

DRIVING
PRODUCTIVITY IN THE
HEART OF THE SOUTH
WEST CONSULTATION
ENGAGEMENT (GREEN
PAPER RESPONSE)

PART OF THE EVIDENCE BASE
UNDERPINNING THE HEART OF THE
SOUTH WEST
LOCAL INDUSTRIAL STRATEGY

Document 002

Engagement Report – Productivity Plan

Phase 1 – Green Paper

April 2017

Version 2 –Final (Public)

Introduction

The Heart of the South West Partnership has agreed to develop a Productivity Plan to deliver its aspirations for addressing the productivity gap between the region and the rest of the UK.

The Partnership agreed that it would fully utilise existing relationships, structures, networks and groups to maximise engagement during the development phases of the Productivity Plan. It was agreed that the engagement would take place in three stages: Green Paper, White Paper and Draft Productivity Plan.

The engagement phase for the Green Paper commenced on 30 January 2017 and ran for six weeks. The aim of the engagement was:

- To gain a shared view of the nature of the challenges and opportunities in the Heart of the South West
- To raise questions and issues
- To shape the process for the development of the Plan

Methodology

The Green Paper was designed as a discussion paper setting out the challenges facing the Heart of the South West in some detail. It was prepared by the Local Enterprise Partnership's Future Economy Group and it showed how we compare with other parts of the UK and highlights the differences within our area. It also highlighted the assets that we have to build upon – from the sectors where we are national and international leaders to our natural environment.

The document set out the five recognised drivers of productivity together with a snapshot of the current position in the Heart of the South West. A number of questions were identified and the Partnership sought feedback on these points.

Additional technical documents were also made available which provided evidence to guide discussions and to inform responses to the questions asked in the Green Paper.

The Green Paper was available online and the Chief Executives of each organisation which forms the Heart of the South West Partnership was asked to share the document through their existing networks. The document was also shared with stakeholders who had previously worked together on the specific themes which made up the earlier work towards a devolution deal. The Local Enterprise Partnership encouraged businesses, business groups and business representative organisations across the region to take part in the engagement process. This included providing a short questionnaire for businesses to complete.

Feedback received

The organisations who provided a response to the Green Paper are listed in Appendix 1. In addition, responses were received from two individuals.

A summary of the themes which were raised in the responses is set out in Appendix 2.

Next Steps

The results from this engagement process will inform the vision and priorities within the Productivity Plan.

The White Paper will be available for consultation over the summer period of 2017 with the final draft Productivity Plan being prepared in the Autumn.

It is expected that the Productivity Plan will be agreed by the Heart of the South West Joint Committee before Christmas 2017.

Appendix 1: Organisations submitting responses to the Green Paper

Applegate Marketplace Ltd

Arnold White Estates Ltd

Blackdown Hills Area of Outstanding Natural Beauty Partnership

Business Information Point

Dartmoor and Exmoor National Park Authorities

Devon and Somerset Associations of Local Councils

Devon Areas of Outstanding Natural Beauty

Devon Association of Local Councils

Devon Communities Together

Devon County Council

Devon Local Nature Partnership

Devon Wildlife Trust (2 responses received)

Food Plymouth CIC

Greater Plymouth

Health, Care and Wellbeing Theme Group

Iridescent Ideas CIC

Ivybridge Town Council

Jobcentre Plus

Living Options Devon

McCaren Architecture

Mid Devon District Council

Natural England

Newton Abbot Town Council

North Devon District Council

Petroc College of Further and Higher Education

Plymouth City Council

Plymouth College of Art

Plymouth Social Enterprise Network

Social Enterprise Mark CIC

Social Enterprise Special Interest Group

South Hams District and West Devon Borough Council

Somerset County Council (on behalf of the Somerset local authorities: Mendip District Council, Sedgemoor District Council, Somerset County Council, South Somerset District Council, Taunton Deane Borough Council and West Somerset Council)

Somerset Film and Video Ltd

Somerset Growth Board

South Hams District and West Devon Borough Council

South Somerset District Council

South West Academic Health Science Network

Sponge UK

Teignbridge District Council

Torbay Council

Torridge District Council

Transition Exeter

University of Exeter

University of Plymouth

Woodland Trust

Appendix 2: Summary of themes identified through engagement process

Generally:

The different geographies in Heart of the South West need to be recognised. All areas have scope to improve productivity. The more peripheral areas of the region need to benefit from the “ripple effects” of greater productivity elsewhere. The advantages of higher productivity should be evident in the whole area not just the major urban areas. Market towns and villages and rural areas should not become commuter settlements, they should be vibrant places for people to live and work as well as the larger towns and cities.

The sector based approach is endorsed. But there need to be different strategies employed to address different sectors.

