
Title:	Executive's Report
Purpose:	To update Board members on key operational activity undertaken since our July Board Meeting including an update on the Local Growth Fund Transport Projects and a suggested response to the England's Economic Heartland Transport Strategy Consultation.
Recommendation:	That Board members note the content of this report and comment on any areas of specific interest or concern and support the RemNom Sub Group in its recommendation to commence the recruitment process for new Board Members.
Impact on Risk Register:	Securing planning approval for the Woodlands Scheme is the highest risk on our risk register, the presentation from Buckinghamshire Council will provide the direct opportunity for board members to consider in detail the process in securing approval and the subsequent land acquisition strategy.

1 Capital Sub Group Update

A briefing of the Capital Sub Group was held on September 4th to consider the progress in delivery of the Local Growth Fund Programme, Getting Building Fund and Recovery Investment Fund. Following this meeting it was agreed to invite Ian Thompson, Strategic Director at Buckinghamshire Council, to present to this board an update on the delivery timetable for two highlighted risk register transport initiatives supported by this LEP, the Eastern Link Road South in Aylesbury and the A355 in Beaconsfield.

A summary of the main issues considered by the Capital Sub Group is listed below.

Local Growth Fund Programme – Summary and Risks

Bucks LEP programme delivery remained in a strong position leading into the first quarter of 2020/21 and the final year of the LGF programme, despite impact of Covid-19 on some schemes since Feb/March this year. At the close of Q4 (Jan to March 2019/20), Bucks LEP reported a total in-year LGF grant expenditure of £8.54m (83%) against profiled budget of £10.33m

The LGF Programme is currently highlighting three at risk projects:

- Eastern Link Road South (ELRS) – Buckinghamshire Council
- A355 Link Road Beaconsfield – Buckinghamshire Council
- Bucks Creates @ Pinewood – Bucks New University and Creative Media Skills

Eastern Link Road South (ELRS)

The Council has reported that timescales for the outline planning decision for the Woodlands development has slipped further from September and is now anticipated in January / February 2021, subject to completion of revised transport modelling, flood modelling and environmental assessment work to support the planning decision.

This timescale effectively leaves the Council and Bucks Advantage a short period during March 2021 to defray the £9.96m capital grant to meet LGF programme commitments.

A355 Beaconsfield Link Road

Bucks LEP has been contacted by the Beaconsfield Society, expressing concerns about the apparent delays to the completion of the new link road, in particular the southern section of road across the Inland Homes development site to connect with the A40 Pyebush Roundabout.

In recent discussions with Buckinghamshire Council, the developer, Inland Homes, has indicated possible road delivery by 2023/24 earliest. The new road requires demolition of 40 existing residential properties currently occupied by tenants under lease with the developer. Planning approval for the road scheme on the Inland Homes development site was granted in 2014. Separate planning approval for the residential development at Wilton park, was granted by the planning authority in September 2019, and the terms of the planning approval requires the developer to complete the road scheme prior to occupation of the 99th dwelling.

The LEP has delivered on its commitment to fund a road scheme through the LGF programme but recognise that the implemented scheme falls short of that approved by this Board as it does not provide a bypass due to the delayed connection with the A40. While this has been consistently pointed out to the project promoter, the remedy rests with a planning decision relating to the Inland Homes development and the road scheme site that remains outside of the LEP's remit.

In response to press coverage the Bucks LEP has written to Inland Homes expressing concerns with the delays and to also share copies of the scheme business case and LGF application submitted by the Council as part of the LGF bid process.

Bucks Creates @ Pinewood – Bucks New University and Creative Media Skills.

This LGF project was commenced in 2019 following successful joint bid to Bucks LEP by Bucks New University (BNU) and Creative Media Skills (CMS), to create a new training centre offering a range of new Degree and Masters courses in film, screen and creative media subjects, based at Pinewood Studios. This is a first in the UK, bringing together the academic institutions and private sector to provide a unique experience for students and to shape academic curriculum in response to rapidly growing demands for skills and talent in the film and creative sector. Over 40 full time students were accepted in 2019/20 and benefitted from the new courses offered in the first year. Over 200 applications have been received by BNU for the second year, exceeding expectations.

