

Open

Title:	Chief Executive's Report
Purpose:	To update Board members on key operational activity undertaken since our November Board Meeting.
Recommendation:	That Board members note the content of this report and comment on any areas of specific interest or concern and endorse the draft operational budget for 2020/2021 (Item 1).

1 LEP Revenue Budget for 2020/21

Members are asked to approve the 2020/21 operational revenue budget for Buckinghamshire LEP attached as **Appendix 1**. The budget apportionment is broadly consistent with financial year 19/20, that enabled heightened levels of work around Local Industrial Strategy and project development and delivery, as CSR preparation and Arc collaboration will likely require a comparable level of input. However, we have made an assumption on Careers and Enterprise Company income yet to be confirmed and we are currently projecting a further draw on the reserve which is an unsustainable trend.

Members should also note that there will be a requirement to hold LEP bond in FY2020/21. The intention will therefore be to review Enterprise Zone headroom income as a source of additional revenue to cover forward contingent liabilities, build resilience and grow the economic development delivery capacity in Buckinghamshire. Board members are also asked to delegate to the Audit Committee the authority to consider and approve major in-year variation to budget.

2 LEP Network Update

Representatives from the LEP Network met with the Prime Minister's Special Advisor Andrew Griffith ahead of the election and have exchanged further correspondence following the election. As part of this discussion each LEP was asked to confirm its USP and top 3 strategic priorities arising from its Local Industrial Strategy development. LEP's were also asked to provide a summary of the sector expertise of the private sector membership. The Buckinghamshire strategic priorities submission is attached as **Appendix 2** to this report.

3 Annual Performance Review Feedback

The Annual Performance review meeting was held at the BEIS Conference Centre on January 15th. At the time of writing this report the draft minutes of this meeting are being finalised and will be included as part of a moderation process being undertaken at the end of the Annual Review Process in mid-February to provide LEPS with a 3 point rating for their Governance, Delivery and Strategic outlook.

The review provided a helpful opportunity to demonstrate the impact of this LEP and our investment over the past 12 months, it was noted by Cities and Local Growth Unit Officials how the involvement of a number of additional board members contributed positively to the discussion.

Core funding for LEPs will be reliant on a satisfactory performance review outcome.

4 Oxford to Cambridge Arc Update

The 3 LEPs and the Mayoral Combined Authority have worked to align their work programme with the emerging aspirations of the Arc Universities Group which are now developing real momentum. Working together the combined impact will ensure swifter delivery realising the international potential of the Arc as a world leading breakthrough region for ideas, new-innovation in high growth sectors and emerging industries in areas of current strength including the space sector, life-science technologies, advanced manufacture and the creative industries.

Building on the existing framework provided by the Local Industrial Strategies and the joint economic vision for the Arc and the UKRI Innovation Infrastructure Roadmap, the groundwork and evidence base supporting the productivity strand business cases continues to be developed focussing on 5 strands previously highlighted to the Arc Leaders namely:

- Skills & Talent
- Internationalisation
- High Growth Business Support
- World Leading Commercial Premises & Innovation Districts
- Scale Up Funding Accelerator

It is intended that a consistent narrative be developed across the 5 strands highlighting the economic potential of the Arc and the spin out benefits for the rest of the UK all underpinned by a detailed evidence base to support the future flexibility for inclusion within any wider and single Arc ask. A tender opportunity inviting consultancy support to assist with the development of the Green Book Compliant Business Cases is currently open and will close on February 5th.

It is anticipated that the first phase of the business case development based on the first three of strands will be largely complete by Spring 2020 helping to inform the joint Arc ask as part of the Comprehensive Spending Review process later this year.

This first phase of work is largely focussed on the further development of the Arc evidence base, demonstrating the impact of the programmes against both Green Book and the new Budget criteria and helping to make the case for the initial programme development funds. The Arc University Group are integral to this process, particularly through the newly proposed Policy Research Lab to facilitate greater collaboration between academics, students and policy makers which is set to commence in March 2020.

The Policy Lab will learn from the Knowledge Exchange Seminar Series convened at Stormont by the Open University and Queen's Belfast University. The following areas have been identified as initial policy areas to be considered:

- Future of the environment (climate emergency)
- Future of skills and work (4th Industrial Revolution)

- Future of mobility (autonomous vehicles, connectivity and renewable energy)
- Future of communities
- Wellbeing
- Future of data

In addition, throughout February five separate desk research projects are being undertaken covering the areas of entrepreneurship, skills, the environment, space and aviation all supported directly by funding by Research England. The research projects will be launched at the Royal Academy on March 30th. Elsewhere the LEPs and Mayoral Combined Authority are working with the Department of International Trade to support an international promotion of the region to be launched at MIPIM Cannes in March 2020.

A further example of the closer collaboration between the 5 partners was the joint letter sent to the Prime Minister following the General Election victory highlighting the benefits of economic led innovation for the region and calling for a swift confirmation of the Arc Ministerial Champion, a copy of which is attached as **Appendix 3**.

Following the election there has been further affirmation as to the continued importance of the Arc from a Government perspective. Notably Emran Mian, the new MHCLG Director General for Decentralisation and Growth with responsibility for the Arc, as part of his presentation to the Arc Chief Executives on January 17th urged the region to be bold and ambitious in its single ask of Government for the Comprehensive Spending Review this Autumn.

5 RemNom Committee Report including Executive Employment Progress

The RemNom committee comprising Andrew Smith, Michael Garvey and John Read met for the first time on December 16th 2019 to consider its draft terms of reference **Appendix 4** and to endorse a request to provide a bond to Buckinghamshire County Council to cover future pension liabilities enabling the LEP to be approved as an Admitted Body into the Local Government Pension Scheme.

