

THE SOUTH EAST MIDLANDS LOCAL ENTERPRISE PARTNERSHIP (SEMLEP)

1 Purpose

- 1.1 The purpose of this meeting is to hear from the Chair of the South East Midlands Local Enterprise Partnership (SEMLEP), Dr Ann Limb, about the needs of business and what SEMLEP is currently doing or proposing to do to support businesses in its patch, including Aylesbury Vale businesses.
- 1.2 The meeting will also explore how SEMLEP is supporting AVDC's Economic Development Strategy objectives

2 Recommendations

That Scrutiny Committee is recommended to:

- 2.1 Note the information contained in the report and updates during the presentation.
- 2.2 Comment upon and explore further the support provided by the LEP to Vale businesses, either current or proposed
- 2.3 Identify areas where members think particular support should be targeted, and inform the Cabinet member of the committee's comments, including, where appropriate, suggesting any actions.

3 Supporting Information & Background

- 3.1 Following the Economy Scrutiny Committee in January 2012, it was agreed that there would be a series of themes which the committee would like to explore further, involving external speakers and as such, inviting them to meetings to provide input for consideration and debate.
- 3.2 This meeting represents a continuation of the theme 'What businesses want or need'. It deals specifically with the request made at the 20th March Scrutiny Committee meeting to hear more about what business support there was out there, especially from the South East Midlands Local Enterprise Partnership (SEMLEP). The activities of the Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP) and Bucks Business First (BBF) were aired at the 4th September 2012 meeting.

3.3 What is the main role of a Local Enterprise Partnership?

In June 2010, the coalition Government invited areas to bid to form Local Enterprise Partnerships (LEPs), following the abolition of the Regional Development Agencies and changes to the national business support infrastructure.

SEMLEP was established in May 2011, one of 39 Local Enterprise Partnerships across the country. Cllr Michael Edmonds, Deputy Leader and Portfolio Holder for Economic Development, is on the SEMLEP Board and acts as Board Champion for the Digital Infrastructure objective (NGA Broadband).

Essentially, the role of LEPs is to enable Local Authorities and business representatives collectively to:

- Shape, inform and be informed by, the real needs of business;

- Develop private-sector led commercial business cases in response to national funding opportunities;
- Provide a mechanism for businesses and local authorities to lobby for an appropriate share of national resources;
- To harness the collective experience and insight of business and local authorities to focus priorities;
- To provide sustained and joined-up lobbying for business critical infrastructure (e.g. East/West Rail);
- To bring together views on how best to use funding proposals to support jobs, employment growth, skills and training and infrastructure.

Following the publication of Lord Heseltine's report "*No Stone Unturned in Pursuit of Growth - a new partnership for growth*" at the end of October 2012, the Local Enterprise Partnerships are poised to assume wider responsibilities, with increasing devolution of funding from central Government to LEPs, including City Deal and possible outcomes from the LEP 'growth conversation' currently underway, as well as greater support for nationally significant sectors. The Government is currently considering whether to take forward recommendations from Lord Heseltine's Report and could make an announcement shortly.

In his report, Lord Heseltine makes the case for boosting growth in Britain's regions by recommending a major rebalancing of responsibilities between central and local government and between government and the private sector. The key point for the LEPs is that the Government is providing up to £250k for the next two years (dependent on matched funding locally) to allow the LEPs to develop their local economic business and investment plans to be ready to compete for resources from Government. If Lord Heseltine's recommendation were adopted then these resources would be in the form of a single national pot to support economic growth over a five year period from 2015 onwards.

4 The South East Midlands Local Enterprise Partnership (SEMLEP) – objectives & selected achievements

SEMLEP was established as a company in May 2011 and the Chair and Board (consisting of 6 public and 6 private sector directors, a representative of the Higher and Further Education sectors and an observer from the Voluntary and Community sector) were in place by November 2011.

The vision for SEMLEP is as follows:

"By March 2015, the South East Midlands Local Enterprise Partnership aspires to be one of the most innovative, successful and high performing local enterprise partnerships in England, as measured in overall terms, by growth in Gross Value Added per head relative to other LEPs and as demonstrated by the effective collective leadership provided by local authority and private sector partners."

