

**HEART OF THE SOUTH WEST (HOTSW) LOCAL ENTERPRISE PARTNERSHIP
(LEP) JOINT SCRUTINY COMMITTEE**

22 October 2020

Present:-

Councillors J Brook (Chair), R Hosking, J Mathews, Y Atkinson, M Lewis, R Williams (Vice-Chair), G Derrick, J Morris, L Howgate, K Kennedy, B Spencer, R Chesterton and M Ewings

Apologies:-

Councillors A Bown and N Cavill

* **30** **Minutes**

RESOLVED that the Minutes of the meeting held on 17 October 2019 be signed as a correct record.

* **31** **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* **32** **COVID-19 Recovery Plans**

The Committee received a Report from the Chief Executive of the Local Enterprise Partnership (LEP) which outlined key areas including the LEPs Route Map to Recovery in the context of the Covid-19 pandemic; sharing the key proposals of the LEPs Local Industrial Strategy which aimed to deliver clean and inclusive growth; and set out the LEPs response to the Chancellor's consultation on Comprehensive Spending Review (CSR).

Covid-19 Route Map to Recovery

The Report highlighted that whilst the levels of COVID-19 cases had been relatively low with the South West region, the impact on the economy had been severe.

The LEP had published its Route Map to Recovery on June 3rd 2020 which set out the challenges, priorities and next steps. As well as working with Local Recovery Plans, the LEP had identified 2 specific pieces of work to progress:

- a) to develop the LEPs pipeline into a series of prioritised interventions (to feed into the CSR)

- b) to bring together the actions from the Productivity Plan, LIS and Recovery Plans into a single work programme.

The Route Map could be found at

<https://heartofswlep.co.uk/wpcontent/uploads/2020/06/Heart-of-the-SW-C-19-Route-Map-to-Recovery-June2020.pdf>

In addition, the Local Resilience Forum in Devon, Cornwall and Avon had specific responsibilities and most local areas had developed local recovery plans.

Whilst much of the response to COVID-19 had been nationally applied, such as lockdowns, LEPs had been integral to the economic response to COVID-19 phase by providing:

- a) Government accredited advice and guidance to businesses through the Growth Hub;
- b) delivering local grants e.g. Kickstart and local response initiatives such as Bounceback Digital, Jobs and Skills launchpad, Better Business for All guidelines
- c) securing £35.4m Getting Building Fund (shovel-ready projects to be delivered by January 2022 targeted at Green Recovery, Work Hubs and individual projects – summary projects could be viewed at <https://heartofswlep.co.uk/news/getting-building-fund-projects-announced-for-heart-of-the-south-west/#:~:text=HotSW%20LEP%20received%20%C2%A335.4,be%20complete%20by%20March%202022>
- d) working with local partners, stakeholders and key officials on particular issues affecting the HotSW area.

Local Industrial Strategy

The Local Industrial Strategy was submitted to Government in October 2020 following approval from the LEP Board and Joint Committee. The LEP Board had agreed to publish the LIS as part of its recovery plan to build back better.

The Government had identified the following key requirements of Local Industrial Strategies:

- they would be long-term, based on clear evidence and aligned to the National Industrial Strategy;
- they should set out clearly defined priorities for how cities, towns and rural areas would maximise their contribution to UK productivity. Local Industrial Strategies would allow places to make the most of their distinctive strengths and would better coordinate economic policy at the local level and ensure greater collaboration across boundaries;

- they would help to inform local choices, prioritise local action and, where appropriate, help to inform decisions at the national level; and,
- they would also provide strategic overview which would inform Local Enterprise Partnerships' approach to any future local growth funding deployed through them. In conjunction with the key reforms set out in the Strengthened Local Enterprise Partnerships, Local Industrial Strategies would help local areas in England decide on their approach to maximising the long-term impact of the new UK Shared Prosperity Fund once details of its operation and priorities were announced following the Spending Review.

The Report advised that despite the delays, Local Industrial Strategies still constituted an important policy tool as they represented a robust and assessed independent analysis of the key strengths of a region, notwithstanding that they would need to be reviewed in the context of the Covid-19 pandemic. The HotSW Local Industrial Strategy delivered a step change in ambition balancing the economy alongside inclusive growth and environmental impact across the whole of the HotSW area. Once adopted, it would require significant action both locally and nationally if its objectives were to be realised.

Working with Government

The Report outlined that although LEPs were managed and delivered locally, they were instruments of Government with joint departmental responsibility delivered through the Cities and Local Growth Unit.

A Government official had been invited to attend this meeting to discuss Governments role with Members, including if relevant how LEPs fit into emerging thoughts on a White Paper on Devolution.

Response to Chancellor's consultation on CSR (Comprehensive Spending Review)

The Report advised that the Chancellor announced his intention to deliver a CSR this Autumn and ahead of its publication had invited responses from LEPs through consultation. The Heart of the South West Leaders submitted a response, which was attached to the Report.

