

Report to the Greater Birmingham & Solihull Supervisory Board

3rd August 2017

GBSLEP LEARNING & DEVELOPMENT PROGRAMME

Purpose of the report

To endorse the decision of the LEP Board to establish and invest in the GBSLEP Learning & Development Programme.

Recommendations

The Supervisory Board is recommended to:

1. Note the agreement of the LEP Board to establish the GBSLEP Learning & Development Programme for the benefit of LEP partners, Board Directors and the LEP Executive;
2. Note the agreement of the LEP Board that the interest accrued on the Local Growth Fund capital deposited with Birmingham City Council as the Accountable Body will be ringfenced to fund the Learning & Development Programme for an initial period of at least two years; and
3. Note the agreement of the LEP Board that the Learning & Development Programme will be managed by the Head of Delivery and overseen by the Programme Delivery Board.

Background

4. In November 2017, GBSLEP published its Strategic Economic Plan 2016-30 (SEP), which set out the vision to be regarded as a top global city region by 2030, one that drives the Midlands Engine and is the major driver of the UK economy outside London; one that harnesses our strengths and assets for the benefit of our area and the country as a whole. The SEP focuses on three strategic priorities:
 - Becoming a world leader in innovation & creativity
 - Taking full advantage of our global connections
 - Creating stronger conditions for growth
5. Ultimately, the SEP strives for the excellence of our city region and its economy. In order to deliver these ambitions, we as a LEP must strive for excellence too. This means attracting, retaining and developing the best people we possibly can – from non-executive directors to the Executive itself and those partners with whom we work closest.

Key issues

6. GBSLEP has a capital programme of £433m between 2015/16 and 2020/21, with a further £1bn Enterprise Zone Investment Plan across the City Centre and Birmingham Curzon. The recent Growth Deal 3 process has established a strong pipeline of investible propositions, and the SEP Business Plan endorsed by the

Board sets out an ambitious programme of activity required to deliver the objectives set out in the SEP. The delivery of the programme is heavily reliant upon strong partnership working with local authority colleagues in particular.

7. The budget reductions local government has experienced in recent years have resulted in the loss of institutional and technical knowledge, often to an increasingly buoyant private sector. As a consequence, in order to develop and deliver larger and more complex schemes, local authorities are increasingly turning to private sector consultancy with a commensurate impact on project costs. It is envisaged that local government will continue to face year-on-year spending reductions for the foreseeable future.
8. Furthermore, partners have relayed to the Executive there are areas where there is a need for certain levels of skills and knowledge that are currently lacking amongst partner organisations, or would benefit from improved/better quality. This tends to be in particularly technical matters, such as Green Book business case development and appraisal, in programme and project management more generally and in areas like urban design and compulsory purchase orders. Often, this results in resources being procured in from the private sector, resulting in increased costs to the project.
9. In the long-term, this restricts partners from investing in scheme development and potentially constrains growth across the GBSLEP area. This is a particular challenge for the district local authorities and areas outside of long-established growth opportunity areas (such as Birmingham Curzon and the Hub at UK Central). As well as restricting the number of proposals coming forward, it also has a potentially negative impact on the quality and ambition of those proposals.
10. The Executive also recognises that it, too, has responsibilities to ensure not only the successful delivery of the programme, but to sustain the pipeline of sufficiently ambitious projects into the future. The recent recruitment of staff in the Executive has resulted in increased capacity, with many of the new staff having particular expertise in their respective fields. The Executive is keen to ensure that those staff are enabled to continue their professional development, and those in leadership positions are supported to grow and develop in their roles, so that the wider partnership may benefit through their respective roles.
11. In addition, it is important that the Board Directors are able to benefit from development and learning opportunities that befit their roles. Given the increased focus on transparency and accountability of LEPs, ensuring that all non-executive Directors are well-informed of their responsibilities and fiduciary duties is particularly important.

