

**Agenda Item 4 OPEN**

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<b>Title:</b>	<b>Buckinghamshire County Deal</b>
<b>Purpose:</b>	<b>To update Board members on the progress of the Buckinghamshire County Deal proposal focusing on the innovation, skills and business elements of the proposition.</b>
<b>Recommendation(s):</b>	<b>That members note the content of this report and support the LEP Chair, Chief Executive and business members of the Buckinghamshire Growth Board in promoting the business propositions ensuring strategic fit and deliverability.</b>
<b>Impact on Risk Register:</b>	<b>A successful growth deal will provide the financial support for priorities within our economic growth and recovery strategy, help government deliver policy objectives in respect of enterprise, net zero and innovation and increase productivity consolidating gains made through the Local Growth Fund programme. Within the current economic climate a successful growth deal provides the clearest opportunity to support investment.</b>

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**1 Background**

As board members will be aware, Buckinghamshire partners through the Buckinghamshire Growth Board have been pursuing a dialogue with Government over the past 12 months in respect of a bespoke Buckinghamshire Growth Deal. Dialogue with officials has been progressing well with a largely positive response to the emerging proposals from MHCLG officials led by Director General for Decentralisation and Growth Emran Mian. This conversation has been framed around town centre renewal and innovation projects though officials have also been keen to explore devolution of power in the form of flexibilities and freedoms.

Supporting the Buckinghamshire Growth Deal process the Buckinghamshire Growth Board has been working on a Vision document to 2050 that is currently out to consultation. There is also the focus of an anticipated Comprehensive Spending Review in the Autumn that will likely create the financial envelope for a growth deal.

On July 15<sup>th</sup> Prime Minister Boris Johnson set out his vision on how the government would deliver on the central purpose of his premiership – to level up and unite the whole of the United Kingdom. A major element of this proposal was to empower strong local leaders by taking a more flexible approach to devolution, with new ‘County Deals’. The deals would focus on growing the private sector by creating the conditions for long-term growth and productivity Invest in infrastructure and connectivity and ensure that people have access to good public services, and the skills and training needed to get good jobs; and improve the quality of life in communities through cutting crime and regenerating towns and high streets.

We have therefore over the summer seen a progression from ‘Growth Deal’ to ‘County Deal’ with Buckinghamshire well placed to evolve our work into a new co design framework. This also reintroduces

the opportunity to restate the large strategic investments that will create the architecture in Buckinghamshire for a decarbonised future for example provision of the East West Rail Link.

Following a webinar with Local Government Minister Luke Hall at the beginning of August the Buckinghamshire County Deal concept launched. The first formal engagement meeting was held with officials on August 31<sup>st</sup> that was very positive and raised the following areas for clarification.

- Strong local leadership alongside effective local scrutiny to help residents know who to hold accountable for local delivery.
- The economic geography of a deal area to be of a suitable scale and one based on local identity.
- A balanced approach to help meet government policy.
- A secure proposition underpinning through robust business case development.

At this meeting it was confirmed that the Buckinghamshire County Deal bid would be based on the co-terminus boundary of the Buckinghamshire Council and LEP and that the governance of any growth deal proposal would be managed through the Buckinghamshire Growth Board. Officials urged Buckinghamshire partners to ensure that the bid was consistent with government priorities and in particular, Covid 19 recovery plans, town centre regeneration, export success, zero carbon agendas and cross departmental objectives. A copy of the outline presentation developed for this meeting is attached as **Appendix 1** to this report. For this paper however we are keen to concentrate on and consider the innovation propositions on which the LEP have been asked to lead.

## **2 Future Engagement Process**

To progress further a Buckinghamshire/Government (representing relevant departments) Workshop will be held on 16<sup>th</sup> September where we anticipate Cities and Local Growth Unit (CLGU) team will be joined by officials from the Number 10 and Treasury Units. The focus of this meeting is to examine the broad structure of the proposed Buckinghamshire deal, in previous meetings the Buckinghamshire Team have been encouraged to look to the most recent agreed deals, particularly the West Yorkshire Deal to ensure that the quantum of funding being sought is in line with current government thinking and to ensure that the proposals are consistent with recent agreements. For the meeting on September 16<sup>th</sup>, we will produce individual summaries for each of the investible propositions a sample of which for the Westcott DISC and Skills Academy is attached as **Appendix 2**.

