

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 17 June 2019

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WARDS: All

PORFOLIO: Leader & Regeneration & Strategy – Cllr Swindlehurst
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PART I **NON-KEY DECISION**

BERKSHIRE LOCAL INDUSTRIAL STRATEGY CONSULTATION

1. **Purpose of Report**

To inform Cabinet of preparations for submitting a response to the consultation on the Berkshire Local Industrial Strategy (BLIS) Framework Document (March 2019).

2. **Recommendations**

The Cabinet is requested to resolve:

- (a) That the Berkshire Local Industrial Strategy, as at Appendix A, be endorsed.
- (b) That delegated authority be given to the Service Lead, Economic Development to respond to the consultation based on themes set out in paragraph 5.4.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **Slough Joint Wellbeing Strategy Priorities**

The proposals included within the BLIS will contribute towards addressing the following priorities within the Slough Joint Wellbeing Strategy:

- 2. Increasing life expectancy by focusing on inequalities
- 4. Housing

3b. **Five Year Plan Outcomes**

Inclusive growth has been identified as one of the three 'locally-defined imperatives' within the BLIS Framework for consultation, and is a theme which runs through all five priority outcomes of the Five Year Plan. The BLIS as a whole does, however, have particular relevance for fulfilling outcome 5:

- Slough will attract, retain and grow businesses and investment to provide opportunities for our residents

4. **Other Implications**

(a) Financial

There are no financial implications for the submission of a response to the BLIS consultation. However, the BLIS will provide a framework for the region's interactions with Central Government in the future and will influence decisions around investment and funding.

(b) Risk Management (Compulsory section to be included in **all** reports)

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
(If) we do not respond to the Consultation	Slough's uniqueness isn't captured in the BLIS which may effect opportunities for future government funding	Officers are working on the consultation response	6 (Financial, probability – very low, impact – critical)	Continued resource commitment throughout the consultation process.
Response to the consultation	The BLIS offers an opportunity to promote Slough's role in the sub-region and nationally, and an evidence base to support its strategies	Officers from Planning, Transport and Economic Development have been engaged with the LEP to ensure compatibility with the Local Plan, Five Year Plan, and emerging transport and Economic development plans.		Continued resource commitment throughout the consultation process.
Response to the consultation	This is an opportunity to engage with our five partner authorities on a shared strategy	Engaging with our partnering authorities throughout the consultation	6 (Political, probability – very low, impact – critical)	Increased engagement beyond the consultation process via the LEP
Response to the consultation	The resource we invest in this process	Work closely with the LEP to ensure	9 (Financial, probability –	Influence decision making by

	does not guarantee future government funding via the LEP	Slough's needs are represented in the BLIS	low, impact - critical	working closely with the LEP
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(c) Human Rights Act and Other Legal Implications

There are no legal implications for submitting a response to the BLIS consultation.

(d) Workforce

The submission of a response to the consultation and any subsequent interaction with Thames Valley Berkshire LEP will require employee time and line manager support.

5. **Supporting Information**

5.1 **Local Industrial Strategies (LIS)**

In the Industrial Strategy White Paper of 2017, the Government committed to work with Local Enterprise Partnerships to develop Local Industrial Strategies to “boost productivity, earning power and competitiveness”.

These are intended to influence the development of local policy and will guide the allocation of investment and funding from Central Government - including the shared prosperity fund which will replace European Structural Funding.

The Joseph Rowntree Foundation has identified them as a major opportunity for local authorities to pursue inclusive growth.

The Berkshire LIS is the latest document being produced by the Thames Valley Berkshire LEP (TVLEP) that follows its priority for business-led activities that drive local economic growth across Berkshire. Currently these are programmed around business environment; skills, education and employment; international investment; and infrastructure (transport and digital).

Work on the BLIS has been underway for over a year, and is overseen by the TVBLEP forum and Board. Importantly the BLIS will go through a phase of co-design with Government before it is finalised.

The “BLIS Framework Document” (Appendix A) is a working version of the final strategy element of the BLIS. It will be supported by a full evidence base, a spatial economic narrative and implementation plans.

5.2 **Berkshire Local Industrial Strategy Overview**

The Framework Document for Consultation for the BLIS was formed following meetings with stakeholders and regular meetings of a Task and Finish Group comprising two officers from each of Berkshire’s six unitary authorities. There was also the input of a Productivity Commission drawn from the ‘private sector and

including academic inputs from the University of Reading.’ Chapters 1-4 are drafted in full, with 6-8 presented in skeletal form.

