

BOARD MEETING July 24th 2018

Confidential – Items 1 & 7

Title: Chief Executives Report

Purpose: For members to receive updates on operational activities since the May Board meeting and in particular to consider the outline proposal for potential investment received from the University of Buckingham (paragraph 1), to support an open call for LGF Capital Investment using unallocated LGF funding and to consider the consultation draft of the energy strategy for Buckinghamshire (paragraph 2).

Recommendation: That members note the content of this report and:-

- i. Consider the University of Buckingham proposal and agree a response.**
- ii. Support an open call for new Local Growth Fund Projects in August 2018, noting that priority will be given to projects that can be delivered by 2021 and provide a direct investment return for BTVLEP.**
- iii. Endorse the principles of the consultation draft Buckinghamshire Energy Strategy and approve the consultation timetable and proposed co-creation of the final strategy with the regional Energy Hub team & BEIS teams.**

1 Draft Buckinghamshire Energy Strategy

At the last meeting of this board, the outline framework for a new Buckinghamshire Energy Strategy was shared with members. This work has been supported by BEIS and is seen as an integral element of the Buckinghamshire Local Industrial Strategy.

Over the past two months this strategy framework has been further developed with the primary emphasis being on the collection of baseline evidence around energy usage and projections for Buckinghamshire. This baseline evidence is particularly important as it will help to identify future and current grid constraints and support greater collaboration to help manage those constraints and advance economic growth. An initial consultation draft of the strategy is attached as **Appendix 2** to this report. As with all elements of the Local Industrial Strategy this is intended to be produced in a co-creation framework with central government partners and following feedback from this board the strategy will be shared with the South East Regional Energy Hub and BEIS colleagues as well as through industry specific consultation events being held over the summer months.

The analysis of the initial baseline evidence has highlighted a number of energy investments that could be delivered locally or supported by the Regional Energy Hub. These include the closer alignment of energy grid infrastructure by the 3 Distribution Network Operators (DNO's) operating within Buckinghamshire, exploration of the legacy from energy capacity being provided by national infrastructure schemes such as HS2 and the development of new battery

and heat storage networks. The strategy will also help identify how entrepreneurial innovation within the low carbon and energy sector by Buckinghamshire businesses can be further supported. .

Members are asked to endorse the consultation draft and advise on any areas they would like to be further investigated within the consultation and engagement process. It is intended that following engagement the final report will be brought back to this committee in October for approval.

2 LEP Network Update, LEP Review and future delivery structures

It is expected that the LEP Review will be published ahead of the summer Parliament recess. Stephen Jones the Director of the Cities and Local Growth Unit will be presenting to Chairs and CEO's at a LEP Network workshop on July 17th to provide some feedback on the review. Andrew Smith and Ian Barham will be attending this session and will report back on any new updates.

I met recently with Stephen, and although he was not in a position to provide detail on the review he indicated that the key areas that would be featured included a further expansion of the transparency and accountability of LEPs identified from the Ney Review, it will provide a further challenge to LEPs to consider the diversity within board composition and incorporation status and is likely to feature recommendations on LEP geographies and overlaps.

In anticipation of the review and together with Philippa Batting I have recently initiated a high level assessment looking at the effectiveness of our current operational structures with the aim of seeing how relationships within our delivery structures can be further enhanced in light of the expected review recommendations.

3 Planning Update including Major Infrastructure Programme Progress & Housing Infrastructure Fund Updates

The Vale of Aylesbury Local Plan hearing commenced on July 10th and is expected to run through to September. This will be followed on July 16th by the Wycombe District Plan which will be operating on a similar timeframe. The Chiltern and South Bucks Local Plan has been delayed with the hearing is now expected to be held in 2019 due to additional transport modelling assessments required by Highways England linked to motorway junction usage.

Members will recall that a major part of the evidence base for the local plan assessments was a commercial employment land assessment in support of the HEDNA (Housing and Economic Development Needs Assessment) undertaken by Michael Garvey on behalf of BTVLEP in 2017 and reflected in the joint MOU signed by this LEP and the district planning authorities in July 2017. This report recommended 3 overarching principles that should be considered in the allocation of future employment land.