The key objectives and some recent achievements are set out below (**see Appendix B1 for SEMLEP Business Plan 2012-2013**).

Objective 1: To ensure that the SEMLEP Northampton Waterside Enterprise Zone successfully delivers its initial targets for new jobs and businesses by March 2013.

The Enterprise Zone was designated in July 2011. Good progress has been made throughout last year including:

- Funding of £10m secured for the development of Castle Rail Station. It is expected that the new station will open in April 2014.
- Development has started on a number of sites - the new Carlsberg bottling plant will bring £65m of private investment and deliver 60 new jobs in 2013.
- An Innovation Centre to be constructed in the St Peter's area later in 2013 has secured £7.5m investment and will support around 55 small businesses
- New student accommodation for the University of Northampton will be completed on the St John's site by January 2014 providing 464 rooms.
- Two contractors have been appointed to undertake a skills assessment across the Enterprise Zone funded by £100k from the Skills Funding Agency.

Objective 2: To attract new overseas business into the South East Midlands through accelerated delivery of all SEMLEP local authorities inward investment plans

- A single point of enquiry has been established for potential investors coming through UKTI and looking for locations in the SEMLEP area. AVDC is represented on the Officer steering group working with UKTI to help raise the profile of our area, sector and other unique strengths and handle enquiries.
- The Chair attended our Global Assistive Medical Technologies Business Summit on 4th September, when 150 academics, overseas businesses and Paralympic associations visited Stoke Mandeville Stadium.
- Working with the SEMLEP UKTI contacts, AVDC managed to secure a visit of the Rt Hon David Willetts MP, Secretary of State for Universities and Science, to the formal opening of Intel and McAfee's new global engineering centre for Cyber Security (one of four globally) in November. McAfee is also an active steering Board member Aylesbury's University Technical Centre for ICT and construction, alongside CISCO and ESRI.

In 2011/12 SEMLEP was 6th amongst LEPs in securing 29 projects with an associated 1,090 jobs. The Board heard in July 2012 that 29 enquiries had been received: 8 electronics and software, 9 from life sciences and healthcare, 7 from energy and environment, 4 from advanced engineering and 1 financial.

Objective 3: To facilitate investment in key new physical infrastructure to unlock short and medium term development across SEMLEP

- £18.7m of Growing Places Fund resources was made available to SEMLEP in February 2012 to allocate to projects that will unlock development potential and deliver jobs. Seven projects were approved in principle including £4.4m of this fund allocated to support **Silverstone** and

£1m allocated to support **East West Rail**. The seven projects will deliver a combined total of around 12,800 jobs and 7,200 homes over the next 10 years

- In July the Government announced that the electrified East West rail route linking Oxford, Milton Keynes, Aylesbury and Bedford will be delivered by Network Rail at a cost of around £500m with local authorities committed to contributing £30m to £50m
- Four transport projects within the SEMLEP area have received funding through the Government's Pinch Point initiative designed to remove bottlenecks on major roads and deliver economic benefits. These are the A43/A5 at Towcester, Junctions 9 and 10 on the M40 near Bicester and Black Cat roundabout on the A1
- In the second wave of potential '**City Deals**', Milton Keynes has been invited to work with SEMLEP to put forward a bid to use innovative ways of delivering jobs and economic benefits for residents and businesses in Milton Keynes and the rest of the South East Midlands
- SEMLEP has been chosen by Government as one of **4 'growth' LEPs** nationally to pilot innovative ways of working with business and government to unlock local barriers to growth SEMLEP met with the relevant Ministers and Departments on 21st November. Under both the City Deal and the pilot Growth LEP discussions, AVDC have put forward three projects receiving consideration, including the **Eastern Link Road (ELR)**

Objective 4: To facilitate investment in key digital infrastructure to accelerate development across SEMLEP

- A report of NGA coverage across SEMLEP and issues and opportunities was discussed at the November 2012 Board.

Objective 5: To work with the secondary, further, higher, voluntary and community, and private sector education and training providers across SEMLEP to ensure skills outcomes match business and social enterprise needs

- Work has been undertaken by SEMLEP on the skills needs for the Northampton Enterprise Zone. A couple of workshops have been held to identify how to progress the skills agenda identifying sector needs across SEMLEP.

