

Wokingham Borough Council Response to the Berkshire Local Industrial Strategy Framework Document for Consultation March 2019

Consultation Questions in relation to Chapter 2

2-1: Is the overarching purpose of the BLIS clear?

Wokingham Borough Council welcomes the publication of the Berkshire Local Industrial Strategy (BLIS) Framework Document and the renewed emphasis on improving productivity and achieving an economy that works for everyone.

The development of the BLIS will help develop a longer-term approach to the economy helping to provide businesses with more certainty and supporting them to thrive.

The document identifies three imperatives in relation to the Berkshire economy. Wokingham Borough Council agrees that these imperatives are key in terms of the impact they have on the economy. In particular, we acknowledge the need for organic growth. Where we encourage our own businesses to set up and grow rather than relying on businesses relocating into the area the importance of smart growth and the focus on improving the quality of jobs to drive up productivity.

It is welcomed that the Framework Document recognises the negative impact of a polarised workforce (in terms of earnings). As well as the impact that the high cost of housing and of lack of in work progression has on economic inclusion. Mechanisms to support the supply of key workers are needed. Including, lobbying to expand the London weighting zone beyond Bracknell - Forest to attract more key workers such as police officers to Wokingham Borough.

The third imperative is described as controversial but one that has resonance in Wokingham Borough. Where the population has a level of transience because of international flows and investment out of Berkshire. This raises questions about the loss of talent and reinvestment to Berkshire as a place of quality worth remaining in and the possible need for strengthen place making in response.

Although, it is implicit in this chapter that the overarching purpose of the BLIS is to provide a joint plan to help guide economic growth by capitalising on the areas strength and addressing the imperatives a clear statement of overarching purpose would be useful.

WBC would seek to include a reference to holistic quality growth, planned across the spectrum with appropriate infrastructure, including superfast broadband. More weight needs to be given to ensuring that TVB LEP supports WBC in placing the right housing in the right places with more high-quality, affordable homes

The council would also like to see more emphasis on inclusive growth in the Framework Document including an emphasis on tackling climate change and developing the arts and culture offer in the borough.

2-2: Is this purpose addressed through the chapters that follow?

The purpose as set out in Chapter 2 is well addressed in the later chapters of the document. In particular, the evidence and analysis that underpin imperatives is well justified.

There is a good assessment of opportunities and risks in relation to the five 'Foundations of Productivity' set out by government, which aligns with the national industrial strategy process at a local level.

The Framework should build more on the big picture. Expanding on the higher-level infrastructure and vision for public transport. The quality of holistic place making embedded in practice and plan making. Need to emphasise joint working and the need to recognise local, Berkshire and sub- regional roles in the support of growth. i.e. MRT, Third Thames Crossing and the WRATH.

This document is described as an emerging response to the Governments requirements of a local industrial strategy. Wokingham Borough Council looks forward to continuing to work in partnership with TVB LEP and other partners in developing the next iteration of the BLIS and having the opportunity for further feedback on the final document.

Consultation Questions in relation to Chapter 4

Chapter 4 “boils down” a huge volume of evidence which we have gathered in earnest over the last year (and indeed before that). It seeks to probe the nature of the Berkshire economy, and to flush out both its strengths and weaknesses – and its distinctive characteristics. The strategy (presented in Chapter 6) really is founded on this assessment – so it is important.

4-1: Do the “Foundations of Productivity” help explain the nature of economic performance across Berkshire?

The Governments Industrial Strategy White Paper considers five Foundations of Productivity. These include ideas, business environment, people infrastructure and place. The foundations of productivity themes provide a good framework to effectively analyse the large amount of economic data collected. Recognisable key issues about economic productivity performance in Berkshire have been distilled and reinforced from the evidence. There is recognition and concern that Berkshire`s strong absolute performance is a result of economic endowment and accumulated past investment. That growth has slowed considerably so Berkshire is placed 34th amongst 38 LEP areas in England in terms of economic growth. It is noted that Berkshire`s economy needs to grow principally by increasing the output from jobs, not the overall number; in other words, the overarching objective is linked to productivity

Ideas

Wokingham Borough Council agrees that the University of Reading is a key institution in terms of generating ideas that have the potential to be commercialised. It is worth noting that the Thames Valley Science Park came about through a strong

partnership between the local planning authority, TVB LEP and the University of Reading. Suggesting that strong partnership working can help to encourage ideas but help make those ideas a reality.

Business environment

The Council agrees that there is a need for affordable flexible and managed workspace for very early stage businesses. This is a key element in encouraging businesses in Berkshire to grow and scale up along with access to finance and people with the right skills.