- i. Plans should reflect the uncertainties in relation to future economic growth by adopting a precautionary and flexible approach to economic development, including ensuring allocations are flexible to adjust to changes in the market;
- ii. Councils should monitor economic activity and market trends, and address any implications in reviews of local plans as necessary and;

- iv. The overall approach across the Buckinghamshire Functional Economic Market Area broadly delivers sufficient land for economic growth taking into account a range of factors including an element of redistribution of growth from the three southern districts into Aylesbury Vale to take account of their shortfalls due to their constrained nature.

These three principles have been used to guide BTVLEP representations into the local plan process.

Since our last board meeting a number of major developments have taken place in relation to national infrastructure. The most significant of which has been the approval of Parliament for the development of the 3rd runway at Heathrow on June 26th. A statement issued by Andrew Smith for BTVLEP welcomed this announcement, highlighting the significant economic benefits the expansion of this global gateway would provide for our area but looked to ensure that our communities and businesses most directly affected would also fully benefit from the mitigation programmes. To ensure that this objective is realised we will continue to engage directly with Heathrow both through our membership of the Heathrow Strategic Planning Group and via the bi-lateral discussions being held by our local authorities. We will also be seeking an update on the current development proposals by the Heathrow Team at a future board meeting ahead of the next phase of public consultation in early 2019 and have invited Heathrow to present to the Skills Board.

6 Local Growth Fund Delivery Update (JR to provide)

LGF financial summary - The LGF programme is in a very strong position reporting 88% total expenditure against profiled grant allocation based on current forecasts. We are working with our project sponsors and their delivery partners to advance scheme delivery and reduce outstanding scheme delays.

Eastern Link Road South (Woodlands) – Aylesbury Woodlands received a resolution to grant an outline planning consent at the 26th October Strategic Planning Committee subject to s106 legal agreement(s) and conditions being agreed.

BCC has been asked to procure the road as a discreet project whilst, as a key component part of the wider Woodlands development project, dovetailing with the wider planning submissions including the Hampden Fields development. AECOM has been appointed by BCC to undertake the ELRs detailed design and reserved matters planning application and a separate ELRs project board was established in October 17. With key conditions now having been met an offer letter has been issued to Buckinghamshire County Council and payment of the full LGF grant of £9,960,000 is being processed.

A355 - Beaconsfield Enabling works started on site on the 4th June 2018, expected to take 6-8 weeks. The main construction contract is currently being finalised and the intention is a seamless transfer between enabling works and main construction works.

South East Aylesbury Link Road - The South East Aylesbury Link Road is progressing well with submission of a planning application on schedule for September 2018. The scheme has successfully obtained early draw down of £1.05 million of the Local Growth Fund 3 allocation to support the Full Business Case, Planning Application and Detailed Design work scheduled in 2018/19. The scheme remains on schedule to begin construction in early 2020 with completion planned for early 2021. This is to coincide with the opening of the Stoke Mandeville Bypass (delivered by HS2) and the Southern Link Road (being delivered through

the Hampden Fields development). A public exhibition will be held on the 17th July 2018 at Stoke Mandeville Stadium.

A4 (Bath Road) Sustainable Transport - The A4 STS remains on track to be delivered by March 2019. Pre-construction (investigation) works were completed 13 April 2018, the project team is now working to finalise the target cost for the construction works which are due to commence at the end of July/early August 2018 and complete works by March 2019.

Marlow to Maidenhead Rail Upgrade – Great Western Railway (GWR) reported the project is experiencing some delays through ongoing dealings with Network Rail and the associated GRIP approval process. Changes to the preferred scheme have resulted in increased costs and GWR has therefore submitted a bid to Thames Valley Berkshire LEP for additional £1.52m reallocated LGF grant. Anticipated submission of full business case later this year and subject to independent appraisal of the business case and grant offer letter, works are planned to start in August 2019.

