**ROYAL BOROUGH OF GREENWICH ECONOMIC DEVELOPMENT STRATEGY CONSULTANT SPECIFICATION**

**1. INTRODUCTION**

The Royal Borough of Greenwich (RBG) is inviting applications for the development of an Economic Development Strategy (EDS) to inform its direction of travel over the coming 5-10 years.

**2. BACKGROUND**

Greenwich is one of the largest of the 33 London Boroughs with an area of 5,044 hectares. It has 13 kilometres of Thames frontage and is one of 12 boroughs that make up the London Thames Gateway, the UK’s largest regeneration area. The borough has a rich heritage set in its maritime and military past, largely associated with the river and more recently as an industrial centre at Woolwich Arsenal. The Maritime Greenwich World Heritage Site comprises the historic town centre of Greenwich, Royal Park and related institutional buildings.

Woolwich served as a Royal Dock for 350 years, and was one of the world’s largest centres for arms manufacture. The dockyard and arms manufacture provided major employment for the local population. The borough’s employment base dramatically declined following the Second World War and the subsequent collapse of manufacturing, culminating in record levels of unemployment during the 1980s and early 1990s.

The borough has seen the beginnings of recovery and is changing rapidly as a result of regeneration. Over the past 15 years, four million square metres (1,000 acres) of derelict land have been remediated as key sites in the borough for regeneration purposes. Thousands of new jobs have been created. New transport links, including the DLR extensions to Woolwich and Greenwich, and the Jubilee Line to North Greenwich, have improved links to Central London, Canary Wharf, the Royals and Stratford.

Crossrail is due to open in 2018, in Abbey Wood and Woolwich, and will be a catalyst for further regeneration, opening up new opportunities for residents, and existing and new businesses. Future proposed infrastructure development will continue to open up the borough to cross river linkages as never before.

At the same time, the Council faces a number of challenges, including the continuation of severe public sector spending restrictions, a rapidly growing and changing population, as well as the need to support areas with significant deprivation. The combination of high housing costs, low wage growth and precarious employment has increased in-work poverty and means that inequalities persist between areas of the borough in health, wealth, achievement and quality of life in general. In the current economic conditions, it is vital that the Council targets its own investment to maximise the benefits for residents and the impact on the local economy, including the use of Council investment and the lever of private funding to develop asset backed vehicles where appropriate, or to consolidate land ownership to create the environment for economic development and place-making.

If the Council is to continue to make progress in the face of these challenges, it needs to target resources effectively to support the Royal Borough’s key objectives for economic development and promote economic prosperity for all by:

* maintaining and where possible accelerating the momentum and sustainability of regeneration and economic development opportunities;
* attracting investment, helping small businesses and local people to succeed, increasing skills and employment opportunities and lifting the poorest residents out of poverty;
* making the most of the unique offer and opportunities that Greenwich has.

Appendix 1 sets out summary profiles of the Greenwich economy and borough residents.

**2. PROJECT DESCRIPTION**

The Economic Development Strategy (EDS) is an opportunity to present a snapshot of the borough’s economy, with an analysis of how this could look in the future and what the borough can do to maximise benefits for its residents and businesses, demonstrating the borough’s key assets and its unique selling points. The strategy should sit within the wider London strategic landscape (Mayoral, sub-regional) and be consistent within this context, whilst at the same time providing a Greenwich specific perspective which will articulate the borough’s position and plans and be used to influence policy (for example, lobbying for metropolitan town centre status for Woolwich).

The analysis should be finessed in setting out the different economic functions of different parts of the borough (for example, Greenwich, Eltham and Woolwich town centres, Charlton Riverside). It is intended that the EDS will inform the activity of different functions within the Council such as Employment and Skills, Regeneration, and Planning, deliver additional value (e.g. to the forthcoming Employment Land Review being commissioned by Planning), and provide an action plan for the borough against which Council Members and local residents can monitor future progress.