It is agreed that changes to the permitted development regime has resulted in the loss of employment floorspace to residential uses. This has reduced accessibility to land and premises, which in the past would have been suitable for evolving businesses.

People

Wokingham Borough Council welcomes the recognition that a trend exists where the work force is increasingly polarised between high and low paid employees. In part, this is because there are fewer mid ranging progression jobs. The council notes the suggestion that the high cost of businesses space is driving out the type of businesses that provide 'the middle' employment opportunities that supports in work progression.

WBC has been aware for some time that Berkshire is a challenging place to live for those in low paid employment - with house prices well above the UK average.

Infrastructure

The Council welcomes the recognition of congestion issues. Whilst the areas has benefited from major transport investments, further such investments are required to address issues and maintain the attractiveness of Berkshire to investors.

The council requests that the BLIS clearly recognises that addressing the challenge of congestion required coordinated decision making, with delivery alongside infrastructure solutions. The local authorities and partners must be granted the freedom from prescriptive Government planning rules to plan and deliver the necessary development of the right type, of the right quality and in the right places with the necessary infrastructure. Development in the wrong places should be capable of being resisted.

The council concurs that if the economic potential of Berkshire to be realised, there needs to be a good supply of affordable housing. There is a risk that the rate at which affordable housing is built may be hampered by a slowing of the economy and decreasing amount of developable land. The Council acknowledges that affordability issues cannot be simply addressed by building more and that other solutions need to be found. Building more new homes can actually worsen affordability issues as new homes have a market premium. Delivering more, less expensive than average homes, requires other ways of funding.

Affordable housing is essential to the economic wellbeing and prosperity of places. It is key to attracting and retaining a skills base that will encourage inward

investment. Those eligible for affordable housing include low income families and key workers, as well as lower income service sector workers such as baristas and shop workers, all of whom are essential for supporting the local economy. Housing in itself can be a powerful driver of local economic activity as it increases spending and employment in the surrounding economy.

The council agrees that the appetite for virtual and IT-enabled solutions is growing. This is supported an increasing amount of government funding available to support intelligent transport, for example the £4.75 million Adept fund awarded to Berkshire Earlier this year.

There is a need to recognise the joint costs of grant and bid work and the need to work collectively on applications.

The council would like to see more emphasis on climate change and environmental sustainability issues in the framework.

4-2: Are there other factors/issues that ought to be considered given the purposes of the BLIS?

The BLIS framework highlights that there are a number of higher education bodies in Berkshire (with University of Reading being the main one) that are aligned with the major themes from the white paper. The council suggests that there is a lack of excellent, graduate and postgraduate courses available in Berkshire in the key area of emerging technologies. Including computer science, data science, machine learning, artificial intelligence and robotics when compared with higher education providers in other parts of the country. Microsoft has is R&D facility based in Cambridge but operational functions based in Wokingham Borough. There is no mention of the impact of an aging population on the economy. In particular, this presents issues for public sector organisations.

The council would endorse encouraging strategic growth through collaboration in decision-making and plan making.

The council would like to see more emphasis on climate change and environmental sustainability issues in the framework.

A healthy natural environment is indispensable to current and future economic prosperity. Conserving the natural environment is the most efficient and effective way to deliver a huge range of benefits to society. In the past the debate about environmental policies still tends to be underpinned by a strong fear of the 'harm' that efforts to improve the natural environment can do to competitiveness and the economy. However recent research has shown that environmental degradation has the potential to undermine long-term prosperity (HM Treasury, 2007) and that for instance tackling climate change is actually a highly effective pro-growth strategy. The Focus of national policy on the environment is now on establishing an ecosystem services approach to development underpinned through Natural Capital accounting. The ecosystem approach puts people and the benefits they gain from the natural environment at the heart of decision making about land use and management practices. It underpins Government's policy, as set out in the 2011

Natural Environment White Paper The Natural Choice: securing the value of nature (Stationery Office 2011). The ecosystem approach also places an emphasis upon understanding the value to society of benefits from ecosystem services the natural environment provides so that informed choices can be made. It also recognises the need to manage the environment as a dynamic ecological system, providing multiple benefits at any one locality. It is now widely accepted that healthy ecosystems and the services they provide have economic value. The UK National Ecosystem Assessment (UK NEA 2011 & 2014) has further developed this conceptual framework, developed a range of methods for economic valuation and provided examples of how they can be applied. This topic is important as the Treasury Green Book (HM Treasury 2003) makes such valuation a requirement of public bodies.

