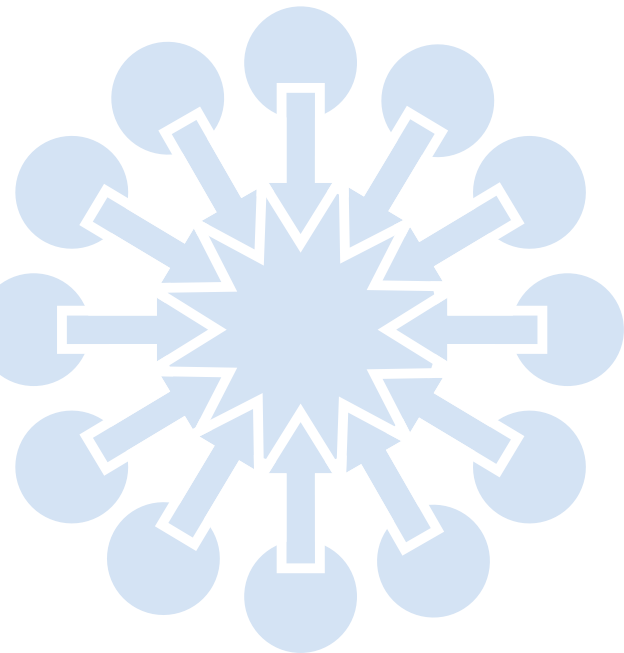


Heathrow Strategic Planning Group

# Economic Development Vision and Action Plan

March 2020

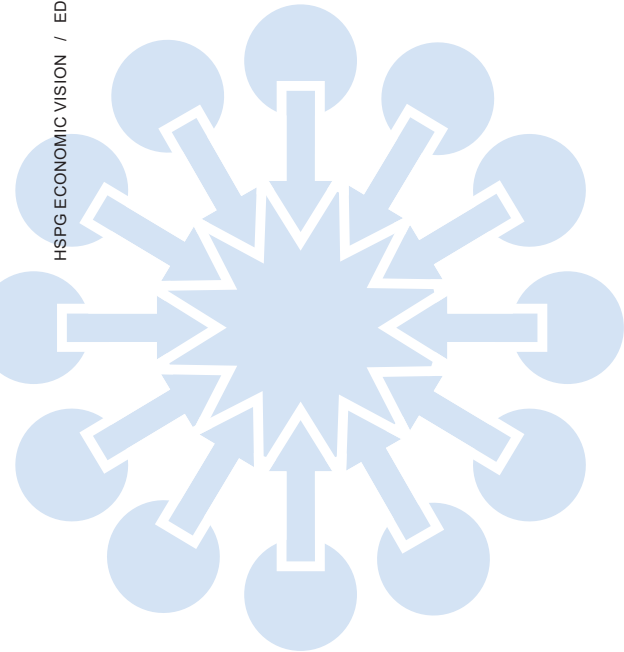
ARUP



**Heathrow Strategic Planning Group (HSPG)** is a partnership of local authorities, local enterprise partnerships and a community interest company surrounding the airport that are proactively planning ahead for airport expansion, regardless of support or opposition. HSPG members want to ensure that if the airport is expanded it is planned well and sustainably, impacts are mitigated and benefits are maximised. The members of HSPG are:

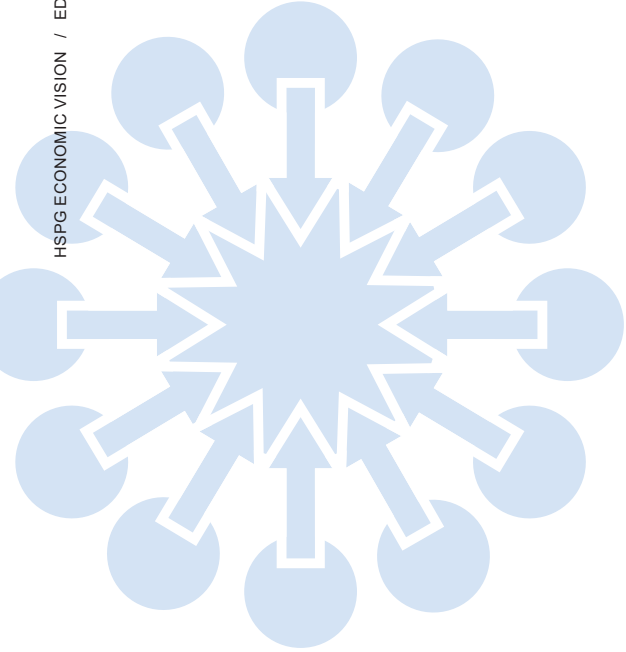
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Other organisations participate in many of the activities of the HSPG with 'Observer' status, including: Department for Transport (Aviation Team and others), Environment Agency, Highways England, Natural England, Public Health England and the West London Alliance (of West London Boroughs). West London Business is a HSPG Business and Economy Sub Group member.



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# E

## Executive summary



# Economic Development Vision and Action Plan

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## The opportunity

Heathrow Airport is the seventh busiest airport in the world<sup>1</sup>, and its third runway expansion programme will support the airport as an international hub, a national asset and a local economic growth project.

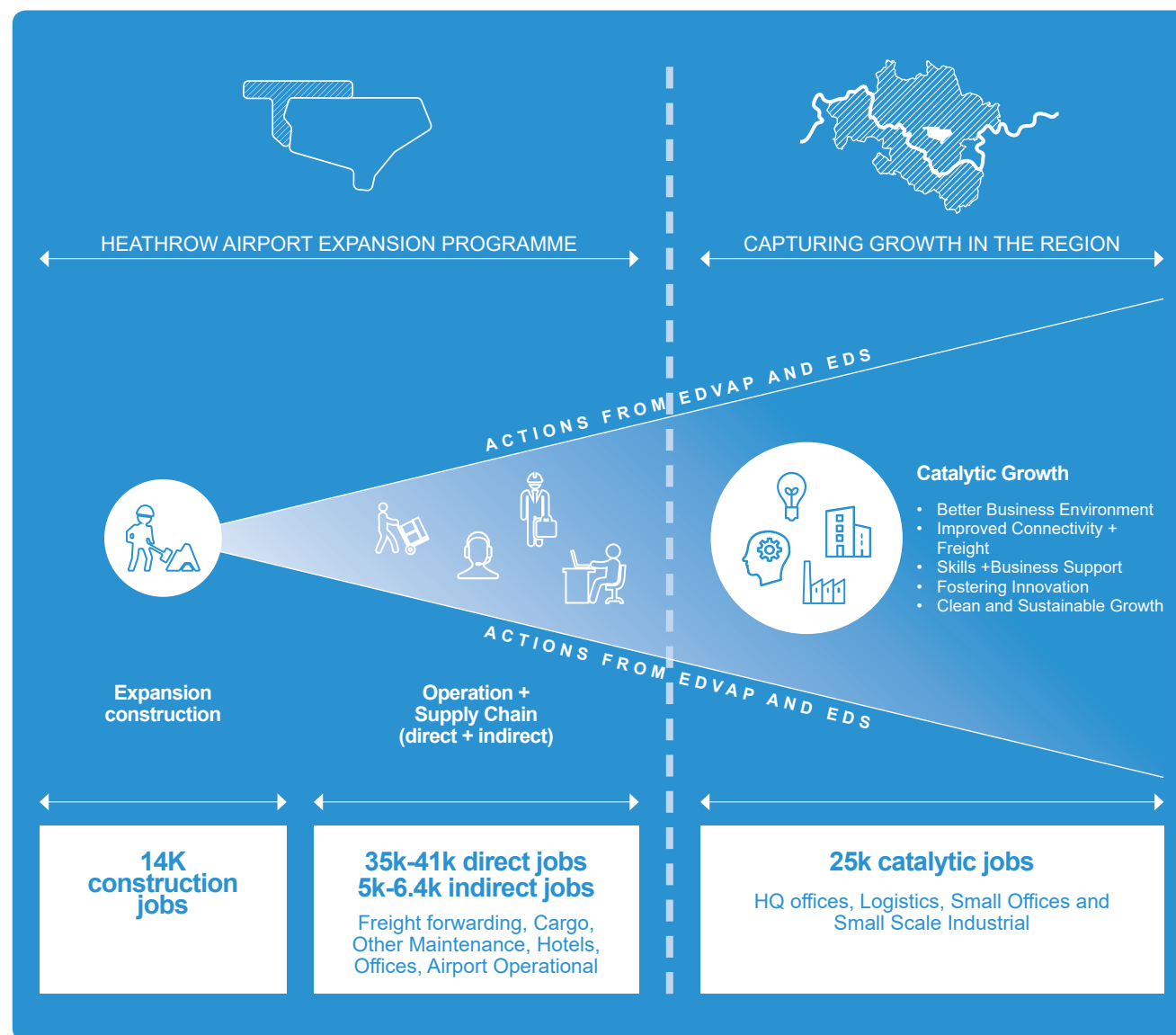
At the time of publication, Heathrow Airport Ltd (HAL) estimates that tens of thousands of jobs will be created from this expansion programme, including:

- 14,000 construction jobs
- 35,000 – 41,000 direct jobs at the airport
- 5,000 – 6,400 indirect jobs (jobs created by other businesses as a result of the economic growth at Heathrow)<sup>2</sup>.

The jobs, and associated business growth, can only be achieved by HAL working with the public bodies around Heathrow on the projects that will deliver better connectivity, additional workplaces, and an improved quality of life.

This growth must also be considered in the context of climate change, and the climate emergencies called by six of the HSPG local authorities (at the time of publication). As such, any and all actions need to ensure they look to minimise climate change, and reduce carbon and other emissions. There is an opportunity in itself to ensure the sub-region is a leader in innovation and climate-friendly growth. In response, Heathrow Strategic Planning Group (HSPG, a partnership of the local authorities and other agencies around Heathrow) is working to make the most of the benefits, and minimise the impacts, for the businesses and residents of the sub-region.

This Economic Development Vision and Action Plan (EDVAP) has been developed by Arup with HSPG members, HAL and other stakeholders. An additional 25,000<sup>3</sup> catalytic jobs - broadly defined as major businesses who may choose to locate close to an expanded airport, but without a significant functional relationship with the Airport - could be created in the area, supported by the actions set out in this report. The diagram below demonstrates the benefits of enacting the actions from the EDVAP alongside HAL's Economic Development Strategy (EDS).



<sup>1</sup> 2018 figure

<sup>2</sup> HAL and HSPG. Joint Evidence Base and Infrastructure Study (JEBIS). 2018.

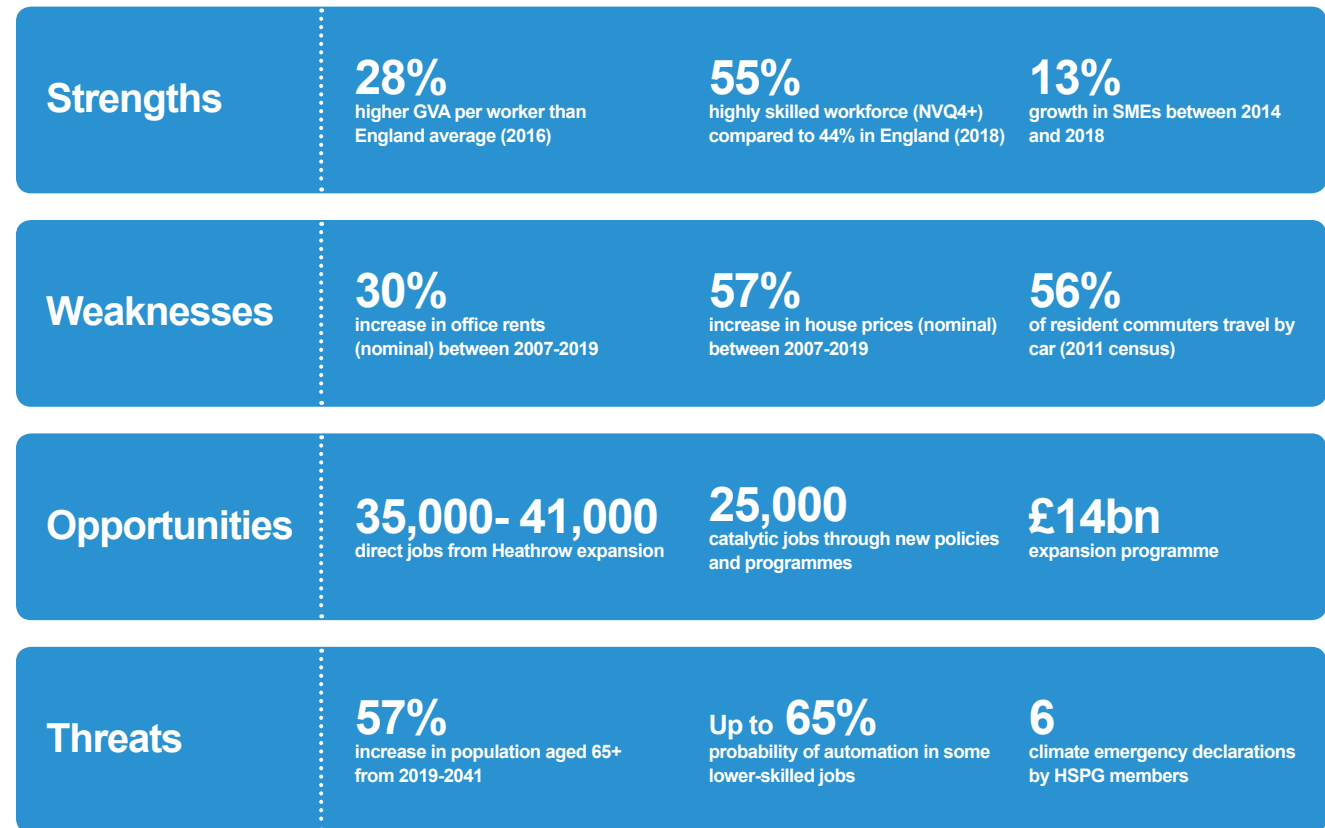
<sup>3</sup> Lichfields and Quod. Carbon Traded assessment.

A step-change is required to achieve the high levels of growth as set out in this document, including scaling-up existing programmes that already support the area. Without active planning from local government and LEPs, the communities around Heathrow (in the HSPG area) could suffer substantive challenges, including:

- Lack of quality and affordable workspace to keep up with demand and displacement;
- Risk of businesses and workers not having the skills needed for new opportunities;
- Poorer air quality and noise disruption;
- Traffic disruption and congestion for commuters and freight.

However, with focussed investment, the expansion programme could improve the economic, social and environmental outcomes across the sub-region. By building on the successes of the local economy and effective public programmes, HSPG members can translate the challenges presented by the expansion programme into significant opportunities to supercharge the economy.

The figure opposite presents some high-level findings from an analysis of the sub-region:



HIGH-LEVEL FINDINGS FROM AN ANALYSIS OF THE SUB-REGION

## The Vision

The EDVAP sets a clear vision to build on local strengths and address any weaknesses, enabling local businesses and residents to benefit from this significant opportunity. With the right combination of stakeholders working towards a common goal, the vision for delivering catalytic growth is:

**By 2050 the HSPG sub-region will be one of the most advanced economies in Europe, having used Heathrow airport expansion as a major catalyst to positively transform the business environment, mitigate climate change, enhance regional connections and improve quality of life.**

The Vision is underpinned by seven objectives, spanning from the needs of today to long-term growth opportunities. The objectives are rooted in economic, social and environmental evidence and have been codesigned with HSPG members. These objectives link directly with the Joint Spatial Planning Framework (JSPF), which aims to identify the spatial opportunities to deliver growth.

## Achieving the Vision

The seven objectives are set out overleaf. Each objective leads to a series of actions which detail when, where, by whom and how the objectives can be achieved. An example high level action is detailed for each objective.

To implement the plan, HSPG will work in partnership with key organisations as set out in each action, including: Heathrow Airport Ltd (HAL); the airport operator and any DCO promoters; Government; relevant Local Enterprise Partnerships (LEPs), business organisations and networks; developers; local employment organisations; and higher and further education providers. HSPG will regularly monitor progress against actions, and overall success through a set of agreed metrics.

### Objective 1

**Ensure quality, accessible and affordable commercial space to support growing businesses**

Catalytic growth will require commercial space at a scale exceeding recent trends. Looking forward, businesses will have access to the quality space they need – from small-scale manufacturing to global headquarters. Through innovative design and enhanced transport and digital connectivity, the sub-region will be a place of choice for thriving businesses.

- **ACTION 1:** Continue to provide and expand provision of incubator space for new businesses in the science, technology and creative sectors
- **ACTION 2:** New commercial developments are able to learn construction techniques from the Heathrow expansion developments
- **ACTION 3:** Work with those enterprises who are going to be displaced to ensure that they are supported in changing location
- **ACTION 4:** HSPG members to work with developers and other partners to retain and develop a greater range and supply of office space to support catalytic business growth

### Objective 2

**Help businesses navigate new opportunities from the expansion programme**

Over 84,000 businesses choose to locate here, and they need to be on the front foot to take advantage of new opportunities – from Heathrow expansion, expanding supply chains, and new technology. Enhanced procurement support at Heathrow and business advice programmes across the sub-region will attract new businesses and help them to grow.

- **ACTION 1:** Develop a stronger HAL procurement support offer, to ensure businesses in the HSPG area are aware of and can access contracts at the airport
- **ACTION 2:** Provide business support advice and networks so businesses can adapt, growing on successful programmes
- **ACTION 3:** Continue to invest in digital infrastructure to support business as well as all residents



## Objective 3

### Develop the innovation capacity of the region

The sub-region is well-placed to become a national and international leader in innovation across a range of sectors. Connecting business and research institutions to innovation opportunities at Heathrow and spaces to test ideas in the region will unlock the innovation potential of HSPG firms.

- **ACTION 1:** Support innovation by facilitating partnerships between business and higher and further education providers
- **ACTION 2:** Harness the talent and innovation in the local area to solve complex problems in and around the airport
- **ACTION 3:** Accelerate co-location benefits by encouraging similar and related industries to locate together
- **ACTION 4:** Local authority, other public sector procurement teams and HAL ensure procurement allows for more innovative solutions where appropriate and share knowledge / lessons learned between them
- **ACTION 5:** Innovate in modern methods of construction and set a strategy for HSPG firms to design and manufacture off-site commercial and residential buildings

## Objective 4

### Equip the workforce for the jobs of tomorrow

With one of the highest employment rates in the country, HSPG must continue to invest in up-skilling and re-skilling to adapt to a changing economy and technologies. Apprenticeships and construction training alongside jobs brokerage programmes can help fill gaps in the jobs market.

- **ACTION 1:** Continue to promote apprenticeships in all sectors, and all sizes of companies
- **ACTION 2:** HSPG and HAL work together to ensure that the expansion programme acts as a catalyst to develop and retain the required construction talent in the area
- **ACTION 3:** Maximise the impact of existing skills and jobs brokerage programmes in the area by working with the LEPs and local education authorities to link initiatives and fill gaps in provision
- **ACTION 4:** Ensure that HAL and their supply chain pay employees the Living Wage
- **ACTION 5:** Ensure that the background checking process does not act as a barrier for people looking to access work

## Objective 5

### Improve quality of place for residents and workers

Quality of life and good job opportunities have been attracting more people to live and work in the HSPG area. But, further investment in placemaking, public transport and walking/cycling networks and the cultural and entertainment offer will be required to maintain this quality as well as regenerate areas of deprivation.

## Objective 6

### Connect communities to areas of growth

A focus on the transition to sustainable transport will encourage a shift from fuel-burning car-based travel to electric vehicles, public transport and active travel (including, walking, cycling, e-bikes, and emerging modes). Transport will also be affordable and convenient, and it will not be a barrier to work.

- **ACTION 1:** Transport authorities and providers deliver a clean, efficient, and extensive public transport service and active travel infrastructure in the area
- **ACTION 2:** Ticketing and pricing strategies for key workers encourage public transport take-up
- **ACTION 3:** Position the area as a place where new transport systems can be tested and developed

- **ACTION 1:** Encourage local planning authorities in HSPG to further develop placemaking strategies in key areas
- **ACTION 2:** Collaborate with HAL to deliver an accessible, high quality and expansive active travel network for both commuting and leisure
- **ACTION 3:** Develop the cultural and entertainment offer in HSPG to attract residents and visitors, particularly during the evening or at the weekend

## Objective 7

### Lead in sustainable and innovative freight and logistics systems

A reliable freight and logistics network is essential for Heathrow's operations and for getting goods across the country. A focus on sustainable freight and logistics, including low-carbon and electric fleets, innovative warehouse design, and innovation for the sector will reduce the traffic and environmental impact from expansion on the sub-region.

- **ACTION 1:** Support the Heathrow 2.0 Sustainability Strategy by rolling out low emission vehicle (LEV) infrastructure for freight and logistics and public transport in Heathrow and across HSPG
- **ACTION 2:** Advocate for and support logistics developments and systems which allow freight to be transported via low or zero-emission modes
- **ACTION 3:** Undertake a joint sub-regional freight study and apply a 'freight as a system' approach that takes full account of freight demands arising from Airport Related Development and contribute towards sustainable transport solutions



# 01 /

## Introduction and purpose of the EDVAP

Heathrow Airport Limited (HAL)'s expansion programme, set to run from 2020 through to 2050, is anticipated to deliver between 35,000 and 41,000 jobs<sup>1</sup> above current growth trends, and is set to be one of the largest infrastructure projects in the UK. The significant economic benefits to the UK of Heathrow expansion was part of the rationale for Government approving the project. It could create a step-change in growth around the airport in particular, providing a wide range of jobs and commercial opportunities through construction and into long-term operations.

The local authorities and Local Enterprise Partnerships (LEPs) surrounding Heathrow are preparing to tackle the challenge that a project of this nature might bring (such as increased air pollution and traffic congestion) and ensure they maximise the opportunities to support business growth, create new and better jobs, and invest in infrastructure and placemaking. As one of the most productive areas of the UK, local businesses are poised to take advantage of these opportunities. Indeed, it is these expected economic benefits which drove the Government to approve the expansion programme, making it imperative that they are achieved.

With additional investment in transport, skills programmes, local businesses, and communities, there is an opportunity to generate up to an additional 25,000 jobs in the area<sup>2</sup>. This growth opportunity will require a step-change in both investment, scale-up and adaptation of the programmes that support growth in the area. Both HAL, other promoters and local government partners will need to commit to these ambitions to deliver this catalytic growth.

This growth must also be considered in the context of climate change, and the climate emergencies called by six of the HSPG local authorities. As such, any and all actions need to ensure they look to minimise climate change, and reduce carbon and other emissions. There is an opportunity in itself to ensure the sub-region is a leader in innovation and climate-friendly growth. In response, Heathrow Strategic Planning Group (HSPG, a partnership of the local authorities and other agencies around Heathrow) is working to make the most of the benefits, and minimise the impacts, for the businesses and residents of the sub-

region.

HSPG want to capture and maximise the economic benefits from Heathrow airport expansion, and as such has produced this Economic Development Vision and Action Plan (EDVAP). HSPG will need to deliver the EDVAP in partnership with key organisations to implement and support the range of actions. These partners include HAL most notably, but also other promoters, Government, relevant Local Enterprise Partnerships (LEPs), business organisations and networks, developers, local employment organisations, and higher and further education providers. Working with partners who have significant developments in the area is also critical, such as Heathrow West and West London Orbital rail (WLOR).

HSPG (Figure 1) represents local authorities and other public organisations responsible for the land use planning, transport, environment, and economic development in the sub-region surrounding Heathrow Airport. The group works proactively to ensure any expansion of the airport is sustainably planned in a way that maximises the benefits and minimises the impacts across the area. The group works constructively with, but are independent of, HAL, any other promoters, and of Government. The individual member organisations<sup>3</sup> have their own policy positions on the proposal for a third runway and changes to aircraft flightpaths and operations.

The HSPG study area includes the local authorities around Heathrow Airport which will be most impacted upon by the expansion programme. While Hillingdon is included in the study area, it is not a member of HSPG. The study area and HSPG membership includes districts within three counties and the Greater London Authority (GLA) as well as three LEPs. The focus in this report is on the immediate effects of expansion and opportunities for catalytic growth within the study area, but additional catalytic effects (including supply chain benefits) will be felt across the wider counties and LEP areas.

#### The Full Members of the Group are:

Buckinghamshire County Council, Colne Valley Park Community Interest Company (responsible for the Colne Valley Regional Park), Enterprise M3 Local Enterprise Partnership, London Borough of Ealing, Elmbridge Borough Council, London Borough of Hounslow, Royal Borough of Windsor and Maidenhead, Runnymede Borough Council, Slough Borough Council, South Bucks District Council, Spelthorne Borough Council, Surrey County Council, Thames Valley Berkshire Local Enterprise Partnership, and Buckinghamshire Thames Valley Local Enterprise Partnership.

Other organisations participate in many of the activities of the HSPG with 'Observer' status, including: Department for Transport (Aviation Team and others), Environment Agency, Highways England, Natural England, Public Health England and the West London Alliance (of West London Boroughs). West London Business is a HSPG Business and Economy Sub Group member.

