

Title:	Chief Executives Update Report
Purpose:	To update board members of the main operational items since the March Board meeting and for board members to approve the proposals for reallocation of the Getting Building Fund investment.
Recommendation(s):	That members note the content of this report and :- <ul style="list-style-type: none"> i. Approve the final submission to the Cities and Local Growth Unit for the reallocation of £5.79m Getting Building Fund investment including an additional £247,470k to D2H Technologies. ii. Endorse the Updated Risk Register.
Impact on Risk Register	The updated copy of the risk register is attached as Appendix 2 of this report for consideration by Members.

1 Getting Building Fund

Following a special meeting of the Capital Programme Sub Group on 29th April and subsequent Board email members have approved the reallocation of Getting Building Fund capital grant to the recommended projects as follows:

Project	GBF Reallocated
Bucks Rural Broadband Voucher Top Up	£300,000
Innovation Ecosystem at Westcott	£2,609,530
TESTA – Novel Test Facility at Westcott	£250,000
Bucks Operator Skills Hub	£750,000
Centre of Excellence for Rocket Engine and Flow Tests Facility	£740,000
East West Rail-Fibre Provision Upgrade	£643,000
LUNAZ Applied Technologies	£250,000
Total	£5,542,530

The Capital Programme Sub Group noted the final list totalled circa £5.54m of the £5.79m available. At that point all applications on the reserve list exceeded the residual funds available which would have meant an over commitment if a project was added from that list. It was nevertheless recommended that the full amount £5.79m be claimed from MHCLG and that the balance of £247k be reinvested in one or a combination of the original or reallocated projects above, subject to those projects being able to demonstrate necessity, additionality and value for money for any additional funds invested.

[Minutes of Capital Sub Group April 2021.](#)

The Capital Programme Sub Group also recommended that an independent appraisal of the reserve list of applications be undertaken as a contingency measure, to manage the potential risk of future programme changes that may require further reallocation of GBF grant. The reserve list is shown in the following table:

Reserve Project	GBF Requested
D2H Technologies – Advanced Braking Facility, Buckingham	£400,000
Lynam Pharma – Project Green Leaf, Westcott	£500,000
National Film and Television School Expansion, Beaconsfield	£1,000,000

Bucks New University – Digital Health Innovation Centre, Aylesbury	£1,800,000
Bucks College Group - High Wycombe campus Phase 1	£925,000
Total	£4,625,000

In progressing the change request with our MHCLG area lead, we are advised that further clarity is needed around the reallocation of the full £5.79m grant prior to final submission of the change order request for departmental approval.

The reserve list of GBF applications has therefore been reconsidered. Only the D2H application was considered to be capable of delivery within year and as that project had originally requested funding of £400,000 the applicants were asked whether they would be prepared to proceed with a reduced grant of £247,470 against the same outputs. The principle of a reduced grant offer was accepted and following an independent appraisal of the D2H Technologies, Advance Braking Project project, it is recommended that this project is now added to the final list, with a provisional GBF reallocation of £247,470. The board are asked to agree the additional D2H application from the reserve list and in combination with the previously approved reallocated applications in the table above to endorse the GBF change order request to MHCLG totalling £5.79m. A copy of the independent appraisal of the D2H application is attached as **Appendix 1** to this report.

Subject to BLEP Board approval, the change request will be completed and submitted in accordance with MHCLG guidance for their final approval, and early decision expected recognising the tight timescales attached to this funding.

Successful applicants will be notified and award of grant subject to completing standard grant funding agreement, setting out expectations around delivery and performance monitoring.

2 Finance & Audit Sub Group

The Finance & Audit Sub Group met on May 12th to consider the process for onboarding the new Head of Finance & Assurance, to agree the timetable for approval of the Annual Accounts for 2021/22 and to consider the current Risk Register.

It was agreed that the accounts approval process should be brought forward this year and that the Accounts are to be presented to this Board at its meeting on October 8th with the AGM to follow early in November.

The impact of the transfer of the day to day financial arrangements and of the LEP Review were also considered in respect to the Risk Register. As a result, a new risk has been added to the register to cover the transfer of the financial services and that the wording within the register has been broadened to cover the possible change in LEP roles and responsibilities that may arise from the Review. The Risk Register is attached as **Appendix 2** to this report.

