
Title: Chief Executive's Report

Purpose: To update members on the operational activities of the BTVLEP Executive since the March 2018 board meeting, to agree a Careers Hub Funding submission to the Careers and Enterprise Company (Section 2) and to approve the partner financial contributions for the 2018/2019 financial year and (Section 7).

Recommendation: That members note the progress against operational objectives and endorse the funding request to the Careers and Enterprise Hub and partner contributions for the 2018/2019 financial year.

1 Aylesbury Garden Town and Halton Garden Village Vision

The Aylesbury Garden Town Board has approved the specification for the master plan programme. The first elements comprise a longer-term Vision and Strategic Narrative for Aylesbury Garden Town to 2050; Master Plan Framework and Delivery Plan to 2033 and Strategic Infrastructure Delivery Supplementary Planning Document (SPD). It is envisaged that the master plan commission phase will be completed by July 2018.

The remaining elements of the Garden Town commission, an Aylesbury Garden Town Guide SPD and an Aylesbury Site Specific SPD will be commissioned at a later date. The full commission has been split into these two phases to ensure compliance with the thresholds with the OJEU procurement, without further delay to the process.

Following the positive announcement that the Housing Infrastructure Fund for Aylesbury had progressed to the second stage of development, we have now received updates on how the project will be co-developed with Homes England. A copy of the correspondence is attached as **Appendix 1** to this report and includes 3 deadlines for business case submissions allowing potential drawdown of funding over the next 12 months, the deadlines are:-

- 10 September 2018 – funding decisions expected from Nov 2018
- 3 December 2018 – funding decisions expected from Feb 2019
- 1 March 2019 – funding decisions expected from May 2019

Through the business case development Homes England will provide co-development support including:-

- Provide access to specialist advice to help project development
- Provide guidance on completing the business case
- Provide support to produce the economic and financial cases

In addition consultants URBED have commenced work on a complementary strategic planning approach looking at the Garden Town concept and focused on the RAF Halton, Green Park and Wendover Woodlands areas. The purpose is to ensure that wider than individual development site options are considered to assist enhancement of community and environment outcomes. The initial findings were presented to a small group of stakeholders on May 14th where they received a warm welcome. It was agreed that this work should be developed in support of the local plan process and as such a wider briefing will be undertaken in July.

2 Skills Board Update include Careers Hub Bid and Sector Action Group

The Bucks Skills Board met on May 9th and considered the development of sector action groups covering the Creative Industries, Space, Construction and High Performance Technologies, Food and Drink, the Information Economy Health. The first three of these groups are now established and have started to provide real insight into the specific skills needs of the specific sectors. Over the next quarter we will be looking to establish the final four groups.

With the support of the Careers and Enterprise Company we have been able to establish one of the most comprehensive Careers Advisor Networks in the country. We are now submitting a follow up funding bid to the Careers and Enterprise Company to establish a new Careers Hub. Reporting directly to the Skills Board, the Hub will be supported by a Careers Leaders Network and a Head Teachers Advisory board and will focus on schools that have a lower proportion of pupils participating in STEM related subjects at A Level standard.

The application is for £120k to fund a full time officer resource for two years including on-costs plus funding for school based events and activities. The bid needs to be submitted by May 25th with successful applicants being notified by end of June 2018 and the new Careers Hub being up and running by September 2018.

Its objectives will be to help schools deliver more effectively against the 8 Gatsby benchmarks of good career guidance in schools, these are:-

- A stable careers programme
- Learning from career and labour market information
- Addressing the needs of each pupil
- Linking curriculum learning to careers
- Encounters with employers and employees
- Experiences of workplaces
- Encounters with further and higher education
- Personal guidance

To support this application a draft letter of support has been produced and is attached as **Appendix 2** to this report. Members are asked to endorse this application and support the submission of this letter.

3 Local Growth Fund Update

The latest quarterly submission in relation to Local Growth Funding expenditure was made at the end of April and showed that BTVLEP had its most successful year to date in committing LGF expenditure. A copy of the latest LGF Submission Dashboard is attached as **Appendix 3** to this report.

This position will be significantly enhanced with the transfer of £9.96m for the Eastern Link Road South (ELRS) in Aylesbury. The LGF sub group of Nick Naylor and Andrew Smith met in April to consider an initial offer letter and to ensure that the offer conditions were in line with the framework approved by this board. A copy of the final letter is attached as **Appendix 4** to this report and includes these specific references on how the funding can be utilised in this project:-

Where the grant is used for acquisition of land to support delivery of the ELRS, release and expenditure of funding will be subject to authorisation of the appropriate Service Director, LEP Chief Executive Officer and Section 151 Officer.

