
Agenda Item 5

Title:	Chief Executive's Report
Purpose:	To update the board on operational issues that have arisen since our last board meeting in December 2021.
Recommendation(s):	That members note the content of this report and comment on items of interest or concern.
Impact on Risk Register:	The Risk Register for BLEP has been updated and is attached as Appendix 2 to this report.

1. Annual Performance Review, Communications and Messaging Update

The Annual Performance review for this LEP will be taking place on February 7th, much of the focus for the review will be on the delivery of the Capital Programme and, in particular, the Getting Building Fund delivery which is due to be completed by 31st March 2022.

We will be taking the opportunity to highlight the wider impact of the LEP programme on the business ecosystem in Buckinghamshire and to highlight where we have gone beyond the role of a simple funding agency to develop deep delivery partnerships and arrangements between these organisations for the long-term benefit of Buckinghamshire. We will be emphasising the points highlighted in the key messages note for board members including the exceptionally rapid delivery within our Enterprise Zone sites, the significant and timely reach of our Growth Hub support network enabling the strong economic recovery from the initial Covid lockdowns and in the transformative impact of our Skills Hub programme.

A major component of the Levelling Up White Paper was highlighting the value of LEPs in using their convening power to bring together insight and business representation in a timely manner. For 2022, together with our Growth Hub partners, we will be stepping up our programme of round table discussions and briefings with MPs and visiting guests. The Secretary of State for Education, The Rt Hon Nadhim Zahawi MP, will be visiting Pinewood on February 10th to see how LEP Investment has helped support the skills offer for the creative industries and screen sector. We will be using this opportunity to highlight how our Sector Action Groups and Skills Advisory Panel highlighted our priorities and helped enable delivery. We are also hosting a number of visits from leading national political figures to support levelling up collaborations for our main economic assets.

Key dates that board members should note are the [Bucks Skills Show](#) which is taking place at the Westcott Venture Park on March 9th & 10th and an online forum to be jointly hosted with Innovate UK, scheduled for April 28th.

2. Growth Hub Update

Growth Hub Performance is on target with the anticipation that all targets will be achieved by the end of the year.

Community Renewal Funding (£720k) has been secured for a short programme running to the end of June supporting, particularly, the Visitor economy in Buckinghamshire. Additional staff have been recruited under short term contracts to assist with delivery of this programme. Visit Buckinghamshire:

Boost has now launched and offers targeted support that businesses operating within the Visitor Economy need to recover and flourish in 2022 and beyond.

It will help increase the resilience of Buckinghamshire's Tourism, Hospitality and Leisure businesses by helping to improve:

- Green credentials - making Net Zero a USP
- Accessibility - being open to all potential customers
- Digital skills - creating a vibrant online presence
- Workforce - finding and developing staff that shine
- Growth - tapping into future trends and supporting year-round cashflow

Programme is available till June 2022.

Future Tourism Summit - 2nd March - The Waterside Theatre, Aylesbury. Simon Calder, Britain's leading travel commentator will MC the event and will bring together a panel of high-calibre speakers to inspire, unlock access to a network of support and should be a great networking opportunity.

Business Festival from 7th – 18th March 2022 The Buckinghamshire Business Festival will take place across 12 days in March. It is a celebration of the Buckinghamshire business community and an expansive programme of events hosted by Buckinghamshire Business First, partners and local businesses.

Business Awards will be opening for entries in March 2022, winners will be announced at a ceremony at Aylesbury Waterside Theatre in September 2022. Categories will be announced in March 2022. The Buckinghamshire Business Awards are an opportunity for local businesses to show that they are leaders in the field that excel through hard work and entrepreneurial vision.

Insight from the business coalface:

Buckinghamshire Businesses (similarly to the UK as a whole) are experiencing challenges as follows:

- Increasing wage pressures and increasing competition for resources in an aggressive head-hunting environment with some companies facing up to 25% increases to attract new starters, particularly in "hot sectors" (e.g., IT & Healthcare).
- Contract staff are in increasingly short supply and not available to employers trying to backfill vacancies.
- Increasing costs to export/import goods.
- Increasing costs for logistics and energy prices.
- Remote working has opened possibilities, including employing those abroad where employees are perhaps 'hungrier' to work, happy to work harder and longer for less than their counterparts in the UK might cost; and where Governments are investing more aggressively in developing technologies to gain competitive advantage in world markets.
- Volume of Cyber-attacks seems to have increased since the start of the New Year.
- Bad debts starting to increase from EU companies who are terminating contracts. No notice and not paying outstanding bills. Particular issue with French companies.

