



Berkshire Economic Strategy (BES) Progress Report

for Chief Executives 05/09/24

(Subject to amends for Prosperity Board 16/09/24)

The Prosperity Board brief for the Berkshire Economic Strategy

“To drive productivity, prosperity and economic growth across Berkshire”

Purpose:

- Set out our vision for a future sustainable and inclusive economy – achieving good growth with jobs for local people.
- Articulate the vision: what would it mean if the opportunities were developed to the full
- Identify our competitive advantages and strengths and our weaknesses
- Identify the top public and private sector investment priorities
- Pinpoint opportunities for investment by business and government
- Highlight the actions to stimulate enterprise and innovation
- Inform local decision making
- Provide evidence for bidding for future funds

Features:

- Underpinned by a strong evidence base
- Draft published to MHCLG within six months of receiving funding i.e. by October 2024
- Published by a single, accountable body i.e. Wokingham
- Build on the previous work of the LEP e.g. A New Start for Berkshire, Recovery & Renewal Plan, Berkshire LIS
- 10-year time frame with 5-year action plan
- Informed by other local strategies and plans e.g. local economic strategies, planning, skills, transport

Context: Growth at the heart of the King's Speech

- **Industrial Strategy** to boost productivity, drive clean, green power and build a resilient economy. It will back research institutions, professional services, advanced manufacturing, and creative industries.
- **Industrial Strategy Council**: helping businesses plan for the next ten years –statutory footing
- **Devolution**: more powers to mayors and local areas – to deliver change for communities to unlock economic growth and unlock devolved funds
- **DPM/ MHCLG request for Local Growth Plans (for MCAs)** to identify specialisms, clusters and sectors with innovation as the way to growth and contribute to delivering the industrial strategy led by DBT.
- **National Wealth Fund**: to invest £7.3bn over five years in infrastructure and green industry and industries of the future, reforming British Business Bank and UK Infrastructure Bank

Related Government policies:

Businesses:

- Trade strategy: better relationship with EU, support exporters
- Small businesses: late payment, government contracts for SMEs, reform British Business Bank

Business Environment:

- Transport overhaul: rail, buses and infrastructure, green, integrated transport network
- Climate and energy: clean power 2030, Great British Energy, warm homes
- Planning: reform of the NPPF and new “growth focussed approach”, housing targets, green belt reform, universal local plan coverage

People:

- New deal for working people: fair pay and conditions, increased incentive to change jobs
- Back to work plan: Local areas in the driving seat, new jobs and careers service, health and skills, youth guarantee
- Skills England Bill: A new national jobs and careers service (NCS and JCP merged), reform of the skills system , reform Apprenticeships Levy – Growth and Skills Levy