The LGF grant funding agreement is between Bucks LEP and BNU, as the lead promotor of the scheme, and the contractual relationship between BNU and CMS as delivery partner is covered by a separate commercial agreement. BNU and CMS concede that the terms of this agreement are no longer tenable and BNU's decision to terminate has prompted contractual litigation between both parties.

Bucks LEP has expressed concerns about the course of action that BNU has taken, and the impact this could have on the proposed scheme. In response to this situation, Bucks LEP has reached agreement with BNU and CMS to support independent 'facilitated discussions' with a view to reforging a new working relationship between both parties. This process is due to be completed by the end of September.

Getting Building Fund - £7.7m

The final application for the £7.7m 'Getting Building Fund' for priority schemes in Buckinghamshire was submitted to MHCLG on 17th July 2020.

A summary of schemes and grant allocations is shown in the table below.

Scheme	Getting Building Fund	Local Growth Fund	Total Grant award
National Film and Television School Expansion Beaconsfield	£2,990,000	£150,000	£3,140,000
AI Centre and iHub University of Buckingham	£2,000,000	£750,000 (Loan)	£2,750,000
Disruptive Space Innovation Centre (DISC) Westcott – Phase 1	£2,000,000	n/a	£2,000,000
Rural Broadband - Phase 3 Extension	£710,000	n/a	£710,000
Silverstone Cycling Efficiency Project	n/a	£800,000	£800,000
Total	£7,700,000	£1,700,000	£9,400,000

Following the announcement of funding approval by the Secretary of State on 4th August, Bucks LEP has written to project sponsors to confirm the grant funding award. Draft offer letters and grant agreements are being prepared and circulated, pending MHCLG confirmation of arrangements and timing of payment of GBF grant to Bucks LEP. MHCLG confirmed on Friday 28th August that further guidance regarding Getting Building Fund reporting and payment of grant will be sent to LEP's imminently - but has yet to be received.

Buckinghamshire Recovery Investment Fund

The final allocation of funds for the Recovery Investment Fund was agreed by the grants panel at its meeting on July 24th. In total £1.6m of funding was provided to 62 businesses supporting an anticipated 182 new jobs and safeguarding a further 221 jobs and helping support the development of 67 new products.

By August 25th approximately 40% of the approved grants had been paid to the businesses and the BBF Business Support Team are continuing to work with applicants to assist their economic recovery. It was agreed that there would be more detailed reviews of the programme undertaken at 6 month and 12 month review points in 2021.

2 Audit & Finance Sub Group Update

The Audit & Finance Sub Group met on August 25th to consider the process for the development of a Buckinghamshire Council and Bucks LEP Memorandum of Understanding (MOU). An updated MOU, with a detailed Service Level Agreement, reflecting the newly incorporated status of the LEP and changed arrangements within Local Government, will be completed and shared with the Sub Group by end September 2020 and thereafter with the main BLEP Board at its meeting on 4th December 2020.

The agreement will enable the LEP to manage its own financial arrangements in respect of revenue and reserves, drawing on best practice observed around the rest of the country but recognising BLEP does not currently have a dedicated in-house financial resource. The aim will be to seek to minimise any overlap in services. Buckinghamshire Council will continue to be closely involved with the LEP, particularly in large capital funded projects, as the LEP's accountable body.

The meeting also considered the information that applicants for capital projects will need to provide ahead of funding submissions. It was agreed that there should be consistency going forward across all standard contract negotiation/documentation and that the executive ensure that all applicants are aware early in the process of the standard conditions they will need to 'sign up to' in entering into a contract with the LEP.

The Sub Group also considered the Risk Register which has been further updated in light of the Extraordinary Board Meeting held on September 7th and is attached as **Appendix 1** to this report.

