

Agenda

TRANSPORT, ENVIRONMENT AND COMMUNITIES SELECT COMMITTEE

Date: Monday 27 June 2016
Time: 1.45 pm
Venue: Room 2, First Floor, County Hall

Agenda Item	Page No
3 DRAFT INQUIRY REPORT - ECONOMIC DEVELOPMENT IN BUCKINGHAMSHIRE For the Committee to agree the Inquiry report and recommendations.	3 - 36

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

For further information please contact: Kelly Sutherland on 01296 383602, email: ksutherland@buckscc.gov.uk

Members

Mr T Butcher	Mr P Gomm
Mr D Carroll (C)	Ms A Macpherson
Mrs L Clarke OBE	Mr B Roberts
Mrs A Davies	Mrs J Teesdale (VC)

Report to TEC

Committee: TEC Select Committee
Report Title: Economic Development in Bucks
Author: Scrutiny Inquiry Group
Contact Officer: Kelly Sutherland



Purpose of Item

To seek the agreement of the TEC Committee to approve this report and recommendations to Cabinet, as well as endorse the accompanying Guide to Economic Development in Bucks produced by the Inquiry Group.



Report Contents

Inquiry Methodology

Key Findings & Evidence

Recommendations

Appendix 1 – See separate slide ‘Guide to Understanding Economic Development in Bucks’



Inquiry Methodology

- March/April/May 2016 – Evidence Gathering
- Met with - Martin Tett, Leader and Neil Gibson, Interim CEO of BCC
 - Philippa Batting, MD and Rupert Waters, Head of Research, Buckinghamshire Business First
 - Andrew Smith, Chairman and Richard Harrington, Chief Executive, Buckinghamshire Thames Valley LEP
 - Ruth Farwell and Jackie Campbell, Bucks Skills Hub, BTVLEP
- Conducted telephone interview with Tomas Pukalski, Framework Digital, a tenant in the Porters Lodge, Old County Hall
- Invited feedback from District Council representatives on BTVLEP
- Desk top research to provide national context alongside local intelligence



Summary of Key Findings

- The number of organisations involved in economic development means that it is a complex landscape and it can be difficult for laypeople to understand who does what. **A key outcome from the Inquiry is a short Guide to Economic Development in Bucks for Members which accompanies this report.**
- Buckinghamshire Business First (BBF), BCC's key delivery partner, is performing well and providing value for money services.
- Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP) is 'punching above its weight' in many respects. The Strategic Economic Plan (SEP) was a collaborative effort which provides a business plan for 'Team Bucks'.
- The 2015 LOCALIS report found that less than one in three LEPs published their annual accounts, under half published an Annual Report and a third were not publishing minutes of Board meetings. However BTVLEP's website is user friendly and contains all this information and their Assurance and Accountability Framework.

Summary of Key Findings

- Many young people lack workplace skills when leaving school and the BTVLEP Skills Board is working proactively to address this by linking schools and businesses in Bucks.
- The shifting sands created by devolution across the UK and efforts to modernise local government in Buckinghamshire and in neighbouring counties will create a challenging environment for BTVLEP going forward, as consensus and collaboration have been key to its success to date.
- It is vital to have a strong Buckinghamshire voice on the national stage to ensure that Bucks residents get the best deal and the County receives much needed investment. BCC is providing this via its leading role in the Strategic Alliance and sub-regional developments.



Conclusions & Evidence

Evidence	Key Finding
<p>Inquiry Group members had an awareness of different organisations but not their roles or how linked together.</p>	<p>The landscape is hard to understand, which led to the idea of developing a user friendly Guide to Economic Development in Bucks.</p>
<p>No Member Briefings have been held on economic development. High knowledge amongst Cabinet but not across all Members.</p>	<p>All Members would benefit from a greater insight into Economic Development.</p>
<p>The KPIs for 2015/16 were achieved with significant over achievement.</p>	<p>Buckinghamshire Business First is performing well and delivering value for money.</p>
<p>Expertise in economic development is concentrated in BBF & a few senior Council officers.</p>	<p>The lean nature of TEE means that knowledge of economic development is concentrated in a few senior individuals. It would be useful to raise awareness of key ED issues more widely amongst officers, as well as Members.</p>

