

# Heart of SW LEP CIC Board meeting

## Paper 4. 1 September 2017

**Report title:** Productivity Plan Update

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**Report theme:** Board

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### Purpose of the report

To provide an update on the Productivity Plan.

### Recommendations

The LEP Board notes the contents of this paper and the request for feedback on the draft.

### Background

The Productivity Plan has two purposes; to align local partners' efforts in pursuit of productivity-led growth and, whilst not a bidding document, to serve as a foundation for discussions with Government over opportunities for the HotSW area. The Plan will guide LEP and Joint Committee work for the coming years, replacing the SEP.

As set out in May, a drafting team from HotSW partners developed the core content, drawing on input from the LEP Leadership Groups. This has been distilled into the edited draft. Alongside the editing, the LEP commissioned work to understand what a realistic yet challenging aspiration for productivity growth could be, and to understand how to encompass inclusive growth. Both are set out in the Plan. The Board may want to note that the LEP has now contributed £50,000 to the development of the plan in addition to significant staff time.

### The Draft

The editorial brief has been for a concise, accessible document around 30 pages - benchmarks have included the Cornwall & Isles of Scilly Vision 2030<sup>1</sup> and the West of England Strategy Discussion Paper<sup>2</sup>. The Plan is a strategic document so must contain the 'hooks' for more detailed work to flow from rather than describe every opportunity in detail. Thus, the potential for nuclear is explained, signposting the separate detailed discussions around a nuclear sector deal; challenges with coastal communities are highlighted, enabling more detailed work to be done on this in the future; and the Plan will form the basis for any local Industrial Strategy Government may ask LEP areas to come forward with.

The economic modelling showed that an ambitious goal would be to raise productivity growth to 2.2% (+0.5% above baseline) and real GVA growth of just over 3% per annum. These are not excessive by historic standards but are a profound change for the HotSW area. This would mean the HotSW economy would be worth £62 billion a year by 2030 compared with £35 billion now. If

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<sup>1</sup> <https://www.cioslep.com/assets/file/Vision%202030/Vision-30.pdf>

<sup>2</sup> <https://www.westofengland-ca.org.uk/wp-content/uploads/2017/07/West-of-England-Strategy-Discussion-paper.pdf>

this performance continued through to 2036, the time horizon for the plan, it is possible to create an economy worth £70 billion, i.e. the partnership is aiming to double to size of the economy in the next 19 years.

Within the draft, the Plan proposes establishing a Foresight network to consider future trends and opportunities, and Skills and Transport Commissions to align planning on these across the area. It is anticipated that the evolution of the Future Economy Group the Board has previously asked for will meet the need for a Foresight network. The remit of the Skills and Transport Commissions will need to be agreed alongside the Joint Committee’s views and consideration given on how these match the existing LEP People and Place Groups and the Local Transport Board. Board members may have a view on these areas.

The draft has yet to be designed and proof read for grammar/ spelling. Note also that

- once the Plan is finalised a detailed delivery schedule will set out what the LEP and Joint Committee partners will do. The time horizon for a delivery schedule needs to be determined, e.g. 1 year, 5 years etc. A very early draft of a delivery schedule has been included for illustration only. At this stage, the content has been lifted directly from the draft material and has not been prioritised or fully sense checked.
- over the autumn an investment framework will be developed to guide how projects will be funded; the final section ‘Measuring Change’ sets out some pointers for this
- the final Plan will also be accompanied by a more detailed evidence base which will be developed over the autumn. It’s not anticipated this will involve any new data, rather a pulling together of January’s green paper and responses combined with material gathered over the year through the drafting and discussion process.

Timings for the next steps are below

19 <sup>th</sup> September	LEP Board review of draft
22 <sup>nd</sup> September	Shadow Joint Committee review of draft
2 <sup>nd</sup> October – 17 <sup>th</sup> November	Public consultation (subject to LEP Board and shadow Joint Committee sign off)
Early 2018	LEP Board and Joint Committee sign off of final Plan

### Request for Feedback

Board members may wish to consider the following questions amongst broader feedback.

1. Does the Plan set an appropriate balance between an ambitious yet realisable objective?
2. Within the succinct and accessible brief, does the draft pick up the right strategic priorities which will guide detailed work in the coming years?
3. The “chevrons” (p 23-31) set out the high-level delivery actions partners will undertake;
  - a. does the aspiration and these high-level actions form an ambitious ‘pitch’ to Government over HotSW partners’ intentions?
  - b. do these appropriately cover the key things the HotSW area needs to deliver the overall ambition, setting up the right individual investments for the future?
  - c. do these actions flow from the evidence in the Plan?
  - d. is there feedback on the proposals around the Skills and Transport Commissions?
4. Terminology: given the long-term nature of the Plan would it be more appropriate for this to be the Heart of the SW Productivity Strategy? This may help communicate that this a long-term document and therefore individual projects would sit in the delivery schedule

Please could feedback be sent to [eifion.jones@heartofswlep.co.uk](mailto:eifion.jones@heartofswlep.co.uk) and [simonhooton@me.com](mailto:simonhooton@me.com)

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11 September 2017