The EDS will set out key spatial, business investment and skills implications, to show how the Royal Borough of Greenwich can:

* improve its economic performance, including retaining and developing higher quality jobs
* ensure residents maximise access to jobs
* capture its share of growth and/or emerging high value sectors
* encourage start ups and business growth
* maximise income from business rates
* retain sufficient land for employment uses and jobs

The key audiences for the strategy will be:

* Members and officers within the Council to inform the strategic direction of travel; the strategy will primarily be ‘owned’ by the Council, and a delivery action plan will support implementation of the Strategy by the Council. (It is anticipated that engagement with Council members through a minimum of one or two workshop sessions should take place after the stage of baseline analysis).
* Royal Borough of Greenwich stakeholders and partners to enable their engagement with the Strategy; these stakeholders include those in the private, public and voluntary sector (possibly through a small number of one to one consultations or a workshop session).
* As a means of communicating the Council’s plan for economic development to residents and businesses in the Royal Borough: the document will be available on the Council’s website.

**3. RESEARCH METHODOLOGY AND STRUCTURE**

The proposed structure for the Economic Development Strategy (EDS) will consist of four analytical tasks as set out below:

1. ***Baseline - where we are***
2. ***SWOT analysis***
3. ***Vision and strategy- where we want to be***
4. ***Action Plan - how we are going to get there***

These analytical tasks should be applied to each of the following key themes as chapters

* Jobs and skills
* Business, including key sectors, locations, and inward investment
* Town Centres, particularly with regard to Woolwich Town Centre’s possible progression to metropolitan town centre status in a future London Plan

***a. Baseline - where we are***

*Economic Data*

The borough has access to a large amount of economic data, although there are some gaps which will need to be filled, for example business survival rates in the borough. There are key documents and data sources that will help to inform this section, including:

* RBG Core Strategy
* Greenwich Smart City Strategy
* Economic Growth and Higher Value Jobs Report
* Growth Boroughs’ Convergence Framework/Annual Reports
* Learning and Work Institute economic analysis of Local London
* GLA Employment Atlas, etc.

The first part of the research will consist of establishing facts: economic baselines, trends and trajectories. The assessment should show what our economy is composed of; how it performs in comparison with similar areas in London, the South East, nationally or internationally, as relevant. The assessment should identify which sectors are performing well, emerging sectors, where the skills shortages are, what the borough’s unique selling points are, and what are our locational, economic and social capital assets.

The baseline analysis will include datasets such as those set out in appendix 2. The borough has access to a large amount of economic data; what is required, therefore, is sharper analysis and correlation.

***b. SWOT Analysis***

The SWOT analysis should identify key catalysts (drivers of change) that could initiate or accelerate growth, and investigate the key regional (London-wide), national and global (where relevant) issues and trends driving economic change: a suggested list is attached at appendix 2. The analysis should be fine grained in setting the specific challenges and opportunities for the Royal Borough of Greenwich.

***c. Economic Vision - where we want to be***

This part of the task will build key strategic objectives for each theme based on the SWOT analysis and address:

* What we want our economy to look like in 5 / 10 / 15 years
* Building on the SWOT analysis, set out strengths / weaknesses, maximising opportunities and mitigating threats.
* Key strategic objectives and success measures.

***d. Action Plan - how we are going to get there***

The Action Plan will identify actions, targets, timescale, lead and key delivery partners, probably for a shorter timescale of the next five years, and how it will be delivered, alongside suggested funding sources, success measures etc.

**4. OTHER REQUIREMENTS**

The successful bidder will be required, as part of the process, to develop a methodology that demonstrates the most appropriate approach, structure and timescales for delivery of the project. Bidders will be expected to identify the analytical tools and statistical methods to meet the specification requirements outlined in this document. Capacity to engage with Council Members and stakeholders through workshops to share and develop critical and strategic thinking will be an essential part of the process.

**5. KEY OUTPUTS AND TIMESCALES**

The key outputs and milestones below provide a framework that the successful bidder would be expected to work to. Bidders should also complete the pricing schedule (Appendix 3).

|  |  |
| --- | --- |
| **Key project milestones/outputs** | **Indicative timetable** |
| Absolute deadline for receipt tender | Midday Monday 30th January  |
| Shortlisting of companies | W/C Monday 30th January |
| Interviews (in Woolwich) | PM on Tuesday 7th February |
| Contract awarded | W/C Monday 13th February  |
| Inception Meeting | W/C 20th February  |
| Work commences | W/C 20th February  |
| Progress Meeting 1 | Mid/late March |
| Member workshop 1 | Late March/early April |
| Interim Report submission | Late April |
| Progress Meetings 2  | Late April |
| Member workshop 2 | Early/mid May |
| Progress Meeting 3  | Early June |
| Draft final Report submission to RBG | Mid June |
| Presentation to GMT and Final report | Late June/early July |
| Adopted by Full Council  | July/August |
|  |  |

**6. SELECTION CRITERIA AND PRICING**

There is a budget of circa £40,000 (including disbursements, excluding VAT) for this piece of work.