Where funds are to be used directly for design, procurement and construction of ELRS, the LGF grant shall be held in trust by Buckinghamshire County Council and the drawdown of grant shall be to be subject to,

- i. Approval of the ELRS Full Business Case*
- ii. Reserve Matters consent for the ELRS*
- iii. Detailed scheme design, final scheme cost, procurement and delivery plan*
- iv. Acquisition of land and/or rights required for construction of the ELRS scheme*
- v. Assurance that Buckinghamshire County Council has secured funds and contributions required to complete the ELRS scheme.*

Elsewhere in the growth programme, the High Wycombe Town Centre development scheme will move into phase 5 at Cressex, work will commence in June on the A335 road improvements in Beaconsfield and the 5G test facilities at Westcott are now fully operational. Negotiations relating to the Silverstone Incubation Facility have also concluded and a revised draft offer letter has been approved to allow the finalisation of the lease arrangements and fit out of the new facility during June/July.

4 Buckinghamshire Energy Strategy

At the end of 2017 BTVLEP were successful in securing £40,000 from BEIS to support the development of an area wide energy assessment and energy strategy for the area. It is intended that the new strategy will form an integral part of the Local Industrial Strategy referenced elsewhere in this agenda as well as the national Clean Growth Strategy.

All LEPs will need to list systemic energy issues (the bigger picture) in addition to local requirements within their energy strategies. The strategies will support the work programme of newly established regional energy hubs, the purpose of each Hub is to create a self-sustaining programme of energy projects at regional scale. Potential Regional Projects can range from renewable energy systems through to electricity distribution matters or energy efficiency.

All local energy strategies are due for completion by September 2018, ahead of England's five local energy hubs becoming operational by October 2018, in time for them to review the completed energy strategies.

BTVLEP is a member of the Greater South East Energy Hub comprising eleven LEPs in the South East of England, the Accountable Body for the GSE Energy Hub is the Cambridgeshire and Peterborough Combined Authority.

Work on the Bucks Strategy has been underway since February, with the BCC Energy Team supporting the initial production process. There are 6 stages to this process:-

- i. Mapping of Energy Infrastructure – energy infrastructure, including electricity sub-stations, are currently being added to BCC's existing multi layered mapping system.
- ii. Energy Capacity Assessment – to work with DNO's to ensure that projected growth can be accommodated by existing electricity infrastructure and identify when grid reinforcements may be required e.g. what year, with an indication of approximate costs
- iii. Identifying Baselines for CO₂ consumption across Buckinghamshire – baselines for CO₂ usage by sector have been identified e.g. domestic, industrial, commercial sectors
- iv. Projecting CO₂ forecasts across Buckinghamshire – forecasting of future energy use and corresponding CO₂ levels
- v. Challenges - Identifying energy related challenges across the county. These challenges could be unique to county or systemic issues and policy barriers experienced by many LEPs across the UK e.g. grid constraint
- vi. Opportunities – where there are challenges there may be opportunities for clean growth. Unlocking challenges will enable improved economic growth and competitiveness

Energy Mapping alongside known growth aspirations will support improved decisions regarding short, medium and long term infrastructure planning. In particular, it will enable key capacity challenges to be identified earlier in the planning process.

The establishment of CO₂ baselines across sectors by all LEPs is vital as it enables emerging energy patterns to be identified. Again, this helps to identify where the challenges are for Bucks, where clean growth and improvements are required and where valuable opportunities may exist. For example, a high number of off-grid properties in county, which may use oil as the main fuel source for heat, could represent a significant proportion of CO₂ in the area and a potential opportunity for the roll out of ground source heat pump technology.

Forecasting future energy use across county is important. In particular how electric vehicles may impact the local electricity grid. It is anticipated that electric vehicle use may ultimately increase national peak by up to 300%.

The next steps in the strategy development will include strengthening relationships with Distribution Network Operators SSE (Scottish and Southern Energy) and WPD (Western Power Distribution) as part of the energy capacity assessment, the completion of infrastructure mapping and CO₂ baseline and forecast data.

It is anticipated the next steps outlined above will be completed over the summer with final Board approval being sought in September 2018 alongside the Buckinghamshire Industrial Strategy.

5 Growth Hub Update

The Growth hub funding of £287,000 for 2018/2019 has now been received from BEIS following approval of the programme submission for the coming year. A copy of the submission is attached as **Appendix 5** to this report.

The recent focus of growth hub activity over the past couple of weeks has been in preparation for the Buckinghamshire Business Awards taking place at the Aylesbury Waterside Theatre on May 22nd. BTVLEP are sponsoring the Growth Business for the Year category in support of the scale-up focus that BEIS have endorsed.

6 Digital Infrastructure Group Update

The Buckinghamshire Digital Infrastructure Group met on May 11th and received an update on the current broadband programme performance. I am pleased to report that Buckinghamshire has now passed 95% super-fast connectivity and that recent connections have improved our coverage levels which now match the national average having previously lagged on the last full Ofcom assessment in 2016.

The group heard that a new open market review of broadband coverage had now been undertaken. This review had been supported by BT, Virgin and Gigaclear and that a number of suppliers with a footprint in the local area had been further encouraged to complete their development assessments. The review will be helpful in supporting future delivery planning and in particular a forthcoming submission to Defra to enhance connections for rural businesses within the county. Further updates were received on how the proposed digital strategy would align with the Local Industrial Strategy and it was resolved that the next meeting would be held at the 5G test Facility at Westcott.