Members discussion points included:

- the impact of the LIS not being endorsed by central government and how this could affect future projects – it was noted that a number of projects that had previously been agreed by government had now either been removed or watered down;
- concern raised that whilst the LIS acknowledged the role of traditional industries of Devon such as agriculture and tourism, very little had been

identified in terms of projects to help support these vital industries moving forward;

- that the South West economy had underperformed for many years against how it would expect to perform in terms of productivity and delivering inclusive growth – however employment had remained high. A Challenge for the LEP was looking at how to transform the economy to deliver an above average performance against national trends;
- the LIS set out an economic plan that was more robust about how the South West economy responded to other challenges like climate change and focussed on investment in clean and inclusive growth.
- The South West being a predominantly service economy with the need to focus on tourism, retail, care services and skills – research and development was also a vital area which required improvement and investment;
- Housing – housing needs assessment identified huge amounts of housing required in Devon, and therefore a need to develop modular construction facilities in Devon – the Committee were advised that the Joint Committee had set up a Housing Task Force to look into the White Paper on housing as well Retrofit and looking into a the range of models available, with £4m of the Getting Building Fund allocated to deliver Retrofit ;
- Energy – in order to meet climate change requirements the South West would need to move to more sustainable energy forms – a large barrier to this was the national grid not being able to take surplus energy and the need for the LEP to identify how this bottleneck could be resolved;
- The digitisation of the agricultural industry;
- The idea that the HotSW LEP area should be carbon neutral at the latest by 2030 and that the LIS did not address carbon neutral challenges moving forward – the Committee were advised that the LEP had not signed up to the Climate Change Emergency in the same way most Councils in the south west had, but discussions had taken place with both the Devon and Somerset climate emergency leads around the LEPs role in addressing it. As a government sponsored organisation, the LEP followed government policies in respect of the climate change and the need to be carbon neutral by 2050.

It was **MOVED** by Councillor Atkinson, **SECONDED** by Councillor Howgate, and

RESOLVED

- a) The Board support the publication of the Local Industrial Strategy (LIS) subject to the LEP urgently considering the adoption of a climate emergency action plan;
- b) The inability to have Government support for the LIS causes significant concerns and the Scrutiny Committee would like to understand what can be done to rectify this; and,
- c) The Productivity Plan be included as part of the LIS.

* 33 **Getting Building Fund projects**

The Chief Executive of the Local Enterprise Partnership provided an update on the Getting Building Fund projects announced for Heart of the South West.

The LEP announced the 12 projects which would develop business cases to receive funding from Government's Getting Building Fund.

The LEP had received £35.4m from the national pot of £900m from the Getting Building Fund and had chosen a final list of 'shovel-ready' projects from its bid. Projects would now complete a business case demonstrating job creation and that spending would be complete by March 2022.

The funding was allocated under three headings: Work Hubs and Fit out (£8.7m); Retrofit and Low Carbon (£5.3m) and Individual Projects (£21.4m).

The projects that progressed to business case submission, which would support employment, regeneration, skills, innovation and clean energy, were:

- Torquay Gateway (£2m)
- Concourse Phase 2, Brunel Plaza, Plymouth (£4.17m)
- Firepool and Taunton Station Access (£0.4m)
- Ilfracombe Watersports Centre (£1.5m)
- Burrows Centre, Torridge (£0.4m)
- Exeter Bus Station (£0.8m)
- Enhancement of Future Skills Centre at Exeter Airport (£1m)
- Taunton Digital Innovation Centre (£5.5m)
- Welding Centres of Excellence, Plymouth (£0.35m)
- Exeter Science Park Grow-out Building (£5m)
- Green Housing and Business Programme (£5.3m)
- Work Hubs and Fit-out project (£8.7m)

* 34 **Government Updates**

Suzanne Bond, the Area Lead for the Heart of the South West, Cities and Local Growth Unit informed Members of the excellent work of the Joint Scrutiny Committee, with the issue of scrutiny practices having been raised in the mid-year review and it had been noted that the HotSW was ahead of most other LEPs in having robust and formal scrutiny practices already in place. The annual performance review would take place during January, which the Chair of the Scrutiny Committee and other Members were welcome to attend.

The Members raised points around whether LEP Scrutiny Committees would receive clear direction and legislation from central government around how LEPs would function in the future and the role and purpose of the Joint Scrutiny Committees. Members advised the government representative that one of the main challenges with LEP Scrutiny operating without any

government guidance or legislation/resources had been trying to maintain the Scrutiny role as a critical friend and understand where the Scrutiny Committee fit within the LEP Board and LEP Joint Committee to avoid duplication of work. One of the main significant challenges included not being able to scrutinise the LIS before being published as it was a confidential document not able to be discussed in the public domain, and the understanding of the relationship between the LEP Board and the Scrutiny Committee. It was asked how government envisaged Scrutiny being engaging and useful at the LEP level. Ms Bond undertook to reflect the concerns of the Scrutiny Member’s feedback to the CLGU.

* 35 **Scrutiny Work Programme**

In considering the work programme, it was **RESOLVED** that the work programme be agreed as follows:

Date	Masterclass (Members only)	Committee (Public Meeting)
	<p>Purpose: An information sharing and member development session where issues can be presented informally to members to raise awareness and increase knowledge. No formal minutes or notes taken.</p> <p>Frequency: The morning before each Committee meeting</p>	<p>Purpose: A formal public meeting where active items are discussed, and actions taken.</p> <p>Frequency: Approx. 3 times a year</p>
11 th Feb 2021	TBA	<ul style="list-style-type: none"> - Clean growth strategy - Inclusive growth progress
Future items		<ul style="list-style-type: none"> - White paper on regional developments? - review of the respective Terms of Reference for the Joint Committee and Scrutiny Committee - further strategic work with the board

* 36 **Dates of Future Meetings**

Dates of Future Meetings were noted as:

11 Feb 2021 2.15 pm
17 Jun 2021 2.15 pm
21 Oct 2021 2.15 pm
10 Feb 2022 2.15 pm

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 2.15 pm and finished at 4.25 pm