## **3 Business Case Development Progress**

In July the LEP team met with Rowena Limb, Area Director for the Cities and Local Growth Unit Team to talk through the innovation elements within the bid. We have reported previously on these and the initial investment ask would include five distinct sector propositions namely:-

- **Westcott Venture Park Disruptive Innovation Space Centre and Academy**
  - A £40m capital investment project to establish a 6,000m2 open access innovation hub at the heart of the Westcott Venture Park & Enterprise Zone. The new R&D innovation capability would focus on Space Propulsion, Low Orbit Maintenance & Satellite Applications Sectors to assist delivery of a UK capability towards future technologies and decarbonisation.
  - It would though integrate a national skills development capability with business led training facility providing T Level, Apprenticeship and Post Graduate industry led collaborations.
  - A Full Business Case has been produced and we have commissioned.
  - A **£30m** investment sought unlocking £190m private sector investment.

- **Silverstone Circuit Park**
  - Extension of the Enterprise Zone boundary and rate relief programme has been requested.
  - The capital investment would be directed towards establishing a new Silverstone Circuit Business Park with unique circuit access.
  - The 11.5ha site would deliver 60,000sqm of new floorspace operating as a R&D Testbed with globally unique access to Circuit Testing Facilities.
  - Investment required to advance critical enabling infrastructure including road access, spine road and utilities infrastructure.
  - On consented MEPC a further 10,000sqm Research Institute and University faculty building are proposed.
  - This would enhance the potential to build on existing R&D Innovation network in Silverstone Tech Cluster. Globally leading innovation in Green Growth in Automotive led technologies including autonomous vehicle development, powertrain and electric powertrain solutions.
  - University Campus and Research Hub working closely with the University of Northampton and MEPC.
  - **£35m** investment required for advance infrastructure.
  
- **National Creative Industries Growth Hub at Pinewood**
  - National partnership incorporating the British Film Institute, Creative England, National Film & TV School, Pinewood Studios and Bucks Business First
  - 2,500sqm building providing the UK's first sector specific Growth Hub providing talent for the film & screen industry.
  - Sector growth seeing a doubling of the UK's Film & High-End TV Production Capacity in next 5 years.
  - Land & Site being provided by Pinewood to support national sector growth, future programme management to be led by NFTS.
  - **£20m** investment required for construction of facility, overall cost of development £30m.
  - Supporting £1bn private sector investment in the Pinewood Studio Site.
  
- **Hydrogen Innovation Hub - Heathrow Innovation Zone Denham**
  - Redevelopment of the Bosch UK National Headquarters at Denham.
  - £50m Commercial Investment to create national R&D centre for domestic Hydrogen applications, potential to link to applications within Buckinghamshire housing growth as part of Aylesbury Garden Town.
  - Linked to Heathrow Jet Zero applications & testbed for groundside vehicles.
  - Testbed site for Hydrogen Fuelled Waste Vehicle capitalising on UK's First Motorway Fuelling site at Beaconsfield.
  - The ask is for Enterprise Zone or Innovation Zone Status or capital funding to generate **£4.5m** to repay initial investment into innovation space and testbed programme.
  
- **Digital Health Innovation Centre – Aylesbury**
  - To be managed by the Buckinghamshire Health & Social Care Academy – a Multi-Agency partnership including 3 Universities, Bucks NHS Trust, Buckinghamshire Council delivering a programme of skills training for the health and social sector.
  - **£2.5m** investment to support £4m to fit out top floor of Aylesbury Town Centre University Building owned by Bucks New University creating 1,000m2 of new teaching space. Completion of first Higher Education facility for Aylesbury.

- Independent programme of vocational, apprenticeship and Higher Education Training in the health sector with a specific focus on smart living and digital healthcare.

The above innovation propositions are supplemented by a range of propositions in support of our economic drivers and linked to increased freedoms and flexibilities being sought in relation to the delivery of digital infrastructure, the expansion of existing and new potential Enterprise/Innovation Zone sites and more sustainable funding for the Skills and Growth Hub programmes.

To strengthen these propositions we have worked to develop the existing business cases and where possible subject those business cases to further independent evaluation by Hatch Associates. Where full business cases are not currently available we have sought to work together with sponsoring partners to develop the outline propositions and to provide further clarity around the project deliverability, timetable and tangible outputs that would be provided in return for the Government investment.

#### **4 Expected Timetable**

It is expected that the first areas to be selected to be part of the County Deals will be announced alongside the Levelling Up White Paper (October). We are unclear whether full funding will be agreed at this stage but there is the opportunity for some well-developed and timely propositions to be supported. Given the advanced development of the Buckinghamshire proposal it is hoped that our submission will be amongst the first tranche of supported deals. It is expected that further detail relating to the approved deals, including any additional conditionality, will continue to be developed throughout 2022 as part of a joint engagement process with Government.

**Board members are asked to:**

**Note the content of this report and support the LEP Chair, Chief Executive and business members of the Buckinghamshire Growth Board in promoting the business propositions ensuring strategic fit and deliverability.**