AGENDA ITEM 6

Open

Title: Buckinghamshire Local Industrial Strategy Delivery

Purpose: To support a Board Member discussion on the immediate next

steps for Local Industrial Strategy (LIS) delivery within the

current national context and on how resources may most effectively be deployed to deliver the ambitions of the

Buckinghamshire Local Industrial Strategy with a new

government.

Recommendation: That Board Members note the content of this report and consider

how best to position the ambitions of Bucks LEP in delivering

the Local Industrial Strategy throughout the election campaign

and to a new government and that Board Members consider an

awayday in early 2020 to cement new working arrangements.

1 Introduction

The last board meeting was less than six weeks ago at the end of September during which time a Brexit deadline has come and gone and the government has called a general election. There has correspondingly been little discussion or progression with government over the next steps for LIS during this period. We have instead been concentrating on the structures that will be needed to help drive the implementation of the Industrial Strategy. Discussions have already started with current Space, Health and Social Care and Skills groupings. The Board requested a structure chart of existing groupings at the last meeting to better consider an optimal future shape. Indicative slides to facilitate this discussion are attached as an appendix to this paper. In particular, we need to consider how the relationship will work between the Bucks LEP Board and the proposed Innovation and Enterprise Board (Strategic Drivers) and Economic Asset Boards (Space, Health, Creative and Advanced Manufacture). The task of these new structures will be to develop the LIS propositions Buckinghamshire LIS and to develop and promote the business cases for projects. Once the framework for the LIS implementation structure is agreed we will need to work through the development, prioritisation and communications issues both between boards and indeed with government. It may be difficult to fit this range of issues into a standard board meeting format and indeed this discussion will need to engage non-board members which leads to the recommendation to hold an awayday.

2 General Election

The General Election has been called for December 12th the first December election in over a century. At the time of writing this report the final list of Prospective Parliamentary Candidates in Buckinghamshire is not known, but we do know that two of the longest standing Buckinghamshire MP's John Bercow and David Lidington are stepping down from Parliament and that another

Dominic Grieve is standing as an Independent candidate in the Beaconsfield constituency. Across the county over 50 MPs are standing down meaning that whatever the outcome of the Election there will be a significant shift in Parliamentary representation.

3 Local Industrial Strategies the Future Direction

The Local Industrial Strategy Initiative along with the regional agenda had long been championed by Greg Clark in his role as Secretary of State for Business and previously in his ministerial position at MHCLG. Following his departure from the Cabinet the new Secretary of State Andrea Leadsom took over responsibility for LEPs and Local Industrial Strategies but has delegated responsibility for direct management of Local Industrial Strategy to Under Secretary of State Nadhim Zahawi.

Without a direct Cabinet Champion, the LEP Network have been working over the past couple of months to demonstrate the added value of LEPs across Whitehall, highlighting the benefits of locally informed, responsive and business led organisations. This benefit has been clearly demonstrated by the direct role that Growth Hubs have been asked to play in supporting cross-departmental business engagement in helping businesses prepare for Brexit.

More recently there has been a renewed commitment to the national roll-out of Industrial Strategies, maintaining the focus on the Grand Challenges, the 5 pillars of productivity and reaffirming a commitment to invest at least 2.4% of GDP in R&D by 2027. LEPs who are still producing their strategies have also been asked to focus on the growing priorities of the Environment and delivering the carbon targets combined with the liveability challenges associated with town centre vitality, housing and access to a quality environment. The importance of Local Industrial Strategy led projects to help deliver innovation and supporting the resilience and future transformation of the UK's economy in a new post Brexit economic environment was further demonstrated by the Government's commitment of £88m as part of the Strategic Priorities Fund in October 2019.

The Buckinghamshire Local Industrial Strategy, is ideally positioned to benefit from this renewed focus having been designed around four distinct assets:

- Westcott Space Propulsion Cluster;
- Pinewood Studios and the National Film and Television School Creative Cluster;
- Silverstone Park and Technology Cluster; and
- Digital health, med-tech and artificial intelligence (AI) with a Stoke Mandeville Cluster.

All four of these assets will be important to the development of the Arc and it is important that new Parliamentary champions are supported in highlighting the benefit of realising the potential of these assets for the Buckinghamshire, the regional economy and the national outlook.

4 Key Election Issues Facing LEP's & Business

Although Brexit is certain to dominate the election headlines, a number of other key issues for LEPs are likely to feature heavily in party manifesto's. Although not an exhaustive list, the following agenda issues have already featured strongly in pre-election statements.

• **Regionalism** - Over the past 3 years there has been a significant effort in developing the Oxford-Cambridge Arc as a third major regional sub-structure alongside the Midlands Engine and Northern Powerhouse. If the focus on this regional alignment is to be maintained, the challenge will be to demonstrate how the continued support for this region of innovation,

globally renowned academic assets and world leading knowledge-based businesses will provide benefits for the rest of the UK. A close connection with high profile Parliamentary regional champion will need to be swiftly established.

