

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

10 February 2022

Present:-

Councillors J Brook (Chair), R Williams (Vice-Chair), R Chesterton, I Roome, M Lewis, A Bown, S Coles, M Douglas-Dunbar, N Bye, C Penberthy and C Eginton

Apologies:-

Councillors B Wakeham and B Spencer

* 18 **Minutes**

RESOLVED that the Minutes of the meeting held on 27 October 2021 be signed as a correct record.

* 19 **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* 20 **LEP Update (LEP Annual Performance Review)**

Members received a general update from the Chief Operating Officer of the Local Enterprise Partnership on the LEP including developments since the last meeting of this committee, as well as a specific update on the LEP Annual Performance Review.

Regarding the LEP Annual Performance Review, Members were advised that the Heart of the South West LEP had been judged to have met performance targets in each of the three key areas that LEPs were being reviewed on, namely Delivery, Governance and Strategic Impact. The Committee was provided with a number of key successes, and areas for improvement, across these three areas.

With reference to Governance, Members were advised that, since the performance review, the Heart of the South West LEP's board had dropped below the requirement for LEP boards to consist of one-third female members owing to two staff retirements, and that the LEP was looking to move back above that threshold.

Under Delivery, the Scrutiny Committee was advised that the approximately £35 million of 'Getting Building' funding that had been secured was on track to be spent by the required March 2022 deadline, where a monitoring phase would follow; and that under the Growth Deal, the vast majority of the funding

had been spent or allocated and that the monitoring phase for this funding stream had begun.

With regards to Strategic Impact, Members were assured that the Build Back Better strategy remained the guiding ethos for LEPs in their strategic oversight for the region. Notably, the LEP had recruited a Head of Delivery to work across LEPs and with numerous stakeholders in the South West across various sectors.

The general LEP update focused primarily on the uncertainty surrounding LEPs, with the Government broadly encouraging LEPs being absorbed into devolution deals (where LEP responsibility would be handed to Local Authorities). It was explained to Members that the Government had acknowledged the difficulty of absorbing LEP responsibility in this way would be difficult for some areas. This specifically pertained to Devon owing to continued talks surrounding the future of Devon's status as a 'two-tier' Local Authority.

Member discussion points included:

- the future of LEP funding or, where LEPs would cease to exist, funding for current LEP functions. It was explained to Members that, from current indications, no significant future funds would go through LEPs and that what funding would be available to Local Authorities was unclear. The £2.6 billion UK Shared Prosperity Fund had been announced by Government with an 'allocation based formula' but further details had not been released. Additionally, prior to Brexit, EU funding was matched with UK domestic funding which would no longer be the case, exacerbating the uncertainty;
- ensuring that, referring to gender balance targets on LEP boards as highlighted under Governance, LEPs were also giving sufficient consideration to ensuring representation of those with other protected characteristics; and
- that, despite uncertainty surrounding the future of LEPs and the specifics surrounding project delivery, the Build Back Better plan still provided the overall logic and framework that the relevant organisation – be that the LEP or Local Authority – should use.

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Inclusive Growth

Members received an update from the Chief Operating Officer of the Local Enterprise Partnership on the LEP's progress with, and the future of, Inclusive Growth.

The history of the importance of clean and inclusive growth was outlined; namely that its role had grown from relative obscurity, when the LEP's

strategic economic plan was produced in 2014, to becoming tantamount to more traditional economic measures.

It was explained to Members that several actions were underway regarding inclusive growth, including the creation of an Inclusive Growth Dashboard, which was in its draft stage; and the creation of both an expert panel that sits within the LEP governance structure, and of four key priorities based around fair access to and creation of more: Good businesses and jobs; Good skills; Good housing; and Good health. Members were advised that progress has been somewhat limited due to challenges arising from the pandemic and the delayed release of the Levelling Up white paper

Looking to the future, it was explained to Members that the LEP aimed to have completed an inclusive growth action plan by the latter half of March 2022; and that the University of Exeter were finalising a report on social mobility which focused on many of the LEP's aims under the Good skills priority, with a joint LEP/University event in April having been talked about.

It was stressed to Members that the LEP role was very much facilitative, with focus on how the LEP could support existing programmes by, for instance, leveraging in additional funding.

Member discussion points included:

- ensuring that particular areas of the South West would be targeted with growth programmes, recognising that inequality and deprivation were not consistent across the area;
- the importance of generating clear and coherent KPIs for effective progress tracking as projects that received funding or other support entered their monitoring stages. Members were advised that some robust national KPIs did exist and that therefore the foundation was there to produce some region-focused KPIs;
- the importance of considering inequality and attainment as separate in many respects, where attainment could refer to an important minimum standard of, for instance, education where measures of inequality may be inadequate on their own; and
- issues surrounding job and housing availability as part of the larger LEP and Local Authority aim to ensure that, where attainment and inequality are addressed, people have the opportunity to remain in Devon rather than being forced to move elsewhere for the prospect of satisfactory employment and/or accommodation.

* **22** **Scrutiny Work Programme**

RESOLVED that the following be added to the Work Programme:

- Review of the LEP's Projects' Economic Impact
- Further update on the future of the HotSW LEP

* **23** **Dates of Future Meetings**

Dates of Future Meetings were noted as 16 June 2022 and 13 October 2022.

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

The Meeting started at 2.16 pm and finished at 3.24 pm