

REVIEW OF ROLE OF THE HOTSW JOINT COMMITTEE (JC) AND ITS RELATIONSHIP WITH THE HOTSW LOCAL ENTERPRISE PARTNERSHIP (LEP)

1. Introduction:

1.1 The scope of this review will include:

- The role and functions of the JC including the powers delegated from the constituent authorities.
- The JC's relationship with the LEP
- The management support arrangements of both the JC and the LEP

1.2 It is not intended to revisit the 'joint committee' model of governance as part of the review. The 'combined authority' governance option is therefore outside of this scope.

2. Background

2.1 The context for the review is:

- Government recent policy announcements, eg the development of Local Industrial Strategies, and the review of LEP governance and accountability
- Government future policy initiatives including the UK Shared Prosperity Fund, their impact on the roles of the JC and the LEP and the relationship between the two
- The move from setting policy (in the form of the Productivity Strategy) to delivery in the Delivery Plan and the different leadership and management arrangements required. A diagram showing the current leadership and management structures of the JC and the LEP is attached.
- The limited (and largely the same) officer resource available to support the JC and the LEP under SLA and 'in-kind' arrangements
- The review of the LEP's leadership and management arrangements following the appointment of David Ralph as CEx of the LEP
- The limited budget available to fund the JC's work. There will be an on-going budget commitment required of the Constituent Authorities to fund the JC and with local government finances as they are the budget available to the JC will remain restricted. There will therefore be a continued requirement for a significant level of in-kind support from the local authorities at officer level to support the work of the JC.
- The wider partnership agenda including the imminent establishment of the Transport for the South West Peninsula Board with separate leadership and management arrangements. This also includes the HotSW Local Transport Board. At this stage it is proposed that the detailed work on this review is focused on the HotSW area and the partnerships within its boundaries. In relation to the Transport for the South West Peninsula Board there would be some benefit in having a formal reporting link between the Board and the JC but beyond this aspect this will not be covered as part of this review.

3. The issues

3.1 Roles, cultural issues and management support arrangements

- The JC and the LEP have had complementary roles from the outset of the establishment of the JC with dual sign-off of policy in the shape of the Productivity Strategy. This was despite the LEP being unable to be given full voting membership of the JC because of the legislative restrictions. However, arguably the lead role within the relationship in terms of preparing the Productivity Strategy (PS) has been with the JC which has the delegated responsibility for approving the PS in collaboration with the LEP so providing for 'dual key' sign off.
- The roles of the JC and LEP need to be reviewed and adjusted to reflect the Government's policy announcements and greater importance attached to the LEP. This is most clearly displayed in the Government's announcements that LEPs will be responsible for the development and delivery of the LIS. The LIS is critical as the conduit through which funding will be allocated by the Government to places and will shape the deployment of the UK Shared Prosperity Fund. Local authorities (and by association the JC) will have important roles as stakeholders that the LEP will be required to involve and consult but the LEP will have the lead role. The JC's responsibilities need to be formally revisited to reflect these changes of emphasis. In addition, if the 'Opportunities' pitch to government is successful the partnership's delivery workload could grow significantly with the need to flex and adapt to take advantage of announcements that will benefit the area. We need to find ways to meet this demand. An unknown at this stage is the level of resource that the Government will make available to the LEP (as promised) to develop and deliver the LIS)
- The partnership between the JC and the LEP is still in its early days and there is a need to build on the successes such as the PS and the influencing of Government in terms of securing an early LIS commitment. The relationship between both bodies needs to evolve and adapt to ensure that there are clear decision-making accountabilities, and that the best use is made of the limited officer resources available to support both entities. On the JC side this requires a review of the structure including the CEx Advisory Group, the CEx Delivery Board, the Policy and Technical Advisory Group and the Programme Management Office.
- As well as being an important stakeholder in the development of the LIS, the JC will retain lead responsibility for a number of areas of activity where the LEP's role will have an interest as a stakeholder, and vice versa.
- The lead responsibilities for functions and workstreams will be more clearly defined through the review, accepting that because of the interdependencies both the LEP and the JC have a role in and need to be involved in / aware of activity across all the functional areas and workstreams. The lead responsibilities are important at the decision-making level in the JC and in the LEP Board but at management level the ability to be joined up and mutually supportive will also be critical to the success of the partnership.

- There is a need within the JC support structure to consider how in a practical way relevant portfolio-holders and directors can be better engaged in the work of the Committee to build support and buy-in from across the sector.

