

# LONDON BOROUGH OF EALING



## The West London Economic Prosperity Board

**Venue:** Board Room, London First, Middlesex House, 34-42 Cleveland St, W1T

**Date and Time:** Wednesday, 20 November 2019 at 10:00

### Membership

Councillor Thomas (Barnet), Councillor Tatler (Brent), Councillor Bell - Chair (Ealing) Councillor Henson (Harrow), Councillor Curran (Hounslow and Councillor Cowan (Hammersmith & Fulham)

## AGENDA

**Open to the Public and Press**

- 1 Apologies for Absence -**
- 2 Urgent Matters -**
- 3 Declarations of Interest -**

<b>4</b>	<b>Matters to be Considered in Private</b>	-
<b>5</b>	<b>Minutes</b> To approve as a correct record the minutes of the meeting held on 18 September 2019	-
-	<b>Minutes of the Meeting Held on 18 September 2019</b>	<b>3 - 6</b>
<b>6</b>	<b>Winning in the New Economy, update</b>	<b>7 - 22</b>
<b>7</b>	<b>Strategic Investment Pool, update</b>	<b>23 - 50</b>
<b>8</b>	<b>Annual Report of the West London Skills and Employment Board</b>	<b>51 - 64</b>
<b>9</b>	<b>Towards a West London Digital Strategy</b>	<b>65 - 124</b>
<b>10</b>	<b>Industrial Strategy and Shared Prosperity Fund - update</b>	<b>125 - 138</b>
<b>11</b>	<b>West London Orbital progress and next steps (standing item)</b>	<b>139 - 146</b>
<b>12</b>	<b>EPB Forward Work Plan</b>	<b>147 - 152</b>
<b>13</b>	<b>Date of Next Meeting</b> The next meeting will be held on 26 February 2020.	-

**West London Economic Prosperity Board**  
Held in the Board Room, London First, Middlesex House, 34-42 Cleveland Street,  
London, W1 4JE.

**Wednesday 18 September 2019 at 3pm**

**Minutes**

**PRESENT:**

Councillors: Bell (Chair, London Borough of Ealing), Tatler (London Borough of Brent), Fennimore (Hammersmith and Fulham) and Henson (London Borough of Harrow).

**ALSO PRESENT:** Niall Bolger (Chief Executive, London Borough of Hounslow), John Cox, (member of the public), Amar Dave (Strategic Director Regeneration and Environment – Brent), Linda Zimmerman (Democratic Services – Ealing), Kim Archer, Andrew Barry-Pursell, David Francis, David Lillicrap, Luke Ward (West London Alliance), Paul Walker (Corporate Director-Harrow), Heidi Alexander (Deputy Mayor for Transport), Chris Porter and Iain Killingbeck (TfL)

Presentation by: Heidi Alexander (Deputy Mayor for Transport)

**1. Apologies for Absence and Welcome**

Apologies for absence were received from Councillor Thomas (Barnet), Councillor Cowan (Hammersmith and Fulham), Councillor Curran (Hounslow) and Councillor Rajawat (Hounslow)

**2. Urgent Matters**

There were none.

**3. Matters to be considered in private**

Item 8 (Appendix A) contained a confidential appendix but was not taken in private as it was not necessary to discuss the confidential information provided.

**4. Declarations of Interest**

There were none.

**5. Minutes**

**Resolved:**

That the minutes of the meeting of the West London Economic Prosperity Board held on 19 June 2019 be agreed and signed as a true and correct record.

**6. Shared Transport Priorities**

**Resolved:**

That the Board:

- i. notes the presentation by the Deputy Mayor for Transport, Heidi Alexander.

*The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of this Committee.*

- ii. notes the discussion with the Deputy Mayor for Transport, issues of shared interest including – good transport for everyone, healthy streets for healthy people and future transport to support good growth.

Matters raised included:

- consideration of TfL working with Local Authorities to build some properties
  - promoting the scrappage scheme for non-compliant vehicles
  - demand responsive buses
  - step free access at stations
  - engagement with Local Authorities at an early stage
  - car parking schemes across London
  - devolution and financial pressures
  - innovative funding options
- iii. delegates to West London Growth Directors Board the delivery of any actions identified in this discussion.
  - iv) notes the informative contribution of John Cox, member of the public (on the progress of West London Orbital)

## **7. West London Orbital - Progress and Next Steps**

**Resolved:**

That the Board:

- i. notes progress in development of the business case for the WLO.

## **8. Update on WLA Health and Employment Programmes**

**Resolved**

That the Board:

- i. notes the successes to date across all the Programmes in the portfolio of work.
- ii. commits to assist providers in integrating services with Local Authority teams; and to develop pathways to Local Authority Jobs and Apprenticeships.
- iii. requests a further update report in 6 months-time considering outcomes of the programmes

## **9. Draft Vision For Growth**

**Resolved:**

That the Board:

- i. notes the draft Growth Strategy consultation document contained within Appendix One of this report.
- ii. agreed with the themes detailed in the report but recognised that these might be refined following the consultation process.
- iii. notes the timeline for development set out in section six of this report

*The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of this Committee.*

**10. Strategic Investment Pool 2019-20**

**Resolved**

That the Board:

- i. notes that the City of London Corporation (CoLC), in coordination with London Councils is coordinating this year's round of Strategic Infrastructure Pool (SIP) funding, worth c.£40m across London.
- ii. notes that bids covering the themes of Skills, Digital and West London Orbital were submitted by WLA boroughs by the Deadline of 4 September 2019, following discussion by the WLEPB on 19 June 2019 and subsequent further development by senior officers.
- iii. notes that recommended bids for funding are due to be announced by the City of London Corporation and London Councils on 1 October 2019, with the successful bids confirmed on 26 November 2019.
- iv. notes that a report providing a progress update on the first year's SIP projects (value £11.13m) is due to return to the WLEPB at its meeting on 20 November 2019.

**11. WLEPB Work Programme**

**Resolved:**

That the Board: agrees the work programme as attached to the agenda.

**12. Date of Next Meeting**

**Resolved:**

The Board noted the dates of WLEPB meetings for the remainder of this municipal year:

- 20 November 2019 at 10am
- 26 February 2020 at 10am

Councillor Julian Bell, Chair (London Borough of Ealing)

The meeting concluded at 5pm.

*The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of this Committee.*



	<b>West London Economic Prosperity Board</b> <b>6</b> <b>20 November 2019</b>
<b>Title</b>	<b>Winning in the New Economy, update</b>
<b>Report of</b>	David Francis, WLA Director
<b>Sponsor</b>	Paul Najsarek, LB Ealing
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	White Paper: Winning in the New Economy
<b>Officer Contact Details</b>	Luke Ward, Head of Growth, Employment & Skills, West London Alliance, E: <a href="mailto:wardlu@ealing.gov.uk">wardlu@ealing.gov.uk</a> , M: 07338 802929

## Summary

This report provides an update to the Committee on progress developing the new West London Growth Strategy, "*Winning in the New Economy*". The White Paper (consultation draft) is contained within Appendix One.

This report incorporates comments from both the WLEPB in May 2019, June 2019 and September 2019, as well as a range of officer and stakeholder groups including West London Growth Directors Board, Chief Planning Officers, borough skills leads, and Chief Executives. It also incorporates a range of comments and feedback gained from the Capital West London Growth Summit on 29 October 2019, which was attended by 287 attendees from across a range of sectors and organisations. The conference confirmed a high level of support for the broad strategic objectives set out in the consultation document, including the new priority areas of inclusive growth and sustainability.

The next stage of work is to continue detailed engagement with partners and stakeholders over November and December 2019. This engagement will inform the new Vision for Growth and detailed delivery plan based on the strategic objectives set out in the White Paper.

## Recommendations

**The Committee is asked to:**

- 1. COMMENT on the New Vision for Growth White Paper contained within Appendix One of this report**
- 2. NOTE the timeline for development set out in section three of this report**
- 3. IDENTIFY any additional stakeholders that should be consulted.**

## 1. BACKGROUND

- 1.1 In September 2016 the West London Economic Prosperity Board (WLEPB) agreed its joint plan for delivering growth, investment, jobs and housing across West London boroughs.
- 1.2 This West London Vision for Growth Action Plan (2016) contains four main themes:
1. Housing Supply
  2. Productivity, Skills & Employment
  3. Infrastructure
  4. A Competitive Economy
- 1.3 Each theme has an associated set of underlying actions and activities to be delivered over the short, medium and longer term, which are being taken forward by officers, working in partnership with external organisations such as the Greater London Authority, Transport for London, London Councils, London & Partners and West London Business.

## 2. THE NEW VISION FOR GROWTH

- 2.1 In November 2018 the WLEPB asked for the Vision for Growth to be refreshed, reflecting the fact that it had been largely delivered, and the changing policy and economic climate.
- 2.2 The output of this work is the *Winning in the New Economy* White Paper, contained within appendix one of this report. The six priority themes of *Winning in the New Economy* (three core and three cross cutting) are set out below:

**FIGURE ONE: WINNING IN THE NEW ECONOMY: SIX PRIORITIES**





### 3. TIMELINE FOR DELIVERY

- 3.1 The timetable for developing the new strategy is set out below, with final signoff in February 2020.

**FIGURE TWO: TIMELINE FOR DELIVERY**

WHAT	WHEN
29 October	Capital West London conference - opportunity to seek a wide range of stakeholder views and to gain feedback and support
Early November 2019	Comments from partners inform detailed development of action plan
20 November 2019	West London Economic Prosperity Board review and update
10 December	Review of final strategy by Chief officers and leaders
26 February 2020	Final amendments and stakeholder comments incorporated
February 2020	Strategy signed off by the West London Economic prosperity Board and published/Launched.

### 4. POST DECISION IMPLEMENTATION

Any actions identified by the WLEPB will be incorporated into the next version of *Winning in the New Economy*, which will return to the WLEPB at its meeting on 26 February 2020, in final form.

### 5. WHY THIS REPORT IS NEEDED

This report is needed to build on the on the delivery of the objectives set out in the 2016 Vision for Growth.

#### 5.1 REASONS FOR RECOMMENDATIONS

6. To ensure the Work Plan and future priorities of the Committee continue to properly reflect areas of shared priority in relation to economic growth and prosperity, as well as evolving macro-economic climate in the UK and Globally.

#### 7. OPTIONS CONSIDERED AND NOT RECOMMENDED

n/a

### 8. IMPLICATIONS OF DECISION

#### 8.1 Corporate Priorities and Performance

This report relates directly to the delivery of West London Growth Priorities, which has been agreed by the members of the West London Alliance.

#### 8.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 8.3 None directly associated with this report. However, where a specific requirement for additional resource is identified to fund a particular activity or project contained within the annual report or wider Vision for Growth action plan then this requirement will be brought back to a future Board for consideration on a case-by-case basis.

## 12. Legal and Constitutional References

12.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

12.2 the Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

12.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

## 13 Risk Management

8.4 There is a risk that by not engaging with the full range of levers that have an impact on the overall economic success of an area the sub-region will not achieve the level of economic outcomes in terms of jobs, investment, or housing that might otherwise be the case over the medium and long term.

## 14. Equalities and Diversity

a. *Winning in the New Economy* recognises the need to ensure that people from all backgrounds are able to benefit from growth. Individual programmes within the Vision will have equality impact assessments undertaken on a case by case basis

### b. Consultation and Engagement

c. West London Growth Directors discussed the emerging themes of the refreshed Vision on 30 January 2019, 22 May 2019, 19 June 2019, and 16 October 2019. There have also been various discussions with other senior council officers, including Chief Executives and Chief Planners, and external partners to ensure focus on the highest priority areas, partnership buy-in to our shared vision, and alignment between borough-level work and sub-regional activity in relation to economic growth.

## 15. BACKGROUND PAPERS

**Appendix One:** Winning in the New Economy White Paper (for consultation)



*West London Alliance White Paper on*

# *Winning in the New Economy*

*Ensuring an inclusive and sustainable  
West London economy*

October 2019

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# Introduction

**The West London Alliance (WLA) is a long-standing and successful partnership of seven West London councils – Barnet, Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon and Hounslow.**

West London is the capital's, and the UK's, gateway to the world. It is an economic powerhouse, with a GVA of over £80 billion<sup>1</sup>, which is larger than Glasgow, Leeds and Birmingham combined. Benchmarked against global cities and the other London sub-regions for culture, transport, internet and ease of doing business, West London is "the world's most connected place"<sup>2</sup>. The West London economy is therefore not just important for the West London. It is important for London, the UK and the world.

However, the old economy is not working for people or the planet in the way that it should. A new approach is required, one that ensures economic growth and development is more inclusive, focussed on human wellbeing and protective of the natural capital we all rely on. Our approach will work with local employers and anchor institutions to build wealth in the community through local supply chains and by stimulating investment in the skills and jobs local communities need. Close and effective working with employers, Further, and Higher Education institutions will of course be crucial in this respect.

This White Paper sets out how in West London the WLA boroughs will work together and with others to lead the way in establishing a new approach, as part of the world's most global city<sup>3</sup>. We are calling this new approach *Winning in the New Economy*. This is not about a zero-sum game of winner and loser, it is about leading the world at making sustainable and inclusive growth real.

The goal is ensuring everyone can benefit from growth, no matter their background or circumstances, today and tomorrow. A clearly articulated vision which has broad support from our stakeholders in business, civil society, London and national government, will allow us to work together to drive investment, support community wealth building, and deliver improved outcomes for West London residents.

This White Paper provides detail on West London strengths, proposes six priorities, sets out how we will develop the new strategy with a timeline for producing it, and asks key questions to check we are on the right track.

<sup>1</sup> Based on UK growth rates since 2015.

<sup>2</sup> West London Business research (2019).

<sup>3</sup> The Institute for Urban Strategies at the Mori Memorial Foundation in Tokyo issued a comprehensive study of global cities in 2018, which ranked London no 1. They are ranked based on six categories: economy, research and development, cultural interaction, liveability, environment and accessibility, with 70 individual indicators. The top ten world cities are also ranked by subjective categories including manager, researcher, artist, visitor and resident.

# Building on our strengths

The sub-region makes a unique and significant contribution to both London and the wider UK economy through a range of major national and international assets including: Park Royal, Heathrow Airport, major regeneration areas such as the Golden Mile, Brent Cross and Wembley, and a world-leading creative and digital hub at White City. Large-scale transport infrastructure investment that improves connectivity and improves modal shift across the sub-region and beyond includes Crossrail, HS2 and the proposed West London Orbital will all enable further long and short-term investment opportunities, including the construction of the largest new railway station in the UK in the last 100 years. These schemes will also reduce use of private cars, which currently account for 43% of journeys across West London and will boost use of public transport, which accounts for 24% of all journeys. Thanks to a quality education and training system that is increasingly responsive to market demand, its growing population is educated, enterprising, and flexible, making it a highly attractive business location.

***“We will ensure that West London’s people, no matter their background or circumstances or wherever they live, can benefit from West London’s unique strengths; that business of all sizes see West London as a premier global location to invest in, and where small enterprises want to put down roots for the long term.”***

West London’s has over 950,000 jobs across all sectors. The largest are professional, scientific and technical and administrative services (20% between them), wholesale and retail (16%), and health/ social care (11%). A further 11% of jobs are in Transport and Storage, reflecting West London’s gateway role between Central London, Heathrow and the rest of the country. Our research shows that West London will grow by 210,000 jobs (16%) over the next 20 years, with some of the biggest increases projected to be in construction, accommodation & food services, and transport & storage. Very significant growth is also expected in the green economy and the creative industries – something we will focus increasingly on in the future. West London is already home to green economy pioneers including Brompton Bicycles, Vantage Power, Polymateria and Biohm, as well as leading creative businesses from Sky to Discovery Networks and BBC Studios, all underpinned by cutting edge research at academic institutions like Imperial College.

The scale we work at is huge, with the 11 West London opportunity areas identified in the draft London Plan alone set to deliver over 100,000 homes in the coming years, often in some of the most deprived communities in the UK (West London has seventeen areas in the ten percent most deprived nationally<sup>4</sup>). The rapid pace of technological change will affect West London’s labour market: jobs will continue to change, and the skills system will need to keep pace.

<sup>4</sup> As measured by Lower Super Output Area (LSOA) a geographical area of around 1,500 people.

# Priority themes

We are proposing six priority themes. Three of these relate to core areas of work covering skills, connectivity and devolution, each with dedicated work plans. Alongside these there are cross cutting themes that are intended to allow us to bridge organisational and service boundaries to deliver the outstanding community outcomes our member boroughs want to see.

## OUR THREE CORE THEMES

### 1 GLOBAL CONNECTIVITY

There is a growing base of evidence showing the fundamental role that connectivity of all forms plays in enabling, unlocking, and distributing the proceeds of economic growth. In West London this is doubly true, as the sub-region acts not only as the gateway between London and a large part of the United Kingdom, but also to the wider world. Work by West London Business in 2019 suggests in fact that West London is the most connected area in the UK. We want to build on this, leveraging our unique position to unlock new investment in transport and digital infrastructure that enables the creation of new homes, jobs and a growth in the Tax base for decades to come. We have made a good start over the last three years, with major new schemes such as the West London Orbital and the West London Digital programme progressing well from their beginnings in 2016 having secured over £12m in external funding over the last 15 months alone. The period ahead then will be about applying this learning to the next round of strategic infrastructure projects that will take us into the 2020s and beyond and which support inclusion, sustainability, and reduced inequality.

### 2 WORK AND PRODUCTIVITY

Growth is only important in so far that it enables people from all communities and backgrounds to succeed and to flourish. We know that one of the most effective ways we can improve the health, well being and resilience in local areas is to support everyone to either find appropriate and meaningful work, or to progress in their careers and expand their prospects. That's why we will, through the West London Skills and Employment Board, and the West London Work & Health Board continue to engage with our partners across the public and private sectors, including the FE and HE sectors, to give everyone the best chance in life. We know that at least 200,000 new jobs across all sectors will be required in West London over the coming decade. The next phase of our programme then will be to work with the entire system of providers to understand this need and to coordinate out work to meet it at scale and in a way that ensures local people benefit from opportunities close to where they live.

# Priority themes

## 3 DEVOLUTION

We believe that, where appropriate, resources of all kinds should be devolved to the lowest possible level to ensure they are used as effectively as possible and in a way that genuinely reflects local needs and priorities. We will continue to engage with the opportunities of devolution across multiple levels and agendas, wherever it might benefit local communities and individuals of all backgrounds and circumstances, and where this approach might provide a mechanism to deliver shared

sub-regional priorities, influence decision making at the London or national levels, or support financial sustainability of local public services. To this end we will continue to engage with devolution processes related to the growth agenda including: Adult Education, further education, and higher education budgets, the Apprenticeship levy, the Strategic Infrastructure Pool, as well as lobbying relating to Stamp Duty Land Tax, the housing Infrastructure Fund (HIF), and the Shared Prosperity Fund (SPF).

## OUR THREE CROSS CUTTING THEMES

In addition, we have three cross-cutting themes that are also critical to the future success of the West London economy.

## 4 SUSTAINABILITY AND THE CIRCULAR ECONOMY

We already have more circular economy jobs than any other London sub-region, but it will be essential for this approach to be embedded throughout the economy if we are to respond effectively to challenges associated with a changing climate and finite resources. We also know that the “green economy” and associated energy infrastructure is set for a high rate of growth in West London, with a strong research base, billions of pounds of new investment and thousands of new jobs set to be created in the UK over the coming years.

West London is in an excellent position – both geographically and in terms of its human, knowledge and physical capital – to take advantage of this growth. By making connections between these developing industries and our wider approach to inclusive, long-term growth we can bring investment, employment, and an improved environment to communities and businesses across West London.



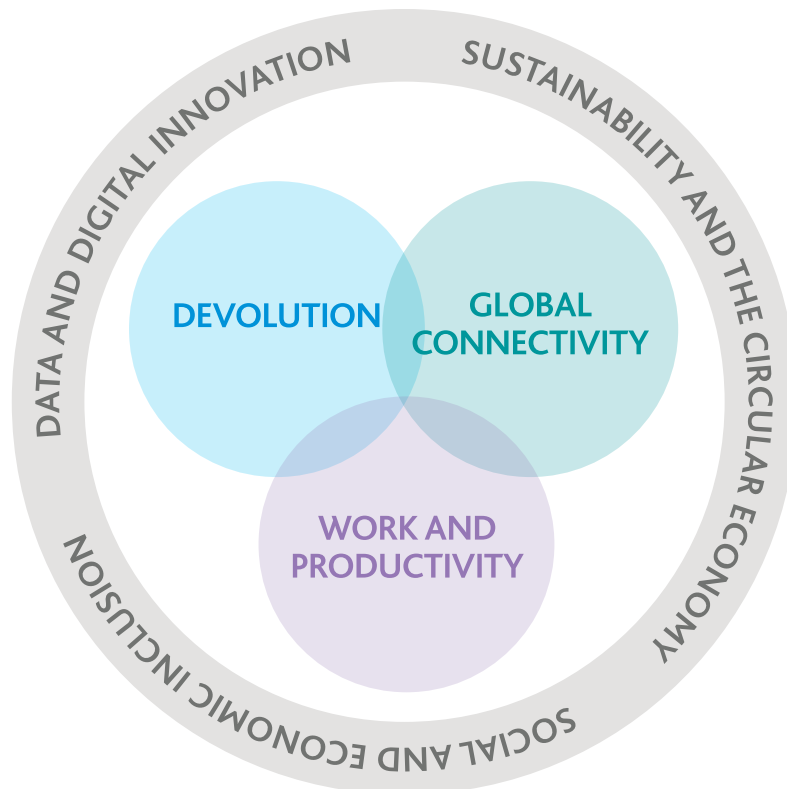
# Priority themes

## 5 SOCIAL AND ECONOMIC INCLUSION

There is a difference of nearly ten years in life expectancy between the most and least affluent areas in West London. Economic Growth is only a useful metric in so far as it allows us to understand and improve the lives of everyone in our local communities in an inclusive and sustainable way. This means a focus not only on hard growth and investment statistics but also an understanding of inequality in local areas and focused programmes targeted explicitly at those furthest from the labour market, or who do not stand to benefit from growth that is often occurring on their doorsteps. With this in mind we will ensure that all our programme areas, from the West London Orbital to our approach to digital and finance devolution, has a focus on inclusion and community wealth building with local anchor (across both the public and the private sectors) institutions at its heart.

## 6 DATA AND DIGITAL INNOVATION

Major investment in digital assets, both physical and data, is planned across West London in the coming years, both to fill existing gaps in coverage and to create new opportunities. There is a once-in-a-generation opportunity to ensure that local people are able to benefit from the opportunities associated with this investment. Making the most of data and digital innovation will require an unprecedented level of strategic thinking, cooperation and information sharing between investors, public services and training providers<sup>5</sup>. It will give us an opportunity to develop new models of cross-sector working to address gaps and ensure a legacy of high-quality places that meet the needs of all West Londoners – now and into the future.



<sup>5</sup> Including further education, higher education, and private providers.

# Our approach

This White Paper and the strategy that will follow is about moving to a higher level of ambition, to reflect the changing national and global macroeconomic landscape and the views of our many partners. Setting out a clear, delivery-focused framework for joint working that is deeply rooted in our shared priorities will enable us to forge higher standards of living, productivity and well-being across all the WLA boroughs, and to improve the quality of its places and environment for everyone that works, lives, learns or visits.

Recognising the need to add value the new strategy will therefore be about making the whole bigger than the sum of the parts and will be delivered with the following principles at its heart.

## **1 Accountability**

We will focus on delivering against the joint priorities agreed by West London Boroughs, with clearly defined objectives and senior ownership of all programme areas.

## **2 Deliverability**

We are highly ambitious for West London, but will always remain grounded in delivering real, measurable outcomes for our residents and businesses. Delivery will be reported on at least annually, with a suite of economic, social and environmental indicators to capture the wide impacts of growth beyond the traditional and overly-narrow economic statistics.

## **3 Subsidiarity**

We will focus on activity that either wouldn't happen effectively (or at all) if undertaken at a different geographical level.

## **4 Partnership**

We will take our wider partners and stakeholders with us on the journey wherever possible, including other tiers of government, businesses and business networks, academia and wider civil society. Our focus will always be on co-production and joint working around our shared strategic priorities across the partnership. West London has a wealth and breadth of world leading companies and academic institutions and we not only want to support such organisations to grow and move to West London, but we want to ensure we make the most of the expertise and knowledge they possess.

# Timeline for developing the new strategy

When	What
<b>29 October 2019</b>	Capital West London Conference – opportunity to seek a wide range of stakeholder views and to gain support
<b>Early November 2019</b>	Comments and feedback to inform detailed development by Growth Directors
<b>Tuesday 10 December 2019</b>	Review of final strategy by Chief Executives. Officer agreement to share with Economic Prosperity Board
<b>Wednesday 26 February 2020</b>	Economic Prosperity Board review final version and agree subject to comments, to launch formally in early 2020
<b>Late February 2020</b>	Final amendments and comments from WLEPB incorporated
<b>February 2020</b>	Launch of the final Strategy
<b>February – July 2020</b>	Agreement of detailed programmes relating to digital, green economy and infrastructure priorities

# Key questions

- 1 What do you think overall about the aims and ambitions of Winning in the New Economy?***
- 2 What's missing or could be improved?***
- 3 Which organisations, businesses or community groups should we be engaging with?***
- 4 How can we embed the circular economy, inclusion and better use of infotech into the new strategy and across everything that we do?***
- 5 What metrics should we use to measure and track progress?***
- 6 Do you have any other comments you'd like to make about the draft strategy?***

## Contact

Luke Ward  
Head of Growth, Employment & Skills, West London Alliance

Email [wardlu@ealing.gov.uk](mailto:wardlu@ealing.gov.uk)  
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# Appendix: WLA borough growth priorities

The table below sets out the key priorities relating to Growth and Economic Development across each of the seven West London boroughs. This list will be developed and updated over time as borough priorities evolve:

Borough	Strategy(ies) name	Key Priorities
<b>LB Barnet</b>	<b>Barnet Growth Strategy 2019 – Consultation closed recently</b>	<ul style="list-style-type: none"> <li>• Increase the supply of housing, including affordable housing, including on public sector land</li> <li>• Improving sustainable connectivity in transport and digital infrastructure</li> <li>• Supporting businesses and growth sectors, and helping people to succeed in work</li> <li>• Helping businesses engage with council supply chains</li> <li>• Supporting town centres, healthy high streets, the evening economy and provision of affordable workspace</li> <li>• Supporting social infrastructure, green assets and the visitor economy. Deliver Brent Cross</li> </ul>
<b>LB Brent</b>	<b>Inclusive Growth Strategy</b>	<ul style="list-style-type: none"> <li>• Develop the circular economy</li> <li>• Diversify Town Centres</li> <li>• Intensify industrial land</li> <li>• Improve skills for everyone</li> <li>• Increasing female participation with the labour force</li> <li>• Support small business</li> <li>• Encourage specialisation</li> </ul>
<b>LB Ealing</b>	<b>Future Ealing Strategy</b>	<ul style="list-style-type: none"> <li>• A strong, diverse and fair community</li> <li>• An environmentally friendly borough</li> <li>• Keeping young people safe</li> <li>• A growing economy, creating jobs and opportunities</li> <li>• Helping residents to stay active, healthy and independent</li> <li>• More affordable housing</li> <li>• Helping young people to achieve their potential</li> <li>• A clean and great place to live</li> <li>• Reducing crime and helping residents to feel safe</li> </ul>
<b>LB Hammersmith &amp; Fulham</b>	<b>Hammersmith &amp; Fulham Industrial Strategy</b>	<ul style="list-style-type: none"> <li>• West Tech – a global beacon for innovation and growth. Partnership with UCL</li> <li>• Encouraging Enterprise – the best place in Europe for businesses to start up and thrive</li> <li>• A great place in London – improving town centres and commercial hubs</li> <li>• People – economic growth for all – residents at the heart of the new knowledge based economy</li> </ul>
<b>LB Harrow</b>	<b>Harrow Regeneration Strategy 2015 – 2026</b>	<ul style="list-style-type: none"> <li>• Delivering the “Heart of Harrow” regeneration</li> <li>• Accelerating housing delivery</li> <li>• Making best use of council’s property assets</li> <li>• Improving Harrow’s strategic accessibility</li> <li>• Investing in improved infrastructure</li> <li>• Maximising the local economic benefits for communities and businesses</li> </ul>
<b>LB Hillingdon</b>	<b>In development</b>	<ul style="list-style-type: none"> <li>• New economic development strategy is in development and expected in 2020.</li> <li>• Health and Wellbeing strategy focuses on early intervention and prevention, exercise, public health measure, and supporting older people and those with more complex backgrounds or circumstances.</li> </ul>
<b>LB Hounslow</b>	<b>Regeneration and Economic Development Strategy 2016 – 26</b>	<ul style="list-style-type: none"> <li>• Growing businesses</li> <li>• Improving connectivity</li> <li>• Place making <ul style="list-style-type: none"> <li><i>Town Centres</i></li> <li><i>Sustainable, mixed communities</i></li> <li><i>Community infrastructure</i></li> </ul> </li> <li>• Enhancing the environment <ul style="list-style-type: none"> <li><i>State of the natural environment</i></li> <li><i>Ensuring environmental quality</i></li> </ul> </li> </ul>




A BETTER WEST LONDON FOR ALL  
NOW AND IN THE FUTURE

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October 2019

	<b>West London Economic Prosperity Board 7</b>  <b>20 November 2019</b>
<b>Title</b>	<b>Strategic Investment Pool - Update</b>
<b>Report of</b>	Paul Najsarek, LB Ealing
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	APPENDIX ONE: Consultation Report from the City of London Corporation APPENDIX TWO: Bidding timeline
<b>Officer Contact Details</b>	Luke Ward, Head of Growth, Employment and Skills, West London Alliance, E: <a href="mailto:wardlu@ealing.gov.uk">wardlu@ealing.gov.uk</a> . M: 07738 802929
<b>Summary</b>	
<p>This report provides the Committee with an update on the London-wide Strategic Investment Pool (SIP) process, which is being led by the City of London Cooperation (CoLC) in coordination with London Councils. The current SIP round has an expected value of just under £39.9m, with the exact amount to be confirmed by CoLC following the end of the financial year.</p> <p>Over Spring and Summer 2019 WLA boroughs worked together to develop bids focusing on securing new SIP monies that support a range of programme areas as part of the West London Vision for Growth, and which were identified by the Committee at its meeting on 19 June 2019. These included bids relating to skills and employment, digital investment and 5G, and the West London Orbital.</p> <p>On 9 October 2019 the pan-London “SIP Panel” released its consultation report setting out which bids in London would be recommended for funding from the SIP. The total value of bids across London was over £100m (£102m). £37.14m of bids were recommended for funding.</p> <p>In West London, two of the four bids submitted were recommended for either funding or part-funding by the SIP panel. These were “West London Orbital and Strategic Growth”, which was recommended £3.6m, and “Supporting Sustainable Growth with 5G”, which was recommended £150,000 of SIP funding. West London boroughs have written individually to CoLC confirming their support for the package of recommended projects in West London and across the whole of London.</p>	

The final outcome report confirming the funded bids is due to be discussed by CoLC on 21 November 2019. The transfer of the first round of SIP funds to successful bids is expected soon after that by late December 2019.

Last year's SIP projects (Value £11.13m) are currently in delivery phase. An update on these is contained within the body of the report.

## Recommendations

### Leaders are asked to:

- 1) NOTE that the City of London Corporation (CoLC), in coordination with London Councils published their package of recommended projects for SIP funding on 9 October 2019.
- 2) NOTE that bids covering Digital investment in 5G and West London Orbital were submitted by WLA boroughs have been recommended for either full or partial funding by the CoLC.
- 3) NOTE that recommended bids for funding are expected to be discussed by the City of London Corporation on 21 November 2019.
- 4) NOTE that a report providing a progress update on the first year's SIP projects (value £11.13m) is contained within the body of this report.

### 1. WHY THIS REPORT IS NEEDED

The devolution of increases in the business rates base to local areas to facilitate economic growth has been a key element of the lobbying work of London local government over the last few years. It was also a core recommendation of the London Finance Commission in 2013 and is included in the WLEPB's cross-borough growth strategy, the West London Vision for Growth.

This year represents the second year of Business Rates devolution through the SIP process, following the first round that was launched in 2018 and which resulted in West London boroughs securing £11.13m to invest in skills programmes and high speed fibreoptic cables in "not-spot" areas. Both these projects are now in mobilisation phase and, taken together, represented the largest amount secured by any single sub-region in London.

The two bids recommended in this second round of SIP funding have a value of £3.74m, meaning that over the last two financial years West London boroughs have secured £14.87m of genuinely new resource to invest in shared priorities relating to skills, digital investment, infrastructure and homes.

