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**Title:** Chief Executive's Report

**Purpose:** To update Board Members on operational activity since the last board meeting in November.

**Recommendation: That Board Members:**

- Note the content of this report and comment on any areas of specific interest or concern;
- Endorse the recommendation that Michael Garvey be appointed as the BTVLEP Vice-Chair (item 1);
- Agree that the Funding Agreement to the Satellite Applications Catapult (item 6) be amended to incorporate the additional investment approved by the Aylesbury Vale Enterprise Zone Board.

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## **1 Annual Review Preparation**

The date of the Buckinghamshire Thames Valley LEP Annual Performance Review has now been fixed for January 24<sup>th</sup> with the meeting being chaired by Rowena Limb the Area Director of the Cities and Local Growth Unit. As agreed at the last board meeting, the BTVLEP team at this meeting will include Andrew Smith, Richard Ambrose, Eman Martin-Vignerte, Michael Garvey, Nick Naylor and Katrina Wood.

The Annual Performance Review will provide the Government and ourselves with the opportunity to:

- a) Reflect on the LEP's performance over the last twelve months in the areas of governance, delivery and strategy;
- b) Elaborate on key issues highlighted in their pre-annual performance review document return;
- c) Showcase the progress to date on delivery of strategic economic objectives and programmes;
- d) Reflect on their current position and highlight to Government any barriers they are encountering, and
- e) Look forward to the major achievements and challenges expected in 2019-20.

Ahead of the Review, initial compliance checks have already been undertaken and BTVLEP have been given a clean bill of health. The Executive Team will also have to complete the attached template submission **Appendix 1** as well as separate Governance Assurance and Section 151 Assurance Statements, copies of which will be shared with all Board Members ahead of submission.

Two areas that need to be addressed ahead of the Review conversation are the appointment of private sector board members to increase the representation above the current 50% level and the appointment of a private sector Vice Chair to be selected from the existing board members. An initial recruitment process has been undertaken for private sector board members. Seven applications have been received and have been independently assessed with the first phase of interviews scheduled to take place on January 9<sup>th</sup>. I hope to provide you with a verbal update on the outcome of these interviews on the day of the Board meeting.

I am also pleased to inform that Michael Garvey has accepted the nomination to take on the role of Vice Chair of BTVLEP, until the new board members have been recruited and the incorporation process has completed. Michael has been a member of this Board since inception and ensures a welcome point of consistency while new members and structures are incorporated. Given the need to put these arrangements in place to ensure continued access to funding and other Government support I am seeking Board Approval to endorse Michael's appointment As Vice-Chair

Ahead of this meeting it has been confirmed that BTVLEP would be in receipt of £100k capacity funding to support the delivery of the LEP Review, this allocation is short of the full £200k commitment given to some LEP's as Ministers have yet to make a decision relating to LEP geography overlaps. A copy of the letter conforming this decision is attached as **Appendix 2** to this report.

## **2 England's Economic Heartland Update**

Members will recall that at our meeting on January 2017 it was agreed that BTVLEP provide a one off contribution of £60,000 to support the development of the England's Economic Heartland (EEH) Programme.

Martin Tugwell the Director of the England's Economic Heartland programme will attend the meeting to provide an update on the EEH work programme which provides a strong regional voice on the delivery of Strategic Infrastructure and will speak specifically on the development of the emerging sub-regional transport board and the new Transport Strategy for the region [England's Economic Heartland](#).

## **3 Skills Update**

### **Sector Action Groups**

Our sector action groups are employer led think tanks and task forces, set up to support skills for growth in the LEP's identified priority sectors. Members interrogate sector data, testing it against experience and knowledge at the coal face, and agendas are formed around employer driven priorities. Actions have included engaging in apprenticeship forming trailblazing groups, open doors events, increased engagement with schools, college and universities, and all active groups were represented at the Bucks Skills Show this year.

Through these action focussed groups we have improved our active engagement and relationship with the businesses in each sector both within the groups and beyond.

In 2018 we established the Creative Industries (Film, TV & Games), Construction (civil engineering, digital and trades); Space industries; Digital Skills (cross-cutting group); Food and Beverage Manufacturing, and in 2019 we will set up the Integrated Health, Life Sciences & Medical Technologies, and High Performance Technologies groups. The chair of each group is also a member of the BTVLEP Skills Board, ensuring that the growth sector skills opportunities and challenges are discussed at a strategic level and linked to the BTVLEP Board.

## Routes into Work

Skills shortages (a lack of suitably skilled applicants to fill vacant posts) are more acute across the Thames Valley than the rest of the country, and within the Thames Valley Buckinghamshire faces the biggest challenge with 30% of vacant posts reported unfilled due to a lack of appropriately skilled applicants (compared to an average of 25%).

In a county with very low unemployment and NEET figures, our focus has extended to include not just those transitioning from education into employment, but to helping people of all ages find work, and supporting employers in their recruitment needs. Many employers have expressed difficulty in recruiting both in terms of the number and calibre of applications, and there seems to be a disconnect between those offering work and those looking for opportunities.

Therefore, working with our sector action groups, partners, private sector, public sector, training providers and stakeholders, we are organising a series of 'job fair' events to connect talent with opportunities. Employers with live vacancies including work experience, apprenticeship, traineeship, freelance, part and full time jobs will be invited to meet people looking for work or to gain experience. People such as those still in education; parents returning to work after having children; ex service personnel; career transformers; and those looking to up-skill or for encore careers.

