

Economic Recovery Strategy

Framework Document for Consultation August 2020



1 What is the plan and what is its purpose: -

**“Although the Covid-19 pandemic began as a public health emergency, it has swiftly developed into the most extraordinary economic crisis of our time”.
Centre for Policy Studies - After the Virus a Plan for Restoring Growth**

The plan will look to identify and address the following issues that have been thrown into sharp focus by the Covid 19 (coronavirus) crisis

- Economic hardship which had not existed before.
- Weakened businesses potentially heading to failure.
- Ability of digital infrastructure to respond to new working practices.
- Broken supply chains, where suppliers may have gone out of business.
- Reduced demand/confidence nationally/globally.
- Vacant, retail, office commercial space.
- Changes to consumer behaviour.
- Changes to High Street and retail economy.
- Opportunities previously untapped accelerated during the crisis by enforced changes to ways of working.
- Other longer-term factors, such as onshoring, increased use of digitisation and reduced use of public transport.

It will inform regional and national recovery plans and will provide a focus for short, medium actions that are required and will identify, and longer-term actions help rebuild the Buckinghamshire Economy back stronger and more resilient from this unprecedented challenge.

2 The Impact - What is known – what is expected

From the beginning of the Covid 19 Crisis, Buckinghamshire LEP together with our Growth Hub Buckinghamshire Business First have been monitoring and sharing insight from the Buckinghamshire business community. This insight has been used to inform BEIS and other government departments and to provide information for local partners including the Buckinghamshire Council and Health Authority. Regular spot surveys have been undertaken with members of the Bucks Business First community of 12,000 active members to gauge feedback on areas of interest such as the job retention scheme and access to bank funding.

Buckinghamshire LEP have taken a leading role in developing a robust set of indicators that can be tracked at a national level in partnership with our colleagues from the LEP network, at a regional level alongside LEPS in the Oxford to Cambridge Arc and locally.

The Economic Recovery Evidence Base is attached as Appendix 1 to this report providing: -

- A baseline description of the characteristics and performance of the Buckinghamshire economy pre-Covid
- A summary of how the local economy has been impacted to date by the Covid-19 pandemic
- An indication of how the local economy might be impacted in the medium to long-term
- An indication of potential opportunities for long term economic growth that have arisen or have been accelerated as a result of the pandemic

The indicators that are being monitored at a local, regional and national level will show the changing impact over time. Buckinghamshire LEP will be monitoring a range of key indicators over the coming months and years to quantify impact and track recovery and economic scarring. Indicators will be sourced from a mix of 'alternative' (real-time) and traditional data sources and will be grouped into the following themes:

- Business
- Labour market
- Innovation
- Infrastructure

3 Big Issues for Buckinghamshire

Although many of the challenges faced by the impact of the Covid 19 will be consistent to many parts of the UK there are a number of impacts that will be acutely felt within the Buckinghamshire economy.

- Sectoral Differences

The overnight shutdown of the aviation industry and the long road to recovery – Over 2100 Buckinghamshire residents are employed in the aviation industry, working at Heathrow many more are employed in the supply chains for the aviation industry. For many these secure long-time careers have been turned upside down over the first half of 2020 in a sector that is expected to be amongst the last to return to normality.

Another sector that has been significantly affected has been the automotive sector automotive although the recovery is expected to be swifter than in aviation, what is consistent is the need to support businesses and individuals affected to pivot into new markets and services.

The retail and hospitality sectors have also been hard hit, but have been protected by targeted government support as a short term emergency measure, what is less clear is how the sectors will return once government subsidies have stopped and how long it will take for customers to be comfortable in socially distanced surroundings. For some Buckinghamshire towns and communities such as Marlow, Beaconsfield and Wendover, where the food and drink offer is integral to their appeal managing this transition will be critical.

- The human cost

Early indication has shown a significant rise in the claimant count in Buckinghamshire – an increase of 10,000 people claiming support in first 3 months of the pandemic (March -May 2020).

1/3 of workforce were furloughed at the beginning of July with significant numbers at risk of not being re-employed. The plan will identify how these figures will be tracked and will identify how those being made redundant offered the appropriate support and advice to return swiftly to the workforce?