7 Budget Update including CIPFA Consultation Response and budget Partner Consultations

In October 2017 the Mary Ney Review of Local Enterprise Partnership (LEP) Governance and Transparency included amongst its recommendations the need for further clarity on the role of Chief Financial Officers (CFOs) and Section 151 Officers. Against this background, CIPFA is

now consulting on the principles set out in this consultation and helping to improve the understanding and awareness of the role.

I will be meeting with Richard Ambrose ahead of the board meeting to support a response to this consultation ahead of the May 30th schedule. We believe that our current governance processes including the attendance by Richard at all board meetings helps ensure that we comply with the regulations but we will see if there are further areas of best practice that we can embrace. Full details of the consultation process can be found via the attached link <http://www.cipfa.org/policy-and-guidance/consultations/consultation-on-the-role-of-cfos-in-leps> and a copy of the Draft CIPFA Guidance is attached as **Appendix 6** to this report.

In April we received confirmation from Steven Jones the new Director of the Cities and Local Growth Unit confirming our LGF and core funding for the forthcoming year. Whilst praising our performance over the past 12 months he also emphasised the need to comply with accountability and governance standards to ensure continued funding. A copy of this letter is attached as **Appendix 7** to this report.

As part of the funding arrangement, BTVLEP have to demonstrate partner support. In the main this is in-kind contributions such as officer commitment to projects and programme management, there is however a small financial contribution from Local Authority Partners. Board Members are asked to approve the partner contributions, which are in line with those provided in previous years. A copy of the partnership funding schedule is attached as **Appendix 8** to this report.

8 Enterprise Zone Update

Further positive progress continues to be made in the development of all 3 Enterprise Zone Sites.

At Woodlands the Section 106 arrangements are continuing but most issues are now resolved, the Aylesbury Vale Legacy Board will be meeting on May 23rd to address any outstanding Section 106 issues and to consider a report on future project delivery options. We have submitted a response to Homes England in response to follow up questions on the £9.5m marginal viability Housing Infrastructure bid and now await final response.

New tenants have taken occupancy of the Silverstone Enterprise Zone site including the World Champion Mercedes Formula 1 team who have taken a 16,000 sq ft site to complement their Brackley headquarters. Site work has commenced on the Tier 2 Utilities project funded by £5m retained business rates and MEPC are progressing proposals via their board to bring forward the next substantial phase of development.

At Westcott, the planning application for the new roundabout and access road has been submitted. When approved, the £1m works are due to be undertaken in the Autumn and will ease future development applications for the site. Anthony Sowden hosted the South East Enterprise Zone regional network at Westcott on May 15th giving MHCLG and BEIS officials the chance to learn about the development underway and in the pipeline.

An invite has been extended for a ministerial visit to the site in September providing the opportunity to officially launch the 5G test facility and Incubation Centre and to see the progress in developing the new Reaction Engines test facility.

I also recently hosted a visit from the Welsh Government to look at alignment between the rocket testing facilities at Westcott and sites throughout the principality with a view to supporting a joint National Propulsion test facility proposition and target further Government Funding.

9 LEP Network Update

I attended the LEP Network Chief Executives Meeting on May 8th. A number of government officials addressed the session including Stephen Jones, Director of the Cities and Local Growth Unit, who reported that each LEP were to receive a new senior sponsor. Subsequent to this announcement it was confirmed that Ben Golding the Director of Home and Local Energy will be our new sponsor, we will be looking to get Ben into Buckinghamshire to meet with the team and board representatives over the coming weeks.

The meeting also received an update from the Prime Minister's Business Relations Lead, Niamh Mulholland, who outlined some of Number 10's aspirations including continued support for SME growth ahead of the LEP Network Chairman's meeting with the Prime Minister scheduled for June.

10 England's Economic Heartland

The England's Economic Heartland Programme received a timely boost earlier this month with confirmation of £1m government funding secured to support the Regional Transport programme. The funding will help support the ambition to develop an overarching transport strategy and follow in the footsteps of Transport for the North which became the first statutory sub-regional transport body this April.

MHCLG and DfT Director Generals are due attend the next Heartland leaders meeting on May 18th to learn about the current programme of activity.

11 Communications Update including Annual Report and new Website

I had the pleasure of attending the ADEPT President's Conference on May 4th to present on behalf of the LEP Network some of the achievements of LEPs and the potential for closer collaboration between the public and private sector through the co-creation of Local Industrial Strategies. LEPs offered to work with ADEPT to refine a policy position on Local Industrial Strategy and to cooperate and coordinate on matters of implementation.

Work is currently underway in the development of the BTVLEP Annual Report which will be published in July, running parallel to this process we are also developing a new website platform which will improve our flexibility in demonstrating our accountability and programme impact and in complying with the new GDPR regulations. Draft visuals for the new website will be available for board members to consider at the meeting.

Members are asked to :-

Note the progress against operational objectives and endorse the funding request to the Careers Hub (Section 2) and partner contributions for the 2018/2019 financial year (Section 7).