Conclusions & Evidence

Evidence	Key Finding
<p>Businesses in Bucks find that school leavers lack workplace skills.</p>	<p>This echoes the findings of the 2014 Select Committee Inquiry, 'Young People Ready for Work'. It is important that links between business and schools are strengthened and BTVLEP's Skills Board and their operational team are leading this agenda.</p>
<p>Martin Tett and Martin Tugwell advised of role of the Strategic Alliance & the direction of travel of Government in seeking to channel resources to sub-regional level.</p>	<p>The role of the Council in sub-regional groups is vital for speaking up for Bucks residents.</p>
<p>Website good for BTVLEP – includes published reports/minutes of Board meetings and copy of the Assurance and Accountability Framework.</p> <p>Proposal for development of Sub-regional body</p>	<p>Governance arrangements need to be clear and transparent for all organisations, especially where they are closely linked.</p>

Recommendations to Cabinet

- 1. That Cabinet should ask the Bucks Skills Hub Team to provide a briefing to all County Councillors to enable them to act as Ambassadors for the work of the Buckinghamshire Thames Valley Local Enterprise Partnership Skills Board and encourage schools and businesses in their division to engage with the Bucks Skills Hub.**
- 2. That the Scrutiny Guide to Economic Development in Buckinghamshire should be promoted to all Members and supported by a Member Briefing to ensure that Members can gain a greater insight into this issue.**
- 3. That the Buckinghamshire Thames Valley Local Enterprise Partnership should present its annual report to County Council, in order to raise awareness of its activities in promoting economic development in Buckinghamshire.**
- 4. That should a key decision be taken to develop England's Economic Heartland's Strategic Transport Forum into a sub-national Transport Body, Cabinet will ensure that the TEC Select Committee and Regulatory and Audit Committee will have the opportunity to consider any implications for the Council's operational and governance arrangements respectively.**

Appendix 1

We have produced an accompanying guide to economic development which is available for all Members....



A Guide to Economic Development in Buckinghamshire

***Transport, Environment & Communities Select
Committee***

Published: X June 2016



Guide Contents

- Introduction
- Economic Development – A definition
- What organisations are involved
- The National landscape
- The Bucks landscape
- Further Information & Resources
- Glossary



Introduction

This guide is aimed at helping County Councillors & interested members of the public to get an overview of the different roles & activities taking place across Buckinghamshire to promote economic development.

This guide is produced by the County Council's TEC Select Committee as an output from a scrutiny inquiry into Economic Development. During the inquiry it became clear that there was a need for a simple accessible guide as the landscape is complex.

*David Carroll, Chairman,
TEC Select Committee*



What is Economic Development?

1. Economic development = 'efforts directed at improving the economic wellbeing and quality of life of a community,' e.g. creating/retaining jobs, growing incomes/tax base
2. Economic development is characterised by an increase in living standards and the freedom people have to enjoy and make the most of opportunities. Measured by Human Development Index (HDI) (income levels, life expectancy and levels of education). Economic development is about sustainability, meeting current demands without compromising future capacity.
3. Economic development can lead to economic growth, measured by an increase in Gross Domestic Product (GDP) - measures the total value of goods and services produced in an economy.



Why does Economic Development Matter?