- Study Area
- Borough/District Council
- Railway
- Major A road
- Motorway
- The River Thames
- Town Centre
- Heathrow Expansion Area
- Heathrow Operational Boundary
- Heathrow Terminals

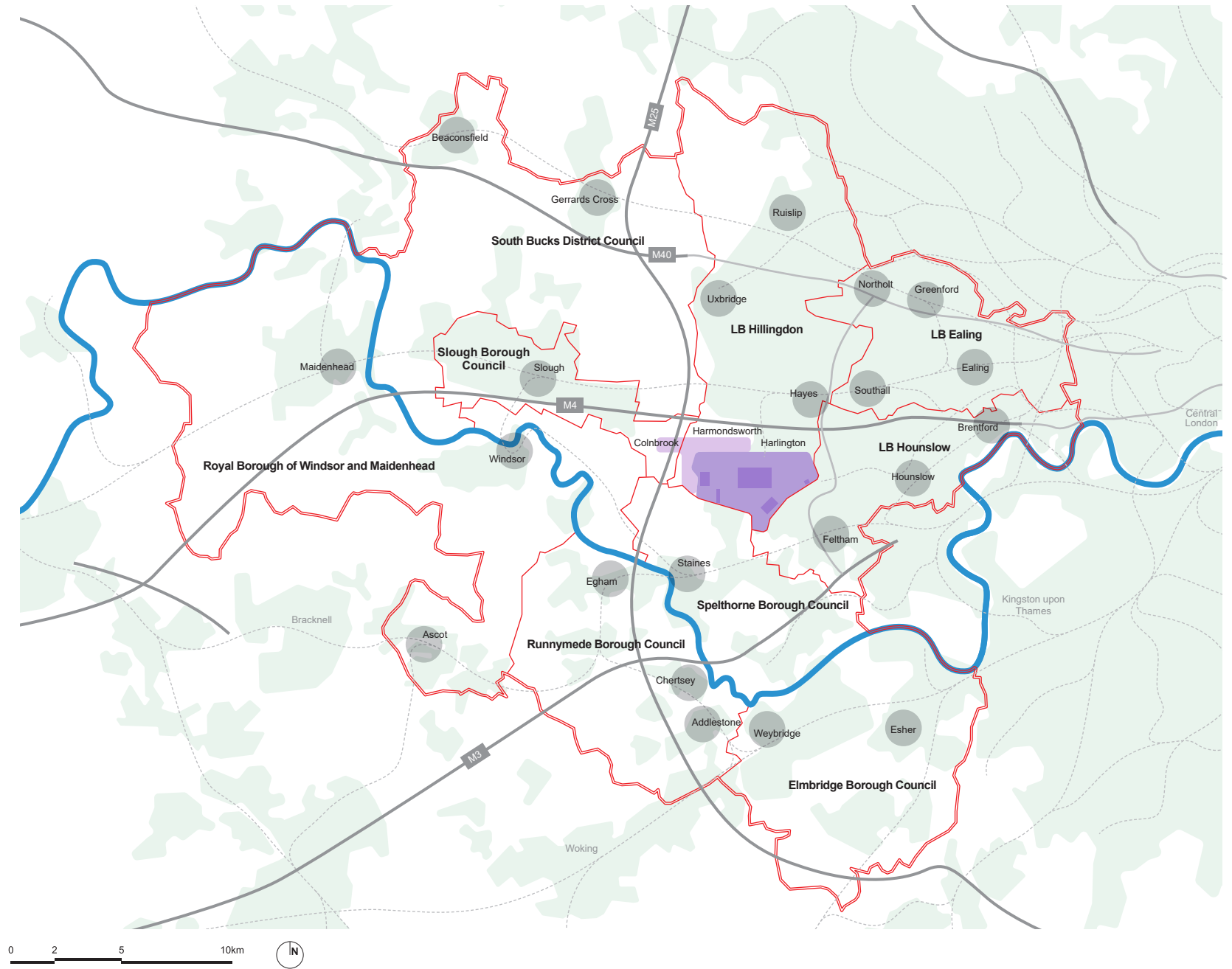


FIGURE 1: THE EDVAP STUDY AREA, INCLUDING KEY TRANSPORT ROUTES AND TOWN CENTRES

The area around Heathrow Airport is a key driver of the UK economy, delivering £63 bn GVA to UK plc in 2016. The reasons for this success are multi-faceted. However, the scale of existing activity and the proposed airport expansion growth places unique strains on the area. Retaining and enhancing quality of place will be key to its continued success and enable the sub-region to deliver for its local communities.

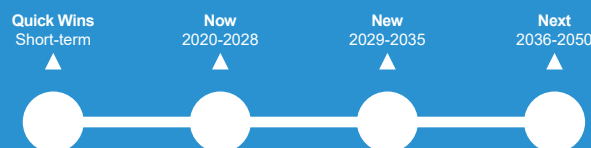
Heathrow Airport is a key contributor to the success of the sub-region. Its presence makes the sub-region an attractive place for people and businesses to locate, and it directly employs some 70,000 people across a range of jobs and sectors.

Following the designation of the Airports National Policy Statement (ANPS), HAL, is developing proposals for a third runway and associated development and infrastructure at Heathrow Airport. The proposals will seek to increase the passenger capacity of the airport by approximately 50% by 2050 and doubling air cargo capacity.

The emerging proposals for expansion at Heathrow Airport will directly affect the local authorities and the communities within them that lie adjacent to the site. However, the potential benefits and impacts of the emerging proposals will affect a far greater area.

HAL envisages a phased build-out of its proposals with the new runway and infrastructure becoming fully operational in 2028 to late 2029, with phases of further new capacity for passengers and air cargo being introduced, with the capacity fully utilised by 2050. HSPG members are working to understand how they can affect positive change immediately, in the near future, and looking on through to 2050.

## EDVAP action phases



### Quick Wins

Actions for immediate implementation prior to DCO being granted in 2021.

### Now (2020-2028)

This focuses on projects that need to be undertaken prior to Heathrow's third runway being operational by the end of 2029. This includes public programmes or planning mechanisms that need to be established or projects that need to be constructed.

### New (2029-2035)

This relates to the strategic actions that need to be delivered during the peak of the expansion programme to accompany the opening of the third runway, and the immediate period after.

### Next (2036-2050)

This phase looks to the longer term, with less certainty and underpinning evidence. The EDVAP seeks to establish the scale and nature of ambition. Actions related to this phase look to capitalise on prior infrastructure delivery, policies and programmes and set a trajectory concerned with future-proofing and the pursuit of best practice as currently understood.

There is already much activity from local government and stakeholder groups in the HSPG sub-region. This plan brings together strategies and policies from local authorities and LEPs but focuses specifically on maximising the opportunities from Heathrow expansion. Rather than duplicating the work of local authorities and communities, this vision and Action Plan synthesises them to identify those critical areas for coordinated action.

HSPG stakeholders, HAL and other stakeholders (such as the GLA), promoters and developers must work together to make sure local businesses, residents and places benefit from expansion. While Heathrow Airport's expansion will create opportunities up and down the country, the collaboration between Heathrow and local stakeholders can generate growth above and beyond what happens at the airport (Figure 2). High-quality and globally-accessible offices, innovative freight and logistics networks, and advanced and high-skilled manufacturing jobs – among many more creative and technical jobs – are poised for growth in the sub-region.

# 1.1 Capturing the benefits both inside and beyond Heathrow

It is estimated that Heathrow expansion will create between 35,000-41,000 direct jobs on site including those in airport operations, offices, hotels, cargo, freight and maintenance<sup>4</sup>. These jobs are an excellent opportunity for local residents to move into employment or move into higher-skilled and higher-paid work. Expansion opens up new opportunities for local firms to enter into the Heathrow supply chain and grow their businesses.

Beyond jobs directly related to the airport, expansion could spur catalytic growth – additional businesses, investment and jobs driven by, but not directly related to the airport. Work undertaken by Lichfields<sup>5</sup> suggests these catalytic jobs – broadly defined as major businesses who may choose to locate close to an expanded airport, but without a significant functional relationship with the Airport – could reach 25,000, including professional services, freight and logistics, and manufacturing in particular, as set out in the graphic opposite.

The expansion programme also has the potential to increase tourism and trade. Increased capacity at the airport could bring in a significant number of new visitors. In addition, international connectivity – both people and cargo – and a better business environment can attract foreign investors to the sub-region, supporting business investment, exporting and growth.

To turn this opportunity into a reality, HAL, HSPG members and other partners and promoters will have to work together to deliver the commercial space, business and job support programmes, improvements to transport, and enhancements to quality of place to create this step-change in growth. Clear leadership from Government will ensure the position set out in the 2018 Airports National Policy Statement is realised. There will be negative impacts on communities and businesses in and around the airport; HAL and Government will support HSPG to help mitigate these negative impacts and realise the significant economic potential of the programme.

This EDVAP proposes actions for partners across the sub-region. The actions will help them to seize the growth opportunities and challenges from Heathrow expansion – recognising that growth in itself can present numerous challenges, such pressure on land use and infrastructure – to bring the benefits beyond the development ‘red line’ and into the town centres, business parks and home offices of local businesses and residents.

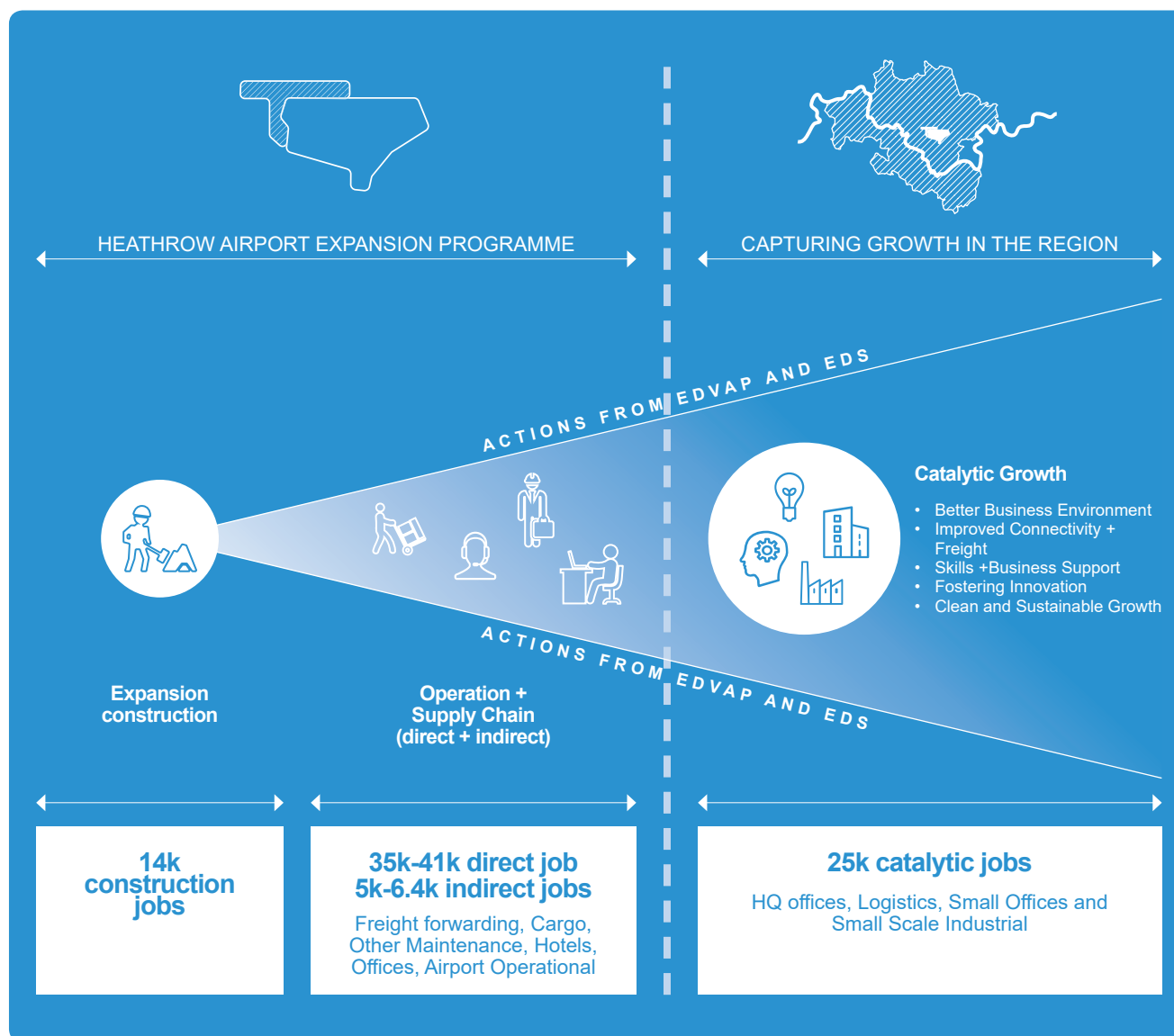


FIGURE 2: DIRECT, INDIRECT AND CATALYTIC JOBS GROWTH IN THE HSPG STUDY AREA



## 1.2 A cohesive approach to development

16 This report builds on an existing rich evidence base of research and reports as well as new analysis of economic, social and environmental indicators using publicly available datasets. Some of these are listed below, and a diagram of these sources is presented in Figure 3.

- Local Industrial Strategies and Strategic Economic Plans from LEPs;
- Economic development strategies and economic development plans from local authorities;
- Economic analysis from local government;
- The Joint Evidence Base and Infrastructure Study (JEBIS)<sup>7</sup>, commissioned jointly by HSPG and HAL, provides growth projections and highlights infrastructure needs; and
- The Joint Spatial Planning Framework<sup>8</sup>, which has been developed in parallel, setting out the strategic spatial planning requirements of the HSPG region to deliver catalytic growth.

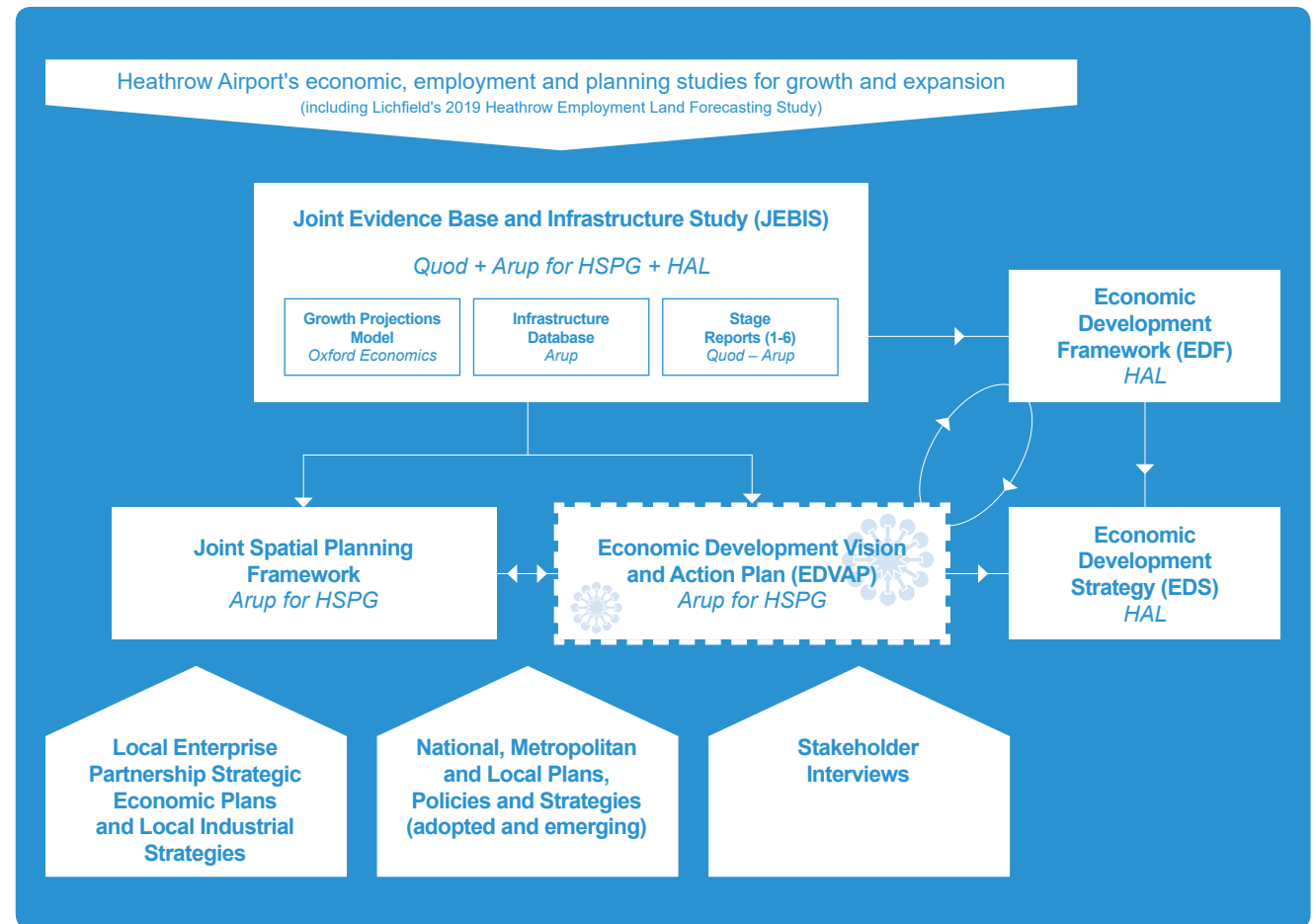


FIGURE 3: SOURCES OF DATA AND INFORMATION INFORMING THE EDVAP



## 1.3 How to use this report

The EDVAP has been developed across an area that includes authorities that are not HSPG members, including the London Borough of Hillingdon, the GLA and Transport for London (TfL). The EDVAP has sought to reflect some of the policy aspirations of these organisations but has not been prepared with their direct involvement.

HSPG members have jointly supported the development of this report, with the primary aim of identifying the strategic economic development issues and opportunities that need to be addressed in the sub-region over the next 30 years, which takes account of a shared understanding of forecasts of baseline or ‘background’ growth and the likely implications of the expansion programme<sup>8</sup>.

This report sets out the potential for the region to enhance economic growth – inclusively and sustainably – through joint commitments from the HSPG members and HAL. It both informs and is informed by the commitments HAL is making in their Economic Development Strategy (EDS).

### Interface with the Heathrow expansion Development Consent Order (DCO) process

The EDVAP builds on the joint evidence base that HSPG and HAL have agreed for strategic planning purposes. Whilst there has been constructive partnership working between HAL and HSPG members on economic development matters, the HSPG response to HAL’s statutory Airport Expansion Consultation (June to September 2019) makes clear that HSPG would like to see considerably more detail and concrete commitments on economic development. The economic benefits set out in HAL’s Economic Development Strategy should align with those in the NPS, and commitments to meeting these targets should be a requirement of any DCO permission. This Action Plan has been developed in close partnership with HAL to help align key actions, outcomes and to identify owners. HSPG hope to see this reflected in HAL’s emerging EDS and key actions secured in the DCO.

### A focus on actions

The EDVAP is action-oriented. It focuses on sub-regional, strategic projects which either fill an identified gap or build on programmes already being delivered successfully locally.

### Broad structure of the report

In Section 2, the report outlines the economic, social and environmental understanding of the region – to describe the strengths and challenges, which form the basis for long-term growth. It also presents the wider opportunities and challenges facing the study area, both in the context of the expansion programme and beyond.

Section 3 is rooted in the evidence of the study area analysis. Formed in line with the HSPG members, the vision for the sub-region to achieve catalytic growth is set out. The vision is underpinned by seven objectives – the priorities that will deliver the type of sustainable and inclusive growth describe in the vision. Each objective also provides a set of actions – all rooted in the evidence base – that will achieve the vision.

Section 4 presents the timeline and detail of the Action Plan to achieve the vision and objectives.

Section 5 sets out the high level funding and governance arrangements that will be required to deliver the vision on behalf of the HSPG members. Section 6 provides a detailed Action Plan for each of the objectives.

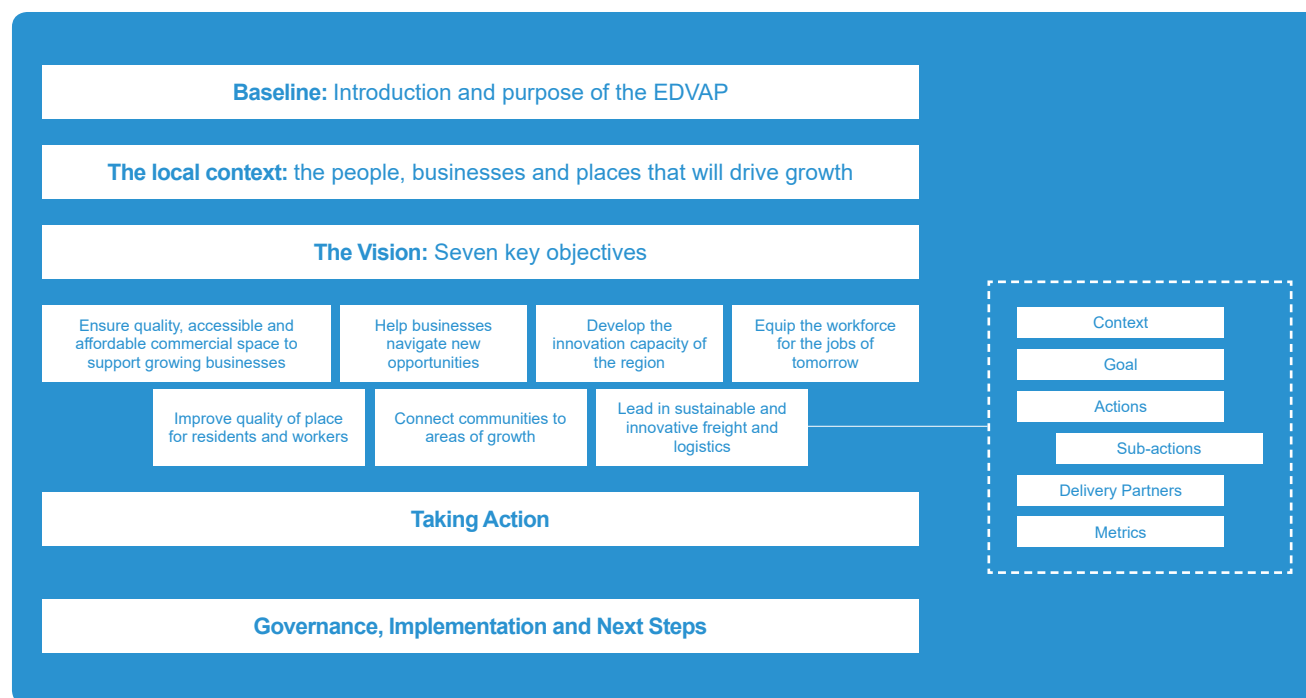


FIGURE 4: EDVAP REPORT STRUCTURE



# 02 /

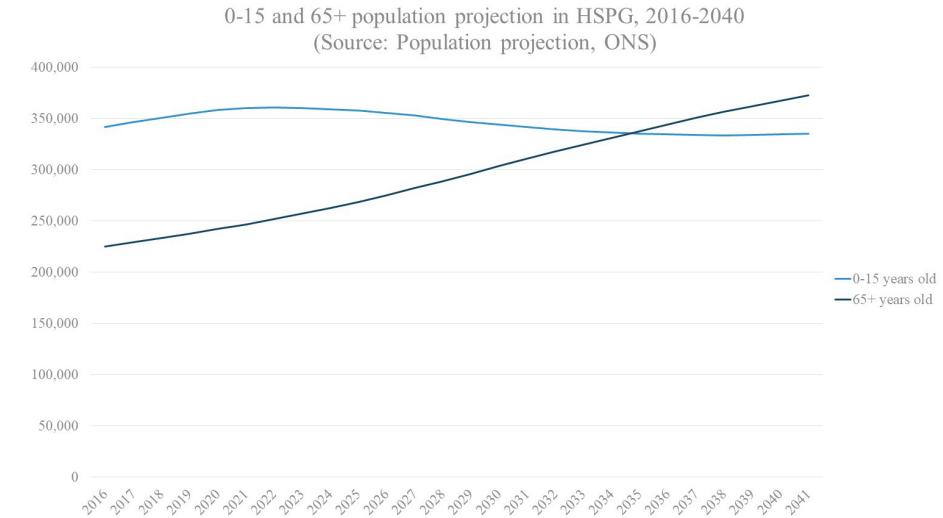
**The local context: the people, businesses and places that will drive growth**

20 To make the most of potential growth opportunities, this section sets out a clear roadmap of where the region is today in terms of its strengths and weaknesses, as well as future threats and opportunities which must be considered. Whilst a full socio-economic baseline is provided in Appendix A, this SWOT analysis draws on the most important driving factors in the study area (Figure 1)<sup>9</sup>. The evidence base, assessed around six key themes (Figure 5), underpins this report and drives the design of the objectives and proposed actions. As much as possible, this section presents the key themes for the HSPG study area, whilst pointing out the differences between and within local authorities.

Though Heathrow Airport is at the heart of the HSPG area, there are many other assets which support the sub-region’s economy. Some of these are directly affected by activity at the airport on a day-to-day basis, and during expansion, particularly the road and rail network, which includes the M3, M4, M25, Great Western, South Western, CrossCountry, and the forthcoming Elizabeth line. Other core assets which make the sub-region one of the most sought-after places to live in the country include:

- Large commercial hubs, such as the business parks at Slough and Uxbridge;
- Highly reputable educational institutes like Brunel University, Royal Holloway University and the University of Surrey;
- Creative industries, notably around the Pinewood, Longcross and Shepperton film and television studios;
- Internationally reknown and culturally significant landmarks including Windsor Castle and the Magna Carta Monument;
- Important natural assets, such as the Colne Valley Regional Park and the multitude of other green and blue infrastructure.

