

Report of the Cabinet Member for Economy and Skills

1. Introduction

I have been asked to report, by Councillor Hannaford as follows:

- *on the potential for a new economic powerhouse for the UK encompassing Newport, Cardiff and Bristol, has been published calling for a number of measures to support businesses. The Powerhouse for the West report, commissioned by the Great Western Cities partnership of Bristol City Council, Cardiff Council and Newport City Council, was presented at the House of Lords recently. The report, by Metro Dynamics, makes the case for a cross-border stretching along the M4 corridor from Swindon and across the Welsh border to Cardiff and Swansea, and in the north from Gloucester and Cheltenham to Bath and Bristol.*

How do we and our other key regional partners in the far South West view this move? And how does it fit with our current regional and strategic economic, growth, and development goals?

- *an update and analysis report, specifically on protecting farming, fishing and food production in Devon, on the advent of a no deal Brexit with other key partners and central government.*

In addition, I have been asked by Councillor Connett to report on:

- *arrangements being made by Devon County Council to support and assist residents and communities to prepare in the months up to Brexit and following the UK's departure from the European Union.*

And by Councillor Shaw to report on:

- *Consequence of a no deal Brexit for Devon.*

2. Economic Development

Devon County Council is working with other local authorities in the Heart of the South West area to deliver our economic development goals, through the Heart of the South West Joint Committee, and champion the economic needs of our area with a strong, united voice. The Joint Committee is recognised and welcomed by Government which has assigned senior civil servants to work with our partnership.

In collaboration with the Heart of the South West (HotSW) LEP, the Joint Committee has an agreed Productivity Strategy in place, which identifies our priorities and goals to improve productivity and develop the economy in our area.

The Joint Committee is contributing to work to on the Local Industrial Strategy (LIS) for our area, which is being led by the HotSW LEP in close liaison with Government. The developing LIS considers the Government's Industrial Strategy and how this can be prioritised locally to achieve improved productivity and growth. A draft has been received positively by Government departments and is being fast-tracked, accelerating its development.

Looking at the wider Peninsula geography, a Great South West All-Party Parliamentary Group (APPG), co-chaired by Sir Gary Streeter, MP for South West Devon, and Ben Bradshaw, MP for Exeter, has recently been set up with support from three LEPs, Cornwall and Isles of Scilly, Dorset and HotSW, to promote the concept of a Great South West region in Government. The official launch of the APPG was welcomed and attended by Jake Berry, the Minister for the Northern Powerhouse and Local Growth.

The three LEPs are developing a proposed prospectus for improved productivity and growth for the Great South West region. The County Council awaits the draft prospectus with keen interest. This is in addition to the sub-national transport body for the SW Peninsula – Peninsula Transport Sub-national Transport Body - which is also working with Government on similar transport themes to the Great Western Powerhouse document, to enable a resilient infrastructure to reduce congestion, shorten journey times, improve productivity and unlock growth.

In summary, the Great Western Powerhouse report appears ambitious and appears to have support from within the area covered. However, this does not overlap with or detract from the strategies and priorities for Devon or the wider Great South West area.

3. Brexit

As Members will be aware the responsibility for Brexit preparedness and response sits with the Government. Devon County Council is working closely with all our local partners to prepare for Brexit and to help everyone in Devon deal with the situation, whatever the final outcome. As a County Council we provide a great deal of support to Government in rolling out its preparations and fighting for Government support for our service users, communities and businesses.

Our Chief Executive is the South West Regional Communication lead reporting directly into Government in relation to EU Exit implications. He also chairs the Devon and Somerset Brexit Resilience and Opportunities Group (BROG) which was established following the EU Referendum and provides evidence and research to Whitehall. Since January 2019, the Group has been meeting on a monthly basis and is supported by business representatives, Government Departments and senior officers from across Devon and Somerset.

BROG, supported by Devon County Council, has undertaken a great deal of work with our local farming, fish and food and drink industries. We have supported and amplified the messages they have been giving to Government about their own resilience and needs and will continue to do so in the coming months as Government steps up its preparations for a potential No Deal scenario in the approach of the 31st October deadline. We have tried to be solution focused and have developed a number of practical proposals for consideration such as re-purposing business support and advice; strengthening our regulatory services to provide assistance in terms of labelling, export and imports; lobbying for EU funding the sector relies on to be matched in the forthcoming UK Shared Prosperity Fund; improving our ports and harbour capacity to cope with additional demands from the sector. We have also secured Government Departments of BEIS, DEFRA, Home Office to come and talk to businesses on 25th July in Taunton and run a workshop aimed at SME's. Given our location this will have a strong focus on food and farming industry. We are unsure where the next few months will take us but I would like to reassure Members that Devon County Council is doing everything within its power to support these key industries within our county.

As Members will be aware there is still uncertainty as to which Brexit scenario will prevail from the parliamentary process. In relation to understanding the full economic, environmental and social impact on Devon, both positive and negative, it is very difficult for the Council to predict and plan for this unprecedented event in isolation. Devon County Council is determined to play a lead role in assisting our communities and businesses in whatever scenario occurs. This situation is not of our making but we stand ready to play a full role in whatever response and recovery activity is required to ensure the best possible outcome.

In the event of a No Deal Brexit the Government is likely to announce a major incident and it will be the responsibility of the Local Resilience Forums to co-ordinate response activity across partners in Devon. As Members will be aware our Local Resilience Forum is chaired by Devon and Cornwall Police and has senior representatives from all major stakeholders across the area including Health, business and local authorities. Devon County Council is a member of the LRF.

Devon County Council is undertaking the following work to prepare for a No Deal Brexit:

- Updating Business Continuity Plans to plan for a No Deal Brexit and supplying this information to our Local Resilience Forum
- Working through professional associations such as the Association of Directors of Social Services, Local Government Association, Trading Standards to ensure the dissemination of information and good practice
- Pressing the Government to release impact assessments and assumptions to inform our planning and preparedness
- Our Chief Executive is the South West Regional Communication lead reporting directly into Government in relation to EU Exit implications. He also chairs the Devon and Somerset Brexit Resilience and Opportunities Group (BROG) which was established following the EU Referendum and provides evidence and research to Whitehall. Since January 2019, the Group has been meeting on a monthly basis and is supported by business

representatives, Government Departments and senior officers from across Devon and Somerset.

At the end of January 2019, Phil Norrey was invited by the Secretary of State for MHCLG to be one of 9 Regional Chief Executive Communication links. Phil represents the South West and is working with 41 Councils and 5 Local Resilience Forums across the South-West to feed Brexit issues, identified by local authorities and partners, directly to Government.

Councillor Rufus Gilbert

Cabinet Member for Economy and Skills