The first three of these events will run in March 2019 during National Apprenticeship Week and also as part of BBF's inaugural Buckinghamshire Business Festival:

- Tuesday 5th March – ROUTES INTO CONSTRUCTION (CIVIL ENGINEERING, DIGITAL & TRADES) at BNU
- Thursday 7th March – ROUTES INTO CREATIVE INDUSTRIES (FILM, TV & GAMES) at Pinewood Studios
- Friday 8th March – ROUTES INTO WORK at the BUCKINGHAMSHIRE BUSINESS FESTIVAL 2019 at the Gateway, Aylesbury

We will also host a Routes into Work at the Bucks Skills Show which will take place on the Thursday evening before the Skills Show opens on Friday 18th October.

## 4 Growth Hub Update including Brexit Survey

As we approach March 29<sup>th</sup> and the BREXIT deadline, Growth Hubs are increasingly being asked to provide BEIS and other Government departments with weekly insights into the issues being faced by businesses on the ground and to help share national advice and information.

To meet the tight deadlines for information for the first summary on January 9<sup>th</sup> Bucks Business First issued the national survey template to businesses ahead of Christmas and despite the difficult timing 338 Buckinghamshire businesses responded. 68% of businesses are currently concerned about the implications on their business with the main issues being highlighted relating to the uncertainty of long term planning and in relation to the recruitment and retention of European nationals.

The information page located on the BBF Website has been cited as one of the best examples of practical advice and support being offered across the Growth Hub network [BBF Brexit Information](#)

## **5 LEP Network Update**

The LEP Network continue to co-ordinate a number of work streams linked to the LEP Review and delivery of the National Assurance Framework (NAF). The final version of the NAF is expected to be signed off by ministers in the coming weeks, but the final draft was circulated to LEPs prior to Christmas to support delivery and is not expected to change radically at this late stage. A copy of the draft document can be made available to Board Members upon request.

The second LEP Chair's seminar with the Prime Minister is due to be held on January 31<sup>st</sup> at Downing Street with Andrew Smith due to attend to represent BTVLEP.

## **6 Enterprise Zone Update**

At the November 2018 Board Meeting I advised that the Aylesbury Vale Enterprise Zone (AVEZ) Board meeting was to consider a request from the Satellite Applications Catapult (SAC) for additional funding of £1.2m to support delivery of the LGF funded Westcott Innovation Centre.

The proposal from the SAC was to:

- a) Enhance the building specification to create a 'Gateway' building at the entrance to the Westcott Space Cluster;
- b) Increase the size of the building by 20% (to 1,200m<sup>2</sup> from 1,000m<sup>2</sup>);
- c) Reconfigure the internal layout to provide early production floorspace.

The above changes arose following discussions between the SAC, AVEZ and BTVLEP, regarding opportunities to enhance the Innovation Centre:-

- a) to capitalise on some significant recent changes in the UK space sector such as the focus on small satellite production, and
- b) to support new businesses emerging from recent and forthcoming developments at Westcott (including 5G Step Out Centre, Business Incubation Centre, National Centre for Space propulsion)

The opportunity to enhance and increase the size and scope of the facility will provide added opportunities such as early production floorspace for companies expanding from the 5G and Business Incubation Centres, and elsewhere at Westcott and beyond.

Having received an independent appraisal of the SAC's revised business case the AVEZ Board approved the investment of up to £1.2m in the project. Subject to approval by AVDC Council Committee the £1.2m funding will be provided by AVDC prudentially borrowing against future EZ retained Business Rates.

Given the need to deliver the project as soon as possible (December 2019 is the current LGF Agreement target completion date) I am seeking Board Members approval to enable the AVEZ funding to be provided via BTVLEP. This can be achieved by amending the existing BTVLEP / SAC LGF Funding Agreement to include the additional £1.2m funding from AVEZ subject to confirmation of this additional funding by the accountable body, as requested by the AVEZ Board.

A combined total of £3.2m funding would therefore be provided to SAC via an amended LGF Funding Agreement (£1.6m loan and £1.6m grant). A separate arrangement between BTVLEP and AVEZ (through BCC and AVDC as respective Accountable Bodies) will be required to cover the provision of the additional AVEZ funding and the return of the 50% (£0.6m) 'loan' element (plus pro rata accrued interest) when recovered by BTVLEP from SAC under the terms of the existing LGF Agreement.

## **7 Communications Update**

The new BTVLEP website was launched at the end of December and has already received very positive feedback from the Cities and Local Growth Unit Compliance team. The new site will be far easier to navigate and update than the previous site and provides clearer links to our network of local and national partners.

I have spoken at a number of national events in the run up to Christmas, notably Chairing a discussion on the opportunities being presented through the development of the Oxford to Cambridge Growth Arc at a Westminster Forum event on December 17<sup>th</sup>. Andrew Smith will be representing BTVLEP at a similar event being organised by the Built Environment Networking Group on January 22<sup>nd</sup>.

The team have also been working with the UK Property Forum to organise an inaugural Buckinghamshire Property Festival which is scheduled to take place at the Waterside Theatre on June 6<sup>th</sup>.

**Members are asked to :-**

**Note the content of this report and comment on any areas of specific interest or concern. Endorse the recommendation that Michael Garvey be appointed as the Vice-Chair (item 1) and that the Funding Agreement to the Satellite Applications Catapult (item 6) be amended to include additional investment from the Aylesbury Vale Enterprise Zone Board.**