Consultation Questions in relation to Chapter 5

Although short, Chapter 5 is important in moving from analysis towards strategy, and ensuring that the BLIS is future facing: it needs to anticipate major risks (upside and downside) for the economy of Berkshire as it looks ahead to 2030 and beyond.

5-1: Is the summary assessment a fair one? Does it capture the principal challenges that Berkshire is facing?

The council welcomes the recognition of the issues faced by town centres and in particular retail industries. Digital technologies have caused a modal shift in the way people shop. A creative response is required to keep our town centres vibrant. Wokingham Town centre has undergone a significant regeneration but there is a general lack of reference to this in the Framework Document.

The council also welcomes the acknowledgement that more work needs to be done to strengthen the Berkshire brands and raise the profile of the Berkshire with investors and businesses.

A stronger, targeted arts and culture offer could help to support both of the above issues as well as helping to retain young people, particularly recent graduates that are attracted to London.

Wokingham Borough Council is a partner with the Superfast Berkshire and the Smart Cities Project. Parts of Berkshire are poorly served by superfast broadband. Wokingham Borough Council seeks to support any initiatives that encourage the next stages of digital connectivity/infrastructure in the borough.

Wokingham Borough Council supports the need for more affordable housing and the need to reduce congestion. These are key priorities in the council's plan

The council also agrees that the employment land should be highlighted as an issue. We would suggest the future facing challenge is ensuring a range of floorspace is available that is in the right locations, is flexible to future business needs and supported by necessary infrastructure. Solutions to congestion issues will be important.

Reinforcing place through decisions and policy to manage to manage quality growth/congestion and infrastructure together. Ongoing work to jointly identify strategic schemes which address inter transport connectivity and congestion

Consultation Questions in relation to Chapter 6

Chapter 6 is the main statement of strategy, based on the evidence and analysis set out in preceding chapters and anticipating the implementation arrangements that are described later. The detail of Chapter 6 however remains to be developed and it is in this domain that we will focus particularly over the summer months. Comments and feedback in relation to Chapter 6 are therefore especially important.

6-1: Chapter 6 begins with a Vision. Do you support it?

Wokingham Borough Council supports the vision that 'Berkshire should grow with ambition and intent' becoming '*the best of both global and local*'. This is based on the intention to preserve the places (both urban and rural) that define Berkshire. Also, that the pace of economic growth is accelerated through increasing productivity by improving the value of jobs through creating smart, knowledge-intensive, inclusive and resilient employment. The council suggests that the vision is reviewed to emphasis the strength of the partnerships in Berkshire. Which reflects that we work, live and prosper together.

We would suggest that there is a reference to health and wellbeing amongst the priorities

6-2: Chapter 6 sets out a huge agenda for action under five distinct Priorities. Within this, what do you consider to be the most important Priority(ies) in seeking to achieve the Vision?

Wokingham Borough Council considers the following priorities to be most important in delivering the vision:

1. Priority 4: Vibrant places and a supportive infrastructure
2. Priority 5: Making Berkshire an inclusive area where aspirations can be realised

These priorities correspond with those set out in Wokingham Borough Council's Council Plan. It is in these areas that the council has strength in expertise and often a statutory requirement to deliver outcomes.

6-3: Moving down a layer, what do you consider to be the most important potential actions under each Priority, taking each in turn:

• Priority 1: Enhancing productivity within Berkshire's enterprises

1. Making sure that Berkshire business have best possible access to digital infrastructure
2. Build on the scale-up programme to encourage small businesses to grow to medium sized and beyond

3. Develop a more flexible approach to skills provision which responds to the increasing diversity of working practices

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

1. Develop flexible market-led workforce plans driven by the needs of major sectors using apprenticeships and other routes to make this happen and potentially develop an Institute of Technology
2. Develop the role of the University of Reading as an anchor institution building on the success of the Thames Valley Science Park

• **Priority 3: International trade, connections, collaborations and investments**

1. Continuing to promote Berkshire internationally and build stronger links similar places (Boston, Zurich)
2. Encourage smaller businesses to think globally and trade internationally
3. Involve the corporates in helping to brand Berkshire and contribute fully to economic life in Berkshire

• **Priority 4: Vibrant places and a supportive infrastructure**

1. Reducing congestion particularly through implementing smart technology
2. Improving housing affordability and providing more young people with a home
3. Supporting local towns and villages to flourish by re-establishing town centres as a place of enterprise with their cultural offer

• **Priority 5: Making Berkshire an inclusive area where aspirations can be realised**

1. Dialogue around the concept and process of progression and lifetime working patterns particularly for the most vulnerable in our society

6-4: Currently, actions under each Priority are set out in headline and indicative terms only. How might you/your organisation contribute to their development over the summer and their delivery thereafter?

