

## **Heart of the South West Joint Committee – Work Programme Update**

**Cabinet Member(s):** Clive Eginton - Leader  
**Responsible Officer:** Stephen Walford – Chief Executive

**Reason for Report:** To provide members with an update on the work programme of the Heart of the South West committee.

**RECOMMENDATION:** To note the report.

**Relationship to Corporate Plan:** The Local Industrial Strategy has the potential to influence across all Corporate Plan Priorities, however it is most clearly and closely aligned to the Economy priority and the objectives surrounding the attraction of businesses, the support and facilitated growth of existing businesses, and the overarching economic vitality of the district.

**Financial Implications:** None arising from this report. Members should note that the council's financial contribution to the joint committee is £1.4k per annum.

**Legal Implications:** None arising from this report.

**Risk Assessment:** This is an information report, so the main risks arise from members not being aware of work that is ongoing, which will likely set the context for future economic direction and government investment (at LEP level) in future.

**Equality Impact Assessment:**  
No negative impacts arising from this report.

### **1.0 Background**

- 1.1 This report follows on from the report to full council on 24<sup>th</sup> October 2018 that sought approval to engage in the production of the Local Industrial Strategy (LIS) and to delegate authority to the Leader to vote at the HotSW Joint Committee (see background papers).
- 1.2 Recommendation 3 of that report, which was approved by council, was that 'the update report being prepared by the HotSW Joint Committee Programme Management Office is shared with the Cabinet and the Council as it becomes available'.
- 1.3 The update report was not available prior to the publishing of the council papers, however this has now been received from the programme management office and its contents are outlined below.

### **2.0 Context**

- 2.1 In January 2018, the HotSW Joint Committee was formally established by the councils and organisations involved since 2015 in the devolution partnership.

- The Committee is tasked with improving productivity across the HotSW area in collaboration with the HotSW LEP and other organisations as necessary.
- 2.2 The Committee has met formally three times in 2018, in March, June and October. In addition to this the management structure that sits behind the Committee and involves Chief Executives and senior officers from across the partnership has met regularly to drive the business of the Committee. The Committee is chaired by Cllr David Fothergill, Leader of Somerset County Council and the Vice-Chair is Cllr John Tucker, Leader of South Hams District Council.
- 2.3 This report summarises the progress made by the Committee over recent months in key areas of activity and sets out actions proposed in the coming months.

### 3.0 **Key Achievements**

- 3.1 Influencing government - The partnership's original focus in 2015 was to explore opportunities on offer through devolution to improve productivity. Since the Committee was created the influencing role has continued to be central to the work of the Joint Committee and recent months have seen successes in this area. Government policy changes and Brexit have required the partnership to be flexible to present a united front to Government and respond to the changes. As an example, the Government has increasingly moved away from its devolution policy approach of 2015 and the partnership is now engaged in more flexible and targeted dialogues with Government. This approach is proving successful - demonstrating the benefits of presenting a single compelling partnership vision between the business and public sectors. The Committee is keen to demonstrate its ability to deliver Government objectives as well as local priorities so accessing help beyond our boundaries is critical to the success of the partnership. It is already apparent that the Joint Committee / LEP Partnership carries a critical mass that the Government is responding to through policy announcements and on-going dialogue with Government officials. The most significant announcement is the recent inclusion of the HotSW LEP area in wave 2 of developing Local Industrial Strategies (LIS). This success is due in large part to the close alignment of the Joint Committee and the LEP on the Productivity Strategy. Much of the activity detailed below has resulted directly from discussions with Government.
- 3.2 Approval of the HotSW Productivity Strategy - In March the Committee and the LEP Board agreed a challenging HotSW Productivity Strategy which set an ambition of "Doubling the size of the Heart of the South West's economy over 20 years" with a vision of "Productivity and prosperity for all".
- 3.3 The Strategy identifies three strategic themes to improve productivity by strengthening and developing:
- a. the leadership and ideas within businesses in our area
  - b. the housing, connectivity and infrastructure our people and businesses rely on for living, moving goods, accessing jobs and training, and exploiting new opportunities.

- c. the ability of people in our area to work, learn and improve their skills in a rapidly changing global economy, and to maximise their economic potential.

In addition, there are three cross-cutting themes, referred to throughout the Strategy:

- d. Inclusive growth for our people, communities and places
- e. Capitalising on our distinctive assets
- f. Maximising the potential from digital technology

The strategy can be viewed at:

<https://heartofswlep.co.uk/about-the-lep/how-we-work/productivity-strategy/>

- 3.4 Endorsement of the Delivery Plan - This document is key to the delivery of the Productivity Strategy and will be further developed as explained below. It is a live action plan that will be used to track performance locally and may also form the basis of annual progress reports to Government, as required under the recent national review of LEPs. It is broadly divided into two sections – a ‘core offer’ focussing on programmes that deliver Business Support and Employment and Skills, as well as ‘enablers’ including housing delivery, transport, and other infrastructure that is essential to support economic growth. These activities apply across the whole of the HotSW area. A further section focuses on programmes of activity linked to the agreed set of ‘opportunities’ that are specific to the HotSW area. The Plan incorporates current as well as future, planned activity, and is being produced in stages depending on how well developed the programmes of activity for each theme are. The current version features the opportunities that are at the most advanced stage, namely: Digital (Photonics); Advanced Engineering (marine and nuclear); High Value Tourism; Farming, Fishing and Food. By spring 2019 it will be expanded to include: Healthy Ageing; further Digital (Creative and Big Data); Advanced Engineering (aerospace); Construction; and Defence. Place markers have also been included for inclusive growth and natural capital to be developed as part of the next phase of work.
- 3.5 An Opportunities Prospectus has been extracted from the Delivery Plan and will be used with local MPs, Ministers and senior Government officials as part of continuing to raise the profile of the HotSW area at a critical time ahead of the 2019 Spending Review and the anticipated launch of the UK Shared Prosperity Fund towards the end of 2019. The document was circulated to MPs prior to the Chancellor’s autumn statement as part of the influencing approach. To ensure that the Prospectus document has some longevity, the key strategic ‘asks’ of Government have been set out in a covering letter, jointly signed by the Chairs of the Joint Committee and the LEP. As we develop the Delivery Plan, further asks will emerge and be submitted to Ministers. The Prospectus document can be viewed at:  
<http://www.hotswjointcommittee.org.uk/wp-content/uploads/2018/10/HotSW-Opportunities-Prospectus-October-2018.pdf>

- 3.6 Housing is a key enabling opportunity for the Joint Committee. Following a housing audit to gauge Local Plan progress on targets and delivery rates, a HotSW Housing Summit was held in September with key agencies including Homes England. The outcome of this successful event was an agreement to work closely with Homes England to develop a bespoke package of offers and asks with Government which will help us to successfully deliver the ambitious housing programmes we have across our area. A Housing Sector Task Force of strategic leaders and officers has been established to develop our proposition to Government and to work with Homes England which will report to the Joint Committee.
- 3.7 National Infrastructure Commission (NIC) - The Joint Committee is seeking to secure a growth corridor study following helpful discussions with the NIC. Initial discussions with the Chair of the Commission were well received and the Joint Committee was encouraged to submit a business case to the Chancellor who will ultimately make a decision as to whether to fund a study. A proposal was submitted to the Chancellor in October. The study would be similar to the one conducted by the NIC for Cambridge-Milton Keynes-Oxford. It would help the HotSW partnership to better understand the constraints to higher levels of productivity by highlighting where investment in strategic infrastructure could unlock faster growth over the long term. The initial focus for the study would be along the A38/M5 transport spine, recognising that investment would have benefits for the whole of the HotSW area and wider south west.
- 3.8 Brexit Resilience Opportunities Group. The Joint Committee has consistently lobbied Government that any powers that move back from the EU under Brexit must not stop at Whitehall. This senior officer group was established by the Joint Committee to research and advise on the opportunities and risks to the HotSW. The Group has been collating evidence on some of the key risks and opportunities for our unique economy and has conducted research in the following areas: workforce, construction industry, agriculture and land management; food and farming, fisheries and post Brexit funding to support the economy. The Group is also collating the risk and impact analysis of Brexit on local government such as service delivery and community resilience. The Group has fed directly into the Local Government Association briefing papers and to key Government departments to raise the profile of the area. With the Brexit departure date looming and several 'deal' scenarios still possible, this work has become ever more important. A Brexit Joint Regional Sounding Board event planned, as part of the 12th November LEP Conference, will be an opportunity for business and public sector to engage with Government representatives from Defra, BEIS, and MHCLG on preparedness. The Group is working with Cornwall on issues of mutual interest and concern.
- 3.9 Sub-National Transport Body. Linked to the Joint Committee's work on infrastructure is the imminent establishment of a South West Peninsula Shadow Sub-National Transport Body (covering Somerset, Devon, Cornwall, Plymouth and Torbay) which will develop a sub-national Transport Strategy to work with Government to deliver investment in our major transport infrastructure. In the short-term this will be an informal partnership, however a current 'ask' of Government is that they endorse the creation of a statutory Sub-National Transport Body for the Peninsula, and a separate body for the

South West around the east of the region. These two new transport bodies will provide a platform for strategic discussions with Government on priorities for the region over the long term.

#### **4.0 Next Steps**

- 4.1 In addition to what is outlined above, the Joint Committee / LEP partnership will develop an Investment Framework for the Delivery Plan so that priorities for delivery and project opportunities can be delivered via investment from a range of sources.
- 4.2 The Joint Committee / LEP partnership will also review the roles and functions of both bodies through a governance review to acknowledge the revised and enhanced focus given to LEPs by the Government. This work will include a review of the management support arrangements. The Joint Committee and the LEP will continue to share responsibilities across the Productivity Strategy and the Delivery Plan, with the LEP leading on areas closely linked to the LIS and the Joint Committee leading on other areas such as housing and infrastructure. The need for close collaboration between the two has never been more important as we look to further influence Government policy and actions over the next 12 months and beyond.

**Contact for more Information:** Stephen Walford, Chief Executive & Director of Growth: [swalford@middevon.gov.uk](mailto:swalford@middevon.gov.uk)

#### **Circulation of the Report:**

All Cabinet, All Members, All Leadership Team

#### **List of Background Papers:**

Mid Devon and the Local Industrial Strategy (Agenda item 9, Full Council 24/10/18):  
<http://mddcmgov01:9070/documents/s12739/LIS%20Report%20to%20Full%20Council%20Oct18.pdf>

Heart of the South West Joint Committee Webpage:

<http://www.hotswjointcommittee.org.uk/>