Learning & Development Programme

12. GBSLEP has an opportunity to establish itself as a source of shared skills learning, bringing together partners to learn from each other and providing facilitated learning experiences. The LEP can work with partners to identify gaps in knowledge / experience, particularly in relation to the Growth Programme and can commission activity that would improve the economic growth outcomes of the LEP as a whole.
13. The LEP Executive has consulted with partners on establishing such a Learning & Development Programme to address identified gaps and opportunities across Greater Birmingham & Solihull. This has entailed identifying specific needs with partners, and looking at good practice deployed in other areas.

14. Identified areas of need include:

- Developing funding bids and applications
- Project briefs and commissioning
- Good procurement practice
- Project management
- Development economics/financial appraisals
- Customer engagement/consultation techniques
- Introduction to planning and development for LEP Board Directors and lead officers
- Design and urban design
- Land assembly and use of CPO
- Infrastructure planning and delivery

15. It is acknowledged that some partners already have particular expertise in some of these areas and that there are opportunities to share that expertise as part of the Programme.

16. Consultation on this proposal has largely been undertaken with local authority colleagues to date. However, the intention is that the programme is open to and enables the beneficiaries of GBSLEP's funding across the public, FE and HE sectors; further consultation will therefore be undertaken with a broader range of stakeholders.

17. Examples of activities that could be delivered include classroom training for practitioners across Greater Birmingham in how to build better Green Book-compliant business cases; workshops on risk appetite; conference places for practitioners and Board Directors leading on LEP workstreams; training for Board Directors on governance; and investment in the professional development of individuals in the LEP Executive.

18. In addition, it is proposed that some of the funding is made available to procure activity that may ordinarily be beyond the purchasing power of partners, where that activity is aligned to the objectives set out in the SEP. For example, this may extend to urban design to ensure that developments are of sufficient ambition and quality to deliver the SEP outcomes; or specialist technical advice, such as compulsory purchase orders. This is particularly applicable to key pieces of work on the Place agenda.

19. The LEP Executive has begun to explore working with industry representative bodies as part of the Programme. Industry bodies, such as the RTPI, are looking to work more closely with other partners to support continuous professional development and it is believed that avenues to jointly fund learning & development opportunities with such bodies may be viable.

20. In order to put in place a programme that delivers tangible ongoing benefits across the area, a reasonably significant allocation of Executive time and funding would need to be made over a number of years.

21. To date, GBSLEP has secured £157,515 of interest against the Local Growth Fund deposited with Birmingham City Council as the Accountable Body. The interest has accrued largely because of slippage and because of an insufficiently strong pipeline of projects that could come into the programme to utilise the funding of delayed

projects. It is logical that the interest is used to sustain and grow the programme, and it is therefore proposed that this funding is ringfenced to fund the Learning & Development Programme. It is anticipated that this level of funding should be sufficient to sustain the programme for at least two years.

22. In future years, given the stronger programme management arrangements and greater degree of over-programming, it is expected that interest will not accrue to this degree. The interest should therefore not be seen as a sustainable source of funding.
23. While the Executive considered a number of alternative options for use of this funding, it was felt that this proposal would deliver the best outcomes; furthermore, the interest arose from slippage and an insufficiently strong pipeline of projects, therefore a proposal to invest in solutions to those challenges was also considered to be the most equitable. This proposal therefore compliments and adds value to the LEP Board's decision to invest in additional programme management capacity.
24. The Learning & Development Programme will be managed by the Head of Delivery, with a programme to be developed, agreed and overseen by the Programme Delivery Board. In the short term, given the Head of Delivery post is vacant, the Programme will be managed by the LEP Director.

Conclusion

25. This paper sets out the rationale for the LEP Board's decision to establish and fund a GBSLEP Learning & Development Programme. The Supervisory Board is recommended to note the agreement to the establishment of the Learning & Development Programme, to ringfence the interest to fund the Programme and to agree that the Programme is managed by the Head of Delivery, reporting to the Programme Delivery Board.

Prepared for: Roger Mendonça
Interim LEP Director

Prepared by: Nick Glover
Executive Manager – Place

Contact: nick.glover@birmingham.gov.uk
07730 281 420

Date: 27nd July 2017