The importance of the local authorities in supporting economic growth and regeneration cannot be underestimated.

Wokingham Borough Council are keen to be involved in developing the priorities over the summer. Council officers can be made available to attend workshops or focus groups. We can also speak to our partners and local businesses to help shape priorities.

In terms of delivery WBC are key partners with TVB LEP and the other Berkshire Authorities. Already engaged at a number of levels with TVB LEP and other partners. We currently work closely through our economic development, transport, planning, adult education, housing, energy and education departments to help deliver the

priorities in Berkshire Strategic Economic Plan and would expect that relationship to continue with the BLIS also

The council is keen to see more special planning to bring a greater sense of realism to this process and bidding jointly across Berkshire for major infrastructure schemes.

The council will be able to provide data, help bid for additional funds but where possible will seek to align strategies with the BLIS.

6-5: Currently, many people who live in Berkshire are not really benefitting from the area's economic vibrancy. What more should be done to help improve their life chances?

There are a number of reasons why many people are not benefiting from economic prosperity in Berkshire.

This might range from poor health, disability, mental health issues, drug or alcohol dependency, acting as a carer for relatives and so on. Resulting in unemployment or underemployment. Many of the young people who are unemployed are care leavers and have suffered a level of trauma in their lives. Poverty can become ingrained and passed on from generation to generation.

Issues such as poor academic performance or lack of work experience are relatively easily to correct. In a strong Berkshire economy where jobs are currently plentiful, unemployment or underemployment is usually a result of a combination of debilitating factors.

There are no easy solutions for those who are furthest away from the work place to secure sustainable employment and improve their life chances. It would help considerably if interventions happened at an earlier stage before patterns of failure become ingrained.

People's basic needs must be met before they are able start looking for employment. Starting with an affordable home, in the right place and of the right quality.

Certainly, better education and training, a stronger focus on health and wellbeing as well as community development would be helpful.

The Elevate employment and skills programme was successful in reaching out to a number of NEET young people. But in many cases a more long term and intensive approach was required for a successful outcome.

There are a large number of different agencies supporting unemployed people into employment. This fragmented market is not joined up and results in duplication and gaps in provision.

WBC have set up Optalis Supported Employment Service, which provides the intensive one to one support required by out most vulnerable job seekers but is also works closely with local employers.

WBC consider that Apprenticeship programmes should be supported as they provide alternative routes into employment. The council will continue to negotiate employment skills plans as part of the planning process, which also help unemployed young people get work experience and training.

Consultation Questions in relation to Chapter 7

This chapter needs to be developed once delivery priorities are more clearly specified, but it will be crucial in terms of giving the BLIS traction – both locally and nationally.

7-1: How will you/your organisation contribute to the delivery of the BLIS?

Wokingham Borough council will support the development of the next iteration of the BLIS over the summer. Once the action plan had been prepared and there is a better idea of what is required for delivery then the council will be able to give a more definitive response on how it can help deliver the BLIS. This will be within the bounds of WBC's expertise, finances and statutory obligations.

WBC will align the BLIS with our policies particularly the council's Corporate Plan, Planning policies, the Economic Development Strategy, the Housing and Homelessness Strategy, the Arts and Culture Strategy and Health and Wellbeing Strategy.

Managing congestion and controlled growth are existing priorities in our special strategies and these will continue. More member engagement work is encouraged to get a real understanding of cross cutting objectives.

Consultation Questions in relation to Chapter 8

This chapter will be developed once the rest of the BLIS is essentially in place, but comments in response to three questions would be helpful:

8-1: Is there any evidence linked to monitoring and evaluation – and an overall assessment of “what works” – that you might find especially useful?

The formation of the productivity group has been particularly insightful. Providing the much-needed voice of business in the process of developing the Framework Document. It would be beneficial to ensure that this group continues beyond the development of the BLIS.

8-2: What could you/your organisation contribute to generating that evidence?

The Berkshire unitary authorities will actively share evidence studies. To help inform future local plans, Bracknell, West Berks and Wokingham councils have commissioned an employment land needs study which incorporates a markets appraisal, sector space mapping and a jobs forecast. The study will be completed over the summer and will be available to inform the BLIS going forwards.

8-3: How much resource do you think should be devoted to M&E – and in what ways could your organisation contribute?

Wokingham Borough Council is prepared share as much non confidential, readily available information as is possible with the process.