Members also highlighted the benefit of the Institute of Directors governance training that had been prepared by the LEP Network and recommended that this should be incorporated into both the induction process for new board members and reflections and shared learning discussed at subsequent awayday events for Board Members.

3 REMNOM Sub Group Update

Due to a crowded diary schedule associated with the local elections it has not been possible to schedule a RemNom meeting ahead of this board, however, there has been significant developments in relation to a number of staffing and HR Issues.

I am pleased to report that Bharti Bhoja has been appointed as our new Head of Finance & Assurance and will be joining the team at the beginning of June and we are also currently recruiting for a new Digital Innovation Manager.

A new staff handbook and consolidated contract arrangements have also been produced and our HR Advisors You HR are currently going through the consultation process with the team. Following this we will be looking to transfer three members of staff funded and working on LEP activity but employed on BBF employment contracts into the core team to ensure consistent employment practices.

The appraisal process for the team is also currently underway, this is being overseen by the Chair and will feed into the annual review process. To commence this process my appraisal has recently been undertaken by the Chair and the recommendations have been approved by the members of the RemNom sub group. A further RemNom meeting will be scheduled for June to consider all of these matters in further detail.

4 Buckinghamshire Council Elections

The first elections to the new Buckinghamshire Council were held on May 6th returning 147 councillors to represent the new Unitary authority for the first time. Martin Tett has been returned as Leader of the new Council and is currently finalising his nominations to cabinet positions. The Member nominations for this board will also be reviewed with the public sector membership reducing from 5 to 3 Councillors as previously agreed.

5 Enterprise Zone Board - Implementation Plan

At the March 2021 BLEP meeting I updated the Board on work to review progress of the EZ over its first 5 operational years and on a new Implementation Plan for the next 5 years to March 2026. This work is nearing completion and has identified priority areas for increasing business and skills support and for accelerating physical site development. Subject to BLEP Board consideration and comment the EZ Board will finalise the Implementation Plan for sign off the at its 30th June meeting.

A copy of the draft Implementation Plan Executive Summary is attached as **Appendix 3** to this report.

The Implementation Plan focusses on maximising the economic value added by the EZ sites through increasing business productivity and growth, and capturing a greater share of indirect business activity, which otherwise leaks away from the Buckinghamshire economy. This means that providing appropriate business and skills support to new and growing businesses in the EZ and environs is a key objective. Alongside this, a comprehensive Inward Investment Strategy, coordinating with DIT, will be a significant feature of the next 5 years. These objectives will be supported through an increase in the EZ revenue budget to enhance capacity for delivery.

Priorities for the three EZ sites to continue their rapid growth have been identified. Accelerating the pace of site development may require further targeted investment of income from retained rates into these priorities during this next 5 year period.

Key priorities for each site include: -

At Silverstone: -

- supporting the build out of the remaining 60,000m² EZ floorspace within the EZ designated zone.
- Capital investment into innovative / R & D projects where the opportunity matches our economic development priorities.
- considering the potential to bring forward a further phase of development to the south of the Silverstone Circuit to provide a high-quality employment / R & D campus in Buckinghamshire.

- Developing supply chain opportunities for local businesses.
- Improving accessibility to the site for local workers and students
- Working with partners to maximise marketing to attract new businesses and to provide business support for existing businesses.

At Westcott to build on the momentum created through delivery of the Space Cluster facilities and to: -

- secure funding and delivery of the full DISC facility, including a Skills and Apprenticeship Hub in conjunction with the Satellite Applications Catapult, Patrizia and other partners;
- promote the Space Innovation Business Park vision nationally and internationally, aiming to secure major private sector investment in facilities from the space sector.
- Work with Patrizia and SAC to
 - o Develop the masterplan for the EZ and Wider Westcott site
 - o Secure infrastructure necessary for site expansion
 - o Maximise marketing for new businesses and business support for existing businesses.
 - o Develop supply chain opportunities for local businesses
 - o Improve accessibility to the site for local workers and students.

At Woodlands to: -

- secure the Woodlands planning consent, promote development opportunities and deliver the infrastructure to support development within the EZ, if necessary through provision of funding from retained rates for pre development work and advance infrastructure.
- broaden the EZ sector base to include creative industry opportunities, building on the recent investment in film production facilities at Woodlands.
- Explore the potential for a MedTech campus linked to Stoke Mandeville Hospital.
- Provide marketing and business support to develop the Woodlands offer for the MedTech and Creative and Digital sectors.