The selection criteria will be weighted as below:

|  |  |
| --- | --- |
| **CRITERIA** | **WEIGHTING %** |
| **An understanding of the brief and its context** | **15** |
| **Proposed methodology and a detailed work plan and implementation timetable on how this will be delivered.** | **40** |
| **Experience and qualifications - specialist knowledge/ understanding*** Examples of previous relevant economic development strategy experience.
* Details of individual study team members’ qualifications, skills and experience; individual roles and responsibilities within the project team and their input at each stage of work.
 | **35** |
| **Price/Value (please complete Pricing Schedule appendix 2)*** Please provide the day rates of all staff members who will work on the strategy as well as any added value/ complementary services you will bring to the work.
 | **10** |
| **Total** | **100** |

**7. REPORTING**

A Project Steering Group will work with the successful organisation to review work in progress. The Project Steering Group will meet to discuss the draft strategy at key stages (linked to the delivery of outputs) to review progress as set out in the timetable, and agreed in the work programme.

**8. NEXT STEPS**

If you are interested in tendering for this work, please submit a tender, setting out your approach and methodology to developing the strategy through the four key stages of work outlined above. Please also complete the attached Pricing Schedule (Appendix 3) to detail your breakdown of costs, and attach as appendices CVs of team members, and a summary of relevant company experience of similar work.

Please email tenders and accompanying appendices to Linda Highton on linda.highton@royalgreenwich.gov.uk **by** **midday on Monday 30th January**. Alternatively, you can deliver hard copies to Linda Highton, Employment and Skills, DRES, Royal Borough of Greenwich, the Woolwich Centre, 35 Wellington Street, London SE18 6HQ by the same deadline. Please note we plan to invite organisations for **interview PM on 7th February,** interviews to be in Woolwich.

**If you have any queries, please email Linda Highton on** linda.highton@royalgreenwich.gov.uk

Appendix 1: A summary profile of the Greenwich economy

* The GVA for RBG is estimated to be £3.5 billion.
* Between 2007 and 2014, GVA in RBG grew 2.3%.
* The largest sectors contributing to GVA in RBG are: human health and social work (13%), education (13%), construction (12%) and wholesale & retail (11%); these are predicted to remain the largest GVA contributors through to 2020.
* The average house price in RBG is £401,090 (London £527,529; England £190,905).
* Between 2012 and 2016, house prices in RBG grew by 54% (London 58%; England 20%).
* In 2015 there were 9,435 local business units in RBG, 97% of which were in the private sector.
* Between 2007 and 2015 the local business base grew 48% from 6,370 to 9,435 businesses.
* RBG businesses employ 75,200 people, an increase of 6,000 (9%) employees since 2010.
* In April 2016 the largest employment sectors in RBG were: health (18%), education (15%), retail (11%), public administration (8%), and accommodation and food services / business administration (7%).
* The majority of businesses in RBG employ up to 9 people (87%), reflecting regional and national trends.
* Over 31,000 jobs are predicted to be created in the borough in the next 10 years.
* Between 2007 and 2015, self-employment increased by 0.4 percentage points. Based on previous growth, self-employment is predicted to grow in the borough to 14.3% by 2020.
* Business Rates Income is growing each year. Between 2007 and 2014, Business Rates Income increased from £50.6 million to £66.3 million.
* Due to the volume of house building, job density is decreasing in the borough: in 2007 job density stood at 0.51, recent figures reveal that it is now 0.42 (London 0.93; England 0.80).

