review of business taxation that will deliver a fairer tax system that support SMEs.
- Participate in the development of Local Industrial Strategies ensuring that Croydon benefits.
- Engage with international trade delegations, including those from India and China, to attract investment and open up markets for Croydon businesses.
- Maintain our strong relationship with the Coast to Capital (C2C) region and Gatwick to ensure that Croydon benefits from the growth along the A23 corridor as well the activity that will be generate by the Gatwick Master Plan.
- Support the creation of new business spaces to accelerate local business growth by working with developers, landlords and service providers through planning, inward investment and economic development.
- Encourage local business and community groups to lead on and inform local developments such as new street markets and Business Improvement Districts (BIDs).
- Help Croydon businesses to respond to the opportunities and challenges of Brexit by delivering a comprehensive package of information and support, and echo the Mayor of London’s message that #LondonisOpen.
- Develop specific training into work and recruitment packages for those industries likely to be hardest hit by structural economic changes e.g. those caused by Brexit, such as the health and social care, construction, and retail and hospitality sectors.
- Deliver a simplified and improved business support offer for SMEs that delivers advice and guidance at all stages of the business journey, helping businesses start, develop and grow.
- Broker new opportunities for SMEs to trade for local business by opening up procurement and supply chain opportunities with the council and partners.
- Take action to create commercial space and protect it from planning applications that seek change in use that doesn’t support good growth in the metropolitan and town centres.

What will success look like?

- More businesses and jobs in the borough
- Good commercial and industrial development throughout the borough that supports the needs of the economy.
- Strong partnerships with stakeholders which support innovation and growth in the borough.
- Good measurable business engagement
- A resilient business community that accesses opportunities and challenges following Brexit.

3 To invest in ideas that can deliver change for Croydon

Vision

A Borough which nurtures ideas in an enterprising culture.

What we will do

- Make commercial investments that deliver a financial return and that also deliver wider economic benefit building on our success in investing in homes, and commercial investments.
- Work with universities, colleges, developers, investors and businesses to develop our knowledge economy focusing on creative, digital, innovation and new green technology sectors
- Using our buying, regulatory, investment and influencing powers to support creation of high value jobs in our growth sectors
- Explore and support alternative commercial models including social enterprises and co-operative models that have a solid business base but that also materially benefit residents and their communities.
- Bring a mixed Higher Education offer to the borough by continuing to work with existing partners such as Croydon College, new partners such as London South Bank University and look towards international markets to bring in
- Champion higher level apprenticeships particularly in digital, manufacturing and health & care – delivering a university education on an apprenticeship basis linking universities into businesses via on the job learning
- Develop Croydon Enterprise Loan Fund and explore other finding models to invest in business ideas
- Support creative, digital, innovation and new green technology clusters to support business to business, and business to education knowledge transfer

What will success look like?

- An idea culture that develops new and innovative ways of bringing private sector and public together to embed new technologies in enterprise settings
- More businesses and jobs in the knowledge economy
- More investment in creative, digital, innovation and new green economy technology sectors

4. To invest in our people

Vision

A fairer economy.

What we will do

- Invest in education and skills providers ensuring a world class education offer for our residents
- Raise the aspiration of young people by working with our schools and colleges including supporting the provision of independent Information, Advice and Guidance (IAG), and focusing on employment opportunities in our growth sectors e.g. in knowledge and STEM (Science, Technology, Engineering & Manufacturing) industries.
- Ensure the borough’s training offer meets the needs of employers and our economy. We will work with partners to create employment and skills pathways to work from school and college to business in key sectors including construction, health & care, creative, new green economy and digital and will support creation and take-up of apprenticeships.
- Ensure residents have access to preferential pathways to jobs in the borough for example by continuing to invest in and improve Croydon Works job brokerage.
- Promote the Good Employer Charter to increase the number of employers in Croydon that not only pay the London Living Wage but also recruit and buy locally and have established policy and practice which promotes inclusivity and environmental sustainability.

What will success look like?

- Residents are able to secure and retain well paid jobs that promote financial independence.
- An inclusive economy that provides great London living wage job opportunities for Croydon residents.
- A strong “Good Employer Network” that supports and promotes inclusivity and environmental sustainability.
- Skills pathways that enable lifelong learning for residents and support the needs of Croydon businesses in key growth sectors.

———— CROYDON'S ————
ECONOMIC STRATEGY
OPPORTUNITY FOR ALL
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