Beyond this high priority work, there is potential for further investment in facilities such as a training/conference/visitor centre at Westcott and an Innovation Centre at Woodlands. Such proposals will require separate business cases to justify any investment.

Given the rapid rate of development achieved in the EZ and the potential to accelerate this over the next 5 years the EZ Board membership should be expanded to strengthen governance arrangements. This expansion would ensure that the EZ Board reflects the public/private sector balance on the BLEP Board through the recruitment of 2 further private sector BLEP Board Members.

A New MoU between BLEP and Buckinghamshire Council should be completed to formalise governance arrangements for the next 5-year period.

6 Buckinghamshire Advantage

On 28th April Buckinghamshire Advantage held their AGM where the position of future ownership of the company was considered. At this meeting BBF expressed a desire to step away from the partnership to provide the opportunity for BLEP to become the new commercial partner for Buckinghamshire Council.

I have since been speaking with Ian Thompson the Director of Growth at Buckinghamshire Council about the process for developing this proposition and will look to update members verbally on how we may progress this option.

7 Growth Hub Update

A full summary of Growth Hub activity for 2020-21 is provided in the attached as **Appendix 4** to this report.

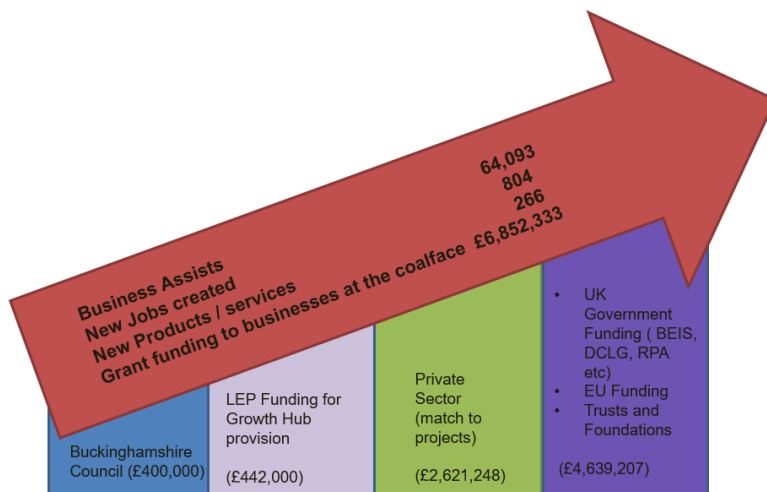
Performance headlines YE 31 March 2021



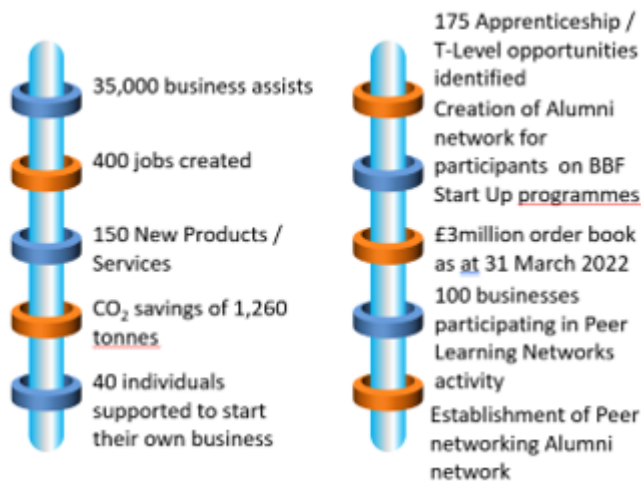
	Annual Target 2020-21	Actual performance To 31 March 2021	Last Years actual performance yr to 31 Mar 2020
Business Assists	20,000	64,093	34,401 (incl BREXIT effect)
New Jobs	400	804	543
New Prod / services	150	266	109
Grants Paid out		£6,852,333	£2,145,840
Intensive assists (12hrs+)	300	1,186	411 (incl Brexit effect).
Resource (no. of employees BBF)		59	45

Activity levels for the Growth Hub for 2020-21 were over twice those of any previous year and all LEP Growth Hub targets have been met or exceeded. £6,852,333 has been distributed in grant funding to businesses at the coalface. This grant funding ,alongside business support programmes delivered by the Growth Hub, created 804 new jobs and 266 new products or services were taken to market.