### 2. TIMELINE

A summary of the timeline for this year's SIP round is set out below:

ACTION	DATE
Launch of 2019/20 SIP process consultation by CoLC	March 2019



Identification and development of bids	April 0 August 2019
Deadline for submission of bids to CoLC	4 September 2019
Consultation with boroughs about the recommended bids	9 October 2019
Final outcome report (based on consultation responses)	21 November 2019
Transfer of SIP funds to successful authorities	By 31 December 2019

Last year London Councils and the CoLC (as the lead local authority), in agreement with MHCLG, designed three principles for allocating SIP monies and these principles are being carried forward to 2019/20. They are:

- i. Both the Mayor and a clear majority of the boroughs would have to agree;
- ii. A clear majority of the boroughs would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the City of London Corporation), subject to the caveat that where all boroughs in a given sub-region disagreed, the decision would not be approved;
- iii. If no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision-making round.

At the timing of this meeting of the WLEPB it is expected that a clear majority of boroughs will have confirmed their support for the recommended bids, and that the CoLC will shortly be confirming that these bids will indeed receive SIP funding.

### 3. THE BIDS

The WLEPB previously discussed a “long list” of potential SIP bids that could be developed further when it met on 19 June 2019. This list was subsequently further refined by officers, with oversight from Chief Executives and Growth Directors, based on this steer. Bids covering three themes – Skills, Digital, and West London Orbital were subsequently developed and submitted by the Deadline of 4 September 2019. They are described below:

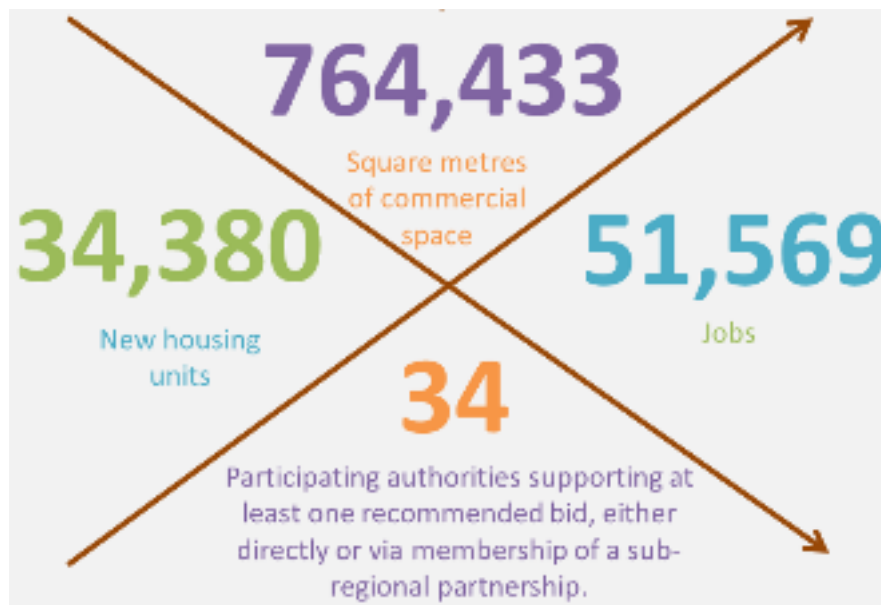
1. **Skills and productivity:** This year’s bid is being designed to move the agenda on significantly from last year, with an emphasis on addressing forecasted and evidence-based skills gaps in the economy that will constrain growth if they are not addressed, alongside targeted support to those furthest from the labour market to find meaningful work. The bid is worth £3.5m in total, which includes c.£400 - £500 thousand for local delivery of the sub-regional skills strategy within each borough. Previous comments from the West London Skills Board relating to in-work progression, helping those furthest from the labour market, and supporting people in mid and late career were incorporated into the bid. Also incorporated is an extension and expansion of the Cities of Learning pilot project the Board has commissioned from the RSA, subject to the satisfactory completion of the first round of SIP-funded work. This bid has a value of £3.7m.

2. **Digital investment** that supports local growth and makes more effective use of digital infrastructure to create jobs and growth, in particular 5G. This theme was split into two separate bids, both of which are being developed with borough officers. The first focuses on deploying 5G in West London at scale and in areas the market wouldn't otherwise invest in within a reasonable timescale. This will include mapping physical and digital assets in each borough (fibre networks, data and information, buildings, under-floor ducting, car charging points, 5G and 4G transmitters, environmental sensors etc) and identifying gaps in provision along with options for leveraging further investment to fill them in a way that meets borough priorities and needs. The value of this bid is £1.7m. The Second bid focuses on applying a sector focused "Challenge Fund" model that is used successfully by DCMS to address strategic challenges relevant to WLA boroughs by making innovative or better use of technology and/or data – in this case to addressing economic constraints associated with congestion and construction traffic. The value of this bid is £3.4m.
3. **West London Orbital further development** with TfL to unlock up to 29,000 new homes, 22,000 new jobs and up to £99m of annual new business rates. This bid focuses on securing resources for individual boroughs to undertake detailed master planning of the new communities and regeneration areas along the length of the route or in places that will benefit from the WLO through interchanges. It also includes resource for initial public consultations and resource to take forward the detailed development of the line and its new stations with TfL, all the way to Transport and Work Acts Order (TWAO) stage in 2021. This bid has a value of £3.6m.

The consultation report contained within Appendix One recommends two of the above bids for full or part funding. Digital investment has been recommended £150,000 to support the targeting of investment in 5G and other digital infrastructure across West London. West London Orbital further development has been recommended funding of £3.6m to bring forward this scheme to powers stage.

It should be noted that the recommended West London Orbital bid, with up to 29,000 associated homes, 23,000 new jobs and 417,000sq/m of new employment floorspace makes a significant contribution to the overall economic impact of SIP in London. **These new homes account for 84% of all the new homes in London associated with SIP in 2019, 55% of all new employment space, and 47% of all new jobs in London.** Figure one below is drawn from the consultation report in Appendix One and sets out the overall expected impact of this year's SIP on home building, employment space and jobs creation:

**Figure One: The economic impact of this year's SIP round**



#### 4. UPDATE ON ROUND ONE SIP PROJECTS

In October 2018 West London boroughs were awarded £11.13m in SIP resources, including £7.7m to invest in high speed broadband connections in “no-spot” areas, and £3.4m to invest in a range of borough-led skills programmes that focus particularly on in-work progression and up-skilling those at the lower end of the skills spectrum.

The Skills bid is focused on support borough skills and employment teams to deliver local programmes that also contribute to the delivery of sub-regional priorities. Most of this resource is focused on supporting in-work progression through the successful “Skills Escalator” model. Projects are due to run to Summer 2021, with a target of over 4,500 individuals supported to either find or progress in work. The delivery of this programme is being overseen by the West London Skills, Employment and Productivity Board.

The digital SIP programme, which focuses on connecting local “not-spot” areas to the high-speed fibre network via local TfL stations is also underway. Focus is currently on identifying the most suitable and highest priority sites for connections in partnership with both borough digital leads and TfL officers.

The process is being led by TfL who are currently undertaking a procurement to appoint a contractor to install high-speed fibre on the TfL Network. The delivery of new fibre in WLA boroughs that is being resourced through the digital SIP programme will be undertaken by this contractor and forms part of the same procurement process, which was [agreed by the lead authority](#) (LB Ealing) as part of the acceptance of the SIP grant. It is expected that installation of the new cable and

its associated ducting will commence in the first half of 2020, with completion by Spring 2021.

More detailed progress reviews for the above projects can be returned to future meetings of the WLEPB as requested by the Board.

#### **4. IMMEDIATE NEXT STEPS**

- 4.1 Boroughs have written to COLC indicating their support for the overall package of SIP bids. It is expected that CoLC will discuss and confirm the recommended bids for SIP funding on 21 November 2019, with SIP resources set to be transferred by CoLC to West London boroughs before the end of the calendar year.

#### **5. REASONS FOR RECOMMENDATIONS**

- 3.1 To ensure that West London boroughs are able to provide appropriate oversight of the SIP process and so the delivery of shared borough priorities as set out in the West London Vision for Growth can be fully resourced.

#### **6. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 6.1 This bidding process reflects an injection of new money into local government in London, enabling investment in growth that would otherwise be either unfunded or more difficult to fund.

#### **7. POST DECISION IMPLEMENTATION**

- 7.1 Following discussion by the Committee any areas it identifies as of particular interest will be actioned by officers, and with London Councils as required.

#### **8. IMPLICATIONS OF DECISION**

##### **8.1 Corporate Priorities and Performance**

- 8.1.1 This report relates directly to the delivery of the West London Vision for Growth, which has been agreed by the members of the West London Alliance. Specifically, it focuses on delivering the emphasis in the Vision for Growth on making the most of local government finance devolution for local communities, businesses, and councils.

##### **8.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 8.2.1 The SIP bids are for external resources that will be used to deliver borough

shared growth and regeneration priorities. Individual boroughs will at all times decide how they would like to approach any match funding locally, and according to their internal and democratic processes.

### **8.3 Legal and Constitutional References**

8.3.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

8.3.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

8.3.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

### **8.4 Risk Management**

8.4.1 The purpose of the SIP is to demonstrate that local government can make sensible investments in long term economic growth better than if that resource was managed by a different tier of government (e.g. central government). There

is a risk that, across boroughs, this does not happen optimally, and the SIP resource is simply allocated according to the relative populations of individual borough groupings.

## **8.5 Equalities and Diversity**

8.5.1 None directly associated with the bids themselves. Any projects arising as a result of securing SIP resources for West London Boroughs will be assessed for equalities impacts as appropriate on a case-by-case basis.

## **8.6 Consultation and Engagement**

8.7 Borough chief officers from all WLA boroughs were involved in the development of all SIP bids. Offices across all WLA boroughs are involved in the day to day management and delivery of SIP projects.

## **9. BACKGROUND PAPERS**

APPENDIX ONE: Consultation Report from the City of London Corporation

APPENDIX TWO: Bidding timeline

# London Business Rates 2019-20 75% Pilot Pool

## Strategic Investment Pot (SIP) Consultation Report



### Report of the SIP Panel:

Caroline Al-Beyerty, Acting Chamberlain, City of London Corporation  
Guy Ware, Director Finance, Performance & Procurement, London Councils  
Patrick Dubeck, Interim Head of Regeneration, GLA  
Amar Dave, Strategic Director Regeneration & Environment, Brent  
Shifa Mustafa, Executive Director Place, Croydon  
Andy Donald, Chief Executive, Redbridge  
Richard Simpson, Strategic Director Resources, Sutton

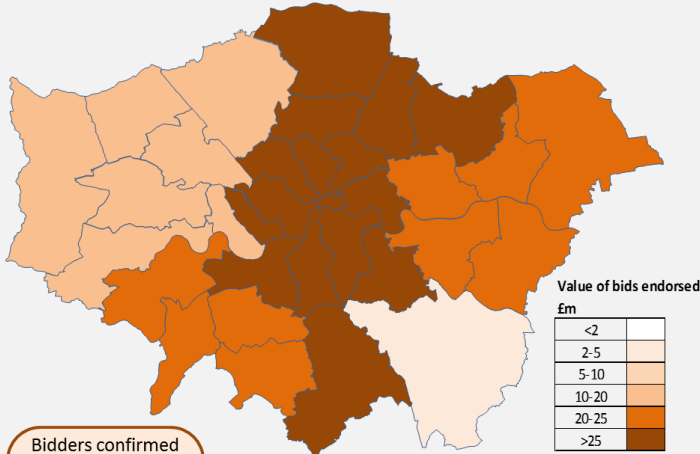




## Bids Received

This info-graphic shows a summary of key information from all of the bids submitted: geography, types and amounts of funding, expected project outputs.

### Bids were submitted from across London

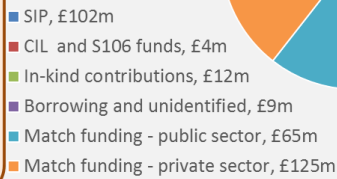


Bidders confirmed total project cost, along with funding identified as part of their bids.

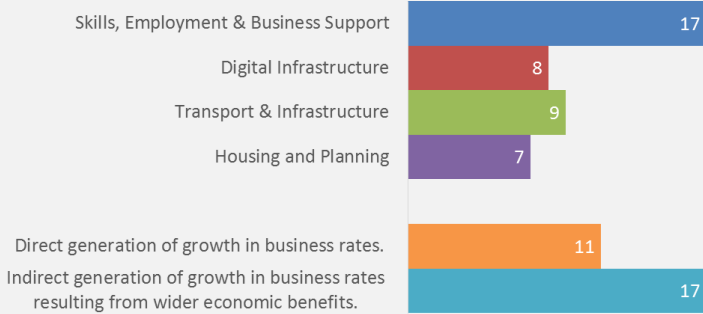
In-kind match funds identified included staff time, project development costs.

Private sector match included sponsorship, JV partner contributions, and apprenticeship levy.

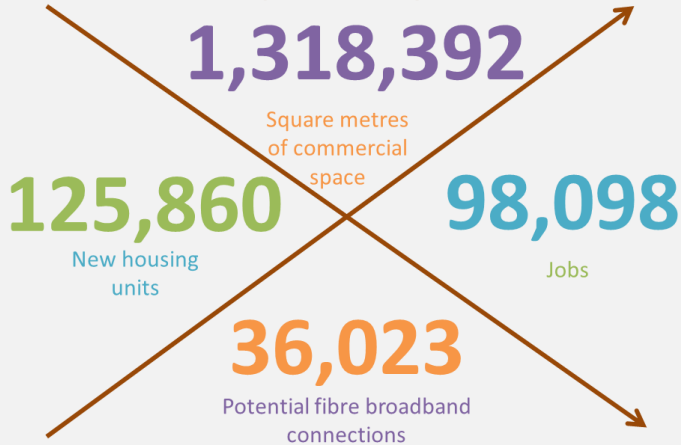
### Project funding identified, £m



### Bidders identified the following key areas supported:



### Outputs estimated by bidders



£39.9m

Expected SIP fund

£102m

Total SIP Bids Received 32 of 152

## The executive summary

For 2019-20, the GLA and the 33 London billing authorities are piloting 75% business rates retention. This allows London to retain an estimated £181m of extra funding. Of this, approximately 50% will be used for strategic investment: 15% (c.£27m, Strategic Investment Pot) to be allocated by the agreement of London government, and the balance (the GLA share of total benefit) for allocation by the Mayor of London. In addition, £12.8m is unallocated from 2018-19 funds.

The aim for the SIP funds is to:

- contribute to sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
- leverage additional investment funding from other private or public sources; and
- have broad support across London government in accordance with the agreed governance process.

There is not currently a mechanism for joint decision-making by London government, therefore the formal decision must, as in 2018-19, be taken by the Members of the Lead Authority (City of London Corporation), subject to consultation with all participating authorities. This is the consultation report, to which authorities are asked to respond according to their own decision-making processes. We anticipate that this will require a Member decision, though authorities may have delegations in place. The consultation requirements are that:

- the Mayor of London and two-thirds of the 33 billing authorities agree to recommend project approval; and
- if all the authorities in a given sub-region (as defined in the pooling agreement) do not recommend the project, it shall not be agreed.

If the recommended proposals are not agreed, the Memorandum of Understanding agreed requires resources to be rolled forward and allocated in future SIP rounds.

Following consultations on the process and guidance in March and April 2019, bids were formally invited in early June 2019 with a deadline in September. 18 bids were received for a total of £102m. A summary of the bids received is shown in the info-graphic (left). The overall quality of bids was high, bearing in mind the timescale. Some were well developed with a clear delivery plan and estimates of impact; others would benefit from further development.

The City of London Corporation, the Lead Authority, led the evaluation process, convening a Panel of senior finance, regeneration, and service directors from participating authorities. The approach ensured that appropriate expertise and pan-London engagement was obtained. This report, issued by the Panel, provides: an overview of the pilot scheme; information about the bidding and evaluation process; an overview of bids; the recommended package of bids to be funded; and an appendix with a summary of each of the bids.



# The recommendation

The Panel has considered the bids and recommends that the following SIP funds are awarded because they provide the best way to balance the objectives of the fund within the resources available. The Mayor and the 33 London authorities are asked to use their own decision-making processes to allow Members to confirm support for each.

	£m
• Crystal Palace Subway	2.34
• Inclusive Growth:	8.00
○ Central London Inclusive Growth	
○ Building an Inclusive Knowledge Economy	
• London Cancer Hub	8.38
• Supporting Sustainable Growth with 5G	0.15
• West London Orbital and Strategic Growth	3.60
• Croydon Creative Campus Phase 1	2.50
• South London Knowledge Exchange	6.04
• Local London e-Business for Growth	5.63
• Lower Lea Valley Bridge Enabling	0.50
<b>Total Recommended Package</b>	<b>37.14</b>

A summary of the bids in the recommended package is shown in the info-graphic (right). The package includes bids which will directly grow London's business rates by providing new or refurbished commercial space, as well as ones which will indirectly generate growth by providing transport and digital infrastructure, supporting employment and businesses, and creating frameworks for development. A mixture of bids is included to achieve a balanced package: some are focused on a single, specific site and some have a much wider focus and potential impact.

A successful allocation of funds will allow the various strategic investment projects to begin, and continue to demonstrate to Government that London government can cooperate and work together.

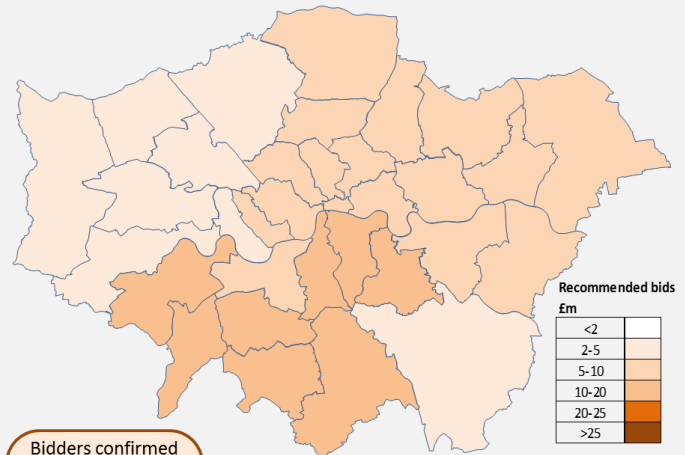
The precise amount of funds will be confirmed once the 2018-19 and 2019-20 accounts are closed. At the time of writing, the future of business rates retention in London (pilot, pool, or revert to the 2017-18 scheme) remains uncertain. The Panel recommend that if there are no new SIP funds, a further review and recommendation is made based on the existing bids once the final amount of funds is confirmed in late 2020. On the current forecast, this would allocate a further £2.7m.

Funding agreements were included with the bid form and will be put in place swiftly following Members' decision. These apply funding conditions relating to the outputs and match funding in the bid. Progress will be reported quarterly to the Society of London Treasurers and the directors of the sub-regional partnerships. Leaders' Committee or the Congress of Leaders and the Mayor will receive an annual update.

## Recommended Package

This info-graphic shows a summary of key information from the recommended package: geography, types and amounts of funding, expected project outputs.

### Bids are recommended from across London

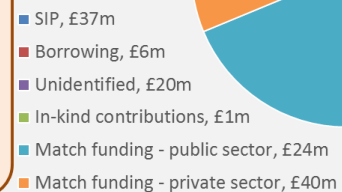


Bidders confirmed total project cost, along with funding identified as part of their bids.

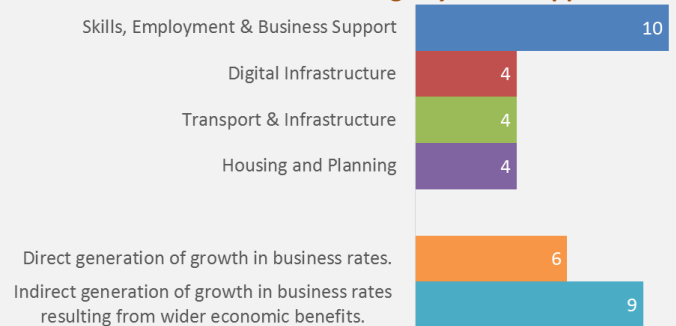
In-kind match funds identified included staff time, project development costs.

Private sector match included sponsorship, JV partner contributions, and apprenticeship levy.

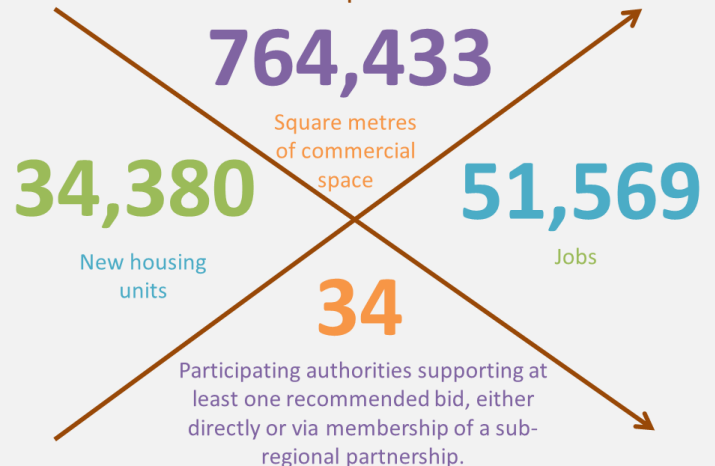
### Project funding identified, £m



### Bidders identified the following key areas supported:



### Direct outputs estimated



£39.9m

£37.14m

# The 75% pilot scheme and SIP

This is the third year that London has piloted additional business rates retention. In 2017-18, the GLA's Revenue Support Grant (RSG) and funding for TfL capital was replaced by additional rates, meaning London retained a total of 67% of business rates (adjusted for redistributive measures and a 50% levy on growth over baselines set in 2013-14).

For 2018-19, all 33 London billing authorities and the GLA came together to pilot 100% retention, reaching agreement with Government at the Autumn Budget 2017. The operating principles of the pilot pool were subsequently agreed, via a Memorandum of Understanding (MoU), by the 32 London Boroughs, the City of London Corporation and the GLA in January 2018.

The pilot replaced RSG for the 33 London billing authorities with retained business rates. Government also agreed an enhanced safety net threshold of 97% (compared with 92.5% under the previous scheme), meaning that London, as a whole, could not lose more than 3% of its baseline funding level. An additional safeguard was agreed between the London authorities that no authority would be worse off than under the pilot than the previous arrangements.

The pilot allowed London to retain 100% of any growth (rather than 67% that would have been the case otherwise) over the baseline levels set in 2013-14. The 2018-19 pilot also removed the 50% levy on that growth. Following analysis of all London borough business rates outturn returns submitted to the Government in April and May, the overall forecast net additional benefit to London is estimated to have been approximately £397m. However, the final figure will not be confirmed until audits have been completed.

Under the agreed terms of the London pilot, 15% of the net financial benefit of pooling is reserved for the Strategic Investment Pot, to be spent on projects that:

- contribute to the sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
- leverage additional investment funding from other private or public sources; and
- have broad support across London government in accordance with the agreed governance process.

The final amount of SIP funds available is subject to the final amount collected in year. In 2018-19, the SIP was estimated at £52m, and Members awarded funding of £46.83m to the balanced package of projects recommended by the SIP Panel. The estimated outturn on the SIP was £59.6m, and in addition, in accordance with the MOU, the lead authority credited interest of £0.03m. This left a balance of £12.8m for allocation, subject to final confirmation of participating authorities' audits.

In 2019-20, the pilot was continued on a reduced basis at 75% retention. Accordingly, the safety net threshold fell to 95%. The basis of the extended pilot is otherwise as described above. For 2019-20, the budgeted SIP is £25.7m, though the forecast at September 2019 suggests that the outturn might be £27.1m. Added to the £12.8m balance from last year, this gives a total of up to £39.9m which could be allocated. However, the level of benefit is relatively volatile, and so the SIP Panel have recommended an allocation of approximately 90% of the uncertain funds to ensure that there is not an over-allocation should the position worsen in the year. This means keeping around £2.7m in reserve.

The process agreed in establishing the pilot pool reflects the absence of a statutorily recognisable mechanism for joint decision-making by the 33 billing authorities and the Mayor of London. The formal decision must therefore be taken by the Members of the Lead Authority (the City of London Corporation), subject to consultation with all participating authorities. This is the consultation report, to which authorities are asked to respond according to their own decision-making processes. We anticipate that, as in 2018-19, this will require a Member decision, though authorities may have delegations in place.

The consultation requirements are that:

- the Mayor of London and the majority (two-thirds) of the 33 billing authorities agree to recommend approval of the project; and
- if all the authorities in a given sub-region (as defined by the MoU) do not recommend the project, it shall not be agreed.

This report provides information about the pilot scheme, the bidding and evaluation process, an overview of the bids received, the recommended package of bids for funding, and an appendix with a summary of all bids.

In addition, the Mayor of London has committed to spending the GLA's share of the additional net financial benefit from the pilot on strategic investment priorities. The allocation process for this, separate, fund (budgeted at £52.4m) is due to be considered in 2019-20 and will be followed by a Mayoral decision on the allocation of funds.

## The bidding and evaluation process

The Lead Authority is responsible for the operation of the SIP, and has made arrangements for inviting bids, evaluation, and the preparation of this recommendation report. Following the 2018-19 bidding round, the Lead Authority consulted in March 2019 before finalising the timetable for 2019-20. Reflections on the 2018-19 process, and actions taken were as follows:

### **Feedback, authorities wanted:**

- more time to work on bids, and more information about the process.
- a shorter evaluation process, so projects could begin more quickly.
- more information on the documentation and monitoring process following a decision by Members to fund projects.

### **Action taken:**

- earlier start and later submission date planned. Additional information provided in the bidding guidance.
- following 2018-19 pilot, the evaluation process was streamlined, allowing quicker progress to evaluation and recommendation.
- following 2018-19 pilot, documentation and monitoring arrangements in place. Draft documents shared with bid form to ensure that all parties ready to complete as soon as Members allocate funds.

In addition to the above the bid form was adjusted to allow easier consolidation, and to ask bidders what they would do if awarded 75%, 50% or 25% of the amount that they had requested. This will further streamline the path from Members' agreement to completion of legal documentation and delivery, and also allowed the Panel to consider in detail what could be delivered for only a part of the funds requested.

Following requests from participating authorities, a further consultation was undertaken in April 2019 on the draft guidance. This allowed bidders to begin work on their submissions in advance of the formal call for bids, which was issued in June 2019 to the Chief Executives and Treasurers of the 33 London billing authorities, the 2018-19 bidders, and the directors of the sub-regional partnerships. This included a bid form and bidding guidance. The deadline for submissions was in September 2019.

The bidding guidance explained the Lead Authority's intention that the evaluation would be carried out by a Panel of senior finance, regeneration, and service directors from the London authorities and GLA, and London Councils. This approach was designed to ensure that appropriate expertise and pan-London engagement was obtained for the evaluation method. This report is issued by the Panel and provides its recommended package of bids to be funded.

The criteria considered were those included in the bidding guidance, namely:

- **Contribution of anticipated outputs to key economic growth priorities:** e.g. housing and planning; transport and infrastructure (including digital infrastructure); skills, employment and business support. This could be evidenced, for example, by quantification of anticipated outputs (increase in

homes, commercial floor space, jobs, etc.) and by alignment with existing regional, sub-regional and local strategies.

- **The anticipated scale of economic benefit**, both in absolute terms and, where appropriate, expressed as a ratio of anticipated return to investment required.
- **The breadth of geographic impact** – with a presumption that the broader the area of impact the better. Whilst strong local bids will be considered under other criteria, there will be a preference for joint proposals, including but not necessarily limited to those from existing sub-regional partnerships, or which apply to the whole of London.
- **The scale of match funding**, both in absolute terms and expressed as a ratio of funding from other public or private sources to SIP investment required. The presumption will be that – all other things being equal – proposals that command a greater level of match funding will be preferred.
- **Delivery timescales**: No strict cut-off point is defined; however delivery timescales will be considered within the overall evaluation, with a presumption in favour of earlier completion (and therefore earlier economic returns), while ensuring an appropriate mix of recommended proposals between ‘oven-ready’ schemes and longer-term investment projects.

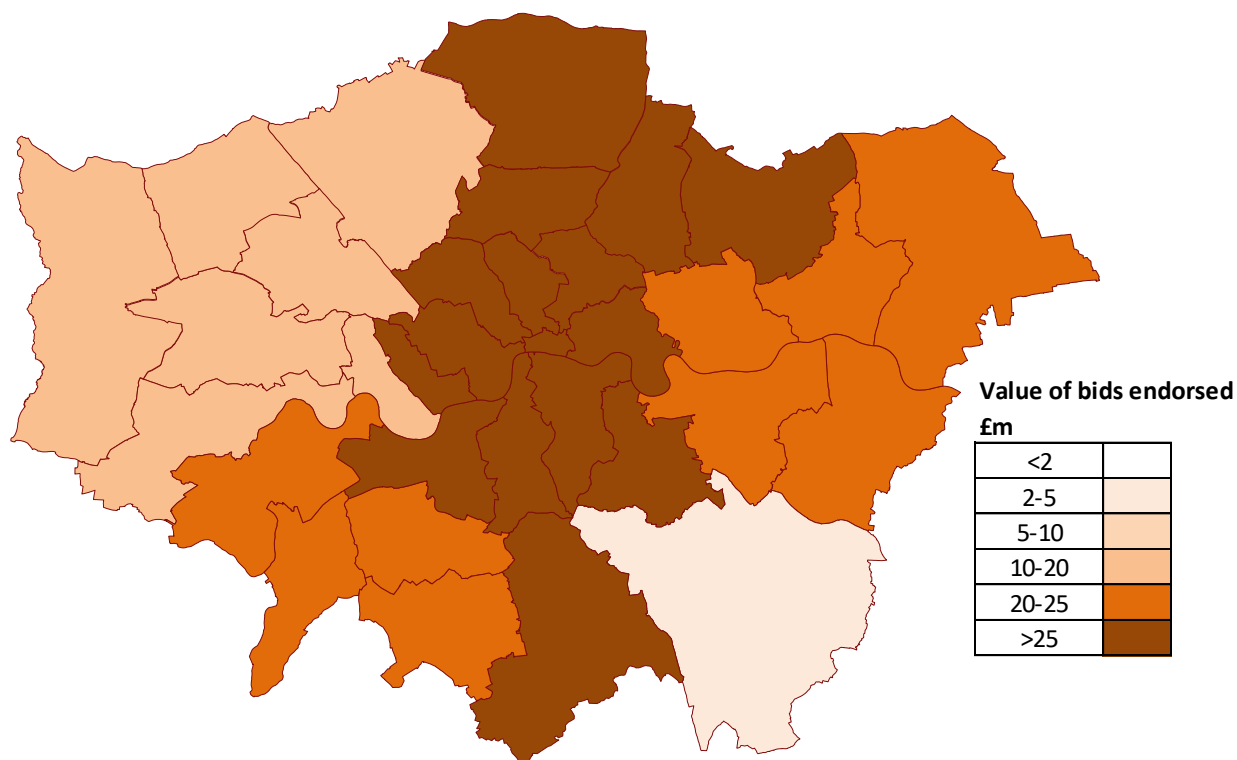
The bidding guidance made clear that, though the criteria were chosen in part because they were capable of objective evaluation, there would also be a degree of judgment and interpretation required. There would also be a need to assess the robustness and credibility of the estimates included in the bids. By way of specific consideration of the matters of judgement and interpretation which could not be objectively summarised from the bids, four areas were considered:

- **Deliverability** – an assessment of the likelihood of delivering the project (and any sub-projects) referred to in the bid, and doing so within the timeframe and resource base described in the bid documentation.
- **Economic impact** – an assessment of the expected level of impact of the bid; considering, in particular, the two key aims of the SIP which were to directly increase business rates income and to increase business rates income indirectly as a result of wider economic benefits.
- **Geographical impact** – a consideration of whether the bid would impact directly in just a specific locale, across a borough, a sub-region, or even more widely.
- **Additionality of match funding** – an assessment of the extent to which the bid leveraged truly additional investment funding, or whether it referred only to funding already accessible to bidders.

These four areas and the objective and comparative details of the bids were all considered and discussed by the Panel in forming its recommended package of bids.

