



England's Economic Heartland

At the Heart of Science
and Technology Innovation



Buckinghamshire
Thames Valley LOCAL ENTERPRISE
PARTNERSHIP
THE ENTREPRENEURIAL HEART OF BRITAIN



OXFORDSHIRE
COUNTY COUNCIL



Northamptonshire
County Council



Northamptonshire
Enterprise Partnership

Why England's Economic Heartland?

England's Economic Heartland – covering Buckinghamshire, Oxfordshire and Northamptonshire – is at the **heart of the UK's global competitiveness in science and technology based innovation.**

We are home to world-class centres of expertise that thrive on the output of academic and commercial research. Our economic success is fuelled by our unique combination of **scientific and cultural assets**, an **entrepreneurial spirit** and our **leadership in the 'great technologies'** of the future: big data, space, robotics, synthetic biology, regenerative medicine, advanced materials and high performance engineering.

We are a **£46.6bn economy**: a net contributor to the Exchequer. The **productivity** of our businesses and workforce is **30% higher** than that of traditional city-regions. As part of the wider South East, investment in new jobs generates a **40% higher return** than elsewhere in the UK.

Our potential for growth offers the opportunity for **at least another 135,000 new jobs** in the period to 2020, supported by the delivery of new homes.

Our **ability to compete successfully in global markets is dependent upon transport and digital connectivity**: our competition when it comes to retaining business and attracting inward investment is global, not elsewhere in the UK. Local connectivity enables collaborative working by our network of innovators and entrepreneurs: the foundation of our science and innovation clusters. International connectivity enables those clusters to continue to be globally competitive.

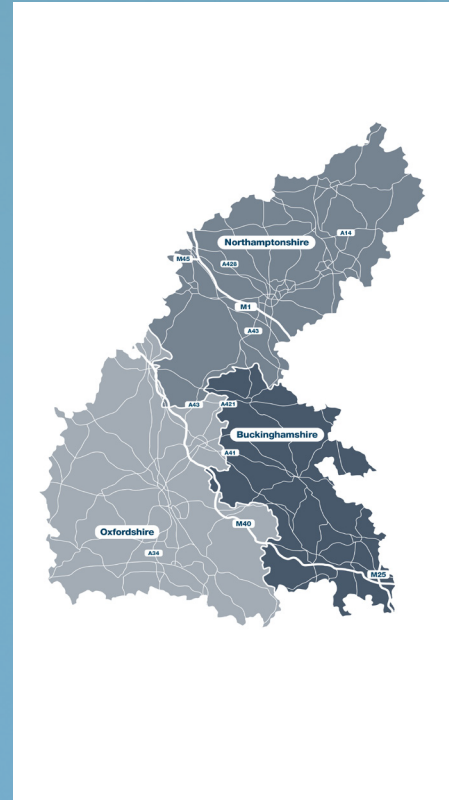
Growth on this scale will deliver an **additional £9bn of wealth per annum** for re-investment locally and across the UK - a **20% increase** in our economy.

England's Economic Heartland has been formed by the **County Council Leaders and the Local Enterprise Partnership Chairmen** to ensure that we deliver our commitments to invest in the enablers of growth – the physical infrastructure, the investment in people – to create confidence amongst the private sector to invest.

We will deliver but we want to do more. We believe that our capability to accelerate the delivery of economic growth would be enhanced through the devolution of powers, accountability and funding from Government to the strategic alliance.

Our track record demonstrates that accelerated investment delivers greater returns faster and more efficiently. Through our alliance we share common cause to deliver accelerated economic growth as a means of achieving our ambition to be the **'Smartest Place on the Planet'**.

We are inviting Government to invest in us and help us realise our ambition.



Our Asset Base: Built upon the 'Great Technologies'

Our highly skilled and productive workforce leads the way when it comes to the innovation and technology clusters that are shaping the future globally:

- The **University of Oxford** is one of the world's great centres of cutting-edge research in science and technology
- Silverstone is at the heart of the UK's **High Performance Technology** network that supports not just F1, but also the defence, aerospace, construction and renewables sectors
- Science Vale, Oxfordshire, is the **largest concentration of research and development activity in Western Europe**, with Harwell the home of the UK's space technologies
- Our **life-science** experts in the fields of bio-science, medical technology and pharmaceuticals account for **6% of the world market sales in the UK**
- Pinewood's world-leading reputation in **creative industries** place it at the heart of a sector that contributes **7% of the UK's Gross Domestic Product**
- **Telecoms and ICT** is one of the fastest growing sectors - with international bases sitting alongside a cluster of small, agile and fast-growing companies driving innovation in global markets
- Northamptonshire is at the **heart of the UK logistics sector** – the focus for distribution centres serving the UK's southern ports and through which the bulk of the UK's imports arrive. Onward distribution across the rest of the UK is made possible by being geographically at the centre of the UK's strategic infrastructure networks.