3 Remuneration & Nomination (RemNom) Sub Group Update

The RemNom Sub Group met on September 10th to endorse progress on the BLEP Employee handbook. The initial phase of work has collated all essential information, policies and procedures, reflecting Buckinghamshire County Council processes at the point of TUPE, and where appropriate language has been simplified and policies updated in line with current legislation. Phase 2 of the work will incorporate less important policies/processes, removing information that is no longer relevant and streamlining the document; the outcome of this exercise will require a consultation process with staff and YouHR are working to bring together all elements of the consultation which will be undertaken early 2021.

The recruitment process for the Chair and Board members was also discussed, the aim remains to appoint a new Chair to be in place by the end of 2021 with the recruitment process to follow national guidelines. In advance of this, it was agreed that an immediate recruitment process is put in place to replace current or impending vacant Board member posts.

4 Skills Advisory Panel & Skills Hub Update

A joint meeting of the Skills Advisory Panel and Redundancy Taskforce group was held on August 5th. The aims and objectives of the latter being to support employers and employees faced with redundancy already or in the coming months as Government's Job Retention Scheme comes to an end.

It was reported the Taskforce will seek to bring all sources of support under one umbrella, identify gaps in support, consider how these might be filled, and look at funding available. We are pleased to report that a new Workforce Development Manager, John Browning has now been employed by the Skills Hub to help lead the delivery of this programme of activity.

In order to progress this work quickly, six sub groups have been established around:

- Training and reskilling
- Health and social care
- Construction
- CV writing/personal support/career advice etc
- Employer group
- Young people (led by DWP)

The Skills Advisory Panel also met on September 7th and amongst the agenda items was a review of the changing skills requirements sought by employers. We have seen significant changes in skills demand over the months following the Covid-19 lockdown with businesses reacting to, and being prepared for worst-case scenarios. Skills capabilities are essential for businesses to remain agile, innovative and creative to confront challenges and grasp new opportunities.

For this reason, resilience, adaptability and agility will all be increasingly highly sought-after transferrable skills to help businesses pivot their strategies towards alternative markets and products. Employees will also need creative thinking skills to leverage their creativity and innovation skills to adapt business operations.

The Covid-19 pandemic has also highlighted the viability and importance for collaborative partnerships between complementary businesses and industries. This has helped to evolve the meaning of collaboration and teamwork skills. What has also occurred is the acceleration toward the adoption of digital technology to accommodate the transition to remote working. This will result in the need for employee familiarity with teleconferencing, team collaboration platforms, cloud file sharing and the ability to host virtual events.

If not apparent before, digital literacy will also become essential for everyone in an organisation and not just optional for some employees. Across an organisation all employees will be expected to possess some level of data analytics and data insight competencies to make informed business decisions.

5 Growth Hub Update

Performance headlines



	Annual Target 2020-21	YTD Target as at 31 July 2020	Actual performance To 31 July 2020	Last Years actual performance <u>yr</u> to 31 Mar 2020
Business Assists	20,000	6,666	33,263	34,401 (incl BREXIT effect)
Jobs Created	400	166	97	543
SMEs supported to intro new Prod / serv	150	63	248	109
Grants Awarded			£5,254,509	£2,145,840
Intensive assists (12hrs+)	300	100	653	411 (incl Brexit effect).

Restart Programme

Additional European Regional Development Funding (ERDF) is being made available to existing ERDF projects under the, Priority Axis 3, 'Enhancing the Competitiveness of small and medium sized enterprises' to respond to the additional demand for business support due to the impact of COVID 19.

£97k has been allocated to BLEP for the visitor economy activity and £250k for the wider economy.

A Project Change Request for the additional funding to offer grants to local businesses (average grant size £2500 and 123 grants on offer) was undertaken and submitted to MHCLG on the 7th August.

The Project Change Request has now been approved and the Growth Hub team will shortly be undertaking the marketing of the grant (for a short period). The demand is likely to be very high for the money and additional funding will be sought for extra activity should this become available through ERDF sources.

Peer Networks Programme

Funding of £135,000 has been secured from Department for Business, Energy and Industrial Strategy (BEIS) for a new programme for Business Leaders designed to support them and their businesses with post COVID-19 recovery and future resilience in these unprecedented times.