- Town Centre Vitality A notable feature of the current government's policy has been a shift
 in focus from City to Town Led investment. High Wycombe has been successful in securing
 support through the Future Towns Fund and recent announcements within the <u>Town Fund</u>
 have indicated a focus on the Oxford to Cambridge Arc.
- **Urban regeneration** Planning and Land Use: ensuring towns are thriving places for people to live and work, including by: increasing density in town centres; strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and making full use of planning tools to bring strategic direction and change.
- Digital & Cellular Connectivity From 5G innovation, home broadband capacity and supporting the shared use of assets by cellular providers, digital connectivity will be at the forefront of all manifesto's. LEPs have traditionally been involved in the direct investment of digital infrastructure but are increasingly being asked to support the development of local digital strategies which will go beyond infrastructure investment and will also help support the commercial return for private investment and the development of digitally enabled skills.
- Homes & Quality of Life "Liveability" is likely to become one of the main buzz-words for
 this election campaign covering issues such as the affordability of housing, support for key
 workers, the quality and access to the natural environment and air quality. A specific aspect
 of this agenda relevant for the Buckinghamshire will be proposals for the development of the
 Chilterns as a new National Park.
- The Environment & Major Infrastructure Development Alongside Brexit, the challenge of
 delivering the net zero carbon targets by 2030 is likely to be one of the main election issues.
 Major policy areas affected will include the national aviation strategy and the proposed
 expansion of Heathrow Airport and Luton Airports, the future of major road schemes such as
 the Oxford-Cambridge Expressway, renewable energy production capacity and the innovation
 in energy efficient homes and businesses.
- Education & Skills In a post Brexit economy, the need to retain and retrain our workforce will be increasingly central to the political agenda. For the Oxford-Cambridge Arc the regional alignment of our Universities will help to lobby issues such as education visas, whilst the development of T-Levels and new Institutes of Technology will be the primary focus for the Further Education Sector. An important agenda priority for LEPs will be the development of the Apprenticeship offer and providing resilience and certainty within school enterprise programmes.
- Health & Social Care In an ageing society the pressures on Local Government to deliver
 health and social care services will increase. Limited funding will need to be used more
 efficiently and there will be a renewed focus on pre-care interventions and the development of
 digital health solutions.

5 Lobbying & Positioning Activity

Working across these agendas it is important to demonstrate the role Bucks LEP have already played to spot and act on these challenges. A briefing note is being prepared for all Prospective Parliamentary Candidates in Buckinghamshire and will be shared with all Board Members over the next week. It is important that a wide network of delivery partners help to reinforce these messages. Purdah requirements rightly limit any direct LEP promotional events over the preelection period. Board Members operating in a personal or professional capacity will not have the same restrictions and have a vital role in helping to demonstrate the impact and future potential of LEP activity.

Following the election of the new government we would also like to engage Board Members in supporting the briefing process for new and returning local MPs and Ministers and for hosting visits for Cabinet and Departmental representatives.

6 Future Shape, Board Member Representation & Board Awayday

At the last meeting of this board the review of existing and future sub-group delivery structures was highlighted as an issue for early resolution to develop and support the business cases and action plans linked to the four Economic Assets and the Strategic Drivers that form the LIS. A new government is likely to trigger a Comprehensive Spending Review in 2020 and we will need to be ready with these propositions. We will recap the main propositions at the board meeting and consider how best to progress.

Following further consultation with the Skills Advisory Panel, the outline structure attached as **Appendix 1** is recommended for further refinement and approval. This new structure builds upon the existing skills sector groups to enable the development of broader action plans four priority sectors as well as an overarching Enterprise & Innovation Board to support the development of the Local Industrial Strategy drivers for growth including the skills revolution, digital investment, commercialising innovation, business scale-up and efficiency and living-lab development.

For the first of the Economic Assets boards, the Bucks LEP Executive met with the satellite applications catapult to consider the future membership of the Space structure. As a result a revised membership has been prepared in draft for Board consideration at our meeting covering the key elements of the Westcott 10 year development plan, incorporating, academia, sector networks such as the UK Space Agency and European Space Agency as well as testing, production and data corporate representatives operating from the Westcott site.

Similar meetings are being held to develop and extend the membership structures for the other three Economic Asset Boards to enable them to develop a pipeline of investment proposals for the Comprehensive Spending Review (CSR2020) and for the new government. Continued successful engagement and participation with the Buckinghamshire Growth Board and the Arc Productivity group and Leaders meeting of this pipeline will also likely be key to the future funding conversation with government.

We would like to propose a Board Awayday to for early 2020 to address LIS delivery, specifically how this board may support the development of the Local Industrial Strategy Investment programme, establish and link with wider board structures and may most effectively engage with the new government to promote and secure resource to deliver on Buckinghamshire's economic priorities.

Board members are asked to:

- Note the content of this report and consider how best to position the ambitions of Bucks LEP in delivering the Local Industrial Strategy throughout the election campaign and to a new government.
- Support the recommendation for a Board Awayday in early 2020 to consider the role Board Members could play in the delivery of the Local Industrial Strategy implementation and engagement with the new government.