

Impact Assessment

Assessment of: **Integration of the Heart of the South West Local Enterprise Partnership**

Service: **Performance and Partnerships**

Head of Service: **Interim Director of Performance and Partnerships**

Version / date of sign off by Head of Service: **2 February 2024**

Assessment carried out by (job title): **Head of Policy**

1. Description of project

The Heart of the South West Local Enterprise Partnership (HotSW LEP), which covers Somerset, Devon, Plymouth, and Torbay, was established in 2011. The HotSW LEP's focus is on:

- The transition to integration into local authorities and continuing to support the business voice.
- Delivery of programmes – Local Growth Fund, Getting Building Fund, EU funding and services such as Growth and Careers Hub.
- Delivery of the Build Back Better Plan and specifically its transformational economic opportunities.
- Inclusive Growth.
- Growing Places Fund.

2. Reason for change

Government's sponsorship and funding of Local Enterprise Partnerships will cease from April 2024. A national process of planning the integrating of LEPs core functions of business representation, local economic planning, and the delivery of Government programmes into local authorities is underway.

Somerset Council is leading the work to plan the integration of HotSW LEP functions, in conjunction with Devon County Council, Plymouth City Council and Torbay Council. A draft HotSW LEP integration plan was submitted to DLUHC for review at the end of November 2023. The implications for HotSW LEP staff, assets and finance are covered in the progress report to the 9 February 2024 Cabinet meeting.

Some HotSW LEP functions will be held temporarily by Devon County Council and Torbay Council before transferring into the proposed Devon and Torbay County Combined Authority (DT CCA) which was considered by Cabinet on 2 February 2024.

3. Risk assessment

The intention is to transfer HotSW LEP functions, activities and assets to the four upper tier local authorities within the area: Devon County Council, Plymouth City Council, Somerset Council and Torbay Council.

Somerset Council as Accountable Body will manage the transfer of assets and novation of legal agreements to the receiving authority, as appropriate, within an agreed timescale.

Risks are being managed through the establishment of an Advisory Group, chaired by Somerset Council as the Accountable Body, comprising representatives from each of the four upper tier local authorities, the HotSW LEP and Area Leads (Local Growth Unit).

The Advisory Group is responsible for transition of functions and activities into the respective upper tier local authorities. The integration of appropriate functions, activity and assets into the local authority is being managed by a Senior Responsible Officer who has responsibility for the function, activity and/or asset. Ongoing delivery is scrutinised through internal governance arrangements and existing scrutiny committees.

4. People affected, diversity profile and analysis of needs

The transition and continuation of the work, roles and responsibilities of HotSW LEP is critical in supporting the sustainable growth of the local economy, improvements in education and skills, the social well-being of all local residents and communities and is intended to have a **positive** impact on everyone regardless of protected characteristics.

When LEP responsibilities transfer, any negative impacts on staff and service users with protected characteristics will be mitigated because the local authority must adhere to the Public Sector Equality Duty.

As part of the integration, the following proposals could be considered:

- For LEP service users with protected characteristics - direct signposting to an alternative service should be available. A full review could be completed to explore what service provision remains, what should be protected, and how this should be facilitated.
- For LEP staff with protected characteristics - a clear plan could be developed and robust change procedures put in place, for transferring functions or staff to new employers.
- There could be a review of business representation locally to improve the gender balance and representation of those with protected characteristics on boards.
- There could be consideration of how to establish a gender balance of the membership of the Devon and Torbay Combined County Authority. The DT CCA could have a dedicated Diversity Champion: a member with a specific role for ensuring equality and diversity is at the heart of Combined County Authority decision making.

- Alignment of HotSW LEP functions with the Employment & Skills Hub under the County Council's Interim Director of Performance and Partnership would enable opportunities for care leavers and care experienced adults for work experience / employment with the broadest range of employers.

5. Stakeholders, their interest and potential impacts

The HotSW LEP has an established network of prominent business leaders, business groups, academia, key economic, social, VCS and public and private sector stakeholders and partners in supporting the growth of the local economy. They regularly engage and consult with this network, to understand views and feedback on current national, regional, and local issues and receive feedback. The HotSW LEP engages and provides regular updates through regular newsletters and recipients include businesses, the public sector, academia, and the voluntary sector.

Each upper tier local authority will continue to engage with, and support, the Great SW objectives. Examples of activity, led and delivered by the upper tier local authorities, across the Great SW geography include Maritime SW, Defence and Security cluster, Future Farm Resilience programme and Energy.

6. Description of consultation process and outcomes

The Devon Equality Reference Group supports the County Council's work on equality and diversity by providing advice, feedback, ideas and scrutiny. The ERG members are drawn from the voluntary and community sector and are independent of the County Council and Service Level Agreements are in place. The ERG's views on the impacts of the proposed HotSW LEP Integration into the Council will be invited in order to inform the final Equality Impact Assessment.

An Equality Impact Assessment is being prepared as part of the completion of the Integration Plan and is a requirement from Government to complete the process.