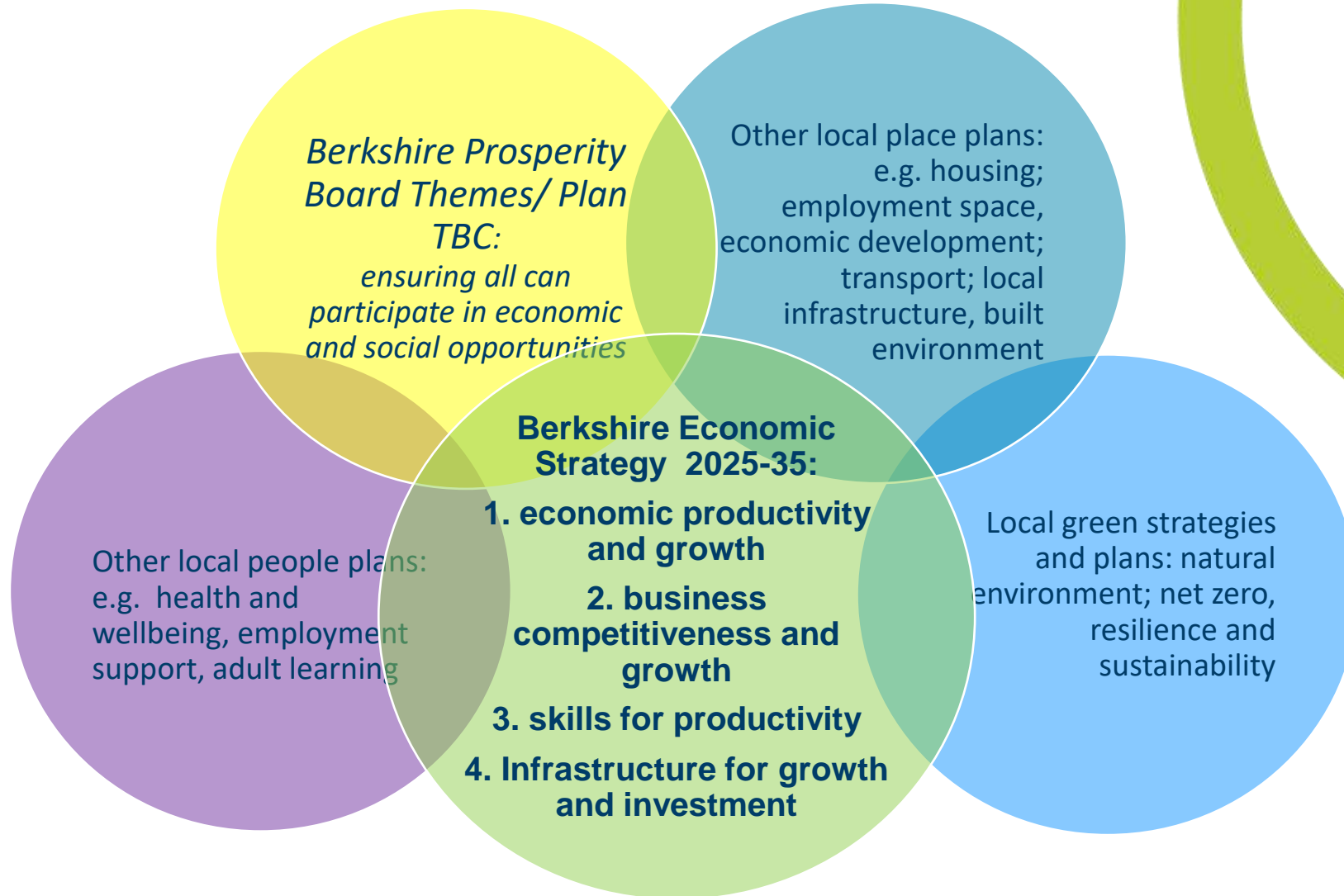
Paying for it: Pensions funds to support economic growth e.g. start-ups, encouraging business investment.
Government's role is to provide stability for businesses to plan and invest



“This is an agenda focused entirely on delivering security, opportunity, prosperity and justice for every person across the country. We will unlock growth and take the brakes off Britain”

The King's Speech 2024,

BES OUTLINE STRUCTURE: BES relationship with other strategies and plans



The four headline themes:

Theme 1. Berkshire's Economic Performance	Theme 2. Berkshire's businesses	Theme 3. Berkshire's people	Theme 4. Berkshire's business environment
Growth and productivity growth	Business demography and change	Population and population change	Infrastructure, ICT, transport, employment space
Sectoral growth and productivity	Sectors and sectoral shift/ share	Demographics, age, ethnicity etc.	Growth hot spots, quality of business locations
Innovation, R&D	Knowledge intensity and clusters, fast growth sectors and businesses	Skills supply, workforce skills and qualifications, learning provision	Skills demand: gaps and shortages
Business investment	Business start -up and survival	Employment, employment by sector and occupational structure	Business services & support e.g. for innovation, start up, growth
Internationalisation and connections	The "everyday" economy	Wages and household incomes	Access to information, supply chains, markets
	Location quotients	Health and life expectancy	Climate change/ net zero

The inputs to the strategy

Quantitative data: four themes:

1. economic performance
2. business performance
3. people, work and skills
4. business environment