Following this approval, the consultation process has now commenced as part of TUPE arrangements to enable 6 seconded staff members to be employed directly by the LEP. The consultation will run until February 24th and it is anticipated that the staff will transfer to the LEP as employees on April 1st.

Arrangements are now also being put in place for the establishment of the LEP banking arrangements. Signatory Board members to this account will need to visit a Nat West Bank before the end of February 2020. Arrangements will be put in hand after the Board meeting.

6 Growth Hub Operational Plan for 2020/21 and Buckinghamshire Business Festival

The Buckinghamshire Business Festival 2020 runs from March 2nd-13th, with events set to take place across the county. This celebration of business in the Entrepreneurial Heart of Britain is a great opportunity for businesses of all sizes to learn, network and upskill, and will build on last year's excellent inaugural Festival.

The showcase event of the festival is the Buckinghamshire Business Expo which takes place on Friday, March 6th at The Gateway in Aylesbury.

Our theme this year is 'Workplace of the Future' and exhibitors and visitors alike will get the opportunity to experience new technologies that will change the way we work today. Our aim is to inspire around the art of the possible, from Tesla test-drives to developments in AI and the Internet of Things, there will be something new for everyone.

The #NetZeroBucks zone, sponsored by Aylesbury Vale District Council, will put a spotlight on green businesses and will be packed full of businesses that can provide products and services to help local organisations reduce their carbon emissions in areas such as waste, lighting, heating, packaging, transport and more.

Buckinghamshire Business First is also working with partners to bring together a whole host of business support organisations under one roof and will be offering drop-in sessions in the 'Business Support Zone' in partnership with the Bucks Skills Hub.

The Buckinghamshire Business Awards 2020 categories will be launched at the Expo, where we will be showcasing the new online entry system, giving those in attendance the inside track on the new categories being added for 2020. Last but not least, there will be a 'Buckinghamshire Business Expo App' that will further facilitate networking, enable gamification and ensure that we keep the event as carbon neutral as possible.

Philippa will provide a verbal update on other elements of the operational plan for the year ahead.

7 Skills Update and Skills Festival 2020

The Skills Advisory Panel met on January 22nd as part of a workshop session to help finalise the action plan for the detailed Skills Assessment currently being undertaken across Buckinghamshire and funded by the Department for Education. Board members were presented with a number of key challenges that the assessment has already identified including out-commuting from Bucks; how support could be provided to help reintroduce 17,500 women of a working age back into employment; the retention challenge of highly qualified young talent; and supporting the re-skilling and redeployment in light of future automation challenges.

Caroline Perkins and Catherine Godward who is leading on the Skills Assessment, will provide a presentation to members on the key findings of the assessment and on the process for completing the action plan.

The Skills Hub received further positive feedback from the Careers and Enterprise Company's latest "Closing the Gap" report published in January which showed that Buckinghamshire was the only LEP area in the country that had facilitated business engagement for all year 12 and 13 school pupils.

The Skills Hub team have also commenced an Apprenticeship pilot project where unspent levy contributions provided to Buckinghamshire County Council can be utilised by SME's within the county. If successful, it is hoped that this will enable other major employers in Bucks to follow suit. Preparations are underway to develop this year's Buckinghamshire Skills Festival including a significantly expanded Open Doors event at Pinewood Studios and the Bucks Skills Show in Aylesbury.

8 Heathrow Economic Vision

Members will recall that this LEP together with the other members of the Heathrow Strategic Planning Group had commissioned AECOM to undertake an economic vision for the group area. It is estimated that Heathrow expansion will create between 35,000-41,000 direct jobs on site including those in airport operations, offices, hotels, cargo, freight and maintenance. These jobs are an excellent opportunity for local residents to move into employment or move into higher-skilled and higher-paid work. Expansion opens up new opportunities for local firms to enter into the Heathrow supply chain and grow their businesses. Beyond jobs directly related to the airport, expansion could spur catalytic growth & businesses investment and jobs driven by but not directly related to the airport.

The vision and action plan provides a framework for collaboration both at the airport and the wider economic region based on 7 focus areas.

- Ensure quality, accessible and affordable commercial space to support growing businesses
- Help businesses navigate new opportunities from the expansion programme
- Develop the innovation capacity of the region
- Equip the workforce for the jobs of tomorrow
- Improve quality of place for residents and workers
- Connect communities to areas of growth
- Lead in sustainable and innovative freight and logistics systems

A copy of the full report is attached as **Appendix 5** and members are asked to endorse the role of this LEP in supporting the action plan.

9 Digital Update

The Connected Counties programme aimed to achieve 95% superfast coverage for Buckinghamshire's residents and businesses by December 2019, and we are pleased to state that we exceeded this target and got to over 96% coverage in the same timeframe. In addition to this, our monitoring of the first Connected Counties contract reveals that it is still performing far above expectations, with its level of take-up ranking first nationally for the second consecutive quarter. The Broadband team are currently exploring a potential two-quarter extension to the Connected Counties programme which would allow additional premises to be covered at no additional cost to the funding partners. In addition to the established Connected Counties programme, the Broadband Team continue to work with Buckinghamshire County Council regarding a further phase of broadband rollout focusing on the region's rural businesses.

10 Key Upcoming Dates

February 11 th	"The Future of High Streets" Pinewood Studio's Andrew Smith speaking
February 14 th	Transport Minister Baroness Vere, visit to Westcott
March 2 nd -13 th	Buckinghamshire Business Festival including....
March 6 th	Bucks LEP AGM 8.30a.m.-9.45a.m. The Gateway, Aylesbury
March 6 th	Bucks Business Expo 10a.m.-4p.m. The Gateway, Aylesbury
March 11 th	Chancellor's Budget Announcements

Board members are asked to:

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