



## Policy Panel

Item

8

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Title	City Centre Marketing & Inward Investment		
Wards affected	All wards		

### 1. Executive Summary

1.1 This report provides an overview of inward investment in the city centre. It also considers investment beyond the city centre and marketing of the Colchester proposition.

1.2 It takes as its basis the findings and recommendations from the City Status Task and Finish Marketing Group, which was led by the Our Colchester BID over the Spring of this year.

1.3 The group comprised key business people and stakeholders who assessed the current approach to investment, how it is marketed, who to, and how enquiries are handled and who by. They concluded one key message for Colchester's proposition and have made recommendations about how the process around inward investment and marketing could be improved.

1.4 What follows is a digest of the City Status Marketing Task and Finish Group's report which recommends these responses to these tasks:

1. **Develop Vision Pillars** - upon which other visions, such as the Masterplan, the BID Business Plan and funding applications' visions, can be compared, tested and formulated. The three vision pillars recommended are that:

**The City of Colchester should be:  
Memorable, Liveable and Viable.**

2. **Develop an overarching narrative – aka the Colchester 'Elevator Pitch'** – a common theme for us all to 'talk up' Colchester when businesses talk about their products, services, target markets, investments and aspirations. The recommended overarching narrative is that:

**A 'tech' theme came through strongly and  
should be a NEW comms message for Colchester.  
The infrastructure investment, digital and tech companies  
and the innovation taking place means that  
the 'product' is here. It's a product which complements  
the history and heritage messages well and  
positions Colchester as a forward-thinking, open orientated, city.**

<b>3. Identify Target Audiences and Key Messages – in broad terms are:</b>	
<i>Target audience</i>	<i>Key message</i>
Existing residents	Colchester Connections: creating the next generation of Colchester and connecting it through stories with its long and important history
Would-be residents (Generation Y 'Millennials', Generation Z are 'the next generation')	Colchester: for next generation living
Visitors (Celebrating Colchester's important past)	Dig Deeper: Connect with Colchester's Past Generations
Businesses who are already here and need to be retained here	Colchester: for next generation businesses
Investors (whoever they are)	Colchester: for next generation businesses

#### **4. Develop an Action Plan to improve Colchester's approach to (inward) investment and marketing**

Working in partnership to:

- Understand market demand and supply
- Coordinate marketing activities and reinforce shared narrative
- Identify opportunities through networks
- Be more confident together about Colchester's strong offer
- Influence the future of the city whenever opportunity presents
- Challenge negatives from a position of understanding

BID to evolve the role of the City Status Marketing Task and Finish Group into an (inward) investment and marketing coordination group which would form the basis for the partnership.

Undertake a review of the Colchester Ultraready website, its content in terms of investment prospectuses, and change its name.

Work together to assess whether Colchester could be termed a 'SMART City' following numerous tech projects and initiatives taking place.

## **2. Action Required**

2.1 Policy Panel is asked to consider the report and to take a view as to whether recommendations to Cabinet are required.

## **3. Reason for Scrutiny**

3.1 Investment is key to the economic resilience and growth of Colchester and the surrounding area. This injection of capital shows belief in a place, supports business confidence, enhances its productivity, competitiveness and distinctiveness and provides the right conditions for economic growth.

3.2 From the business/organisation's perspective growth offers the potential for good returns to shareholders, investors and stakeholders from increased productivity. This can be in the form of increased profits but also in the way companies and organisations support local communities. This can be by offering new job opportunities and the chance for people to realise their personal and economic potential through the skills they acquire and the local spend they invest themselves.

3.3 From the place's perspective investment demonstrates confidence in the place. More companies or growth of existing companies diversify the local economy which in turn makes it more resilient to economic shocks. In this way it also contributes to the image and reputation of a place and can be one of the factors which make a place distinctive.

## **4. Reason for Review**

4.1 The Councils' Local Government Association Peer Review, which took place last Autumn, identified that there was an opportunity to review inward investment. City Status also provided a new context to look at this important subject as one of the rationales for applying was that city status would enable Colchester to fulfil its economic and cultural potential of a growing place.