This section discusses strengths and weaknesses of the HSPG sub-region, followed by the opportunities and threats to the area’s continued success.



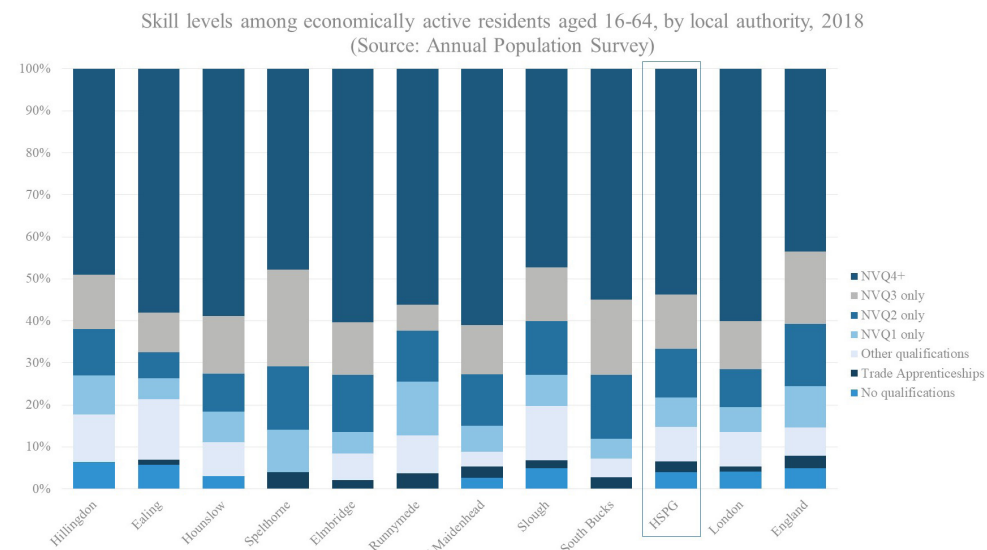
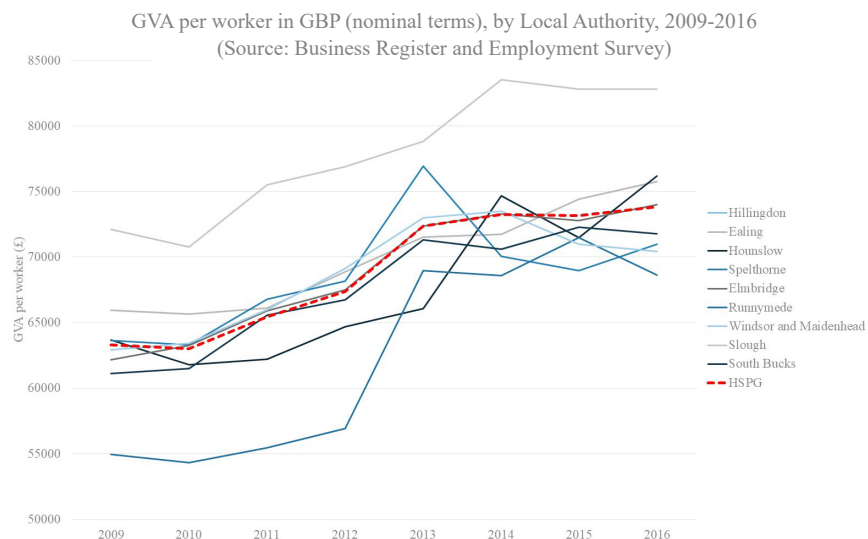
Demographics, Health and Society

Percent change in office and residential property prices between Q3 2009 and Q2 2019 (Source: Land Registry)

	Hillingdon	Ealing	Hounslow	Spelthorne	Elmbridge	Runnymede	Windsor and Maidenhead	Slough	South Bucks	HSPG
% change in office rent per square foot	40%	64%	38%	6%	15%	34%	13%	34%	30%	30%
% change in average sale price of houses	65%	71%	62%	56%	55%	47%	49%	54%	57%	57%

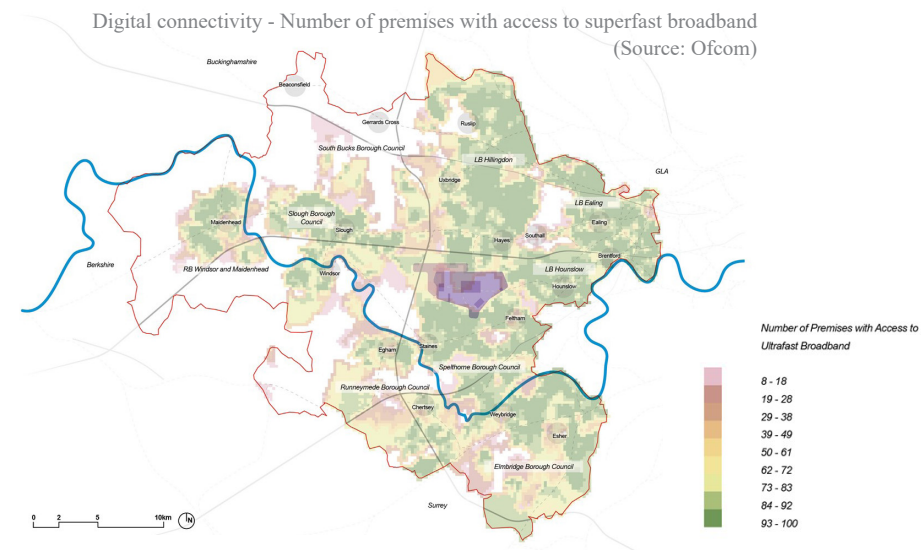
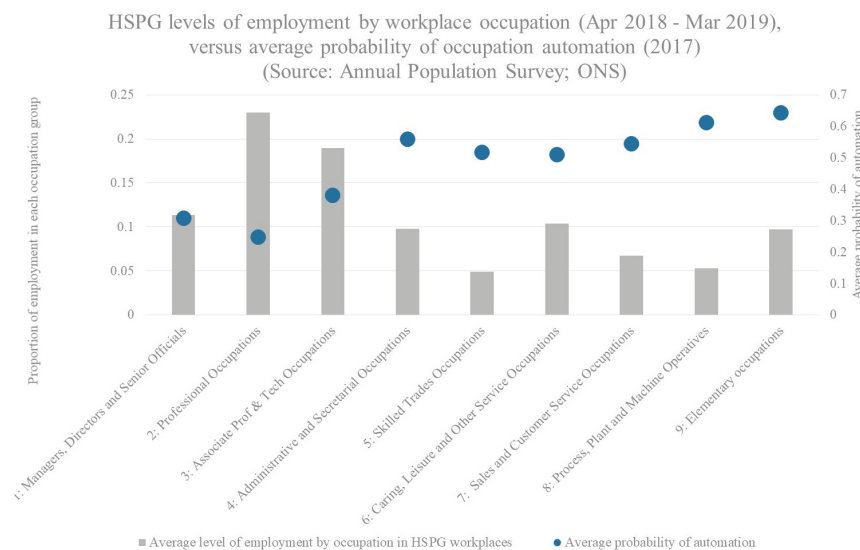
Town centres and Commercial Development

FIGURE 5: CORE AREAS OF DATA ANALYSIS TO UNDERSTAND THE GROWTH CONTEXT AND POTENTIAL OF THE HSPG AREA



## Economic Growth and Productivity

## Education and Skills



## Employment and Economic Activity

## Accessibility and Connectivity

## 2.1 Strengths

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### The population of the region is growing, attracted by the higher quality of life and good work opportunities

The sub-region has been experiencing consistent population growth over the past decade – 10% increase across HSPG between 2008 and 2018<sup>10</sup>. This is driven by both a natural increase (births exceeding deaths<sup>11</sup>) and through positive net migration from elsewhere in the country and beyond. Around a quarter of those coming into the sub-region came from outside the UK. The London Boroughs of Ealing and Hounslow have experienced the highest proportion of in-migration from outside the UK with 33% and 31% respectively as a proportion of total in-migrants in 2018<sup>12</sup>.

### The HSPG economy is highly productive

Since the end of the recession (2010) employment in the HSPG sub-region has grown at an average annual rate of 2.3%.

The Gross Value Added (GVA – a measure of economic output) per worker is over £72,000, which is 20% greater than the South East average and 28% more than the England average<sup>13</sup>. Average productivity per worker in the HSPG sub-region has increased from around £63,000 to almost £74,000 per worker since the end of the recession (2010). The area has concentrations of businesses in high value-added sectors.

The high productivity of the HSPG area is also represented by the number of businesses and business growth, the people in work and their relatively high levels of skills, good connectivity (transport and digital), and other measures which are highlighted in this report.

### Major employers, including global and regional headquarters, choose the area as their base

The film and television production and programming sector is strong when compared to other regions. Professional jobs in computer programming, consultancy, head office activities and management consultancy accounted for 8.5% of jobs in 2017<sup>14</sup>. Transport and storage related firms<sup>15</sup> are strongly represented in the area and continue to be an important element of the local economy representing 12% of total jobs. This is driven by good access to transport routes by road, rail and air. Additional consideration should be given to the type of space required to continue their growth.

### There is a healthy environment for SMEs to start up

Micro (0-9 employees) and small (10-49 employees) businesses grew in every HSPG authority between 2014 and 2018.

This shows that overall HSPG is a relatively entrepreneurial area, with many start-ups that could benefit from Team Heathrow<sup>16</sup> procurements to trigger further growth and scale-up. Slough has experienced the highest growth in micro businesses with an increase of 39% in the same period and Spelthorne the lowest at only 4% growth. Ealing and Runnymede have had the highest growth in the number of small businesses at 12%; South Bucks saw a reduction of 3%.

Whilst growth for medium (50-249 employees) and large (250+ employees) businesses has been positive on average, the picture is much more mixed across the region. The number of large private sector businesses has been growing in the sub-region, from 335 in 2014, to 350 in 2019; however this is a reduction from 2018 when there were 365 private businesses employing more than 250 people<sup>17</sup>.

### The HSPG area is home to a relatively high-skilled population who are in-work

The employment rate across the region is 79%, which is broadly similar compared to London and England<sup>18</sup>. The area is more highly skilled than England and the South East, with the average number of highly-skilled people (those with NVQ4+) at 55%, compared to 44% in England, and 46% in the South<sup>19</sup>.

Major institutions connect the area to innovation globally and regionally. From Royal Holloway University, to the 5G Innovation Centre at the University of Surrey, to Brunel University, one of Innovate UK's top universities for innovation and partnerships, to the Heathrow Launchpad<sup>20</sup>, cutting edge research is taking place in the region. Heathrow Airport connects businesses and people to opportunities around the world.

### Culturally and environmentally significant assets

The sub-region boasts many unique and important natural assets such as the Colne Valley Regional Park – which covers 43 square miles and includes 13 Sites of Special Scientific Interest – and cultural centres including Windsor Castle and Frogmore House. In 2018-19, Windsor Castle welcomed almost 1.75 million visitors, the highest ever attendance according to the Royal Collection Trust, and in 2017-18 Legoland was the ninth most visited amusement park in Europe<sup>21</sup>.

# 28%

higher GVA per worker than England average (2016)

# 55%

highly skilled workforce (NVQ4+) compared to 44% in England (2018)

# 13%

growth in SMEs between 2014 and 2018

## 2.2 Weaknesses

### London's economic success draws some of the area's most-talented workers to live in the HSPG sub-region, but many work in the capital

This is evidenced by the fact that wages of residents across the HSPG area are 2.5% higher than the wages of those who work there<sup>22</sup>. In half of the local authorities, a small proportion of workers may experience 'under-employment', where the skills they have may mean they are qualified for a better job. In Slough, for example, evidence suggests that more people are highly skilled (NVQ4+)<sup>23</sup> than who have a 'highly-skilled' occupation<sup>24</sup>.

### There are issues with better coordinating supply and demand in the labour market

Most businesses claim their 'hard to fill vacancies'<sup>25</sup> are largely either the result of not being able to attract talent with the right skills or not enough applications. Across the area, businesses face different challenges for filling vacancies. Windsor and Maidenhead, Ealing and Hounslow's challenge is filling their high-skilled jobs, whereas middle-skilled jobs are harder to fill in Hillingdon and Hounslow. For all other authorities, service-intensive jobs face the biggest recruitment challenge.

### Apprenticeship programmes are struggling to attract and retain talent

Across all sectors and local authorities, the number of apprenticeship starts has dropped more significantly than the number of completions<sup>26</sup>. Starts in Ealing, Hounslow and Spelthorne have dropped by around 23% from 2014 to 2017. Over the same period, completions have dropped by 15% in Elmbridge and Runnymede, though they have increased 13% in Slough. Apprenticeship starts and completions have been falling across almost all sectors. The retail and commercial enterprise sector has experienced the largest fall in completion rates, falling by two thirds, followed by business and administration, falling 58%.

### High demand for housing is potentially crowding out investment in business space

Overall, office rents rose across the sub-region since the recession but to different extents, at 6% in Spelthorne, and 64% in Ealing. Overall the HSPG sub-region has seen an increase of 30% in office rents but growth has been levelling off since 2017<sup>27</sup>. House price growth has exceeded office rent growth in the same period, growing 57% across the sub-region (from 47% in Runnymede, to 71% in Ealing)<sup>28</sup>, meaning developers find residential markets comparatively more attractive. At the same time, housing affordability levels in the area are high, meaning housing costs compared to average wages are more expensive than the national average.

### Jobs are not always easily accessible

While east-west rail connectivity is relatively strong, north-south rail connectivity is very limited. Radial connections between towns in the HSPG study area are inadequate and rely on insufficient bus services. Limitations on public transport connectivity makes private car journeys a more attractive option for many, which increases CO2 emissions and does not support climate change priorities of the sub-region.

Road and bus / coach links across the region are also relatively constrained. Today, 56% of resident commuters in the HSPG study area travel to work by personal car (whether driving or as a passenger). Whilst this is lower than the average for the South East (64%), and is naturally higher than the London average (28%), there are some parts of HSPG which heavily rely on cars to get to work such as Spelthorne, Runnymede, Windsor and Maidenhead, and South Bucks<sup>29</sup>. Overall, slightly more than 30% of workers across HSPG localities work and live in the same district, whereas more than 40% of HSPG workers live outside the area<sup>30</sup>. In the future, investment in both sustainable transport and focusing commercial development in existing centres are needed to reduce car-dependence.

**30%**

increase in office rents (nominal) between 2007-2019

**57%**

increase in house prices (nominal) between 2007-2019

**56%**

of commuters travel by car compared to 64% in the South East (2011 Census)



## 2.3 Opportunities

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### Generating more economic and social inclusion

Jobs growth, increased opportunities for higher paid jobs, at Heathrow and in the sub-region should attract more people to live there. This can continue to support the sub-region's buoyant economy. More people in-work could help reduce the local dependency ratio (ratio of working age people to young/older people not working), which could have a positive impact on local public finances.

### More business opportunities will come forward during construction, both through Team Heathrow and catalytic growth

Heathrow expansion will generate business opportunities as well as jobs. The expansion project itself is estimated to cost around £14 bn<sup>31</sup>, and will unlock business opportunities from planning, design, construction, servicing and a wide range of other contracts.

Increased capacity at the airport once the third runway is operational will increase Team Heathrow jobs by up to 41,000<sup>32</sup> – which means a wide range of business services contracts across airport services, professional services, and retail.

### Investors attracted to high connectivity

The greatest opportunity may lie in the investments in the area from businesses who see great value in the sub-region's location, and proximity to London, and access to high quality labour force. Building strong business networks across the region can reinforce the local links, while Heathrow provides them with the international connections they need.

### With investment in the right skills development and employment support programmes, people can access new jobs in the region

Headquarters and other businesses could attract new workers who bring the knowledge and networks they developed elsewhere. Agglomeration can also encourage development of new training programmes, increasing the skills of local workers. Links to the LEP's Growth Hubs can also help local businesses upskill and expand.

### HAL can lead the way in reducing barriers to employment and training

HAL can act as a leader in the sub-region, working with local government programmes and their already well-established Heathrow Academy to help those facing barriers to employment to get into work. Employment support, skills and training programmes, and interventions which reduce barriers to job progression can all be tested among their large labour pool. The lessons learned at the Academy can then be used to enhance similar programmes across the sub-region.

### Innovation capacity will grow

The ecosystem for innovation in the region extends beyond the airport. The cultural and creative industry, and advanced manufacturing sectors each have key strengths and centres of excellence. Collaboration with higher education, research facilities and business will generate new ideas. Universities in the region are also key anchors for innovation and foster strong partnerships with industry, including Brunel University, University of Surrey and Royal Holloway University.

The airport could serve as an anchor institution for innovation in both construction as well as airport and aviation related areas. Through commissioning research, procuring in ways that allow for testing new ideas and methods, and encouraging innovation among local businesses, Heathrow can encourage a broader ecosystem of innovation.

HAL's commitments to sustainability and circular economy, local government's climate change initiatives, and universities' sustainability research programmes can work together to provide focus on innovation in the transition to a low carbon economy.

### Finding the space to grow will support business investment

The JEBIS<sup>33</sup> estimates the additional floorspace required in the following sectors:

- Headquarter offices: 220,000m<sup>2</sup>
- Logistics: 500,000m<sup>2</sup>
- Small offices, and small scale industrial: 90,000m<sup>2</sup>

To achieve catalytic growth, local planning authorities must work with developers and wider stakeholders ensure that commercial space is affordable. If this opportunity to support business is not sufficiently realised, this requirement could become a threat.

### The local environment can improve through sustainable transport and investing in green spaces

The airport set out its plan to lead in sustainable airport operation and development in the Heathrow 2.0 Sustainability Strategy and the surface access strategy. Access to cutting-edge and affordable sustainable transport, as outlined in Section 3.6 (objective 6), is one part of that strategy. Ensuring that those who live and work in the HSPG region have access to clean air, green and blue infrastructure, and high-quality public realm in urban centres is also crucial. These efforts by HAL also offer local authorities and LEPs a chance to pilot programmes, drive innovation and learn from the experiences at Heathrow. By promoting the sustainability agenda across the HAL supply chain and beyond, more local companies should be encouraged to adopt sustainable business practices.

The programme of expansion will not just mean that more people will need to access the airport and the employment surrounding it, but it will also require a greater network of connectivity throughout the region. This investment should be focussed on accessible, affordable public and active transport. HSPG members can use the expansion programme as an opportunity to engage with transport authorities, advocating for strategic infrastructure such as Western Rail Link to Heathrow (WRAtH) and Southern Rail Access to Heathrow (SRAtH), as well as by delivering incremental and complementary changes in their local area.

**35,000 - 41,000**  
direct jobs from Heathrow expansion

**25,000**  
catalytic jobs through new policies and programmes

**£14 bn**  
expansion programme



## 2.4 Threats

### Demographic change will put pressure on public services

Looking forward, the increase in the number of people not in work (because they are too young or older than working-age), will increase dramatically in some parts of the region where the dependency ratio reaches above 60% (the dependency ratio for England) in Spelthorne, Elmbridge, Windsor and Maidenhead, and South Bucks. The 65+ population is projected to increase by 57% between 2019 and 2041<sup>34</sup>. This means that there will be relatively fewer workers who will be funding these public services through taxes. Employment growth from expansion will bring more jobs and residents into the area, which could help reduce the ratio and provide a stronger tax base for local services.

An ageing population could also change the local labour markets (through the loss of skilled and experienced workers), commuting patterns (a need to attract workers from further afield), and housing needs (creating mismatch in supply and demand).

### Digital technology will change employment patterns and the skills people need to work

Whilst technology can unlock new ways of working, and increase the ability to work flexibly and remotely, there is a risk that increased automation can reduce employment. This will especially be the case in some lower-skilled jobs; analysis shows that elementary jobs have a 64% risk of automation, though higher-skilled jobs in associate professional and tech occupations are also facing a 38% risk of automation<sup>35</sup>. Businesses will need to offer their employees training to take advantage of new technology. People who lose their jobs to automation may need to retrain in order to find new work.

### Climate change will require mitigation and adaptation measures that will require buildings and infrastructure to change (as well as people's behaviours)

The London Boroughs of Ealing and Hounslow, Elmbridge, Surrey, and Windsor and Maidenhead have, at time of publication, all declared a climate emergency<sup>36</sup> – highlighting their commitment to reduce carbon emissions and adapt to climate change. Systemic changes in construction, energy generation, transportation and consumption will be required over the coming years. The challenge to meet the Government's zero carbon target will require significant change across all industries, but particularly aviation. The UN Sustainable Development Goals outline targets and set key principles to achieve sustainable development between now and 2030. Without coordinated action across both the public and private sectors, these goals will not be met.

### Economic and political uncertainty at the national level, in particular regarding Brexit are challenging for businesses and investors

A study conducted by EY found that one in five foreign investors have cancelled or put on hold their plans in the UK until a clearer way forward regarding Brexit is known<sup>37</sup>. The currency risk for international investment is greater with the additional uncertainty as well. In the longer term, shifts of investment towards Asia and other emerging economies will put Heathrow and the HSPG sub-region in economic competition with new and expanding markets. Businesses and the public sector will need to adapt to this shifting paradigm to sustain economic growth.

### There is a risk of missing this substantial opportunity for economic growth

The potential benefits of the expansion programme on the economy of the HSPG sub-region are significant. However, if HAL, other promoters and Government fail to embrace and drive forward these wider economic impacts, there is a very real risk that these potential benefits are not fully realised. Support for supplementary projects must be sought, and granted, including building infrastructure to connect communities to jobs, providing people with skills and training, and helping local businesses access the opportunities. Delivery of a successful and comprehensive Surface Access Strategy that works for all will be critical for achieving catalytic growth. New infrastructure, such as SRAtH and WRLtH, will help the whole sub-region to benefit from the economic opportunities coming forward. This will require funding commitments, additional delivery capacity in local government and agile local and central government policy development.

**57%**

increase in population aged 65+ from 2019-2041

**Up to 65%**

probability of automation in some lower-skilled jobs

**5**

climate emergency declarations by HSPG members



# 03 /

## The vision

## The vision

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### By 2050

The HSPG sub-region will be one of the most advanced economies in Europe, having used Heathrow airport expansion as a major catalyst to positively transform the business environment, mitigate climate change, enhance regional connections and improve quality of life.

In 2050, people working and living in the HSPG sub-region will be wealthier, living more sustainable lives and given more equal opportunities compared to today. They will have access to life-long skills training and a wide range of high-quality employment. Investment in quality places, public transportation and active travel will improve the quality of life for all. Vibrant mixed-use town centres including Feltham, Maidenhead, Slough, Staines, and Uxbridge will be hubs for community life, tourism and culture.

Leaders from the HSPG sub-region will work closely together to ensure that the catalytic impacts resulting from the Heathrow Airport expansion programme will benefit the whole area, and to achieve this ambitious vision for 2050.

### 7 objectives that will deliver catalytic growth

The seven objectives cover a range of economic, social and environmental issues. Each objective is based on local context set out in the baseline (Appendix A) and was designed in consultation with HSPG members and HAL. Each objective has a number of clear actions. These actions build on existing programmes wherever possible, but where there was an obvious gap, are derived from best practice and other expansion-related programmes. Taking these actions forward will help build a future HSPG sub-region that delivers the vision.

As Section 2 highlighted, there are many common opportunities and challenges across the sub-region as well as significant local differences. The distinct contexts within the sub-region will factor in determining which actions are delivered where, and how.

#### Objective 1

Ensure quality, accessible and affordable commercial space to support growing businesses

- **ACTION 1:** Continue to provide and expand provision of incubator space for new businesses in the science, technology and creative sectors
- **ACTION 2:** New commercial developments are able to learn construction techniques from the Heathrow expansion developments
- **ACTION 3:** Work with those enterprises who are going to be displaced to ensure that they are supported in changing location
- **ACTION 4:** HSPG members to work with developers and other partners to retain and develop a greater range and supply of commercial space to support catalytic business growth

## Objective 2

Help businesses navigate new opportunities from the expansion programme

- **ACTION 1:** Develop a stronger HAL procurement support offer, to ensure businesses in the HSPG area are aware of and can access contracts at the airport
- **ACTION 2:** Provide business support advice and networks so businesses can adapt, growing on successful programmes
- **ACTION 3:** Continue to invest in digital infrastructure to support business as well as all residents

## Objective 5

Improve quality of place for residents and workers

- **ACTION 1:** Encourage local planning authorities in HSPG to further develop placemaking strategies in key areas
- **ACTION 2:** Collaborate with HAL to deliver an accessible, high quality and expansive active travel network for both commuting and leisure
- **ACTION 3:** Develop the cultural and entertainment offer in HSPG to attract residents and visitors, particularly during the evening or at the weekend

## Objective 3

Develop the innovation capacity of the region

- **ACTION 1:** Support innovation by facilitating partnerships between business and higher and further education providers
- **ACTION 2:** Harness the talent and innovation in the local area to solve complex problems in and around the airport
- **ACTION 3:** Accelerate co-location benefits by encouraging similar and related industries to locate together
- **ACTION 4:** Local authority, other public sector procurement teams and HAL ensure procurement allows for more innovative solutions where appropriate and share knowledge / lessons learned between them
- **ACTION 5:** Innovate in modern methods of construction and set a strategy for HSPG firms to design and manufacture off-site commercial and residential buildings

## Objective 4

Equip the workforce for the jobs of tomorrow

- **ACTION 1:** Continue to promote apprenticeships in all sectors, and all sizes of companies
- **ACTION 2:** HSPG and HAL work together to ensure that the expansion programme acts as a catalyst to develop and retain the required construction talent in the area
- **ACTION 3:** Maximise the impact of existing skills and jobs brokerage programmes in the area by working with the LEPs and local education authorities to link initiatives and fill gaps in provision
- **ACTION 4:** Ensure that HAL and their supply chain pay employees the Living Wage
- **ACTION 5:** Ensure that the background checking process does not act as a barrier for people looking to access work

## Objective 6

Connect communities to areas of growth

- **ACTION 1:** Transport authorities and providers deliver a clean, efficient, and extensive public transport service and active travel infrastructure in the area
- **ACTION 2:** Ticketing and pricing strategies for key workers encourage public transport take-up
- **ACTION 3:** Position the area as a place where new transport systems can be tested and developed

## Objective 7

Lead in sustainable and innovative freight and logistics systems

- **ACTION 1:** Support the Heathrow 2.0 Sustainability Strategy by rolling out low emission vehicle (LEV) infrastructure for freight and logistics and public transport in Heathrow and across HSPG
- **ACTION 2:** Advocate for and support logistics developments and systems which allow freight to be transported via low or zero-emission modes
- **ACTION 3:** Undertake a joint sub-regional freight study and apply a 'freight as a system' approach that takes full account of freight demands arising from Airport Related Development and contribute towards sustainable transport solutions

# Objective 1: Ensure quality, accessible and affordable commercial space to support growing businesses

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## CONTEXT

Growth will require refurbished and additional commercial space at a scale exceeding recent trends. Across the region the property market varies and the lack of available land limits growth. The JSPF sets out opportunities for development linking to transport investment and existing employment centres. Planning authorities will work with developers and stakeholders to encourage quality, accessible and affordable commercial spaces to ensure economic growth is not constrained by the property market.