- Working and learning flexibly

The first half of 2020 could be seen as the biggest social experiment in flexible working since the Industrial Revolution. Changes which businesses, corporations and educational establishments would generally plan for in years happened over-night. For many this experiment has on the surface been very successful and advanced flexible practices, for others it has shown how poorly prepared they were or how rigid some of their former policies were. The longer-term effects, particularly on team creativity, cluster dynamics and on employee wellbeing are yet to be seen however it is important to see how the best of these temporary changes can be incorporated into a new normal.

Key Questions remain and will become clearer over the coming months....

- Home working - how will this trend grow – how can we make sure that the home working space is productive – and what communal working spaces are required to complement home working in terms of creative spaces, collaborative approaches and a sharing platform for Bucks businesses
- Digital capacity and skills – what new infrastructure is needed? – How can we further support individuals and businesses in the effective use of new technologies?
- Current trends including commuter movements – Before the pandemic 34% of Bucks residents were out-commuters, current commuter trends are 50% below pre lockdown. What permanent change will be seen and how can we support those with greater time saved use this change to contribute to Buckinghamshire economically and socially?

Buckinghamshire was in the middle of an unprecedented sustained period of growth at the start of the Covid crisis, and although the construction sector is recovering, the demand for employment and office space is likely to dramatically change. The impact on cities and towns will be very different and there is the opportunity to re-set the relationship with our neighbouring areas, in particular with London for inward investments.

Areas to consider - Employment land requirements - where will reductions be seen – how can we support collaborations between businesses and how can redundant and surplus land be used effectively for other purposes?

We will look to monitor company closures in Buckinghamshire and explore how these businesses were less resilient than others.

We will look to assess the Health & Wellbeing implications for businesses – highlighting potential issues relation to community care, isolation and the masking of inequalities in a generally affluent county such as Buckinghamshire

4 Building on the Buckinghamshire Local Industrial Strategy

The Buckinghamshire Local Industrial Strategy was published in July 2019, based on a detailed evidence base the strategy set out the framework for productivity growth in Buckinghamshire mobilising our key economic assets including the Creative & Digital Industries with their heart at Pinewood Studios, High Performance Engineering and the Silverstone Technology Cluster, the potential of a new space cluster at Westcott and digital health technologies building on the global reputation of Stoke Mandeville, the birthplace of the Paralympic movement.

The opportunities provided by these assets was supplemented by the main economic drivers within Buckinghamshire including the digital connectivity and capacity, the skills and education landscape, commercialising innovation and providing high quality business support and presenting Buckinghamshire as a testbed for innovation.

Buckinghamshire LEP have been working alongside a steering group to see how these foundations of the Industrial Strategy are still relevant, to see which areas now need developing into more detailed action plans and how the new landscape will help shape new actions particularly in relation to job creation and the development of a green economy to ensure that the county builds back better from the shock of Covid 19.

The Buckinghamshire Industrial Strategy was built on a landscape where unemployment in the county was at historically low levels and where the Buckinghamshire economy was consistently amongst the most productive in the UK. Ahead of the Covid 19 crisis the productivity levels in Buckinghamshire were rising less swiftly than other parts of the country highlighting the need to focus support for sectors and areas with higher productivity. Whilst the need to grow productivity will continue to be of importance in the medium to long term, the immediate focus of this recovery plan will be on job retention and new job growth.

Evidence led approach to a practical action plan to address the impact and opportunities for the Buckinghamshire economy from Covid 19 and the Climate Change Agenda

To look at three phases of recovery

- **Response** – Reviewing the initial response by support organisations such as our Growth Hub Bucks Business First– with case studies and learning from those directly supported
- **Renew** – providing a rapid framework to mitigate the challenges and to capitalise swiftly to new opportunities
- **Rebound** – to use this opportunity to develop new thinking to ensure that the Buckinghamshire economy builds back stronger, more resilient and innovative.

5 Operating in a local, regional and national context

Our action plan will consider the National Recovery Programme which is based on 5 themes

- Net Zero (how do we build back better – use the fundamental changes to re set the course for some institutions – cite Pinewood site clearance to new net zero studio space)
- Research and Development – (Bucks potential within the Arc – our role as the link for the Arc to the capital and our access to the international gateway)
- International Investment (supply chain resilience – on shoring and resilient international bases)
- Start Up
- Levelling Up

At the Heart of the Oxford to Cambridge Arc....