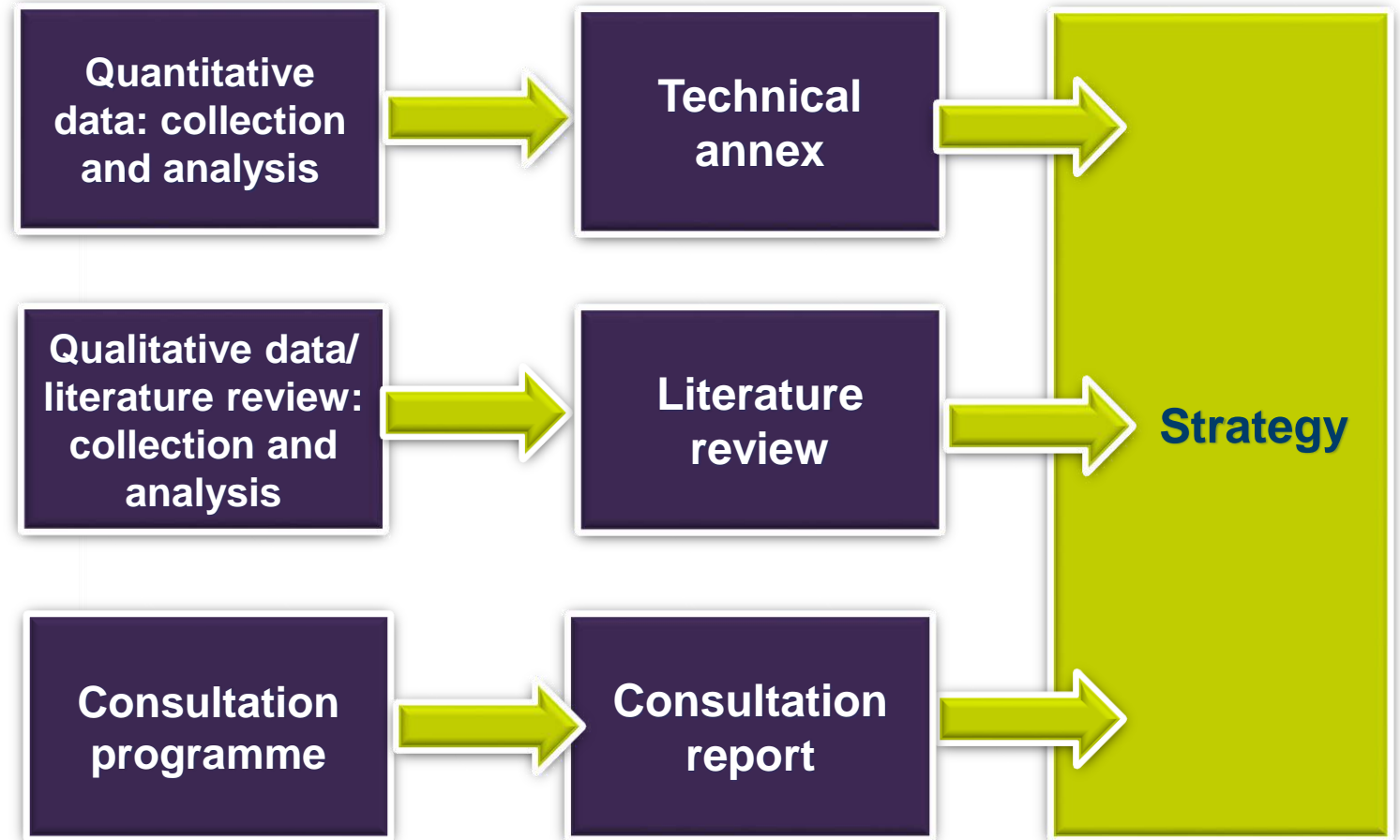
Qualitative data/ literature review: (same themes)

- Government policy
- International, national, regional and local reports, strategies and plans

Consultation programme:

stakeholders, businesses & other audiences:

- in person
- on-line
- business survey



The data collection and analysis

Data specification agreed by Steering Group on 4 themes

Data collection:

- Sources: ONS, other government, Beauhurst & Lightcast
- Comparators: international, regional (SE) intra-regional, Buckinghamshire and Oxfordshire
- Geographies: Berkshire and local authorities when indicated
- Time series: usually most recent five years

Data collected, analyses and written up in the fully detailed Technical Annex as part of the evidence base for the Strategy.

Key highlights only in the strategy.

The literature review and analysis

Detailed specification on four themes agreed by steering group

Data collection:

- International economic reports, global and EU ,
- National economic reports and forecasts: HMT, OBR, ONS, Government departments and agencies e.g. Innovate UK, large consultancies, PWC, EY etc. academic research.
- Regional reports: South East, as above
- Local reports: Local authorities, economic and planning evidence and reports e.g. HNAs, local plans, sector reports

All collected, analysed and written up in the fully detailed Literature Review

Provided as part of the evidence base for the Strategy

Berkshire Economic Strategy Proposed Key Dates For Endorsement

1. Berkshire Economic Strategy consultation draft endorsed by Berkshire Leaders' Group

 21 October 2024

2. Public Consultation online opens

 22 October 2024

3. Public Consultation event

 8 or 15 November 2024


4. Public Consultation online closes

 19 November 2024

5. Final Berkshire Economic Strategy drafted for local authority review

 29 November 2024

6. Berkshire Prosperity Board endorses the BES (publication in January 2025)

 16 December 2024



Decisions required from this BES update:

Chief Executives 05/09/24

- Note and endorse this update to go to Prosperity Board on 16/09/24

Prosperity Board 16/09/24

- To note this BES update
- To approve:
 - Proposed consultation timetable.
 - Four-week public consultation to commence 22/10/24 (post 21/10/24 Leaders' meeting)
 - Main consultation event to take place either either 8th or 15th November (TBC)
 - To note that the final version of the BES will be presented to the Board on 16 December for endorsement