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| Agenda item | 4 |
| Briefing Title | Production of a Business Plan for Growth |
| Date | 23rd March 2018 |
| Author | Interim Local London Director |

Briefing Objective:

To propose for the Strategy Group's consideration the broad content of the Local London Business Plan for Growth and an approach to the drafting of the Plan.

Introduction

1. The Strategy Group has previously agreed that Local London should develop a Business Plan for Growth for Local London (originally named Growth Narrative). The first step in the process of developing this Plan has been the commissioning of the Socio-economic Assessment of Local London which is the subject of the preceding report. This report considers the objectives, structure, content and programme for the development of the Business Plan.

Development of the Business Plan for Growth

2. **Objective** The previously agreed rationale and objective of the Business Plan for Growth is as follows.
3. The aim is to address how the growth projected to take place in the LLP area can be successfully managed in the interests of the residents of Local London. In line with the London Plan 'Good Growth' policies. The overall objective of this Business Plan will be to set out the impact and extent of the potential economic, housing and population growth in the Local London and what is required to deliver it inclusively and sustainably. By sustainable and inclusive growth we mean:
 - Economic growth that creates opportunity for all segments of our population and distributes the dividends of increased prosperity, both in monetary and non-monetary terms, fairly across communities.
 - A rate of growth which can be sustained without creating other significant economic, social and environmental problems for our communities and, especially, for future generations.
4. In producing the Business Plan we are proposing that:
 - the growth Local London is being asked to deliver is unique in scale and importance in London and when compared and with other cities in the UK and that achieving this level of growth will be a major contributor to the UK's future prosperity
 - to attain this level of growth will require underpinning and enabling policies and investment by central and London government and the devolution of decisions and powers to the sub-region; particularly with regard to investment



in and the provision of housing, hard infrastructure (transport, power, communications, water supply and drainage) and soft infrastructure (skills and education, health and community provision including for sport and leisure, including green space).

- if this growth is to be sustainable and inclusive it must contribute positively to the prosperity and quality of life of the existing Local London resident population
5. The intent is that the Business Plan will be action orientated and not a static planning document. It should be complementary to boroughs plans and strategies and set out where through collaboration Local London and its partners can take action to promote and secure inclusive and sustainable growth.
 6. **Key Priorities for the Business Plan.** In developing priorities for the Business Plan there are currently three Local London sources to consider. The data provided in the socio-economic assessment where important disparities are highlighted between the position in Local London and that nationally and in London; the response made by Local London to the Mayor's draft London Plan and Transport Strategy; and, the agreed Skills Strategy for Local London.
 7. A top level (rather long) list of these priorities could include:
 - Transport Infrastructure investment in individual schemes to support the projected employment and population growth in Local London (MTS and London Plan responses identify key schemes but the investment case for some may need further development) - *London Plan response*
 - Development of proposals for better 'orbital' transport provision and lobbying for those already proposed – *MTS response*
 - Investment in the capacity of the planning system to respond to and deliver the aspirations for growth in the London Plan - *London Plan response*
 - Lobby for changes to government policy about planning obligations for housing developments of 10 or fewer units in order to secure investment in affordable housing and local infrastructure - *London Plan response*
 - In the interests of sustainable development seek greater employment growth in Local London than projected in the London Plan in order to at least keep pace with population growth - *London Plan response and data in the Assessment*
 - Address skills shortages and work to raise the level of residents' skills and qualifications in priority business sectors – *Local London Skills Strategy*
 - Support in-work low paid residents with no or low skills/qualifications to enable them to up-skill, secure new qualifications and progress into higher paid work – *Local London Skills Strategy*



- Tackling the higher levels of NEET young people (compared with London generally) – *Local London Skills Strategy*
 - Meeting the needs of unemployed and economically inactive residents with disabilities/ long term health conditions within the sub-region (To address the needs of this group we have commissioned the Work & Health Programme in Local London) – *Local London Skills Strategy*
 - Increase services for residents whose first language is not English and for whom this is a barrier to obtaining employment and/or accessing education and learning opportunities – *Local London Skills Strategy*
 - Within the other priorities seek to address the disparities in economic activity rates, income, skills and qualifications between ethnic groups – *Local London Skills Strategy*
 - Addressing the productivity gap by actions to increase productivity in Local London to at least the overall London level – *Assessment*
 - Increase inward investment and improve business retention in target growth sectors to secure additional, higher paid, employment opportunities for residents – *Assessment*
 - Measures to tackle business survival and churn rates - *Assessment*
8. This list is not exhaustive and some priorities above may be seen at this stage to be too detailed. Further issues which may be considered priorities are likely to arise as a result of discussion of this item at the meeting and in the course of the development of the Business Plan. Some 'priorities' may also be seen as 'actions' in support of a priority and therefore could be incorporated elsewhere in the Business Plan. Consideration will also have to be given to whether it is operationally desirable to have a long list of 'priorities' and whether the list should be reduced to a more deliverable number.
9. **Ownership** The Business Plan for Growth will be a document produced and 'owned' by the Local London Partnership and approved by the Joint Committee.
10. **Co-production** Whilst a Local London 'owned' document the Business Plan will be more powerful and effective in achieving its aim if it is co-produced with key partners and stakeholders including businesses and business organisations, FE/HE and training providers, health sector, the not for profit sector, regeneration and development organisations with a stake in the area, the Mayor and GLA Group and relevant government departments. Consideration should also be given to consultation with local MPs and AMs.
11. **Process and Programme** To achieve a quality document with significant buy-in from partners and stakeholders will take a significant amount of time. The Growth Board meeting considered that it would be a reasonable target to complete the Business Plan in early autumn. In considering the programme we will need to be



mindful of the purdah period prior to the May elections. However, there is a considerable amount of planning and development work to be done with the boroughs and liaising with partners at officer level during this period before going out in a structured way to engage partners and stakeholders after the elections, so this should not be a significant barrier to completing the Business Plan in a timely way.