The LEP has framed the BLIS around three ‘locally-defined imperatives’:

1. Berkshire must advance a growth process that is both net additional in relation to the UK and is “smart”; and in co-designing the BLIS with government, this should be a shared mission.
2. It must be recognised that Berkshire is the kind of place in which inclusive growth is a real challenge. The BLIS must address this head-on.
3. The strength of national and international flows of people, ideas and investment into (and out of) Berkshire is perhaps masking places that are, in themselves, rather “underpowered”. There is a need for strengthened place-making in response.

This has led to a vision in the BLIS for Berkshire is to become ‘the best of both global and local’ and ‘grow with ambition and intent’. To achieve this, the BLIS identifies five key priorities, each evidenced with why (the main contributory factors) and a response. These are summarised below; the detail can be found in the consultation document (Appendix A).

Priority 1: Enhancing productivity within Berkshire’s enterprises

The LEP proposes to:

- Work to improve business understanding of productivity.
- Encourage small businesses to scale up.
- Ensure business have access to growth finance.
- Provide an appropriate supply of sites and premises for small businesses.
- Ensure businesses have access to ‘the best’ digital infrastructure’.
- Support SMEs to invest in their staff’s careers - including through apprenticeships.
- Develop a flexible approach to skills provision.

Priority 2: Ecosystems which are maturing and evolving and extend beyond Berkshire

The LEP proposes to:

- Forge alliances with partners in Oxfordshire (life sciences) and Hampshire/Surrey (digital), and work towards sub-national sector deals.
- Develop the role of the University of Reading and TV Science Park.
- Develop a network for ‘anchor institutions’ across Berkshire [Note: Slough Trading Estate is referenced as an example].
- Support the development of innovation spaces in town centres.
- Develop flexible and market-led skills/workforce plans using apprenticeships and potentially an Institute of Technology.
- Identify, encourage and celebrate reinvestment cycles.

Priority 3: International trade, connections collaborations & investments

The LEP proposes to:

- Exploit fully the benefits of Heathrow proximity.
- Understand how Berkshire companies' thinking is evolving - particularly in regard to Brexit.
- Involve the corporates in ecosystem development ventures.
- Build relationships with the "next generation" of international investors.
- Encourage small businesses to "think global" and trade internationally.
- Continue to promote Berkshire internationally.
- Highlight more explicitly the quality of the area's countryside.
- Take steps to celebrate "the world coming to Berkshire", welcoming workers and investors from across the world.

Priority 4: Vibrant places and a supportive infrastructure

The LEP proposes to:

- Celebrate and promote Berkshire's town centres as interesting and rewarding places, linking in to Berkshire's cultural/leisure offer.
- Emphasise the ongoing importance of
 - modal shifts and the development of sustainable transport solutions
 - the use of big data in redefining transport issues.
- Make good use of sites close to railway stations and motorway junctions, and in strategic transport corridors.
- Ensure that the full range of provision for land and premises required by major sectors is available.
- Accelerate the delivery of housing and explore the case for a Berkshire-specific "help to buy" scheme.

Priority 5. Make Berkshire an inclusive area where aspirations can be realised

The LEP proposes to:

- Refocus adult learning on employment flexibility, recognising the impact of technology and the need to plan for major career changes.
- Develop a dialogue around the concept and process of "progression",
- Promote the uptake of the Living Wage
- Ensure that "ecosystem leaders" reflect the wider population of Berkshire, particularly with regard to ethnicity, nationality, age and gender.
- Consider the scope for delivering social value through procurement decisions and recognise the role of the public sector more generally.

5.3 Timescales

The Government expects the BLIS to be finished by early 2020. The LEP have set a deadline of Midday, Friday 21st June 2019 for responses to the framework document. It will then follow the timeline below:

Consultation on BLIS Framework Document	21 st June
Consultation feedback collated and analysed	24 th - 28 th June
Task & Finish Groups considers consultation feedback and revised BLIS Framework Document	1 st July
LEP Board considers revised BLIS Framework Document	9 th July
LEP Forum ratifies revised Framework Document; BLIS evidence base ready to be tested by BEIS Analysts Panel	23 rd July
LEP meetings with Other Government Departments	August / September
Develop final BLIS in conjunction with HMG and based on learning from LIS Trailblazers	October
LEP Board considers final BLIS	12 th November
AGM available to launch co-designed, joint BLIS	26 th November

5.4 Themes SBC wishes to discuss in response to the consultation

The consultation seeks endorsement of the document to date; views on how the Council's initiatives, plans and ambitions can be integrated into the delivery commitments; and alliances to implement, monitor and evaluate it.

A consultation workshop was held on 30th May to review the BLIS Framework Document with a group which included the Leader of the Council, the Chief Executive, selected service leads and other officers. Tim Smith from the LEP presented the BLIS and answered questions before departing so the Economic Development Lead could chair an open discussion.

The group endorsed the BLIS's vision and priorities, with priorities three, four and five considered particularly pertinent for Slough.