## GOAL

During Heathrow expansion (primarily between 2022 and 2033), any displaced businesses (being defined at time of publication) will be supported into quality, suitable and affordable spaces. Temporarily empty buildings and land prior to construction can be converted into meanwhile commercial uses to house displaced businesses and provide additional, short-term space for SMEs and scale-up businesses.

Following the airport expansion, where HAL has not managed to accommodate additional commercial floorspace within the airport boundary, particularly for logistics uses, HSPG authorities will consider the extent to which they wish to accommodate this residual growth and where possible have updated their local plans accordingly. Businesses will have access to the quality space they need, and a range of offers will support businesses at different price points.

Future development is environmentally sustainable; focussed where there is high public transport and active travel accessibility to reduce car use. Planning authorities understand the changing nature of town centres and business parks in their area. They use their planning powers to respond to this, considering flexible workplace typologies and densities to plan for future needs of business.

### CASE: HEATHROW LAUNCHPAD

Heathrow Launchpad is a partnership between Spelthorne Borough Council, Royal Holloway University and the University of Surrey providing dynamic business incubation space for start-ups and pre-starts in the science, technology and creative sectors.

Located in the heart of Staines-upon-Thames town centre, Heathrow Launchpad is strategically located near Heathrow Airport, accessible by train to London Waterloo and with fast access to the M25, M3 and M4.

Offering co-working office space with below market rates, flexible terms and business support, Heathrow Launchpad helps fledgling entrepreneurs grow across Surrey and West London.



Source: The Independent

## ACTIONS

### ► ACTION 1.1: Continue to provide and expand provision of incubator space for new businesses in the science, technology and creative sectors

#### How to achieve it

**1.1.1 QUICK WIN: HSPG LEPs create an interactive map of incubator spaces for start-ups and host it on their websites. Using the information from the database and working with the workspace providers, the LEPs will coordinate a sub-regional start-up network with workspace providers, and LEP Growth Hubs will host local get-togethers for start-up businesses.**

**1.1.2 QUICK WIN – NOW: Local authority economic development teams – or sub-region groupings of these areas which reflect property market areas – to undertake property market assessments to inform affordable workspace strategies; these should define what type of spaces are needed and where, and also define the broader business needs for start-ups (e.g., lease terms and cost support); they should work with planning colleagues to see how affordable workspaces might be considered as part of the local plan process, and secured through planning mechanisms, such as s106 agreements.**

### ► ACTION 1.2: New commercial developments are able to learn construction techniques from the Heathrow expansion developments

#### How to achieve it

**1.2.1 Now:** A Construction Skills Passport programme, led by a construction industry body and supported by HAL, will allow construction firms to have verification of construction workers' skills to support sharing construction techniques, knowledge and skills among workers and projects.

**1.2.2 Now – New:** HAL to require engineering, construction and design firms working on the expansion programme to host regular forums for sustainable construction to demonstrate sustainable construction methods so that these can be rolled out across the



wider HSPG area and to demonstrate the skills required for innovative construction jobs; this requirement could be secured through the DCO agreement.

► **ACTION 1.3: Work with those enterprises who are going to be displaced to ensure that they are supported in changing location**

**How to achieve it**

**1.3.1 QUICK WIN:** HAL to identify which businesses will be displaced, where and when (in progress at time of publication), then develop and agree with HSPG members and landowners a strategy for displaced employment uses in advance of submission of DCO application. As part of this strategy, HAL must proactively support those businesses to find new sites<sup>38</sup>.

**1.3.2 QUICK WIN:** HSPG members to work with HAL on compensation policies for indirectly affected businesses (i.e. those impacted by changing road layouts, construction traffic, and reduced trade during construction) to make sure a fair and appropriate compensation strategy is secured through DCO.

**1.3.3 QUICK WIN – NOW:** HAL’s Business Relocation Support Service to work with displaced businesses to ensure workers who may not be able to relocate to the new location are supported in finding alternative employment through HAL’s jobs brokerage programme or other local authority programmes.

**1.3.4 Now:** HAL to link up construction management and asset management teams at HAL to create ‘meanwhile uses’ for short-term empty offices and light industrial spaces on HAL land during construction phases.

**1.3.5 Now:** HAL’s Business Relocation Support Service helps businesses displaced due to expansion identify high quality relocation spaces; the Service should work with local authorities to particularly identify relocation spaces in the town centres and industrial parks highlighted for growth in the JSPF; this partnership could be supported and fostered by the HSPG economic development teams.

► **ACTION 1.4: HSPG members to work with developers and other partners to retain and develop a greater range and supply of commercial space to support catalytic business growth**

**How to achieve it**

**1.4.1 QUICK WIN – NOW:** HSPG members have an agenda item where planners from the local authorities share information and feedback on tools (such as Article 4 Directions<sup>39</sup>) which are designed to protect commercial space in core growth areas, and ensure it gets developed.

**1.4.2 Now – Next:** Affordable workspace strategies, developed by HSPG economic development teams (see Action 1.1), should include programmes and incentives encouraging large companies and universities to provide free or low-cost space on their premises to SMEs or start-ups<sup>40</sup>; HSPG members identify key partner universities and large companies to pilot these programmes.

**1.4.3 Now – Next:** Planning and economic development teams continue to support shared workspaces in town centres and close to public transport for SMEs and growing businesses. This will be encouraged through local planning and neighbourhood planning processes.

**1.4.4 Now – Next:** Planning authorities consider options for safeguarding land for employment and industrial use in the areas identified in the JSPF<sup>41</sup> to accommodate HQs, professional and creative services, as well as freight and logistics, through their local plan process.

**1.4.5 Now – Next:** Through planning policy, planning authorities, support the delivery of sustainable developments which are mixed-use, containing space for micro and small businesses to start and flourish in local planning policy.

**1.4.6 New – Next:** Local planning authorities in HSPG might consider the use of stronger measures, or taking a more direct involvement in, the delivery of commercial space to help support employment growth if market provision isn’t sufficient, such as establishing joint ventures, or using compulsory purchase powers.

## DELIVERY PARTNERS

- HAL (including property, development, and strategic planning teams)
- HSPG planning authorities and local planning groups
- Engineering and construction firms
- Developers and other promoters
- Large businesses with major employment sites and universities
- Property agents
- Meanwhile office and affordable office providers

## KEY METRICS

- Growth in commercial floorspace (sqm) per annum by use class
- Commercial rent prices (£/m<sup>2</sup>) in relation to GVA or business turnover
- Percentage of businesses relocated from the expansion programme who are satisfied with their new premises
- Number of construction firms and workers using the Skills Passport programme

## Objective 2: Help businesses navigate new opportunities

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### CONTEXT

The HSPG area is home to 83,780 private sector businesses<sup>42</sup>. Ensuring they continue to flourish and can make the most of the opportunities from expansion is crucial. HSPG members and local business networks must also ensure that businesses unrelated to the airport are given the opportunity to grow by taking advantage of emerging sectors and embracing new technologies and ways-of-working.

HAL will increase its procurement of services throughout the supply chain as a result of expansion. To make the processes more accessible to a wider range of local businesses, a series of reforms – processes, technology, and business support – should be put in place to open up those opportunities.

### GOAL

During construction, HAL will pre-qualify their biggest construction contractors (Tier 1) to use local suppliers during construction<sup>43</sup>. HAL will promote, educate and support local suppliers to work with the Airport during construction and operation. Improvements to HAL's procurement portal and processes will remove barriers for companies.

With the additional business growth following expansion, HAL, the airport operator and any DCO promoters will work in partnership with local business networks to support supply chain growth. Programmes to help businesses through tailored growth support services will be coordinated, and leverage best practice across the sub-region; Growth Hubs will provide a rich source of expert advice and resources. Businesses will be encouraged to meet ethical and environmental standards, in line with the Heathrow 2.0 Sustainability Strategy. Where there are challenges, they work together in formalised ways to resolve these, such as improving HAL's procurement processes and removing barriers for new businesses.

Looking forward, HSPG businesses are connected. They build on strong business networks to support supply chain growth and innovation across the sub-region.

### CASE: SCHIPHOL CENTRAL BUSINESS DISTRICT, NETHERLANDS

Schiphol Group is continuously investing in flexible lease concepts, healthy and sustainable buildings, and applying smart technology to achieve these. Schiphol's Central Business District actively seeks to stimulate the region's logistics sector and explore opportunities for new business.

In 2015 they set up the SPOT community to enable employees of companies at Schiphol to network through events and the exchange of knowledge. Since then, 380 companies have joined the SPOT community.

The real estate development around the airport and business networks converted the area into an attractive location for European headquarters and distribution centres. The district attracts numerous companies in the high-tech and electronics sectors, the pharmaceutical industry, biotechnology, chemical products, machines, fashion and clothing and durable consumer goods.



### ACTIONS

► **ACTION 2.1: Develop a stronger HAL procurement support offer, to ensure businesses in the HSPG area are aware of and can access contracts at the airport**

#### How to achieve it

**2.1.1 QUICK WIN:** HAL to develop its procurement portal in line with top industry standards to make it more transparent and straight-forward to identify opportunities arising from the expansion, as well as business-as-usual contracts. This includes ensuring there is plain English guidance on how to register and complete submissions (including videos or recorded webinars).

**2.1.2 QUICK WIN:** HAL procurement team to ensure that as many as possible procurement opportunities for the expansion contracts, as well as business as usual contracts, are advertised on the portal.

**2.1.3 QUICK WIN:** HSPG to discuss with the HAL procurement team the feasibility and legality of requiring HAL and Tier 1 contractors to award additional points to procurement bids from businesses based in the HSPG area.

**2.1.4 QUICK WIN:** On the portal, HAL provides guidance on responsible business standards expected to support Heathrow 2.0 Sustainability Strategy and HSPG partner ambitions – these should be scalable/ proportionate to different sizes of business

**2.1.5 QUICK WIN – NOW:** Create a match-funded LEP and HAL fund to support SMEs including trade missions, expansion support and exporting, building on HAL's Innovation Grant programme and drawing from relevant LEP and development-related funds; it must also coordinate with the LEP's Growth Hub programmes.

**2.1.6 QUICK WIN – NOW:** HAL will establish a clear process for engaging with SMEs and new entrants, providing them with standardised material (e.g. pre-qualification questionnaires, tenders, contacts) to make the process easier to understand. This will include: providing support to address business



readiness; setting proportionate contractual requirements to encourage SME engagement; and providing SMEs with a list of insurance providers which offer affordable insurance for working airside and ensures that non-airside contract insurance requirements are proportionate to the risk of particular contract.

**2.1.7 QUICK WIN – NEXT:** HAL to develop a supplier engagement strategy to provide a clear procurement route map and expectations from new entrants, including SMEs, to contracts with HAL and with the supply chain for airport expansion. The strategy for more inclusion of local SMEs in procurement will be developed prior to DCO submission, including encouraging simplifying the process for main contractors by introducing a 'tender light' process to identify SMEs potentially via a business database, local authority business groups, or register of Tier 1 contractors to subcontract to SMEs to make larger contracts more accessible.

**2.1.8 Now – New:** HAL's procurement team and business engagement team, in collaboration with local Chambers of Commerce and LEP Growth Hubs, provides bi-annual sessions with the HSPG business community to provide support on how to produce winning procurement bids.

**2.1.9 New – Next:** HAL to increase the scope of the procurement portal, opening it up to other Team Heathrow businesses, with the HAL procurement team encouraging them to use it where possible.

► **ACTION 2.2: Provide business support advice and networks so businesses can adapt, growing on successful programmes**

#### How to achieve it

**2.2.1 QUICK WIN:** HAL's Supply Chain Board to collaborate with the Federation of Small Businesses (FSB) and HSPG member programmes, such as Growth Hubs, to commission research to identify and resolve barriers to business growth. This will include identifying specific business support requirements, such as helping businesses negatively impacted through the expansion programme. Information and support sessions to be held in local areas when possible.

**2.2.2 QUICK WIN:** HAL's Supply Chain Board and HSPG members work together to map and understand the business networks that exist in the area, and ensure major network events are attended by a HAL representative.

**2.2.3 QUICK WIN:** HAL's Supply Chain Board, HSPG and local business networks coordinate regular events to identify opportunities and barriers to accessing contracts from HAL and expansion activities.

**2.2.4 Now – New:** HSPG economic development teams to work with Destination Management Organisations (DMOs), hospitality companies, and managers of key natural and cultural assets to explore ways to expand and enhance the tourist offer in the region. Conferences or workshops could be held to develop sub-region-wide visitor strategies (see also O5.3.2)

**2.2.5 Now:** Once operational, HAL and HSPG should assess the actual versus forecast growth in businesses from the expansion programme, and evaluate the opportunity for HSPG companies to take up supply chain opportunities. This will involve consulting with Growth Hubs and other business support programmes to understand what works from a process and outcome perspective.

► **ACTION 2.3: Continue to invest in digital infrastructure to support business as well as all residents**

#### How to achieve it

**2.3.1 Now – Next:** HSPG members should ensure that they have strong and regularly-reviewed/updated digital strategies in their area; those in the local authorities and LEPs in charge of digital infrastructure should discuss the feasibility of HAL laying multi-purpose ducts during their construction programme which could be connected to the wider network in future as new digital infrastructure comes forward.

**2.3.2 Now – Next:** HSPG should work with broadband providers to prioritise investment in areas with higher concentrations of service industries and highly-skilled workers (which tend to benefit more). This will also go hand-in-hand with digital skills investment across the region, so that businesses and workers with greater broadband provision have the capabilities and systems to make the most of it.

## DELIVERY PARTNERS

- HAL (including procurement and business engagement teams)
- HSPG local authority economic development teams
- LEPs and their Growth Hubs
- Business network groups, such as Chambers of Commerce and the FSB
- Internet infrastructure providers

## KEY METRICS

- Membership numbers in core business networks across the sub-region
- Number of business engagement events held, and number of local businesses in attendance
- Percentage of the expansion programme contracts advertised through the portal, by value
- Percentage of HAL (and Team Heathrow where possible) procurement spent with SMEs
- Percentage of businesses in HAL supply chain signing up to sustainable business pledge
- Percentage of premises in the HSPG sub-region able to access superfast broadband
- Reporting of supply chain spend by business size and geography at all tiers in the supply chain to monitor performance and measure success

## Objective 3: Develop the innovation capacity of the region

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### CONTEXT

Cultivating and harnessing innovation is a core principle of sustainable economic growth. The HSPG region is well-placed to become a national and international leader in innovation across multiple sectors, including freight and logistics, media production, and environmentally sustainable aviation. It must be able to compete with, and complement, emerging sectors in other regions, including the Cambridge-Milton Keynes-Oxford (CaMKOx) Corridor through collaborative approaches to innovation, investment and support. The sub-region should also build off key growth opportunities such as Longcross Enterprise Zone. Using the expansion programme as a driver of area-wide innovation, local authorities can support and harness entrepreneurship, using new products and services being developed for the airport expansion to solve local challenges. Leveraging the innovation capacity of the sub-region, solutions which help address the climate change emergency can be developed, supported by HAL and HSPG.

### GOAL

During expansion, engineering and construction firms will be encouraged to innovate through HAL's innovation programmes as well as procurement processes. They will be more environmentally sustainable, inclusive, and technically advanced than today.

Innovation will be strengthened through partnerships. Networks of businesses and higher/further education institutions will develop an environment where they learn from one another and innovative ideas can flourish.

Proximity to complementary businesses drives innovation, allowing a natural cross-fertilisation of ideas. Co-working and scale-up spaces allow for flexibility as businesses grow and collaborate, as well as increasing networking opportunities and partnership working.

HAL have taken advantage of the talent and innovation on offer in the HSPG region to support their expansion programme, as well as their usual operations. Airport occupier businesses look to HSPG firms to provide innovative solutions using procurement portals, partnerships, and direct access to local incubators and accelerators.

### CASE: UNIVERSITY OF SURREY 5G INNOVATION CENTRE

The University of Surrey's ground-breaking technological research, particularly in the area of 5G innovation, is putting the university on the global research map. The 5G Innovation Centre (5GIC) opened in September 2015. Since then it has been working to overcome the obstacles that are stalling the mass market adoption of fifth-generation mobile technology, or 5G.

It is now the world's largest academic research centre dedicated to next-generation mobile and wireless connectivity with a 5G test bed that can test and demonstrate emerging 5G technologies. The centre has 26 corporate members and 250 SMEs in its wider network. Larger organisations working in partnership with the 5GIC include EE, Samsung and Vodafone.



Source: Science & Technology Facilities Council

### ACTIONS

#### ► ACTION 3.1: Support innovation by facilitating partnerships between business and higher and further education providers

##### How to achieve it

**3.1.1 Now – New:** HSPG members, led by the LEPs, bring together existing business networks with local institutions including Brunel Centre for Sustainable Airports, Innovation in Sustainable Construction and Growth Hub Plus. HSPG members and the higher education institutions will develop a programme of events, from round-tables to conferences, to build the links between university and businesses.

#### ► ACTION 3.2: Harness the talent and innovation in the local area to solve complex problems in and around the airport

##### How to achieve it

**3.2.1 Now:** Public and private sector partners establish living labs and test-beds throughout HSPG to drive technological innovation in a range of fields, including health and social care, clean energy, climate change, freight, clean air, logistics and future mobility. The opportunities will be marketed through the LEPs, local authorities and inward investment stakeholders in the area and implemented in partnership with local economic development teams.

**3.2.2 Now – Next:** HAL to hold hackathons or design sprints on topics such as the future of aviation and freight, engaging with entrepreneurs and digital innovators. These programmes could be linked to relationships between business and educational institutions.

**3.2.3 Now – Next:** Run the HAL Challenge Prize – a competition between local companies to solve challenges facing the airport, logistics or other key related sectors with innovative ideas with the support of HAL and their major contractors. Additional support for Challenge Prize competitors could be linked to the LEP Growth Hubs and university support programmes across the sub-region.

► **ACTION 3.3: Accelerate co-location benefits by encouraging similar and related industries to locate together**

**How to achieve it**

**3.3.1 Now – New:** Business networks develop and promote an events programme (e.g., networking events, conferences, workshops) to encourage collaboration and innovation in growth sectors, supported by local authorities and LEPs as appropriate. HAL should continue to host Heathrow summits and employer engagement events as a part of the portfolio of business-to-business events.

**3.3.2 Now – Next:** Local planning authorities consider how they use Local Development Orders and other tools to provide greater flexibility between use classes, targeted at specific buildings or locations; this should allow for related (yet different) sectors to co-locate and collaborate.

► **ACTION 3.4: Local authority, other public sector procurement teams and HAL ensure procurement allows for more innovative solutions where appropriate and share knowledge / lessons learned between them**

**How to achieve it**

**3.4.1 Now:** Enable and encourage innovation where possible by writing tenders asking bidders to be as creative as possible in their proposed product/service, incorporating a ‘business case’ for using an innovative method or technology in their response and how value is derived.

**3.4.2 New:** Procurement assessments should weigh innovation more at bid stage and ensure that a deliverable has an ‘innovation statement’; this statement might include where and how bidders plan to introduce new ideas or processes, and how they plan to upskill stakeholders in that innovation.

► **ACTION 3.5: Innovate in off-site construction techniques and set a strategy for HSPG firms to deliver design and manufacturing of off-site commercial and residential**

**How to achieve it**

**3.5.1 Now:** HAL to Innovate in modern methods of construction and set a strategy for HSPG firms to design and manufacture off-site commercial and residential buildings, in line with circular economy aims<sup>44</sup>. HSPG construction and engineering business networks identify providers in the area and work with HAL to inform off-site construction firms of procurement opportunities.

## DELIVERY PARTNERS

- HAL (including procurement, innovation and business engagement teams)
- HSPG local authority economic development teams
- Business network groups, such as Chambers of Commerce
- Higher education and further education institutions
- Innovation networks (e.g. Nesta)

## KEY METRICS

- Number of conferences and events that support knowledge sharing and networks held in the HSPG sub-region each year
- Percentage of local authority contracts with specific innovation criteria
- Location quotients of target sectors in the HSPG region
- Percentage of commercial floorspace and residential units constructed offsite
- Percentage of resource flows in HSPG sub-region that are circular (innovation should drive increased circularity)
- Business CO<sub>2</sub> emissions in the HSPG sub-region (innovation should drive continued reductions)

## Objective 4: Equip the workforce for the jobs of tomorrow

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### CONTEXT

The HSPG sub-region has one of the highest employment rates in the country. However, under-employment is a growing concern in the face of increasing use of automation across all industries and growing skills gaps. Local education authorities, further and higher education providers and businesses will need to collaborate to upskill and diversify skills in the region in order for the HSPG sub-region to become one of the most advanced economies in the UK. Increasing residents' and workers' skills will also develop personal resilience and improve the quality of jobs attracted to the region – building a self-reinforcing cycle.

### GOAL

During expansion, the construction sector will work with the education sector to ensure workers have skills for modern methods of construction. Those skills will also be transferrable into new projects in the HSPG area, passing innovation and quality from Heathrow to the wider region.

HSPG businesses and institutions have a culture of lifelong learning. This includes investing in quality education and careers advice from a young age and supporting continuous education and adult training programmes to help workers adapt to changing needs

In the longer term, a range of higher education, further education and apprenticeship opportunities will support people into the career paths that suit their needs and the market. Training programmes will offer softer skills training and wrap-around support where additional help is needed to get people into work.

### ACTIONS

#### ► ACTION 4.1: Continue to promote apprenticeships in all sectors, and all sizes of companies

##### How to achieve it

**4.1.1 Now:** Expand the Shared Apprenticeship Scheme at HAL (which centrally employs apprentices and links them with major construction companies and contractors on site) to Team

#### CASE: WEST LONDON ALLIANCE – SKILLS ESCALATOR PILOT

The West London Alliance Skills Escalator pilot aimed to support working people on low household incomes in West London to gain better-paid and more stable employment through a programme of personalised advice and skills acquisition.

The pilot was targeted at residents living in the private rented sector or in temporary accommodation in receipt of partial Housing Benefit, with the intention that by overcoming barriers to progression, and increasing earnings, residents would reduce or end their dependency on in-work benefits.

The pilot has successfully engaged a wide range of clients, though it is mainly targeted at low-income workers. They are attracted by the distinctiveness of the offer including funded skills provision. In addition, the flexibility of the support was important as people could tailor their programme schedules to their existing time commitments.



Heathrow businesses on-site by 2021 to ensure the programme is working well, in time for operation of the expanded airport. This scheme will allow businesses in the same sector to share the pool of apprentices and help guarantee a job at the end of the apprenticeship.

**4.1.2 Now – New:** HAL's World of Work programme will expand to help Heathrow to deliver on its commitments including 10,000 apprenticeships by 2030 and 10,000 'experience of work' days. World of Work activities for apprenticeships will include: Youth Forum, with local 16-18-year olds taking on Heathrow-related projects; on-site interactive school tours; online digital resources; parent engagement events, to inspire both colleagues and the local community about future opportunities for their children; and partnerships with local colleges and universities.

**4.1.3 Now – New:** HAL and their contractors will share their experience and lessons learned of promoting, recruiting and training apprenticeships with other firms in the sub-region through publishing online resources and speaking at further education conferences and events.

**4.1.4 Now – New:** HSPG members collaborate with HAL to deliver comprehensive and meaningful construction apprenticeship and work experience programmes, leveraging relationships with schools, academies (such as the Mayor of London's construction academies), and higher education institutions across the HSPG region. For airport-related careers, this will build on an expanded offer from HAL's World of Work programme and the Heathrow Academy – covering careers in both the construction sector and all services at the airport.