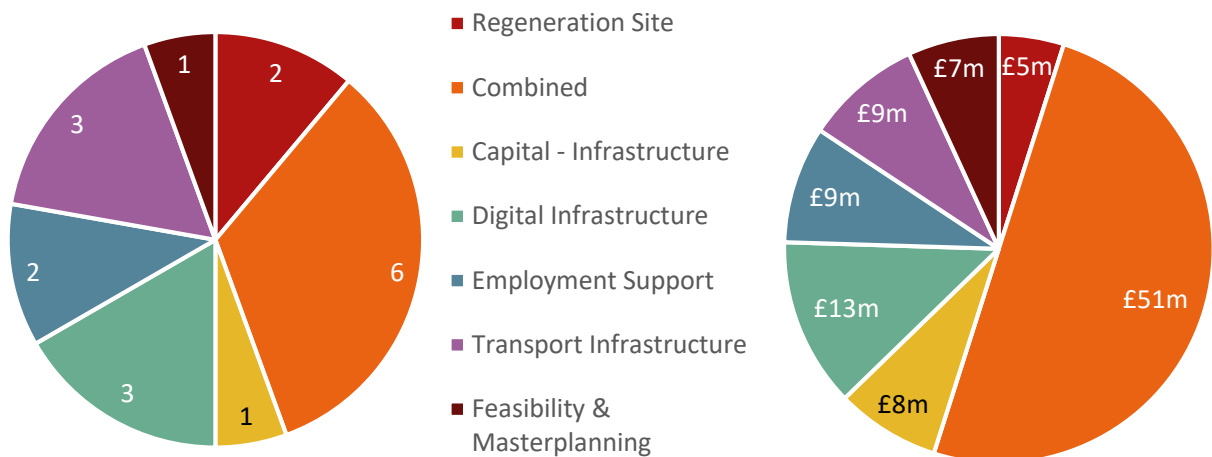
# The bids received

The expected value of SIP funds as forecast at September 2019 is £39.9m, subject to the final outturn on business rates. Following the invitation to bid, by the deadline in September, 18 SIP bids were received from 11 accountable boroughs for a total of £102m. All authorities (except the Lead Authority) individually supported at least one bid, and the majority supported bids of at least £10m. In addition, support was also expressed through memberships of sub-regional group, with each sub-regional group either being part of the preparation and submission of bids, or identifying bids which as a group they support. Support for bids is shown in the map:



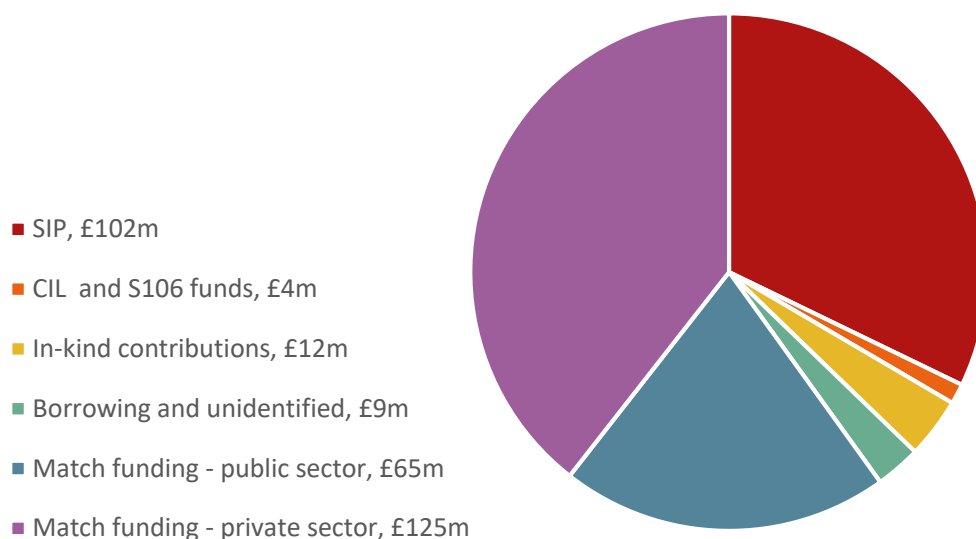
Bidders provided categorisations for their bids, and these were considered by the Panel. As laid out in the bidding guidance, a technical working group also reviewed the bids and suggested some further detailed groupings. The working group also grouped bids by geographical impact, by deliverability and anticipated impact. The Panel considered bids in these groups, but they were kept under review throughout the evaluation process; no 'quota' was applied, and there was no specific aim relating to categorisation in the Panel's approach to identifying a recommended package.

The graphs show the total bid amount and number of bids received in each category, as nominated by the bidders:



The bids were for projects with a range of different sizes, and bidders were asked to identify the total cost of the project and analyse the funding sources. The average bid size was £5.7m, with a minimum of £0.5m and a maximum of £12.1m, and the SIP funding proportion was from 11% to 92%. The bidders identified a wide range of different sources of match funding, and as part of their bid categorised these into private and public sector match funding, in-kind contributions, and CIL/S106. Some projects had not identified the total funding for their project, with some unidentified, and some had planned to use borrowing to support their plans.

The Panel considered the additionality of match funding (as described above under 'The bidding and evaluation process') offered by bidders and the quantum of match funding to inform their recommendation. The graph shows the total (estimated) project costs and funding sources, over all the bids received:



## The recommended package

The Panel recommend that Members fund a balanced package of bids, which combines a range of different projects. The bids included in the package, and the reasons why they are recommended are detailed in this section. They are presented in no specific order.

The tables contain summary information taken directly from the bid forms, this is presented as submitted.

### Crystal Palace Subway

Name:	<b>Crystal Palace Subway</b>		To unlock the potential of the Crystal Palace Subway as a cultural destination for south London. The Subway is jointly owned by Bromley and Southwark and is situated on the edge of Crystal Palace Park where five boroughs meet, the others being Croydon, Lewisham and Lambeth. This project will increase tourism and boost the local economy.		
Bid Size:	£2.34m				
Estimated total project cost:	£3.84m				
Estimated SIP proportion:	61%	Will this directly generate growth in business rates?	No		
<b>Match funding:</b>		Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
Match funding - public sector	£0.80m	<b>Estimated outputs:</b>			
In-kind contributions	£0.70m	Jobs	30		
<b>Project timeframe:</b>	Mid-term (1.5-3 years)	Commercial space (sq. m)	555		

The Panel conclude that this bid would be a valuable project as part of a wider cultural strategy for the area. The difficulty of attracting funding for work to a Grade II\* listed building such as this could be seen by the Panel, so it was felt that SIP funding would genuinely unlock additional funds and allow the project to be delivered. The footfall and supporting information from businesses provided a good indicator that this would support the local economy.

### Inclusive Growth:

- Central London Inclusive Growth
- Building an Inclusive Knowledge Economy

These two bids were submitted by an overlapping group of boroughs from Central London Forward, and both were combined initiatives including supporting the development of workspace and providing support to businesses which might occupy it:

Name:	<b>Central London Inclusive Growth</b>		Inclusive growth directed investments to deliver 8,940 SQM of affordable workspace with digital infrastructure and support for 888 businesses across six central London boroughs. £2.16m rateable value uplift and £213m net additional GVA is forecast. Investments will help residents from all backgrounds to set-up in business, micro businesses to employ (diversely) and small businesses to expand.		
Bid Size:	£10.00m				
Estimated total project cost:	£20.67m				
Estimated SIP proportion:	48%	Will this directly generate growth in business rates?	Yes		
		Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
<b>Estimated outputs:</b>		Jobs	780		
		Commercial space (sq. m)	8940		
<b>Match funding:</b>		Fibre broadband connections	22		
Match funding - private sector	£2.33m	Businesses supported	888		
Match funding - public sector	£8.33m	Rateable Value Uplift (£m)	2.16		
CIL and S106 funds	£0.01m	Net additional GVA (£m)	213		
<b>Project timeframe:</b>	Midterm (1.5-3 years)	Reduced Cost to Public Sector (£m)	0.49		



Name:	<b>Building an Inclusive Knowledge Economy</b>		To create an inclusive knowledge economy that stretches across the economic clusters of 4 boroughs and four economic clusters, integrating 'people' and 'place' so that places are opened up to local people for economic benefit through spatial planning and intensification, business growth and skills development	
Bid Size:	£6.03m			
Estimated total project cost:	£10.96m			
Estimated SIP proportion:	55%		Will this directly generate growth in business rates?	Yes
Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?			Yes	
<b>Estimated outputs:</b>				
Jobs	1260		Commercial space (sq. m)	3,716
<b>Match funding:</b>		Businesses and (potential) entrepreneurs supported		377
Match funding - private sector	£4.31m	Apprenticeships, internships and work experience opportunities		140
Match funding - public sector	£0.62m	Private sector investment raised		5,000,000
<b>Project timeframe:</b>	Longer term (3-5 years)	Local people engaged in knowledge economy		1,000

The Panel noted that both of these bids had a high priority endorsement from Central London Forward, which had been agreed by that group's Members. The Central London Inclusive Growth bid was felt to be very deliverable, as it identified specific interventions, and to have been prepared by experienced practitioners. Building an Inclusive Knowledge Economy provided less detail, but also included a range of coherent interventions in these areas.

As it seemed clear that the majority of these boroughs were working together, the Panel felt it would be appropriate to consider these bids together, and recommend that they are brought together as a combined project such that the best aspects of both might be retained. It therefore recommends that the bidding authorities be invited to rationalise and identify priorities within the overall proposals against a funding envelope of £8m (50% of the combined bids). The Lead Authority will liaise with the two accountable boroughs to progress this approach, ideally to a single funding agreement.

### London Cancer Hub

Name:	<b>London Cancer Hub</b>	The London Cancer Hub will create the world's leading life-science district specialising in cancer research, treatment, enterprise and education. Transforming the campus into 280,000sq.m of commercial space, generate £13m of business rates and £1.2bn GVA annually.		
Bid Size:	£8.38m	This bid seeks funding for the demolition of existing buildings and infrastructure requirements for the Knowledge Centre.		
Estimated total project cost:	£35.46m	Will this directly generate growth in business rates?		Yes
Estimated SIP proportion:	24%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		No
<b>Estimated outputs:</b>				
		Jobs	259 (phase 1) / 6,428 high quality jobs (campus)	
<b>Match funding:</b>		Commercial space (sq. m)	8,361 sq.m (phase 1) / 280,000sq.m (campus)	
Match funding - private sector	£24.70m	NNDR (Business Rates)	£949,429 (phase 1) / £13.84m (campus)	
Borrowing	£2.38m	GVA - Direct	£26,297,568 (phase 1) / £779,047,575 (campus)	
<b>Project timeframe:</b>	Longer term (3-5 years)	GVA - Direct & Indirect	£43,906,094 (phase 1) / £1.22bn (campus)	

The Panel considered this an exciting project, showing Local Government working with the NHS and other partners. The potentially exceptionally wide impact of this project was a key factor in its inclusion in the recommended package, given the significance of the institutions in cancer research involved.



## Supporting Sustainable Growth with 5G

Name:	<b>Supporting Sustainable Growth with 5G</b>		This bid is focused on enabling the roll-out of large scale 5G trials that unlock growth and investment. It includes: Mapping/condition surveying of key digital assets, filling gaps in digital infrastructure, and identifying models for further deployment. It will focus resources on strategically important places in a way that unlocks private sector investment.		
Bid Size:	£1.70m				
Estimated total project cost:	£3.24m				
Estimated SIP proportion:	52%				
<b>Match funding:</b>			Will this directly generate growth in business rates?	Yes	
Match funding - private sector	£1.40m		Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?	Yes	
In-kind contributions	£0.14m				
<b>Project timeframe:</b>	Mid term (1.5-3 years)		<b>Estimated outputs:</b>	Jobs	8185

This bid addresses an acknowledged issue with technology companies, who sometimes struggle to do business in London, across the various Local Government administrations in place around the capital. The Panel felt that the mapping exercise proposed would be valuable, could provide a template for other sub-regions to carry out a similar exercise, and would allow West London to be ready once operators were looking to roll-out 5G infrastructure.

However, the Panel felt that the wider proposals would need further development to confirm the case for public sector intervention, and so recommended level of funding is to cover the mapping part of the bid only, at an estimated cost of £0.15m, and subject to confirmation of the costs of this element of the bid.

## West London Orbital and Strategic Growth

Name:	<b>West London Orbital and Strategic Growth</b>		This covers development of the West London Orbital which will support up to 29,000 homes, 22,000 jobs and £99 million business rates. Without borough match-funding it may be delayed or cancelled. It covers technical work to take the project to powers application stage; public consultation/engagement; borough master planning and advice/consultancy to ensure readiness for a powers application.			
Bid Size:	£3.60m					
Estimated total project cost:	£6.80m					
Estimated SIP proportion:	53%		Will this directly generate growth in business rates?		Yes	
			Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
<b>Estimated outputs:</b>			Housing units	29,300	Jobs	22,000
Commercial space (sq. m)	419,000		Additional business rate income by 2041		99,300,000	
<b>Match funding:</b>			Additional business rates (value increase pa)		5,240,000	
Match funding - public sector	£3.20m		Additional CIL income		262,000,000	
<b>Project timeframe:</b>	Mid-term (1.5-3 years)		Economic benefit (time savings etc)		1,260,000,000	

The Panel noted the progress that has been made with the West London Orbital rail programme since the SIP bid submitted in 2018-19 and considered this a more focused bid which would directly assist with the delivery of the railway. This was also felt to be a large-scale project, with a potential pan-London impact. Whilst included in TfL's business plan and the Mayor's Transport Strategy, the Panel agreed that support was required to secure progress in this important project.

## South London Knowledge Exchange

Name:	<b>South London Knowledge Exchange</b>		The South London Knowledge Exchange will build an ecosystem of dynamic SME/University collaboration to stimulate knowledge-based growth through business start-up or expansion, improved productivity and creating high-quality jobs. Via a network of knowledge hubs in new workspace, a partnership of councils and universities will deliver a consistent innovation support offer and routes into more intensive collaboration between entrepreneurs and academia.							
Bid Size:	£12.07m									
Estimated total project cost:	£27.65m									
Estimated SIP proportion:	44%	Will this directly generate growth in business rates?			Yes					
<b>Match funding:</b>		Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?			Yes					
Match funding - private sector	£4.59m	<b>Estimated outputs:</b>								
Match funding - public sector	£3.88m									
In-kind contributions	£0.57m						Jobs	654	Commercial space (sq. m)	11,369
CIL and S106 funds	£0.21m						Existing businesses supported			1,115
Borrowing	£3.34m						Early stage businesses supported			532
Unidentified	£2.99m						Business-HE collaborations			265
<b>Project timeframe:</b>	Mid term (1.5-3 years)						New products/processes/JV developed			50

This bid was acknowledged as taking a strategic and innovative approach, partnering with Higher Education in a way which had not been seen in a SIP bid before. There was detailed background information provided in a helpful format, which assisted the Panel in understanding what would be delivered with the funding. However, the Panel felt that the £12m bid amount would be a very significant commitment to an innovative approach, and therefore suggested a 50% reduction to allow a smaller scale project to go ahead in the first instance.

## Croydon Creative Campus Phase 1

Name:	<b>Croydon Creative Campus Phase 1</b>		The project will kick start the transformation of Croydon into a Creative Campus by establishing a university presence at the heart of the metropolitan centre. £2.5 million SIP funding is sought to redevelop an under-utilised Council owned building into an efficient and modern university site. The refurbishment of the proposed site supports the expansion of London South Bank University (LSBU) in Croydon.			
Bid Size:	£2.50m					
Estimated total project cost:	£5.60m					
Estimated SIP proportion:	45%	Will this directly generate growth in business rates?			No	
<b>Estimated outputs:</b>		Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?			Yes	
<b>Match funding:</b>		Commercial space (sq. m)	161	Jobs	112	
Match funding - public sector	£3.10m	Refurbished learning facilities (New campus created) (sq. ft.)			5,350	
<b>Project timeframe:</b>		Number of additional university students			2,133	
Mid term (1.5-3 years)		Number of enterprises supported			126	
<b>Project timeframe:</b>		Number of enterprises assisted to cooperate with research entities/institutions			40	

The Panel felt that supporting the introduction of a university presence would contribute to the ongoing regeneration of Croydon town centre and help to improve skills within its broader catchment area. The technical working group considered the economic impacts to be potentially understated, as the bid did not attempt to quantify the wider economic value of a larger skilled workforce.

## Local London e-Business for Growth

<b>Name:</b>	<b>Local London e-Business for Growth</b>	The 'e-Business for Growth' programme will tackle inhibitors to local economic growth and business rate revenue maximisation. Support for 6000 businesses will empower them to harness opportunities presented by digital and web-based technology. Activities will generate various short and long-term positive economic impacts at local, borough and sub-regional levels worth in excess of £106m.			
Bid Size:	£7.50m	Will this directly generate growth in business rates?			No
Estimated total project cost:	£13.40m	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?			Yes
Estimated SIP proportion:	56%	<b>Estimated outputs:</b>			
<b>Match funding:</b>		Safeguarded Jobs	10,000	Jobs	1,100
Match funding - private sector	£2.40m	Businesses Supported			6,000
Match funding - public sector	£3.50m	Residents upskilled (Digital): c.2 per business			12,000
<b>Project timeframe:</b>	Mid term (1.5-3 years)	Additional Turnover Generated (£m)			106

This bid included specific plans for interventions. Although some of them might be considered low level, they address digital skills, the importance of which is well acknowledged. Both the Panel and technical working group had seen evidence that this kind of intervention is needed, and therefore it is considered that a large-scale pilot would be worthwhile, especially if it can be robustly evaluated. The measures planned in the bid appeared to be relatively easily scalable, so to ensure the affordability of the overall package the Panel recommend funding this project at 75%.

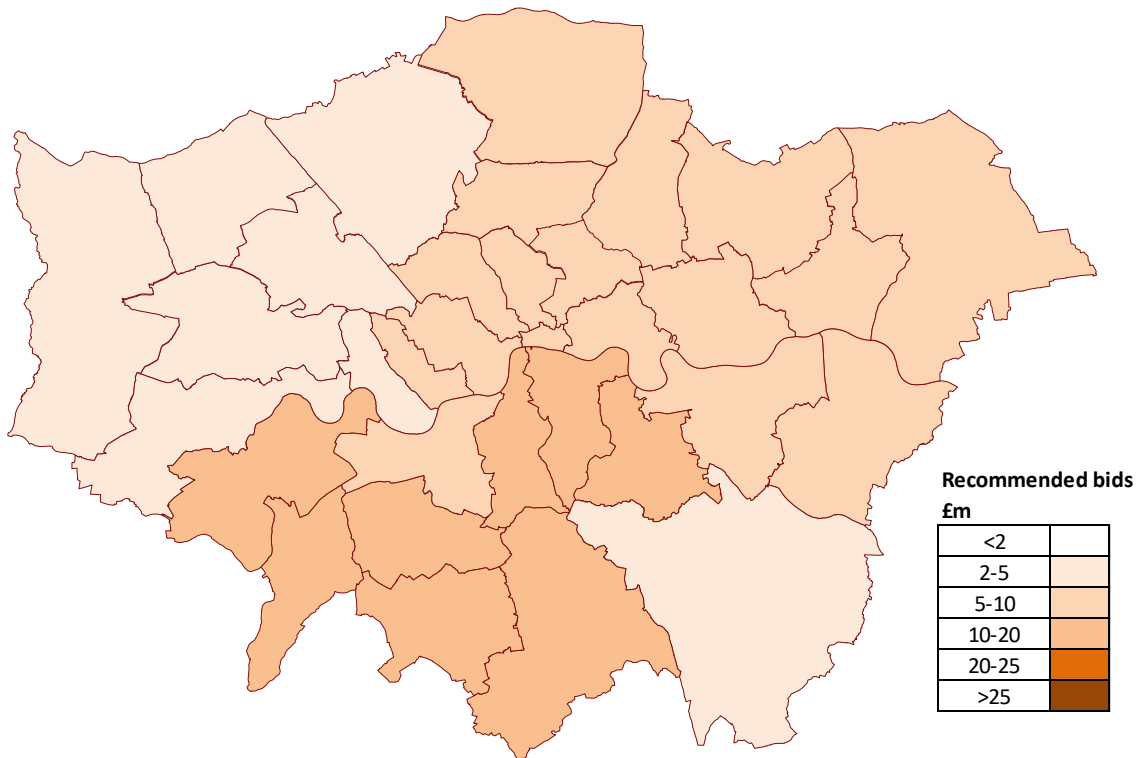
## Lower Lea Valley Bridge Enabling

<b>Name:</b>	<b>Lower Lea Valley Bridge Enabling</b>	This bid will enable a network of bridges in the Lower Lea - finalising designs, securing consents and land, and transitioning to construction. This infrastructure will increase economic growth and housing capacity. As well connecting two boroughs separated by a river, the programme will unlock local severance from the wider public transport network, greatly enhancing connectivity across London.			
Bid Size:	£0.50m				
Estimated total project cost:	£1.00m	Will this directly generate growth in business rates?			No
Estimated SIP proportion:	50%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?			Yes
<b>Match funding:</b>		<b>Estimated outputs:</b>			
Match funding - private sector	£0.40m	Housing units	5,080	Jobs	10,761
Match funding - public sector	£0.10m	Commercial space (sq. m)			32,331
<b>Project timeframe:</b>	Mid term (1.5-3 years)	Additional business rate revenue per annum			4,780,000

The Panel considered the benefits of master-planning bids, which are very deliverable in themselves. However, to deliver economic impacts, they need to be progressed to development and/or adopted as part of local planning policy. This bid was felt to be a project which had been developed locally, and which SIP funding would help progress quickly. This could unlock development of a significant number of new homes and jobs.

**Conclusion**

The expected value of SIP funds as at September 2019’s forecast is £39.9m. The Panel recommend awards of £37.14m at this time, which represents the full balance from 2018-19 (which is virtually certain, though still subject to final confirmation) and 90% of the current forecast amount for 2019-20. The total amount of funds available will not be finally confirmed until the 2018-19 accounts are completely finalised following audit and the 2019-20 accounts are closed and audited, so it is important to under-commit this fund in case there is an unfavourable variance at the end of the year. The map shows the amount of funding each authority is supporting, either individually or via their sub-regional group, in the recommended package:



Once the consultation and decision-making process is complete, the Lead Authority will issue the grant agreements for execution by the accountable borough for each bid. These include application of funding conditions relating to the outputs and match funding in the bid.

The balance of funds will be confirmed once the 2018-19 accounts completely finalised following audit and the 2019-20 accounts are closed and audited. The future of business rates retention in London remains uncertain. The Government has announced an intention to end the current 75% pilot arrangement, though London Councils and the GLA have written to the Secretary of State and the Treasury asking for this decision to be reviewed. In the absence of a pilot, it may be possible to continue with a pooled arrangement, or London could return to the 67% scheme which operated in 2017-18.

Depending on the outcome of these discussions, there may be no new SIP funds in 2020-21. The Panel considered options for how to proceed if this is the case. These included a further bidding round for the remaining funds, a further review and recommendation based on the existing bids, or the selection of a ‘reserve’ project to be funded. On the current forecast, this would leave only a further £2.7m for allocation, which was considered insufficient to merit a further round of bidding. The Panel felt that until the final outcome is known (once the final amount of funds is confirmed in late 2020) it would be difficult to assess the best option, and therefore recommend that a further review and recommendation is made to deal with any balance outstanding once the amount is certain.

## Appendix: Detailed bid information

The Panel recommended that Members fund a balanced package of bids, which combines a range of different projects. The remaining bids are detailed in this section. They are presented in no specific order.

The tables contain summary information taken directly from the bid forms, this is presented as submitted.

Name:	<b>West London Challenge Fund: Tackling Congestion</b>	This is a proposal to fund a programme of work to define, develop and test at scale creative solutions to complex economic challenges, which are also constraints on future growth. The bid addresses the economic and environmental costs of congestion, with a focus on the logistics industry and deliveries to construction sites.		
Bid Size:	£3.40m			
Estimated total project cost:	£3.70m	Will this directly generate growth in business rates?		Yes
Estimated SIP proportion:	92%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes
<b>Match funding:</b>		<b>Estimated outputs:</b>		
In-kind contributions	£0.30m	Number of Net Additional Homes de-risked		2800
<b>Project timeframe:</b>	Mid term (1.5-3 years)	estimated savings for road users		

Name:	<b>Investing in Skills and Productivity</b>	This bid addresses labour market challenges and skills gaps to boost incomes, raise productivity and grow the tax base. It aligns with our Skills & Productivity Strategy and responds to the needs of our key growth sectors, leveraging a range of technological solutions. It will support 3,445 people and 940 businesses, leverage £2.1m match-funding and have a wider economic benefit of £20.6m.			
Bid Size:	£3.71m				
Estimated total project cost:	£5.82m	Will this directly generate growth in business rates?		No	
Estimated SIP proportion:	64%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
<b>Match funding:</b>		<b>Estimated outputs:</b>			
Match funding - public sector	£0.56m	Jobs	735	People into apprenticeships	275
In-kind contributions	£0.52m	People reskilled (inc. digital skills)		590	
CIL and S106 funds	£1.03m	People progressed in work, with increased earnings		1272	
<b>Project timeframe:</b>	Mid term (1.5-3 years)	Businesses supported to grow through skills interventions		174	

Name:	<b>South London Innovation Corridor Phase 2</b>	Phase 2 of the South London Innovation Corridor builds upon the Partnership's existing success and will deliver a high impact programme of workspace and inclusive innovation business support. By unlocking long term growth and bringing enterprise opportunities to neighbourhoods in Lambeth, Lewisham, Southwark and Wandsworth the programme will drive inclusive growth across inner south London.			
Bid Size:	£9.95m				
Estimated total project cost:	£40.57m	Will this directly generate growth in business rates?			Yes
Estimated SIP proportion:	25%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
<b>Match funding:</b>		<b>Estimated outputs:</b>			
Match funding - private sector	£10.79m	Jobs	1590	Commercial space (sq. m)	34,900
Match funding - public sector	£19.00m	Businesses Supported		748	
In-kind contributions	£0.03m	Estimated rateable value uplift		3,521,250	
CIL and S106 funds	£0.60m	BAME beneficiaries of the programme			0.5
Unidentified	£0.20m				
<b>Project timeframe:</b>	Mid term (1.5-3 years)				

Name:	<b>Local London Investment in Fibre 2.0</b>	The Partnership is developing a joint approach to tackling the challenges and opportunities of delivering plans for substantial housing, employment and economic growth in the area. Ensuring that this growth takes place in a sustainable way, that the underpinning physical and social infrastructure is in place and that the growth results in increased prosperity for Local London's residents is a major challenge. Ensuring the availability of world class digital infrastructure is a key component of the Partnership's growth plans.			
Bid Size:	£7.50m	Will this directly generate growth in business rates?		Yes	
Estimated total project cost:	£67.85m	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
Estimated SIP proportion:	11%	<b>Estimated outputs:</b>			
<b>Match funding:</b>		Fibre broadband connections		36,000	
Match funding - private sector	£50.00m	Direct Commercial Impacts; productivity/innovation/flexible working/start ups		82,500,000	
Match funding - public sector	£9.00m	Direct Household Impacts		67,500,000	
In-kind contributions	£1.35m	Wider impacts; environmental, health, Smart delivery		500,000,000	
<b>Project timeframe:</b>	Mid term (1.5-3 years)	All economic impact figures over 15-year period			

Name:	<b>Master planning in the Upper Lee Valley Boroughs</b>	This is a multi-authority bid that would enable the Upper Lee Valley Boroughs of Enfield, Waltham Forest, Redbridge and Hackney to undertake master planning / spatial coordination work for strategic locations in their Boroughs. This work would be focussed on place-based coordination of development and projects to unlock growth, create capacity and attract inward investment			
Bid Size:	£7.20m	Will this directly generate growth in business rates?		No	
Estimated total project cost:	£14.58m	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
Estimated SIP proportion:	49%	<b>Estimated outputs:</b>			
<b>Match funding:</b>		Housing units	91,500	Jobs	43,194
<b>Match funding:</b>		Commercial space (sq. m)		472,000	
In-kind contributions	£7.20m	Value of Infrastructure enabled		900,000,000	
CIL and S106 funds	£0.18m	Value of speeding up planning process (time saved / front loading)		90,000,000	
<b>Project timeframe:</b>	Mid term (1.5-3 years)	Increased Business Rates Yield per year		30,000,000	

Name:	<b>Local London Productivity Escalator</b>	The 'Local London Productivity Escalator' programme will tackle inhibitors to local economic growth and business rate revenue maximisation, through simultaneous support for demand and supply-side skills issues via comprehensive enabling services for 2941 residents and c.1000 businesses.			
Bid Size:	£5.80m	Will this directly generate growth in business rates?		No	
Estimated total project cost:	£12.41m	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
Estimated SIP proportion:	47%	<b>Estimated outputs:</b>			
<b>Match funding:</b>		Jobs	200	Safeguarded Jobs	3,000
Match funding - public sector	£5.08m	Progression in work (Wage/Career)		735	
In-kind contributions	£0.80m	Qualifications (Basic, L1, L2, L3, L3+)		1,424	
CIL and S106 funds	£0.73m	Females with improved labour market status		538	
<b>Project timeframe:</b>	Mid term (1.5-3 years)				

Name:	<b>Supporting North London SMEs for EVs</b>	Supporting businesses to switch to electric vehicles, in light of the Ultra-Low Emission Zone expanding in October 2021. The purpose of this is to protect SMEs which are under threat of being out of business, or having to relocate out of the north circular road.			
Bid Size:	£4.73m				
Estimated total project cost:	£34.68m	Will this directly generate growth in business rates?		Yes	
Estimated SIP proportion:	14%	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
<b>Match funding:</b>					
Match funding - private sector	£22.20m	<b>Estimated outputs:</b>			
Match funding - public sector	£7.25m	Jobs	500	Commercial space (sq. m)	27,059
CIL and S106 funds	£0.50m	Electric vehicle charging points			55
<b>Project timeframe:</b>	Mid term (1.5-3 years)	Bicycle hangers			43

Name:	<b>Work @ Upper Lee Valley</b>	The Work @ Upper Lee Valley project will provide a network of 121,392.17sqft - 215,000sqft of affordable workspaces in order to encourage enterprise growth and improve business survival rates for the communities living in the east of Enfield and the Upper Lea Valley (ULV). It is anticipated that the new spaces will be able to accommodate around 239 to 430 businesses at any one time.			
Bid Size:	£5.00m				
Estimated total project cost:	£8.22m				
Estimated SIP proportion:	61%				
<b>Match funding:</b>		Will this directly generate growth in business rates?		Yes	
Match funding - private sector	£2.02m	Will this indirectly generate growth in business rates as a result of wider economic benefits anticipated?		Yes	
Match funding - public sector	£0.62m				
In-kind contributions	£0.18m	<b>Estimated outputs:</b>			
CIL and S106 funds	£0.40m	Jobs	310	Businesses	430
<b>Project timeframe:</b>	Longer term (3-5 years)	Commercial space (sq. m)			20,000





# London Business Rates Pilot Pool Strategic Investment Pot

2019/20 Dates


Final



7

From	To	What?	Who?
08 Mar 19	04 Sep 19	Authorities work on bids	All
08 Mar 19	04 Sep 19	Sub-regional groups may wish to consider bids	Sub-regional groups
08 Mar 19	18 Mar 19	Consultation on SIP Process	All
11 Apr 19	11 Apr 19	Draft guidance launched	CoLC
06 Jun 19	06 Jun 19	Launch of bidding guidance and form	CoLC
13 Jun 19	13 Jun 19	Opportunity for pre-submission discussions about bid proposals	CoLC/London Councils/All
14 Jun 19	14 Jun 19	Opportunity for pre-submission discussions about bid proposals	CoLC/London Councils/All
18 Jun 19	18 Jun 19	Opportunity for pre-submission discussions about bid proposals	CoLC/London Councils/All
27 Jun 19	27 Jun 19	SIP Panel - introduction/TOR call	SIP Panel
16 Jul 19	16 Jul 19	Opportunity for pre-submission discussions about bid proposals	CoLC/London Councils/All
18 Jul 19	18 Jul 19	Opportunity for pre-submission discussions about bid proposals	CoLC/London Councils/All
04 Sep 19	04 Sep 19	Deadline for submission of bids to ndr.pool@cityoflondon.gov.uk	Accountable authorities
04 Sep 19	04 Sep 19	Bids issued to Evaluation Working Group and SIP Panel	CoLC
10 Sep 19	10 Sep 19	Evaluation Working Group submit evaluations	Evaluation Working Group
12 Sep 19	12 Sep 19	Evaluation Working Group meet	Evaluation Working Group
16 Sep 19	16 Sep 19	Draft evaluation group notes issued to EWG and SIP Panel (e-mail)	EWG/SIP Panel
18 Sep 19	18 Sep 19	SIP Panel meet to evaluate bids	SIP Panel
23 Sep 19	23 Sep 19	Draft consultation report issued to SIP Panel (e-mail)	CoLC
25 Sep 19	25 Sep 19	SIP Panel meet to discuss draft report (call)	SIP Panel
27 Sep 19	27 Sep 19	Circulation of consultation report - final SIP Panel sign off (e-mail)	SIP Panel
01 Oct 19	01 Oct 19	Consultation issued to all authorities (via CELC and SLT)	CoLC
01 Oct 19	07 Nov 19	Sub-regional groups may wish to consider consultation	Sub-regional groups
08 Oct 19	08 Oct 19	Congress of Leaders - SIP consultation report	London Councils
07 Nov 19	07 Nov 19	Consultation responses to NDR.Pool@cityoflondon.gov.uk	All
21 Nov 19	21 Nov 19	Policy & Resources Committee take formal decision	CoLC
21 Nov 19	31 Dec 19	Agreements signed and SIP funds transferred	Accountable authorities/CoLC
26 Nov 19	26 Nov 19	Outcome report issued	London Councils



	<b>West London Economic Prosperity Board 8 20 November 2019</b>
<b>Title</b>	Annual report of the West London Skills and Employment Board
<b>Report of</b>	Niall Bolger, London Borough of Hounslow
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	Appendix 1 – Annual report of the West London Skills and Employment Board
<b>Officer Contact Details</b>	David Pack, Strategic Lead – Skills and Productivity, <a href="mailto:packd@ealing.gov.uk">packd@ealing.gov.uk</a>
<b>Summary</b>	
<p>The West London Skills and Employment Board (WLESB) was first convened in April 2017. It is Chaired by Cllr Steve Curran, Leader of the London Borough of Hounslow, the Board has delegated powers from the West London Economic Prosperity Board (WLEPB) to drive forward the skills agenda for West London, including overseeing the delivery of the West London Skills, Employment and Productivity Strategy 2018-23.</p> <p>This report and its appendix provide a formal annual report, as requested by the WLEPB when it delegated the powers mentioned above, of the progress and achievements during 2019 to date of the WLESB. This follows the inclusion of the WLESB's progress as part of the broader WLEPB progress report that will be considered by the WLEPB in early 2019.</p>	

<b>Recommendations</b>
<p><b>Leaders are asked to:</b></p> <ol style="list-style-type: none"> <li><b>1. NOTE the review of the work of the West London Skills and Employment Board for 2019, set out in Appendix One, setting out the main areas of practical delivery since activity was last reported as part of the broader West London Economic Prosperity Board annual review.</b></li> <li><b>2. COMMENT on the forward look provided, giving an indication of the West London Skills and Employment Board's upcoming activities and priorities.</b></li> </ol>

## 1. WHY THIS REPORT IS NEEDED

- 1.1 In February 2018 the West London Economic Prosperity Board (WLEPB) agreed to receive a regular annual report highlighting the key areas of progress in relation to the skills agenda over the previous twelve months.
- 1.2 The annual report of the WLEPB received in February 2019 included a summary of work undertaken on its behalf by the West London Employment and Skills Board (WLESB), which has delegated powers from the WLEPB to drive forward the skills agenda for West London, including overseeing delivery of the West London Skills, Employment and Productivity Strategy 2018-23.
- 1.3 In view of the increased level of work overseen by the WLESB, this item and its appendix act as a stand-alone progress report covering the WLESB's work for consideration by the WLEPB.