4.2 This challenge was endorsed by The Ambassadors' Group, a group of local business people and key stakeholders, and the content of this report is based on the outcomes of the work it commissioned.

4.3 Colchester City Council approved a new Economic Strategy in February 2023. One of the four priorities identified was in the Place theme where inward investment was identified as a key objective to capitalise on Colchester's new status as a city.

## **5. Background Information**

### **1. Colchester: an inward investment hot-spot**

Between 2014 and 2021, the life of Colchester's previous Economic Strategy, an estimated £333.8m had been invested in the former Borough by the public and private sector.

This investment brought new jobs, new learning opportunities, added choice to improve the quality of life in and the experience of Colchester and have made the city even more investable.

The investments were spent over a variety of sectors:

- Tourism, hospitality, leisure - £86.4m
- Creative, digital, tech - £2.6m
- Sustainable energy - £3.5m
- Supporting retail - £55.1m
- New retail beyond the town centre - £72m
- Construction – new offices for start-ups £7.3m, University of Essex £85.5m, Parkside offices at the University £27m (part of an overall £250m investment at the University of Essex)
- New office space: Amphora I and II

## 4.2 The Inward Investment Landscape

Just as there are many factors which determine where an organisation chooses to invest (availability of land, premises, labour with the right skills, supply chain businesses, raw materials, distribution network, digital infrastructure, quality of life for staff, financial incentives etc) there is a structure which has a role to play in influencing investment, whether that be foreign direct investment (FDI), relocations from within the UK, or investment by businesses already in a place. That framework is outlined below:

- Government policy is a major influence in determining how the UK competes globally. A recent example is the estimated £500m incentive to Tata, Jaguar Land Rover for a new gigafactory in Somerset. The 616 acre factory is expected to supply 40% of UK car battery needs by 2033
- Local Enterprise Partnerships (LEPs) have traditionally channelled EU Structural Funds into projects in places. An example locally would be the development of the Creative Business Centre at 37 Queen Street, operated by SPACE Studios
- Counties: Essex County Council is currently developing an inward investment campaign titled: *Extraordinary Essex*
- Partnerships: NEEB North Essex Economic Board / Freeport East / Our Colchester BID – have aspirations around (inward) investment, as do
- Colchester: Council, anchor organisations, individual company activities and Board decisions

## 4.3 Investment: so much more than 'inward'

The Ambassadors Group of local influential business people and stakeholders were keen to discuss how Colchester, as a new city, was positioned in marketing terms. What should the 'overarching narrative' be?

This was both timely and relevant. City status offered the opportunity to talk about Colchester in a new way. The Ambassadors tasked the Our Colchester BID to gather business interests into a Task & Finish Group to look at inward investment, the overarching narrative and marketing and to make recommendations.

City Status Marketing Task & Finish Group came to some clear conclusions.

1. Investment is so much more than 'inward' because to focus only on external injections of investment overlooks the important contribution of investment by existing companies and organisations in and around Colchester.

These investments by local companies have the same desirable outputs in terms of new jobs, new skills, innovation in processes and products and services,

positive impacts on local supply chains and fundamentally, growth of the local economy.

Investment takes place beyond the city centre because people choose to travel to work in Colchester and therefore contribute to the local economy and there are a significant number of businesses which are based in and support rural communities.

The group concluded that investment is about:

- Driving new businesses to locate here / remain here, including foreign direct investment (FDI)
- Growing businesses already here: new jobs, capital investment, productivity growth
- Creating new jobs and retaining jobs already here
- Developing staff and training them with new skills
- Securing other types of funding: Section 106 funding, Grant funding
- Market driven investment by firms to remain competitive– new products/services, innovation
- Infrastructure Investment to provide the conditions where businesses can thrive, like high capacity Ultrafast Broadband and 5G
- Tech investment into skilled people, infrastructure, business networks and clusters
- Investing lives here – choosing to move to Colchester to live here / remain here
- Visiting Colchester – investing discretionary household income and precious time here – making memories
- Retaining students here / attracting new students here

#### **4.4 Colchester: the offer/'product'**

Colchester – the place. All the aspects of Colchester which make it distinctive, which together, are more than the sum of its parts and therefore make it a compelling place to invest compared to other places.