#### ► ACTION 4.2: Ensure that the expansion programme acts as a catalyst to develop and retain the required construction talent in the area

##### How to achieve it

**4.2.1 Now:** At construction worker consolidation centres (which will bring construction workers to site), HAL and Tier 1 contractors will provide information on relevant skill programmes and job opportunities, and host training and employment support programmes to encourage up-skilling in a convenient location for the construction staff.



**4.2.2 Now – Next:** A Labour Desk Model is developed by HAL to allow construction workers to access existing opportunities and then to find new employment on other major construction programmes in the region or elsewhere nationally (as construction workers are attracted to major infrastructure programmes from across the UK) after their contract on the expansion programme ends; this will be achieved through the Heathrow Academy, working closely with HSPG skills and employment schemes to link this Labour Desk Model throughout the region.

**4.2.3 New:** HSPG members collaborate with the Heathrow Construction Skills Partnership to incorporate further education colleges that provide the training to meet the evolving needs of the construction sector. This will also support the development of an employer-recognised Skills Passport programme.

► **ACTION 4.3: Maximise the impact of existing skills and jobs brokerage programmes in the area by working with the LEPs and local education authorities to link initiatives and fill gaps in provision**

#### How to achieve it

**4.3.1 QUICK WIN – NOW:** HSPG area LEPs communicate with businesses through quarterly Business Skills Forums which links business and educational providers to understand how firms' skills and employment needs are evolving, and use these insights to inform HSPG members' skills strategies.

**4.3.2 QUICK WIN – NOW:** Directly connect local training programmes (such as the WLA Skills Escalator and Supported Internships programmes and Job Centre Plus integration of child services and support for parents looking for work) to Heathrow training programmes and jobs brokerage support either through the Heathrow Academy or World of Work programmes. HAL's jobs brokerage programme could also second staff into the HSPG member authorities (each, one day per week) to better coordinate employment and jobs brokerage for the sub-region at the airport.

**4.3.3 QUICK WIN – NEXT:** Expand the Supported Internships programme to help young people into employment, this includes a range of additional tailored support for those with disability, special education needs, or other needs.

**4.3.4 QUICK WIN – NEXT:** HSPG members jointly expand the Skills Escalator programme, supporting people from low income households into better paid and more stable employment through jobs advice and skill development.

**4.3.5 QUICK WIN – NEXT:** HAL will continue to fund and recruit widely for the Heathrow Employment and Skills Academy, meeting their goals for people receiving training and entering into employment through the programme, based on the following placement goals, which will be extended beyond 2020 and agreed with HSPG:

- 2019: 1,000
- 2020: 1,500
- 2021: 2,000
- 2022: 2,500

The academy will provide additional support as needed to ensure carer returners, ethnic minority groups, those with physical and learning disabilities, NEETs and those in work looking to change careers have tailored services and support.

**4.3.6 Now:** Establish an HSPG-wide network of adult-learning providers and evaluate outcomes robustly. This network will work together to identify gaps in provision and develop partnerships to attract investment from government in the programmes where existing capacity is not sufficient. Outcomes could be shared training programmes for digital skills or specialised construction skills offered across several providers (where single provision would not be sustainable).

**4.3.7 Now – Next:** One HSPG authority to develop and trial an early careers education programme to inspire the next generation. This programme can build on HAL's World of Work programme with primary and secondary schools, and be adapted to a wider careers set.

**4.3.8 Now – Next:** Heathrow Academy will expand provision to include supervisory and management training to ensure people working at the airport can progress in their careers.

► **ACTION 4.4: Ensure that HAL and their supply chain pay employees the Living Wage**

#### How to achieve it

**4.4.1 Quick Win – Now:** HAL to continue their effort to ensure that all supply chain colleagues are guaranteed the Living Wage by 2021 (and London Living Wage where applicable).

This must extend to those employed directly or indirectly as part of the expansion programme.

► **ACTION 4.5: Ensure that the background checking process does not act as a barrier for people looking to access work**

#### How to achieve it

**4.5.1 QUICK WIN – NOW:** HAL to sponsor early employment background checks for promising applicants in priority groups (set a limit) who could otherwise be lost to delay in background check.

**4.5.2 Now:** HAL to engage in dialogue with the CAA and DfT to identify potential solutions to reduce the time requirements of background checks.

## DELIVERY PARTNERS

- Local Enterprise Partnerships
- Businesses and business representative groups
- Higher education and further education providers
- HSPG members skills and employment departments as well as other public sector skills partnerships, such as Bucks Skills Hub
- HAL skills and employment teams, including Heathrow Academy and World of Work programmes
- Job Centre Plus and local employment support organisations

## KEY METRICS

- Progress against HAL's 10,000 apprenticeships and 10,000 work experience days commitments
- Number of people accessing HAL employment support and training programmes
- Unemployment rate
- Number of 'hard to fill' vacancies reported by businesses
- Percentage of HAL and supply chain workers earning the London Living Wage
- Number of people employed at HAL and Team Heathrow

## Objective 5: Improve quality of place for residents and workers

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### CONTEXT

Population growth in the sub-region demonstrates it is an attractive place for people to live and work. But areas of longstanding deprivation or areas in need of regeneration will require investment in the built environment and social programmes to improve quality of life. Increased investments in public realm will need to go hand-in-hand with the move to greater public transport use and active travel to make them attractive options. In turn, the pressures of development must be considered in the context of the environmental and social value of the greenbelt.

Local planning authorities will continue to work to ensure housing is affordable, and local plans and housing targets will account for changing housing demand. HSPG is keen to ensure that legacy benefits can be derived from this including provision within Local Plans. Many of the actions here are covered by the JSPF, so only a small number are highlighted here.

### GOAL

The expansion programme will create a new network of parks and walking and cycling routes around the airport. In addition, HAL's surface access programme and rail investments reduce carbon emissions and improve air quality.

With funding secured from HAL through the DCO, the HSPG member authorities will invest in placemaking, public realm and environmental sustainability to build prosperous places. Key priority areas are identified in the JSPF. Mixed-use town centres or priority centres are vibrant and inclusive from morning through to evening. Investment in community assets will support a better sense of community and quality of life.

Attractive and accessible green spaces, active travel options and corporate sustainability programmes improve environmental quality and community health.

#### CASE 1: ROYAL BOROUGH OF WINDSOR & MAIDENHEAD PLACEMAKING AGENDA

The council is currently progressing different placemaking workstreams in three strategic growth locations: Maidenhead town centre, south west Maidenhead and Ascot. This agenda is about showing ambition by creating or maintaining high-quality and distinctive areas. Importantly, the placemaking strategies are supported by the planning teams as well as teams across the organisation.

One of the first tasks was to engage with the landowners, key stakeholders and local community in all three key strategic locations. Workshops were organised to introduce stakeholders to the concept and gain initial consensus and buy-in to this place-based approach. All this was then used as background evidence for the development of the Policy and Placemaking Study released in October 2019, setting the visions and objectives for developing high quality, sustainable places within the borough.



Source: Maidenhead Town Centre Placemaking Study, October 2019

#### CASE 2: SLOUGH URBAN RENEWAL PARTNERSHIP

Slough Urban Renewal (SUR) is a partnership between Slough Borough Council and Morgan Sindall Investments Limited. SUR is delivering the Council's £60 m investment into creating iconic buildings, open spaces and connectivity, enhancing and improving local schools as well as providing high-quality new homes and leisure facilities. It is driving regeneration across the town through a broad range of projects improving the quality of local amenities. This placemaking strategy ultimately aims to make Slough a more desirable place to live, work and invest in – now and in the future.



## ACTIONS

- **ACTION 5.1:** Encourage local planning authorities in HSPG to further develop placemaking strategies in key areas with a focus on sustainable, low-carbon buildings and public realm

### How to achieve it

**5.1.1 Now – New:** Local planning authorities further develop and implement placemaking masterplans and public realm strategies for growing town centres and priority areas identified in the JSPF. These plans should consider developing funding strategies for placemaking programming, including using the Community Compensation Fund to support community programmes on town centres.

**5.1.2 Now – Next:** Local planning policy should ensure that key employment sites have access to quality green spaces and active travel options; local authorities who have already reviewed this accessibility should share their knowledge with others at the HSPG share their knowledge across HSPG, including potentially using the Community Compensation Fund or other income sources from expansion activities to support community programmes in town centres.

- **ACTION 5.2:** Collaborate with HAL to deliver an accessible, high quality and expansive active travel network for both commuting and leisure

### How to achieve it

**5.2.1 QUICK WIN:** HSPG planning and transport authorities collaborate with Sustrans to develop a HSPG area cycling network map, linked to green and blue infrastructure.

**5.2.2 Now:** Develop a joint HAL and HSPG area fund / local authority fund to focus on public realm improvements around transport hubs connected to Heathrow (for safer and higher quality connections and commuting). These funds could be drawn from the Community Compensation Fund, LEP funding, developer contributions (e.g., CIL), and future potential sources of income such as the Heathrow ULEZ or access charge.

- **ACTION 5.3:** Develop the cultural and entertainment offer in HSPG to attract residents and visitors, particularly during the evening or at the weekend

### How to achieve it

**5.3.1 Now:** HSPG economic development teams partner with DMOs, Buckinghamshire Culture and Visit England to develop a destination marketing and branding strategy for the wider HSPG-area, promoting cultural and heritage assets as well as other key attractions (see also O2.2.4)

**5.3.2 Now:** London Heathrow website and resources to promote hotels, amenities, and destinations in HSPG.

**5.3.3 Now – New:** Local authorities leverage income sources including those associated with airport expansion to invest in community assets such as parks, community spaces, and other social infrastructure.

## DELIVERY PARTNERS

- Local planning and transport planning authorities
- Property developers
- HAL business engagement team
- Tourism authorities and promoters

## KEY METRICS

- Amount of monies spent through the joint HAL and HSPG area fund for public realm projects
- Amount of Community Compensation Fund monies spent on community assets and social infrastructure



## Objective 6: Connect communities to areas of growth

### CONTEXT

Better connectivity will provide more equal opportunities for the sub-region to benefit from growth. Currently, there is poor public transport access in many parts of the sub-region. East-west connectivity across the sub-region is relatively strong and will be enhanced with Crossrail and the SRAtH and WRLtH. But additional investments in north-south routes, and programmes like the West London Orbital rail (WLOR) link, will be critical for linking people into job opportunities in the region. HS2 at Old Oak Common will also have important national connection implications for the sub-region. As outlined in the JSPF, radial routes must also be invested in, linking towns together and making journeys within the sub-region easier and faster.

A focus on sustainable transport modes will encourage a transition from private cars to electric vehicles, public transport and active travel (including, walking, cycling, e-bikes, and emerging modes) and help to achieve the UK's 'net zero' target by 2050. National and regional commitments to improving bus and coach routes, such as the Government's announcement in September 2019 for a long-term bus strategy and funding settlement, will support connectivity in the sub-region, particularly for 'last-mile' journeys.

### GOAL

Areas of growth – including HAL-related development, town centres, and other areas – will be accessible by communities for employment and leisure. Heathrow's surface access programme will encourage more people to use public transport and active travel to work at and around the airport.

SRAtH and WRLtH will provide affordable and accessible connections to jobs at Heathrow and beyond. The WLOR link will better connect that area of the sub-region. They will provide increased rail capacity that will support development along the routes – reinforcing sustainable travel and development.

Accessibility will focus on active travel and public transport wherever possible, including frequent and reliable bus services and new routes. The sub-region will invest in testing new transport technologies and collaborate with HAL to trial innovative ideas – for example the autonomous pods in Terminal 5 – that could be rolled out more widely.

#### CASE: BUCKS CC, THE BUCKS LEP, OXFORD BUS COMPANY PARTNERSHIP

Royal Borough of Windsor and Maidenhead together with Bucks CC, the BTV LEP and Oxford Bus Company are working on securing funding from HAL to launch a new High Wycombe-Maidenhead-Heathrow coach route.

Since buses outside of London are privately run and not subject to agreements on performance or routes, it can be difficult to coordinate the objectives of private bus operators with wider economic development objectives. This approach could both improve connection to Heathrow as well as orbital journeys across the sub-region, driving local economic growth through partnerships, and funding bids for local transport infrastructure investment.



Source: Oxford Bus Company

### ACTIONS

#### ► ACTION 6.1: Transport authorities and providers deliver a clean, efficient, and extensive public transport service and active travel infrastructure in the area

##### How to achieve it

**6.1.1 QUICK WIN – NOW:** HAL and local authority transport teams identify priority transport corridors across the sub-region and to the airport – (linked to the Surface Access Strategy), including an inclusivity review of equality of access to public transport for diverse communities, across ages, abilities, and genders, also considering shift patterns and zero-hour workers at the airport.

**6.1.2 Now – New:** HSPG will seek to develop a sub-regional wide bus network strategy with HAL and other key stakeholders, based on more closely aligning service needs with land use planning and local needs. This will complement the JSPF proposals for prioritising links to transport hubs at priority town centres and growth corridors and integrate with localised public transport or active travel interventions.

**6.1.3 New:** Local authority transport teams collaborate to commission a jointly-funded review of town-to-town public transport and active travel connections in the HSPG area and develop cost-effective strategies for increased connectivity, including demand responsive bus networks and technological innovations. This should be closely linked to the priority corridors analysis conducted by HAL and local authority transport teams.

**6.1.4 Now – Next:** Bus operators work with HSPG members and TfL to aspire for all buses operating in HSPG to be low emission by 2050, with TfL sharing lessons learned with local transport authorities regarding incentives, infrastructure and other requirements to achieve this aim.

**6.1.5 Now – New:** HAL ensures the surface access strategy fully considers and provides for the areas in which the highest density of Team Heathrow workers live and works in coordination with future public transport strategies.



**6.1.6 New:** More active travel options are linked to local commuting corridors, which will be developed from and improved by data sharing activities between local authorities which should relate to walking and cycling origins and destinations (particularly in relation to public transport interchanges, priority town centres, regeneration and areas and the Heathrow Interaction Area). This will align with the JSPF recommendation for identifying Last Mile catchments to prioritise last mile commuting requirements with HAL.

**6.1.7 New – Next:** Public accessibility to commercial centres and business parks without rail access should be improved through a comprehensive public transport investment programme to be developed jointly with HAL. HSPG members will assess the potential to prioritise investment for improving connectivity through the potential income sources arising from expansion.

**6.1.8 New – Next:** HAL and HSPG member transport teams work with DfT and local bus and train operators to improve connectivity to the north and south and west of the Airport, including rail and bus.

**6.1.9 Next:** SRaTH and WRLtH delivered on routes which maximise commuter access to the airport and across HSPG region.

**6.1.10 Next:** Local authority transport teams will aspire for bus networks which can be integrated into streets that are dynamic and multidimensional space that facilitate a variety of different uses and activities. They will also plan for adaptable infrastructure to enable an aggregation of services and operations.

## ► **ACTION 6.2: Ticketing and pricing strategies for key workers encourage public transport take-up**

### How to achieve it

**6.2.1 QUICK WIN:** HAL to improve information around modes of travel to Heathrow including coaches, buses, shuttles and active travel to employees at the airport as well as to key employment support providers, such as Job Centre Plus.

**6.2.2 Now:** HAL to conduct review into season and annual ticket

pricing and discounts for HAL and Team Heathrow commuters, including considerations for HAL and Team Heathrow providing affordable or subsidised ticketing for means-tested workers. This could also include an extension of the Free Fare Travel Zone around Heathrow for free bus travel within the zone.

**6.2.3 Now:** HAL and HSPG work with local transport authorities work with coach providers to improve affordability and flexibility of seasonal and annual passes for commuters.

**6.2.4 New:** A partnership of local authority transport teams and employment support providers seek funding for public transport fare subsidies and travel advice to those looking for work and attending job interviews<sup>45</sup>.

**6.2.5 New – Next:** DfT, TfL, and HSPG authorities to develop an integrated ticketing offer for the region.

## ► **ACTION 6.3: Position the area as a place where new transport systems can be tested and developed**

### How to achieve it

**6.3.1 New:** Local authorities set up testbeds for future mobility innovations tested in HAL's Challenge Prizes and hackathons in line with Objective 3. The opportunities for testbeds will be marketed through HAL to the LEPs, local authorities and inward investment stakeholders in the area and implemented in partnership with local economic development teams.

**6.3.2 New – Next:** Local authority transport teams and transport operators plan for and enable demand-responsive public transport systems.

## DELIVERY PARTNERS

- Local authority transport and planning teams
- Bus operators
- Rail companies
- Network Rail and Highways England
- HAL economic development team

## KEY METRICS

- Mode share for commuting in the region for cars, rail, bus/coach, and active travel options
- Percentage of HAL and Team Heathrow employees using public transport and active travel to get to work
- Percentage of employment land within a 30-minute walk of major rail or bus route

## Objective 7: Lead in sustainable and innovative freight and logistics

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### CONTEXT

An important part of Heathrow's successful operations and expansion is a reliable freight and logistics network. As identified in the JEBIS, the coming years will see a major increase in demand for logistics floorspace and systems, particularly following airport expansion. A comprehensive freight strategy is needed that sets the pathway for a cleaner and safer freight system across the sub-region. It is crucial that all the implications of freight movements associated with Heathrow's expansion are considered within this wider context.

Changes in business and household logistics due to technology and changing retail behaviours requires investment in these networks that enable them to be flexible, adaptive and sustainable. Climate change considerations mean it is vital that any strategy reduces carbon and other emissions, and makes the most of the opportunity for the sub-region to be a leader in clean, innovative freight systems. A common approach is needed to plan for these changes; the aim is to significantly reduce freight movements on the local and strategic road network, assisting with congestion issues and reducing pollution.

### GOAL

Freight infrastructure connected to Heathrow will be sustainable and innovative. Local transport authorities will collaborate with planning authorities to encourage logistics networks link to sustainable transport.

In line with the expansion programme, local planning authorities will identify additional areas for logistics development in appropriate locations. Companies will use rail to transport freight where possible. Consolidation centres will be connected with green transport and active travel last mile deliveries where possible.

#### CASE: UPS KENTISH TOWN – USING SMART CHARGING TO MANAGE PEAK ELECTRICITY DEMAND

The UPS depot in Kentish Town, North London had a fleet of 52 electric vehicles. Constraints in the existing grid infrastructure were restricting the company's ability to introduce more electric vehicles without grid reinforcements and upgrades.

The installation of a smart charging system will allow a full depot of electric vehicles. The operational profile of the fleet provides a 12-hour time window to charge the vehicles, which means that vehicle charging demand can be spread throughout this time window to lower peak energy demand. Charging demand on the site is dynamically controlled by smart chargers, a network management system and an energy storage system. The 12-hour charge window has enabled the number of battery electric vehicles in the depot's fleet to increase without the need for further physical grid reinforcement, optimising the use of existing infrastructure assets.



Source: Savills

### ACTIONS

► **ACTION 7.1: Support the Heathrow 2.0 Sustainability Strategy by rolling out low emission vehicle (LEV) infrastructure for freight and logistics and public transport in Heathrow and across HSPG**

#### How to achieve it

**7.1.1 Now:** HSPG promote HALs circular economy objectives through their networks, particularly into the wider freight and logistics sector through their procurement processes (standards and guidance provided in the procurement support programme and portal) and planning policy.

**7.1.2 Now – New:** Work with Highways England, TfL and local authorities to pilot sustainable and electric freight corridors (which offer freight priority travel on roads, but not in bus priority lanes) on major routes around Heathrow. This is linking to the strategic corridor study set out in Objective 6, clearly setting out the relationships between key commuting and freight corridors.

**7.1.3 Now – Next:** HAL to continue to invest in and install LEV infrastructure at LHR for freight, including hydrogen charging stations. This will be jointly delivered through the Surface Access Strategy as well as the Heathrow 2.0 Sustainability Strategy.

**7.1.4 Now – Next:** Local authorities work with energy providers and National Grid to ensure capacity in the network for ongoing delivery of LEV infrastructure in the HSPG area. Lessons learned from HAL and UKPN for the provision on-site at Heathrow will be shared with the HSPG members.

- **ACTION 7.2:** Advocate for and support logistics developments and systems which allow freight to be transported via low or zero-emission modes

#### How to achieve it

**7.2.1 QUICK WIN:** HAL and the LEPs map the key stakeholders in the freight and logistics sector in the sub-region to identify who and when to engage with to implement further actions on freight and logistics.

**7.2.2 Now:** HAL and HSPG form a Freight and Logistics Knowledge Sharing Partnership such that any lessons learned for planning, design, business support or technology are shared for wider implementation across the sub-region.

**7.2.3 Now – New:** HSPG local transport plans and HAL's surface access strategies will ensure design of active travel routes supports logistics and delivery cycling (alongside leisure and commuting), linked to active travel studies and provision set out in Objective 6.

**7.2.4 Now – Next:** HAL and HSPG member authorities collaborate and share lessons learned from HAL's sustainable logistics programme to trial an urban logistics consolidation centre in one town to facilitate zero-emission last mile distribution. If this programme is successful, develop a plan to roll out to further areas.

**7.2.5 Now – Next:** Identify best practice examples of freight consolidation and reducing the number of freight movements during construction and operational phases, including assessing the potential to limit timings of movements (e.g. outside of peak commuting times) and volume of movements (e.g. limiting running of empty freight vehicles). These recommendations should be incorporated into HAL's commitments in the DCO.

**7.2.6 New:** HAL to jointly-commission a feasibility study for using historic rail infrastructure assets for new freight movements (e.g., existing nearby rail heads) as a part of the Surface Access Strategy.

- **ACTION 7.3:** Undertake a joint sub-regional freight study and apply a 'freight as a system' approach that takes full account of freight demands arising from Airport Related Development and contribute towards sustainable transport solutions

#### How to achieve it

**7.3.1 QUICK WIN:** HSPG planning authorities and HAL identify the capacity and quality of existing freight facilities and inform feasibility studies related to potential new freight logistics locations to accommodate growing demand and support more freight consolidation.

**7.3.2 Now:** As local plans and planning policy are updated, HSPG planning authorities promote more efficient, higher density building forms, incorporating the use of mezzanines, multi-storey and multi-level logistics space. This also includes planning authorities to advocate for flexible design in new warehousing, to make it more resilient and adaptable to changing uses and technologies. Planning allows for co-locating different development types, such as compatible residential and light industrial workspaces to create efficient hybrid mixed-use formats.

**7.3.3 Now – Next:** Planning allows for co-locating different development types, such as compatible residential and light industrial workspaces to create efficient hybrid mixed-use formats.

**7.3.4 Now – Next:** HSPG planning authorities – through planning policy and local plan making – establish potential and set precedent for re-purposing land such as underutilised out-of-town shopping centres to be converted to warehousing, or incorporating logistics or warehouse space within subterranean spaces as part of mineral restoration projects.

- **ACTION 7.4:** Develop a higher education logistics sector innovation hub (in partnership with key freight companies)

#### How to achieve it

**7.4.1 Next:** Local education authorities, the Construction Industry Training Body (CITB), Freight Transport Association (FTA), Road Haulage Association (RHA) and others work with local further education and higher education providers on a feasibility study which assesses the demand and potential benefits for a freight and logistics innovation hub.

## DELIVERY PARTNERS

- Freight and logistics companies
- Network Rail
- Highways England
- Local transport authorities
- UK Power Networks and other distribution network operators (DNOs)
- Higher education and further education institutions as well as industry representative bodies (eg. CILT)

## KEY METRICS

- Proportion of freight transported via low-carbon or no-carbon modes
- Proportion of employment land provided for freight and logistics in relation to the output of the sector
- Number of LEV charging points for freight and logistics



# 04/

## Taking action

## 4.1 Purpose of Action Plan

46 The purpose of the Action Plan is to set out the steps necessary to deliver. The actions set out above are a summary of the key actions. An interactive Action Plan Programme tool (static version in Section 6) sets out more details on who, how and when actions should be delivered. The tool can be used to manage and track actions and to identify new actions if objectives are not being met.

The Action Plan sets out time-bound programmes and tasks. It highlights who is responsible for delivery, be it HAL, Local Authorities, LEPs, Government or joint delivery.

The principles of the Action Plan are to be:

### Specific

Provide enough detail to guide the action and ensure it aligns to the associated Objective(s)

### Achievable

Yet ambitious

### Accountable to stakeholders

Assigning clear responsibility for taking action and funding the actions

### Time-scaled (including Quick Wins)

Covering four phases: Quick Wins, and those which can be achieved 'Now' (DCO to 2025), 'New' (2026-2030) and 'Next' (2031-2050).

### Measurable

Able to assign a set of key performance indicators (KPIs) which will help HSPG and HAL understand whether the actions are having the intended effect

## 4.2 Priority metrics

Below, we set out the seven metrics most important for achieving the vision. These metrics are chosen for representing the impact of the broad set of actions being implemented. Some actions may interact with one another in compounding or competing ways, and the success of one programme in the Action Plan will be difficult to assess without a proper programme evaluation.

