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How Luton is gearing up to ensure local people benefit from one of the country's fastest-growing economies

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Sky's the limit

Luton Council has worked hard to create the conditions for success – and now it's reaping the rewards for local people

Luton describes itself as one of Europe's best-kept secrets but there's plenty to suggest the cat is well and truly out of the bag. Climbing house prices and a rapidly growing business sector are sure signs that people have caught on to the fact that Luton is the place to be.

Then again, when you've got around 11 million people passing through your airport every year, it's difficult to go unnoticed. And that's just how Luton Council likes it.

The local authority owns the airport and it's no surprise that its greatest asset is at the heart of a new draft investment framework. While Vauxhall once dominated the town, and even today is headquartered in Luton and expanding with development of the Vivaro van, the airport is now a strong engine in the local economy and has been home to easyJet and its meteoric rise.

While the political debate over how to expand the capital's airport capacity continues to rumble on, London Luton Airport – already the UK's fifth largest – is taking off with its development plans. Over the next two years a £100m redevelopment will see its capacity rise to 18 million passengers per annum in a transformation designed to make it the airport of choice for anyone flying from London, Luton and the surrounding regions.

It already employs 8,600 and will play a key role, both directly and through its supply chain, in delivering the 15,000 new jobs promised by the investment framework. It is estimated that every extra million passengers generates 750 jobs across the airport area and overall the airport contributes £1.25bn to the local and regional economy. But the council's chief executive Trevor Holden is quick to point out there's an awful lot more to Luton than its airport.

'We have got the airport and we are going to make that asset sweat,' he says. 'Most other places have a USP and they need to find what it is and exploit it. We are very privileged in terms of having the airport here but I wouldn't want people to think that it's the only opportunity we have.'

Pore over the framework and it soon becomes clear where those other opportunities lie. Most corners of this Bedfordshire borough, which lies just 30 miles north of London, are accounted for – from its high tech business parks like Butterfield Technology Park and Capability Green to the seven Green Flag winning parks. As Mr Holden puts it: 'We are built up to our boundaries and at a high density.'

But there is capacity – and an appetite – to accommodate more blue chip firms to join the likes of Astra Zeneca, Selex-ES and Ernst & Young, and established firms such as



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Hayward Tyler, celebrating its bicentenary and still at the cutting edge of engineering.

At Napier Park, the town's former car manufacturing plant is being redeveloped in a £400m mixed use lifestyle scheme that will include homes, business premises, leisure and retail options. Prestigious landmark buildings are being sought for this gateway site into Luton, situated close to the recently improved Junction 10a of the M1 and the centre of town.

Butterfield Technology Park has further land for development of research and high-skilled engineering. Meanwhile, the local plan shows a ribbon of office development to support the growing sub regional economy. Indeed there is talk of persuading Government offices of the wisdom of relocating to Luton, only 21 minutes by direct train from St Pancras.

Luton's location, connectivity and momentum ought to put the targets set out in the investment framework well within reach. But, as Andy Haughey, retail development director at Capital & Regional (C&R) points out, those

ingredients of success 'don't happen by accident, they have worked hard to make that happen'. He's referring in the main to the investment the council has made in the town centre, including an extension to The Mall, which C&R leases and runs. Major improvements are transforming the image of the town and have led to a dramatic rise in inquiries from retailers wanting to locate there.

But it equally sums up Luton Council's overarching approach to take risks, create the environment for investment and steer that growth in a manner that benefits everyone. The 20-year framework sets out how Luton, in the words of leader Cllr Hazel Simmons (pictured above), will become 'a thriving, self-sustaining town, proud of its heritage and its future, a place that brims with opportunity, talent and economic activity of all kinds'.

On a tour of the town, Colin Chick, director of environment and regeneration, reels off example after example of projects that required a good deal of business nous and lateral thinking from the council to get off the ground. Why did Vauxhall opt to have Vivaro production in Luton? Because the council and training providers worked hard to boost skills and productivity in its existing operation. Why did the University of Bedfordshire opt to invest £150m in its Luton town centre campus rather than other sites? Because the council offered land and made the decision – and process – as simple as possible.

Mr Chick believes that adopting a 'quality, quality, quality mantra' across the board with its partners, whether in the nature of jobs attracted or in transforming the public realm, has built investor confidence. For example, St George's Square at the heart of the town centre was designed by Gillespie, the architects behind public spaces in some of London's most prestigious districts.

'What we've done really well, despite losing revenue budget, is we have gone out and secured leverage to win capital bids,' he explains. 'That has included three successful bids to the Regional Growth Fund and £0.5bn of investment in education.'

Not bad going 'when you're a dot of red in a deep sea of blue,' says Mr Holden, a reference to being one of the few Labour-run councils in the south east.