## 2. REASONS FOR RECOMMENDATIONS

- 2.1 The WLEPB agreed to receive a report of the progress of the WLESB on an annual basis.
- 2.2 Against a challenging and uncertain economic backdrop, the report provided at Appendix One details the work undertaken and the key achievements of the WLESB across 2019 to date.
- 2.3 The key achievements covered in more detail at Appendix One are as follows:
  - *Securing external funding* – this included overseeing the mobilisation of £3.4m of funding secured through the Strategic Investment Pot of devolved business rates for skills activity, which will support 4,800 people to progress and succeed in work over the two year period of the programme.
  - *Developing an employability framework for West London* – the Board supervised a partnership with the Royal Society of the Arts, using their [Cities of Learning](#) methodology to scope a potential pilot for West London which will recognise and accredit learning and skills wherever they are acquired through a series of 'digital badges'.
  - *Undertaking lobbying and policy influencing* – the Board oversaw West London's input into the framework steering the first year of the devolved Adult Education Budget. It also fed into broader London efforts to make the case for further devolution of skills funding and powers, and to advocate for reform to the Apprenticeship Levy.
  - *Engaging with key sectors* – fostering strong relationships with West London's key sectors, the Board received presentations from the North West London Health and Care Partnership, HS2 and Transport for London, to help it shape its future work.
  - *Developing skills policy and strategy* – the Board provided expert input into the refresh of the West London Alliance's Vision for Growth. It also

oversaw a refresh of the West London Adult and Community Learning Strategy.

2.4 Appendix One also provides a forward look summarising current thinking on the likely areas of focus for 2020. These are likely to grow across the course of the year but are currently presented as follows:

- Improving understanding of skills demand and supply through a major piece of work to help better understand skills shortages and gaps and inform a more responsive skills system;
- Developing practical, sub-regional interventions to improve the effectiveness of the Apprenticeship Levy in West London;
- Scoping ways of improving the use of the planning system, in particular Section-106 contributions, to promote training, skills and employment;
- Taking the Cities of Learning employability framework and programme of digital badges from scoping to pilot stage;
- Review of Board membership.

### **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3.1 N/A

### **4. POST DECISION IMPLEMENTATION**

4.1 Any areas of interest for future work identified by the WLEPB will be fed back to the WLESB and incorporated into its future work plan. Decisions will be brought back to the WLEPB on a case-by case basis as required or requested.

### **5. IMPLICATIONS OF DECISION**

#### **5.1 Corporate Priorities and Performance**

This report relates directly to the delivery of the West London Skills, Employment and Productivity Strategy 2018-23, which has been agreed by the members of the West London Alliance.

#### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

None directly associated with this report. However, where a specific requirement for additional resource is identified to fund a particular activity or project contained within the annual report or wider West London Skills, Employment and Productivity Strategy 2018-23 then this requirement will be brought back to a future WLEPB meeting for consideration on a case-by-case basis.

#### **5.3 Social Value**

The WLESB annual report supports the delivery of the objectives set out in the West London Skills, Employment and Productivity Strategy 2018-23, including the specific aim of 'Supporting Inclusion'.

#### **5.4 Legal and Constitutional References**

The Board has its own functions and procedure rules as set out in the Constitutions of the relevant local authorities. These include representing the participating local authorities in discussions and negotiations with regional and national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities, and representing the participating local authorities in discussion and negotiations in relation to pan-London matters relating to economic prosperity.

#### **5.5 Risk Management**

There is a risk that by not engaging with the full range of levers that have an impact on the overall economic success of an area – including those on skills - the sub-region will not achieve the level of economic outcomes in terms of jobs, investment, or housing that might otherwise be the case over the medium and long term.

#### **5.6 Equalities and Diversity**

Equalities and Diversity are central to the aims of the West London Skills, Employment and Productivity, represented most prominently by 'Supporting Inclusion' forming one of the four areas of priority.

#### **5.7 Consultation and Engagement**

West London Growth Directors discussed the content of the annual report when they met on 16 October 2019 to ensure it reflected the entirety of the WLESB's during the period in question.

### **6. BACKGROUND PAPERS**

#### **6.1 Appendix One: Annual report of the West London Skills and Employment Board**

# **Annual review of the West London Skills and Employment Board**

*November 2019*

## Foreword

I am pleased to have chaired the West London Skills and Employment Board during a busy year of activity addressing some of the most pressing economic issues facing our sub-region at a time of some considerable uncertainty and change.

The policy background is also an evolving one as in 2019 we moved into a landscape of increased devolved funding to London, one in which we in West London need to ensure the needs of our residents and employers are met appropriately.

We are fortunate in West London to be home to one of the country's most important areas of economic activity, with exciting employment opportunities across thriving sectors. This review sets out some of the work we have undertaken as a partnership to contribute to inclusive growth in West London, growth in which our residents share in the opportunities on their doorstep and employers can access the skills they need to remain and grow in our sub-region.

It's clear to me that the effective collaboration we have in place, which crosses borough and sector boundaries, is a valuable one, demonstrating that we can achieve more working together and at scale.

The year ahead will of course be a challenging one, but we have the beginnings of an exciting skills work programme taking shape, one which will help West London to continue to retain and attract major employers and in which we – working as a partnership – can help our residents from all backgrounds to be part of West London's dynamic future, accessing the skills they need to thrive and adapt into the future.

**[signed – Chair of the West London Skills Board]**



## Context

The West London Skills and Employment Board was formed in 2017. It was established while planning for major devolution of skills funding was still underway and other elements of the skills system were undergoing fundamental change, not least through the introduction of the Apprenticeship Levy. The Board's work commenced at a time of major opportunity for West London, with a buoyant job market, growing demand for skills and a pipeline of large-scale developments.

Two years on, against a backdrop of growing economic uncertainty and its potential impact on the labour market, and an increased understanding of how automation could affect future employment prospects for people here, West London remains an area of major opportunity and the Board's work is as important as ever.

### West London's skills challenges

West London's growth projections provide a positive basis on which the Board and its work can build: 210,000 new jobs are expected between 2016 and 2041<sup>1</sup>, representing a major opportunity to increase productivity, improve residents' skills and grow the tax base. To name just a few of the major growth areas: the NHS needs to recruit at least 5,000 people p.a. to maintain an excessive vacancy rate of 11%; Heathrow Expansion could create up to 29,000 jobs; development at Brent Cross/Cricklewood could create 20,000 jobs and HS2 could require up to 25,000 people at its peak.

Among the most pressing constraints to growth in West London – and which sit at the forefront of the Board's work - are skills gaps and shortages across a range of key sectors, which are projected to grow without focused action and will result in significantly lower growth in the medium and longer term if not adequately addressed. National data for West London in 2017<sup>2</sup> showed clearly the growing numbers of hard to fill and skills shortage vacancies for businesses and 26% of West London employers surveyed in 2018 reported skills shortages in applicants<sup>3</sup>. In key sectors such as construction, these challenges are only exacerbated by strong reliance on EU labour (a third of the sector's workforce in London) and demographic challenges (a fifth of London construction workforce will reach retirement age by 2021)<sup>4</sup>.

The Board's work is also steered by other significant issues and emerging economic trends. West London is not isolated from the impact of automation on work; estimates suggest that 30% of West London's jobs<sup>5</sup> will be affected by automation in some way by the 2030s. A changing skills profile in employment created across West London and an increasing requirement for digital skills will also influence the Board's future work programme.

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<sup>1</sup> GLA, 2017

<sup>2</sup> ONS, 2017

<sup>3</sup> London Chamber of Commerce and Industry/London Councils, 2018

<sup>4</sup> ONS 2016

<sup>5</sup> Localis, 2018

A specific challenge experienced in West London, in common with other parts of London, is the reduction in the number of apprentices employed since the introduction of the Apprenticeship Levy, dropping from 9,390 in 2016/17 to 8,020 in 2017/18<sup>6</sup>.

Ensuring that economic growth in West London is inclusive remains a challenge and is at the heart of the Board's approach. All but one of our boroughs are in the top 50% of London boroughs for the highest proportion of residents in low paid work and this proportion is growing in most boroughs<sup>7</sup>. A significant proportion of residents who could benefit from the projected growth are unable to do so, owing to various barriers e.g. access to training, language barriers etc. 339,400 working age people in the sub-region (25%) only have qualifications at level 2 or below and 91,600 working age people (7%) have no qualifications at all<sup>8</sup>; they represent an untapped resource available to address real skills shortages. Focusing on addressing the skills angles to inclusive growth is likely to form a central part of the Board's future work, potentially exploring innovative methodologies such as the 'community wealth building' approach to local economic development.

### Policy background

The policy context in which the board operates has moved on since it was established in 2017, with the first year of the devolved Adult Education Budget well underway and efforts to influence its development to reflect sub-regional priorities continuing. Attempts to make the case for further devolution of skills funding and powers continue, in partnership with London government more widely and London's businesses. The need to secure further reforms to the Apprenticeship Levy also loom large, to improve its effectiveness in the sub-region.

### This review

This review reports on work undertaken by the Board across 2019 at a time when the value of cross-sector, sub-regional working is growing in importance and the maturity of relationships within the Board represent a major advantage for West London as a sub-region as we seek to address the skills opportunities and challenges facing the seven boroughs.

Presented in this review are some of the highlights of work overseen by the Board since it last reported to the Economic Prosperity Board in February 2019 accompanied by a forward look to some of the areas of work the Board will focus on in the year ahead.

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<sup>6</sup> Department for Education, 2018.

<sup>7</sup> Trust for London, 2018.

<sup>8</sup> ONS, 2018

## **Key achievements in 2019**

Considerable progress has been made since the West London Skills and Employment Board (WLESB) last reported to the Economic Prosperity Board in February 2019.

Activities overseen by the WLESB have spanned strategic oversight and steer of new and emerging activities supported by external funding through to policy influencing of both London and central government, engagement with key employment sectors for the sub-region and setting the direction for new areas of work to support the skills agenda in West London.

### *External funding*

Following the approval of the first round of £3.4m Strategic Investment Pot (SIP) funding from devolved business rates in 2018, the Board has overseen the mobilisation of this first phase of activity, which supports a range of activities across each of the seven West London boroughs.

With the aim of supporting 4,925 residents and 585 employers across West London over two years, this programme is now in its delivery phase, overseen by the Board.

A series of case studies illustrating the impact of this funding on individuals' lives is provided at the end of this report.

The WLESB also helped shape the priorities for inclusion within a £3.7m bid for further SIP funding in 2019. This bid, while ultimately unsuccessful, built on activity funded from the first Strategic Investment Pot round, moving it on significantly with an emphasis on addressing projected, evidence-based skills gaps in the economy that will constrain growth if they are not addressed, alongside targeted support to those furthest from the labour market to find meaningful work.

### *An employability framework for West London*

In addition to the activity led by boroughs funded through the SIP monies, most of which has now commenced, SIP funding is also supporting the development of an employability framework for West London delivered by the Royal Society of the Arts (RSA), using their [Cities of Learning](#) methodology. The focus of this initiative, which will scope a potential pilot for West London, is to recognise learning and skills wherever they are acquired through a series of 'digital badges'. These will help individuals in low paid roles, or looking to enter the labour market, to better communicate 'soft' skills and progress in work, whilst also enabling employers to have better insight into potential recruits' 'soft' skills.

The Skills Board has overseen this project from its inception through establishing an anchor group of Board members and other key stakeholders to steer the work through to the development of a series of prototype badges now approaching completion to inform the development of a pilot of the programme.

### *Influencing the decisions that affect work in West London*

In the crucial first year of major devolved funding for adult education and skills to the Mayor of London, the WLESB also supported and steered West London's lobbying and policy influencing activity on the skills agenda. The Board oversaw the input from West London into City Hall's consultation on the Skills for Londoners framework, which set the priorities for implementing the first year of the devolved Adult Education Budget, setting the tone for both grant-funded and competitively procured skills provision for learners aged 19+.

The Board also engaged with City Hall and London Councils in shaping the [Skills and Employment Call to Action](#), launched in September 2019 to reiterate the case to government for a devolved and appropriately funded skills system for London.

The Board's input was also incorporated into ongoing efforts from London government and business to lobby for changes to the Apprenticeship Levy to improve its effectiveness in London.

### *Engaging with key employment sectors*

As part of its stated mission to support evidence-based decision making and priority setting for West London, the WLESB also continued its engagement with key sectors across the sub-region. Highlights across the year include various presentations received from: North West London Health and Care Partnership (the lead body on workforce issues for NHS Trusts) on their projected skills needs and renewed focus on engaging with local government and skills providers to meet these needs; Transport for London on its ambitious housing programme and accompanying construction skills programme; and HS2 on its evolving need for skills and plans for associated engagement with the provider base and development of local job brokerage activity.

### *Developing skills policy and strategy for London*

The Board also fed into broader policy and strategy for West London, contributing to the refresh of the West London Alliance's Vision for Growth and approving the recommendations of the Adult and Community Learning Review commissioned from the Learning & Work Institute, agreeing on the latter to receive bi-annual progress updates on its delivery.

## Looking ahead to 2020

As we move towards 2020, there are various new areas of work considered and approved by the Board which are in the early stages of development. They will however form a central part of the Board's future work programme. These include:

**Improving our understanding of skills demand and supply:** A research exercise to improve our understanding of the demand for and supply of skills across the whole West London economy. The Board has agreed that this piece of work should provide a sufficiently dynamic, updateable evidence base in the form of a resource to inform interventions which could then help influence the development of a more responsive skills system, more effective allocation of resources and help close any gaps between demand and supply.

**Developing practical, sub-regional interventions to improve the effectiveness of the Apprenticeship Levy in West London:** Whilst acknowledging the value of continued lobbying for reforms of the Apprenticeship Levy, the Board recently agreed for various practical interventions to be scoped, where they complement and add value to any existing activity at the borough level. These could include e.g. scoping a West London model of transferring unspent Levy from larger, Levy paying employers to smaller businesses; developing a West London quality standard for apprenticeships, having regard to the 'good work' agenda and fair pay etc.; and developing a West London approach to pooling unspent Levy.

**Scoping ways of improving the use of the planning system to promote training, skills and employment:** following Board discussions on this topic a survey of borough planning and skills/employment officers has been undertaken to inform potential work to look at sub-regional activity, which could include e.g. improved joint work on matching candidates with opportunities generated through Section 106 agreements; development of model Section 106 policies/agreements; and a common approach to monitoring of Section 106 agreements among other areas of focus.

**Taking the Cities of Learning employability framework and programme of digital badges from scoping to pilot stage:** As we approach the conclusion of the scoping phase of this innovative approach to recognising and accrediting skills acquired in a variety of settings, the Board will consider how best to deliver a pilot to test the digital badge approach in key West London sectors, and how to resource that.

**Review of membership:** subject to discussion at a future Board meeting, there could be merit in examining where any gaps in membership exist, potentially identifying a small business representative and an employer representative for the creative/media sectors.

## Case studies of SIP activity funded and overseen by the work of the West London Skills Board in 2019

### **Support for upskilling through the Skills Escalator**

*Ms D is a self-taught bookkeeper for her family car mechanic business she hasn't formal qualifications in bookkeeping. The business is paying £1,600 to an outsourced company to complete tax returns and final accounting. Skills Escalator is financing an Advanced Diploma in Accounting with work experience, to bring both the qualification and wider experience to the small business. We expect both increased productivity for the family business and Ms D will be able to take additional work on to increase her personal income.*

### **Investing to save through the Skills Escalator**

Anna is a client registered on the Skills Escalator project. She currently works as a book keeper and her long-term aim is to become an accountant. Anna has taken three ACCA modules but couldn't afford to fund the remaining modules she needed to achieve her aim. We have granted funding for those modules and she has started her course.

Anna has been given a conditional employment offer by her current employer for the position of an Accounts Manager subject to successfully completing the modules. This position comes with a salary of £40,000 per annum which will result in a more than £10,000 annual reduction in Housing Benefit entitlement per annum. Return on investment in this case is almost fourfold in year one alone.

Anna lives alone with her son and feels strongly this will demonstrate to him the importance of hard work and contribution and is thrilled her local authority are supporting her in this way.

### **Progressing into and within work with the Skills Escalator**

*Hayley Hamilton sought the help of Skills Escalator and is now training to be a teaching assistant. She said: "The job I do at the moment is perfect because it fits in with my daughter being at primary school, but it is not a career that I want to be doing long term."*

*"Skills Escalator has helped me immensely. I couldn't have seen a way out otherwise and I probably would have been plodding along until, I don't know, maybe I got a lucky break for another job. Without this I probably wouldn't have had any sort of future, work-wise, to look forward to, but I can see a light at the end of the tunnel with this now and look forward to doing something I actually want to do."*



### ***Moving from learning to volunteering to employment***

*Having completed English, maths and IT courses with Hillingdon's Adult Education Service, Samira decided to volunteer. She says, 'I really enjoy volunteering on the ECDL course. Following all the help and support I received when studying, it's really nice to support others in achieving a qualification.'*

*She added, 'I intend to continue with further studies and volunteering, and in a couple of years' time apply to study IT at university. My ultimate aim is to work in this area, but at the moment I'm applying for administrative roles where learning and volunteering experience can be put to good use.'*

### ***Helping people into work***

*Lidia approached Brent Council's 'The Living Room' project a year ago. She had moved from Italy two years ago and struggled to find employment. She has a young child which limited her ability to look for work and get a job.*

*When she approached her advisor, she was having issues with Universal Credit and her housing and was on the verge of losing her house and was thinking of returning to Italy.*

*Her adviser worked with her to sort out her Universal Credit and housing benefit problems so that she was no longer at risk of homelessness. The adviser worked with Lidia on her motivation and confidence on a 1-1 basis and offered her courses, also providing Lidia with childcare advice. Lidia felt more comfortable but was still struggling to find work. The adviser helped Lidia with her CV and job search. Lidia mentioned that she wanted to work in accounting or finance but lacked experience.*

*The adviser worked with Lidia to look for relevant opportunities and apprenticeships, eventually helping Lidia to apply for a payroll apprenticeship within Brent Council. Lidia was successful in the interview and started working as a payroll apprentice at the start of September 2019. She is very happy in her job.*

## **Members of the West London Skills and Employment Board**

Councillor Steve Curran, Leader, London Borough of Hounslow (Chair)

Paula Stannett, Chief People Officer, Heathrow Airport Ltd (Deputy Chair)

Niall Bolger, Chief Executive, London Borough of Hounslow (*Lead West London Chief Executive for skills*)

Ambrose Quashie, Skills Manager, HS2 Ltd

Billy Seago, Work Matters Manager, London Borough of Hammersmith & Fulham (representing Skills and employment lead officers)

Caroline Marais, General Manager – Human Resources, Edwardian Hotels

Chris Wright, Senior Manager – Programme Delivery, Greater London Authority

Darren Mepham, Chief Executive, Barnet & Southgate College (*representing principals of West London further education colleges*)

David Francis, Director, West London Alliance

David Warnes, Deputy Principal, West London College (representing Mayor's Construction Academy Hub)

Dianna Neal, Strategic Lead: Enterprise, Economy & Skills, London Councils

Laura Miller, Senior Strategy Manager – Construction Skills, Transport for London

Katie Bell, Chief Commercial Officer, Middlesex University London

Kim Archer, Work & Health Programme Lead, West London Alliance

Neil Impiazzi, Partnership Development Director, SEGRO

Pippa Nightingale, Chief Nurse, Chelsea & Westminster NHS Trust

Poorvi Patel, Head of Education & Skills, Heathrow Airport Ltd

Richard Griffin, Health Education England

Tom Cardis, Interim Director of Planning, Old Oak and Park Royal Development Corporation

Vicki Taylor, Head of Lifelong Learning, Skills & Employment, London Borough of Hounslow (representing adult and community learning lead officers)



	<b>West London Economic Prosperity Board 9</b>  <b>20 November 2019</b>
<b>Title</b>	<b>Towards a West London Digital Strategy</b>
<b>Report of</b>	Fin Kelly (West London Alliance)
<b>Sponsor</b>	Kim Smith (Chief Executive, LB Hammersmith and Fulham)
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	Appendix A - LGA: Councillors Guide to Digital Connectivity
<b>Officer Contact Details</b>	Fin Kelly, Strategic Lead for Digital and Smart Cities, West London Alliance, E: <a href="mailto:kellyf@ealing.gov.uk">kellyf@ealing.gov.uk</a>
<b>Summary</b>	
<p>The Vision for Growth consultation document – <i>Winning in the New Economy</i> White Paper, highlights the growing base of evidence for the fundamental role that digital technology can play in unlocking economic growth and the opportunity to make that growth as inclusive and sustainable as possible.</p> <p>To guide our work in this area, WLA is in the early stages of developing a Digital Strategy for West London. This report is intended to stimulate discussion by the West London Economic Prosperity Board (WLEPB) and comments from the Committee will steer the development of the strategy. It sets out the potential benefits digital technology offers West London, why working at the West London level makes sense, a vision statement, high level goals and possible programme areas.</p>	

<b>Recommendations</b>
<p><b>Leaders are asked to:</b></p> <ol style="list-style-type: none"> <li><b>1. Note WLA is progressing towards a West London Digital Strategy.</b></li> <li><b>2. Comment on the emerging suggested high-level goals and priorities set out from section six.</b></li> </ol>

## 1. WHY THIS REPORT IS NEEDED

- 1.1 This report sets out the case for working at the West London level to ensure residents and business benefit from existing and emerging digital services whilst minimising any downsides.

## 2 INTRODUCTION

- 2.1 Technology is one of the UK's most important sectors creating value to the economy and changing we live our lives. The convergence of emerging technologies<sup>1</sup> combined with full fibre connections to every home and growing 5G coverage will continue this change in some ways we can predict, and others we cannot. The high degree of risk around policy, funding and technological change means whist boroughs are not able to plan for all eventualities they can prepare their assets, services and operational models to take advantage of new opportunities to attract investment and improve residents' lives.
- 2.2 At the same time, the climate change emergency means new collaborations will be required between the public and private sector to meet the commitments made in the UK's 2050 net zero emission target or the 2030 target passed by the London Assembly (Still 2050 in Mayor's Environment Strategy).
- 2.3 The pathway to Zero Carbon London (GLA 2018) requires deployment at scale of new electric vehicle (EV) charging infrastructure, major investment into the energy and residential sector to improve efficiency and deployment of digital technologies (for example smart meters) to manage and reduce demand. The McKinsey Global Institute suggests that using digital technology to manage public services could lead to significant improvements in sustainability, including a reduction in emissions by 10 to 15 percent and water consumption by 20 to 30 percent.<sup>2</sup>
- 2.3 This presents an opportunity for West London to develop new partnerships to coordinate the deployment of next generation digital and energy infrastructure, minimising disruption to residents and businesses and to create a platform for business model innovation. In some sectors it may be important for the public sector to take the lead and prioritise support for digital projects that secure long-term benefits for communities.
- 2.4 West London is already one of the UK's technology and innovation hubs with a network of business accelerators, universities and is home to hundreds of technology related businesses in all sectors of the economy. A KPMG report in 2015 found Hounslow is one of the UK top 5 Technology Hubs with 18% of firms in the borough being technology focused. The report identified the M4 Corridor as being the Silicon Valley of the UK because it hosts 3 of the 5 top tech clusters in the UK. A 2016 Financial Times article also noted that the M4 Corridor exhibits the characteristics of

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1

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/584219/technology-innovation-futures-2017.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/584219/technology-innovation-futures-2017.pdf)

2

<https://www.mckinsey.com/~media/McKinsey/Industries/Capital%20Projects%20and%20Infrastructure/Our%20Insights/Smart%20cities%20Digital%20solutions%20for%20a%20more%20livable%20future/MGI-Smart-Cities-Full-Report.ashx>

Silicon Valley with spin out firms from tech cluster benefiting from the agglomeration effects creating economic growth.

### Digital Connectivity

- 2.3 Digital connectivity is an all-encompassing term used to describe mobile or fixed connections to the internet. Being connected in this way has become part of the fabric of everyday life – as important to communities and businesses as a water, gas or electricity connection.
- 2.4 As more of us use faster broadband and mobile services we have more choice about how and when to make voice and video calls, message friends and relatives, browse the internet, watch on-demand TV, stream music, play games, do shopping or work from home.
- 2.5 It is equally important for businesses too. Research by the Federation of Small Businesses found that 94 per cent of small business owners rate a reliable broadband connection as critical to the success of their business<sup>3</sup>. A survey conducted by the Confederation of British Industry found that 81 per cent of firms also said that they see more reliable mobile connectivity as essential.<sup>4</sup>
- 2.6 Specific connectivity network technologies include 3G, 4G and 5<sup>th</sup> Generation Mobile networks (5G), Fibre Optic cables (Full Fibre to the Premises or FTTP, Gigabit connections, etc.) and Internet of Things (IoT) low power and wide area networks.
- 2.7 Connected devices include smart energy meters, smart phones, unmanned aerial vehicles, (drones), connected cars, trains, buses, e-bikes, infrastructure such a road, bridges, bus stops, street lighting, EV chargers, CCTV and remote health care monitoring devices.

### Artificial Intelligence and Machine Learning

- 2.8 Artificial Intelligence and machine learning are general purpose technologies already starting to transform the global economy. They are new industries in their own right, but they are also transforming traditional business models across many sectors as they deploy vast datasets to identify better ways of doing complex tasks – from helping doctors diagnose medical conditions more effectively to allowing people to communicate across the globe using instantaneous speech recognition and translation software. Related technologies include Robotic Process Automation (RPA), Big Data, Data Analytics and Blockchain.

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<sup>3</sup> <https://www.fsb.org.uk/standing-up-for-you/policy-issues/digital-economy/broadband-and-mobile-connectivity>

<sup>44</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/257006/UK\\_Broadband\\_Impact\\_Study\\_-\\_Impact\\_Report\\_-\\_Nov\\_2013\\_-\\_Final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/257006/UK_Broadband_Impact_Study_-_Impact_Report_-_Nov_2013_-_Final.pdf)

### 3.0 POTENTIAL BENEFITS FOR WEST LONDON

Examples of how residents and businesses in West London can benefit from new applications enabled by digital connectivity include:

Sector	Potential Benefits
Public Services	<p>London First has estimated that digitally connected road systems could reduce traffic congestion by 10%. A reduction of delays of this order would save users of the A406 and A312 in West London alone £8 million every year.</p> <p>New digital technologies such as 5G mobile connectivity will allow real-time transmission of detailed patient data (e.g. scans) from the scene of the accident to the hospital. This will allow optimal care pathways to be chosen at the scene with hospital specialists and paramedic staff improving patient outcomes. Such real time analysis will be available to fire crews and the police to inform how they respond at the scene to emergency scenarios.</p> <p>O2's <i>The Value of 5G for cities and communities report</i> estimates UK local authorities could save £1.9 billion each year from energy saving/digitally connected lighting (£91million), smart refuse collection (£1.8billion).</p>
Health and Social Care	<p>Health and social care systems are critical to improving productivity in the economy and creating sustainable economic growth. Digital connectivity will allow providers of care to carry out GP, outpatient and other customer appointments remotely without the need to travel to hospitals or government facilities. This could enable a significant area of public service activity to be delivered more effectively, at lower cost and with improved customer experience. It might help reduce the costs (over £1 billion pa) of missed appointments.</p> <p>Preventative health and social care applications will use emerging technologies to allow vulnerable and older people to live independently for as long as possible. New digital technologies will also provide a secure low-cost network for wearables and sensing technologies inside and outside the home. Preventative healthcare applications have potential for considerable cost savings, reducing need for costly hospital or residential care. The O2 report estimates telehealth and monitoring could reduce residential social care costs across the UK by £890million.</p>
Connected, electric and automated vehicles (CAVs)	<p>New digital connectivity networks such as 5G will enable deployment and uptake of more sophisticated connected, electric and automated vehicles (CAVs), providing opportunities to capture social, environmental and economic benefits of £51 billion per year by 2030 and harness new investment into the UK automotive industry (KPMG). For West London this could equate to £1.9bn social, economic and environmental benefits by 2030.</p>
Logistics	<p>In logistics, 5G has potential to reduce operational costs - particularly with real time information feeds from supply chains,</p>

	manufacturers and suppliers and delivery recipients being used to optimise operations. It will reduce the need for repeat visits to attempt delivery and enable more accurate delivery times with narrower windows for customers. Opportunities will also open up for real time haulage platforms and real time collaboration to reduce the amount of empty running cutting road congestion.
Energy	Modernisation of the energy system is well under way with the deployment of the latest generation of smart meters. These devices will support new business models and tariffs that adjust supply and demand in real time in line with customer needs and available sources of supply.
Buildings, Infrastructure and construction	BEIS estimates (2018) that full digitisation of the built environment and construction industries will enable a 33% reduction in the cost of construction and the whole life cost of assets; a 50% reduction in the time taken from inception to completion of new build and a 50% reduction in greenhouse gas emissions in the built environment. <sup>5</sup>
Productivity and Labour participation	<p>Employees will be able to collaborate more effectively within an organisation and with partner firms while services to customers will be improved. Better and more reliable connectivity will increase the likelihood that staff can work from home, saving commuting time and reducing demand for transport.</p> <p>Enhanced digital connectivity will help remove some of the barriers to work for home-based carers, those with impaired mobility and older workers expanding opportunities for labour market participation.</p>

#### 4.0 THE WEST LONDON OPPORTUNITY

- 4.1 West London is the capital City's and the UK's gateway to the world, with a GVA over £80bn, greater than Manchester and Birmingham combined.
- 4.2 The sub-region makes a unique and significant contribution to both London and the wider UK economy through a range of major national and international assets including Heathrow Airport and major opportunity areas such as the Hounslow Golden Mile, Brent Cross and Wembley.
- 4.3 The sub region has large-scale radial infrastructure investment in the form of Crossrail and the West London Orbital that will create further investment opportunities, including the construction of the largest new railway station in the UK in the last 100 years at Old Oak Common. The growing population is educated, enterprising, and flexible making it highly attractive to businesses locating here. It has a quality education and training system with world leading higher education and research institutions.

