

Heart of the SW Local Industrial Strategy

LEP Board Paper 6.1

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Report theme: Local Industrial Strategy

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Purpose of report

To update the Board on development of the Heart of the South West Local Industrial Strategy (LIS) and seek Board agreement to progress to the next stage.

Recommendation

That the Board agrees

- the direction of the working draft
- to share the working draft with Government and to use this to form the basis of the next stage of co-development.
- that the draft LIS is published for information on the Joint Committee and LEP websites
- to support targeted engagement with key stakeholders and promote wider awareness of the Local Industrial Strategy.

Background

HotSW was identified by Government as part of the Wave 2 areas developing Local Industrial Strategies, based on the strength and maturity of the relationship between the Joint Committee and the LEP, and recognition of the substantial joint working and comprehensive evidence base that led to the Productivity Strategy. All LISs are required to be completed by March 2020 and are co-designed with Government. Agreeing the HotSW LIS earlier means the area can move into implementation, working up propositions, seeking funding opportunities including those in the Comprehensive Spending Review, and with less competition for Government time through the sign off process.

The LIS is one of several routes for delivering aspects of growth and productivity for the HotSW economy, linked to the Productivity Strategy. Others include the Great South West for rural and tourism priorities, or the Peninsula Transport Board for sub-national transport priorities, or the Joint Committee's housing work; it is expected there will be a continued need to pursue a 'multichannel' approach to delivering against our priorities.

Government expects Local Industrial Strategies to align with the national Strategy, both in delivering across the 'Foundations' of productivity and contributing towards one or more of the four 'Grand Challenges'¹.

Heart of the SW LIS and Timings

The HotSW LIS' central theme is Clean Growth, aligned to the three areas of high potential reviewed by the Board in January and now labelled Energy Futures, Engineering Futures and Digital Futures. The LIS sets out how Clean Growth applies across these areas and the Foundations. The LIS also describes how inclusive growth will be a key part of the approach, identifying and tackling barriers so all parts of the area and communities can access the opportunities that will be created. For example, this could include addressing digital inclusion, transport infrastructure, housing or skills levels.

As the process is iterative, it is possible the detail in the LIS may change, but the team have worked very closely with Government to ensure co-development. This has included Government analysts verifying and testing evidence base behind the strategy and the links from that to the draft, informal meetings with key officials across departments and Government sitting on the LIS project board. Government are very supportive of the central Clean Growth theme and focus on the three priority areas.

In developing the LIS, the LEP has held two formal stakeholder workshops, the results of which form part of the evidence base on the website, engagement with businesses and business organisations and engagement with Local Authority economic development portfolio holders. Stakeholders have been supportive of the LIS's focus on clean growth, the three key opportunities and inclusive growth. Most recently the 12th July Joint Committee endorsed the direction of the LIS and the proposal to work with Government on the next stage. Government are content with the level of engagement to date and to bolster this, 1-1s have been diarised with MPs over the summer and two targeted engagement events are being held early August with business groups and to focus on the inclusive growth content. The LEP is also seeking letters of support from businesses and business organisations to support submission.

The key steps are therefore, subject to Board agreement

- informal sharing of the working draft with Cities and Local Growth Unit (CLGU) policy leads for initial comments
- refining the draft based on this feedback and submit by mid-August. Subject to CLGU agreement at this stage, the draft will be circulated by CLGU to other departmental officials for comments. Further refinement as needed with CLGU channelling feedback and comments
- September; provided a draft is agreed both Government and HotSW are broadly content with, start of formal Government 'write around' or agreement process. Estimated approximately 5-6 weeks. At this stage the document will be typeset and a design mocked up. Final document produced after write around completed.

Note that the draft circulated contains a few minor drafting comments which will be removed from the public version.

Recommendations

It is therefore recommended that the Board agrees

- the direction of the working draft (attached).
- to share the working draft with Government and to use this to form the basis of the next stage of co-development, as above.
- that the draft LIS is published for information on the Joint Committee and LEP websites
- to support targeted engagement with key stakeholders and promote wider awareness of the Local Industrial Strategy.

¹ The Foundations are Ideas, People, Business Environment, Infrastructure and Place. The Grand Challenges are: Future of Mobility, Clean Growth, Artificial Intelligence & Data, Ageing Society