The group proposed that SBC's response to the consultation questions be based around the following themes:

- **Town centre - culture and transport vision**

We endorse priority 4 - Vibrant places and a supportive infrastructure.

We would like to emphasise the importance of the BLIS' proposal to celebrate and promote Berkshire's town centres as interesting and rewarding places, linking to Berkshire's cultural/leisure offer and recognising the need to attract and retain young people.

We need well thought-out, people-driven, inclusive strategies, plans and places that inspire inward investment and allow for the delivery of high quality homes, work space, and public realm in the heart of Slough.

The Council's transport vision for the centre of Slough will guide development and regeneration to 2040 and beyond. It's an ambitious transport vision to support a town fit for the 21st Century, one which would improve the quality of life of those living in, working in, and visiting the Borough, and which would support the creation of a stronger, more sustainable and viable centre of Slough.

The Council's transport Vision for the town centre plans to reduce vehicle traffic throughput, diversify the attractions of the town to reduce the dependence on declining retail, and deliver safe attractive spaces and routes for pedestrians.

- **Slough as a young, diverse and international town**

We're pleased that the BLIS recognised that the uniqueness and diversity within Berkshire needs particular celebration and promotion as an asset, and would wish to emphasise its importance.

Our resident population is characterised by its "superdiversity" and age profile – it is one of the youngest and most ethnically inter and intra diverse in the South East. Research from the Centre for Cities shows that as a 'city' Slough has the highest proportion of people born outside the UK (40%) and the highest proportion of the population 0-17 (28.35%).

The "world coming to Berkshire" is an aim of the BLIS – and people and businesses from around the world having been coming to Slough for generations.

Slough is emerging as a place of ambition and opportunity. The buzz of our young population and the sense of a turning tide is palpable. We need the kick start to turn the currently soft ambitions for culture, leisure, business and great living into hard deliverables. Central to our vision is our determination for inclusive growth.

If we can do this, our population and town will be well placed to contribute to the realisation of the BLIS' vision.

- **Skills**

We endorse the BLIS' proposals laid out in priorities one and five to support the up-skilling of local resident workers and the creation of routes of progression from low-wage work to median incomes. The Council also welcomes the LEPs current funding of skills in Slough.

A major aim of our emerging skills strategy will be to address the disparity in earnings between those who live or work in Slough – this currently stands at Slough residents earning £43 a week less than those who commute into Slough to work.

Slough's Community and Adult Learning offer is currently being redesigned to better reflect the Council's five year plan and will result in the offer being focussed around skills, pathways to employment and wellbeing

Hatch Regeneris have been commissioned to gather evidence for a Slough Skills and Employment Strategy. The strategy, to be published in summer 2019, will incorporate the needs of employers, schools, businesses and residents, and lead to an action plan to address the identified priorities.

The Skills strategy is also proposing the development of a 'virtual' slough campus. This is not a physical site as in a school or university campus but a virtual collective of stakeholders and participants that will bring together an overview of all the skills, training, employment and other opportunities with the intention of connecting business and residents with pathways to support and meet their needs.

- **Key sectors**

We support the growth of the key business and employment sectors identified in the BLIS framework document and feel that Slough has a lot to contribute towards this growth. However, we note that in Slough we have large employment sectors that cover business and professional services, health, education and public administration which are not evident in the document.

Although not currently a large sector, SBC is committed to supporting the development of thriving creative industries in Slough, and Berkshire more widely. This will build on Berkshire's film heritage in Bray and proximity to the capital and Pinewood and Sheperton studios; and its frequent use as a location for filming.

Responses to Priorities 3, 4 and 5 could be directed to nurture and expand the creative appeal of Berkshire to attract investment from around the world (Priority 3) as has been seen in other areas, such as Northern Ireland.

There is already an informal arts and culture aspiration amongst our community, and the Council consider if supported this community could quickly start up and grow their business. Expansion of this sector would also help create a broad and interesting range of career pathways that would help realise the BLIS' ambition to attract and retain young people.

- **Business support**

We endorse Priority 1 as of particular relevance to Slough's resident and smaller business communities. Our start up rates are the highest in Berkshire and we need to focus on this so businesses survive and thrive within the Borough.

Slough businesses would benefit from more certain access to the LEPs business growth support. Support in the SME area for Slough is vital. Consider that, given the priority for inclusive growth and vibrancy, business support needs to cover a wider array of businesses and not just the high growth businesses.

The Local Plan will connect with the implementation plans to support spatial land use planning elements of this – such as protection of existing business areas.

The ED Skills strategy will also have an implementation role.

- **Infrastructure**

We support Priority four in recognition of the constraints facing infrastructure in Berkshire and the need to promote a modal shift towards active travel (walking and cycling); sustainable and innovative forms of transport; and the SMART growth agenda to make better use of existing transport network capacity.