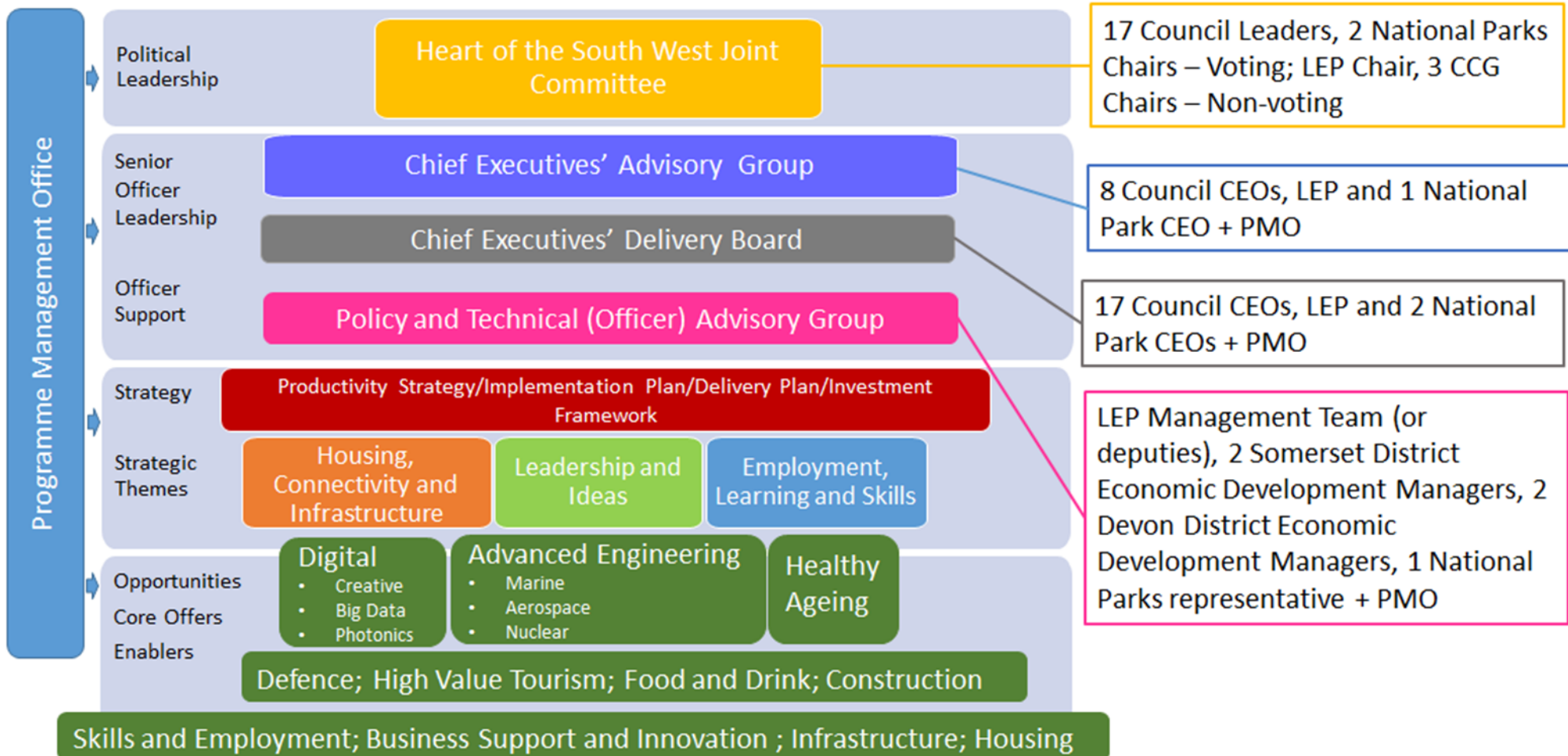
4. Required outcomes:

- Clarification of the roles of the JC and the LEP with an acceptance of the lead roles in terms of decision-making and accountability and willingness to support each other in terms of delivery. This includes the need to be able to flex accordingly within the arrangements to cope with the complex and rapidly changing policy background.
- Linked to the above should be an undertaking to share information and activity willingly across the wider partnership to enhance delivery, improve communication and avoid duplication/confusion
- A clear understanding and agreement on outcomes
- Delegation to the JC from the Constituent Authorities to sign off the LIS on behalf of the Constituent Authorities (accepting that the LEP has the lead role for approving the LIS)
- Establish revised management structures and support arrangements for both the JC and the LEP which makes best use of the limited officer resources available. This should include the development of a joint Communications and Engagement Plan.
- Review of the role and governance of the HotSW Local Transport Board to ensure best fit within local partnership arrangements.

