

# HOTSW SCRUTINY Committee

## LEP Chief Executive's Report

### **1. Introduction**

The purpose of this report is to:

- Set out the LEPs Route Map to Recovery in the context of the Covid-19 pandemic including an invitation for A Government official to attend
- Share the key proposals of the LEPs Local Industrial Strategy - to deliver clean and inclusive growth
- Set out the LEPS response to the Chancellor's consultation on CSR

### **2. Covid-19 Route Map to Recovery**

It is important to recognise that whilst the incidence of the pandemic has been comparatively low across our region the economic impact has been stark.

The impact is also variable across the area affecting places and sectors differently.

The LEP published its Route Map to Recovery - <https://heartofswlep.co.uk/wp-content/uploads/2020/06/Heart-of-the-SW-C-19-Route-Map-to-Recovery-June-2020.pdf> on June 3<sup>rd</sup> 2020 which set out our challenges, our priorities and next steps: As well as working with our Local Recovery Plans, the LEP has identified 2 specific pieces of work to progress.

- a. To develop our 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 coordination of the response to economic implications across HOTsw are overseen by the HEROG group, chaired by the CEO at Devon CC and attended by representatives (public and private) from across the area as well as Government officials. This group is also the response group for Brexit and provides briefings to the HOTSW joint-committee. This includes oversight of the ongoing evidence base – through Oxford analytics.

In addition, the LRFs (Devon and Cornwall and Avon) have specific responsibilities and most local areas have developed local recovery plans.

Obviously many of the responses have been nationally applied eg lockdowns, job retentions scheme, CBILS, CLBILS. BBiLS and Future Fund through British Business Bank, Emergency grant schemes for business administered through Local Authorities.

LEPs have been integral to the (economic) response to Covid-19 phase providing:

- a) Government accredited advice and guidance to businesses through the Growth Hub;
- b) delivering local grants eg 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 Jan 2022) targeted at Green Recovery, Work Hubs and individual projects – summary projects can 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

Following the publication of the Route Map to Recovery, many local areas have published their own recovery plans. In bringing forward a HOtSw wide plan the LEP has agreed in addition to the actions above to:

Develop sector plans to set out the issues and possible solutions for hardest hit sectors;

A building back better document, using the LIS as the underpinning evidence base to identify the key transformational activities to be delivered as part of recovery.

### **3. Local Industrial Strategy**

The HOtSW Local Industrial Strategy was submitted to Government in October 2020 following approval from the LEP Board and joint committee. Although it was discussed at length with officials from a range of Government departments and a final text was confirmed in the early Autumn but the election meant that that there was delay in signing off.

The LEP Board reviewed the position and agreed that the LIS could be shared but would not be published until it has been fully signed-off with Government. Following the election, it has done a further round of discussion with Government but we are unsure of their current status.

Subsequently, and in line with the continued uncertainty the LEP Board has agreed to publish the LIS as part of its recovery plan to build back better.

In October 2018, the Government in its guidance, Local Industrial Strategies – Policy Prospectus <https://www.gov.uk/government/publications/local-industrial-strategies-policy-prospectus/local-industrial-strategies-policy-prospectus> identified the following key requirements of Local Industrial Strategies.

Local Industrial Strategies will 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 will maximise their contribution to UK productivity. Local Industrial Strategies will allow places to make the most of their distinctive strengths. They will better coordinate economic policy at the local level and ensure greater collaboration across boundaries.

Subject to Local Industrial Strategies being agreed in places by government, they will help to inform local choices, prioritise local action and, where appropriate, help to inform decisions at the national level.

They will also provide strategic overview which will 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 will 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 are announced following the Spending Review.

Government is committed to Local Industrial Strategies so that all places:

- are able to increase productivity and realise their potential: building on well-evidenced and distinctive strengths aligned with the national Industrial Strategy
- set out the spatial impacts of national and local policy across our cities, towns and rural areas: informing priorities and choices and demonstrating how they will allow all communities to contribute to, and benefit from, economic prosperity

Despite the hiatus, LIS' still constitute an important policy tool as they represent a robust and assessed independent analysis of the key strengths of a region notwithstanding that they need to be reviewed in the context of the Covid-19 pandemic.

The HOtSW Local Industrial Strategy delivers a step change in ambition balancing the economy alongside inclusive growth and environmental impact across the whole of the HOtSW area. Once adopted, it will require significant action both locally and nationally if its objectives are to be realised.

#### **4. Working with Government**

LEPs, although delivered and managed locally, are instruments of Government with joint departmental responsibility delivered through the Cities and Local Growth Unit shared between BEIS and MHCLG.

Locally this is overseen through our Relationship Manager Suzanne Bond and Regional Director, Becky Miles.

Oversight of LEPs is through an Annual Performance Review, normally in May/June attended by the Chair of Scrutiny (and reported previously) and more recently a lighter touch mid year review which has just been completed.

One of the specific actions of the mid-year review, followed on from the Scrutiny review recognising the need to clarify the use of scrutiny alongside other review and the joint committee itself.

A Government official has been invited to attend the meeting to discuss with Scrutiny Members including if relevant how LEPs fit into emerging thoughts on a White Paper on Devolution.

#### **5. Response to Chancellor's consultation on CSR (Comprehensive Spending Review)**

The Chancellor announced his intention to deliver a CSR this Autumn and ahead of its publication invited responses through consultation. HOTSWS Leaders submitted a response which is attached for information. The LEP Network also submitted a response on behalf of all LEPs across the England and I would imagine many Local Authorities did likewise.