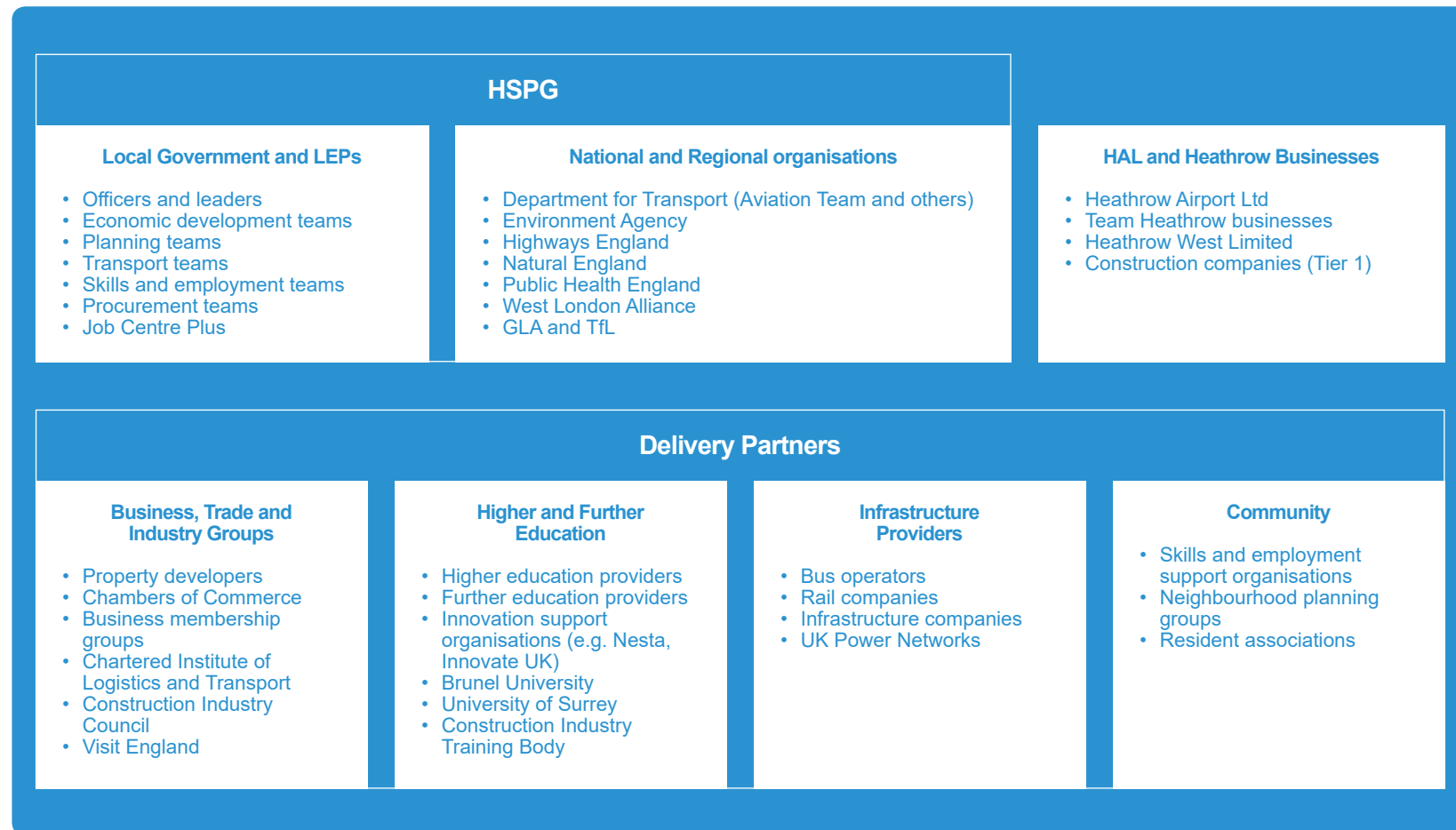
The actions will be measured across the HSPG sub-region as a whole as well as spatially within the area. This will allow HSPG and delivery partners to assess overall progress towards the vision as well as whether certain areas require adapted actions or additional resources.

Accordingly, these metrics represent the most important outcomes from which HSPG members should be able to gauge success of this Action Plan for achieving the vision.

Metric	Direction of travel	Frequency of assessment
Commercial floorspace growth (offices, hotels, and industrial) in line with JSPF forecast demand	In-line with projections	Yearly
Value of HAL contracts to businesses located in HSPG area	Increase	Quarterly and Yearly
GVA per worker	Increase (above baseline)	Yearly
Apprenticeship starts and completions (against HAL targets)	In-line or surpassing target	Quarterly and Yearly
House price affordability ratio	Affordability improves in relation to London + South East	Yearly
Commuting by public transport and active travel (% HSPG workers)	Increase	Yearly + Census
CO <sub>2</sub> emissions per capita	Decrease	Yearly

## 4.3 Importance of stakeholders and collaboration

Coordination, collaboration and cooperation will be necessary to deliver on these actions. The vision and Action Plan has already been developed with HSPG members, HAL and other stakeholders, and the process will evolve over time as actions are implemented.





## 4.4 Action Plan timeline

CODE	ACTION	QUICK WIN	NOW	NEW	NEXT
<b>O1.1</b>	<b>Continue to provide and expand provision of incubator space for new businesses in the science, technology and creative sectors</b>				
O1.1.1	Map incubator spaces	*			
O1.1.2	Develop affordable workspace strategies	*	●		
<b>O1.2</b>	<b>New commercial developments are able to learn construction techniques from the Heathrow expansion developments</b>				
O1.2.1	Construction Skills Passport programme		●		
O1.2.2	Tier 1 share knowledge around sustainable construction		●	●	
<b>O1.3</b>	<b>Work with those enterprises who are going to be displaced to ensure that they are supported in changing location</b>				
O1.3.1	Identify and plan for displaced businesses	*			
O1.3.2	Compensation for indirectly impacted businesses	*			
O1.3.3	HAL's Business Relocation Service supports displaced employees	*	●		
O1.3.4	Consider meanwhile use at LHR during construction		●		
O1.3.5	HAL's Business Relocation Service supports displaced businesses		●		
<b>O1.4</b>	<b>HSPG members to work with developers and other partners to retain and develop a greater range and supply of commercial space to support catalytic business growth</b>				
O1.4.1	Share information around protecting commercial land	*	●		
O1.4.2	Locate SMEs and start-ups in HQs and universities		●		
O1.4.3	Support shared workspaces in town centres		●		
O1.4.4	Consider safeguarding land for employment and industrial use		●		
O1.4.5	Support mixed use sustainable development		●		
O1.4.6	Consider stronger position on delivering employment space			●	
<b>O2.1</b>	<b>Develop a stronger HAL procurement support offer, to ensure businesses in the HSPG area are aware of and can access contracts at the airport</b>				
O2.1.1	Develop procurement portal	*			
O2.1.2	Maximise use of the portal	*			
O2.1.3	Provide guidance on responsible business standards	*			
O2.1.4	Investigate ability to procure locally	*			
O2.1.5	Establish process for engaging SMEs	*	●		
O2.1.6	Match fund to support SMEs international business	*	●		
O2.1.7	Develop supplier engagement strategy	*			●
O2.1.8	Information sessions on producing winning bids		●	●	
O2.1.9	Increase scope of the portal			●	●
<b>O2.2</b>	<b>Provide business support advice adapt to new circumstances, growing on successful programmes</b>				
O2.2.1	Reduce barriers to business growth	*			
O2.2.2	Map business networks and events	*			
O2.2.3	Host events to understand barriers to HAL supply chain	*			
O2.2.4	Expand and enhance local destination offer for conferences and tourism		●		
O2.2.5	Assess predicted versus actual business growth		●		
<b>O2.3</b>	<b>Continue to invest in digital infrastructure to support business as well as all residents</b>				
O2.3.1	Strong digital strategies across HSPG		●		●
O2.3.2	Identify areas to prioritise broadband improvements		●		●
<b>O3.1</b>	<b>Support innovation by facilitating partnerships between business and higher/ further education providers</b>				
O3.1.1	Organize events bringing together businesses and education providers		●		
<b>O3.2</b>	<b>Harness the talent and innovation in the local area to solve complex problems in and around LHR</b>				
O3.2.1	Establish living-labs and test-beds		●		
O3.2.2	Hold hackathons on various topics		●		●
O3.2.3	Run the HAL Challenge Prize		●		●
<b>O3.3</b>	<b>Accelerate agglomeration benefits by encouraging similar and related industries to locate together</b>				
O3.3.1	Promote collaboration and innovation in growth sectors		●		
O3.3.2	Reconsider Local Development Orders to allow more flexibility		●		●
<b>O3.4</b>	<b>Local authority, other public sector procurement teams and HAL ensure procurement allows for more innovative solutions where appropriate and share knowledge / lessons learned between them</b>				
O3.4.1	Clearly encourage innovation in tenders		●		
O3.4.2	Emphasise innovation while assessing procurements			●	
<b>O3.5</b>	<b>Innovate in off-site construction techniques and set a strategy for HSPG firms to deliver design and manufacturing of off-site commercial and residential</b>				
O3.5.1	Incorporate off-site construction in line with circular economy aims		●		
<b>O4.1</b>	<b>Continue to promote apprenticeships in all sectors, and all sizes of companies</b>				
O4.1.1	Expand the Shared-Apprenticeship Scheme to 'Team Heathrow' by 2021		●		
O4.1.2	Help Heathrow to deliver its apprenticeship commitments		●		
O4.1.3	Share lessons learnt from apprenticeship programme		●		
O4.1.4	Deliver comprehensive apprenticeship and work experience programmes		●		
<b>O4.2</b>	<b>HSPG and HAL work together to ensure that the expansion programme acts as a catalyst to develop and retain the required construction talent in the area</b>				
O4.2.1	Provide training information and skills evenings at consolidation centres		●		●
O4.2.2	Organise the re-training of construction workers post-expansion		●		
O4.2.3	Incorporate FE colleges tackling the future needs of the construction sector			●	

<b>O4.3</b>	<b>Maximise the impact of existing skill programmes in the area by working with the LEPs and local education authorities to link initiatives and fill gaps in provision.</b>		
O4.3.1	Organise Business Skills forum	*	•
O4.3.2	Connect local training program to Heathrow opportunities	*	•
O4.3.3	Expand the Supported Internship programme	*	•
O4.3.4	Expand the Skills Escalator programme	*	•
O4.3.5	Fund and recruit for the Heathrow Employment and Skills Academy	*	•
O4.3.6	Establish HSPG-wide network of adult-learning providers		•
O4.3.7	Develop and trial an early career education programme		•
O4.3.8	Provide supervisor and management training		•
<b>O4.4</b>	<b>Ensure that HAL and their supply chain pay the Living Wage</b>		
O4.4.1	Ensure employees are guaranteed the living wage by 2021	*	•
<b>O4.5</b>	<b>Ensure that the background checking process does not act as a barrier for people looking to access work</b>		
O4.5.1	Sponsor early employment background checks	*	•
O4.5.2	Understand the reasons for slow background checking		•
<b>O5.1</b>	<b>Encourage local planning authorities in HSPG to develop placemaking strategies in key areas</b>		
O5.1.1	Further develop and implement placemaking strategies		•
O5.1.2	Ensure access to quality green spaces on key employment sites		•
<b>O5.2</b>	<b>Collaborate with HAL to deliver an accessible, high quality and expansive active travel network for both commuting and leisure</b>		
O5.2.1	Develop a cycling network map	*	
O5.2.2	Develop a fund for public realm improvements around transport hubs		•
<b>O5.3</b>	<b>Develop the cultural and entertainment offer in HSPG to attract residents and visitors, particularly during the evening or at the weekend</b>		
O5.3.1	Invest in community assets		•
O5.3.2	Promote cultural and heritage assets through key partnerships		•
O5.3.3	Promote leisure and cultural destinations on Heathrow website		•
<b>O6.1</b>	<b>Forge new relationships with transport authorities to develop a clean, efficient, and extensive public transport service and active travel infrastructure in the area</b>		
O6.1.1	Identify priority transport corridors	*	•
O6.1.2	Develop a HSPG sub-regional wide bus network		•
O6.1.3	Increase town-to-town connectivity		•
O6.1.4	Ensure all buses are low emission by 2050		•
O6.1.5	Ensure consideration of Heathrow workers in transport strategies		•
O6.1.6	Link local commuting corridors with more active travel options		•
O6.1.7	Improve public accessibility to commercial centres and business parks		•
O6.1.8	Improve connectivity North and South of the airport		•
O6.1.9	Maximize commuter access to the airport and across HSPG sub-region		•
O6.1.10	Better integrate bus network into streets		•
<b>O6.2</b>	<b>Ticketing and pricing strategies for key workers encourage public transport take-up</b>		
O6.2.1	Improve information around available modes of travel to airport	*	
O6.2.2	Conduct review on different pricing strategies for airport commuters		•
O6.2.3	Improve affordability and flexibility of annual/seasonal coach passes		•
O6.2.4	Provide subsidies and travel advices to people looking for work		•
O6.2.5	develop an integrated ticketing offer for the sub-region		•
<b>O6.3</b>	<b>Position the area as a place that new transport systems can be tested and developed</b>		
O6.3.1	Support test-bed for automated transportation		•
O6.3.2	Develop demand-responsive public transportation		•
<b>O7.1</b>	<b>Support the Heathrow 2.0 Sustainability Strategy by rolling out LEV infrastructure for freight and logistics and public transport in Heathrow and across HSPG</b>		
O7.1.1	Promote HALs circular economy objectives		•
O7.1.2	Pilot freight-only corridors		•
O7.1.3	Invest in LEV infrastructure		•
O7.1.4	Ensure energy network capacity supports LEV infrastructure		•
<b>O7.2</b>	<b>Advocate for and support logistics developments and systems which allow freight to be transported via low or zero-emission modes</b>		
O7.2.1	Map freight and logistics stakeholders	*	
O7.2.2	Form a knowledge sharing partnership on freight and logistics		•
O7.2.3	Collaborate and share lesson learned from HAL' sustainable logistics programme		•
O7.2.4	Ensure support to logistics and delivery cycling		•
O7.2.5	Identify freight best practices during construction phases		•
O7.2.6	Feasibility study on using historic logistics infrastructure		•
<b>O7.3</b>	<b>Undertake a joint sub-regional freight study and apply a 'freight as a system' approach that takes full account of freight demands arising from Airport Related Development and contribute towards sustainable transport solutions</b>		
O7.3.1	Assess capacity and quality of existing freight facilities	*	
O7.3.2	Promote more efficient and higher density building forms		•
O7.3.3	Plan for co-location of compatible residential and light industrial uses		•
O7.3.4	Assess potential for re-purposing land when underutilised		•
<b>O7.4</b>	<b>Develop a higher education logistics sector innovation hub (in partnership with key freight companies)</b>		
O7.4.1	Assess demand and benefits for a freight and logistics innovation hub		•



# 05 /

## Governance, funding and next steps

## 5.1 Governance and collaboration with partners

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Appropriate governance and delivery mechanisms are key to fully realising HSPG's economic development aspirations for the sub-region. The potential legacy opportunities are substantial and must be secured.

HSPG has already demonstrated that by working closely together, it can hold Heathrow to account on key issues and influence emerging plans. Although members each have their own policy views on expansion, the group has proven itself to be a strong unified voice on keeping vital objectives and priorities high up the agenda.

There is much that HSPG members can do through working together and with other partners. The Action Plan sets out key actions to capture growth for local communities, but many of them require continued joint working and collaboration.

HSPG's current governance arrangements have been highly effective in coordinating member organisations around various strategic matters that include organising joint representations to the Heathrow Airport Expansion Project DCO consultation processes. It also helps facilitate a shared voice to Government.

In the short to medium term it is proposed current governance arrangements are used to monitor the progress of the Action Plan. It is proposed a 6-monthly review is provided to the HSPG Leader's Board. The review will highlight progress against actions and key metrics and spotlight issues to be jointly resolved.

## 5.2 How will this be funded

As the DCO process moves forward, HSPG is also working to create proposals for future governance. These proposals will ensure that this effective cooperation continues, so that strategic objectives can be achieved through the DCO planning process and monitoring.

It is important, for example, that a number of the targets and commitments made by HAL in their emerging economic development strategy (informed by this work), are captured as requirements in the DCO.

Governance proposals will look to help ensure these actions can be delivered both through the DCO process and more widely.

Discussions are being held on how to use and govern sources of increased income which will be achieved through expansion. These could include business rates, the proposed Heathrow vehicle access charge and the Community Compensation Fund.

HSPG members would like to see this income used to maximise the benefits to local communities, who are disproportionately negatively impacted. This income could be used to deliver key actions outside of the DCO, such as those highlighted in this Action Plan.

HSPG would like HAL to offer a 'starter-fund' which would support initial efforts in driving forward the Quick Wins outlined in the Action Plan. This initial pot could be secured through the DCO.

## 5.3 The commitment to deliver

HAL's airport expansion programme will be an impetus for change in the region. A wide range of stakeholders will decide how to make the most of the positive opportunities and how to manage the challenges.

HSPG members and leadership commit to be the voice for their residents, businesses and wider community groups to deliver inclusive and sustainable growth for the sub-region. But HSPG cannot do this alone. HSPG members will work with HAL as well as businesses, educational institutions, infrastructure providers, and community groups to deliver this vision.

By the time Heathrow's third runway opens, HSPG members, HAL and strategic partners will have supported the creation of tens of thousands of construction jobs and helped local residents into those jobs. Businesses and residents negatively affected by expansion will receive support to offset those challenges. Local government will have forged new relationships across the sub-region to ensure the public transport network is accessible, affordable and attractive for commuters. More people will have better jobs through these programmes, and quality of life in the sub-region will be among the best in the country.

By 2050 the HSPG sub-region will be one of the most advanced economies in the UK, having used Heathrow airport expansion as a major catalyst for positively transforming the business environment, regional connectivity and quality of life.





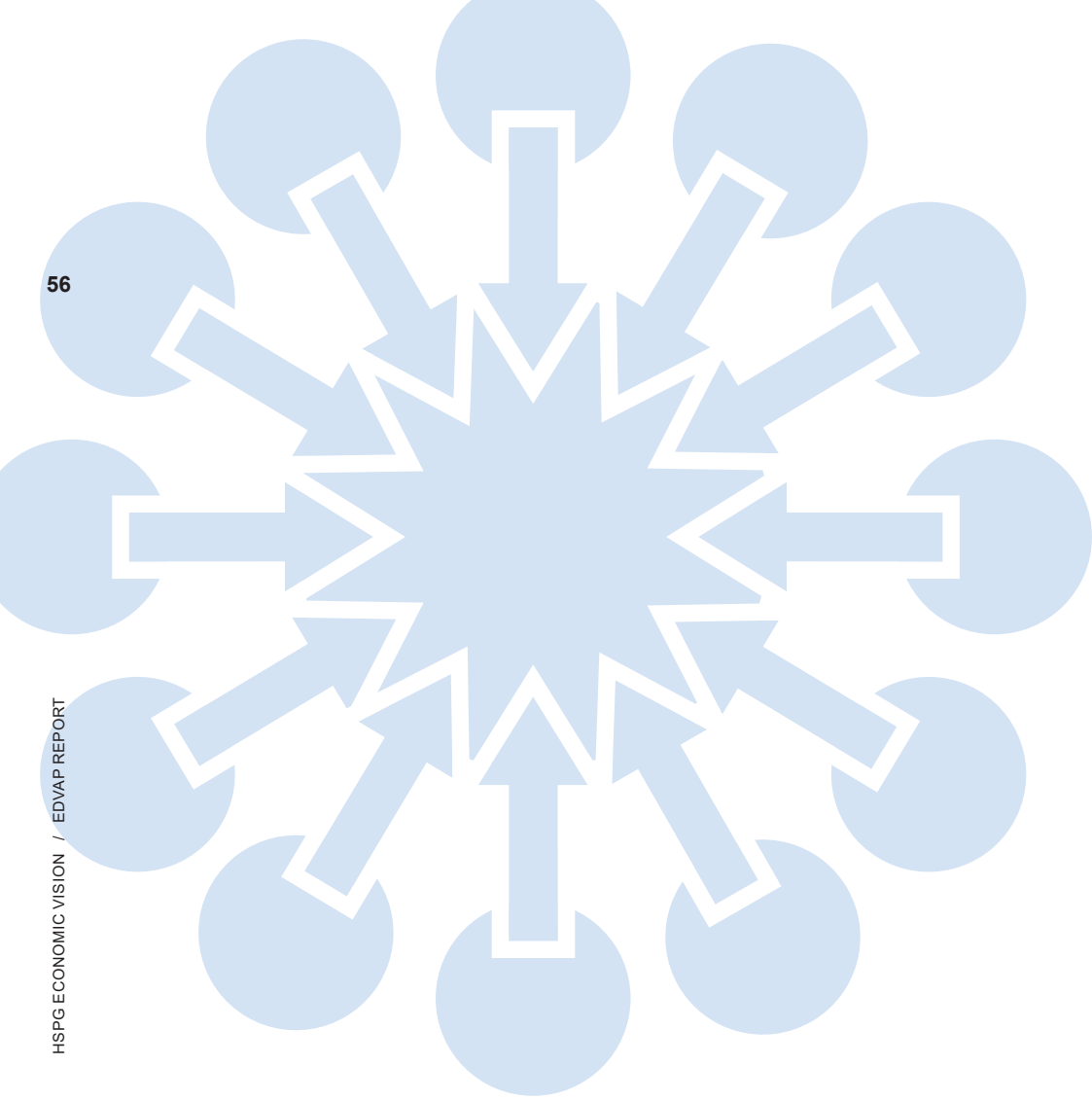




# 06 /

## Detailed Action Plan

@ To access the Acton Plan online, please visit  
[www.heathrowstrategicplanninggroup.com](http://www.heathrowstrategicplanninggroup.com)



## THE ACTION PLAN

A detailed version of the Action Plan can be seen on the following pages, accurate at time of publication. The Action Plan is also published online on the HSPG website and should be used in conjunction with this Economic Development Vision and Action Plan Report.

Just as the EDVAP details seven objectives to fulfil the Economic Vision for the HSPG area, the Action Plan Workbook provides the key information on the Actions which deliver the Vision.

Each Action provides the following information:

- **How** will the action be delivered?
- **When** will the action be delivered?
- **Who** will deliver the action?
- **What** is the implementation route?
- (optional) Further detail

\*Note: Detail on **where** an action may take place is provided in the core text of the action.

## METRICS

To track the outcomes for the HSPG sub-region against these Actions, metrics are provided at the Objective-level. Metrics are provided at the Objective-level, rather than for each Action, because many actions may work towards a common outcome and could have compounding effects.

Accordingly, the set of actions will be measured on the whole as to how the metrics are changing with regards to their overarching objective.

## TIMESCALES

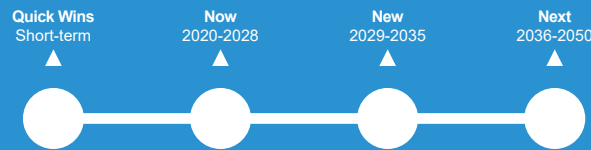
The timescales of this Action Plan align with the key development programme of Heathrow Airport expansion. The time periods are set out in the diagram to the right.

## USING THE ACTION PLAN

The Action Plan Workbook is a tool which is used by the HSPG members to manage the programme of work for the EDVAP. Future work will assess the key funding mechanisms which could be used to draw additional resources to implement the Action Plan.

The workbook will be regularly updated online to allow stakeholders to assess key projects and their progress towards achieving the Vision.

### EDVAP action phases



#### Quick Wins

Actions for immediate implementation prior to DCO being granted in 2021.

#### Now (2020-2028)

This focuses on projects that need to be undertaken prior to Heathrow's third runway being operational by the end of 2029. This includes public programmes or planning mechanisms that need to be established or projects that need to be constructed.

#### New (2029-2035)

This relates to the strategic actions that need to be delivered during the peak of the expansion programme to accompany the opening of the third runway, and the immediate period after.

#### Next (2036-2050)

This phase looks to the longer term, with less certainty and underpinning evidence. The EDVAP seeks to establish the scale and nature of ambition. Actions related to this phase look to capitalise on prior infrastructure delivery, policies and programmes and set a trajectory concerned with future-proofing and the pursuit of best practice as currently understood.