'It's been about the local authority taking a bold lead, changing aspirations and opening the door to Government and private sector investment. We can deliver the right things for the place. It's not about party politics – it's about politics of place.' In his eyes, the investment framework is a statement of intent about the kind of council Luton intends

to be. 'We're here as an enabler and this framework outlines how we go forward. A corporate plan is fine if you are a local authority doing regular local authority things. But this is about building a place with our key partners.'

Luton is one of three 'super diverse' communities outside London, where some 122 different languages and dialects are spoken. At no time is this more evident than during the town's annual carnival, the largest of its kind in Europe and second only to Rio.

There are ambitions to expand the already vibrant artistic offer to further embrace and entertain Luton's diverse population and promote the town as a creative and cultural destination. With that in mind, proposals are well advanced to secure funding to refurbish the grade three listed museum at Wardown Park to protect its future and create an enhanced visitor experience.

Added to that complexity are pockets of deprivation, in part a legacy of manufacturing decline towards the end of the 20th century. The ongoing challenge for Luton is therefore to ensure the economic growth that's expected over the next two decades reaches every corner. Key to that will be efforts to match the town's skills base with the needs of local employers and to offer more opportunities for those in low paid work to gain qualifications and access better quality jobs (see page 4).

Ultimately, given the reduced resources for public services, the aim of the local authority is to reduce demand for many of its services. It is 60% dependent on Government grant and has therefore been hit hard by austerity measures. The council aims to play the long game by drawing in private and public investment, and understands the economy is

LUTON'S VITAL STATISTICS

Local population of 215,000 and a reach of 23 million people within two hours of London Luton Airport

122 languages and dialects spoken

One of three super diverse communities

91% of schools are good or outstanding

In the top five places in England for the highest number of school leavers going to university

Luton International Carnival the biggest one-day event of its kind in Europe

In 2013 more than 1,000 firms were set up in Luton in the space of six months

House prices are predicted to rise by 41% over the next five years

key to managing demand for traditional and expensive council services. The most tangible example is the airport. Dubbed 'the people's airport', its connection to the town is both physical – you can see the end of the runway from the train station – and financial. For every passenger that passes through the airport, the council receives a dividend which

is being used to reinvest in growing the local economy and facilities. So when the local authority fought tooth and nail to secure improvements to M1 junction 10a, a vital gateway to the airport, it opened the door to multimillion pound private investment in the asset.

'It's therefore a symbiotic relationship for the council and its residents,' says Nick Barton, the airport's chief executive. 'It incentivises it for both of us to invest.'

Not content just to be an arriving airport, Luton sees itself as a destination. Its £26m world-class 50m swimming and 10m diving facilities at Inspire sports village are proving a national draw and have been the Saturday night home of ITV's Splash! Funded from prudential borrowing against the airport, and visited by more than 500,000 people in its first year, Inspire is proving instrumental in increasing leisure activity in Luton and the region. No wonder its Dive programme, led by Team GB coaches, is at capacity for the foreseeable future.

The very fact that Luton collectively owns its airport is down to political consensus a few years ago to retain ownership. That decision may prove to be the making of Luton given its rapid growth and pivotal place in the investment framework.

For Cllr Simmons, the framework reflects members' and officers' desire to be ambitious and inspire local people.

'You have to have a vision for the town to deal with what we are going to have to deal with. You have to offer people something, not just "there's going to be more cuts" but "we have a vision to improve your lives". We've been investing to get us to where we are now and it's given us a platform for take off.'



Take a look at www.thinkluton.co.uk – one of the many ways the council is engaging the business community – and the first thing that strikes you is the town's accessibility. As the homepage declares: the M1, M25 and A1 are all a stone's throw away, its rapidly expanding airport links it to 113 destinations and it's served by three railway stations from which London can be reached in a little over 20 minutes.

It's the major reason why Elliot Renton, the airport's chief finance officer (pictured), is signing up new airlines to fly from London Luton on a monthly basis. With 23 million people within a two-hour drive, London Luton Airport has a bigger catchment area than Heathrow.

'We're expanding and we're cheaper,' he says. 'But what really is pulling in and driving that airline growth is where we are. It's the location and our fabulous demographics with so many people within easy reach.'

It also explains why the council worked tirelessly to secure a £30m Regional Growth Fund investment to create a new dual carriageway from the M1 towards the airport around junction 10a – a hotspot for congestion – which would have otherwise hampered the airport's growth. It's

Making the connection



part of £300m of transport and infrastructure investment secured by the local authority with its partners.