Fuelled by our leadership in the 'great technologies' of the future, our collective ambition is to look beyond our current success and raise our levels of productivity to match those of our global competitors, effectively leading the UK to higher levels of productivity.

To achieve that we need to be able to respond to the needs of businesses faster and with greater agility.

Now more than ever before we need to make sure that public sector **investment in physical infrastructure is aligned** to deliver a single set of priorities, that **investment in education, skills and training is even better aligned and more responsive to local needs**, and that through our own activities we become more **effective and efficient as enablers of growth.**



Strategic Leadership

Our alliance as England's Economic Heartland has been formed to implement **a new delivery model:** one that builds upon foundations already in place so that we can move quickly. Our aim is to:

- Strip away duplication and remove inefficiencies, enabling the strategic leadership to make faster, more agile decisions
- Use our strategic leadership to look across the investment programmes – both locally and nationally – to determine a single set of priorities
- Simplify funding streams wherever possible so that we reduce the time (and cost) it takes to develop proposals and get them delivered on the ground
- Provide greater certainty for private sector investors thereby encouraging them to commit sooner to investments with greater confidence on their costs
- Use the benefits of accelerated growth to reinvest in local businesses and communities as well as generating additional revenue for UK plc.

In setting up our **Leaders Board – comprising the County Council Leaders and Local Enterprise Partnership Chairmen** – we have made the initial step required to take this agenda forward.

Through the Leaders Board our aim is to have **a single conversation** on matters of strategic importance. We are reaching out to those with an interest in accelerating economic growth to become involved and help shape the implementation of our new delivery model.

As we move forward **the Leaders Board will evolve** as agencies and organisations, nationally and locally, express an interest in becoming partners in our activities.

Connectivity: infrastructure for economic growth

Connectivity – both locally and internationally – is critical for economic growth. Technology is increasing the expectations of end-users – both businesses and individuals alike. Our businesses tell us that in order to compete more effectively in global markets we need to be better at planning and delivering a truly integrated transport system. And so it becomes ever more essential to adopt a system approach to the future development of our transport infrastructure and services.

As an alliance we will prepare a single **strategic infrastructure framework** through which the investment programmes of key agencies can be aligned to deliver our common goal: accelerated economic growth that is sustainable for the longer-term. A single set of priorities will provide both clarity and confidence for investors as we work together to realise our economic potential.

England's Economic Heartland is criss-crossed by a number of transport corridors that are central to realising our ambitions for growth, as well as being of significance for the UK.

North-South Corridors:

- **A34/A43/‘the electric spine’** – linking the south coast ports with the UK's distribution networks, as well as being central to the Oxfordshire Knowledge Spine and the Northamptonshire Arc
- **West Coast Main Line/Chiltern Main Line/M40** – investment in the Chiltern Line will see the first new rail connection between London and a major city (Oxford) in over a century, whilst the M40 corridor links major development opportunities: the opening of HS2 will create opportunities along the West Coast Main Line in the medium term.

East-West Corridors:

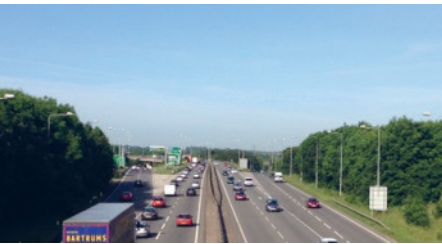
- **Great Western Main Line/Crossrail** – Crossrail services will result in a step-change in connectivity along the Thames Valley through Buckinghamshire and Oxfordshire, with the Western Rail Access to Heathrow project to follow
- **East-West Rail/A421/A428 Expressway** – rail services will be re-introduced in 2019, and with the Expressway study to follow, the strategic importance of this corridor continues to increase
- **A14/M1** – via the logistics facilities in Northampton, linking the east coast ports with the UK distribution networks.

We see the investment in these corridors as **opportunities to support economic growth and enable the delivery of new jobs and homes**. And we will continue to work closely with the Local Planning Authorities to ensure that our leadership on transport infrastructure complements their ambitions.

We are already talking with the national delivery agencies – Highways England, Network Rail – and with the major public transport operators across England's Economic Heartland. The response has consistently been supportive and welcoming the ambition of our new delivery model.