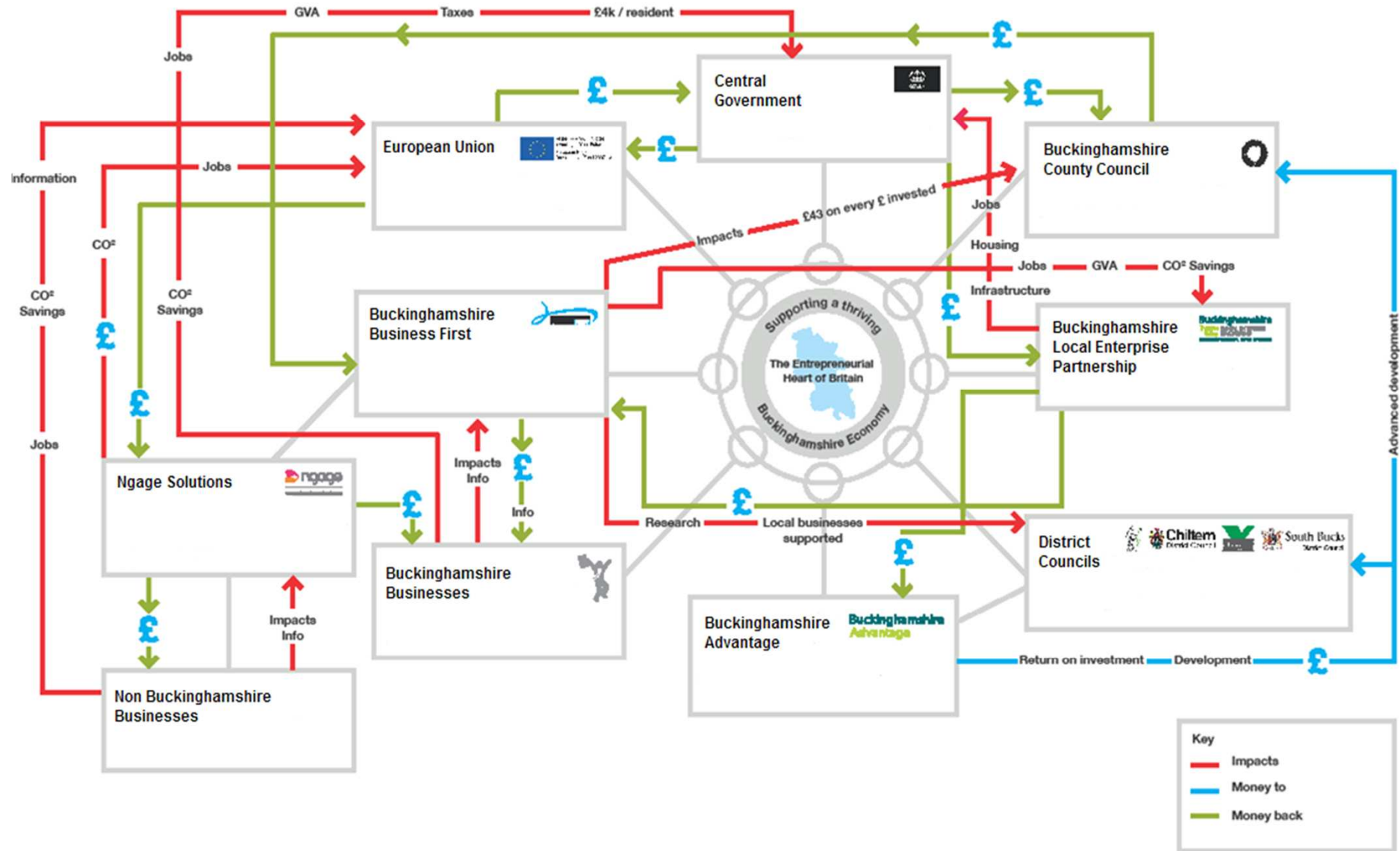
- If we can educate young people and equip them with the right skills for work then the Buckinghamshire economy will grow and there will be more high-quality jobs.
- If we invest in infrastructure then we help to create the right conditions for businesses to want to locate in Bucks and create more jobs.
- If we help the economy to grow then our residents will enjoy a higher standard of living and be better off.



What organisations are involved in Economic Development in Bucks?

- Buckinghamshire County Council
- Buckinghamshire Business First
- Buckinghamshire Thames Valley Local Enterprise Partnership
- Buckinghamshire Advantage
- BTVLEP Skills Board
- 4 District Councils
- England's Economic Heartland Strategic Alliance





The National Landscape

- **2010** - Regional Development Agencies abolished and local authorities and business leaders asked to form Local Enterprise Partnerships (LEPs), a more agile mechanism for promoting economic growth.
- **2012** - 39 LEPs established, including Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP), co-terminus with the Buckinghamshire County boundaries. AVDC also members of South East Midlands LEP.
- **2012** – Heseltine’s review ‘No Stone Unturned’. Recommendations gave LEPs more clarity about role, provided core funding of £250,000 per LEP (match funding required) and greater funding opportunities.
- **2014** - all LEPs submitted Strategic Economic Plans (SEP) - the basis of negotiations with Government to secure new Local Growth Funds.



The National Landscape continued

‘LEPs may have started at different times and evolved at different speeds but they are now firmly established as lead agencies for promoting local growth.’¹

Current Challenges

- **Devolution** - Many commentators believe Government’s devolution agenda creates two-tier system of LEPs - LEPs in city regions/larger combined authority areas could be in a position to take on extra powers.
-
- **Accountability** - LEPs governance arrangements vary. Government has sought to keep bureaucracy to a minimum but there have been criticisms of a lack of accountability and scrutiny.
- **Funding** - *‘Our shared frustrations are around the short timescales for submitting bids and the changing nature of the bidding and funding requirements, which is due to the way the Government requires all LEPs to operate. This makes longer-term strategic approaches to providing infrastructure and regeneration more difficult to achieve.’²*