That connectivity is mirrored in the town itself, with the £86m Luton Dunstable Busway, opened in 2013, offering a modern, sustainable transport system designed to bypass

congested roads. It's cut the journey time to Dunstable from half an hour to just 12 minutes. But more importantly, it has provided a much needed fast transport link for four of the town's poorest areas – ensuring local people, many of whom do not have cars, can access the jobs being created at the airport and elsewhere.

Luton Station, once named among the worst ten stations in the UK, is being transformed. Town centre redevelopment and work around the station to improve accessibility have made it feel more central and a new £2m footbridge has linked it with the Hightown neighbourhood and a modern multi-storey car park.

With a new bus interchange and the Busway sitting next to the station, the end result will be an integrated public transport hub.

On top of that, better signage, walkways and cycle paths are completely changing what used to be regarded as something of a concrete jungle.

Finding the right skills set

Luton is becoming a magnet for employers offering high quality jobs. Its mission now is to ensure local people are equipped to make the most of those opportunities

It's fair to say that Luton's schools have gone through something of a transformation recently. Following a fresh round of Ofsted inspections, an incredible 91% of schools are rated good or outstanding – outperforming those in more affluent neighbouring areas. The proportion of 16-18 year olds not in education, employment or training has fallen from 6.5% in 2010 to 3% today.

A major factor has been the £175m investment in secondary schools over the last five years and £200m into Luton Sixth Form and other FE colleges. Two new schools are in the pipeline and the council has taken the pragmatic decision to invest in a new free school, delivered in partnership with the Department for Education and the Education Funding Agency, to help it expand, unusual for a Labour-led authority.

Luton has historically struggled with a low skills base, partly a legacy of being dominated by Vauxhall and its provision of relatively well paid but low skilled employment. When the firm's main plant closed in 2002, 'members were adamant that the regeneration of the town should not be service sector led,' explains Colin Chick, director of environment and regeneration. 'The town was on its knees at that point and decided not to go down that route – it wanted good quality jobs.'

The influx of blue chip firms that has followed over the last decade indicates that strategy has succeeded. But the task now is to match local people with the opportunities on offer – or else face losing its brightest to London and resigning many others to working in low wage, zero-hours contract jobs.

These challenges are being tackled across the age range in partnership between the local authority, education providers and employers. At the youngest end, Flying Start (see box) is working to ensure all children arrive at school ready to learn.

For school leavers and adult learners, the creation of a Luton Skills Academy over the next two years, a key pledge in the investment framework, will draw together a network of providers to develop provision directly aligned with employers' needs. For example, courses that equip local people to work in the private jet servicing industry – with London Luton Airport being the second biggest location for private jets in the world after Moscow.

A growing apprenticeship programme, designed with extra flexibility to meet the needs of unemployed people and employers, has success rates 20% above the national average. 'The investment framework gives this an added platform,' says Mike McMahon, head of community living. 'It's about quality apprenticeships. People are

seeing apprenticeships as a way to get into "real" jobs.' Of the last cohort, predominantly with SMEs, 90% landed permanent jobs.

It's echoed by Tim Eyton-Jones, principal of Barnfield College. His institution's funding for apprenticeships was often contracted out to agencies outside Luton.

'We're reversing that and aligning it with local needs

and local enterprise partnership priorities,' he says. 'It's about working together to be creative and make sure mechanisms are there to re-energise people in low paid work. We have got the funding mechanisms and capacity here. There's the potential for people in Luton to fill that skills gap relatively quickly and easily. Joined up thinking and working will enable us to spot those gaps.'



Flying Start

led by the Pre-School Learning Alliance, Flying Start brings together the council and a multitude of agencies to support families and their children from pregnancy to the age of five.

This 10-year early intervention and prevention programme, launched at the end of 2014, is designed to nurture the health and wellbeing of young children so that they start school ready to fulfil their potential. It includes training key workers to work alongside midwives to offer families practical advice and support so that children develop key skills and lead healthy lifestyles.

Backed by both the council and airport, Flying Start 'provides a platform for systemic change among our youngest children,' says Gill Brook of the Pre-School Learning Alliance, who is managing the scheme.

'It will develop some truly integrated work. I now have teachers asking "what can we do with our youngest

children that will help us develop the parents of the future?" It's a lifecycle approach.'

For Sally Rowe (pictured above), the council's director of children and learning, it complements the wider vision for Luton set out in the investment framework.

'For children under five it's thinking about the skills they need to develop so that they come to reception ready to learn. We want to really get parents to be aspirational from an early age, building a culture of aspiration in communities with high levels of deprivation. It's difficult but we have a platform to do that with the council investing in early intervention when many others are doing the opposite.'

'I now have secondary school headteachers talking about investing in early years. There's a real understanding out there among people who work with families to take part in the fantastic work that's happening here.'