<sup>5</sup> <https://www.gov.uk/government/publications/construction-sector-deal/construction-sector-deal>



Figure 1 – West London Borough Priorities for Growth and Digital Business and Innovation Anchors

4.4 The scale and range of activity across the public and private sector means West London has a strong investment case for digital investment and transformation. Figure 1 provides an overview of the priorities for growth and digital business and innovation anchors. At the West London level important sector opportunities include:

- **Health and Social Care:** There is scope to leverage existing innovation partnerships between the healthcare sector, universities and local government located in Hillingdon and Hammersmith and Fulham. There is a large local and diverse market for new services with over 1 million people aged over 65 and that number is expected to grow to 1.2 million by 2024 – an increase of 22% in 10 years.
- **Public services:** working with 7 local authorities provides ample scale to trial new business models and prove business cases with over 2 million residents and multiple local authority supply chains and service providers. The GLA Group and NHS London provide routes to scale, validation points and further procurement opportunities for different public services.
- **Mobility, Industrial and Logistics:** 78% of all journeys start and finish in West London which means there is sizable local market for new services. At the same time, there are very significant congestion and air pollutions issues stakeholders are keen to address. Logistics is a significant sector in West London, with over 1700 companies operating. There are industrial areas located across West London with major logistics hubs at Park Royal, North Circular Road and Heathrow Airport serving London and the South east. There are a cluster of automotive companies based along the M4.



- **Planning, Development and Construction** West London has an ambitious housebuilding programme underway. The current London Plan housing target is 81,760 for the 10 years 2015-25; the draft Plan increases that to 169,998 for 2019-29. Large-scale development is planned or underway across west London providing a vast range of opportunities to test and trial new digital technologies and a waiting market across London for solutions.
- **Enhanced Mobile Broadband Services** The highest concentration of media businesses in London are centred in Hammersmith and Fulham and Hounslow. West London has a diverse population of over 2 million people and GVA of the economy is greater than Birmingham and Manchester combined. There is huge potential for large scale user and business model testing of new 5G consumer and business applications. The diversity of end users means products tested in West London can be scaled quickly to global markets.

## 5.0 WHY WEST LONDON

- 5.1 Keeping a focus of activity at West London level is important for digital infrastructure planning and innovation for several reasons. Working at the 7 borough West London scale has the following benefits:

Sharing risk to enable West London Scale trials	It will allow boroughs and the private sector to share unavoidable risks such as the risk of wasted resources and possible service failure if things go wrong when trialling a new digital technology. It allows boroughs to share the development costs of new legal frameworks, business cases, IP and operational management know how required and avoids duplication.
Securing new digital Investment and creating an attractive market	One of the challenges in the roll out of technology innovation projects in local authority areas to date has been the competitive selection process between authorities to win grant funding, which has inhibited collaboration. This has often resulted in the fragmentation of projects seeking to create solutions to common challenges shared by all local authorities which then do not get traction in the market and are not interoperable. The model now favoured by industry and government is for local authorities to work together to define their requirements and work towards common approaches to development of commercial models required to support new business models
Co-creating new products and service delivering benefits faster for residents and businesses	User research and testing of new digital services requires access to diverse demographics and socio-economic groups to explore adoption rates, co-create new products and to develop standards. When done successfully, this results in new digital products scaling more quickly to global markets. West London is one of the most diverse places in the EU with access to global markets. There would likely be interest from other global cities to share knowledge and know-how with West London boroughs who are operating at a similar scale. This could be convened through standards or global city partnership organisations.

<p>Creating sustainable Business Models and generating new revenue streams</p>	<p>Globally, there are very few 5G projects operational at a large enough geographic and end user scale to prove business cases. Investment is hampered if projects have not been designed with ample scale to prove benefits and a return on investment. The scale of deployments required to create sustainable business models is not known for more advanced 5G services and use cases. For example, in the transport and mobility sector reaching a viable operating scale may require coordinated work between West London, TfL and the Thames Valley to create a large enough addressable market for the service.</p>
<p>Uncertain benefits from new technology</p>	<p>The benefits of new technologies are uncertain – especially as there are benefits that will accrue to wider society and business. Developing new 5G and digital connectivity projects and use cases with ample scale is critical: The impact of a new 5G service or application is unlikely to follow borough boundaries. This makes developing a sustainable business model difficult and innovation will be significantly hindered.</p>
<p>Convening Power for innovation</p>	<p>Individual local authorities may lack the convening power of central government that is required to enable bring together multiple players in multiple sectors to commit to a large scale 5G trial and to effectively change a regulatory framework. This is a very significant government failure that hinders innovation.</p>
<p>Assessing Security Risks</p>	<p>Digital technologies combining public and private sector assets in new ways to create new services. This creates significant risk for investors and new security, privacy and governance challenges because new interdependencies are created between organisations and across boundaries in critical infrastructure systems. Collectively assessing security risks, privacy and governance challenges allows boroughs to share potential developments costs and understand the interdependences and risk.</p>
<p>Counterparties</p>	<p>Digital technology is expected to disrupt sectors such as logistics, healthcare, transport and utilities triggering positive and negative impacts. The public and private counterparties to boroughs in these sectors do not operate at borough geography and tend to follow various sub-regional or regional boundaries. Responses to managing the negative externalities of disruptive technology will require joint approaches.</p>
<p>Digital Infrastructure Network Planning</p>	<p>Private sector led network planning of fibre is led by assessing demand for services at an area level. There is evidence that the lack of joint approach between boroughs to address the interdependencies between boroughs is resulting in providers cherry picking and developing sub-optimal schemes. This is because providers are focusing business case development inside boroughs where the legal framework is in place to provide</p>



	<p>access to assets. Anecdotal evidence suggests opportunities are being missed to develop more ambitious cross borough business cases which could provide scope to absorb abnormal costs with riskier sites.</p> <p>There is also scope to coordinate streetworks required for digital connectivity such as Fibre and 5G with other utility upgrades to minimise disruption for residents through a programme of collaborative works.</p>
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## 6.0 VISION STATEMENT

6.1 West London boroughs and businesses are recognised as global leaders in understanding and deploying technology to solve people and place-based challenges such as, reducing social and economic inequality, reducing pollution and congestion, and achieving the transition to a zero-carbon economy.

## 7.0 HIGH LEVEL GOALS

7.1 The 2018 GLA review of London Digital Strategies identified boroughs are using the concepts of digital council, digital customer and digital place to organise activity. Using this framework table 1 sets out the proposals for high level goals for the West London Digital strategy.

<b>A place where businesses can thrive</b>	Rapid deployment of advanced digital connectivity sets off explosive growth in high value businesses generating business rates growth, new jobs and prosperity for local people. New technology applications and business models help tackle long standing productivity challenges, such as road congestion and skills gaps.
<b>Entrepreneurial councils</b>	West London boroughs thrive in the digital era, nurturing world leading Govtech businesses and deliver faster, more responsive, efficient and higher quality services for residents. Services take advantage of emerging technology such as AI and 5G to offer a more tailored experience of interacting with the state, delivering better outcomes.
<b>Citizens and Communities</b>	Citizens and communities are in more in control of their data. Using their own skills, citizens develop innovative new solutions and tools that address their needs and solve problems, giving them more local control over local priorities and greater resilience.

Table 1 – Proposed High Level Goals – 2020-2025

## 8.0 THEMATIC PRIORITIES

8.1 Linked to the UN Sustainable Development Goals, the following thematic challenges areas are proposed to focus the digital programme activity:

- Environmental sustainability, climate change, zero-carbon and green tech and infrastructure;
- Inclusivity, addressing negative aspects of economic changes and inequalities and avoiding exclusivity from changes;
- Asset management, construction, infrastructure and tools towards better strategic decision-making.

## 9.0 PROGRAME OBJECTIVES

9.1 This section of the paper sets out proposed programme objectives to be further developed and refined in consultation with senior borough stakeholders:

Theme	Programme Objective
<b>A place where businesses can thrive</b>	<p>(1) Support the boroughs to deliver a state-of-the-art digital connectivity infrastructure (Fibre and 5G/IoT).</p> <p>(2) Using challenge led models, support the boroughs to open their assets in a managed way for innovators to test and trial new tech and business models at scale.</p>
<b>Entrepreneurial council</b>	<p>(1) Develop collaborations with universities and other partners which support the development of an enterprise start up culture in boroughs supporting intrapreneurship.</p> <p>(2) Collaborate across West London to define requirements, engage with the market to co-develop and procure solutions which delivering faster, more efficient and effective services for residents.</p>
<b>Citizens and Communities</b>	<p>(1) Complete a policy review of leading global cities approaches to achieving technological sovereignty and securing digital rights for citizens.</p> <p>(2) Complete a best practice review of models that support communities to develop their own solutions to which meet their needs using digital technology.</p>

## **10.0 REASONS FOR RECOMMENDATIONS**

- 10.1 To ensure West London is positioned to maximise the benefits of existing and emerging digital technologies for residents and business and to minimise the downsides.

## **11.0 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 10.1 The alternative option is to not develop a digital strategy agreed. This would likely result in sub-optimal public investment taking place across West London which would confuse the market and lead to sub-optimal outcomes for residents and businesses.

## **11.0 POST DECISION IMPLEMENTATION**

- 11.1 Comments by WLEPB will be incorporated into the development of the outline strategy which will be brought back to the WLEPB at a future date for review.

## **12.0 IMPLICATIONS OF DECISION**

### **Corporate Priorities and Performance**

- 12.1 The draft Vision for Growth highlights growing base of evidence showing the fundamental role that digital technology can play in unlocking economic growth that is both inclusive and sustainable.

### **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 12.2 Work to date has been funded from existing resources, which includes Strategic Investment Pot funding. No additional resources are sought at this point. Decisions about funding of further work in the future will be made on a case by case basis.

### **Social Value**

- 12.3 At the heart of the Digital Strategy proposition is a benefit to citizens from improved connectivity; a closing of the 'digital divide', and a lowering of the barriers to access for public and private services. We will be explicitly focusing on public services and the potential for inclusive economic growth within the strategy and will be using the Inclusive Growth Framework and KPI's derived from the UN Sustainable Development goals to analyse potential impacts as the programme rolls out.

### **Legal and Constitutional References**

- 12.4 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:
- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
  - Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to

- the economic prosperity agenda.
  - Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.
- 12.5 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.
- 12.6 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

### **Risk Management**

- 12.7 This report will support the WLEPB to make decisions based on the best possible evidence about how people move around west London both now and in the future.

### **Equalities and Diversity**

- 12.8 This paper applies to people from all backgrounds across West London. Any specific projects arising from future development of this agenda will have their equalities impacts considered on a case by case basis.

### **Consultation and Engagement**

N/A

## **13.0 BACKGROUND PAPERS**

### **Other Useful Resources**

[A Councillors Guide to Digital Connectivity \(2019, LGA\)](#)

<https://www.local.gov.uk/councillors-guide-digital-connectivity-0>

[Incubators and Accelerates in West London – an Ecosystem Emerges](#)

<https://www.westlondon.com/wp-content/uploads/2019/06/Incubators-and-accelerators-Documents-Web.pdf>

[Playbook for a local authorities and asset owners to guide them deploying 5G](#)

[https://futurecities.catapult.org.uk/wp-content/uploads/2018/07/HC\\_Report\\_Playbook-scale-deployments-of-AUS-5G-use-cases\\_v3.pdf](https://futurecities.catapult.org.uk/wp-content/uploads/2018/07/HC_Report_Playbook-scale-deployments-of-AUS-5G-use-cases_v3.pdf)

# A councillor's guide to digital connectivity

## Guidance

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# Introduction

Digital connectivity is an all-encompassing term used to describe mobile or fixed connections to the internet. Being connected in this way has become part of the fabric of everyday life – as important to communities and businesses as a water, gas or electricity connection.

With better access to high speed and reliable broadband and mobile connections, local communities can access public services more conveniently and purchase goods online at a lower cost. People can work from home, cutting out their commute and improving their quality of life. Businesses can grow, become more productive, sell their products in a global market and access a raft of services not available to those offline. Tourists can find out more information about local attractions and share photographs of their experiences with friends and on social media. In contrast, areas stuck in the digital slow lane are less attractive places to live, work and visit, and risk being left behind as other areas reap the benefits of our digital revolution.

At the national level, the Government has set out its ambitions to build ‘a world-class digital infrastructure’ and has committed to rolling out nationwide full fibre broadband<sup>1</sup> coverage by 2033 and increase geographic mobile coverage to 95 per cent of the UK by 2022. However, the job of connecting the UK is far from complete.

While most people in the UK are connected to a basic broadband connection (defined later in this guide), there remain too many communities where streaming a movie at home or even sending pictures to friends and family via email is considered a luxury.

These poorly connected areas aren’t just in out of the way hamlets deep in the countryside. Some inner-city areas such as Rotherhithe, in London, Deansgate in Manchester and the Baltic Triangle in Liverpool, have average speeds well below the Government’s minimum aspiration.

Similarly, while many parts of the country take for granted the existence of ever-present, high-quality mobile connectivity, there are significant gaps in coverage. These gaps are usually found in rural communities, where residents suffer from partial mobile coverage, where not all mobile network operators cover an area, or ‘not spots’, where a mobile phone will not be able to make a call on any network.

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<sup>1</sup> A connection that can achieve download speeds of up to 1 Gbps (with similar upload speeds)

As technology continues to evolve, it is vital that all local areas have the digital infrastructure able to meet the demands of consumers and businesses both today and in the future.

**This guide is structured to provide councillors with key information on digital connectivity. It explores the main issues and challenges facing our local areas and includes hints, tips and case studies from experienced councillors who have already undertaken work to get their communities better connected. It also provides a brief overview of Government policy and a glossary of widely used terms. Finally, it sets out the vital role councillors can play in this area by:**

- **educating residents, voluntary and third-sector groups and businesses on the benefits of faster, more reliable connectivity**
- **bringing communities together to advocate for improved digital connectivity by applying for grants or aggregating their demand to persuade telecommunications providers to build the necessary infrastructure on their road**
- **helping residents consider where it is most appropriate to build new digital infrastructure, such as a phone mast, to improve residents' and businesses' connectivity whilst conserving local landscapes**
- **working in partnership with council portfolio holders, officers and other local stakeholders to consider the role your council can play in helping to improve communities' digital connectivity.**

For any queries relating to the guide please email [localism@local.gov.uk](mailto:localism@local.gov.uk).



# Why digital connectivity matters

Digital connectivity is revolutionising people’s quality of life. According to research commissioned by the communications regulator Ofcom, in 2017 64 per cent of people said the internet was an essential part of their day to day life.

As more of us use faster broadband and mobile services we have more choice about how and when to make voice and video calls, message friends and relatives, browse the internet, watch on-demand TV, stream music, play games, do shopping or work from home.

It is equally important for businesses too. Research by the Federation of Small Businesses found that 94 per cent of small business owners rate a reliable broadband connection as critical to the success of their business.<sup>2</sup> A survey conducted by the Confederation of British Industry found that 81 per cent of firms also said that they see more reliable mobile connectivity as essential.

We know that improved digital connectivity increases innovation and productivity across the economy. Increased broadband speeds alone could add £17 billion to UK output by 2024.<sup>3</sup> Studies have also shown mobile broadband is associated with positive impacts nationally, such as higher GDP and increased employment.<sup>4</sup>

The digitisation of public services also offers an important opportunity to support sustainable local services, especially in more remote settings with the public keen to use more services online.<sup>5</sup> Of course, it is worth noting that not all residents will feel comfortable using digital services and therefore must be accommodated via other means.

Finally, better digital infrastructure can enable local government to fully utilise advances in technology and data analysis to better understand local areas and deliver services more effectively. The transformation of public sector assets such as lamp posts into “smart infrastructure” means they can now supply public access to wifi (explained later in this guide); support environmental monitoring such as air quality or flooding; or even monitor pedestrian flow or parking spaces.

<sup>2</sup> [www.fsb.org.uk/standing-up-for-you/policy-issues/digital-economy/broadband-and-mobile-connectivity](http://www.fsb.org.uk/standing-up-for-you/policy-issues/digital-economy/broadband-and-mobile-connectivity)

<sup>3</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/257006/UK\\_Broadband\\_Impact\\_Study\\_-\\_Impact\\_Report\\_-\\_Nov\\_2013\\_-\\_Final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/257006/UK_Broadband_Impact_Study_-_Impact_Report_-_Nov_2013_-_Final.pdf)

<sup>4</sup> [www.mobileuk.org/cms-assets/The%20Impacts%20of%20Mobile%20Broadband%20&%205G.pdf](http://www.mobileuk.org/cms-assets/The%20Impacts%20of%20Mobile%20Broadband%20&%205G.pdf)

<sup>5</sup> The Citizen View of Government Digital Transformation, Rural England, Ipsos Mori and Sopra Seria, 2017 – 89 per cent of residents say they are ready and willing to use additional digital services when they become available.

# What is broadband?

**Broadband is the ‘always-on’ way of connecting a computer to the internet using a copper, cable, fibre or wireless connection.**

Although there is no universally accepted definition of different types of broadband, it is often defined by its download speed ie the speed at which a device can receive information (data) from the internet. A broadband connection’s upload speed ie the rate at which data, such as your photographs or videos is sent to the internet, is also a vital component of ensuring a high-quality online experience. The speed at which data is downloaded or uploaded is measured in megabits per second often abbreviated to either Mbit/s or Mbps.

The Government and Ofcom use the following terms to define a connection’s speed:

- **decent** – download speeds up to 10 Mbps (upload speeds of up to 1Mbps)
- **superfast** – download speeds up to 30 Mbps (with upload speeds of up to 10 Mbps)
- **ultrafast** – download speeds of up to 300 Mbps (upload speeds between 5 Mbps – 21 Mbps according to the broadband package chosen)
- **full-fibre** – download speeds of up to 1 Gbit/s (with similar upload speeds).

Broadband that offers faster download than upload speeds is often referred to as an asymmetric connection. Asymmetrical connections are caused either by limitations in the capacity of the digital infrastructure or because the internet service provider (defined later) limits upload speeds.

Broadband services delivered over copper telephone lines often suffer from lower than advertised headline speeds because the signal degrades with distance. Full fibre connections, where the fibre optic cable extends all the way to the customer premises do not suffer from the same problems. Hence full fibre connections are capable of delivering very high speed, symmetric services, often of 1 Gbps (1,000 Mbps), irrespective of location, urban or rural.

Wireless broadband services come in two types – fixed and mobile. Fixed Wireless Access services connect to an antenna usually sited on the customer premises. Mobile broadband uses the mobile phone network to deliver services.

# What you can do with different types of broadband

The broadband and mobile infrastructure that supplies a connection can be compared to water pipes; just as there's a maximum amount of water you can get through a water pipe of a particular size, there's a maximum amount of data you can get through a broadband connection. The faster your broadband connection, the more things you can do at the same time.

This has raised consumers' expectations for connectivity. In an 'always on' society, people expect to be connected everywhere through a plethora of devices.



## What can a family do with different download speeds at home

While a decent broadband or a 3G mobile connection will enable basic web browsing, if a family wants to enjoy increasingly high definition videos such as 4K (Ultra HD) via demand services such as Netflix or BBC iPlayer, they will need a faster connection, especially if several people in a family are using different services at the same time.

Activity	'Decent'	'Superfast'	'Ultrafast'	'Full-Fibre'	3G	4G	5G
Whole family browsing internet/ checking emails	Green	Green	Green	Green	Green	Green	Green
One person streaming music	Green	Green	Green	Green	Green	Green	Green
One person video calling such as iPhone Facetime	Green	Green	Green	Green	Orange	Green	Green
Streaming a movie by itself	Green	Green	Green	Green	Orange	Green	Green
Streaming music and a movie at the same time	Orange	Green	Green	Green	Red	Orange	Green
Streaming a 4K movie by itself	Red	Green	Green	Green	Red	Red	Green
Streaming a 4K movie, music and playing games at the same time	Red	Orange	Green	Green	Red	Red	Green

## What can a business do with different download speeds

For any business, internet connectivity is essential. With superfast broadband, businesses can communicate with customers and colleagues using video conference platforms and run e-commerce operations. But the more employees a business has, the faster its connection needs to be. Symmetric connections, where download is as fast as upload speed are especially important for businesses. With an ultrafast symmetric connection uploading files to a cloud service is as quick as storing them on a local hard disk. This is extremely useful for small businesses and home workers who are increasingly moving to cloud services for resilience, security and convenience. Fast upload speeds also facilitate video communications for both social and business interaction.

Activity	'Decent'	'Superfast'	'Ultrafast'	'Full-fibre'
Checking emails	Green	Green	Green	Green
Editing a website	Green	Green	Green	Green
One-person video calling	Green	Green	Green	Green
Backing up to the cloud or uploading big files	Yellow	Green	Green	Green
Support more than 5 online employees	Red	Yellow	Green	Green
Support more than 10 employees	Red	Yellow	Yellow	Green

## The broadband marketplace

The broadband marketplace comprises many different companies which supply a range of services to businesses, consumers, or other broadband providers. It can be complex and hard for consumers to understand.

There are three types of broadband provider.

### **Digital infrastructure providers - those that only build broadband infrastructure and do not deal with consumers directly**

Openreach is the biggest digital infrastructure provider in the UK. It is a separate division of BT and is responsible for installing and maintaining the UK's main telecoms network infrastructure. Openreach sells wholesale products to over 620 retail providers. Recently CityFibre has emerged as a competitor to Openreach building new full fibre networks in cities, operated on a wholesale basis.

### **Internet Service Providers (ISPs) - those that only supply a broadband retail service to consumers and do not build infrastructure**

ISPs such as Sky, BT and many others, use Openreach's and CityFibre's infrastructure to sell broadband retail services to residents. In areas where Openreach has built broadband infrastructure, consumers can often have hundreds of broadband providers to choose from, often including well-known consumer brands such as John Lewis or the Post Office. These providers all use the same Openreach infrastructure.

When a consumer using a broadband retail service provided by one of these ISPs has a problem with their connection, they often have to wait for the infrastructure provider (rather than the ISP they are contracted to) to repair it.

## Those that build broadband infrastructure and use it to supply a broadband retail service to consumers.

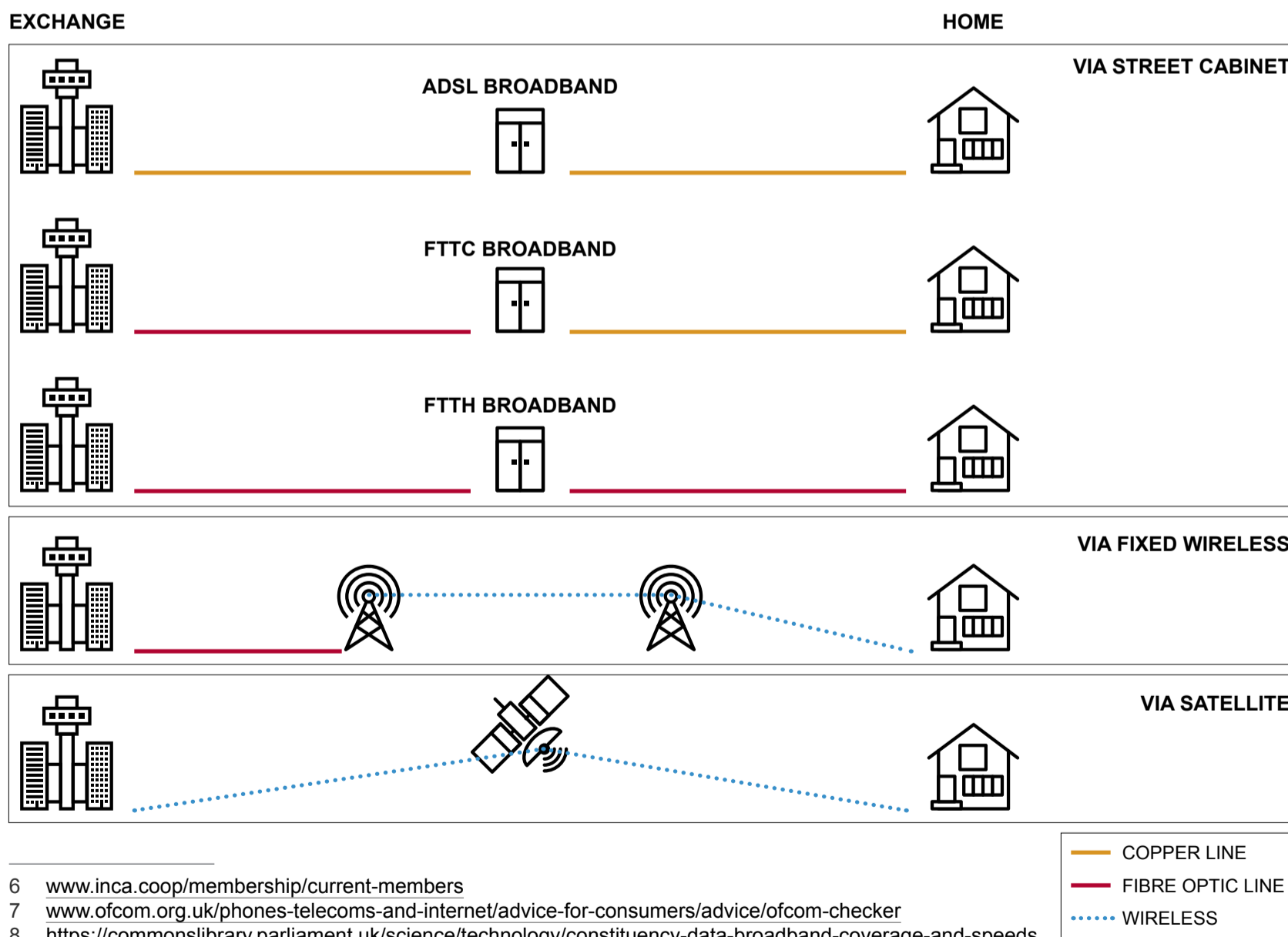
Virgin Media, Hyperoptic and Gigaclear are three of the largest broadband providers who build their own infrastructure and supply the broadband service over the top. Virgin Media and Hyperoptic are 'vertically integrated' in that they offer access only to their own package of services. Gigaclear is moving to a wholesale model where customers will have a choice of ISP services. Other providers are expected to do the same over time.

Many of the independent providers are listed by their trade association INCA and can be found online.<sup>6</sup>

It is recommended that consumers shop around to understand who supplies broadband in their areas and at what price, where there is competition. Price comparison websites are often the best way to do this. Ofcom also offer a broadband checker app which allows you to find out which services are available in specific locations, such as your home or workplace.<sup>7</sup>

The Parliament website has an interactive map and database of connectivity speeds broken down by each constituency.<sup>8</sup>

## Types of broadband infrastructure



'Decent' broadband is delivered using a technology called **ADSL via copper cables** used by the telephone network. The majority of copper infrastructure across the UK is owned by Openreach with a small enclave around the Hull City Region owned by K-Com.

**Cable** is faster and uses the same sort of coaxial cables that are used to deliver cable TV direct to people's houses. It's only available in the UK from Virgin Media, usually in a package with TV and phone services. It is only available where Virgin Media have installed their infrastructure.

There are two types of fibre broadband, both of which use clusters of fibre optic cables, each one thinner than a human hair.

Most fibre connections in the UK are '**fibre-to-the-cabinet**' (**FTTC**), with fibre optic cables running from the telephone exchange (the centralised location housing telecommunications and broadband equipment in each area) to street cabinets before using standard copper telephone wires to connect to nearby premises. As with ADSL lots of different providers offer services using the infrastructure owned by Openreach.

**Fibre-to-the-premises broadband (FTTP)**, as the name suggests, involves fibre optic cables running directly to a home or business. This can offer better than an 'ultrafast' connection, with download and upload speeds of up to 1 Gbps (ie 1,000 Mbps), but there are only a few companies offering the service and only in a few parts of the country. The Government wants 15 million homes to be connected by 2025 with coverage across the whole country by 2033. This will be essential to take advantage of new and developing technologies, but according to figures from Ofcom in 2018 only about seven per cent of premises were connected.

There are two options for connecting very remote properties where it's very expensive to lay a cable or fibre. Some ISPs offer **fixed wireless broadband** using a variety of different technologies, including 4G mobile phone networks (defined later). **Satellite Broadband** is another option.



	How it works	Technical considerations	Speed
ADSL	Uses telephone network's old-fashioned copper wires all the way from the telephone exchange to deliver 'decent' broadband	The connection speed drops the further you are away from the telephone exchange	Decent - 10 mbits/s
Cable	Cable technology is used to deliver superfast and ultrafast home broadband over cable TV networks.	Speeds are not lost with distance	Superfast and Ultrafast – up to 362 Mbps
Fibre-to-the-cabinet' (FTTC)	Fibre optic cables running from to street cabinets before using standard copper telephone wires to connect to nearby premises.	Most of the fibre broadband in the UK is FTTC.	Superfast
Fibre-to-the-premises broadband (FTTP)	Fibre optic cables running directly to a home or business	Very expensive to roll-out, requires new infrastructure to every premise	Ultrafast
<b>Alternative solutions to hard to reach places</b>			
Fixed Wireless	Uses radio spectrum to transmit high speed broadband. Broadband signal is passed from a radio on a transmitter to a radio attached to your building, or located inside your building, which allows you to connect to the internet the same way as via fibre or an ADSL connection.	The services offered will depend on the type of network, the radio spectrum used and local geography. Most (but not all) services require an uninterrupted 'line of sight' between the radio mast and the customer's premises.	Superfast to Ultrafast
Satellite	Transmitted wirelessly via a satellite dish. It works in a similar way to satellite TV, except those services just receive information.	Can function at any location but expensive to use. Connection can be affected by weather.	Decent

## The current broadband connectivity context

In 2018, the Government set targets to help the market roll out fibre-to-the-premises connections to 15 million premises by 2025 and nationwide by 2033.

At present, figures from the Ofcom's Communications Market Report show:

- more than nine in ten homes and businesses have access to 'superfast broadband coverage'
- full-fibre broadband (using fibre cables all the way from the exchange to people's homes) is now available to seven per cent of UK properties
- 91 per cent of the UK's landmass has access to good 4G mobile coverage from at least one operator, while 66 per cent has coverage from all four mobile network operators.

### Troubleshooting a poor broadband connection

There are lots of reasons why people's broadband might not work as well as they expect it to.

It can be caused by too many people trying to use it at the same time. Using the water pipe analogy: just as in a house, if someone tries to run a hot tap in the kitchen while someone else is having a shower both will get lukewarm water, if one person in a family tries to watch a movie while several other people stream music in different rooms both the movie and the music will possibly stutter.

Clearly, the faster your broadband connection, the more things you can do at the same time. An ultrafast connection will allow a household to stream several movies, listen to music and catch-up on TV all at a once.

Similarly, factors outside the home can also have an impact. In the same way that the National Grid used to prepare for half-time in the FA Cup final because there would be a power surge as millions of people went to put their kettle on, if most of a street or village connected to the same network goes online at the same time, then there's a chance everyone's broadband will slow down. This is called the 'contention ratio.'

There may be other problems. Inside the home a wifi router might need an upgrade, or it might be poorly configured, or it might be picking up interference because of where it is placed. Also, the distance of people's homes from the street cabinet or the exchange can affect their broadband connection.

Ofcom has an app which enables you to see if your home wifi is likely to be slowing down your broadband connection. They also have a troubleshooting guide on how to solve problems with people's phone or broadband:

[www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/problems/broadband-landline-faults](http://www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/problems/broadband-landline-faults)



But not everyone is connected, there are still large parts of the UK that are poorly served by communications services:

- around two per cent of UK premises cannot access a decent fixed broadband service
- around half the homes and businesses who have access to superfast, or better, broadband don't subscribe to these services.

## Regulation of broadband speed

### **Better broadband speeds information - voluntary codes of practice**

One of the ways Ofcom regulates the broadband market is through its voluntary code of conduct which is designed to incentivise ISPs to compete fairly, giving consumers and businesses realistic information on the download and upload speeds they are likely to receive, to enable them to make an informed choice between different services.

The four main areas of the code sign up providers to provide:

- speed estimates that reflect peak time speeds ie the times at which internet use in your area is at its highest (contention ratio) and thus your speed is likely to be lower
- a minimum guaranteed download speed should be provided at the point of sale and the standards apply to all bundled services
- the right to exit a contract should be easy if it doesn't provide the speeds it promises.

The code applies to all broadband technologies. However, not all ISPs have signed up to the code. It can be useful to refer to this code when complaining about the speed of your internet connection to a broadband provider.

[www.ofcom.org.uk/phones-telecoms-and-internet/information-for-industry/codes-of-practice](http://www.ofcom.org.uk/phones-telecoms-and-internet/information-for-industry/codes-of-practice)

### **Broadband advertising**

Broadband advertising is covered by the Advertising Standards Authority and the Committees of Advertising Practice. They have published guidance that outlines that any numerical speed claim in a broadband advertisement should represent the download speed available to at least 50 per cent of customers at peak time (8.00 pm-10.00 pm) and described in ads as 'average'.

[www.asa.org.uk/news/new-standard-on-broadband-speed-claims-in-ads-comes-into-force-today.html](http://www.asa.org.uk/news/new-standard-on-broadband-speed-claims-in-ads-comes-into-force-today.html)

Some of the terminology used by broadband providers can also be confusing to customers. For instance, the term 'fibre' is used to market both 'full fibre' services and those that are 'part fibre' where the fibre optic cable runs to a street cabinet and then connected to the customer premises using a copper telephone cable.

# What is mobile connectivity?

There are two ways people can connect to the internet when they're away from home or work, using mobile phone networks or wifi public hotspots.