Westcott Enterprise Zone Innovation Centre – Detailed design is being progressed with a view to submitting planning application in January 2019. The timing of the planning application is coordinated with delivery of the new A41 Access to Westcott Venture Park and Enterprise Zone. Efforts are being made to accelerate scheme delivery however the construction is currently planned to start in October 2019.

UCAV Innovation Lab – The tender specification for the development of the ground floor incubation space is being managed by AVDC as landlords of the Walton Street facility. It is anticipated that construction works will be undertaken in November 2018 and concluded by January 2019.

University of Buckingham Centre for Innovation – Scheme is making good progress and expected to be completed in Sept / October 2018 with the official opening planned for November.

A summary of the current expenditure against our LGF programme is attached as **Appendix 4** to this report.

7 BBF Growth Hub Update including Regeneris Independent Review & Visit Bucks Update

An independent review of the Bucks Business First Growth Hub service has been undertaken by Regeneris and highlights a number of the outstanding successes of the BBF Growth Hub since inception. These highlights include the exceptional penetration achieved into the Buckinghamshire Business base, the high satisfaction ratings of members, and good attendance levels at events. The report also commended the efficient use of public sector funding and noted the clear benefits to the area from the culture of member to member support that had been actively encouraged throughout the BBF family. A copy of the executive summary from this report is attached as **Appendix 5** to this report.

In September 2016 BTVLEP invested £150k to support the establishment of the Visit Buckinghamshire Destination Management Organisation managed by BBF. £75k was provided as a grant and £75k as a loan to be repaid over a 10 year period from 2019.

Under the guidance of the Buckinghamshire Strategic Tourism Group, strong progress has been made over the past two years with much of the focus being on establishing the digital

and social media presence for the Visit Buckinghamshire brand and in ensuring collaboration to support joint campaigns and at events. Over 200 Buckinghamshire based tourism businesses are now directly involved in supporting the Visit Bucks programme. I am pleased to report that Visit Buckinghamshire have been successful in securing £75k funding from the HS2 Community Fund to help provide support for tourism businesses located in the vicinity of the high speed route

The Visit Bucks Business Advisory Service (VBAS) project will augment the Visit Buckinghamshire tourism strategy by providing a tailored and targeted Business Adviser Service to support businesses located within a 5 kilometre range either side of the new HS2 line.

VBAS, which is the first project to receive business funding from HS2, will deliver business advice, peer-to-peer support, workshops and networking events to local enterprises particularly for those within the retail and tourism sector and their supply chains. A summary of the Visit Bucks achievements are attached as **Appendix 6** to this report.

8 European Programme Update

Earlier this month we received the disappointing news that the expression of interest to utilise ESIF funding to develop a financial instrument to develop a fund of funds for Buckinghamshire businesses had been rejected by DCMS. The rationale for this decision was on two grounds, concerns over the eligibility of Buckinghamshire County Council to operate as the legally entrusted entity for the fund and the tight timeline for using funds in this type of venture ahead of the 2023 deadline. A number of other LEPs have also received similar notices and Initial soundings were taken via our Cities and Local Growth Unit representative as to whether there was any value in appeal. Having received feedback, it was felt that the chances of success were slim and that we would be better looking to alternative uses for the earmarked funding.

We will therefore be looking to issue new calls for projects in the Business Research, ICT, Low Carbon and Business Support fields totalling up to £4.6million in October 2018 and are looking to see how the fund of funds project can be delivered outside of the European funding programme utilising our existing LGF and Growing Places funding in a similar way to schemes which have now been developed by a number of the GTV LEPS including Berkshire Thames Valley LEP and Enterprise M3.

