

Minutes of the Heart of the South West (HotSW) Joint Committee

Devon County Council, County Hall, Exeter EX2 4QD

10.00am, Friday 25 May 2018

Attendance

Voting Members of the Constituent Authorities (unless otherwise specified- NV)

Cllr Bill Hitchens	Chairman - Dartmoor National Park Authority
Cllr John Hart	Leader - Devon County Council
Cllr Ian Thompson	Leader – East Devon District Council
Cllr Paul Diviani	Substitute - East Devon District Council – NV
Cllr Rachel Sutton	Substitute - Exeter City Council
Cllr Andrea Davis	Deputy Chairman - Exmoor National Park Authority
Cllr Harvey Siggs	Leader - Mendip District Council
Cllr Clive Eginton	Leader - Mid Devon District Council
Cllr Des Brailey	Leader - North Devon District Council
Cllr Tudor Evans	Leader - Plymouth City Council
Cllr Dawn Hill	Substitute - Sedgemoor District Council
Cllr David Fothergill	Leader - Somerset County Council
Cllr John Tucker	Leader - South Hams District Council
Cllr John Clark	Substitute - South Somerset District Council
Cllr Terry Beale	Substitute - Taunton Deane Borough Council
Cllr Jeremy Christophers	Leader - Teignbridge District Council
Cllr David Thomas	Leader - Torbay Council
Cllr Jayne Whittaker	Leader - Torridge District Council
Cllr Philip Sanders	Leader - West Devon Borough Council
Cllr Anthony Trollope-Bellew	Leader - West Somerset Council

Non-Voting Members

Richard Stevens	Substitute - Heart of the South West Local Enterprise Partnership
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Officers

Phil Norrey	Chief Executive - Devon County Council
Mark Williams	Chief Executive - East Devon District Council
Karime Hassan	Chief Executive - Exeter City Council
Chris Garcia	Chief Executive - Heart of the South West Local Enterprise Partnership
Eifion Jones	Head of Strategy and Operations - Heart of the South West Local Enterprise Partnership
Andrew Jarrett	Deputy Chief Executive – Mid Devon District Council

Paul O’Sullivan	Managing Director – Partnerships, Northern, Eastern and Western Devon Clinical Commissioning Group
Giles Perrett	Assistant Chief Executive – Plymouth City Council
Alison Ward	Regional Portfolio Manager - Plymouth City Council
Doug Bamsey	Corporate Director - Sedgemoor District Council
Pat Flaherty	Chief Executive - Somerset County Council
Julian Gale	Strategic Manager/Partnership Governance - Somerset County Council
Peter Stiles	Clerk to the Joint Committee - Somerset County Council
Sophie Hosking	Head of Paid Service - South Hams District and West Devon Borough Councils
Netta Meadows	Director (Strategy and Commissioning) - South Somerset District Council
Phil Shears	Chief Executive - Teignbridge District Council
Steve Parrock	Chief Executive - Torbay Council
Kate Spencer	Corporate Support - Torbay Council
Jenny Wallace	Chief Executive - Torridge District Council

Apologies

Cllr Peter Edwards	Exeter City Council
Steve Hindley	Heart of the South West Local Enterprise Partnership
Cllr Duncan McGinty	Sedgemoor District Council
Cllr Ric Pallister	South Somerset District Council
Cllr John Williams	Taunton Deane Borough Council

1. Appointments

1.1 Election of Chair

1.1.1 On the motion of Cllr Hart, seconded by Cllr Thomas, Cllr Fothergill was elected Chair for the Municipal Year.

1.2 Appointment of Vice-Chair

1.2.1 On the motion of Cllr Sanders, seconded by Cllr Brailey, Cllr Tucker was appointed Vice-Chair for the Municipal Year.

2. Declarations of Interest

2.1 Details of councillors’ appointments to local authorities were displayed in the meeting room and were therefore taken as read as declarations of personal interests by councillors.

3. Minutes

- 3.1 The Minutes of the Joint Committee meeting held on 23 March 2018 were confirmed and signed as correct, subject to “Chairman” being replaced by “Vice-Chairman” in Minute 1.2 - Appointment of Vice-Chairman.

4. Public Question Time

- 4.1 There were no public questions.