We will set up a **Transport Infrastructure Forum** as part of our new delivery model: one that provides leadership by joining up transport infrastructure and service planning activities across England's Economic Heartland. We will work with the national agencies and operators to shape the Forum and implement a new approach to delivery.

With **Government's assistance** the Forum's effectiveness would be substantially enhanced were it to have the same powers as London when it comes to public transport. Devolution of funding will enable the Forum to champion the implementation of a system approach to investment in transport. And our ability to innovate in the management of our local road network to meet local needs would be enhanced if we were free from Government approval and/or sanction.



Connectivity: Digital Infrastructure

Digital connectivity consistently tops our business surveys as the most requested intervention required – regardless of location and business sector. It is an enabling technology for service transformation for both private and public sectors.

We are already working with the 5G Innovation Centre at the University of Surrey but we want, and need, to do more. With **Government’s assistance** we will work with industry to ensure that our businesses have access to the digital infrastructure that enables them to realise their potential.

A Skilled, Flexible Workforce: Meeting Local Needs

Business is all about people. Our labour market is more dynamic than ever before, with business needs constantly evolving. Such is the nature of the market that the lines between skills, careers and job support have become blurred to the extent that we need a new approach that enables skills and training investment to be tailored to the individual.

Across England’s Economic Heartland we are responding to the needs of businesses by:

- Improving our market intelligence – so that we can help ensure providers meet local employment needs
- Promoting a skills system that is more responsive to the needs of local employers – working with the local provider network to deliver it
- Encouraging the development of a more effective local system of careers advice and guidance – working with local employers, schools, colleges and providers
- Continuing to develop the number and range of apprenticeship opportunities available – particularly within the key employment sectors for the local economy
- Providing a reference point for future skills needs – to keep abreast of the innovation and skills needs of the future and to support the sector with innovation including future capital investment.

Through the Leaders Board we are developing a **federated approach that will simplify the offer to businesses and individuals**, and **deliver that more efficiently**.

With **Government’s assistance** we believe a federated Local Enterprise Partnership structure offers the basis for **devolution of funding** currently channelled through national agencies such as the Skills Funding Agency, the National Apprenticeship Service, the National Careers Service and Job CentrePlus.



Accelerating Delivery: Place Based Investment Programme

Uncertainty over the delivery of enabling infrastructure continues to be one of the most significant barriers to the implementation of planning consents – for both new jobs and homes. Timely delivery of enabling infrastructure is also a concern of our local communities.

Through the Leaders Board we will **prioritise our strategic investment needs** so that funding is targeted in the most effective and efficient way. We will use our prioritisation to shape future bids for funding to Government and other external sources.

We are already talking to the Homes and Communities Agency (HCA) to understand **how we can integrate our activity with theirs. We believe that there is scope to unlock** greater value from public sector assets through greater co-ordination of our investments and that there is scope for co-ordinated use of our statutory powers to be more effective in enabling private sector investment.

We are continuing to use the opportunities provided by initiatives such as our two Enterprise Zones to encourage new investment. We are continuing to use innovative funding mechanisms, such as the Northamptonshire Rolling Infrastructure Fund, to raise investment funds locally.

However we believe that the full potential of a place based investment programme will only be realised **if Government were to invest in us** by:

- Providing a 5-year funding settlement and indicative allocation for the subsequent 5 years – enabling the alliance to maintain momentum across economic cycles
- Consolidating the current financial incentives, initiatives and competitions in support of growth within the 5-year funding settlement
- Providing flexibility in funding across financial years within the 5-year settlement
- Enabling a greater proportion of the financial benefits of additional growth to be retained locally for reinvestment, over and above the 5-year settlement.

The certainty created by having a 5-year funding settlement will enable us to leverage additional investment in partnership with the private sector, thereby accelerating delivery of economic growth.

We believe that the potential pay back from accelerated growth allows a new perspective to be taken on the benefit of investment in infrastructure: one that needs a **new dialogue with Government that will ultimately lead to more effective public sector investment** enabled by our commitment to service transformation.

Investing in Future Success

Success lies in making our money work harder, in getting the best return for our investment and in ensuring our decision making is timely. It means delivering better outcomes as a consequence of our investments and achieving that in partnership with the private sector: it **requires a new model for delivery**.

We face very real **threats to our economic success**: threats that come as a consequence of the pressures on our infrastructure arising from past success and of the relentless strides being made by our global competitors.

England’s Economic Heartland is our commitment to do all we can to **improve our competitive advantage in a global economy that is increasingly competitive**. Missing an investment heartbeat means having to invest more, simply to make up lost ground. We are determined to realise our ambition to be **the ‘Smartest Place on the Planet’**: we invite Government to **invest in us and help make it reality**.



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