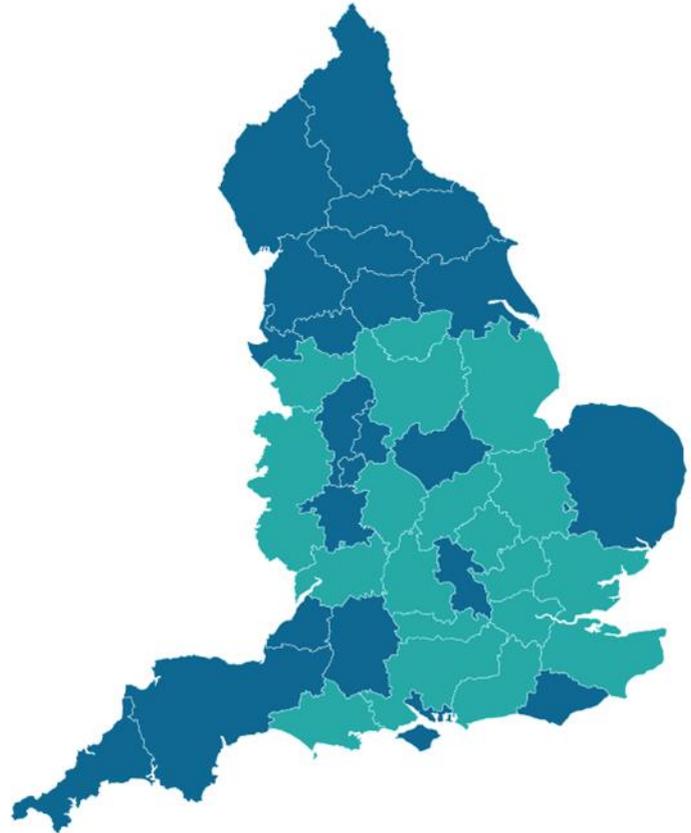
The new Chairman of the ESIF Committee Klaus Allion and Ian Barham will be meeting with DCMS representatives on July 19th to receive direct updates on other projects previously approved by the committee but not yet fully through the appraisal process including the Satellite Application Catapult Westcott Innovation Centre and the Bucks Healthcare Trust/BNU Bucks Life-Science & Innovation Centre to ensure that they are being appropriately supported.

On a more positive front we have learned that expressions of interest exceeding £1.5million for our Rural Growth, Food Production and Tourism have been approved, this means that our full allocation for these funds has been committed, we have also learned that an additional £400k has been allocated to the existing skills brokerage service that is being run by Adviza and supported by BBF.

8 Skills Update including Careers Hub Success and Skills Show Development

Careers Hub Bid - Buckinghamshire Thames Valley LEP was successful in its bid to become one of 20 'Careers Hubs' around England to help transform careers education for young people. Careers Hubs are a central part of the Government's Careers Strategy, published in December. The strategy aims to improve careers education and help prepare young people for the world of work. The 20 Local Enterprise Partnerships who have been successful in their application to establish Careers Hubs are:

- Cornwall & Isles of Scilly
- Lancashire
- Leeds City Region
- Black Country
- York, North Yorkshire and East Riding
- Cumbria
- Swindon & Wiltshire
- Stoke & Staffordshire
- The Solent
- West of England
- Buckinghamshire Thames Valley
- Greater Manchester
- The South East (East Sussex)
- Leicester & Leicestershire
- Heart of South West (Devon, Plymouth, Somerset and Torbay)
- Humber
- Tees Valley
- Worcestershire
- Liverpool City Region
- New Anglia (Norfolk and Suffolk)



In addition to the 20 new Careers Hubs we have agreed to continue to fund the North East Hub, which will use its expertise to support new Hubs across the country.

All Careers Hubs will have access to support and funding to help them meet the eight Gatsby Benchmarks of excellent careers education. This includes:

The Buckinghamshire Thames Valley LEP Careers Hub will be made up of 21 local schools working together with colleges, universities, training providers, employers and career professionals to improve careers education, and will have access to support and funding to help them meet the eight Gatsby Benchmarks of excellent careers education including:

- A fully funded 'Hub Lead' to help coordinate activity and build networks
- Access to bursaries for individual schools and colleges to train 'careers leaders'
- Central Hub Fund equivalent to around £1k per school or college
- Access to funding for schools to support employer encounters

The programme will run from September 2018 – August 2020, and to ensure we are able to commence delivery from September, the existing skills team will transfer across into the Careers Hub. Their experience and knowledge of the Gatsby Benchmarks, raising careers awareness and improving work preparedness of our young people, and their active relationships with the 21 schools, means we can start to make progress very quickly. We are

now recruiting for an enterprise coordinator to work with the remaining schools outside the Hub.