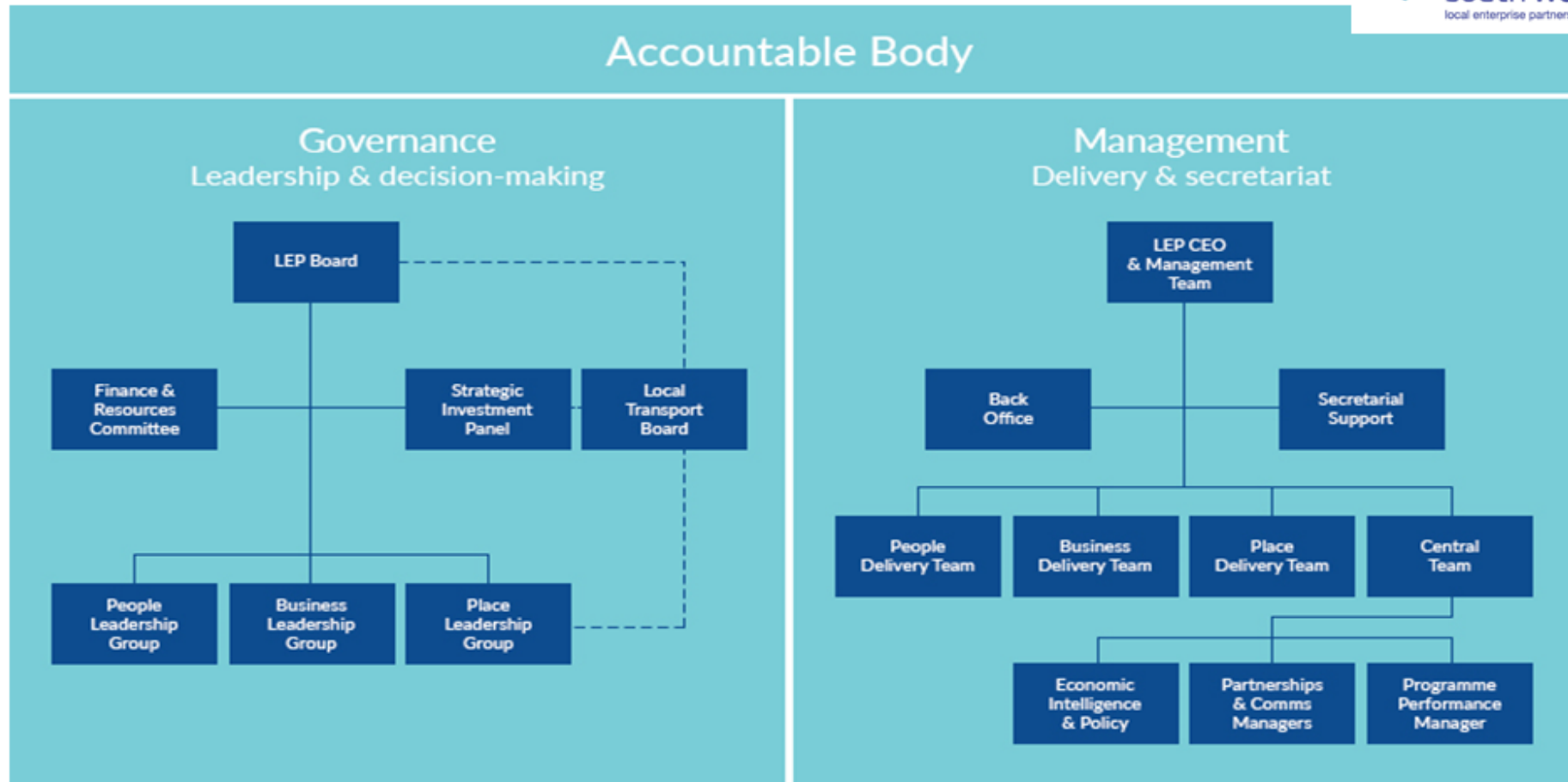
5. The proposed process:

- 5.1 It is suggested that the review is led by the CEx Advisory Group with additional representatives from the LEP as considered appropriate by David Ralph. Key reporting lines will be through to the JC (with the involvement of the CEx Delivery Board) and to the LEP Board. In the case of the JC, any changes to its role and functions will need the formal approval of all the Constituent Authorities.
- 5.2 There will need to be engagement with local authority portfolio-holders and directors as well as the HotSW Local Transport Board
- 5.3 It is suggested in terms of the JC that a report and recommendations are made to the 25th January 2019 JC meeting with a view to any changes being formally agreed by the Constituent Authorities before the 2019/20 financial year.

Heart of the South West Joint Committee Leadership and Management Structure



Heart of the South West Local Enterprise Partnership – Governance and Delivery Structures



Partnership support
 Various support activities undertaken by our partners as a contribution to LEP activity (e.g. HE support on innovation or local authorities support on economic intelligence/analysis)