## Mobile phone networks

Mobile phone networks allow devices containing a SIM card (phones, tablets, modems/dongles, etc) to make calls, send and receive messages, browse the internet, stream audio and video and use apps on the move. They are provided and operated in the UK by four main commercial providers, known as Mobile Network Operators (MNOs):

- **Three**
- **EE**
- **O2**
- **Vodafone.**

In addition, there are more than 60 Mobile Virtual Network Operators (MVNOs) which use the networks owned by the MNOs. These include:

- **BT Mobile**
- **Giffgaff**
- **Sky Mobile**
- **Virgin Mobile.**

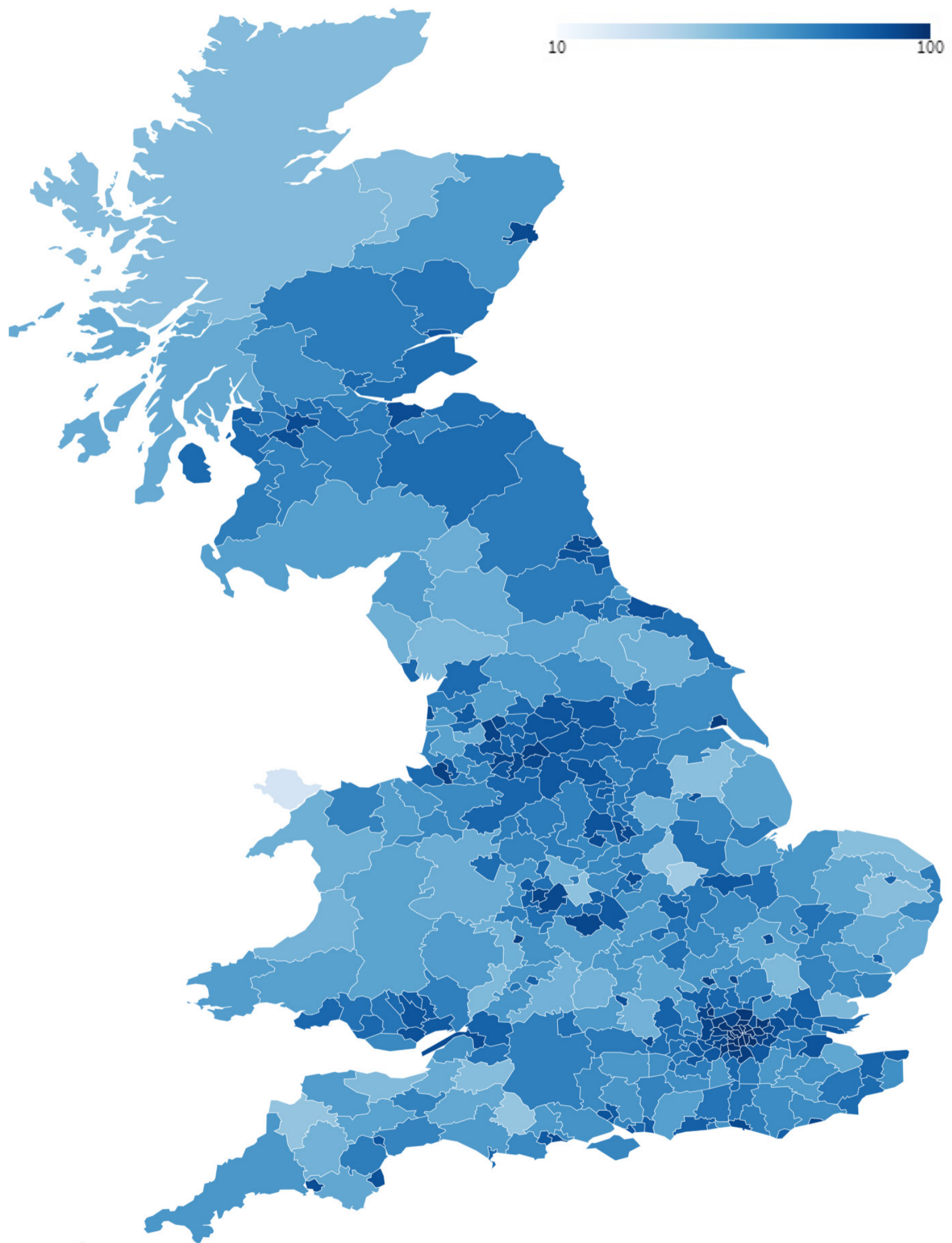
There are four main mobile infrastructure providers (some owned by mobile operators themselves), who do not provide retail services, but build the masts that MNOs use.

- **MNBL**
- **Cornerstone**
- **Arqiva**
- **Wireless Infrastructure Group.**

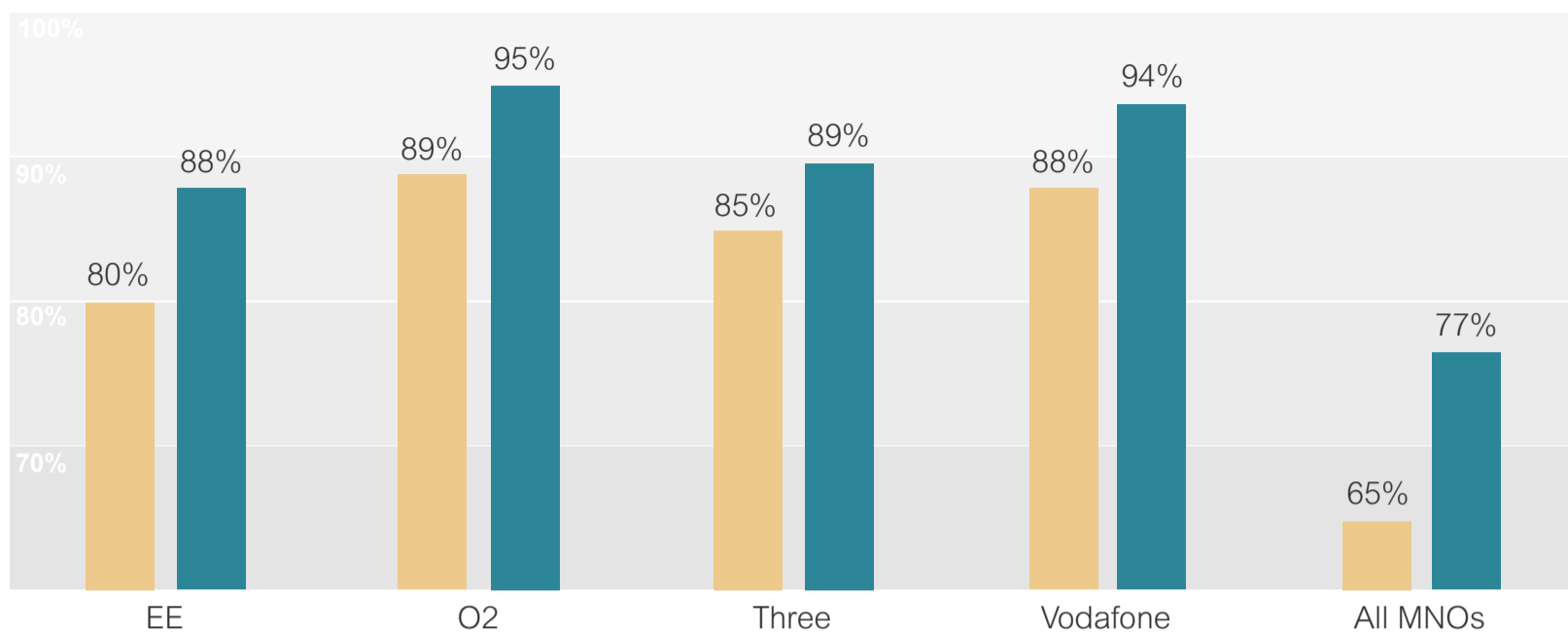
A number of other companies also offer 'neutral host' infrastructure, including FreshWave, Densre Air and BT Wholesale, which can be used by any mobile operator.

Before you sign up to a mobile phone contract, it is vital to check the mobile coverage each MNO provides in the places you live, work and visit as each will be different.

# Indoor 4G coverage from all four operators by council area



## Indoor premises coverage of 4G mobile services in the UK



Source: Ofcom analysis of operator data (restated)

● June 2018 ● September 2019

## The current mobile connectivity context

Ofcom's latest 'Connected Nations 2018' report, an annual survey of connectivity across Britain shows that mobile coverage continues to improve. Almost all homes and offices are able to achieve a good indoor 4G signal from at least one operator. Most of the UK landmass has a good 4G signal from at least one operator, while two-thirds has a good signal from all four operators. However, statistics such as these can be misleading. A person's mobile connectivity is only as good as the connectivity provided by the mobile network operator they are contracted to. Whilst an area might have 95 per cent coverage 'from at least one operator' if your service only has coverage across 80 per cent of an area, you will lose connectivity in the 15 per cent of the area covered by at least one operator.

### Coverage by premises

	One operator	All four operators
Indoor voice	92%	77%
Indoor 'good' 4G	95%	77%
Outdoor voice	90%	78%
Outdoor 'good' 4G	84%	66%

Ofcom reports that national mobile connectivity is improving, but country-wide coverage figures tend to mask the deep disparity between coverage in urban and rural areas. When disaggregated, 83 per cent of urban homes and offices have complete 4G coverage, whereas the figure for rural premises is less than half that (41 per cent). In some remote parts of the country, there is no coverage at all.

Each network provides a different service and has its own coverage checker. Ofcom also has an independent coverage map allowing data coverage from different providers to be compared:

<https://checker.ofcom.org.uk>

## Accuracy of mobile coverage data

There is disagreement on the accuracy of mobile coverage maps. Much of the coverage data is generated by computer modelling rather than real life testing. As such it does not always reflect consumer experience on the ground. Gaps in coverage, ie where residents suffer from partial mobile coverage, where not all mobile network operators cover an area, or not spots, where a mobile phone will not be able to make a call on any network, can occur in both rural and urban areas. A lack of coverage can lead to dropped calls – when your mobile call unexpectedly cuts off, or prevent your device connecting to the internet.

## How mobile phone networks work

Mobile phone networks use several types of technology. The technologies are rarely referred to by their individual names. Instead they are grouped into families and named after the ‘generation’ in which they were introduced, with each ‘generation’ being introduced roughly a decade after the previous one. Each network is faster, more secure and more reliable than the one that preceded it. All modern ‘smartphones’ support 2G, 3G, 4G and more are now supporting 5G.

Name	Description	Used for	Notes	Speed
2G	The first digital mobile technology, launched in the UK in 1992.	<ul style="list-style-type: none"> <li>• Calls</li> <li>• Text and picture messaging</li> <li>• Simple text-based websites</li> </ul>	Although it isn't mobile broadband, it is used as a fallback on some networks and people may encounter it in rural or remote areas, or on a train when it passes through an area with limited coverage.	From 50 Kbps to 1 Mbps
3G	A later generation of digital mobile technology, launched in 2003.	<ul style="list-style-type: none"> <li>• video and audio calls</li> <li>• email</li> <li>• text and picture messaging</li> <li>• apps</li> <li>• location-based services (with GPS)</li> <li>• mobile TV and video on demand</li> <li>• music streaming.</li> </ul>		Varies but around 5-7 Mbps
4G	The latest generation of mobile technology launched in 2012. It can provide download speeds of over 10 Mbps.	The same as 3G only faster and more reliable – especially audio and video services	9% of the UK landmass doesn't have good outdoor 4G coverage from any operator mainly in rural areas.	Varies but around 10-19 Mbps



5G	The fifth generation of mobile technology is being launched from 2019 onwards.	Potentially faster than 4G, much lower latency, mobile broadband will enable high bandwidth low-latency applications in sectors such as manufacturing, transport and healthcare.	Standards still emerging, likely to be some overlap between 'enhanced' 4G connections and genuine 5G technology	To be confirmed, but could be up to 50Gbps
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Mobile phone networks are made up of cells (which is why the Americans call them cellphones). Each cell has one or more base stations that transmit the data to and from mobile devices.

In densely populated urban areas, a cell will often cover a few hundred metres; in a suburban area a cell will cover a couple of miles; in a sparsely populated rural area it may be much larger.

Only a minority of base stations are sited on masts, although the term 'base station' and 'mobile phone masts' are often used interchangeably. Mobile networks are made up of a mix of different types of infrastructure – ground-based masts, rooftop equipment and small antenna – and most of this infrastructure is unnoticed by passers-by.

Base stations are sited to maximise coverage in a local area and there are many factors affecting where they can be sited. Also, as cells only cover a limited area and can only handle a finite amount of traffic, their layout is primarily driven by customer demand.

## Mobile infrastructure – a range of shapes and sizes

The design of cells and the location of base stations or transmitters vary in size and shape for all sorts of reasons:

- to accommodate the number of people and devices that will be using them – they will be smaller in cities and bigger in the countryside
- because of local geography such as hills or valleys which interfere with radio waves
- where the base station can be sited, especially its height above the ground. This can be affected by:
  - planning considerations such as conservation areas which may impact the installation of base stations
  - access to electricity to power the radio transmitter
  - the layout of buildings.
- the shape of neighbouring cells whose radio transmissions could cause interference.

Lots of factors limit mobile connectivity, either slowing it down or stopping it altogether:

- phones and tablets have low-powered batteries, so thick walls, hills, or other buildings can

interfere with their ability to send a signal to the base station

- distance from a base station can mean that a device is unable to connect (although mobile phone networks do not require a line of sight)
- radio interference from other networks or base stations will downgrade or eliminate reception
- simply having too many people trying to connect in the same cell at the same time can make it impossible to connect: a device apparently displaying that it has a good signal may be blocked from starting a new connection (anyone who has been to a football match, large concert, a busy shopping mall or got stuck in a traffic jam will have experienced this).

## Rolling out rural mobile connectivity – a case for rural roaming?

Mobile Network Operators (MNOs) admit that improving coverage in rural areas is complicated, especially in hilly or extremely remote locations. In addition to practical difficulties of installing and maintaining network equipment in these locations, making the commercial business case to build new mobile infrastructure in areas of low population density and in which fewer 'paying customers' work and reside, can be very challenging.

Many stakeholders are beginning to make the case for Ofcom to enforce rural roaming. This would mean that whenever a consumer passes into a rural area where their chosen mobile operator can't get a service, their phone would be allowed to 'roam' onto another operator's network (assuming the signal is strong enough and present). This approach is similar to when you go abroad and your mobile signal can roam on to different networks. However, in areas where there is no coverage at all, rural roaming will not be a solution.

## 5G – the future

The next big thing in mobile connectivity is 5G. Two companies, EE and Vodafone, have already launched 5G networks on a small scale in the UK, with O2 and Three due to do the same later in 2019.

5G will enable exciting new services and applications including:

- faster mobile broadband and a more consistent experience in congested areas with a very high number of devices
- industrial applications, enabling businesses to improve their productivity, for example through predictive maintenance and real-time analytics
- Internet of Things (IoT) services, many of which will help councils and businesses deliver services more efficiently including:
  - transport and logistics: connected parcels and fleet tracking
  - health and social care

- environmental monitoring: sensors monitoring air quality and water pollution in real-time
- smart agriculture and smart animal farming, smart retailing
- connected and autonomous cars: allowing cars to communicate with each other, other road users and even the road infrastructure.

The roll out of 5G presents opportunities for councils:

The first wave of the 5G roll out will see MNOs re-use existing sites to install the new infrastructure. Eventually, to widen coverage further, they also need to install lots of new base stations as the cells are smaller. These could even be on lamp-posts, though this may not happen for some time after the initial roll out of 5G.

More importantly, due to the way 5G works it is closely connected with the Smart City agenda and will enable centralised control of lots of different street infrastructure owned or managed by councils, such as street lights, water meters, and bus stops.

The Government is funding trials for 5G technology in Liverpool, Bath, Bristol, Worcestershire and the West Midlands as well as rural trials in Shropshire and Somerset.

For more information on 5G please see the Commons Library Briefing - <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7883>

## Wifi hotspots

Wifi hotspots work in much the same way as domestic wifi networks – they enable a wifi enabled device such as a phone, tablet or laptop to connect to a broadband signal if it's within range of the access point.

In 2014 the UK had one wifi hotspot for every 11 people. They are operated by many different providers and can be found in public buildings such as museums, libraries, town halls and on public transport, as well as in private locations such as restaurants and cafes.

Many hotspots are operated by mobile providers, others by broadband providers, some are city-wide such as the CityConnect service provided by the City of York Council.<sup>9</sup> BT is replacing its phone boxes with InLink units which offer ultrafast wifi as well as device charging, a 999 service, information via a touchscreen tablet and 55 inch screens.

Most wifi hotspots require a user to register. While some are free, others are commercial services. Some place a restriction on what internet services they will allow. Free networks often serve advertising to users, use their details for marketing, or sell their details to third parties.

There are also risks of using public wifi as the security can be lax or non-existent. A properly set up wifi network will have encryption to protect users, but there's no guarantee that a public network will be using it. It's possible that hackers might try and use security vulnerabilities to snoop on users' traffic, steal their details, or, worse, distribute malware or viruses to their computer.

<sup>9</sup> [www.york.gov.uk/info/20151/community\\_innovation/695/city\\_centre\\_wi-fi](http://www.york.gov.uk/info/20151/community_innovation/695/city_centre_wi-fi)



# The role of a councillor

As a councillor you will know the real difference you can make to people's lives. You will also be aware of the balance you need to strike between the needs of your area, your residents, community groups, local businesses, your political party (if you belong to one) and the council. Digital connectivity presents many similar challenges to just about any other issue that you will need to deal with.

## Understanding the digital connectivity in your local area

Residents will often contact councillors to talk about roads being dug up, mobile phone masts being erected, poor connectivity and a host of other issues related with digital connectivity.

In your role representing your local area you will need to be an advocate for your residents and businesses or direct them to people who can answer their query.

Many county or unitary councils have in place a broadband delivery programme. District councils may also have officers or councillors responsible for economic development of which digital connectivity is an important strand. Contacting them is an excellent first step to better understanding the local digital connectivity context.

If your area suffers from poor digital connectivity, you might also wish to contact broadband and mobile providers to understand whether they plan to roll out improved connectivity to your area soon, or whether there are any barriers to this.

You can also consult Ofcom's latest connectivity coverage reports<sup>10</sup> to understand the connectivity within your area.

You might wish to complement this with a formal or informal consultation to gather information to improve your local understanding. For instance conducting an informal survey of mobile phone networks recording not-spots, collating lists of places where broadband is slow, finding out from local businesses if poor connectivity is hampering their ability to do business and so on. There are many ways to do this, either by knocking on people's doors, holding a public meeting, sending letters or leaflets or using an online service like SurveyMonkey.

<sup>10</sup> [www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2018](http://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2018)

## People you can contact:

- members of the council executive with digital connectivity as part of their portfolio. Portfolio titles can vary from council to council but could include ICT, digital transformation or Infrastructure
- council officers with responsibility – it will vary from council to council but might be in the digital, strategy, economic development or transformation teams
- Mobile UK who represent MNOs [www.mobileuk.org](http://www.mobileuk.org).
- broadband providers, it might be Openreach, Gigaclear, Hyperoptic, Virgin, Cityfibre, Vodafone or TalkTalk. You can check who the right company might be: <https://gosuperfastchecker.culture.gov.uk/connectivity-options/> .

You can then use this information to make a case to MNOs and internet service providers that they need to work harder to deliver the right services to residents in your ward or division.

You may also need to talk to broadband companies and MNOs to ensure they are fulfilling their responsibility contained in the Code of Best Practice on Mobile Network Development in England<sup>11</sup> to consult with local people and other stakeholders before they submit planning applications.

## Questions to ask members of the public

- Do you know what broadband connection speed you get?
- Is your experience of using your broadband connection satisfactory?
- Can you receive a good mobile phone connection inside and outside your premises or at work?
- Have you talked to your neighbours about working together to form a consortium under a scheme like Virgin Media's Cable my Street or Openreach's Community Fibre Scheme, to attract a broadband provider to supply your street with faster speeds?
- Have you been consulted by the MNO or broadband company about their roll-out plans?

## Questions to ask local businesses

- Do you have the digital connectivity you need?
- Do you know what broadband connection speed you get?
- Do you understand how a faster and/or more reliable broadband and mobile connection could help your business grow?
- Have you talked to other nearby businesses about forming a consortium to attract investment?
- Have you considered applying for the Government's Gigabit Broadband Voucher's Scheme?
- Would you be interested in becoming a broadband hub and connecting other local premises?
- Have you considered letting an MNO install a mobile base station on your premises?

<sup>11</sup> [www.mobileuk.org/cms-assets/documents/259876-147086.code-of-best-practice-2016-edition-pub](http://www.mobileuk.org/cms-assets/documents/259876-147086.code-of-best-practice-2016-edition-pub)

# Community leadership

Community leadership is where a councillor can make a real impact in helping deliver good connectivity for the people they represent. Bringing people together to help apply for money from government and industry schemes can help unlock investment in digital infrastructure that might never happen otherwise. It can also play a vital role helping residents consider where it is most appropriate to build new digital infrastructure, such as a phone mast, to improve residents' and businesses' connectivity whilst conserving local landscapes.

## Aggregating local demand<sup>12</sup>

“Councillors will be vital in ensuring the rollout of broadband to the final five per cent of properties in the county – they will need to create communities to band together and bid for money from the Government’s various schemes. This is work that officers can’t do.”

**Paul Chatwin**, Superfast Staffordshire Programme Manager

Local communities may not be able to engage and negotiate confidently with all the different organisations involved in rolling out digital infrastructure: MNOs, Openreach, other infrastructure providers, engineering companies etc. There are many things that councillors can do to help their communities:

- **hold open and/or public meetings**, inviting residents, local community groups and representatives of telecommunications providers carrying out the rollout of digital infrastructure to ensure views are aired and there is good communication between all sides
- **put issues on the agenda** of community meetings
- **ensure that telecommunications companies engage** properly with communities in the areas where they are planning to work and liaise between all parties to ensure that issues are properly resolved
- **councillors in multi-tier authorities can work with other tiers** of local government to get them involved and lend their weight to local campaigns
- **Involve your local MP** so that they can ask a question in parliament or raise local issues with the Department for Digital, Culture, Media & Sport (DCMS) and add their voice to campaigning.

<sup>12</sup> [www.gov.uk/government/publications/community-led-broadband-schemes/case-studies#cotwalton-community-broadband-case-study](http://www.gov.uk/government/publications/community-led-broadband-schemes/case-studies#cotwalton-community-broadband-case-study)

Many of the digital infrastructure companies have programmes that are designed to help communities aggregate demand for broadband such as the Openreach Community Fibre Partnership.<sup>13</sup> To help councillors navigate through all the different ways a councillor can help a community get better broadband, the Government has created a three-stage approach:

- A. Check requirement – use the postcode checker to see whether superfast broadband is available or coming soon.
- B. Agree approach – the Government lists six different approaches, work out which one suits your local community best.
- C. Local action – the exact approach will depend on the model you choose.

There is detailed guidance on the Gov.UK website<sup>14</sup> and a list of successful broadband community partnerships.<sup>15</sup>

### **Supporting communities through the installation of new digital infrastructure**

In order to roll out greater digital connectivity, telecommunications providers carry out thousands of roadworks every year to maintain and upgrade their infrastructure. These, by their very nature, can cause disruption for residents. It is important that the councils and councillors maintain pressure on contractors undertaking the work to do so efficiently, leaving the road in the same state as they found it. At the same time, it is important to keep residents informed about the disruption and make clear that the resulting faster connectivity will provide a longer-term benefit that far outweighs any short-term delays.

Councillors can also be contacted by residents about the location of a new mast in their areas. The maintenance of the local landscape is an important doorstep issue. People take great pride in their areas and poorly sited infrastructure can affect the look and feel of a community's home. That said, universal coverage will require new infrastructure to be built in sometimes untouched, sparse rural landscapes. Councillors can play an important role working with mobile infrastructure providers and residents to find the best places to site masts.

### **Health effects of mobile infrastructure**

Some residents may have concerns around the health risks posed by new mobile infrastructure.

Public Health England (PHE) has published a webpage about exposure to the radio waves from mobile phone base stations, including those for 5G networks.<sup>16</sup> It explains the health-related reviews and assessments have been performed, as well as the practical measures that are in place to protect public health.

<sup>13</sup> [www.homeandbusiness.openreach.co.uk/fibre-broadband/community-fibre-partnership](http://www.homeandbusiness.openreach.co.uk/fibre-broadband/community-fibre-partnership)

<sup>14</sup> [www.gov.uk/government/publications/community-led-broadband-schemes/introduction-to-community-led-schemes](http://www.gov.uk/government/publications/community-led-broadband-schemes/introduction-to-community-led-schemes)

<sup>15</sup> [www.gov.uk/government/publications/community-led-broadband-schemes/case-studies](http://www.gov.uk/government/publications/community-led-broadband-schemes/case-studies)

<sup>16</sup> [www.gov.uk/government/publications/mobile-phone-base-stations-radio-waves-and-health/mobile-phone-base-stations-radio-waves-and-health](http://www.gov.uk/government/publications/mobile-phone-base-stations-radio-waves-and-health/mobile-phone-base-stations-radio-waves-and-health)

Based on the accumulated evidence and reviews, PHE advises that the guidelines of the International Commission on Non-Ionizing Radiation Protection (ICNIRP) should be adopted and there is no convincing evidence that radio wave exposures below the ICNIRP guideline levels cause adverse health effects.

While a small increase in overall exposure to radio waves is possible when 5G is added to the existing network, the overall exposure is expected to remain low and well within the ICNIRP guidelines.

PHE continues to monitor the health-related evidence applicable to radio waves, including in relation to base stations, and is committed to updating its advice as required.

### **Code of Best Practice**

Finally, should you wish to talk through the siting and build of infrastructure, it is useful to first refer to the Mobile Network Operators' 'Code of Best Practice on Mobile Network Development in England.'<sup>17</sup> It outlines how MNOs must develop their networks responsibly and undertake 'appropriate community engagement and suitable pre-application consultation with local residents, communities and their representatives'.

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<sup>17</sup> [www.mobileuk.org/cms-assets/documents/259876-147086.code-of-best-practice-2016-edition-pub](http://www.mobileuk.org/cms-assets/documents/259876-147086.code-of-best-practice-2016-edition-pub)

# East Hagbourne Parish Council

## The challenge

When Councillor Cordelia Gover joined East Hagbourne Parish Council in Oxfordshire she thought her digital responsibilities would only extend to updating the village website. As it turned out, thanks to her new role, she became a digital connectivity expert and enabled her part of the village to be connected to full-fibre broadband.

When she started, East Hagbourne was a village of two halves. One end was getting superfast broadband whilst the other was crawling along on a less than 'decent' connection. Not satisfied with the status quo, Councillor Gover used her unique position as a representative at the centre of the community to try to solve the problem.

## The solution

Councillor Gover contacted her local county council who helped link her up with a broadband provider to provide a quote for installing full-fibre broadband to her end of the village.

That created the first hurdle as the bill was £36,000, an unaffordable sum. Her contact at the council suggested they include the local primary school in the area they wanted to connect to unlock Openreach's Community Fibre Partnership scheme. This covered £30,000 of the installation cost. With the school on board this left a final hurdle of where to find the extra £6,000. This took time to solve as there was no public money available to cover the shortfall.

Councillor Gover discovered that among the houses being connected were two businesses being run from home. Councillor Gover approached both to ask them to apply for £3,000 Gigabit Vouchers to cover the remaining cost. They were happy to get on board and the scheme will break ground in the summer of 2019.

It's been a long haul but through her persistence, hard work, organisation, imagination and community leadership her community will get full-fibre broadband.

**“At the start of this project I didn't think it was fair that we should be penalised for living at the furthest end of a copper wire connection and that's what spurred me on.”**

**Councillor Cordelia Gover**



## The impact

The whole scheme for 92 properties will be completed at no cost to any of East Hagbourne's residents and will mean they are all capable of connecting to gigabit capable broadband.

## Lessons learned

- Take action, speak to council officers and find out all the information you can about who supplies broadband and where.
- Research alternative sources of funding and talk to officers and broadband providers to see what is on offer.
- Be imaginative about where you look for solutions to problems – do local broadband providers have funding schemes, can you get Gigabit vouchers?
- Don't be put off if you're not a technical expert, ask basic questions and learn as you go along. Councillor Gover got passed by a broadband provider to the 'wayleaves' team and had no idea what a 'wayleave' was. You will quickly find that you know more than the people you represent.
- Be patient and persistent; don't give up even if you're continually passed from person to person. At one point, one of Councillor Gover's contacts left Openreach without handing over her issue to someone else and she had to start again.
- Be very organised: log every call on a spreadsheet, have the detail at your fingertips.
- Talk to your community. As this scheme covered a local road Councillor Gover was able to knock on their doors to ask her neighbours personally about their broadband speed. Other places might benefit from a public meeting or a survey.
- Manage expectations, don't promise things you may not be able to deliver.

## Role of the councillor

- Community leadership – Councillor Gover spotted a problem, found the solution and was able to follow it through.
- Representing her area – Councillor Gover was able to have conversations with the school, the local businesses, the council and Openreach that her neighbours weren't about to have.
- Convening power - Councillor Gover was able to put together a consortium that achieved things that residents acting on their own couldn't.

### Contacts:

Openreach Community Fibre<sup>18</sup>

Gigabit Broadband Voucher Scheme<sup>19</sup>

<sup>18</sup> <https://communityfibre.openreach.co.uk>

<sup>19</sup> <https://gigabitvoucher.culture.gov.uk>

## Developing council policy and strategy

If your council needs to improve the broadband and mobile connectivity enjoyed by its residents, it will need to develop clear strategies and policies to do so. As a local councillor you can contribute to this in a variety of ways:

- **through the overview and scrutiny function** or on committees you are appointed to
- **getting involved** in advisory and policy groups
- **talking to executive members**, officers and senior officers
- **picking up on issues you receive** via case work
- **through your membership of a political group**, using that as a conduit to make party policy.

Councillors can bring in the skills they've developed on their professional lives – Rutland's Digital Strategy was heavily influenced by Councillor Oliver Helmsley (now the leader) and Councillor Gordon Brown who brought in an understanding of the importance of digital connectivity from their previous careers.

### Questions to ask officers

- Are we doing everything we can to make it easier for residents, businesses or voluntary/ third-sector organisations to get superfast broadband?
- Do we know what percentage of the council area is covered by superfast broadband or good 3G/4G coverage by all four major providers?
- Have we got a digital infrastructure strategy?
- Do we have a responsible officer ready to act as a contact for digital infrastructure providers and breakdown internal silos where needed?
- Are we talking to local broadband providers and MNO's to ensure we are smoothing the way for them?
- Have we thought of any innovative approaches to make it easier for broadband providers and MNOs to install their kit?
- Have we undertaken a cost/benefit analysis to work out the return on different commercial models for attracting broadband providers and MNOs?



# The role of a council

The role of councils in driving the rollout of superfast broadband infrastructure is derived from their general duty to promote wellbeing as well as their role to lead local communities. This has led to councils taking innovative approaches to stimulating investment where the commercial market hasn't delivered.

Even where councils aren't directly involved in delivery programmes, in their role as planning and highways authorities they have a vital practical part to play in ensuring that existing rollout work is done efficiently and that new developments meet emerging standards for connectivity. It also varies depending on the type of council taking the action:

- **Education** – ensuring that schools are connected, using schools as hubs for full-fibre connections – county councils, unitary authorities, metropolitan and London boroughs.
- **Libraries** – similarly, ensuring that libraries are connected and can be used as hubs for full-fibre connections – county councils, unitary authorities, metropolitan and London boroughs.
- **Transport** – ensuring that traffic works are co-ordinated with plans to roll out digital connectivity infrastructure – county councils, unitary authorities, metropolitan and London boroughs.
- **Housing** – ensuring that all new builds are properly connected – district councils, unitary authorities, metropolitan and London boroughs.
- **Planning** – ensuring that planning policies are sympathetic to the needs of companies rolling out digital infrastructure and barriers are removed from the planning process. Also ensuring that developers are considering how best a new development can be provided with excellent mobile and broadband connectivity and the effect it might have on other houses' connectivity ie a tall building blocking a signal to other homes – district councils, unitary authorities, metropolitan and London boroughs.
- **Asset use** – council assets such as buildings, ducts, street furniture and CCTV networks can be used to host electronic communications network equipment.

It's important that councillors create the political will to drive officers' work, North Yorkshire County Council's approach of giving operators of mobile masts a seven year business rate holiday was driven through by Councillor Don Mackenzie the Executive Member for Access. A key part of his work was developing partnerships with district councils.

One example of where councils can help make a difference is via their roles as planning authorities. In recent years, it has become apparent that the standard of digital connectivity provided to some new build homes is below par and doesn't reflect the Government's national ambition to roll out world class digital infrastructure across the country. Without future-proofed full fibre being installed as standard, residents are unable to feel the benefits of decent connectivity such as the ability to work from home or video call loved ones.