There is a need to ensure that economic growth is inclusive and creates opportunity for all. The Plan should include a measure of inclusion as well as productivity. There should be investment in socially innovative solutions. The Plan should aim to reduce in-work poverty and increase affordable, quality housing. Respondents questioned whether productivity is the best measure of performance and suggested that inclusivity measures be given equal weight.

Comparisons to the south east, amongst those referring to it, are not considered desirable or achievable even if it does set out a strong ambition.

Investing only in higher value sectors will continue to increase the gaps in productivity across the region. The Plan should not be skewed to areas or sectors where it is easier to deliver increased productivity. It needs to include a coherent strategy for the lower productivity areas and sectors.

Existing documents should be reflected in the Plan, e.g. National Park’s Rural Productivity Network proposals to Defra. Local and ultra-local approaches must consider Neighbourhood Plans (either recognising them or supporting their development)

Brexit risks and opportunities were also noted: growth, productivity, business/economic viability.

Population health (prevention and treatment) is a key contributor to economic wellbeing, growth and productivity: staying in work, staying in work for longer, and also an ethical imperative.

There should be a role for the voluntary, community and social enterprise sector.

Public sector / private sector

How can the Productivity Plan drive public sector productivity? It is a significant part of the economy and must also become more productive as funding reduces and demand increases.

Health is a key opportunity for the Productivity Plan as HotSW demography changes (especially outside urban centres.)

There needs to be greater collaboration between public and private sector, and within the public sector.

In relation to skills:

There needs to be better access to higher education facilities and increased linkages between businesses and students. This applies from Key Stage 3 upwards. There is a need to encourage collaboration between industry, education, students and workers. There also needs to be a better understanding of the future skills required within the region.

Local authorities should continue to play their role in promoting and increasing employer awareness of national programmes, guidance and legislation which support people with disabilities and long term conditions into work or training. Employers should be encouraged to embrace the skills and talents that people of all abilities bring to business.

There is an emphasis also on the need for leadership and management skills to fully utilise the skilled workforce and grow businesses.

In relation to innovation:

Improving infrastructure supports innovation.

The provision of superfast broadband is vital. Existing infrastructure (such as libraries and village halls) could be used to establish hubs in rural communities.

Innovation within the Health sector is an opportunity for the region.

In relation to enterprise:

There needs to be improved access to innovation facilities and collaborative work-hub type premises. Equally, there needs to be an increase in the quantity and quality of business premises.

Better connectivity would help to alleviate the perception of peripherality about the Heart of the South West.

The imagery of the “cream tea” needs to be altered. The Heart of the South West should promote a bolder, more productive identity

There needs to be more focused support for micro and small businesses. There needs to be better provision of business premises and science parks in the peripheral areas. There should be more support for student entrepreneurship.

Funding opportunities need to be less silo-based and there needs to be replicability of success.

In relation to competition and infrastructure:

The Heart of the South West should be well connected and affordable. Specifically there is a need for improved transport infrastructure (both rail and road connections) and digital connectivity. Infrastructure projects should take an environmentally-led approach.

It is suggested that there should be a coordinated approach to housing/transport/infrastructure development.

Transport

There is a need for an improvement in transport, across the peninsular, across all modes, including integration. The links into and out of the region and the key links within region should be improved. The region should continue to seek improvements to the A361 North Devon Link Road, the A303/A30/A358, the Barnstaple to Exeter rail-line and an inland rail route from Exeter to Newton Abbot.

Digital

The Heart of the South West needs to be ambitious about its broadband requirements. Internet **and** 4G mobile connectivity (and reliability) are considered essential and of primary importance to a wide range of stakeholders, including along major rail routes.

Housing

There is a need for more appropriate and affordable housing. However, the strategy for future housing should be based on the demographic needed for productivity growth rather than current predicted demographic change.

Energy

Grid capacity holds back major projects requiring High Voltage grid connections with 3-6 year delays reported.

Natural Capital

The natural capital of the Heart of the South West was considered valuable to respondents from the business community as well as organisations representing rural areas / environmental issues.

It would be unimaginative to ignore natural capital as a unique selling point and as an opportunity to increase productivity. The natural capital in the Heart of the South West provides a strong identity – we should celebrate and build on our sense of place. The natural environment underpins our quality of life and long term prosperity and the economic benefits of it should be recognised and embraced. The region's capital assets should be used to attract businesses. The recreational and lifestyle opportunities should be used to attract inward investment. However, this must sit alongside improved broadband and digital technology.

We should “trail blaze” natural capital-led productivity growth and recognise the value of natural capital in economic and social prosperity. There should be investment in natural capital to ensure its long term sustainability.

Our cultural assets should be used to underpin the region’s capital assets and the tourism offer. We should create healthy and resilient landscapes. There should continue to be investment in the traditionally poorer productivity sectors in order to increase its productivity.

Strategic integrated plans which create “a great place to live” should be delivered.