Business Planning is underway for 2022/23 and will focus on Growth Hub activities around business support, improving productivity, encouraging innovation, workforce development and working in specialist areas such as decarbonisation, rural businesses, manufacturing, creative and tourism where there are identified income streams to support this activity.

As the UK Shared Prosperity funding comes online BBF will be working to ensure activities are aligned towards securing funding whilst recognising that Buckinghamshire may be disadvantaged by not being in Government's 100 priority areas.

3. Enterprise Zone Board Update

The Buckinghamshire Enterprise Zone Board met on February 1st to consider how to support the innovation ecosystem at Westcott presented by the Satellite Applications Catapult. An excellent example of how this can work in practice is through the example of the propulsion company [Protolaunch](#) a chemical propulsion company changing the way rocket engines are designed to enable future small launch vehicles. Protolaunch were supported in their early development through the Westcott Incubation Centre support programme. As a result, they have managed to secure European Space Agency funding to bring a historic testing facility in the Enterprise Zone back into operation and are working alongside fellow Westcott based business Nammo to provide the propulsion system for the latest NASA Mars lander mission.

We are also currently at the early stages of evaluating a proposal to support a commercial satellite launch. The DISC-SAT service would integrate a UK Satellite Earth Observation Mission into the DISC environment at Westcott - DISC-SAT – as part of its core offering. Launched in the second half of 2022, the satellite could be operated from the Westcott Space Cluster and would address a wide variety of potential applications for monitoring the Earth and its environment. The DISC-SAT will:

- Act as the nucleus for an Environmental Centre within the DISC at Westcott, attracting global, multi-sector expertise to develop novel solutions that tackle the challenges of climate change.
- As a training environment for a wide variety of skills ranging from solution developers to satellite operators and service delivery.
- As an outreach facility to raise awareness of climate issues and solutions, alongside illustrating the wider potential of the Space industry in the UK and its opportunities to the general population and the next generation of space scientists, engineers, and technicians.

The next development phase of the Silverstone Enterprise Zone continues apace and is helping to attract a growing number of innovative businesses linked to global low-carbon transport solutions. The latest investor to the EZ is [Saietta](#) who are taking occupancy of a new 2,136m² unit on the site this spring. Saietta have ambitious plans to become a leading global electric drive solutions provider across multiple vehicle sectors on land, sea and air but are initially targeting the 2-wheel vehicle market which accounts for 80% of Asian vehicle usage. Outside of the EZ we are currently engaged with the British Racing Drivers Club (BRDC) and considering their plans for new testing facilities at Silverstone. We will be seeking to arrange a site visit for board members shortly where we will be able to see the new businesses occupying the Silverstone Enterprise Zone site and review progress that BRDC have made with their plans.

I am pleased to report that the Environment Agency have now removed their objection to the Aylesbury Woodlands planning application following 12 months of flood model assessment thus enabling the planning application to be considered. At the time of writing this report the date for this meeting had not been set but is planned for late February.

4. [REDACTED – Commercially sensitive]

5. Remuneration & Nominations Sub Group Update

Recruitment is currently underway to fill two posts within the Executive Team. Caroline Hargrave, our Head of Research, will be taking maternity leave from the end of February, and Bharti Bhoja, our Head of Finance, will also be leaving at the end of February. To ensure a smooth delivery of our finance operations during the recruitment process we will be taking on temporary support to cover these duties with a new member of the team joining this week to enable a successful handover process.

Following the publication of the Levelling Up White Paper and greater clarity on the future of LEPs, it is anticipated that we may be expected to re-commence the recruitment process for new Board Members and Chair. Government officials are due to update LEPs on the full outcome of the LEP Review shortly and we, therefore, await further guidance on the new processes and will reschedule the previously approved processes and timetables accordingly.

6. Digital Innovation plan

Over the past 6 months there have been significant changes in the way that digital infrastructure is to be delivered across the UK. The current local broadband programmes are coming to an end and will be replaced by a National Gigabit Programme.

The new “Project Gigabit” national programme will be centrally managed by Building Digital UK (BDUK) and the role of local partners will change to much more of an enabling role in supporting and promoting the nationally delivered infrastructure rollout.