Many councils have tried to tackle the problem by amending local planning policies in line with previous Government guidance, to make clear to developers the local expectation that all developments are adequately connected. Despite this, some councils have faced legal challenges from developers and in one successful appeal by a developer, the Planning Inspectorate ruled "the provision of broadband and telecommunications would not be necessary to make the development acceptable in planning terms."

To counter this issue, the Government is currently considering enacting legislation to obligate developers to install future-proof full fibre broadband into new homes. Until it is passed through Parliament, councils have a limited ability to force developers to ensure properties are connected. Despite this, it is still worth engaging developers about digital connectivity – both fixed and mobile.

There is a growing trend amongst infrastructure suppliers who serve new developments to ask for an exclusivity agreement on housing developments. This would prohibit any other infrastructure supplier accessing the site during the build stage and would mean any other suppliers would need to wait until all the roads had been adopted and any highways restrictions were lifted from the development before they could install infrastructure. This is usually two years after the development is finished but can be much longer. The best outcome for residents is for all infrastructure suppliers to be allowed access to new build sites while they are being built, to maximise choice for the end consumer.

## Questions to ask developers

- Are you installing gigabit broadband to your premises?
- Are you talking to the owners of neighbouring buildings to see if you can act as a hub for gigabit broadband?
- Have you engaged Mobile Network Operators (MNOs) on how they will supply mobile connectivity to your development and/the potential effect of your development on other areas mobile connectivity ie might a tall building block mobile signal for a community
- Are you making your new premises available to MNOs to install mobile base stations?
- Will the design of your new building restrict mobile signals inside?

- Are you planning to use 5G technology to install Internet of Things sensors to make your building more efficient?
- Have you asked your new tenants about their broadband connectivity demands?
- Is the provider connecting your development doing so on an exclusivity basis meaning other providers can't come in and connect the development? Do you recognise this presents a poor retail offer for your future residents?
- Has the developer explored the shadowing effects of the building, particularly if it's high rise, affecting the signal that other residents will be able to receive?

Many councils across the country have taken proactive action to improve connectivity for their residents:

- **Cornwall** – Superfast Cornwall has built a fibre-based network covering 90 per cent of premises which are now able to connect to superfast broadband speeds of over 24 Mbps.<sup>20</sup>
- **Essex** – Superfast Essex has delivered superfast broadband to 110,000 homes and businesses.<sup>21</sup>
- **Milton Keynes** – Partnering with Vodafone and CityFibre to install full-fibre broadband.<sup>22</sup>
- **York City Council** – the UK's first Gigabit City.<sup>23</sup>
- **Rutland** – the Digital Rutland programme connecting more than 11,000 premises to superfast and full-fibre broadband.<sup>24</sup>
- **North Yorkshire** – A partnership between North Yorkshire County Council and BT.<sup>25</sup>

More information can be found about this in a roundup of government guidance to help councils overcome issues relating to broadband rollout published on the Government's Digital Connectivity Portal at: [www.gov.uk/guidance/resources-for-local-authorities](http://www.gov.uk/guidance/resources-for-local-authorities).

<sup>20</sup> [www.superfastcornwall.org](http://www.superfastcornwall.org)

<sup>21</sup> [www.superfastessex.org](http://www.superfastessex.org)

<sup>22</sup> [www.cityfibre.com/news/milton-keynes-ftth-announcement](http://www.cityfibre.com/news/milton-keynes-ftth-announcement)

<sup>23</sup> [www.digitalyork.org](http://www.digitalyork.org)

<sup>24</sup> [www.rutland.gov.uk/my-community/digital-rutland](http://www.rutland.gov.uk/my-community/digital-rutland)

<sup>25</sup> <http://superfastnorthyorkshire.com/#home>

# Norfolk County Council

## The challenge

By 2017, thanks to publicly funded roll out, people in Norfolk were enjoying dramatically improved access to the internet, with more than 90 per cent having access to superfast broadband, up from 50 per cent a few years previously.

However, trying to use their mobile phone was a different story. Although official maps produced by MNOs and Ofcom claimed that Norfolk had good 3G and 4G coverage, anecdotal evidence suggested a significant chunk of the county had no coverage at all. People couldn't access the internet from mobile devices and dropped calls were common, with one in five attempts to make a call unsuccessful.

## The solution

While the council's 'Digital Innovation and Efficiency Committee' had spent £70 million of money from Government across three phases of the 'Better Broadband for Norfolk programme', the lack of public money for mobile meant they hadn't explicitly tackled their 'not-spot' problem.

Realising that the council could improve mobile connectivity by using its public buildings to host mobile cells and masts they decided to take an innovative approach to tackling the problem. Firstly, they needed to establish a truly accurate picture of mobile network coverage as Ofcom data was unreliable. They spent £25,000 on a 'drive study' to map reception across 3,500 miles of A, B and C roads as well as the main footpaths, the Broads and railway lines using handsets from all four MNOs. The study gathered six million data points which proved the official maps were inaccurate.

## The impact

The council had already been talking to the MNOs for several years and armed with accurate data they were able to work out how they could fill the gaps in mobile coverage. They identified 200 of their buildings suitable for hosting mobile base stations and will help fast-track installation by streamlining planning, enabling MNOs to rent sites at a lower rate and granting wayleaves for free.

## Lessons learned

One of the main lessons learned is the need to build on initiatives from all parties. Councillors involved in the programme believe it succeeded because the committee provided focus and political leadership as well as showing commitment to DCMS and local residents.

Appointing dedicated officers for both broadband and mobile ensured consistency and expertise.

## Role of the councillor

- Represent your local area: councillors took action to find out how poor mobile coverage affected their constituents.
- Explain the issues: ensure that residents understand the implications of policy.
- Develop council policy: The council took an innovative approach to understanding the scale of the problem by conducting a drive study and then worked with MNOs to find a mutually acceptable solution.
- Planning and regulation: The council used their planning policy to ensure they were removing barriers from MNOs installing new base stations.
- Use a full range of influencing techniques: Councillor Strong explained to her residents that if they wanted mobile phone reception they would need to put up with masts in an Area of Outstanding Natural Beauty which helped them become more receptive to the idea of new mobile infrastructure being built in their area.

## Future plans

As Norfolk's second biggest landowner, the council is using connectivity improvements to facilitate localised experiments such as enabling self-driving tractors to plough every last metre of a field, while low-power tags on agricultural machinery will protect against theft and smart livestock tags feed real-time data about animal health back to farmers.

An Internet of Things conference sponsored by the council in November 2018 has created a pilot project to install heat sensors in rural roads. This will enable Norfolk to target the use of gritters only where roads are icy, reducing their 150 gritter runs a year. The savings on one run (£40,000) will cover the cost of the sensors.

# Checklist of actions a councillor can take to improve mobile connectivity

- check the mobile coverage in your areas via online maps published by Ofcom and the MNOs
- check if this reflects reality on the ground, if not, conduct your own informal drive study to get accurate data
- create political leadership by persuading the executive to set up a committee or appoint a cabinet member to own the issue
- put a qualified officer in charge to create stability
- work with the MNOs to create an approach to expanding mobile coverage
- consult with local residents to find out what they think.

## Contact

Norfolk County Council Digital Innovation and Efficiency Committee.<sup>26</sup>

Data from Norfolk County Council Drive Study.<sup>27</sup>

Better Broadband for Norfolk Programme.<sup>28</sup>

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<sup>26</sup> [www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/digital-innovation-and-efficiency-committee](http://www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/digital-innovation-and-efficiency-committee)

<sup>27</sup> [www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/digital-inclusion-strategy/mobile-coverage-in-norfolk](http://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/digital-inclusion-strategy/mobile-coverage-in-norfolk)

<sup>28</sup> [www.betterbroadbandnorfolk.co.uk](http://www.betterbroadbandnorfolk.co.uk)



# Developing a digital infrastructure strategy

A council's digital connectivity strategy should explain how encouraging and facilitating the deployment of full fibre and mobile networks can help local communities and help the council deliver its wider ambitions. It will also describe how digital connectivity could help to boost economic growth, digital inclusion and deliver a range of benefits including the more effective provision of local public services. Things that it could include are:

- **Identifying a senior leader to provide leadership**, engage with all stakeholders, and be a single point of contact for all companies and community groups. Most councils who have set up broadband delivery groups have placed an officer in charge reporting to a member of the executive or a committee chair.
- **Ensuring that different departments collaborate** with each other to make it easier for broadband companies and mobile network providers to install and upgrade their kit. This also applies to co-ordinating with utility companies so that street works can be combined with the deployment of fibre infrastructure. The Government calls this 'barrier-busting' and has a 'Street Works Toolkit'<sup>29</sup> which has guidance on how to do this and some case studies of best practice from councils.
- **Setting up partnerships with other local public sector bodies** such as the NHS and to aggregate demand by combining connectivity needs when entering into procurements – Gloucestershire County Council and the county's clinical commissioning group have done this.
- **Clarifying who does what in two-tiered councils** and arranging committees to ensure the work gets done – the Coventry, Solihull and Warwickshire example shows how this can be done.
- **Exploring different models of collaboration with broadband and mobile companies** to ensure that local communities can feed their requirements back to the industry and to enable a collaborative approach between councils, communities, local businesses and the companies.
- **Working out how to make council buildings and assets available** to companies rolling out fixed-line or mobile networks. This includes mapping council assets and working out what to charge companies for access. North Yorkshire County Council decided to give companies installing mobile bases stations in areas with poor connectivity a seven year business rate holiday. The Government advice on this includes:
  - advice on mapping public sector assets<sup>30</sup>
  - advice on different commercial models<sup>31</sup>
  - an overview of access agreements<sup>32</sup>
  - councils are also encouraged to consider how the Government's Digital Infrastructure Toolkit can be applied to their buildings.<sup>33</sup>
- **Training officers and elected members** on issues relevant to the provision of digital connectivity.

29 [www.gov.uk/government/publications/framework-for-uk-fibre-delivery-street-works](http://www.gov.uk/government/publications/framework-for-uk-fibre-delivery-street-works)

30 [www.gov.uk/guidance/mapping-public-sector-assets](http://www.gov.uk/guidance/mapping-public-sector-assets)

31 [www.gov.uk/guidance/commercial-models](http://www.gov.uk/guidance/commercial-models)

32 [www.gov.uk/guidance/guidance-on-access-agreements](http://www.gov.uk/guidance/guidance-on-access-agreements)

33 [www.gov.uk/government/publications/digital-infrastructure-toolkit](http://www.gov.uk/government/publications/digital-infrastructure-toolkit)



## Broadband and mobile companies – questions to ask

- Are you adhering to the Code of Best Practice on Mobile Network Development in England?
- Have you consulted clearly and properly with all the residents and businesses in my ward?
- Do you have a Regional Affairs Manager with strategic oversight of broadband roll out in my area that I could talk to?
- Will you respond to enquiries within ten working days?
- Have you held professional development workshops on technological and other developments for local planning authority officers and elected members?
- Is your coverage map accurate, and if not, why not?
- Will you be reinstating all roads and pavements etc to their previous state?
- How can I help you ensure that the council is dealing efficiently with your planning applications?
- Are you sharing your site and other infrastructure with other operators?
- Will you ensure that equipment is sympathetically designed and camouflaged where appropriate?
- Do you meet the Ofcom codes of conduct for broadband speed?
- How can the council help you rollout infrastructure more quickly?
- Are your rollout plans commercially viable?
- Do you have a problem gaining access to all the properties you need?  
Can the council help you with wayleaves?

## Utility companies – questions to ask

- Do you have a policy or procedure for informing other utility companies and broadband/mobile companies when you are digging up roads to allow them to install digital connectivity infrastructure at the same time?
- Do you have a relationship with the council's barrier busting team?
- Would it be a cost saving to join forces with a broadband or mobile company to let them install digital connectivity at the same time as you carry out traffic works?
- What do you see as the main barriers to sharing traffic works with other utility companies?
- What benefits are there for you in making your infrastructure available for sharing?
- What additional incentives would you like to see in place to encourage more sharing?

# Coventry, Solihull and Warwickshire

## The challenge

Despite its proximity to one of England's biggest urban areas – the West Midlands – by 2012, Warwickshire County Council found that its digital connectivity lagged behind its physical connectivity. Towns and villages outside the main population centres had very poor connectivity and little prospect of being connected to superfast broadband.

With the prospect of Government money being made available the council wanted to ensure they got a slice of the pie.

## The solution

Councillors in Warwickshire quickly realised that they would be more successful bidding for Government money if they created a partnership with other neighbouring authorities.

Thus they formed the Coventry, Solihull and Warwickshire partnership between Warwickshire County Council, Coventry City Council, Solihull Metropolitan Borough Council and the six district authorities in Warwickshire.

**“Our partnership is delivering for people across all three councils because we have made it a priority to treat everyone fairly. We’ve made sure that we’ve asked for the same amount of money from everyone and ensured we have delivered the benefits to all councils equally.”**

**Councillor Kaur, portfolio holder for the programme**

The project has also included councillors at all levels. One way parish and district councillors have got involved is by becoming digital champions, helping at the local level by talking to local communities and working out where to put infrastructure like cabinets.

Since 2013 the partnership has spent nearly £36 million across three contracts, delivering broadband to more than 76,000 premises that wouldn't have been reached by commercial companies on their own.

## The impact

- By March 2020 98 per cent of people in the partnership area will be able to get at least superfast broadband at a minimum of 30Mbps.
- People moving into new housing developments expect to be connected even though broadband is not considered in planning conditions in the UK at present. The programme has ensured that new homes being built in Warwickshire are provisioned by encouraging dialogue with developers to work with network providers during construction.
- Rural businesses who used to have to travel to urban areas just to send an email now have the internet to their premises.
- Elderly people who've retired to the countryside are using services like Skype to keep in touch with family members.

## Lessons learned

- The project worked by keeping all the various project partners involved.
- work hard to get buy in from all partners, listen to them and work out how to deliver to their needs
- ensure proper partnership working
- make sure that everyone contributes a fair share and gets the same out of the project
- recognise that politics can be an issue, so be diplomatic
- don't be afraid to repeat your message, eventually it will be heard.

## Role of the councillor

The portfolio holder for infrastructure kept leaders of other councils continually engaged to keep the momentum going and ensure the project kept delivering.

## Future plans

Having rolled out broadband into rural communities the partnership is now developing services that will use the connectivity to improve services to communities, especially those using adult social care.

The aim is to enable people to look after themselves, to get on with their lives and help them deal with the decline of rural services such as bus routes. They are developing tailored voice services and training people to use tablets to pay bills and do their shopping.

They're also using improved connectivity to spur plans to train children in coding and support industry such as 'Silicon Spa' – the gaming companies based in Leamington Spa, and Jaguar Land Rover who are testing batteries and autonomous vehicles in Warwickshire.

## Checklist

- think big, talk to your council neighbours, they may have the same problems as you and be able to form a consortium
- involve everyone, councillors with local knowledge can help delivery in their communities.

## Contact

[www.cswbroadband.org.uk](http://www.cswbroadband.org.uk)

# Resources and contacts

## Mobile UK

Mobile UK is the trade association for the UK's mobile network operators - EE, O2, Three and Vodafone: [www.mobileuk.org](http://www.mobileuk.org)

Code of practice: [www.mobileuk.org/codes-of-practice.html](http://www.mobileuk.org/codes-of-practice.html)

## INCA

INCA is the trade association for the UK's broadband providers.

[www.inca.coop](http://www.inca.coop)

## Broadband Stakeholder Group

The Broadband Stakeholder Group is the UK Government's advisory forum for telecoms policy.

[www.broadbanduk.org/contact](http://www.broadbanduk.org/contact)

## Ofcom

Ofcom is the regulator for the broadband and mobile industries: [www.ofcom.org.uk](http://www.ofcom.org.uk)

Ofcom Mobile and Broadband Speed Checker: <https://checker.ofcom.org.uk>

App – [www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/advice/ofcom-checker](http://www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/advice/ofcom-checker)

## The LGA

[www.local.gov.uk/topics/economic-growth/digital-connectivity](http://www.local.gov.uk/topics/economic-growth/digital-connectivity)

Localism@local.gov.uk

## The Government Digital Connectivity Portal

The Digital Connectivity Portal provides guidance for local authorities and network providers on improving connectivity in local areas.

[www.gov.uk/guidance/digital-connectivity-portal](http://www.gov.uk/guidance/digital-connectivity-portal)

# Glossary

## Broadband speeds

Broadband speeds are expressed as an amount of data downloaded per second, usually in megabits per second (Mbps).

- Megabits and megabytes: Megabits (Mb) and megabytes (MB) are units for expressing a quantity or amount of data
- Eight megabits (Mb) is equal to one megabyte (MB)
- Eight gigabits is equal to one gigabyte (GB).

### **Decent broadband**

Ofcom defines a “decent” broadband as a connection capable of delivering a download speed of at least ten Mbps and an upload speed of at least one Mbps.<sup>136</sup> This is the specification for the Government’s Universal Service Obligation (expected to be available in 2020).

### **Superfast broadband**

Superfast broadband does not have a single definition. The UK Government defines it as speeds greater than 24Mbps, whereas Ofcom and the European Commission define it as speeds greater than 30Mbps. The Scottish and Welsh Governments also use the higher definition.

### **Ultrafast broadband**

Ultrafast broadband does not have a single definition. The UK Government defines it as speeds of 100Mbps and higher, whereas Ofcom defines it as speeds greater than 300Mbps.

### **Gigabit-capable connection**

The UK Government defines a “gigabit capable” connection as one that can support 1 gigabit per second (Gbps) download or upload speeds. One Gbps is equal to 1000 Mbps.

# Broadband technologies

## **ADSL**

ADSL (asymmetric digital subscriber line) technology delivers broadband using copper telephone lines – the connection speed will depend on which type of ADSL is being used; and the quality and length of the line from the telephone exchange to the premises. The further away from the telephone exchange, the slower the connection.

## **Fibre optic cable**

Fibre optic cables are made of glass or plastic. They transmit data using light. Fibre optic cables can transmit more data with faster speeds and significantly less signal loss with distance compared to copper wires.

## **Fibre to the Cabinet (FTTC)**

Fibre to the Cabinet (FTTC) is the main technology used for superfast broadband roll-out in the UK. FTTC connections use fibre optic cables to carry the signal from the telephone exchange to street cabinets and then existing copper lines are used from the cabinet to premises.

FTTC technology can provide speeds of up to 80 Mbps. However, the maximum speed that a premises can receive reduces the further away it is from a cabinet, with superfast speeds (above 24 Mbps) available up to approximately 1000m from the cabinet.

## **G-fast**

G-fast is a broadband technology being deployed in a pilot commercial roll-out by Openreach. G-fast is a variant of FTTC technology, which allows ultrafast speeds (up to 300 Mbps) to be delivered using the same copper telephone lines that are used in FTTC technology.<sup>138</sup> It works by expanding the frequency range over which signals are transmitted, allowing for higher speeds. Higher frequencies slow sharply with distance however so only premises within 350 meters of the cabinet are expected to benefit. G-fast is installed by fitting an 'extension pod' onto existing cabinets, and therefore can be installed quickly at low cost.

## **Cable broadband**

All cable broadband in the UK is provided by Virgin Media. Cable networks use a combination of fibre optic cables to street cabinets and high-grade co-axial cables (which are also used for cable TV) from the cabinets to premises. Co-axial cables experience less signal loss over distance compared to copper wires. The latest standard DOCSIS3.1 allows for speeds of around one Gbps (1000 Mbps) by cable.

## **Full-fibre [Fibre to the Premises or Home (FTTP/FTTH)]**

Fibre to the Premises (FTTP) or Fibre to the Home (FTTH) is a technology where the fibre optic cable runs all the way to the premises or home. FTTP/FTTH can provide download speeds of one Gbps (1000 Mbps). This is also referred to by the Government as full-fibre.



## **Fixed wireless**

Fixed wireless uses specific frequencies of the radio spectrum to transmit signals through the air in a similar way to mobile phone networks, doing away with wires. Depending on the number of users served by the wireless connection, it is capable of delivering superfast speeds. Most wireless ISPs only offer limited coverage in specific areas, for example rural villages.

## **Satellite broadband**

Satellite broadband is an option for those who live in rural areas where traditional fixed-line based broadband services aren't available. It uses a satellite dish to provide access to broadband services. The main advantage of satellite broadband is that it can be provided virtually anywhere in the world, as long as there is a clear line of sight to the satellite (south for the UK).

# Other

## **Bandwidth**

The maximum amount of data that can be transmitted along a channel – similar to the amount of water that can be squeezed through a pipe.

## **BDUK**

Broadband Delivery UK

## **Contention ratio**

The degree to which bandwidth is shared between different end-users at the same network node. When more end-users share the same bandwidth within a network this can lead to a slowdown in performance.

## **Connection charge**

The fee a broadband provider charges customers when it installs a new line to connect their premises to its network, or the fee a broadband provider charges customers when it takes over the fixed broadband line serving their premises. This fee is often waived or reduced if customers also take up certain retail broadband packages with the provider.

## **Download speed**

Also downlink or downstream speed. Rate of data transmission from a network operator's access node to a customer, typically measured in Megabits per second (Mbps).

## **DCMS**

Department for Digital, Culture, Media and Sport.

## **Exchange**

The local telephone exchange is the building where all consumers' copper telephone lines are connected to enable telephone calls to be switched, and where network equipment is installed which enables consumers' data traffic to be routed via an operator's core network to its destination.

**Fixed broadband**

Broadband delivered over a fixed line to the customer's premises.

**Latency**

The time it takes a single packet of data to travel from a user's PC to a third-party server and back again. The figure is most commonly measured in milliseconds, and a connection with low latency will feel more responsive for simple tasks like web browsing.

**Upload speed**

Also uplink or upstream speed. Rate of data transmission from a customer's connection to a network operator's access node, typically measured in Megabits per second (Mbps).

This Glossary has been derived from the following documents:

Ofcom: Implementing the Broadband Universal Service Obligation

and is published under the Ofcom licence:

[www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2017/data-downloads/terms-of-use](http://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2017/data-downloads/terms-of-use)

and 'Superfast broadband in the UK' published by the House of Commons Library and is published under the Open Parliament Licence:

[www.parliament.uk/site-information/copyright/open-parliament-licence](http://www.parliament.uk/site-information/copyright/open-parliament-licence)

# Appendix

## Government policy – an overview

The Government has set ambitious targets to connect the country to superfast broadband and the latest mobile phone networks.

It wants 15 million homes to be connected to full-fibre networks by 2025 with coverage across all parts of the country by 2033. It also has a target for the majority of the population be able to get a 5G mobile signal by 2025.

The Government's approach is that private companies such as Openreach, Virgin Media and the Mobile Network Operators (MNOs) will take the lead rolling out the networks but they will step in with funding schemes to connect communities where it is not commercially viable for the commercial companies to do it on their own.

The Government's programmes have been delivered via Broadband Delivery UK (BDUK) which has spent more than £1.6 billion.

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### Current and Planned full-fibre network deployments

<b>CityFibre/ Vodafone</b>	CityFibre and Vodafone intend to make full fibre available to one million premises across 12 cities by 2021. The areas covered include Milton Keynes, Peterborough, Aberdeen, Edinburgh, Stirling, Huddersfield and Coventry, with an option to extend this to a further four million premises in other cities by 2025. The initial build is expected to cost up to £500 million over 20 years, and the first services are expected to go live in Milton Keynes towards the end of 2018.
<b>Openreach</b>	Openreach has the UK's largest full-fibre network, offering services to around 600,000 premises nationally, often in rural areas. It recently raised the full-fibre roll-out target under its 'Fibre First' programme to three million premises in up to 40 UK towns, cities and boroughs by 2020 (including new sites and publicly-funded projects). The first phase of the roll-out (in Birmingham, Bristol, Cardiff, Edinburgh, Leeds, Liverpool, London and Manchester) started in February 2018.
<b>TalkTalk/ Infracapital</b>	TalkTalk/Infracapital has announced a £1.5 billion plan to deploy full-fibre networks to three million premises in mid-sized towns and cities. The roll-out is expected to start in 2019.
<b>Virgin Media</b>	Virgin Media has committed to make full fibre available to two million premises by the end of 2019 as part of its Project Lightning programme.
<b>Hyperoptic</b>	Hyperoptic focuses on deploying full fibre to large residential and office buildings in urban areas. It has already covered 400,000 premises and aims for 500,000 by 2019 and five million by 2025. In July 2017 it secured an additional £100 million in funding to accelerate the build of its full-fibre network.

<b>KCOM</b>	KCOM's £85 million full-fibre deployment in the Hull East and East Yorkshire expansion area is entering its final phase, with more than 160,000 premises already able to receive full fibre and over 200,000 premises due to be covered by 2019.
<b>Gigaclear</b>	Gigaclear's full-fibre network covers 65,000 rural homes and businesses across 20 UK counties, and the company plans to make full fibre available to 500,000 premises by 2023. Gigaclear is supported by its 80 per cent shareholder Infracapital and by Railpen (the Railways Pension Fund).
<b>CityFibre/ TalkTalk</b>	Under the joint venture between CityFibre and TalkTalk, around 15,000 homes and businesses in York have access to full-fibre services. The network includes infrastructure originally built to serve the city council. Sky was a partner in the venture until TalkTalk bought out its stake in 2016. TalkTalk is currently building out full fibre to a further 40,000 premises in York, to be completed by the end of 2019.

Data from Ofcom's Communications Market Report 2018

You can check the rollout of full-fibre broadband by council on the Ofcom website.<sup>34</sup>

## Government policies and funding schemes for broadband

The Government has a variety of policies to support investment in both superfast and full-fibre broadband.

<b>Better Broadband scheme</b>	Premises with broadband speeds of less than 2 Megabits per second (Mbps) that won't be upgraded in the next year can get a voucher worth up to £350 for basic broadband installation. <a href="https://basicbroadband.culture.gov.uk">https://basicbroadband.culture.gov.uk</a>
<b>Gigabit voucher scheme</b>	Small and medium-sized businesses can get vouchers worth up to £2,500 to support the installation of a full-fibre broadband connection. <a href="https://gigabitvoucher.culture.gov.uk">https://gigabitvoucher.culture.gov.uk</a>
<b>Community Schemes</b>	There are six different approaches to create community schemes to bring broadband to local areas. <a href="https://gosuperfastchecker.culture.gov.uk/community-led-schemes">https://gosuperfastchecker.culture.gov.uk/community-led-schemes</a>
<b>Rural Broadband Infrastructure grant</b>	Grants totalling £75 million are available to councils where broadband services at speeds of 30Mbps or faster are not available or planned. The funding will be used to support full fibre wherever possible. <a href="http://www.gov.uk/guidance/rdpe-growth-programme-rural-broadband-infrastructure-grant">www.gov.uk/guidance/rdpe-growth-programme-rural-broadband-infrastructure-grant</a>
<b>The Universal Service Obligation</b>	The USO is expected to be implemented in 2020 and will give everyone in the UK the right to request a broadband connection of at least 10Mbps if they haven't got access to one already and won't get one in the next year. The USO will fund installation costs of up to £3,400 per premises and consumers and business can make up the shortfall if it exceeds that. <a href="http://www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/broadband-uso-need-to-know">www.ofcom.org.uk/phones-telecoms-and-internet/advice-for-consumers/broadband-uso-need-to-know</a>

<sup>34</sup> <https://app.powerbi.com/view?r=eyJrljoiZTZg4NDMyZjctNWJhZS00MjNjLWlxYzMtZjkwYzljNDk2NzdmliwidCI6IjBhZjY0OGRILTMxMGMtNDA2OC04YWU0LWY5NDE4YmFlMjRjYyIsImMiOjIh9>



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	<b>West London Economic Prosperity Board 10</b>  <b>20 November 2019</b>
<b>Title</b>	<b>London Industrial Strategy and Shared Prosperity Fund - update</b>
<b>Report of</b>	Luke Ward, WLA
<b>Sponsor</b>	David Francis, WLA
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	APPENDIX ONE: Report to London Councils Leaders Committee, June 2019
<b>Officer Contact Details</b>	Luke Ward, Head of Growth, Employment & Skills, West London Alliance, E: <a href="mailto:wardlu@ealing.gov.uk">wardlu@ealing.gov.uk</a> , M: 07738 802929
<b>Summary</b>	
<p>This item is intended to allow the Committee to discuss the on-going development of the “London industrial Strategy” (LIS) and associated UK Shared Prosperity fund (UKSPF) by London Government.</p> <p>The development of the LIS is being led by the Greater London Authority (GLA) at the request of central government. London Councils are actively supporting this work by ensuring that the voices of London boroughs and local areas are informing its content.</p> <p>London Councils Executive received a full update on the LIS at its meeting in June 2019. This update remains relevant and is contained within appendix one of this report.</p> <p>Any actions or specific areas identified by the Committee as of interest will be taken forward by WLA officers, who are coordinating with officers from both London Councils and the GLA.</p>	

<b>Recommendations</b>
<p><b>Leaders are asked to:</b></p> <ol style="list-style-type: none"> <li><b>1. NOTE the report in Appendix one to London Councils Executive on 18 June 2019 providing an update on the development of the LIS and its links to wider devolution activity.</b></li> <li><b>2. IDENTIFY any areas of interest in relation to the LIS that they would like to be taken forward with London Councils or the GLA.</b></li> </ol>



**3. COMMENT on the role of sub-regional partnerships like the West London Alliance in informing the content of the LIS and its associated future funding streams.**

**1. BACKGROUND**

- 1.1 The LIS process has been identified by Government as a key part of the national framework for allocating resources to local areas in the future, particularly the UKSPF.
- 1.2 The GLA, in line with other regions (“LEP” areas) in the country, have been asked to commence the development of a LIS in partnership with Government.
- 1.3 The LIS being developed by the GLA has six emerging areas of focus, which broadly are:
- Fair pay and good work
  - Infrastructure that unlocks growth
  - Clean growth and business opportunities
  - Artificial Intelligence and data
  - Supporting local economies, including town centres
  - Collaboration with other parts of the UK
- 1.4 Furthermore, the report in Appendix One to the London Councils Executive sets out the position of London boroughs to the LIS process, including a clear summary of the areas of the LIS of greatest interest to local councils and an overview of where councils may wish to consider supporting or engaging with LIS development in the future.
- 1.5 The report in Appendix one is structures as follows:
1. Introduction (page 3)
  2. Progress on the LIS to date (page 3)
  3. Focus of the LIS (page 4)
  4. The role of boroughs (page 5)
  5. Potential contribution to the LIS (page 6)
  6. Next Steps (page 9)
  7. Recommendation (page 10)

**2. REASONS FOR RECOMMENDATIONS**

- 2.1 Not engaging with the LIS process could result in a lower level of future funding from funds such as the UK Shared prosperity Fund (UKSPF), which might otherwise be used to deliver shared sub-regional priorities.

**3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

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3.1 n/a

#### **4. POST DECISION IMPLEMENTATION**

4.1 Any actions identified by the Committee will be taken forward by officers, in coordination with officers from London Councils and the GLA.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

5.1.1 Not engaging with this process may result in a reduced level of strategic resource available to deliver the priorities set out in West London's new growth strategy, "*Winning in the New Economy*".

##### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 No engaging with the LIS process increases the risk that boroughs in West London will not receive their fair share of national resources focused on supporting local economic growth and investment.

##### **5.3 Social Value**

5.3.1 n/a.

##### **5.4 Legal and Constitutional References**

5.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

5.4.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

5.4.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal

commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

5.5 **Risk Management**

5.6 There is a risk that by not engaging with the full range of levers that have an impact on the overall economic success of an area the sub-region will not achieve the level of economic outcomes in terms of jobs, investment, or housing that might otherwise be the case over the medium and long term.

5.7 **Equalities and Diversity**

5.7.1 The LIS has a focus on inclusive growth built into it from the outset. Any specific areas of funding or new policies arising from the LIS in the future will be subject to equality impact assessments as required on a case-by-case basis.

5.8 **Consultation and Engagement**

5.9 n/a. The development of the LIS is being led by the GLA

6. **BACKGROUND PAPERS**

7. APPENDIX ONE: Report to London Councils Leaders Committee, June 2019

# Executive

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## Borough role in the London Local Industrial Strategy and Skills and Employment Vision

Item no: 7

**Report by:** Dianna Neal      **Job title:** Strategic Lead: Enterprise, Economy and Skills

**Date:** 18 June 2019

**Contact Officer:** Dianna Neal      **Email:** Dianna.neal@londoncouncils.gov.uk

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**Summary**      This report outlines progress with the development of a Local Industrial Strategy in London and a Skills and Employment vision for the capital. It outlines the potential role that London boroughs could have in shaping and delivering the LIS and the Skills and Employment Vision.

**Recommendations**      That the Executive:

1. Notes the report and progress with the development of London's Local Industrial Strategy (LIS) and a Skills and Employment Vision for London.
2. Comments on the focus of London's LIS and the Skills and Employment Vision.
3. Comments on the proposed borough role in shaping and delivering the LIS and the Skills and Employment Vision and the proposed next steps outlined in paragraph 15.