Additional Funding for Schools for Special Education Needs and Disabilities:

The Careers and Enterprise Company programme has also been extended to support our nine SEND schools and one Pupil Referral Unit through additional resource from the Careers and Enterprise Company matched by Buckinghamshire County Council to fund a 0.5 ft SEND Enterprise Coordinator.

Bucks Skills Show – October 12th & 13th

Sponsored by Bosch, the Bucks Skills Show taking place at the Gateway in Aylesbury is set to be even more high profile in its third year. Schools have booked to bring approximately 1500 student to the Friday event, and we are aiming to attract 1500-2000 people on the Saturday with diverse employers and high profile speakers including representatives from organisations as diverse as Google, ITV, IHG and the Civil Service.

9 Digital and Resources Update

Following the approved investment from this board into the management of the broadband programme the new broadband team of Jack Douglass and Lorna Owens have now transferred under the direct management responsibility of BTVLEP.

With the team now properly resourced we will be ensuring that members receive clear updates on programme delivery and performance and that communications with other stakeholders is developed. The BTVLEP funding will ensue that the team can be resourced for the next 12 months.

The take up figure for the BDUK contract is now at 58.2% one of the highest levels in the country, whilst the take-up for contract 2 has reached 31.4% of the 5250 premises which have been enabled which is already safely beyond the agreed 27% clawback threshold.

The overall superfast coverage in the county is now just short of 95% (our initial target for the end of 2019) with almost 40% of this coverage being at ultrafast speeds of in excess of 100mbps. The table below shows coverage growth across Buckinghamshire since January 2015

Fibre Broadband in Bucks¹

	Jan-15	Jan-16	Jan-17	Jan-18	May-18	Jun-18	Jul-18
<i>Ultrafast coverage (over 100mbps)</i>	31.90%	32.40%	34.00%	36.50%	36.66%	37.69%	39.33%
<i>Superfast coverage (24<100mbps)</i>	47.30%	55.40%	56.30%	57.60%	58.00%	57.02%	55.35%
<i>Fibre (below 24mbps)</i>	4.00%	5.00%	3.10%	3.00%	2.90%	2.80%	2.90%
<i>Non-fibre</i>	16.80%	7.20%	5.60%	2.90%	2.50%	2.50%	2.40%

10 Communications Update

¹ 'Buckinghamshire Superfast and Fibre Coverage', *ThinkBroadband*
<https://labs.thinkbroadband.com/local/buckinghamshire,E10000002> [accessed 12th July 2018].

Recent communications activity has focused on the development of the new BTVLEP website and the production of a 'new look' annual report for 2017/18.

Aylesbury based agency Shared Creative are currently developing the new website for BTVLEP, which is featuring a number of improved features, including: search functionality, news navigation and improved links to partner websites, in addition to making it easier to comply with accountability requirements and GDPR.

In parallel, we are working on the 'new look' BTVLEP annual report, which is taking a fresh approach to the content and design element. The production of the annual report will be completed by end of August 2018.

I have also recently presented at both the national Public Sector Show and at the Cambridge – Milton Keynes-Oxford Growth Corridor Conference held at the MK Dons Football Stadium on June 21st.

We had the pleasure of welcoming our new government sponsor Ben Golding for a visit on July 6th to a number of our Enterprise Zone sites. Part of Ben's role is to help support further access and awareness of BTVLEP activities throughout government. Ben will also be visiting Andrew Smith at Pinewood over the coming weeks and hopes to be able to attend a future board meeting.

Members are asked to :-

That members note the content of this report and:-

- i. Consider the University of Buckingham proposal and agree a response.**
- ii Support an open call for new Local Growth Fund Projects in August 2018, noting that priority will be given to projects that can be delivered by 2021 and provide a direct investment return for BTVLEP.**
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