Summary profile of Borough residents

* The Borough has a population is 268,678.
* Roughly 52.3% of the total population, is White British; the Black, Asian and Minority Ethnic (BAME) population 47.7%.
* Almost one-quarter (24.1%) of the population are aged 0-17, and 68% are of working age (aged 16 to 64)
* One-fifth of the Borough population aged 16+ (20.6%) have no qualifications – the 6th highest figure across London
* 83.1% of the Royal Borough’s residents recorded either good or very good health at the time of the 2011 Census. However, 7.5% stated that their day to day activities were limited a lot – representing the 4th highest rate across the London boroughs.
* Claimant Count unemployment is 1.8% and is 0.3% higher than the London average of 1.5% and the England average of 1.3%. RBG ranks 8th highest out of the 33 London boroughs on this measure.
* In July 2016 there were 3,271 claimants, of which 52% were White. In total, 42.8% of claimants were BAME (Black, Asian and Minority Ethnic) of which 30% were Black or Black British.
* There are currently 10.6% Out of Work Benefit Claimants of working age in Greenwich. Of these 60.4% are claiming Employment Support Allowance / Incapacity Benefit and 16.2% are claiming Lone Parents and Income Related Support.  A high proportion of these are ESA / IB claimants, for many of whom mental health issues are a significant barrier to work.
* Between 2007 and 2015 annual household income increased by £2,057 (+5.7%) and is predicted to rise to £42,320 (+10.3%) by 2020.
* Gross weekly earnings for a full time RBG resident is £594 (London £618; England £524). Between 2007 and 2014 gross weekly earnings increased £19 (+3.3%). Gross weekly earnings are predicted to rise by £2 (+0.3%) to £596 by 2020.
* In 2015, 40.6% of RBG households earned less than the national median income.
* The employment rate for RBG is 72.7% (London 70.2%; England 73.9%).
* In the 10 years to December 2015, the employment rate in RBG grew by 4.6 percentage points. At 72.7% Greenwich has the second highest employment rate within the Growth Boroughs behind Waltham Forest (73.1%).

**Appendix 2**

Analysis required will include datasets such as those set out below.

* GVA
* Housing including house prices and tenures and social housing (rent and tenure)
* Transport including commuting patterns
* Earnings and poverty
* Demographics (population trends, particularly as relates to future workforce)
* Businesses (size, sector, growth sectors, private or public) etc.
* Business Rates income analysis (greatest contributors)
* Demand and supply of commercial property including cost
* Areas of employment land, clusters, hubs
* Jobs (employment and self-employment) , job density, employment type

This is not an exclusive list and we would welcome further suggestions.

Key drivers of change should include:

* Growth areas such as Greenwich Peninsula, Charlton Riverside, Woolwich Town Centre, as defined within the Greenwich Core Strategy
* Employment growth sectors and emerging sectors
* Transport
* Business clusters
* Business support, business networks, and business finance
* The amount and distribution of start-up/co-working space across the borough
* Higher Education as catalysts for innovation and growth
* Digital Greenwich
* Social Enterprise ‎and social value
* Key assets such as the World Heritage Site, the natural environment and open spaces
* Inward investment opportunities
* Potential capital investment
* Housing and commercial developments
* Whether the supply of employment land in the borough is sufficient, in terms of quality and location, to attract the kind of economic development we want. (A new Employment Land Review, currently being commissioned, should feed into this).
* Trends in production, manufacturing, and service industry development which may influence the Council’s provision of employment land by location in support of economic activity.
* An analysis of the impact on business rates and possible income scenarios for the council, post 2020.

This is not an exclusive list and we would welcome additional suggestions.

**Appendi**x **3: Pricing Schedule**

|  |  |
| --- | --- |
| Tender forEconomic Development Strategy |  |
| Name of Contractor |  |
| Address |  |
| Post Code |  |
| TelephoneEmail |  |

**Note to bidders**: please treat the generic template below as a set of minimum requirements and tailor it to produce detailed costing of your work plan.

|  |  |  |  |
| --- | --- | --- | --- |
| **Work plan Timeframe** | Work plan stages /tasks | Team input : number of days broken down by each team member against each task | Totals |
| **Key dates and timescales** |  |  | Time sub-totals per stage /task |
| **Total of days per team member** |  |  | Total days for team |
| **Corresponding day rates per team member** |  |  |  |
| **Total fees per team member** |  |  | Total Fees |
| **Total expenses** |  |  | Total expenses |
| **Total fees & expenses excluding VAT** |  |  |  |
| **Total cost (fees & expenses including VAT)** |  |  |  |

**Signed on behalf of the Contractor:**

**Name:**

**Date:**