- The city centre and all of its heritage, cultural, leisure and retail assets
- The rural hinterland
- Location: close to the coast, near to air and sea ports, good road network
- Skills base and pipeline: good education, training, Further and Higher Education offering
- Premises – right quality, right location, right price/rent
- Project pipeline: the £40m regeneration of the city centre is an inward investment programme of projects being delivered out to 2030
- Record of delivery of investment projects: Colchester has an excellent reputation among Grant providers for delivering the projects funded
- Investor and business confidence: there is strong confidence in Colchester, however, like many places it has difficulty providing the right premises in the right location at the right price for investors
- Land availability
- Infrastructure (transport and digital)
- Housing mix and affordability
- Other investments planned/taking place which complement
- Business support offering
- Quality of schools
- Leisure mix – quality of life
- Other support services: care homes, nursing homes
- Commercial heritage

- Proximity to markets
- Policy framework – how Colchester is open to business

## 4.5 Marketing

Colchester has two very different approaches to 'place marketing'

The [www.visitcolchester.com](http://www.visitcolchester.com) website is the official marketing resource for tourism and leisure which targets visitors and residents alike.

The Marketing Task and Finish Group was impressed at the sophistication and creativity of the tourism marketing campaign and the promotions it included both by the VisitColchester team on social media for instance and also in partnership with other organisations such as VisitEssex and VisitEngland.

The [www.colchesterultraready.co.uk](http://www.colchesterultraready.co.uk) website is the official website for business. It has two aspects: firstly to serve existing businesses in and around Colchester with signposting to business support services so that they can invest and grow here, and secondly, to showcase Colchester for inward investment purposes.

The Marketing Task and Finish Group had recommendations for improvement based around shared information, updating, adding content and renaming this website.

## 4.6 The importance of networks

- 4.6.1 The purpose of the Ultraready website is to be a more of a reference library rather than an advert which delivers enquiries. It is more likely to be used as support after an enquiry is received by sending specific links to enquirers and their agents.
- 4.6.2 Investment enquiries are most often discreet or confidential, and can sometimes even be fully undisclosed. Share prices, competitive positions and company reputations can often be at stake and so most of the work around investment is carried out discreetly through the connections people have.
- 4.6.3 These networks can be personal and professional and enquiries can come into any point at any time. Typically they come in to:
- Commercial agents: eg: Savills, Knight Frank, Whybrows, Strutt Parker and Fenn Wright
  - Senior Council Management
  - Government Departments
  - Essex County Council
  - Business support organisations such as the Colchester Business Enterprise Agency
  - Through sector, personal and professional networks
- 4.6.4 Enquiries are then handled responsively, discreetly and knowledgeably by all these contact points who work with each other to develop bespoke prospectuses for enquirers and to further the relationship with them.
- 4.6.5 An anonymised case study would be a Council investment project a few years ago to develop work space for start-ups. The project required an operator and a discussion was held with a local company in the same sector. They contacted

key interests in their sector network, a visit to Colchester was arranged, meetings held to discuss their requirements and how they could be matched. Ultimately the operator located to Colchester, the first expansion outside of London for them.

#### **4.7 The power of data and research to identify market opportunities**

4.7.1 Sometimes research and insight offers an opportunity to explore potential future investments, often through Government grants. Colchester has been active in this area for many years and this approach is delivering or has delivered:

- Care Tech project – evidence points to market opportunity, market research to develop feasibility studies to take to potential funders. A long term aspiration
- The Ultrafast Broadband ‘Digital Strategy’ delivery - £50m+ in partnership with Swedish company, VX Fiber. This is thought to be Colchester’s largest ever foreign direct investment (FDI)
- Destination Development – converting day trips into short breaks to improve the economic impact of tourism. A Feasibility Study in 2008 identified the need for four new hotels. This provided the evidence developers needed for investment. Between 2010 and 2016 six new hotels, worth around £40m investment, brought an additional 67,500 bednights to Colchester and all existing hotels remained with no closures.