We are focussed on utilising improvements of infrastructure - including the arrival of Crossrail, the expansion of Heathrow airport and the new Western Rail Link to Heathrow - to promote economic growth and build on the town's reputation as of the best connected places in the world.

The emerging Local Plan sets a spatial strategy for Colnbrook and Poyle, and the Council is working corporately with the Heathrow Strategic Planning Group to support the expansion of Heathrow. The Local Plan team are also working with SEGRO and AEW to support resilient growth at the Slough Trading Estate; and the Council is also working on a town centre transport vision. The Local Plan Vision also looks to the centre of Slough to be a vibrant hub for employment built on its excellent location; and the Borough's resident and business communities embracing digital technologies to enhance quality of life

Several Slough Plans and strategies will form a key part of how SBC can support the LEP in delivering the vision laid out in section 6 of the BLIS framework document. We would ask these elements, and in particular that Crossrail connects to Slough, be referenced within the BLIS implementation section.

- **Heathrow's wider role in the region (beyond transport)**

Slough is openly supporting of the expansion of Heathrow and the wider economic benefits it will bring to the borough and the rest of Berkshire. The Borough is within its Travel to Work Area; and the Borough's emerging labour supply, and those that will suffer from joblessness due to automation should be given preferential connections to skills and training for jobs both on airport and related to it. The borough is under pressure from the demands for land for airport related storage and distribution uses; and has aspirations for the town centre to be a location for airport connected hotels. These aspects should be referenced in Priority 2, with support for the Slough Local Plan and HSPG and its joint spatial framework as responses and delivery commitments.

The reference to the airport expansion in Priority 3 is endorsed as many of the Borough's international businesses chose to locate here for the direct flight connection to them. This will continue as the routes increase, and will be important for resilience over the next economic cycle.

- **Housing**

The Government's latest target for housing delivery in Slough sits at over 900 per annum (the Standard Methodology). The emerging Local Plan is committed to meeting this need as close to where it arises as possible, and is working with RBWM and South Bucks to find a solution.

Reference to the Growth Study would be useful for the contribution it under Priorities 4 and 5 for the provision of housing that is affordable. Its implementation will be through the Local Plans, and for Slough ideally the northern expansion. This should be referenced in addition to Grazely.

East Berkshire Functional Economic Market Area

Chapter 3, Berkshire Economies, falls short of promoting Slough's intrinsic strengths as a major economic power house in Berkshire and London. The Centre for Cities study records Slough as having the highest GVA per worker. The summary of the East

Berkshire FEMA also fails to mention the strong labour supply Slough has, or the main attractions of Windsor and Maidenhead for businesses.

The eastern EDNA has a strong connecting role between London and the rest of Berkshire. Suggest that some pertinent information is extracted from the LEP funded East Berkshire EDNA to supplement this section.

- **Health and Wellbeing**

The BLIS has sought to summarise current assets and constraints linked to the economic growth agenda (Chapter 5). That recognises the challenges of in-work poverty and financial inequality.

It might be necessary to ensure that the LEP's response to priority five (Chapter 6) is aligned with local approaches for improving health and wellbeing. There are several pockets of Slough, and other Berkshire authorities such as Reading, with high levels of health-related deprivation. To pursue a strategy of truly inclusive growth, it is important to ensure that steps are being taken to remove health-related barriers to employment for all our residents.

It is worth noting that Slough has a particularly poor and declining healthy life expectancy for both men and women - 59.6 and 59.5 years respectively as of 2018, compared to averages of 66.1 and 66.3 years across the South East as a whole. Poor health reduces residents' effective working lives and exacerbates pressures on the labour market. The impact of sickness absence more broadly on economic performance is also very well documented and a clear strategy for reducing this would improve productivity and may help Berkshire to achieve a competitive advantage.

6. **Comments of Other Committees**

This report has not been considered by any other committees.

7. **Conclusion**

This report summarises preparations for the submission of a response to the consultation on the BLIS. The consultation provides a major opportunity to promote economic development bespoke to Slough within the sub-region and nationally; including inclusive growth and inward investment.

The BLIS Framework Document represents the diverse character of the unitary authorities in Berkshire, bringing together its strengths and vulnerabilities.

Endorsing it and providing Slough specific evidence and commitments will enable the LEP to continue its work to produce the BLIS. In return the BLIS will provide an important commercial and pan-Berkshire evidence base, spatial economic narrative and implementation plan that can support Slough's ambitions and strategies such as the Local Plan, Transport Strategy, Economic Strategy and Five Year Plan.

8. **Appendices Attached**

'A' - Berkshire Local Industrial Strategy Framework Document for Consultation (March 2019)