Objective 6: To support all SEMLEP local authorities to deliver their economic development plans and related activities designed to stimulate growth, engage with business and enhance SEMLEP's reputation in its showcase sectors

- The two showcase sector groups below are of particular importance to AVDC and AVDC is represented on the sector champion's groups. A key aim of these showcase sector groups is to help identify what businesses we have in the area, what their supply chain linkages are, what their barriers to growth are and how to attract other related businesses into the

SEMLEP area, where there are supply chain gaps.

High Performance Technology (encompassing motorsport), led by Richard Phillips of Silverstone which includes neighbouring LEPs such as Oxfordshire and Northamptonshire as well as Bucks Thames Valley

Manufacturing and Advanced Technology led by Walter Greaves, previously a Director of Mercedes Benz UK

5 The key themes and main activity areas of AVDC's Economic Development strategy

- *Enterprise*: the need to sustain the Vale's thriving enterprise culture by encouraging the next generation of start ups to remain and grow within the Vale. This is likely to be supported through entrepreneurial education, such as that proposed by the Waterside Academy
- *Enabling infrastructure*: the provision of excellent underpinning infrastructure, which, as well as providing excellent road and rail linkages (East/West Rail, Eastern Link Road) needs to include the provision of superfast Broadband of up to 40mbps, as set out in the corporate plan
- *Business retention & growth*: proactively targeting and supporting growth-oriented employers in the Vale through enhanced access to finance, expert advice and planning for suitable premises and business locations, as part of the Vale of Aylesbury Plan
- *Inward investment*: better promotion of the 'niche' offer of Aylesbury Vale & proactive targeting of inward investment to support local sector strengths (high performance technology, ICT and telehealth, food) and working with Local Enterprise Partnerships, property developers & agents, Aylesbury Vale Estates (AVE) and UK Trade & Investment (UKTI)
- *Enhancing knowledge economy skills*: the need to ensure that current and future workforce skills are appropriate for the 21st century global marketplace, as well as offering young people alternative career paths to help retain professionals, graduates, apprentices and qualified technicians in the local economy

Key activity areas include:

- promoting Aylesbury Vale's offer to the business community as widely as possible
- working with Aylesbury Vale Estates (AVE) and other partners to provide great facilities for businesses in the Vale
- help start-up companies find suitable premises and support existing Vale businesses to stay and expand in the Vale
- helping Silverstone make tangible progress towards fulfilling its development brief, and assisting delivery of other major sites
- enabling the introduction of faster broadband, especially in rural areas
- playing an active role in South-East Midlands Local Enterprise Partnership (SEMLEP) and Buckinghamshire TV LEP
- considering opportunities to encourage business growth arising from any re-localisation or local flexibilities on business rates
- supporting the adoption and delivery of the Vale of Aylesbury Plan:
 - reviewing and adjusting planning policies to support and encourage business investment and growth across the Vale, and ensure sufficient

land is allocated for future employment needs identifying infrastructure required to support new development and wider Vale needs

- identification and promotion of existing and new employment sites, thus ensuring that they are unblocked and get developed and promoted
 - using funding sources (such as Community Infrastructure Levy, Growing Places Fund, New Homes Bonus) to help meet the costs of key growth-related infrastructure
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- focusing more on identifying and attracting in high growth knowledge economy businesses
 - better targeting and promotion of the inward investment offer, enhancing the website and marketing campaigns and their reach to intended audiences
 - supporting cluster/sector development where the Vale has obvious strengths
 - developing and supporting employers in recruiting different skills for future growth, including apprentices and future graduates of University Technical Centres
 - encouraging more collaboration between Universities, businesses etc in areas of innovation, technology and higher level skills linked with the employers in the area

6 Resource implications

- 6.1 These are concerned with how we can effectively harness and align the resources of SEMLEP for the benefit of Aylesbury Vale businesses in taking forward our economic development strategy and activities to supplement our limited ED in-house resources.

7 Response to Key Aims and Objectives

- 7.1 Economic Development functions of the council contribute to the corporate plan objectives of Growing the Economy of the Vale and Deliver Efficient and Economic Services.

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