Action Code	Action	How	Timescale	Delivery Partners			Implementation Route	Further Detail	
O1: Ensure quality, accessible and affordable commercial space to support growing businesses			KEY METRICS	• Growth in commercial floorspace (sqm) per annum by use class • Commercial rent prices (£/m2) in relation to GVA or business turnover • Percentage of businesses relocated from the expansion programme who are satisfied with their new premises • Number of construction firms and workers using the Skills Passport programme					
O1.1 Continue to provide and expand provision of incubator space for new businesses in the science, technology and creative sectors									
O1.1.1	Map incubator spaces	HSPG LEPs create an interactive map of incubator spaces for start-ups and host it on their websites. Using the information from the database and working with the workspace providers, the LEPs will coordinate a sub-regional start-up network with workspace providers, and LEP Growth Hubs will host local get-togethers for start-up businesses.	Quick Win	LEPs	Meanwhile office and affordable office providers		LEPs lead as part of business support activities		
O1.1.2	Develop affordable workspace strategies	Local authority economic development teams – or sub-region groupings of these areas which reflect property market areas – to undertake property market assessments to inform affordable workspace strategies; these should define what type of spaces are needed and where, and also define the broader business needs for start-ups (e.g., lease terms and cost support); they should work with planning colleagues to see how affordable workspaces might be considered as part of the local plan process, and secured through planning mechanisms, such as s106 agreements.	Quick Win - Now	LA Economic development teams	LA Planning teams		Local Authority led; secured through existing planning mechanisms		
O1.2 New commercial developments are able to learn construction techniques from the Heathrow expansion developments									
O1.2.1	Construction Skills Passport programme	A Construction Skills Passport programme, led by a construction industry body and supported by HAL, will allow construction firms to have verification of construction workers' skills to support sharing construction techniques, knowledge and skills among workers and projects.	Now	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)	Construction Industry Training Body	CITB should lead with support and insights from HAL		
O1.2.2	Tier 1 share knowledge around sustainable construction	HAL to require engineering, construction and design firms working on the expansion programme to host regular forums for sustainable construction to demonstrate sustainable construction methods so that these can be rolled out across the wider HSPG area and to demonstrate the skills required for innovative construction jobs; this requirement could be secured through the DCO agreement.	Now - New	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)		HAL led; include in the HAL EDS and resolved through DCO	Collaborate with the leaders of the Crossrail project who collected a lot of data and shared it in the public domain regularly to help others learn.	
O1.3 Work with those enterprises who are going to be displaced to ensure that they are supported in changing location									
O1.3.1	Identify and support displaced businesses	HAL to identify which businesses will be displaced, where and when (in progress at time of publication), then develop and agree with HSPG members and landowners a strategy for displaced employment uses in advance of submission of DCO application. As part of this strategy, HAL must proactively support those businesses to find new sites	Quick Win	Heathrow Airport Ltd (HAL)	HSPG	Displaced businesses	HAL led, supported by HSPG; resolved through DCO		
O1.3.2	Compensation for indirectly impacted businesses	HSPG members to work with HAL on compensation policies for indirectly affected businesses (i.e. those impacted by changing road layouts, construction traffic, and reduced trade during construction) to make sure a fair and appropriate compensation strategy is secured through DCO	Quick Win	Heathrow Airport Ltd (HAL)	HSPG		HAL led, supported by HSPG; secured through DCO		
O1.3.3	HAL's Business Relocation Service supports displaced employees	HAL's Business Relocation Support Service to work with displaced businesses to ensure workers who may not be able to relocate to the new location are supported in finding alternative employment through HAL's jobs brokerage programme or other local authority programmes	Quick Win - Now	Heathrow Airport Ltd (HAL)	Displaced businesses		HAL led; include in the HAL EDS and resolved through DCO		
O1.3.4	Consider meanwhile use at LHR during construction	HAL to link up construction management and asset management teams at HAL to create 'meanwhile uses' for short-term empty offices and light industrial spaces on HAL land during construction phases	Now	Heathrow Airport Ltd (HAL)			HAL led	Negotiate with construction management and asset management colleagues to first determine what buildings will be available for short (c.3-6 month) periods and at what stage in the construction phases; next, survey these buildings to determine what type of meanwhile use they might be appropriate for, feeding back this information to HSPG members and local business owners who can advertise these meanwhile spaces among their networks	
O1.3.5	HAL's Business Relocation Service supports displaced businesses	HAL's Business Relocation Support Service helps businesses displaced due to expansion identify high quality relocation spaces; the Service should work with local authorities to particularly identify relocation spaces in the town centres and industrial parks highlighted for growth in the JSPF; this partnership could be supported and fostered by the HSPG economic development teams.	Now	Heathrow Airport Ltd (HAL)	Displaced businesses	LA Economic development teams	LA Planning teams	HAL led, supported by LAs	HAL, in collaboration with property agents, to hold regular (monthly?) drop-in sessions for businesses who are due to be relocated to come in and find support and information;
O1.4 HSPG members to work with developers and other partners to retain and develop a greater range and supply of commercial space									
O1.4.1	Share information around protecting commercial land	HSPG members have an agenda item where planners from the local authorities share information and feedback on tools (such as Article 4 Directions) which are designed to protect commercial space in core growth areas, and ensure it gets developed.	Quick Win - Now	LA Planning teams		HSPG led, supported by LPAs; secured through existing planning mechanisms			
O1.4.2	Locate SMEs and start-ups in HQs and universities	Affordable workspace strategies, developed by HSPG economic development teams (see Action O.1.1), should include programmes and incentives encouraging large companies and universities to provide free or low-cost space on their premises to SMEs or start-ups; HSPG members identify key partner universities and large companies to pilot these programmes	Now - Next	LA Economic development teams	Local businesses	Higher education providers	Local Authority led		
O1.4.3	Support shared workspaces in town centres	Planning and economic development teams continue to support shared workspaces in town centres and close to public transport for SMEs and growing businesses. This will be encouraged through local planning and neighbourhood planning processes.	Now - Next	LA Planning teams	LA Economic development teams		Local Authority led; secured through existing planning mechanisms		
O1.4.4	Consider safeguarding land for employment and industrial use	Planning authorities consider options for safeguarding land for employment and industrial use in the areas identified in the JSPF to accommodate HQs, professional and creative services, as well as freight and logistics, through their local plan process	Now - Next	LA Planning teams		LPA led; secured through existing planning mechanisms			
O1.4.5	Support sustainable mixed use development	Through planning policy, planning authorities, support the delivery of sustainable developments which are mixed-use, containing space for micro and small businesses to start and flourish in local planning policy.	Now - Next	LA Planning teams		LPA led; secured through existing planning mechanisms			
O1.4.6	Consider stronger position on delivering employment space	Local planning authorities in HSPG might consider the use of stronger measures, or taking a more direct involvement in, the delivery of commercial space to help support employment growth if market provision isn't sufficient, such as establishing joint ventures, or using compulsory purchase powers.	New - Next	LA Planning teams		LPA led; secured through existing planning mechanisms			

Action Code	Action	How	Timescale	Delivery Partners				Implementation Route	Further Detail
O2: Help businesses navigate new opportunities from the expansion programme			KEY METRICS	• Membership numbers in core business networks across the sub-region • Number of business engagement events held, and number of local businesses in attendance • Percentage of the expansion programme contracts advertised through the portal, by value • Percentage of HAL (and Team Heathrow where possible) procurement spent with SMEs • Percentage of businesses in HAL supply chain signing up to sustainable business pledge • Percentage of premises in the HSPG sub-region able to access superfast broadband • Reporting of supply chain spend by business size and geography at all tiers in the supply chain to monitor performance and measure success					
O2.1	Develop a stronger HAL procurement support offer, to ensure businesses in the HSPG area are aware of and can access contracts at the airport								
O2.1.1	Develop procurement portal	HAL to develop its procurement portal in line with top industry standards to make it more transparent and straight-forward to identify opportunities arising from the expansion, as well as business-as-usual contracts. This includes ensuring there is plain English guidance on how to register and complete submissions (including videos or recorded webinars).	Quick Win	Heathrow Airport Ltd (HAL)				HAL led	
O2.1.2	Maximise use of the portal	HAL procurement team to ensure that as many as possible procurement opportunities for the expansion contracts, as well as business as usual contracts, are advertised on the portal.	Quick Win	Heathrow Airport Ltd (HAL)				HAL led	
O2.1.3	Investigate ability to procure locally	HSPG to discuss with the HAL procurement team the feasibility and legality of requiring HAL and Tier 1 contractors to award additional points to procurement bids from businesses based in the HSPG area.	Quick Win	HSPG	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)		HAL led, supported by HSPG	
O2.1.4	Provide guidance on responsible business standards	On the portal, HAL provides guidance on responsible business standards expected to support Heathrow 2.0 and HSPG partner ambitions – these should be scalable/ proportionate to different sizes of business	Quick Win	Heathrow Airport Ltd (HAL)				HAL led	
O2.1.5	Match fund to support SMEs international business	Create a match-funded LEP and HAL fund to support SMEs including trade missions, expansion support and exporting, building on HAL's Innovation Grant programme and drawing from relevant LEP and development-related funds; it must also coordinate with the LEP's Growth Hub programmes.	Quick Win - Now	Local Government & LEPs	Heathrow Airport Ltd (HAL)			HAL/LEP jointly led and funded	
O2.1.6	Establish process for engaging SMEs	HAL will establish a clear process for engaging with SMEs and new entrants, providing them with standardised material (e.g. pre-qualification questionnaires, tenders, contacts) to make the process easier to understand. This will include: providing support to address business readiness; setting proportionate contractual requirements to encourage SME engagement; and providing SMEs with a list of insurance providers which offer affordable insurance for working airside and ensures that non-airside contract insurance requirements are proportionate to the risk of particular contract.	Quick Win - Now	Heathrow Airport Ltd (HAL)				HAL led	HSPG, HAL procurement, and business network representatives to set up a Task & Finish Group to develop and deliver solutions around insurance requirements for SMEs
O2.1.7	Develop supplier engagement strategy	HAL to develop a supplier engagement strategy to provide a clear procurement route map and expectations from new entrants, including SMEs, to contracts with HAL and with the supply chain for airport expansion. The strategy for more inclusion of local SMEs in procurement will be developed prior to DCO submission, including encouraging simplifying the process for main contractors by introducing a 'tender light' process to identify SMEs potentially via a business database, local authority business groups, or register of Tier 1 contractors to subcontract to SMEs to make larger contracts more accessible.	Quick Win - Next	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)			HAL led; resolved through DCO	HAL should be encouraged to enter into Section 106 agreements with the local planning authorities in the HSPG area as part of the DCO.
O2.1.8	Information sessions on producing winning bids	HAL's procurement team and business engagement team, in collaboration with local Chambers of Commerce and LEP Growth Hubs, provides bi-annual sessions with the HSPG business community to provide support on how to produce winning procurement bids.	Now - New	Heathrow Airport Ltd (HAL)	Chambers of Commerce			HAL led, supported by LEPs and Chambers of Commerce	
O2.1.9	Increase scope of the portal	HAL to increase the scope of the procurement portal, opening it up to other Team Heathrow businesses, with the HAL procurement team encouraging them to use it where possible	New - Next	Heathrow Airport Ltd (HAL)	Team Heathrow businesses			HAL led	
O2.2	Provide business support advice and networks so businesses can adapt, growing on successful programmes								
O2.2.1	Reduce barriers to business growth	HAL's Supply Chain Board to collaborate with the Federation of Small Businesses (FSB) and HSPG member programmes, such as Growth Hubs, to commission research to identify and resolve barriers to business growth. This will include identifying specific business support requirements, such as helping businesses negatively impacted through the expansion programme. Information and support sessions to be held in local areas when possible.	Quick Win	Heathrow Airport Ltd (HAL)	LEPs	Federation of Small Businesses	LA Economic development teams	HAL led, supported by FSB	
O2.2.2	Map business networks and events	HAL's Supply Chain Board and HSPG members work together to map and understand the business networks that exist in the area, and ensure major network events are attended by a HAL representative.	Quick Win	Heathrow Airport Ltd (HAL)	LA Economic development teams			HAL led, supported by HSPG	HSPG B+E subgroup to hold a workshop where members bring along information on the business networks that operate in their area, understanding their focus/remit, key contacts, regular events held, and coverage to gain a full picture, and identify any gaps; share this information with HAL who should ensure that they are engaged with all of them, and attend as many of the events as possible
O2.2.3	Host events to understand barriers to HAL supply chain	HAL's Supply Chain Board, HSPG and local business networks coordinate regular events to identify opportunities and barriers to accessing contracts from HAL and expansion activities.	Quick Win	Heathrow Airport Ltd (HAL)	LA Economic development teams	Business membership groups	Local businesses	HAL led, supported by HSPG	
O2.2.4	Work with DMOs to enhance tourist offer in the area	HSPG economic development teams to work with Destination Management Organisations (DMOs), hospitality companies, and managers of key natural and cultural assets to explore ways to expand and enhance the tourist offer in the region. Conferences or workshops could be held to develop sub-region-wide visitor strategies (see also O5.3.2)	Now - New	LA Economic development teams	Destination Management Organisations			Local Authority led in collaboration with DMOs	
O2.2.5	Assess predicted versus actual business growth	Once operational, HAL and HSPG should assess the actual versus forecast growth in businesses from the expansion programme, and evaluate the opportunity for HSPG companies to take up supply chain opportunities. This will involve consulting with Growth Hubs and other business support programmes to understand what works from a process and outcome perspective.	Now	Heathrow Airport Ltd (HAL)	HSPG	LEPs		HAL led, supported by HSPG	
O2.3	Continue to invest in digital infrastructure to support business as well as all residents								
O2.3.1	Strong digital strategies across HSPG	HSPG members should ensure that they have strong and regularly-reviewed/updated digital strategies in their area; those in the local authorities and LEPs in charge of digital infrastructure should discuss the feasibility of HAL laying multi-purpose ducts during their construction programme which could be connected to the wider network in future as new digital infrastructure comes forward.	Now - Next	LA Economic development teams	LEPs	Heathrow Airport Ltd (HAL)		Local Authority led, supported by LEPs	
O2.3.2	Identify areas to prioritise broadband improvements	HSPG should work with broadband providers to prioritise investment in areas with higher concentrations of service industries and highly-skilled workers (which tend to benefit more). This will also go hand-in-hand with digital skills investment across the region, so that businesses and workers with greater broadband provision have the capabilities and systems to make the most of it.	Now - Next	LA Economic development teams	Internet providers			Local Authority led; engagement with broadband providers	

Action Code	Action	How	Timescale	Delivery Partners			Implementation Route	Further Detail	
O3: Develop the innovation capacity of the region			KEY METRICS	• Number of conferences and events that support knowledge sharing and networks held in the HSPG sub-region each year • Percentage of local authority contracts with specific innovation criteria • Location quotients of target sectors in the HSPG region • Percentage of commercial floorspace and residential units constructed offsite • Percentage of resource flows in HSPG sub-region that are circular (innovation should drive increased circularity) • Business CO2 emissions in the HSPG sub-region (innovation should drive continued reductions)					
O3.1 Support innovation by facilitating partnerships between business and higher and further education providers									
O3.1.1	Organise events bringing together businesses and education providers	HSPG members, led by the LEPs, bring together existing business networks with local institutions including Brunel Centre for Sustainable Airports, Innovation in Sustainable Construction and Growth Hub Plus. HSPG members and the higher education institutions will develop a programme of events, from round-tables to conferences, to build the links between university and businesses.	Now - New	Further education providers	Local Government & LEPs	Local Government & LEPs	Brunel University	LEPs led, supported by local authorities, HE and FE institutions	
O3.2 Harness the talent and innovation in the local area to solve complex problems in and around the airport									
O3.2.1	Establish living-labs and test-beds	Public and private sector partners establish living labs and test-beds throughout HSPG to drive technological innovation in a range of fields, including health and social care, clean energy, climate change, freight, clean air, logistics and future mobility. The opportunities will be marketed through the LEPs, local authorities and inward investment stakeholders in the area and implemented in partnership with local economic development teams.	Now	Local Government & LEPs	Innovation support organisations (e.g. Nesta, Innovate UK)	LA Economic development teams		LEP led, supported by LAs	
O3.2.2	Hold hackathons on various topics	HAL to hold hackathons or design sprints on topics such as the future of aviation and freight, engaging with entrepreneurs and digital innovators. These programmes could be linked to relationships between business and educational institutions.	Now - Next	Heathrow Airport Ltd (HAL)	Local businesses	Innovation support organisations (e.g. Nesta, Innovate UK)	HAL led	HAL, further education providers, and managers of local science and technology parks should meet to discuss the appetite for this; followed by engagement with HAL innovation team to decide on the first 'challenge' which the design sprint should seek to solve; we would recommend employing the services of someone who has good experience in running sprints to design and facilitate the event	
O3.2.3	Run the HAL Challenge Prize	Run the HAL Challenge Prize – a competition between local companies to solve challenges facing the airport, logistics or other key related sectors with innovative ideas with the support of HAL and their major contractors. Additional support for Challenge Prize competitors could be linked to the LEP Growth Hubs and university support programmes across the sub-region.	Now - Next	Heathrow Airport Ltd (HAL)	LEPs	Innovation support organisations (e.g. Nesta, Innovate UK)	Team Heathrow businesses	HAL led; funded by Team Heathrow	HAL innovation team to decide on a challenge, and a prize fund; market and host a launch event; and provide support sessions for participants to use during the challenge
O3.3 Accelerate co-location benefits by encouraging similar and related industries to locate together									
O3.3.1	Promote collaboration and innovation in growth sectors	Business networks develop and promote an events programme (e.g., networking events, conferences, workshops) to encourage collaboration and innovation in growth sectors, supported by local authorities and LEPs as appropriate. HAL should continue to host Heathrow summits and employer engagement events as a part of the portfolio of business-to-business events.	Now - New	Business membership groups	Local Government & LEPs	Heathrow Airport Ltd (HAL)		Business networks led, supported by LEPs	
O3.3.2	Reconsider Local Development Orders to allow more flexibility	Local planning authorities consider how they use Local Development Orders and other tools to provide greater flexibility between use classes, targeted at specific buildings or locations; this should allow for related (yet different) sectors to co-locate and collaborate.	Now - Next	LA Planning teams				LPA led; secured through existing planning mechanisms	
O3.4 Local authority, other public sector procurement teams and HAL ensure procurement allows for more innovative solutions where									
O3.4.1	Clearly encourage innovation in tenders	Enable and encourage innovation where possible by writing tenders asking bidders to be as creative as possible in their proposed product/service, incorporating a 'business case' for using an innovative method or technology in their response and how value is derived.	Now	LA Procurement teams	Heathrow Airport Ltd (HAL)	Team Heathrow businesses		Local Authority led	
O3.4.2	Emphasise innovation while assessing procurements	Procurement assessments should weigh innovation more at bid stage and ensure that a deliverable has an 'innovation statement'; this statement might include where and how bidders plan to introduce new ideas or processes, and how they plan to upskill stakeholders in that innovation.	New	LA Procurement teams	Heathrow Airport Ltd (HAL)	Team Heathrow businesses		Local Authority led Weight innovation more at bid stage, and ensure that a deliverable is a innovation statement	
O3.5 Innovate in modern methods of construction and set a strategy for HSPG firms to design and manufacture off-site commercial s									
O3.5.1	Incorporate off-site construction in line with circular economy aims	HAL to incorporate off-site construction into expansion programme procurement, in line with circular economy aims. HSPG construction and engineering business networks identify providers in the area and work with HAL to inform off-site construction firms of procurement opportunities.	Now	Heathrow Airport Ltd (HAL)	Construction Industry Council			HAL led and implemented in line with Heathrow 2.0 programme	

Action Code	Action	How	Timescale	Delivery Partners			Implementation Route	Further Detail
O4: Equip the workforce for the jobs of tomorrow			KEY METRICS	• Progress against HAL's 10,000 apprenticeships and 10,000 work experience days commitments • Number of people accessing HAL employment support and training programmes • Unemployment rate • Number of 'hard to fill' vacancies reported by businesses • Percentage of HAL and supply chain workers earning the London Living Wage • Number of people employed at HAL and Team Heathrow				
O4.1 Continue to promote apprenticeships in all sectors, and all sizes of companies								
O4.1.1	Expand the Shared-Apprenticeship Scheme to 'Team Heathrow' by 2021	Expand the Shared Apprenticeship Scheme at HAL (which centrally employs apprentices and links them with major construction companies and contractors on site) to Team Heathrow businesses on-site by 2021 to ensure the programme is working well, in time for operation of the expanded airport. This scheme will allow businesses in the same sector to share the pool of apprentices and help guarantee a job at the end of the apprenticeship.	Now	Heathrow Airport Ltd (HAL)	Team Heathrow businesses		HAL led; include in the HAL EDS and resolved through DCO	In conversations with Team Heathrow—likely focus on hospitality and looking what might be possible for the engineering sector
O4.1.2	Help Heathrow to deliver its apprenticeship commitments	HAL's World of Work programme will expand to help Heathrow to deliver on its commitments including 10,000 apprenticeships by 2030 and 10,000 'experience of work' days. World of Work activities for apprenticeships will include: Youth Forum, with local 16-18-year olds taking on Heathrow-related projects; on-site interactive school tours; online digital resources; parent engagement events, to inspire both colleagues and the local community about future opportunities for their children; and partnerships with local colleges and universities.	Now - New	Heathrow Airport Ltd (HAL)			HAL led; include in the HAL EDS and resolved through DCO	
O4.1.3	Share lessons learnt from apprenticeship programme	HAL and their contractors will share their experience and lessons learned of promoting, recruiting and training apprenticeships with other firms in the sub-region through publishing online resources and speaking at further education conferences and events.	Now - New	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)		HAL led	
O4.1.4	Deliver comprehensive apprenticeship and work experience programmes	HSPG members collaborate with HAL to deliver comprehensive and meaningful construction apprenticeship and work experience programmes, leveraging relationships with schools, academies (such as the Mayor of London's construction academies), and higher education institutions across the HSPG region. For airport-related careers, this will build on an expanded offer from HAL's World of Work programme and the Heathrow Academy – covering careers in both the construction sector and all services at the airport.	Now - New	Heathrow Airport Ltd (HAL)	LA Skills and employment teams	Higher and Further Education providers	HAL led, supported by LAs	HALs head of apprenticeship programme to report regularly to the HSPG team and education officers from the local authorities on the progress of the programmes; an open dialogue should be maintained between these stakeholders throughout the expansion programme to ensure that HAL gets the support it needs to deliver on its promises
O4.2 Ensure that the expansion programme acts as a catalyst to develop and retain the required construction talent in the area								
O4.2.1	Provide training information and skills evenings at consolidation centres	At construction worker consolidation centres (which will bring construction workers to site), HAL and Tier 1 contractors will provide information on relevant skill programmes and job opportunities, and host training and employment support programmes to encourage up-skilling in a convenient location for the construction staff.	Now	Heathrow Airport Ltd (HAL)	Construction companies (Tier 1)	LA Skills and employment teams		
O4.2.2	Organise the re-training of construction workers post-expansion	A Labour Desk Model is developed by HAL to allow construction workers to access existing opportunities and then to find new employment on other major construction programmes in the region or elsewhere nationally (as construction workers are attracted to major infrastructure programmes from across the UK) after their contract on the expansion programme ends; this will be achieved through the Heathrow Academy, working closely with HSPG skills and employment schemes to link this Labour Desk Model throughout the region.	Now - Next	Heathrow Airport Ltd (HAL)	Construction Industry Training Body	Construction companies (Tier 1)	HAL led, supported by LAs	HSPG and HAL expansion team to host and advertise 'career fairs' aimed at construction workers wishing to remain in the area after the expansion programme ends HAL and construction firms develop a pathways programme and work with HSPG and JCP to line up projects for workers preceding completion
O4.2.3	Incorporate further education colleges tackling the future needs of the construction sector	HSPG members collaborate with the Heathrow Construction Skills Partnership to incorporate further education colleges that provide the training to meet the evolving needs of the construction sector. This will also support the development of an employer-recognised Skills Passport programme.	New	Heathrow Airport Ltd (HAL)	LA Skills and employment teams	Higher and Further Education providers	HAL led, supported by LAs	
O4.3 Maximise the impact of existing skills and jobs brokerage programmes in the area by working with the LEPs and local education a								
O4.3.1	Organise Business Skills forum	HSPG area LEPs communicate with businesses through quarterly Business Skills Forums which links business and educational providers to understand how firms' skills and employment needs are evolving, and use these insights to inform HSPG members' skills strategies.	Quick Win - Now	LEPs	Local businesses	Business membership groups	Higher and Further Education providers	LEPs led
O4.3.2	Connect local training program to Heathrow opportunities	Directly connect local training programmes (such as the WLA Skills Escalator and Supported Internships programmes and Job Centre Plus integration of child services and support for parents looking for work) to Heathrow training programmes and jobs brokerage support either through the Heathrow Academy or World of Work programmes. HAL's jobs brokerage programme could also second staff into the HSPG member authorities (each, one day per week) to better coordinate employment and jobs brokerage for the sub-region at the airport.	Quick Win - Now	LA Skills and employment teams	Heathrow Airport Ltd (HAL)	Skills and employment support organisations	HAL/LAs jointly led	HSPG B+E subgroup to hold a workshop where members bring along information on the skills networks and programmes that operate in their area, understanding their focus/remit, key contacts, regular events held, and coverage to gain a full picture, and identify any gaps; share this information with HAL's head of Education and Skills (at time of writing Poorvi Patel) who should determine a number of programmes which Heathrow could integrate more with.
O4.3.3	Expand the Supported Internship programme	Expand the Supported Internships programme to help young people into employment, this includes a range of additional tailored support for those with disability, special education needs, or other needs.	Quick Win - Next	LA Skills and employment teams	Skills and employment support organisations		Local Authority led	HAL to link Academy of HSPG Supported Internships programme (where available)
O4.3.4	Expand the Skills Escalator programme	HSPG members jointly expand the Skills Escalator programme, supporting people from low income households into better paid and more stable employment through jobs advice and skill development. HAL will continue to fund and recruit widely for the Heathrow Employment and Skills Academy, meeting their goals for people receiving training and entering into employment through the programme, based on the following placement goals, which will be extended beyond 2020 and agreed with HSPG:	Quick Win - Next	LA Skills and employment teams	Skills and employment support organisations		Local Authority led	
O4.3.5	Fund and recruit for the Heathrow Employment and Skills Academy	2019: 1,000 2020: 1,500 2021: 2,000 2022: 2,500 The academy will provide additional support as needed to ensure carer returners, ethnic minority groups, those with physical and learning disabilities, NEETs and those in work looking to change careers have tailored services and support. Establish an HSPG-wide network of adult-learning providers and evaluate outcomes robustly. This network will work together to identify gaps in provision and develop partnerships to attract investment from government in the programmes where existing capacity is not sufficient. Outcomes could be shared training programmes for digital skills or specialised construction skills offered across several providers (where single provision would not be sustainable).	Quick Win - Next	Heathrow Airport Ltd (HAL)			HAL led; funded by HAL	HAL to continue their support the Academy, engaging more with HSPG members and higher education institutes to drive demand
O4.3.6	Establish HSPG-wide network of adult-learning providers	Establish an HSPG-wide network of adult-learning providers and evaluate outcomes robustly. This network will work together to identify gaps in provision and develop partnerships to attract investment from government in the programmes where existing capacity is not sufficient. Outcomes could be shared training programmes for digital skills or specialised construction skills offered across several providers (where single provision would not be sustainable).	Now	Officers & Leaders	LA Skills and employment teams	HSPG	Skills and employment support organisations	Local Authority led
O4.3.7	Develop and trial an early career education programme	One HSPG authority to develop and trial an early careers education programme to inspire the next generation. This programme can build on HAL's World of Work programme with primary and secondary schools, and be adapted to a wider careers set.	Now - Next	Officers & Leaders	LA Skills and employment teams	Skills and employment support organisations	Primary and secondary schools	Local Authority led
O4.3.8	Provide supervisor and management training	Heathrow Academy will expand provision to include supervisory and management training to ensure people working at the airport can progress in their careers.	Now - Next	Heathrow Airport Ltd (HAL)			HAL led; funded by HAL	
O4.4 Ensure that HAL and their supply chain pay employees the Living Wage								
O4.4.1	Ensure employees are guaranteed the living wage by 2021	HAL to continue their effort to ensure that all supply chain colleagues are guaranteed the Living Wage by 2021 (and London Living Wage where applicable). This must extend to those employed directly or indirectly as part of the expansion programme.	Quick Win - Now	Heathrow Airport Ltd (HAL)	Team Heathrow businesses	Construction companies (Tier 1)	HAL led	
O4.5 Ensure that the background checking process does not act as a barrier for people looking to access work								
O4.5.1	Sponsor early employment background checks	HAL to sponsor early employment background checks for promising applicants in priority groups (set a limit) who could otherwise be lost to delay in background check.	Quick Win - Now	Heathrow Airport Ltd (HAL)			HAL led, in consultation with the CAA	
O4.5.2	Understand the reasons for slow background checking	HAL to engage in dialogue with the CAA and DfT to identify potential solutions to reduce the time requirements of background checks.	Now	Heathrow Airport Ltd (HAL)	Department for Transport	Civil Aviation Authority	LA Skills and employment teams	HAL led, in consultation with the CAA