5. Heart of the South West Productivity Strategy Delivery Plan

- 5.1 The Joint Committee considered a report by Tracey Lee, SRO, on the proposed approach to the HotSW Productivity Strategy’s Delivery Plan which was presented by Chris Garcia and Eifion Jones, HotSW Local Enterprise Partnership.
- 5.2 The Delivery Plan would be based on the high-level programmes within the Productivity Strategy’s three strategic themes for raising productivity and improving prosperity: business leadership and ideas; housing connectivity and infrastructure; and employment, skills and learning and the three cross-cutting themes: maximising the potential from digital technology; inclusive growth for communities and places; and capitalising on our distinctive assets. There were two steps involved in moving the programmes to delivery, the first being to develop outcomes that the programmes would realise, the second being to set out how outcomes would be achieved.
- 5.3 The key focus of the Delivery Plan would be a suite of opportunities (transformational, bedrock and enablers) which reflected the specific potential of the HotSW area and the activity required to realise these opportunities. Each opportunity would be judged against the outcomes to ensure that they were delivering to the themes and overall ambition of the Productivity Strategy.
- 5.4 Each opportunity would form a compelling commercial proposition, a clear reason for investing in the HotSW area, supported by key investments needed to achieve this. The approach was aimed both at being clear on collective priorities across the Partnership and in creating significant propositions to Government and other funders.
- 5.5 The Delivery Plan process would respect the numerous sub-geographies and different priorities of the HotSW area and this would enable different areas to progress at different speeds as required by partners in those areas, meaning that programmes were tailored to specific circumstances.
- 5.6 The Delivery Plan would reflect the fact that activity was already underway, but there was a need to focus on what should be done differently in the future

to 'step up to the challenge'. A flexible approach to respond to changes in funding streams would be vital.

- 5.7 The next step involved developing the opportunities and testing and refining them through engagement across the Partnership, and more work on outcomes. A further report setting out progress would be submitted to the Joint Committee.
- 5.8 Chris Garcia referred to the good track record of the Partnership in attracting funding for the HotSW area which had included: Government funding of over £83m for improvements to the A361 North Devon Link Road; over £62m from the Housing Infrastructure Fund to support new housing schemes; and Lloyds Bank's launch of a £100m fund to help small businesses take advantage of supply chain opportunities in the construction of EDF Energy's Hinkley Point C nuclear power station. The Delivery Plan would be an important element in consolidating and building on this success.
- 5.9 Karime Hassan, Exeter City Council, referred to the housing workstream, funding opportunities and to work on the audit of the position on housing provision (housing construction programmes etc) in each district within the Partnership area. This would lead into the Housing Summit in September.
- 5.10 The following points were made during discussion:
- given the size of the farming/agriculture industry and the world class environment of the protected and other rural/coastal areas in the South West, Agriculture should be identified as a separate, transformational opportunity (and not subsumed within Food and Drink under Bedrock)
 - the need for:
 - fuller engagement with the wider business community on the Delivery Plan
 - further early, tangible progress on implementing the Productivity Strategy
 - LEPs to be encouraged to see local government as a full business partner
 - housing plans to be in place at an early stage to benefit from external funding
 - Healthy Ageing not to be forgotten
 - the need for improvements to transport infrastructure and social mobility in West Somerset/Exmoor
 - ways of involving Leaders more closely between Joint Committee meetings to ensure continued political engagement in driving the HotSW agenda. A report on this issue will be brought back to the Joint Committee for consideration.
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5.11 **RESOLVED**

(a) to adopt the proposed approach to identifying and commissioning programmes of activity that would form the HotSW Delivery Plan

(b) subject to the change in respect of Agriculture identified in Paragraph 5.10 above, to agree that the Delivery Plan should focus on the opportunities highlighted in the report.