The Peer Networks Programme will consist of facilitator-led groups, meeting online fortnightly for 2hr sessions over a period of 9 weeks delivering 18hrs of learning in total. Individual coaching will also be available.

Sessions will see small groups working collaboratively through common business challenges, gaining valuable feedback and implementing practical solutions. The programme will help business leaders overcome obstacles to business growth, find new opportunities and build a trusted network of connections to support and improve long term personal and business performance.

6 Digital Strategy Update

The Digital Strategy has had contributions from major local and national stakeholders within the digital infrastructure, innovation, skills and place-based fields, and is currently being developed. Work is being done to finalise a consultation document which outlines the strategic vision for the strategy as a whole, as well as the overarching aims, and individual tasks associated with individual chapters. Once this consultation document is finalised, it will be agreed with members of the Digital Strategy Steering Group and the LEP Board prior to publication.

Below there is a timeline for the completion of the Digital Strategy, submitted for your approval:

Stage	Timeframe
Finalise Consultation piece	18 th – 30 th September 2020
Consultation live	1 st – 30 th October 2020
Compilation of feedback	2 nd – 6 th November 2020
Finalisation of Digital Strategy	9 th November – 3 rd December 2020
Digital Strategy Sign Off by the LEP Board	4 th December 2020
Digital Strategy released	January 2021

7 England's Economic Heartland Transport Strategy Consultation

England's Economic Heartland is the 'Sub-national Transport Body' for the region and a strategic alliance of councils and local enterprise partnerships, covering the broad Cambridge – Milton Keynes – Oxford corridor, extended west to Swindon and broadened to include the Aylesbury, Luton, Northampton and Peterborough catchment areas.

EEH is developing an overarching Transport Strategy which sets out a 30-year strategic vision for a transport system that puts the needs of businesses and individuals at the forefront of investment decisions.

The draft Transport Strategy sets out a new approach to connectivity which will enable the region's transport system to support a green recovery from COVID-19 and sustainable economic growth in the decades which follow, while reaching net zero carbon emissions no later than 2050.

The strategy includes measures to:

- Work with the area's world-leading innovators to trial and deploy cleaner and smarter connectivity across the region.
- Champion investment in better digital connectivity to increase people's ability to work from home, reducing the need to travel.
- Maximise the potential of East West Rail and use it as the catalyst for transforming public transport across the region.
- Enhance walking and cycling infrastructure and 'shared transport' to improve local connectivity.
- Ensure the region's freight and logistics needs continue to be met, while lowering their environmental impact.

The strategy includes an investment pipeline of the strategic transport infrastructure required for the region to meet its ambitions. The strategy is now subject to formal consultation which closes at midnight on 6th October 2020. We would like to recommend that a small 'task and finish group', including Steven Broadbent as our EEH Board Representative, helps review the EEH Draft Transport Strategy and prepare a response to the consultation.

8 Planning White Paper Implications for Buckinghamshire

The Planning White Paper was published on August 6th and if implemented could demonstrate the largest shake up in the planning system since inception. The following extract has been taken from the Government's summary of the White Paper-

The current planning system is complicated, favours larger developers and often means that much needed new homes are delayed.

We're proposing a new system which is easier for the public to access, transforms the way communities are shaped and builds the homes this country needs.

The changes will mean more good quality, attractive and affordable homes can be built faster – and more young families can have the key to their own home.

In the new system local areas will develop plans for land to be designated into three categories:

- **Growth areas** will back development, with development approved at the same time plans are prepared, meaning new homes, schools, shops and business space can be built quickly and efficiently, as long as local design standards are met.
- **Renewal areas** will be suitable for some development - where it is high-quality in a way which meets design and other prior approval requirements the process will be quicker. If not, development will need planning approval in the usual way.
- **Protected areas** will be just that – development will be restricted to carry on protecting our treasured heritage like Areas of Outstanding Natural Beauty and National Parks.

Communities will be consulted from the beginning of the planning process – and help shape the design codes to guide what development can happen in their local area.