The Bucks Landscape – Buckinghamshire County Council

- **Statutory Duty** - Local Democracy, Economic Development and Construction Act 2009 - statutory duty to produce a Local Economic Assessment. After 2010 more flexibility in frequency and level of detail allowed.
- **2011** – BCC commissioned Buckinghamshire Business First (BBF), to deliver economic development activity.
- BCC also influences economic development through regulatory powers, procurement, education and:
 - **Policy Making** – eg Strategic Plan and Local Transport Plan 4, create a framework to support economic development and strengthen negotiations with Government.
 - **Infrastructure Provider** – BCC has invested in Broadband and road network improvements across the County.



The Bucks Landscape – Buckinghamshire County Council continued

- **Corporate Landlord** – Old County Hall renovated to create incubation office space for micro businesses. BBF taken a lease until Mar 2017 and achieved full occupancy shortly after launch.
- **Joint Venture Partner** – Partner in Buckinghamshire Advantage, seeking to unlock potential housing and employment land via Aylesbury Woodlands proposals, which would also provide leisure facilities and vital road infrastructure.
- **Wellbeing Programme** - Supported individuals in deprived areas back into work, through intensive multi-agency Wellbeing Programme, initially in Chesham and extended to High Wycombe. This has improved the lives of individuals and has shown to create a ripple effect, impacting positively on others in their family or neighbourhood. Clearly demonstrates the value of partnership working and pooling resources.



The Bucks Landscape – Buckinghamshire Business First

Every £1 that Bucks County Council invested in 2015/16 in Buckinghamshire Business First generated value for the Buckinghamshire economy of



£43



The Bucks Landscape – Buckinghamshire Business First – Operating at level of the firm

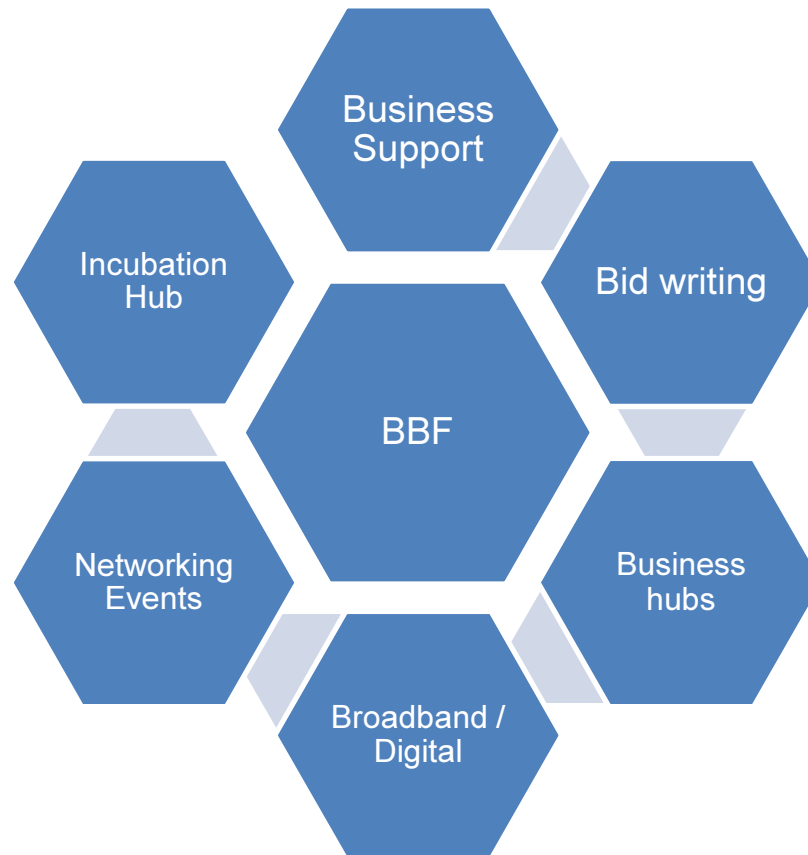
- Est. **2011**, Buckinghamshire Business First (BBF) is an independent organisation led by a board of 11 business people - 8,000 members (Mar 2016) - 60% of the private sector employee base in Bucks.
- 40 staff and turnover of £2m pa. Its primary focus is to facilitate growth in the economy and increase the number of jobs in Bucks.
- Strong relationship with BCC as a funder and as a partner on BTVLEP – provides the business representation on the BTVLEP Board and Bucks Advantage.
- Acts as the Growth Hub funded by BTVLEP - recognition from Whitehall as the country's first non-city Growth Hub in **October 2013**.
- Provides economic research underpinning policy developments in Bucks.