6. Peninsula Sub-National Transport Body Progress Report (STB)

- 6.1 The Joint Committee received and noted a report presented by Pat Flaherty on progress with establishing an STB for the South West Peninsula to enable the transport authorities to respond effectively to the Government's request for more strategic thinking about transport investment and maximise investment opportunities.
- 6.2 The emerging approach was for two STBs to be formed in the South West (the only part of England not already covered by an existing or proposed STB), one likely to be called the 'Western Gateway' covering the West of England Combined Authorities and one covering the Peninsula Authorities of Cornwall, Devon, Plymouth, Torbay, Somerset and potentially Dorset. Corridor Alliances straddling STB areas such as the A38 Alliance were likely to continue. There would inevitably be cross-boundary interests with the Western Gateway STB and this was likely to be recognised through the ability for an STB to have co-opted membership of another. The Department of Transport appeared to have accepted the proposal to have two STBs covering the South West but a shared narrative would need to be developed on the reasons for this approach.
- 6.3 A formal proposal was being prepared for the Peninsula Authorities for establishing a Shadow Sub-National Transport Body by this autumn which could engage effectively with Government on investment planning. This would initially be an informal partnership comprising elected members from each local authority and representatives of bodies responsible for transport infrastructure in the area and other organisations such as Homes England and Local Enterprise Partnerships.
- 6.4 The report outlined key activities in establishing the partnership, pointing out that the next stage involved formal approval of the proposal by Peninsula Transport Authorities.
- 6.5 In response to points made during discussion, Pat Flaherty confirmed that the Department of Transport had done nothing to discourage the setting up of two STBs for the South West or a Peninsula STB and that in the longer term the greatest potential benefit for the Peninsula was likely to be derived from a formal, statutory body. A relationship between HotSW Joint Committee and

the Peninsula STB could be established through the Board's governance arrangements. Pat Flaherty said that he would look into, and report back on, the process involved in establishing a statutory Board and the likely timescale.

7. Heart of the South West Joint Committee Communications Strategy

7.1 The Joint Committee received and noted a report presented by Julian Gale, Somerset County Council, on the Communications Strategy for the Leaders and the HotSW Joint Committee agreed by the Chief Executives' Delivery Board.

7.2 The Strategy acknowledged that since the start of the work on the devolution agenda in 2015, the focus of the Partnership's discussion had moved from achieving a devolution 'deal' to a more flexible way of working across policy agendas and boundaries in tune with, and seeking to take advantage of, Government policy and funding. The Strategy was primarily concerned with communications with key stakeholders and ensuring that there was a degree of co-ordination across the 23 constituent organisations and a clarity of message. Engagement with Ministers and local MPs and key 'influencers' would be critical to the success of the Partnership's work programmes and the plan was to co-ordinate this activity with the LEP. The Strategy also provided a framework for communications around the wider work and interests of the HotSW Leaders.

7.3 The Strategy aimed to support the work of the HotSW Leaders and the Joint Committee by meeting the following objectives:

- build support for the work of the HotSW Leaders in Westminster and Government departments
- articulate clearly and concisely the HotSW Leaders' 'asks' from central Government
- provide regular information and updates to key influencers across the HotSW area
- raise public awareness and understanding of the work of the Leaders and the Joint Committee
- update elected members on progress, key decisions and milestones.

7.4 The Strategy also covered: target audiences; key messages; approach and tactics; campaign action plan; branding; communications budget and evaluation.

8. Heart of the South West Joint Committee Draft Budget and Cost Sharing Agreement (B&CSA) for 2018/19

8.1 The Joint Committee considered a report presented by Julian Gale, Somerset County Council, on the Committee's draft B&CSA for 2018/19.

- 8.2 He indicated that it was important that the Joint Committee was aware of its operating and support budget position and could be assured that the financial impact on individual authorities was made as clear as possible early in the financial year. The draft B&CSA was a development of part of the Inter-Authority Agreement approved by the constituent authorities when the Joint Committee was established.
- 8.3 It was noted that the underspend carried forward from the work on devolution during the 2015 to 2018 period was significantly higher than the £42,000 anticipated and this, together with the contributions agreed by the constituent authorities, would give the Joint Committee a larger than expected budget for 2018/19.
- 8.4 The proposed budget for 2018/19 was £113,838. In terms of anticipated spend for 2018/19 the plans outlined in the report suggested that the Joint Committee would be able to operate within budget although not all commitments had yet been identified. Therefore, at this stage it was thought that constituent authorities would not need to be asked for additional contributions beyond those already approved when the Joint Committee was established. Any funds not spent in 2018/19 would be carried forward to 2019/20 to help reduce the budget requirement for that year.
- 8.5 The B&CSA explained the key role played by the Administering Authority in managing the budget and the responsibilities of constituent authorities.
- 8.6 **RESOLVED** to approve the Budget and Cost Sharing Agreement for 2018/19 for recommendation to the constituent authorities, subject to the Section 151 Officers of those authorities signing off the Agreement as acceptable and appropriate.

