

Title:	Economic Funding Update
Purpose:	To update board members on the major current funding opportunities available for business-critical infrastructure and to stimulate economic growth. To help inform the role of this LEP in leading, endorsing or supporting future funding bids.
Recommendation(s):	That members note the content of this report and the presentation from Buckinghamshire Council and advise on the future funding strategy for the LEP.
Impact on Risk Register:	The recent budget announcement and LEP Review have indicated that LEPs will have less of a direct role in administering infrastructure funding than previously, but that we will retain an important role in supporting and encouraging funding bids by local partners. Given the significantly changed landscape we will need to be clear on how and where we support bids to ensure that they help deliver the strategic objectives of our Local Industrial Strategy and Economic Recovery Plan.

1 National Funding Landscape

The national funding landscape is evolving rapidly. The principles of a single investment pot have long since disappeared as individual government departments are seeking to retain closer direct control over their investments. Currently the Getting Building Fund which was issued in July 2020 looks like being the final infrastructure investment fund managed by LEPs, with the recent budget confirming that the Levelling Up Fund and the UK Community Renewal Fund pilot, a precursor to the Shared Prosperity Fund, are being managed through Local Authority channels.

For other pilot projects such as the Skills Accelerator [which includes Local Skills Improvement Plan Trailblazers and Strategic Development Fund pilots] business membership organisations and learning providers are being asked to lead consortia bids. There is no requirement for the geographic areas covered by bids to align to LEP boundaries.

Elsewhere national agencies such as UK Research and Innovation (UKRI), Innovate UK or agencies such as the UK Space Agency have direct control over investment decisions.

Following the launch of the [Plan for Growth](#) the three pillars driving growth revolve around infrastructure, innovation and skills while the outcome that government seeks will address the areas of Levelling Up, Net Zero Growth and establish the platform for a Global Britain.

In the absence of a Comprehensive Spending Review decision in 2020, longer term investment decisions are still in development and will not be fixed until the Comprehensive Spending Review later this year. The Levelling Up Fund will invest in local infrastructure that has a visible impact on people and their communities. This includes a range of high value local investment priorities, including local transport schemes, urban regeneration projects and cultural assets. It is not therefore yet entirely clear how for example the innovation agenda set out in the BLEP Local Industrial Strategy and carried forward into the Economic Recovery Plan is to be funded in the short term.

In the context of this landscape we need to be smart and think tactically on how Buckinghamshire LEP targets, supports and assists funding bids for the benefit of the Buckinghamshire economy.

2 Levelling Up Fund and Community Renewal Fund Bid Process

Buckinghamshire Council have been tasked with managing the submissions for the Levelling Up Fund and for the UK Community Renewal Fund for Buckinghamshire. The [Levelling Up Fund](#) is open to a single capital bid of up to £20m from each constituency office area as well as an additional bid of up to £50m from each local Transport Authority. The fund will be an annual process with Round 1 bids due to be submitted by June 18th 2021.

The [UK Community Renewal Fund](#) has allocated local areas up to £3m to support

- Investment in skills
- Investment for local business
- Investment in communities and place
- Supporting people into employment

Investment made under this fund should be able to demonstrate the extent of contribution to net zero objectives or wider environmental considerations. Initial expressions of interest are to be submitted to the Council by May 24th prior to assessment and submission to government.

Ian Thompson, the Strategic Director for Growth at Buckinghamshire Council, will provide an update for the process for developing and reviewing the Buckinghamshire submissions at the Board meeting.

3 Other Current Opportunities

There are a number of other current opportunities that we are pursuing, the most critical of which is the continuing dialogue with government relating to the Buckinghamshire Growth Deal. Our Chair, along with the Leader of the Council, have recently had a number of meetings at Ministerial level to progress the growth deal discussions and officials have requested further detail on the outputs arising from the Buckinghamshire innovation and town centre investment propositions.

The business case information that we have previously submitted for our investment propositions at Westcott, Silverstone and Pinewood is currently being updated for inclusion in this revised document and this is due to be re-submitted to officials before the end of May.

Consideration has been given to the [Skills Accelerator](#) opportunity, which includes opportunities to bid to become a Local Skills Improvement Plan Trailblazer area and to pilot Strategic Development Fund for skills provision. Both are seeking to give employers more direct involvement in the shaping of local skills provision. Only 6-8 national Local Skills Improvement Plan Trailblazer projects, led by Chambers of Commerce, will be supported with a total of £4m available. The pilot Strategic Development Fund bids will be led by FE Colleges and other learning providers.

We have been approached by the Thames Valley Chamber of Commerce to support a Trailblazer bid covering a wider area incorporating Buckinghamshire, Oxfordshire, Berkshire and Swindon and Wiltshire. We will look to assist this bid if we can establish a constructive and federated partnership that does not undermine the progress and successful relationships that we have established on the skills programme.

We are also aware that the National Space and Hydrogen Strategies are due to be published this summer, both of which will be critical in underpinning our investment bids over the coming years and as such we have been liaising directly with the UK Space Agency and with officials from the BEIS Clean Energy and Hydrogen teams to ensure that the Buckinghamshire capabilities are factored into the strategic thinking to maximise the chances of our success in future funding bids.

4 Important Strategic Partnerships

Given the fractured landscape it is important that as a LEP we become increasingly involved in shaping departmental and national agency thinking. Our Chair has invited Kwasi Kwarteng the Secretary of State for Business, Energy and Industrial Strategy and officials to visit Westcott to see the new developments including the Innovation Centre, National Space Propulsion Test Facility and OneWeb demonstrator facility as soon as the restrictions have eased and we are looking to host similar visits linked to the two Grand Prix planned for Silverstone this summer.

It also appears that government officials are expected to conduct their local engagement through an Arc prism and while we are maintaining a close dialogue with all neighbouring LEPs we are having to work harder to engage officials in a local conversation on Buckinghamshire's economic priorities. It is imperative therefore that all board members support the executive and look to utilise their direct connections with Government and national agencies to sport and promote relevant emerging opportunities.

5 Actions & Next Steps

One of our immediate priorities is to strengthen the relationship with UKRI and Innovate UK officials operating in the Buckinghamshire area. This objective is being incorporated into the Growth Hub operational plan for 2021/22 and is also being included within the team objectives for all executive team members. This increased focus is also being shown in our recruitment process, we are looking to extend the remit within the vacant Broadband Manager post to include a greater focus on identifying and supporting funding bids for digital investment and innovation.

As we transition from direct capital programme management and monitoring, we may increasingly be looking to operate as a facilitator of strategic investment propositions and partnerships. Through the recent round of funding for the Getting Building Fund one of our objectives was to identify and support the applicants to identify and access other available funding and at the recent Skills Advisory Panel meeting we initiated a dialogue to stimulate a number of promising consortia bids for the Community Renewal Fund.

Board members are asked to:

- **Note the content of this report and of the presentation from Buckinghamshire Council and advise on the future funding strategy for the LEP.**