The Bucks Landscape – Buckinghamshire Business First continued

- BBF supports companies to create new jobs and increase the profitability of their businesses.

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Porter's Lodge in Aylesbury opened Feb 2016



April -Dec 2015, BBF distributed almost £2.5m in grants

3 Hubs in Aylesbury, Chesham and Saunderton, with free WiFi and meeting rooms

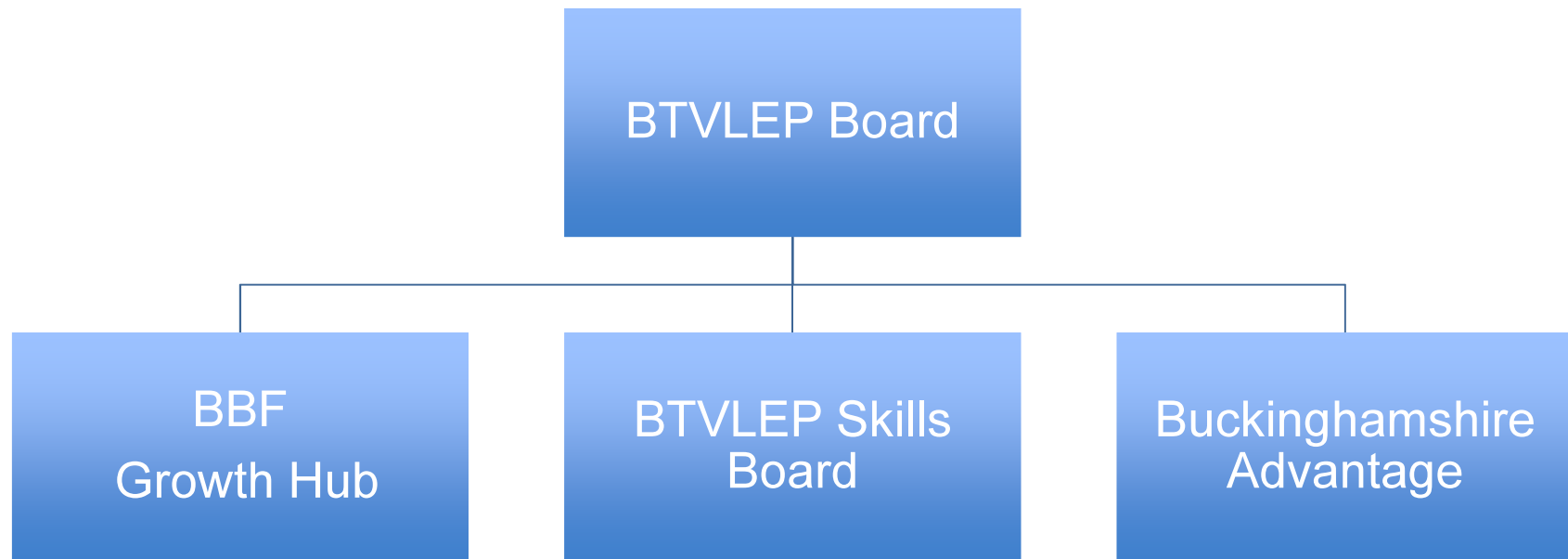


The Bucks Landscape – Buckinghamshire Thames Valley Local Enterprise Partnership (BTVLEP)

- BTVLEP is the youngest LEP and geographically the smallest. Richard Harrington, BTVLEP's Chief Executive maintains that what counts *'is the scale of your ambition and the attractiveness of the projects you are putting forward'*.
- A core staff of 4 co-located at Saunderton with BBF. BTVLEP has utilised BBF as a ready-made Growth Hub, making up one of BTVLEP's three delivery arms.



The Bucks Landscape – BTVLEP – Creating the conditions for Success



The Bucks Landscape – BTVLEP – Brokering effective multi-agency relationships

- BTVLEP operates across Buckinghamshire and has the challenge of building effective relationships across the private and public sector, in order to present a coherent and unified vision to Government and to secure the investment which is needed to maintain and further grow the Bucks economy.
- BTVLEP is also a partner in England's Economic Heartland, working to promote Buckinghamshire's interest at a sub-regional level.