We will use the recovery framework to strengthen collaboration – working across Local Enterprise Partnerships and the Arc Universities - bringing together consistent themes & issues for joint development and positioning the Arc as the innovation and R&D Hub that can benefit the national recovery.

Supporting and helping deliver national objectives through the collaborative strengths of the Arc

The Economic Recovery Plan will be one part of the wider place-based recovery plan for Buckinghamshire, with this plan spearheading the Economic & Business Recovery but being complemented by plans for Health and Social Care, Community Wellbeing and the Environment and Infrastructure as part of the overall recovery model for Buckinghamshire. The place-based recovery for Buckinghamshire based on the 3R's of Reset, Resilience and Restoration.

6 Main Emerging Themes – taken from stakeholder sessions and Buckinghamshire Strategic Partners

- Testbed development – re emphasis of the ambition of the LIS
- Turning temporary approaches into permanent
- The critical importance of continued digital investment
- Efficiency v effectiveness - highlighting the issues of an inflexible policies including national procurement policies, digital strategy and the need for flexibility to support resilience at times of exceptional change.
- Supporting workforce adaptation
- Flexible Homes for life
- Workforce wellbeing and mental health challenges
- Enabling organisations to shift capabilities into new markets and services
- Underpinning international collaboration and business resilience
- Revitalising & repurposing our town centres
- The impact on training and apprenticeships advancing inequalities
- The risk of greater inequalities in our society – often hidden in locations like Buckinghamshire.

7 Response Phase will include

- The immediate Covid impact on Buckinghamshire businesses
- The main support needs and how these were met by BBF and local and national partners – including notable successes and a summary of those that could not be helped
- How this changed over the early weeks of lockdown as picture as businesses started to receive some support
- Main trends – workforce flexibility, digital capacity, supply chain issues, cashflow, repurposing of services
- Lessons learned and points of note as we move beyond immediate support measures

8 Renew Phase - how we can help businesses operate flexibly within the new reality, meet safety guidelines and spot and respond to new opportunities ahead of an effective vaccine being widely aviable.

- Using government loans, support services and aviable grants wisely
 - 617 Buckinghamshire businesses have received over £450m of government loans to support economic renewal, we aim to work with those businesses to support this investment, develop leadership skills and to support future business growth.
- Welcoming and supporting a returning workforce
- Implementing new practices and or working in new markets
- Taking advantage of changed markets and customer needs
- Building resilience for future economic shocks

9 Rebound Phase

Using new thinking to ensure that Buckinghamshire's economy builds back stronger, more resilient and embraces innovation.

Strengthening Buckinghamshire's Economic Assets – Actions to be developed around the following themes already highlighted through workshops and consultation



Space

- Westcott 10-year plan advancement including increasing the production capability at Westcott

- The need to mobilise businesses and capabilities from badly affected sectors esp. aviation and automotive
- Aligning digital health proposals supporting remote working and integrated care pathways
- The use of sustainable resource management including green fuel technologies



Creative & Digital

Ability of sector to regenerate swiftly highlighted – already fastest growing with sector deal in place. Growing demand for specialist and world leading training.

- Need to support the large freelance and independent sector more effectively
- NFTS Virtual TV and Games Academy
- Screen Based Global Growth Hub, mirrored on the BBF Growth Hub but sector specific, at Pinewood Studios
- Buckinghamshire Film Offer – establish a Buckinghamshire Film Office to maximise production spend within the County
- Building on the Government’s Tourism Sector Deal, develop a film inspired ‘experience’ at Pinewood similar to the Warner Brothers Studio Tour / The Making of Harry Potter
- Look to identify and support new studio development - Pinewood, Marlow and Halton
- Support career development and changing initiatives
- High Wycombe/Beaconsfield/Marlow Creative Cluster Growth