Project Gigabit is the government’s national mission to deliver lightning-fast, reliable broadband for everyone in the UK. It is the overarching identity that BDUK uses to describe the approach to the £5bn programme to ensure hard to reach areas don’t miss out on lightning-fast next generation broadband. Project Gigabit will largely be driven by three core strands: Project Gigabit Delivery Plan (subsidised market intervention), Hubs, and the Gigabit Broadband Voucher Scheme.

A total of 142,000 premises are to be connected across Buckinghamshire, Hertfordshire and Berkshire as part of Lot 26. The Open Market Review has already been undertaken and procurement will commence from May 22nd and project commencement from April 23rd. In addition to the core programme the two further strands that are incorporated into Project Gigabit include a Community Hubs programme for public buildings and a voucher programme for communities and business clusters to access.

Rachel Daley has been appointed as the LEPs new Innovation and Digital Programme Manager and will manage the end of programme for the existing (broadband) BDUK projects working closely with Buckinghamshire Council colleagues who will largely oversee the Buckinghamshire Project Gigabit programme. Part of Rachel’s role is to gain further clarity on the current levels of gainshare earned by the LEP and Buckinghamshire Council from the existing broadband programmes and the timeline and process for receiving outstanding funds. The total gainshare amount is forecast at £3.5m of which £1.7m has been received and of which £868k has been reinvested into an additional broadband delivery contract.

It has been agreed that Buckinghamshire Council will now take the lead on enabling the project Gigabit Programme and lead on the Digital Infrastructure Delivery and that BLEP will focus on how the new digital infrastructure is used. We will be developing a Digital Innovation Plan that will focus on enhancing the digital innovation ecosystem and look to support closer collaboration between innovative businesses and academia to support cross sector innovation, the use of AI and attract greater innovation funding into Buckinghamshire. The plan will also focus on the evolving digital skills requirements of business including foundation digital skills, security and digital leadership development as well as identifying how we can ensure that major infrastructure investment such as

the 5G infrastructure on East West Rail is capitalised upon. It is intended that a copy of this plan alongside an update on the current gainshare resources available will be presented at our next meeting in May.

7. Internationalisation Plan

Following the last meeting of this board I am pleased to report that the Department of International Trade have agreed to work with BLEP as a pilot area to capture film production investment as part of the official Foreign Direct Investment figures for the area. Not only will this have a significant impact on the levels of investment recorded for our area it will also provide a framework for this important sector of the economy to be recognised fully across the country.

8. Growth Deal Innovation Proposals

We are currently working with the Epilepsy Society to develop a case for government investment into a proposed world-leading Med-Tech and neuro-science research hub at the centre's headquarters in Chalfont St Peter. Working together we have commissioned Henham Strategy to assemble the case for intervention and engagement strategy that outlines the full national and local benefits of the proposals to deliver a new research hub will allow a Buckinghamshire based consolidation of digital learnings in genomics, neuroimaging, neuropathology, pharmacology and health service research, helping to develop new ways of treatment.

As part of the Silverstone site proposals we have also jointly commissioned with MEPC, consultants Genecon Ltd to further develop a strategic outline case for an Independent Research and Technology Organisation (IRTO) and Research Institute to be established at Silverstone, building on the current strengths of the Silverstone Technology Cluster and identifying growing opportunities within the high-tech engineering and low carbon transport sectors.

Both of these pieces of work are due to report at the end of March and will be shared more fully with the Board at our next meeting.

9. Risk Register Update

The Risk Register has been updated following the publication of the Levelling Up White Paper which along with the proposed multi-year budget proposals within this board pack have reduced the overall risk to the organisation, bringing the overall corporate risk back to a low level. The Risk Register is attached as **Appendix 2** to this report.

10. Audit & Finance Sub Group

The Audit & Finance Sub Group Met on January 26th to review the current budget position and to consider the request for the multi-year budget that has been presented to the board today. The Sub Group also received an update on how the transition process enabling BLEP to manage its own payments processing system and bank account operation had progressed and how the Service Level Agreement with Buckinghamshire Council will need to be amended in light of the new operating arrangements. A copy of the minutes of this meeting are attached for board members as **Appendix 3** to this report.

Subsequent to this meeting an initial meeting has been held between the four partners that have invested loans into the Silverstone Interactive Museum including Buckinghamshire Council and BLEP following a request from the museum to further review the current loan repayment terms. I have stepped back from these discussions due to a conflict of interest and Ian Barham is now representing BLEP in these discussions. A further meeting has been called with the museum to secure greater clarity on the need for a change request and an update will be provided for members at the board meeting.

Board members are asked to:

- **Note the content of this report and comment on items of interest or concern.**