#### **4.8 The power of ambition: project pipelines, Grant Applications and the City Centre Masterplan**

4.8.1 Colchester has for many years been proactively developing a ‘wish list’ of projects for delivery. This long term aspiration has been an anchor for this fast-growing place.

4.8.2 Such an approach facilitates the assembly of funding packages, the assembly of partnerships such as We Are Colchester which is overseeing the Town Deal regeneration programme and ensures readiness when funding opportunities present themselves.

Examples include:

- The Levelling Up Fund and Town Deal regeneration programme which are collectively seeing an investment of more than £40m into Colchester city centre currently and out to 2030.
- The regeneration of St Botolph’s has been an ambition of the Council for around 30 years. It has been partially delivered with the development of Firstsite, Greyfriars Hotel, the Curzon Cinema and the Creative Business Centre at 37 Queen Street. The development of the old Bus Depot with funding from the Town Deal and Local Growth Fund is a current project in delivery which will add to the transformation of this area of the city.

4.8.3 The emerging City Centre Masterplan identifies opportunities for future development and has recently gone to public consultation. This will be an important document for future investment.

## 4.9 Company and organisational autonomy

4.9.1 Investment decisions are made autonomously by Boards, Trusts, Government Departments and individuals. There will be drivers for these decisions and objectives which may or may not be shared with other parties.

4.9.2 This means that decisions can be changed at any time for any reason. A recent example being the withdrawal of Vattenfall from the development of the Norfolk Boreas Wind Farm due to significantly deteriorating market conditions (increased costs and supply chain delays).

## 4.10 Conclusion

4.10.1 Thanks to the work of the City Status Marketing Task and Finish Group we now have an agreed:

- Set of vision 'pillars' for Colchester
- An overarching narrative around 'tech'
- Identified target audiences
- An Action Plan to improve our collective investment approach going forward
- And partnerships in place to make it all resonate

4.10.2 Colchester is open to the development of its economy, both from existing businesses and from new, incoming businesses because both bring new employment opportunities, skills and network development opportunities, and to enhance the diversity of the local economy and the resilience that can bring.

## 5. Equality, Diversity and Human Rights implications

5.1 This report considers the national, regional and local approach to inward investment and marketing and identifies the potential to be realised offered by people in underrepresented groups.

5.2 The Council's Economic Strategy 2023-25 considers equality, diversity and human rights implications through its [Equality Impact Statement](#).

## 6. Standard References

4. There are no particular references to community safety; health and safety, environmental and sustainability or risk management implications.

## 7. Strategic Plan References

7.1 The programme of skills development and business support is driven by the Council's [Strategic Plan 2020-23](#) objectives:

- Growing our economy so that everyone benefits
- Respond to the climate emergency
- Delivering modern services for a modern city
- Improving health, well-being and happiness

## 6 Consultation



- 6.2 The Ambassadors Group of local influential business people and stakeholders were keen to discuss how Colchester, as a new city, was positioned in marketing terms.
- 6.3 The Ambassadors tasked the Our Colchester BID to gather business interests into a Task & Finish Group to look at inward investment, the overarching narrative and marketing and to make recommendations.
- 6.4 At the time of writing the recommendations of the City Status Marketing Task & Finish Group are being shared with The Ambassadors and the BID as well as being used to engage Council service leaders and Members.

## **7 Publicity Considerations**

- 7.2 The Marketing Task and Finish Group had no recommendations for improvement or change in tourism marketing plans.
- 7.3 However, there are recommendations to improve the Ultraready website and also how we could work more effectively together to create an even stronger network for enquiries in Colchester.

## **8 Financial implications**

- 8.2 It is anticipated that the improvement to the content of the Ultraready website can be achieved within current financial resources.