In 2020/2021 the leverage rate for the Buckinghamshire Business First operational model was £8.62 for every £1 invested in BBF by the Council & Bucks LEP. Funding secured from the Council & the LEP facilitated activities that could be used as match to draw down additional funding from other funders and businesses that was spent on measures that secured growth in the local economy (aligned to Council & LEP aspirations).



Planned activity for 2021-22 is likely to produce the following predicted outcomes



Flagship projects will include:

- **Low Carbon Workspaces** a grant-led investment programme to help SME businesses make energy efficiency improvements to their premises and processes.
- **The Growth Programme** which offers high level advice, grant support and access to a network of 'Growth Champions' to help businesses innovate and grow.
- **MD Ngage** which offers executive-level personal development and peer networking for senior business leaders.
- **LEADER** which provides growth grants to farmers, foresters, small businesses and community groups in rural and coastal communities.

8 Core Investment for Year - LEP & Growth Hub Funding & Release Process

I am pleased to report that the Growth Hub Funding for 2021/22 has now been confirmed as £462k (up from the £287k previous average). This funding will be released on a quarterly basis following the approval by BEIS of the delivery schedule for the coming year. The funding will be based on the following delivery criteria.

- Management, governance and coordination
- Data, monitoring, reporting, evaluation and value for money
- Strategic partnerships and business support simplification
- Triage, diagnostic and signposting
- Ambitious and high growth businesses

As mentioned elsewhere within this board pack we are looking to focus for the year ahead on supporting greater innovation within Buckinghamshire so will be asking the Growth Hub to Focus on developing its relationships with high growth and high potential businesses.

In light of our successful Annual Performance Review, where we met all of our objectives, we have also received a verbal update from the Cities and Local Growth Unit that the core funding for BLEP is secured and that offer letters from Ministers are due imminently. The core funding for BLEP for the 2021/22 financial year will be £500k.

9 Research & Insight Update

The first Bucks Business Barometer was launched in March and followed a response by 100 Buckinghamshire businesses to an initial survey at the beginning of the year. The barometer survey will be undertaken on a quarterly basis and will feature a number of fixed questions to gain a deeper understanding into the current business landscape in Buckinghamshire but will also include a number of questions in relation to a theme pertinent to the time of the survey. For the forthcoming survey the theme of blended working will be explored as many businesses face the decision whether to bring staff back into the workplace or to continue with a flexible and home working approach.

10 Communications Update

We were delighted to sponsor the Covid Innovation Category at this year's Buckinghamshire Business Awards, there was a strong entry for this category and we have selected a shortlist of three businesses that each showed real innovation within their sector over the past 12 months. Our shortlisted businesses are Garsington Opera who were able to maintain their outreach education and fundraising programmes and reach new audiences by making their archive and education programmes available digitally, the Rebellion Beer Company who repurposed their delivery services from pubs and hotels to domestic customers and who even introduced a drive through service for dedicated customers and High Wycombe based conservation and smart solutions innovator Whiff Away who have developed a digital management system for washrooms and enclosed locations to support operations within a socially distanced environment.

Our first skills action plan has been launched with two well attended stakeholder events to support engagement on the plan delivery, the launch was also supported by the production of a new skills inspiration film produced by the Wow Show for young people that has been featured on the Skills Hub Website, the film showcases many of our top economic assets that are offering growing employment opportunities for young people. [Wow Show Special Buckinghamshire](#)

A number of developments on our Enterprise Zone sites have also caught significant media attention over the past few weeks, Silverstone based company [Lunaz](#) have been filmed for a feature on the One Show and have also secured a Top Gear award for their electric conversion programme for classic vehicles. The new opening of the new national demonstrator facility by OneWeb rounded off an eventful period for the company following their latest successful satellite launch and £500m share investment.

Board members are asked to:

- i. Approve the final submission to the Cities and Local Growth Unit for the reallocation of £5.79m Getting Building Fund investment including an additional £247,470 to D2H Technologies.**
- ii Endorse the Updated Risk Register.**