# Borough role in the London Local Industrial Strategy and Skills and Employment Vision

## Introduction

1. All Mayoral Combined Authorities or Local Enterprise Partnerships (LEPs) have been tasked by the government to develop a Local Industrial Strategy by early 2020. In London, the Mayor is developing a London Local Industrial Strategy. The LIS will set out how London will contribute to the national Industrial Strategy<sup>1</sup> and its five foundations of productivity - ideas, people, infrastructure, business environment and places. It should identify the economy's strengths and weaknesses and set out a clear approach to raising productivity, supported by a robust evidence base.
2. The LIS will also set out London's priorities for future funding for local growth. Whilst the government has stated that the LIS should not be a bidding document, it has also indicated that some future growth funds will be awarded based on Local Industrial Strategies. This includes the UK Shared Prosperity Fund (UKSPF), which will replace European Structural and Investment Funds (ESIF). London received £580m of ESIF funding for the 2014-2020 programme.
3. The Skills and Employment Vision is being developed jointly by the GLA and London Councils. The vision will form the 'people' element of London's LIS, but will go further, setting out a strong pitch for future UKSPF and other funding and arguing for more fundamental reforms to London's skills and employment system and for powers to London government to achieve the vision. The vision is due to be launched in September 2019.

## Progress to date

4. The GLA has been engaging with a range of stakeholders, through roundtables and existing meetings, to inform the development of the LIS, and is working with the London Economic Action Partnership (LEAP). The GLA and London Councils have also engaged with stakeholders on the skills and employment vision and worked closely with the Skills for Londoners (SfL) Board on the development of the vision. London Councils held a workshop on the LIS in December 2018 with boroughs and has since held workshops with borough officers on different aspects of the LIS and the employment and skills vision in May 2019.

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<sup>1</sup> [HM Government, 2017, Industrial Strategy: Building a Britain fit for the future](#)

## Focus of the LIS and skills and employment vision

5. London's LIS will address the challenge of inclusive growth – ensuring all Londoners and all parts of the city can participate in and benefit from London's dynamic and highly productive economy. The LIS will set out policies and priorities in four key areas:

- I. **Enabling access to good work and fair pay for all Londoners:** focusing on skills, health and childcare barriers to work and progression and the role of employers in improving the quality of work.
- II. **Supporting inclusive innovation in London:** supporting London's innovative sectors to develop solutions to the challenges London faces, widening participation in innovation among Londoners and across the business base, particularly in low wage, low productivity sectors.
- III. **Nurturing the conditions for local growth across communities:** supporting the development of economic hubs around town centres, high streets, industrial sites and sectoral clusters, putting in place the necessary supporting infrastructure to facilitate growth and investing in regeneration and placemaking.
- IV. **Collaborating for regional and national growth:** working with partners in the Wider South East to support the development of key economic corridors, identifying opportunities to work with cities and regions across the UK to deliver mutual growth and prosperity.

6. The Skills and Employment Vision will set out policies and priorities in three key areas:

- I. **Empowering Londoners:** providing inclusive and good quality education opportunities, particularly for the most disadvantaged Londoners. Focusing on developing an all-age careers service in London; employment and skills support for the most disadvantaged Londoners and communities and in-work progression opportunities for low-paid Londoners.
- II. **Meeting the needs of the economy:** with businesses and key sectors getting access to the talent they need. Developing progression pathways in key sectors<sup>2</sup> and around regeneration areas; a more flexible and effective apprenticeship system and the role of employers in improving the quality of work.
- III. **Developing a strategic city-wide offer that is agile, responsive and integrates services:** Coordination and alignment between skills, education, employment support and other local services; providing and using better, more accessible data on labour

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<sup>2</sup> Digital, construction and infrastructure, creative industries, STEAM and health and social care.



demand and skills provision; creating an outcomes and impact framework for London's employment and skills system and improving recruitment, retention and leadership within education and skills.

### **The role of boroughs**

7. London boroughs have an important role in shaping and delivering London's LIS and the skills and employment vision, to ensure that the LIS is delivered efficiently, effectively and meets the needs of London's diverse communities and businesses. Boroughs can make a significant contribution to delivering the LIS and offer unparalleled reach into businesses and a deep knowledge of communities; operating individually, collectively as groups of boroughs via Sub-Regional Partnerships (SRPs) and at a pan-London level via London Councils.
8. The proposals set out in this paper are based on the following underpinning principles:
  - The Mayor has a strategic and political leadership role in skills, employment and inclusive economic growth. The Mayor should set the strategic framework and direction for activities. Given the scale and diversity of London, the Mayor's strategy should be informed by boroughs' strategic priorities at a sub-regional level.
  - London boroughs also have an important political leadership and convening role in skills, employment and inclusive economic growth, setting out a vision for their area and bringing together partners locally and sub-regionally to deliver this.
  - Delivery should be underpinned by the principle of subsidiarity – that is, it should be as close to local communities as possible, with 'local first' approach to new initiatives. When the government or the Mayor are considering new programmes or initiatives, they should consider whether this could be effectively delivered locally or sub-regionally initially.
  - This would not preclude pan-London delivery where it makes sense to do so. Pan-London co-ordination would also be important and local activities may need operate within a consistent strategic framework at a pan-London or national level. Sharing of good practice, data and more consistency around evaluation all lend themselves to pan-London delivery and co-ordination.
  - Delivery should also build on existing infrastructure and activity, where this is possible and appropriate, rather than creating an entirely new infrastructure and delivery mechanism. This would result in an efficient, effective and systematic way of working, rather than a collection of separate initiatives.

## Potential borough contribution to the LIS

9. Boroughs' role as place-shapers and conveners between communities, business and other stakeholders is central to supporting innovation, developing the right business environment and getting the infrastructure needed to promote inclusive economic growth. As place-makers, boroughs are uniquely positioned to pull together various funding streams and to use their planning and regulatory functions to support the strategic development of an area. The devolution of business rates would give boroughs a significant additional incentive to develop an environment for inclusive growth.
10. The LIS will need to be flexible enough to work across the many different local economies and communities across the capital. Boroughs can ensure this, by building on existing infrastructure and partnerships, or placing new infrastructure and partnerships within the local context. Boroughs are uniquely placed to bring together both employment, skills, business support, infrastructure and productivity initiatives together locally and at scale, working jointly through SRPs. Given the size, diversity and complexity of London, SRPs have an important role in enabling boroughs to work at scale on shared challenges, pilot different approaches and collaborate across borough boundaries.
11. Boroughs can therefore provide the following to deliver the LIS:
  - **Political leadership to shape place:** Boroughs have a democratic mandate as leaders of place. Boroughs are uniquely positioned to bring together schools, colleges, businesses and other public sector organisations around a vision for place. This activity can create pathways across institutions for Londoners and businesses.
  - **Supporting growth as planning authorities.** Through their planning functions, London boroughs have tangible influence on local inclusive growth. They can set a vision for inclusive growth and land use that balances the needs of business and communities and identify the required physical infrastructure for inclusive growth. They can also protect business space, plus generate affordable workspace, via planning policy and use of planning gain. Boroughs also create job and apprenticeship opportunities using planning policy and planning gain.
  - **Supporting businesses to grow and innovate to develop a co-ordinated, compelling offer.** Boroughs are well placed to bring together different forms of provision to provide a co-ordinated local package of support to businesses such as the London Growth Hub, private sector provision and universities. They can also spot gaps in local provision and encourage collaboration, rather than competition among providers. Boroughs also have good links with businesses in traditionally less innovative sectors, such as health and social care, via their

service provision, and retail and hospitality, through their work in high streets and town centres.

- **Developing and supporting business clusters.** Whilst many business clusters grow organically, once established they can be supported by boroughs through the planning process and by providing broader physical and digital infrastructure. Boroughs have an important role in ensuring that thriving clusters link into and provide opportunities to the surrounding communities. Boroughs can also help grow and develop business clusters through their own leadership.
- **Identifying future infrastructure requirements.** Infrastructure drives economic growth and productivity; poor infrastructure slows these. Boroughs' local knowledge can identify small and large-scale infrastructure improvements in areas such as transport, digital, land supply, skills and affordable housing in order to drive growth and increase productivity. Boroughs collaborate on large scale infrastructure schemes – such as the West London Orbital Transport scheme. Boroughs have a central role to play in ensuring new infrastructure benefits existing communities and business, as well as attracting new ones, using Section 106 agreements. Transport for London is key player in this area and it is vital that TfL works closely with boroughs and sub-regions around its investment to maximise local inclusive growth and ensure they work within the local context.
- **Collaborating with anchor institutions.** Boroughs work closely with local anchor institutions such as universities and colleges or key businesses/assets such as major airports. For example, boroughs work with universities on key regeneration sites and ensuring these are linked to the local community; to support specialist hubs/business clusters associated with the local economy; providing suitable and affordable business space and drawing on students' knowledge and expertise and applying this to urban development issues or via local businesses to support innovation.
- **Working across sectors on complex challenges:** Boroughs are bringing together universities, businesses, the public and voluntary sector to work together on complex challenges such as climate change and youth safety. As democratic leader of places, boroughs have the mandate to set challenges and convene partners around innovative social policy.
- **Providing opportunities as procurers of services.** Boroughs can provide opportunities for businesses by taking a social value and an environmentally sustainable approach to procurement and developing local supply chains.
- **Promoting good work to increase productivity:** Some boroughs are working with and promoting trade unions, as well as adopting and promoting good work standards, such as the ethical care charter and the London Living Wage.

## Potential borough contribution to the Skills and Employment Vision

12. Supporting inclusive economic and jobs growth and ensuring that Londoners can benefit from the jobs and opportunities available are central aims to boroughs' role as place-shapers. Whilst boroughs have no formal statutory responsibilities around employment and skills, they are priorities for most London boroughs. For example, many London boroughs provide their own employment support services for their residents or commission others to do so. Sub-Regional Partnerships are managing the devolved Work and Health Programmes in London. Boroughs also have related statutory responsibilities around access to education and skills for 16-19 year olds, care leavers and learners with Special Educational Needs and Disabilities (SEND) up to the age of 25.
13. Boroughs can provide political leadership to drive through change, test out new approaches at a smaller scale and ensure that services are working for their local communities and businesses. They can be powerful conveners – drawing together local providers, business, communities and other stakeholders. They can have an important role in developing a shared local vision and more integrated services across different partners. They can collaborate and work at scale on shared skills and employment challenges through SRPs.
14. Boroughs can therefore provide the following to deliver the skills and employment vision:
  - **Deep knowledge of and access to communities, including the most disadvantaged Londoners.** Boroughs are social landlords and provide a range of different services, often to the most vulnerable Londoners – through social care, housing services, work with care leavers, vulnerable adults and children and through Adult and Community Learning (ACL). Boroughs know their patch and communities well. Many boroughs are moving towards person centred, relational services which look at an individual's needs from health to employment. There is evidence that investing in a place-based relational services supports progression towards employment.
  - **Existing local infrastructure.** Many London boroughs provide their own employment support services for their residents or commission others to do so. Boroughs also have community focused skills support through their ACL services. Boroughs are uniquely placed to integrate local services, so that they can support the most vulnerable Londoners to develop their skills and enter employment. Boroughs are also working strategically via four sub-regional skills and employment boards.
  - **Good links to business.** Boroughs work strategically with large and small businesses. A recent London Councils survey found that over half of all boroughs have a strategic borough-wide business board or forum and the rest have either topic or area specific business

forums. Boroughs also provide a range of services to business such as environmental health, trading standards, licencing and planning. Many boroughs are currently working with businesses to encourage their investment in training, engagement in careers, advice and guidance, taking on apprenticeships and creating opportunities for residents, particularly the most disadvantaged. Given the scale and form of London's businesses, boroughs provide an unrivalled reach into this community<sup>3</sup>.

- **Strong links to schools.** All boroughs have education partnerships, linking with Headteachers, and many work closely with schools on a range of issues such as careers and support for SEND learners.
- **Influence as procurers of services:** Boroughs spend on procuring goods and services is significant and many take a social value approach, so that their suppliers support local communities, including through job and training opportunities. Last year, boroughs collectively created 758 apprenticeship opportunities via their supply chains in 2018-19<sup>4</sup>. Some boroughs are using procurement to promote 'good work' among their suppliers.

## Next steps

15. London Councils will be working with boroughs, SRPs and the GLA to further develop the skills and employment vision and to influence the development of London's Local Industrial Strategy. We will aim to ensure that the potential role of boroughs is reflected in both strategies and to encourage the GLA to view boroughs as key deliverers of the strategy and vision in their areas – translating pan-London priorities into successful delivery locally and sub-regionally. We propose to approach the Mayor and GLA to ask that:

- Sub-regions and boroughs are given a clear and acknowledged leadership role in convening partners locally to deliver London's Local Industrial Strategy and around the skills and employment system.
- The Mayor commits to the principle of subsidiarity when considering new initiatives, funding programmes and devolution opportunities.
- Support are provided from government and/or the Mayor to build up consistent capacity across London boroughs, potentially drawing on new funding streams.

16. Leaders will jointly sign off the skills and employment vision with the Mayor during summer 2019 and will have an opportunity to respond to a draft of the London LIS in autumn 2019.

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<sup>3</sup> London has 1.1million registered business, with **SMEs** making up over 99% of all **London's** private sector businesses and represents half of all **London** employment

<sup>4</sup> This is likely to be an underestimate, as only six boroughs provided data on this

## **Recommendations**

17. It is recommended that the Executive:

1. Notes the report and progress with the development of London's Local Industrial Strategy (LIS) and a Skills and Employment Vision for London.
2. Comments on the focus of London's LIS and the Skills and Employment Vision.
3. Comments on the proposed borough role in shaping and delivering the LIS and the Skills and Employment Vision and the proposed next steps outlined in paragraph 15.

## **Financial implications for London Councils**

None

## **Legal implications for London Councils**


None

## **Equalities implications for London Councils**

There are no direct equalities implications for London Councils as a result of this paper.

## **Attachments**

None

	<b>West London Economic Prosperity Board 11</b>  <b>20<sup>th</sup> November 2019</b>
<b>Title</b>	<b>West London Orbital – Progress and Next Steps (Standing Item)</b>
<b>Report of</b>	Amar Dave, LB Brent
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Enclosures</b>	None
<b>Officer Contact Details</b>	Andrew Barry-Purssell, West London Planning Policy and Infrastructure Delivery Manager, West London Alliance, E: <a href="mailto:barrypurssella@ealing.gov.uk">barrypurssella@ealing.gov.uk</a> ; T: 07525 388237
<b>Summary</b>	
<p>This report provides the Board with an update on work with regard to the proposed West London Orbital (WLO) Overground rail line. Since the Board's meeting in September, it has been announced that strategic investment pot funding of £3.6 million has been provisionally secured to fund the further development of the project, including masterplanning of sites that would be served by the WLO. Work has started on the technical work required to work up the business case for the project, including studies on the economic benefits the WLO will support and funding/financing for the project,</p>	

<b>Recommendations</b>
<p><b>Leaders are asked to:</b></p> <ul style="list-style-type: none"> <li>(i) <b>NOTE progress in development of the business case for the WLO; and</b></li> <li>(ii) <b>IDENTIFY any additional actions or activities for consideration not already identified within the WLO programme, particularly in building stakeholder support for the project.</b></li> </ul>

## 1. WHY THIS REPORT IS NEEDED

- 1.1 The WLEPB has consistently identified the West London Orbital (WLO) Overground rail line as a proposal of shared strategic priority for West London, integral to the development and sustainable growth of the sub-region. Joint working with TfL and the GLA has it is included in the Mayor's Transport Strategy, TfL's 2018-19 Business Plan and the draft London Plan. The Board



has agreed that progress and next steps relating to the WLO should be a standing item on its agenda. Since then, the West London Alliance (WLA) and West London boroughs have worked closely with TfL/GLA and Network Rail to develop and refine the business case for the project and ensure it is reflected in relevant local plans.

- 1.2 It will be recalled that the first stage of this work was completed with publication of a strategic outline business case published in June. The Deputy Mayor for Transport and Transport for London then confirmed that the next stage of work on the project would start, with a particular focus on feasibility. She reaffirmed her support for the project and the work needed to realise it at the last meeting of the Board.
- 1.3 This next phase of work is jointly funded and commissioned by TfL and the WLA. To help enable this a bid was made for funding from the strategic investment pot (SIP), and a provisional allocation of £3.6 million has been made by the Panel responsible for taking decision on SIP funding.

## **2. DEVELOPING A BUSINESS CASE FOR THE WLO**

- 2.1 It will be recalled that the WLO Strategic Outline Business Case (SOBC), published in June, confirmed that there is a strong case for the scheme to be taken forward to the next stage of business case development. It showed that it could help address three critical strategic issues facing West London – bringing land into use for housing and employment, providing connectivity needed to address public transport severance and delivering benefits to the wider transport system, including users of existing rail lines and the road network. It confirmed that the WLO would provide medium- to high value for money. No insuperable technical obstacles were identified. It identified areas for further work in later stages of the business plan process, including identifying the preferred service pattern and the need for additional infrastructure, including new stations; development of a financing strategy; and options to close the subsidy gap in meeting operational costs.
- 2.4 The next stage of work, projected to take 9 months, will establish the feasibility of the WLO, identifying potential constraints that might make it difficult to deliver the strategic objectives of the project. The initial focus will be on issues presenting particular risks to the delivery of the project.
- 2.5 Network Rail is leading work on:
- A timetable assessment looking at how WLO services might affect other current and planned services on the lines involved to see whether an acceptable WLO timetable can be constructed. This will assess the whole line and identify any infrastructure changes required to support the WLO timetable.
  - A study of level crossings along the route (including the two at Bollo Lane and Acton level crossing) which will consider whether they need to be closed – and if they do what mitigation measures should be put in place.

- A power assessment that will determine how the entire route can be powered. This will include confirmation of Network Rail's proposals for the parts of the WLO route that are at present unelectrified (the Dudding Hill line and Kew Curve).

#### 2.6 TfL is leading work on:

- Existing station capacity and the potential impact of additional WLO services. This is a particular priority to enable early negotiations with developers proposing schemes along the route.
- A signalling feasibility assessment, looking at signal changes needed to accommodate WLO services.
- A study of the feasibility of remodelling Acton Wells Junction – a key pinch point for the additional services involved in the WLO.
- A rolling stock strategy, which will include looking at motive power and electrification potential. This will look at options avoiding the need to use diesel, including battery powered trains,
- An operational concept assessment that will look at how WLO services might be operated and how it will fit with the rest of the TfL Overground network.
- A depot/stabling strategy.

#### 2.7 The WLA is funding and jointly leading studies dealing with:

- Funding and financing. This will examine the options for funding the construction and operation of WLO, drawing on experience of other major transport projects in London and elsewhere. It will draw up a long list of potential funding options and consider the practicality of each, narrowing them down to a short list for further consideration. It will identify the practical steps required to be taken and provide a basis for discussion with national government and other stakeholders. This work has been awarded to Grant Thornton/Mott Macdonald.
- Economic benefits: This will provide a narrative explaining – and so far as possible, quantifying – the wider economic benefits of the WLO, explaining why it is needed to deliver the scale and type of growth likely in West London over the next decades. This will be carried out with the degree of rigour typically used in transport analysis and will ensure all the project's economic benefits are identified and properly taken into account. This work has been awarded to Steer Group.

Both studies are intended to be complete by spring/early summer 2020.

#### 2.8 Both studies are at mobilisation stage. For each, arrangements are being made for engagement with boroughs, businesses and other stakeholders. Workshops are being arranged for each of the studies to ensure the consultants carrying them out understand the project and its strategic importance to West London, have an awareness of borough approaches to funding and other issues and are clear about the data and other information they will require to carry out their work. These are likely to be held before or shortly after Christmas.

### 3. STRATEGIC INVESTMENT POT BID

- 3.1 Transport for London's current financial position means it cannot commit to funding all the work involved in the further work required to develop the project to the point at which an application can be made for powers to deliver it under the Transport and Works Act. To keep the WLO moving forward, the WLA will be making both financial and "in kind" (officer time) contributions.
- 3.2 To this end the WLA made a bid to the Strategic Investment Pot (SIP) - funded from retained business rates – on behalf of its member boroughs so it can provide the required match funding. This bid was for £3.6 million, which would be used to fund:
- Match-funding for the costs of developing the WLO business case up to the point at which an application for powers is made (£2.7 million). This includes an element to fund the (at least) two rounds of public consultation likely to be involved.
  - Funding for borough masterplanning of areas served by the WLO, whether directly or by interchange (£960,000). This work is intended to ensure that the growth potential supported by the WLO is maximised (particularly important given that the project may well be funded in part by s106/CIL) and to ensure the most is made of opportunities to promote sustainable and public transport use.
- 3.3 The SIP Panel which considered bids for funding from across London has recommended that this bid should be recommended. The Panel noted that this bid was more focussed than that made by the WLA for WLO-related funding last year, reflecting the progress made with the project since then. It concluded that the bid would directly assist with the delivery of the WLO. The Panel agreed the WLO was a "large-scale project, with potential pan-London impact" and that while it was included in TfL's business plan and the Mayor's Transport Strategy support was required to secure progress in this important project.
- 3.4 This recommendation is subject to approval by London boroughs, which was being sought at time of writing. As reported elsewhere on the agenda, arrangements will be put in place for transfer of the funds to the London Borough of Ealing (as WLA lead authority). The procedure for paying WLO masterplanning funding to individual local planning authorities is being developed; this is likely to be based on memorandums of understanding and a light-touch monitoring arrangement both to ensure delivery and enable cross-borough learning from activities around the WLO route and stations.
- 3.5 The masterplanning funds will be allocated so that:
- Local planning authorities (LPAs) directly served by the WLO will receive sums allocated according to a formula reflecting:
    - the number of stations
    - the extent of housing and employment growth; and
    - incremental increase in business rates

it is estimated the WLO will support in each LPA area.

#### 4. OTHER ACTIVITIES

- 4.1 The WLA is working on arrangements to support continued development of the WLO, broadening awareness amongst stakeholders about the project and building support for its implementation and broadening. This will include laying the ground for the rounds of public consultation that will be carried out as the WLO is worked up (the first is likely to take place in summer/autumn 2020). To this end it will be convening a meeting of borough communications officers to ensure they are briefed about the project and seek their views about local opportunities to publicise the WLO. The WLA has also developed a website – Go with the WLO (<https://gowiththewlo.co.uk/>) – which gives some basic information about the scheme and allows those interested to register their support and request further information about the scheme as it is delivered.
- 4.2 Through the WLA Chief Planners' Group it has been agreed to start non-statutory strategic "safeguarding" of the WLO route and areas around proposed stations (and any other buildings or operational land that might be identified as being necessary for delivery of the WLO as the project is developed). Underpin the work boroughs have done and are doing to recognise the WLO in local plan policies if we can keep a grip on development along the route and station sites. This will enable the WLA to support LPAs in avoiding anything happening that might prejudice the project. It will also be helpful to monitor developer interest along the route, which will be valuable in informing business case development. West London LPAs will inform the WLA of any application for:
- a) A major development within 1 km of the WLO route and any proposed WLO station. "Major development" in this case is as defined in the National Planning Policy Framework (10 or more homes or the site is 0.5 hectares or more; additional non-residential floorspace of 1000 sq. m or more or a site of 1 hectare or more); or
  - b) Any other development within 1 km of the WLO route that in the opinion of the LPA might have a material effect on implementation of the WLO.

Notification will take the form of a simple email with an address, description of development and application reference number. The WLA will be able to provide support/evidence to support refusals at appeals where requested and the fact that development along the route is being monitored can be mentioned at pre-application meetings with developers. The WLA Planning Policy Officers' Group will keep the operation of this arrangement under review and receive reports on findings. Initially, the arrangement is trialled for six months, after which its value and effectiveness can be reviewed.

- 4.2 The WLA has awarded the contract for preparation of a West London Strategic Infrastructure Delivery Plan (SIDP) to Atkins. The SIDP will identify strategic infrastructure priorities required to support West London's growth in the period 2020-35 and into the 2040s and 2050s, covering all forms of infrastructure, including transport. It will consider priorities beyond the WLO, but also at

measures complementing the WLO that will help it maximise local benefits and ensure its effective integration with the wider sub-regional transport networks. The steering group for the work comprises officer representatives from all West London local planning authorities; progress will be monitored through the WLA's Chief Planners' and Planning Policy Officers' groups.

#### **4. REASONS FOR RECOMMENDATIONS**

- 4.1 Projections of the London population and economy into the 2030s and 2040s show that transport infrastructure is likely to become an increasing constraint on growth. There are already issues of poor orbital connectivity and congestion across West London; over time these will reduce the scale of growth possible on a sustainable basis and undermine the sub-region's competitiveness, social outcomes and quality of life. The recommendations in this report are part of a strategic approach to addressing these issues by providing a much-needed item of transport infrastructure connecting places where existing and new communities will live and work.

#### **5. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 5.1 The work done to prepare the strategic outline business case for the WLO has examined all the alternative options for making orbital journeys across West and north-west London that might deliver the three strategic options of enabling new homes and jobs; improving orbital transport connectivity; and enhancing public transport capacity in West London to tackle congestion and ensure resilience as the population grows. The WLO proposal reflects the outcome of that analysis.

#### **6. POST DECISION IMPLEMENTATION**

- 6.1 The project development programme will be refined and defined in further detail. In particular the programme of detailed work that will be carried out in the short- to medium term is being agreed with Transport for London. The outcomes of this work will be incorporated into the medium and longer-term planning activity of individual West London boroughs and of the WLA.

#### **7. IMPLICATIONS OF DECISION**

##### **a. Corporate Priorities and Performance**

- 7.1 The West London Vision for Growth highlights improved orbital transport infrastructure as a priority for the Sub-Region.

##### **b. Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 7.2 Delivery of the WLO will require significant resourcing should it progress. This

will be sought from a variety of sources; identifying these and the steps required to realise them will be a particular focus of the next stage of work in developing the business case, through a study being taken forward by the WLA as part of the next stage of business case development.

### **c. Social Value**

7.3 The proposals set out in this report support improved health and wellbeing outcomes for West London's people and the enhanced competitiveness and success of its businesses by providing greater connectivity and cutting congestion. Better orbital public transport will improve air quality and other environmental issues.

7.4 In particular, the WLO will reduce the level of pollution travellers are exposed to compared to equivalent journeys by road. It will improve journey times, giving greater access to better paying jobs and so boosting disposable incomes. More specifically, the WLO will enable people living in areas of higher deprivation and lower incomes to access the 100,000 new jobs expected to be created in major regeneration opportunities at Brent Cross, Old Oak/Park Royal, Wembley and Hounslow.

### **d. Legal and Constitutional References**

7.5 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

7.6 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

7.7 The purpose of the Joint Committee will be collaboration and mutual



cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant to a decision of the Joint Committee must be made by all of the Participating Boroughs.

**e. Risk Management**

- 7.8 The risk of not taking early action to improve connectivity across West London is that growth will be lower and of a poorer quality than would otherwise be the case – resulting in fewer new homes and jobs for a growing population, a smaller tax base and lower investment and quality of life than would otherwise be the case.

**f. Equalities and Diversity**

- 7.9 This work currently has no direct equality or diversity implications. If delivered, however, the WLO would connect many of the sub-region's most deprived communities with employment opportunities and growth areas. This will enable them to access job and other opportunities at a lower cost and more quickly than would be possible by other forms of public transport or the private car. A full Equalities Impact Assessment would be carried out as the project proceeds to formal approval.

**g. Consultation and Engagement**

- 7.10 This work does not currently involve public consultation, although this is something that will take place in the next stages of business case development and the bid being made by the WLA for strategic infrastructure pot funding includes an element to fund this area of work. All West London boroughs, the GLA, TfL and the Old Oak/Park Royal Mayoral Development Corporation and representatives of local businesses have been engaged with development of the project to date. As the project proceeds a communications strategy will be developed and implemented to explain the project and the benefits it would bring and to build stakeholder. As the project moves towards the point at which public consultation will be required a full community engagement and consultation plan will be developed.





**West London Economic  
Prosperity Board - Forward  
Work Plan**

**February 2019 – March 2020**

Title of Report	Overview of decision	Report Of ( <i>officer</i> )
<b>27 February 2019</b>		
External Speaker	Chair of London First, Paul Drechsler CBE to discuss a range of issues including business priorities, Brexit, and infrastructure	Paul Drechsler, CBE
Brexit Analysis	TO NOTE emerging factual economic trends relating to Brexit	Luke Ward, WLA
Orbital Rail Outline Case Progress Review	TO NOTE progress towards the outline business case produced by WLA boroughs and TfL to bring forward this scheme.	Amar Dave, LB Brent
One Public Estate (OPE)	TO AGREE next steps progressing the West London OPE programme	Paul Najsarek, LB Ealing
Chair's Review of the Year/Annual Report	TO AGREE the committees annual report and forward plan	Paul Najsarek, LB Ealing
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chair
<b>19 June</b>		
External Speaker	To engage in a discussion with the Director of the Centre for London about social and economic trends in West London over the coming years. This discussion is intended to support the Committee to identify any new priorities or to issues that it wants to explore further together e.g. in relation to technological change, the environment, housing or social inclusion. Any actions identified will be incorporated into the programme.	Ben Rodgers, Director, Centre for London
Refreshing the Vision for Inclusive Growth	TO AGREE the emerging priorities and timeline for the future Vision for Growth, including a comprehensive approach to partner engagement and messaging, alignment with Industrial Strategy, with a view to returning a final version to the September meeting of the WLEPB.	David Francis, WLA

Title of Report	Overview of decision	Report Of ( <i>officer</i> )
Strategic Investment Pool (SIP) – delivery and future rounds	TO NOTE progress delivering the successful SIP bids, TO NOTE arrangements for the second SIP round in 2019/20	Paul Najsarek, LB Ealing
Orbital Rail Outline Case	TO AGREE next steps in relation to the outline business case produced by WLA boroughs and TfL to bring forward this scheme and agree next steps.	Amar Dave, LB Brent
Capital West London progress review and performance report	TO UPDATE the Committee on progress delivering the service and the forward plan for the coming year.	Amar Dave, LB Brent
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chair
<b>Sep 2019</b>		
External Speaker	Heidi Alexander, Deputy Mayor for Transport	Deputy Mayor for Transport
Orbital Rail Progress and next steps	TO NOTE the updated report on progress bringing forward the West London Orbital Scheme	TBC
Vision for Inclusive Growth Refresh	TO AGREE, subject to final comment, the refreshed Vision for Inclusive Growth	David Francis, WLA
Work & Health Programme performance update and next steps	TO NOTE the report updating on the progress of these two programmes	Paul Najsarek, LB Ealing
Strategic Infrastructure Pool	AT AGREE any actions required as part of the delivery of the SIP process, as well as in relation to Round Two SIP funding for 2019/2020.	Luke Ward, WLA

Title of Report	Overview of decision	Report Of ( <i>officer</i> )
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chair
<b>20 November 2019</b>		
Winning in the New Economy - update	To hear an update on the new sub-regional growth strategy, following the Capital West London Growth Summit on 29 October	David Francis, WLA
Orbital Rail Progress and next steps	TO NOTE an update on progress and next steps associated with this scheme	Niall Bolger, LB Hounslow, Amar Dave, LB Brent
Annual report of the West London Skills Board	TO NOTE the progress made by the West London Skills Board over the previous year and its priorities for the year ahead.	Niall Bolger, LB Hounslow
Strategic Infrastructure Pool delivery review	TO NOTE next steps the delivery of the SIP process, as well as in relation to Round Two SIP funding for 2019/2020.	Paul Najsarek, LB Ealing
West London Digital Strategy	To seek the views of the Committee on the emerging themes for a West London Digital and Smart Cities Strategy	Kim Smith, LB Hammersmith & Fulham
Industrial Strategy and Shared Prosperity Fund	TO NOTE an update on progress by the GLA on bringing forward the Local Industrial Strategy and discussions with government about the related Shared prosperity Fund.	Paul Najsarek, LB Ealing
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chair
<b>26 Feb 2020</b>		
External Speaker	TBC – suggestions from the Committee welcome	TBC
Winning in the New Economy	TO AGREE the new sub-regional growth strategy	David Francis, WLA
Orbital Rail Progress and next steps	TO NOTE the outline business case produced by WLA boroughs and TfL to bring forward this scheme.	Amar Dave, LB Brent

<b>Title of Report</b>	<b>Overview of decision</b>	<b>Report Of (<i>officer</i>)</b>
Capital West London performance report	TO UPDATE the committee on progress delivering the service and the forward plan for the coming year.	Luke Ward, WLA
Chair's Review of the Year/Annual Report	TO AGREE the committees annual report and forward plan	Paul Najsarek, LB Ealing
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chair
Possible External Speakers to be invited/return to a future EPB: Rt Hon the Lord Blunkett Jules Pipe Will Butler-Adams Rajesh Agrawal David Lunts Helen Evans, G15 Group		