The reforms will mean:

- *Much-needed homes will be built quicker by ensuring local housing plans are developed and agreed in 30 months – down from the current 7 years it often takes.*
- *Every area to have a local plan in place - currently only 50% of local areas has an up-to-date plan to build more homes.*
- *The planning system will be made more accessible, by harnessing the latest technology through online maps and data.*
- *Valued green spaces will be protected for future generations by allowing for more building on brownfield land and all new streets to be tree lined.*
- *The planning process to be overhauled and replaced with a clearer, rules-based system. Currently around a third of planning cases that go to appeal are overturned.*
- *A new simpler national levy to replace the current system of developer contributions which often causes delay – this will provide more certainty about the number of affordable homes being built.*
- *The creation of a fast-track system for beautiful buildings and establishing local design guidance for developers to build and preserve beautiful communities.*
- *All new homes to be ‘zero carbon ready’, with no new homes delivered under the new system needing to be retrofitted as we achieve our commitment to net zero carbon emissions by 2050.*

There is much to be welcomed in the principles of the White Paper, specifically the need to simplify and speed up the planning application process and to provide greater flexibility in the re-designation of properties within town centre locations but there will also be challenges. For an area such as Buckinghamshire, the three categories of land designation could, however, have some limitations and potentially severely limit any economic development particularly in non-growth areas unless strategic employment sites are identified and clearly designated as renewal areas. A copy of the White Paper summary is to be shared with BBF members to help inform and support a response to the consultation from this LEP ahead of the October 29th deadline.

9 BEIS LEP Outlook Report 2019

BEIS published the LEP Outlook Report 2019 on 27 August 2020. The purpose of the report is to:

- 1) Help LEPs develop economic strategies
- 2) Provide an assessment of the relative economic performance of LEP areas

The report provides LEP level data on 83 indicators that align to the foundations of the Industrial Strategy White Paper: Ideas, People, Infrastructure, Business Environment, and Place

The full report and methodology can be accessed here -

<https://www.gov.uk/government/publications/local-enterprise-partnerships-leps-economic-outlook-2019>

The authors highlight the following positive assessments of the Buckinghamshire economy (rankings provided where available):

- Percentage of firms with product or service innovations (38.1%) (ranked 1st of 38 LEP areas)*
- Gross disposable household income (GDHI) per head (£27,304) (ranked 2nd of 38)**
- Percentage in employment who are self-employed (15.9%) (ranked 2nd of 38)
- Unemployment 16+ (1.9%) (ranked 38th of 38)

The authors suggest that the following indicators are potential areas of concern:

- Ratio of median house price to median gross annual earnings (15.38) (2nd worst of 38 LEP areas)
- Ratio of lower quartile house price to lower quartile gross annual earnings (19.33)
- Air pollution (population-weighted mean levels PM2.5) (10.6)
- Percentage in non-permanent employment (5.6%) (ranked 5th of 38)
- Percentage of start-ups reaching £3m turnover (6%)***

The outlook is helpful to support some of our strategy development, but some indicators will need to be treated with a degree of caution due to sample sizes or recent changes in data collection methodologies.

*Treat with caution, small sample size and high margin of error

**GDHI calculations exclude housing costs such as rental and mortgage capital repayments

*** The latest data (2018) now places Bucks above the national average on this measure

10 Communications Update

Andrew Smith and Ian Barham supported a virtual meeting with Antony Phillipson, the UK's Trade Commissioner to North America. The Commissioner was particularly interested in the level of international screen and film investment into Buckinghamshire and the strength of the area as a hub for life-science innovation. Andrew will look to develop this relationship having been recently announced as a Trade Ambassador for the UK's Creative Sector.

Opening events are also being planned for the new LGF funded Incubation Centre at Westcott for October, although the recent tightening of social distancing measures may restrict attendance levels.

Board members are asked to:

Note the content of this report and comment on any areas of specific interest or concern and support the RemNom Sub Group in its recommendation to commence the recruitment process for new Board Members.