12. In developing and writing the Business Plan it is important that both a 'bottom up' as well as 'top down' approach is adopted. The socio-economic assessment and other Local London documents offer a strategic and overall view of the opportunities and challenges for Local London which can inform the development of priority areas for collaborative action by the Local London Partnership. However, this needs to be joined up with and informed by the very substantial economic development and regeneration activities being undertaken by boroughs. Having produced the socio-economic assessment the next step should be to generate a shared priorities and opportunities for action working document that brings together the local and the sub-regional dimensions. Therefore the best next step in developing the Business Plan would be a workshop for borough planning, policy and regeneration officers to share and spatially map, borough priorities and initiatives including those related to major development sites and infrastructure.
13. Based on the outputs of this workshop, subsequent bi-lateral discussion and liaison with key stakeholder organisation a first outline draft of the Business Plan would be produced. This would be used as a basis for a process of iterative development of the business plans as we carry out meetings, events and workshops with key partners and stakeholders through the remainder of the spring following the elections and the summer.
14. An important forum for supporting and contributing to the development of the Business Plan will be the Local London Skills and Employment Board.
15. By the early autumn there we should be in a position to take a draft Business Plan to the Strategy Group for review and endorsement that the content is appropriate to take to a final consultative Local London conference with a wide range of stakeholders and partners. Following that the output of the conference and a final Business Plan would be taken to the Joint Committee for approval.
16. In summary, the proposed programme is as follows –
 - March to May – Officers develop the Business Plan in liaison with key stakeholders in GLA, Government, etc.
 - June – Strategy Group sign off first draft of Business Plan for wider consultation
 - June to September – Series of consultation meetings/events/1 to 1s with key stakeholders and partners in Local London
 - Late September – Local London Skills and Employment Board review final draft and Strategy Group endorse it for final consultation
 - Early October – Local London Business Plan for Growth conference to consider the final draft, comment and contribute to its finalisation
 - Mid-October – Joint Committee sign-off and commit to the Business Plan



17. **Format** It is proposed that the Business Plan should have a life of 3 to 5 years (to be decided in the development phase), be a reasonably brief document providing a high level description of why the Local London area is important and setting out the Partnership's strategic priorities (with a short rationale for each), the plans and interventions that have been agreed to address the priorities and how the Business Plan will be managed and progress measures (KPIs). Associated and linked online documents would provide a 'library' of supporting and underpinning detail including the social economic baseline, an annual action plan, annual reporting on the action plan outcomes and KPIs.
18. **Style** The Business Plan should be upbeat and delivery orientated with accessible writing, attractive layout with liberal use of photos and graphics. It should set out examples (short inset case studies) of what has been achieved in Local London to demonstrate an ability to deliver and thus build confidence amongst external partners and stakeholders. The text should capture the transformative ambitions of the boroughs' political leadership and our local stakeholders and partners.
19. **Industrial Strategy** There are indications that the LEAP will produce a 'Local' Industrial Strategy for London, building on the Mayor's Economic Development Strategy. This will be important in setting out the case for investment in London through the proposed Shared Prosperity Fund (SPF) which will replace the European Regional Development Funds (ERDF) and the European Social Fund (ESF) when the UK leaves the EU. It is understood that MHCLG will consult on the SPF in the Autumn 2018 and, at this early stage, MHCLG see this Fund as being "designed to reduce inequalities between communities", delivering "sustainable, inclusive growth", with the starting point being the purpose and process of the ESIF programme. This will be within the context of the national Industrial Strategy. A London Local Industrial Strategy is also likely to shape the process and objectives for other funding that Departments may be allocating in support of the National Industrial Strategy.
20. In this context it is important that the Local London Business Plan for Growth is firmly positioned as the 'Industrial Strategy for Local London' and that there is a good read across between the UK and London Strategies and ours in order both to enhance our ability to secure resources within London to support the delivery of our Plan and also to reinforce and strengthen London's 'competitive position' in terms of the national allocation of resources (where there will be significant pressure, for instance, from the Northern Powerhouse and combined authorities)
21. **Functions of the Business Plan** Our Business Plan for Growth (and its supporting 'library' of documents) should fulfil a number of functions for Local London.
- A clear statement of Local London's record, ambition and vision for sustainable and inclusive growth in Local London Borough
 - A strategic plan communicating our priorities and proposed actions to contribute to the achievement of our ambition and vision
 - A lobbying document aimed at the Mayor and Government to secure specific investments, resources and devolution of powers



- A document that demonstrates the linkages between UK Industrial Strategy, Mayoral and LEAP priorities and which supports Local London in securing resources from the LEAP and Mayor
- Assist in informing decisions on the application of the Business Rates Strategic Investment Pot
- A method of communicating and planning how the Local London boroughs will collaborate (between each other and with local partners) on shared objectives and programmes to achieve inclusive and sustainable growth
- The evidence base and underlying rationale for bidding for resources to deliver projects and programmes in support of the Business Plan objectives.

Recommendations

The Strategy Group is asked to -

- a) Consider the initial and long list of high level priorities set out in paragraph 7 of the report
- b) Consider and propose amendments if necessary to the proposals for the purpose, style, content, etc. of the Business Plan
- c) Endorse the proposal for the production of the Business Plan and the programme