Action Code	Action	How	Timescale	Delivery Partners				Implementation Route	Further Detail	
O5: Improve quality of place for residents and workers			KEY METRICS	• Amount of monies spent through the joint HAL and HSPG area fund for public realm projects • Amount of Community Compensation Fund monies spent on community assets and social infrastructure						
O5.1	Encourage local planning authorities in HSPG to further develop placemaking strategies in key areas with a focus on sustainable, low-carbon buildings and public realm									
O5.1.1	Further develop and implement placemaking strategies	Local planning authorities further develop and implement placemaking masterplans and public realm strategies for growing town centres and priority areas identified in the JSPF. These plans should consider developing funding strategies for placemaking programming, including using the Community Compensation Fund to support community programmes on town centres.	Now - New	LA Planning teams		LPA led; funded by the CCF				
O5.1.2	Ensure access to quality green spaces on key employment sites	Local planning policy should ensure that key employment sites have access to quality green spaces and active travel options; local authorities who have already reviewed this accessibility should share their knowledge with others at the HSPG share their knowledge across HSPG, including potentially using the Community Compensation Fund or other income sources from expansion activities to support community programmes in town centres.	Now - Next	LA Planning teams		LPA led; funded by the CCF				
O5.2	Collaborate with HAL to deliver an accessible, high quality and expansive active travel network for both commuting and leisure									
O5.2.1	Develop a cycling network map	HSPG planning and transport authorities collaborate with Sustrans to develop a HSPG area cycling network map, linked to green and blue infrastructure	Quick Win	LA Planning teams	LA Transport teams	Sustrans	Local Authority led			
O5.2.2	Develop a fund for public realm improvements around transport hubs	Develop a joint HAL and HSPG area fund / local authority fund to focus on public realm improvements around transport hubs connected to Heathrow (for safer and higher quality connections and commuting). These funds could be drawn from the Community Compensation Fund, LEP funding, developer contributions (e.g., CIL), and future potential sources of income such as the Heathrow ULEZ or access charge.	Now	Heathrow Airport Ltd (HAL)	Officers & Leaders	LA Transport teams	LA Planning teams	HAL/LAs jointly led; funded through the CCF, developer contributions, ULEZ or access charges	engage with JSPF sub-group to determine priority public realm projects; commission study to determine outline designs and high level costs; following the DCO process, work with treasury teams in the HSPG local authorities, as well as HAL expansion team to establish what level of finding is needed/or is available;	
O5.3	Develop the cultural and entertainment offer in HSPG to attract residents and visitors, particularly during the evening or at the wee									
O5.3.1	Invest in community assets	Local authorities leverage income sources including those associated with airport expansion to invest in community assets such as parks, community spaces, and other social infrastructure.	Now - New	LA Planning teams	Officers & Leaders		Local Authority led; funded through the CCF			
O5.3.2	Promote cultural and heritage assets through key partnerships	HSPG economic development teams partner with DMOs, Buckinghamshire Culture and Visit England to develop a destination marketing and branding strategy for the wider HSPG-area, promoting cultural and heritage assets as well as other key attractions	Now	Heathrow Airport Ltd (HAL)	Visit England	LA Economic development teams	Destination Management Organisations	Local Authority led, in partnership with DMOs		
O5.3.3	Promote leisure and cultural destinations on Heathrow website	London Heathrow website and resources to promote hotels, amenities and destinations in HSPG	Now	Heathrow Airport Ltd (HAL)	Visit England	HAL led				Work with Visit England to design and build a dedicated page on the Heathrow website to signpost hotels and attractions in the local area - both in London and HSPG area - this could just be a link to a relevant Visit England webpage e.g. <a href="https://www.berlin-airport.de/en/travellers-txl/berlin-brandenburg/index.php">https://www.berlin-airport.de/en/travellers-txl/berlin-brandenburg/index.php</a>

Action Code	Action	How	Timescale	Delivery Partners				Implementation Route	Further Detail
O6: Connect communities to areas of growth			KEY METRICS	• Mode share for commuting in the region for cars, rail, bus/coach, and active travel options • Percentage of HAL and Team Heathrow employees using public transport and active travel to get to work • Percentage of employment land within a 30-minute walk of major rail or bus route					
O6.1	Transport authorities and providers deliver a clean, efficient, and extensive public transport service and active travel infrastructure in the area								
O6.1.1	Identify priority transport corridors	Local transport authorities and HAL identify priority transport corridors across the sub-region and to the airport – (linked to the Surface Access Strategy), including an inclusivity review of equality of access to public transport for diverse communities, across ages, abilities, and genders etc., also considering shift patterns and zero-hour workers at the airport.	Quick Win - Now	LA Transport teams	Heathrow Airport Ltd (HAL)			HAL/LTA jointly led, in coordination with the Surface Access Strategy	
O6.1.10	Better integrate bus network into streets	Local transport authorities will plan for how bus networks can be integrated into streets that are dynamic and multidimensional space that facilitate a variety of different uses and activities. They will also plan for adaptable infrastructure to enable an aggregation of services and operations.	Next	LA Transport teams	Bus operators			LTA led	
O6.1.2	Develop a HSPG sub-regional wide bus network	HSPG will develop an sub-regional wide bus network strategy with HAL and other key stakeholders, based on more closely aligning service needs with land use planning and local needs. This will complement the JSPF proposals for prioritising links to transport hubs at priority town centres and growth corridors and integrate with localised public transport or active travel interventions.	Now - New	LA Transport teams	Bus operators	LA Planning teams		LTA led, potentially in collaboration to develop a Strategic Bus Provider Network	
O6.1.3	Increase town-to-town connectivity	Local transport authorities collaborate to commission a jointly-funded review of town-to-town public transport and active travel connections in the HSPG area and develop cost-effective strategies for increased connectivity, including demand responsive bus networks and technological innovations. This should be closely linked to the priority corridors analysis conducted by HAL and local transport authorities.	New	LA Transport teams	LA Planning teams			LTA led; Local Authority funded	
O6.1.4	Ensure all buses are low emission by 2050	Bus operators work with local transport authorities and TfL to ensure that all buses operating in HSPG are low emission by 2050, with TfL sharing lessons learned with local transport authorities regarding incentives, infrastructure and other requirements to achieve this aim.	Now - Next	LA Transport teams	Bus operators	Transport for London		LTA led	
O6.1.5	Ensure surface access strategy covers the areas with the highest densities of Heathrow workers	Ensure the surface access strategy fully considers and provides for the areas in which the highest density of Team Heathrow workers live and works in coordination with future public transport strategies.	Now - New	LA Transport teams	Team Heathrow businesses			HAL led, supported by HSPG	
O6.1.6	Link local commuting corridors with more active travel options	More active travel options are linked to local commuting corridors, which will be developed from and improved by data sharing activities between local authorities which should relate to walking and cycling origins and destinations (particularly in relation to public transport interchanges, priority town centres, regeneration and areas and the Heathrow Interaction Area).	New	LA Transport teams	Sustrans			LTA led, funded in partnership with CCF	
O6.1.7	Improve public accessibility to commercial centres and business parks	Public accessibility to commercial centres and business parks without rail access is improved through a comprehensive public transport investment programme to be developed jointly with HAL. HSPG members will assess the potential to prioritise investment for improving connectivity through the potential income sources arising from expansion.	New - Next	Heathrow Airport Ltd (HAL)	LA Transport teams	Rail companies	Officers & Leaders	HAL/LTA jointly led; funded by expansion income	
O6.1.8	Improve connectivity North and South of the airport	HAL and HSPG transport authorities work with DfT and local bus and train operators to improve connectivity to the north and south and west of the Airport, including rail and bus.	New - Next	HSPG	LA Transport teams	Rail companies	Bus operators	HAL/LTA jointly led	
O6.1.9	Maximize commuter access to the airport and across HSPG sub-region	Southern and Western Rail links delivered on routes which maximise commuter access to the airport and across HSPG region	Next	HSPG	Heathrow Airport Ltd (HAL)	Rail companies	LA Transport teams	HAL/LTA jointly led; funded by central government, in coordination with DfT	
O6.2	Ticketing and pricing strategies for key workers encourage public transport take-up								
O6.2.1	Improve information around available modes of travel to airport	HAL to improve information around modes of travel to Heathrow including coaches, buses, shuttles and active travel to employees at the airport as well as to key employment support providers, such as Job Centre Plus.	Quick Win		Heathrow Airport Ltd (HAL)			HAL led	
O6.2.2	Conduct review on different pricing strategies for airport commuters	HAL to conduct review into season and annual ticket pricing and discounts for HAL and Team Heathrow commuters, including considerations for HAL and Team Heathrow providing affordable or subsidised ticketing for means-tested workers. This could also include an extension of the Free Fare Travel Zone around Heathrow for free bus travel within the zone.	Now		Heathrow Airport Ltd (HAL)	Team Heathrow businesses		HAL led	
O6.2.3	Improve affordability and flexibility of annual/seasonal coach passes	HAL and local transport authorities work with coach providers to improve affordability and flexibility of seasonal and annual passes for commuters.	Now	LA Transport teams	Coach companies			HAL/LTA jointly led	
O6.2.4	Provide subsidies and travel advices to people looking for work	Partnership local transport authorities, employment support providers and providers seek funding for public transport fare subsidies and travel advice to those looking for work and attending job interviews	New	LA Transport teams	Skills and employment support organisations	LA Skills and employment teams		Local Authority led; potentially part-funded through CCF	
O6.2.5	Develop an integrated ticketing offer for the sub-region	Work with TfL, DfT and Local Transport Authorities to develop an integrated ticketing offer for the region.	New - Next	LA Transport teams	Department for Transport	Transport for London		LTA led, in consultation with DfT	
O6.3	Position the area as a place where new transport systems can be tested and developed								
O6.3.1	Support test-bed for automated transportation	Local authorities set up testbeds for future mobility innovations tested in HAL's Challenge Prizes and hackathons in line with Objective 3. The opportunities for testbeds will be marketed through HAL to the LEPs, local authorities and inward investment stakeholders in the area and implemented in partnership with local economic development teams.	New	Officers & Leaders	LA Transport teams			Local Authority led	HAL role of advocacy and information sharing
O6.3.2	Develop demand-responsive public transportation	Work with local transport authorities and operators to develop demand-responsive public transport systems.	New - Next	LA Transport teams				LTA led	HAL role of advocacy and information sharing

Action Code	Action	How	Timescale	Delivery Partners				Implementation Route	Further Detail
O7: Lead in sustainable and innovative freight and logistics			KEY METRICS	• Proportion of freight transported via low-carbon or no-carbon modes • Proportion of employment land provided for freight and logistics in relation to the output of the sector • Number of LEV charging points for freight and logistics					
O7.1	Support the Heathrow 2.0 Sustainability Strategy by rolling out low emission vehicle (LEV) infrastructure for freight and logistics and public transport in Heathrow and across HSPG								
O7.1.1	Promote HALs circular economy objectives	HSPG promote HALs circular economy objectives through their networks, particularly into the wider freight and logistics sector through their procurement processes (standards and guidance provided in the procurement support programme and portal) and planning policy.	Now	HSPG	LA Procurement teams			HSPG led, linked to Heathrow 2.0 programmes	
O7.1.2	Pilot freight-only corridors	Work with Highways England, TfL and local authorities to pilot sustainable and electric freight corridors (which offer freight priority travel on roads, but not in bus priority lanes) on major routes around Heathrow. This is linking to the strategic corridor study set out in Objective 6, clearly setting out the relationships between key commuting and freight corridors.	Now - New	LA Transport teams	Highways England	Transport for London	Team Heathrow businesses	HAL/LTA jointly led	Establish a HAL-led task and finish group whose responsibility it will be to invite relevant parties to the table to discuss how a pilot might be implemented
O7.1.3	Invest in LEV infrastructure	HAL to continue to invest in and install LEV infrastructure at LHR for freight, including hydrogen charging stations. This will be jointly delivered through the Surface Access Strategy as well as the Heathrow 2.0 Sustainability Strategy.	Now - Next	Heathrow Airport Ltd (HAL)				HAL led; funded by HAL	HAL to continue their exploration and investment into new forms of LEV, and LEV infrastructure at the airport
O7.1.4	Ensure energy network capacity supports LEV infrastructure	Local authorities work with energy providers and National Grid to ensure capacity in the network for ongoing delivery of LEV infrastructure in the HSPG area. Lessons learned from HAL and UKPN for the provision on-site at Heathrow will be shared with the HSPG members.	Now - Next	Local Government & LEPs	Distribution Network Operators	National Grid	Heathrow Airport Ltd (HAL)	Local Authority led	HSPG, HAL, energy providers and National Grid to commission a joint study looking into the current energy provision networks (location and capacity), the ambitions for the future of LEV in the area, the aim of which is to understand any gaps in provision which would hinder reaching that ambition
O7.2	Advocate for and support logistics developments and systems which allow freight to be transported via low or zero-emission mode								
O7.2.1	Map freight and logistics stakeholders	HAL and the LEPs map the key stakeholders in the freight and logistics sector in the sub-region to identify who and when to engage with to implement further actions on freight and logistics.	Quick Win	Heathrow Airport Ltd (HAL)	LEPs			HAL/LEPs jointly led	
O7.2.2	Form a knowledge sharing partnership on freight and logistics	HAL and HSPG form a Freight and Logistics Knowledge Sharing Partnership such that any lessons learned for planning, design, business support or technology are shared for wider implementation across the sub-region.	Now	Heathrow Airport Ltd (HAL)	HSPG			HAL/Local Authority jointly led	
O7.2.3	Collaborate and share lesson learned from HAL's sustainable logistics programme	HAL and HSPG member authorities collaborate and share lessons learned from HAL's sustainable logistics programme to trial an urban logistics consolidation centre in one town to facilitate zero-emission last mile distribution. If this programme is successful, develop a plan to roll out to further areas	Now - Next	Heathrow Airport Ltd (HAL)	Local Government & LEPs			HAL/Local Authority jointly led	
O7.2.4	Ensure support to logistics and delivery cycling	HSPG local transport plans and HAL's surface access strategies will ensure design of active travel routes supports logistics and delivery cycling (alongside leisure and commuting), linked to active travel studies and provision set out in Objective 6.	Now - New	LA Transport teams	Heathrow Airport Ltd (HAL)	Sustrans		HAL/LTA jointly led	
O7.2.5	Identify freight best practices during construction phases	Identify best practice examples of freight consolidation and reducing the number of freight movements during construction and operational phases, including assessing the potential to limit timings of movements (e.g. outside of peak commuting times) and volume of movements (e.g. limiting running of empty freight vehicles). These recommendations should be incorporated into HAL's commitments in the DCO.	Now - Next	Heathrow Airport Ltd (HAL)	LA Transport teams			LTA led, supported by HSPG; resolved through DCO	
O7.2.6	Prepare a feasibility study on using historic logistics infrastructure	HAL to jointly-commission a feasibility study for using historic rail infrastructure assets for new freight movements (e.g., existing nearby rail heads) as a part of the Surface Access Strategy.	New	Heathrow Airport Ltd (HAL)	Rail companies			HAL led	
O7.3	Undertake a joint sub-regional freight study and apply a 'freight as a system' approach that takes full account of freight demands & opportunities								
O7.3.1	Assess capacity and quality of existing freight facilities	HSPG planning authorities and HAL identify the capacity and quality of existing freight facilities and inform feasibility studies related to potential new freight logistics locations to accommodate growing demand and support more freight consolidation.	Quick Win	LA Planning teams	Heathrow Airport Ltd (HAL)			HAL/LPAs jointly led	
O7.3.2	Promote more efficient and higher density building forms	As local plans and planning policy are updated, HSPG planning authorities promote more efficient, higher density building forms, incorporating the use of mezzanines, multi-storey and multi-level logistics space. This also includes planning authorities to advocate for flexible design in new warehousing, to make it more resilient and adaptable to changing uses and technologies. Planning allows for co-locating different development types, such as compatible residential and light industrial workspaces to create efficient hybrid mixed-use formats.	Now - Next	LA Planning teams				LPA led; secured through existing planning mechanisms	
O7.3.3	Promote co-location working in different development types	Planning allows for co-locating different development types, such as compatible residential and light industrial workspaces to create efficient hybrid mixed-use formats.	Now - Next	LA Planning teams				LPA led; secured through existing planning mechanisms	
O7.3.4	Assess potential for re-purposing land when underutilised	HSPG planning authorities – through planning policy and local plan making – establish potential and set precedent for re-purposing land such as underutilised out-of-town shopping centres to be converted to warehousing, or incorporating logistics or warehouse space within subterranean spaces as part of mineral restoration projects.	Now - Next	LA Planning teams				LPA led; secured through existing planning mechanisms	
O7.4	Develop a higher education logistics sector innovation hub (in partnership with key freight companies)								
O7.4.1	Assess demand and benefits for a freight and logistics innovation hub	Local education authorities and the Construction Industry Training Body (CITB), Freight Transport Association (FTA), Road Haulage Association (RHA) and others work with local further education and higher education providers on a feasibility study which assesses the demand and potential benefits for a freight and logistics innovation hub.	Next	LA Skills and employment teams	Construction Industry Training Body	Higher and Further Education providers		Local Authority led	



# Endnotes

<sup>1</sup> Quod, Arup, Heathrow Airport Ltd (2018) Joint Evidence Base and Infrastructure Study (JEBIS); Note: direct on-site jobs

<sup>2</sup> Lichfields (2019) and Quod, Carbon Traded assessment

<sup>3</sup> The Full Members of the Group are: Buckinghamshire County Council, Colne Valley Park Community Interest Company (responsible for the Colne Valley Regional Park), Enterprise M3 Local Enterprise Partnership, London Borough of Ealing, Elmbridge Borough Council, London Borough of Hounslow, Royal Borough of Windsor and Maidenhead, Runnymede Borough Council, Slough Borough Council, South Bucks District Council, Spelthorne Borough Council, Surrey County Council, Thames Valley Berkshire Local Enterprise Partnership, and Buckinghamshire Thames Valley Local Enterprise Partnership. Other organisations participate in many of the activities of the HSPG with ‘Observer’ status, including: Department for Transport (Aviation Team and others), Environment Agency, Highways England, Natural England, Public Health England and the West London Alliance (of West London Boroughs). West London Business is a HSPG Business and Economy Sub Group member.

<sup>4</sup> Other organisations and participate in many of the activities of HSPG with ‘Observer’ status, including: Department for Transport (Aviation Team and others), Environment Agency, Highways England, Natural England, Public Health England and the West London Alliance (of West London Boroughs).

<sup>5</sup> Quod, Arup, Heathrow Airport Ltd (2018) Joint Evidence Base and Infrastructure Study (JEBIS) and Lichfields (2019)

<sup>6</sup> Lichfields (January 2019) Heathrow Employment Land Forecasting Study.

<sup>7</sup> Quod, Arup, Heathrow Airport Ltd (2018) Joint Evidence Base and Infrastructure Study (JEBIS)

<sup>8</sup> Arup (2019) Joint Spatial Planning Framework

<sup>9</sup> HSPG and HAL collaborated in the production of the preparation of joint evidence presented in the Joint Evidence Base and Infrastructure Study (JEBIS). See Section 1.6 and Section 3 for further details.

<sup>10</sup> Note that the study area differs from the membership of the HSPG

<sup>11</sup> Office of National Statistics, 2008-2018; Population Estimates, Local Authority based by 5 years age band

<sup>12</sup> Office of National Statistics, 2018; Life Events, Live births in England and Wales / Mortality Statistics

<sup>13</sup> Office of National Statistics, 2011; Census, Detailed migration statistics

<sup>14</sup> Office for National Statistics, 2016; Regional Gross Value Added (balanced) by Local Authority in the UK

<sup>15</sup> Office for National Statistics, 2017; Business Register and Employment Survey,

<sup>16</sup> Team Heathrow is the 76,500 people from over 400 organisations who work together to keep Heathrow Airport running every day. They are colleagues from airlines, baggage handlers, control authorities, retailers, passenger services, emergency services, transport providers, security, engineering, airfield operations and many more.

<sup>17</sup> Broad industrial groups in Business Register and Employment Survey, 2018

<sup>18</sup> Office for National Statistics, 2014-2018; Business Register and Employment Survey

<sup>19</sup> Office for National Statistics, 2019; Annual Population Survey, Employment by Economic activity

<sup>20</sup> Office for National Statistics, 2018; Annual Population Survey, Skill levels amongst economically active residents aged 16-64

<sup>21</sup> Royal Trust Collection, 2019, Annual Report, <https://www.rct.uk/sites/default/files/resources/Annual-Report-2019.pdf>; Aecom and the Themed Entertainment Association, 2018, Theme Index and Museum Index 2018, <https://www.aecom.com/wp-content/uploads/2019/05/Theme-Index-2018-4.pdf>.

<sup>22</sup> Office for National Statistics, 2018; Annual Survey of Hours and Earnings, mean and median gross weekly wages.

<sup>23</sup> Office for National Statistics, 2019; Annual Survey of Hours and Earnings, residents and workplace analysis

<sup>24</sup> Office for National Statistics, 2018; Annual Population Survey, qualification amongst economically active residents aged 16-64

<sup>25</sup> Office for National Statistics, 2018; Annual Population Survey, Employment by occupation

<sup>26</sup> Department for Education, 2017; Employer Skills Survey

<sup>27</sup> Department of Education, 2014-2018

<sup>28</sup> CoStar, 2019; Office rent per square foot

<sup>29</sup> Land Registry, 2019; Average sale price of houses,

<sup>30</sup> Office for National Statistics, 2011; Census, Travel to work by transport mode

<sup>31</sup> Office for National Statistics, 2011; Census, Location of usual residence and place of work

<sup>32</sup> Heathrow Airport Ltd, 2018

<sup>33</sup> Quod analysis of Frontier Economics and Airports Commission, 2019

<sup>34</sup> Lichfields (Carbon Traded) and Quod, 2019

<sup>35</sup> Office for National Statistics, 2016-2041; Population projections

<sup>36</sup> Office for National Statistics, 2019; Annual Population Survey, Employment by occupation, Potential automation of occupation

<sup>37</sup> Climate Emergency, October 2019, <https://www.climateemergency.uk/blog/list-of-councils/>

<sup>38</sup> EY, June 2019, <https://www.ey.com/uk/en/newsroom/news-releases/19-06-04-uk-remains-top-destination-for-foreign-direct-investment-in-europe-but-challenges-mount-as-brexits-casts-a-shadow>

<sup>39</sup> See JSPF ‘Priority Action 1.2’

<sup>40</sup> Article 4 Directions allow local planning authorities to restrict the scope of certain permitted development rights either to a site or area. Where these are implemented, planning permission would be required for the works, rather than it otherwise being permitted under development rights.

<sup>41</sup> For a case study on this, please see AstraZeneca Incubator

<sup>42</sup> See JSPF Figure 3.2

<sup>43</sup> Office for National Statistics, 2019, UK Business Counts

<sup>44</sup> The circular economy aims to drastically reduce the resource waste in the economy, by moving away from a traditional linear model of consumption (also known as the ‘take, make, waste’ model) to a new model where waste is designed-out through maintenance, reuse, refurbishment and recycling. As part of their Heathrow 2.0 sustainability strategy, HAL is aiming for zero waste generated by 2050 (tonnes waste).

<sup>45</sup> This could be modelled off the WorkWise Programme in the West Midlands, which is administered by the local transport authorities and paid for by local bus and transport providers.

# Notes



ARUP