Health & Social Care

- Supporting viability of future care model - a greater blend of at home and residential care
- The need to advance the trust and use of remote and community-based care – building on the pilot concepts being developed as part of The Aylesbury Garden Town programme
- The impact on residential sector – family changes – living independently - potential impact on planning freedom
- Infection control in old healthcare estate premises – advancing the need for new and accessible provision
- Social distancing, cleanliness and PPE requirements
- Need to rapidly develop detection and infection control processes – not just from academic background
- Mental Health Challenges and the impact on business effectiveness
- Potential Green Prescription National Pilot for Buckinghamshire



Advanced Engineering

To ensure capabilities can move across sectors

To develop collaborative opportunities to enable cross sector movements

- Low Carbon – fuel centre development especially Green Hydrogen
- Silverstone Enterprise Zone Expansion
- Southern Bucks Advanced Engineering Cluster Development - development of Denham Technology Hub

The New Drivers of Productivity

Development of Digital Strategy for Buckinghamshire - how can we ensure that our digital infrastructure meets the growing needs of our business community?

- Digital Infrastructure
- How we use it
- How we can support training for better use
- Making sure that there is digital availability when and where needed
- Enabling greater mobility in working and supporting a Green Recovery

Education Revolution – what commercial opportunities can be spotted to support a new way of learning?

- Blended learning is the norm – where have tech inequalities been highlighted?
- Ensuring that Covid safety thinking is integral to educational estate development
- New curriculum development - short term bridging development for learners not going immediately into work – medium term new markets i.e. Covid Health and Safety
- Ethical Risks in Education – are there commercial opportunities associated with supporting remote working systems and techniques?
- Significant training need for educators
- Catch up and refresh requirements for people changing careers
- Redundancy task force – going beyond traditional brokerage activities for different ages and sectors – how can we support individuals to find new opportunities in secure and growing sectors?
- Needing to be operating at scale – identify are traditional job brokerage services adequate

Town Centre Vitality – how can we support the renewal of our main town centre hubs?

- Ease of Access & Flexibility of Use – first and last mile solutions
- The development of distinct characteristics of each town area
- Ownership – partnerships and effective use of structures such as Bid Co's
- Culture and experience – develop outdoor experiences to reduce overall reliance on retail and loss of some key assets such as Theatres in medium term
- Public ownership issues – local authority on public realm, greater transparency on private ownership

Commercialising Innovation & Enhanced Business Support – providing the environment where business leaders and the workforce in Buckinghamshire can be supported to grow and develop.

- Growth Hub Plus services including
 - o Innovation Support (Intellectual Property Advice, Product Development, New Market Access)
 - o Digital Implementation (Digital resilience, use of cloud services, development of Virtual Reality and Augmented Reality Services, accessing Academia)
 - o Procurement & Supply Chain Development - (improving access for SME's to major public contracts)
 - o Leadership and Management Development including peer group support networks
 - o The Development of Clean Growth Principles
- Start-up focus as part of redundancy task force
- Continued emphasis on academia and business collaboration
- Specialist support requirements – use of digital, flexible working, start up, securing finance and investment, using investment wisely
- International Development Support

Developing Test-bed Solutions in Buckinghamshire - what could we do differently to trial new ways of working and thinking?

- Aylesbury Garden Town
- East West Rail
- Planning Flexibilities
- Extended Home Living
- Connecting Enterprise Zones with Commuter Hubs

Green Growth - ensuring that we develop a world class economy within a world class environment!

- Hydrogen Fuel Efficiency
- Jet Zero – Sustainable Airport & Aviation Technologies
- Natural Environment & Biodiversity
 - Satellite Technology Enabling Targeted Agricultural Revolution
 - Ecosystem Services Approach
 - Natural Capital Mapping – target locations including Colne Valley, Bernwood & Burnham Beeches
 - Biodiversity Net Gain
- Visitor Economy & Sustainable Tourism – linked to NEP Access to Country and Green Prescription
- Transport modal shifts - first and last mile (from EEH Strategy)
- Walking and cycling networks development
- Aylesbury Garden Town – advanced ambition

Have Your Say

Buckinghamshire LEP would like to hear your views about what you would want to see in the Economic Recovery Plan, which of the points highlighted above is most important to you and your business or is there something we have missed?

Please send your comments to info@btvlep.co.uk or contact

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Closing Date for Consultation is September 1st 2020