9. Great South West Update

- 9.1 The Joint Committee considered a report presented by Chris Garcia, HotSW LEP Chief Executive on progress with establishing cross LEP area regional working through the Great South West initiative to promote shared objectives and shared opportunities with neighbouring areas.
- 9.2 He referred to the continuing commitment from local authorities, businesses, the three South West LEPs (Cornwall, Dorset and HotSW) and academic institutions to developing, and seeking formal Government recognition for, a 'Great South West' brand. This built on the publication in 2016 of a South West Growth Charter and two South West Growth Summits. A Steering Committee had been established to take the proposal forward and this had met for the first time on 16 May 2018.
- 9.3 The Steering Committee had agreed that work should be based on areas of common interest across the South West where there was a 'coalition of the

willing' whose combined efforts could make a real difference. The Committee had identified transport, rural productivity and trade and investment as the initial areas of focus and would be seeking Ministerial support for the Great South West initiative.

- 9.3 **RESOLVED** to continue to support the establishment of Great South West and to confirm the Committee's support for the key areas identified in Paragraph 5.4 of the report that the region should focus on as momentum builds.

(Cllr Thomas declared a personal interest in this item by virtue of his membership of the Steering Committee for Great South West and took no part in the discussion thereon)

10. **Brexit Resilience and Opportunities Group (BROG)**

- 10.1 Phil Norrey, Devon County Council, gave an update on the work of the Brexit Resilience and Opportunities Group established to identify the opportunities and challenges of Brexit and their impact on businesses across the HofSW area. He referred to the difficulties arising from the slow progress of the UK - EU Brexit negotiations and lack of clarity about the UK's future relationship with the EU.
- 10.2 An important area of work had focused on the recent DEFRA Command Paper *Health and Harmony: The Future for Food, Farming and the Environment in a Green Brexit* consulting on a new post-Common Agricultural Policy (CAP) domestic settlement for agriculture with greater freedom for all parts of the UK. The Government proposed to redirect money from direct payments under the CAP, which were based on the amount of land farmed, to a new system of paying farmers 'public money for public goods' – principally for their work to enhance the environment and invest in sustainable food production. Other public goods which could be supported include investment in technology and skills to improve productivity, providing public access to farmland and the countryside, enhanced welfare standards for livestock and measures to support the resilience of rural and upland communities.
- 10.3 The Government would continue to commit the same cash total in funds for farm support until the end of the current Parliament in 2022 and the Command Paper set out proposals for an 'agricultural transition' lasting a number of years beyond the post-Brexit implementation period during which direct payments would continue, providing stability and certainty for farmers as they prepared for the new system. At the same time, however, reduced direct payments in the first year of the agricultural transition period could free up £150 million for the environment and other public goods.

- 10.4 Phil Norrey referred to BROG's concerns about the impact of the proposals on the HotSW area and to discussions on these and prospective funding etc opportunities resulting from the new arrangements with Neil Parish, MP for Tiverton and Honiton, who chaired the Environment, Food and Rural Affairs Select Committee, and relevant stakeholders.
- 10.5 Other BROG activities included commissioning research and development into capacity for responding to opportunities following Brexit and engaging with businesses on their Brexit preparations.
- 10.6 Discussion points included: agricultural reform - food production as a public good, retention of local environmental schemes, and the need for a simpler scheme for direct payments to farmers; future fisheries policy and customs arrangements; and supply chains following Brexit.

11. Next Meeting

- 11.1 It was noted that the next meeting of the Joint Committee would be held on Friday 20 July 2018 at 10.00am.

12. Work Programme for 20 July 2018

- 12.1 It was noted that this would include:
- an update on discussions with the Department for Business, Energy and Industrial Strategy
 - Delivery Plan update
 - agreeing principles for the Investment Framework.

(The meeting ended at 12 noon)

CHAIR