The Bucks Landscape – BTVLEP **Successes**

- **2014** – Strategic Economic Plan (SEP): Collaborative effort between local authorities and private sector in Bucks backed by a strong evidence base. SEP identified ***Infrastructure, Business Support and Skills*** as key areas for investment.
- Secured Local Growth Deal worth £44.2m, subsequently extended with a further £8.8m, for projects to be delivered between 2015-2021.
- Also received £6.27m through Growing Places Fund – used to improve Aylesbury/Wycombe town centres and projects including Handy Cross Hub, Broadband, Aylesbury Woodlands proposal and access to finance for SMEs.
- **Autumn 2015** – Secured Enterprise Zone status for Silverstone, Westcott Venture Business Park and Arla/Woodlands.



BTVLEP Skills Board Successes

- **2015** – Launched ***Opps in Bucks*** online platform, to foster links between schools and businesses.
- 3 Enterprise Co-ordinators liaise with Schools to promote Skills agenda and work with local businesses to facilitate work experience placements, career insight talks and after school clubs.
- In future will market higher level apprenticeships as Industry Sponsored Degrees and an online platform to match students to potential apprenticeships.
- Longer term, will support BTVLEP aim of attracting inward investment in high value industries e.g. engineering, motor sport, food technology, space technology. In order to support 'Innovative Tech' talent it is important that educators and business align.



England's Economic Heartland Strategic Alliance – Operating at sub-regional level

Established Dec 2014 by the Leaders of Buckinghamshire CC, Oxfordshire CC & Northamptonshire CC

Primarily focussed on strategic infrastructure issues and has established a **Strategic Transport Forum**.

Strategic Transport Forum had its first meeting Feb 2016. Priority will be to develop an overarching transport strategy for the Heartland.

England's Economic Heartland Strategic Alliance

Strategic Transport Forum

Early 2015 – Corresponding LEPs joined the Alliance

By Autumn 2015 – expanded to include: Milton Keynes Council, Bedford Borough Council, Central Bedfordshire Council, Luton Borough Council and Cambridgeshire County Council and SEMLEP.



The Strategic Transport Forum

- A non-statutory partnership which shares technical expertise/resources to develop proposals and enables more meaningful engagement with the Department for Transport, service providers and infrastructure agencies, e.g Highways England.
- Has gained credibility with Government - referred to alongside other initiatives e.g. Transport for the North and Midlands Connect, as an example of sub-national transport initiatives.
- The Cities and Local Government Devolution Act enables local transport authorities to prepare a proposal to establish a statutory Sub-national Transport Body. This would give more direct influence over decisions currently controlled by Government. The Strategic Alliance has begun to explore this as a potential development of the Strategic Transport Forum.



Further information

BBF Website – www.bbf.uk.com

BTVLEP website – www.btvlep.co.uk

Bucks Advantage Website – www.bucksadvantage.co.uk

Opps in Bucks Website – www.oppsinbucks.org

<http://www.localis.org.uk/research/the-next-leps-unlocking-growth-across-our-localities/>

Case Study – Framework Digital, Aylesbury

Footnotes – ¹ – 2015 PWC & The Smith Institute Report

‘Delivering Growth: Where next for LEPs?’

<http://www.smith-institute.org.uk/book/delivering-growth-where-next-for-local-enterprise-partnerships/>

² – Quote from Katrina Wood, Leader of Wycombe DC



Case Study



Tomas Pukalski of Framework Digital, a company in Aylesbury which designs and builds websites, told us about his experiences in Bucks -

- Tomas felt that working from home was holding him back. He used BBF's Business Hubs to meet potential clients and also attended some of their training courses and networking events.
- Although he could use technology to share files and collaborate with a colleague, an office would enable things to happen more quickly, and the synergy between people working together would result in a more creative outcome.
- In **February 2016**, Framework Digital moved into an office in Porter's Lodge. BCC own the building and BBF manage the space and facilities. At the launch, Tomas made two contacts which immediately led to new business for his company.



- Tomas has also started to work collaboratively with a copywriter and a graphic designer.
- **Business Community** - Tomas has received valuable advice from other companies in Porters Lodge and has reciprocated with website help.
- **Paying it back** – Framework Digital now offers work placements to students from Aylesbury’s University Technical College. Two 17 year olds have recently been working with him on a pilot telehealth program. This link was facilitated through **OppsinBucks**.
- Framework Digital Ltd are planning to employ at least one person this year.

