

HotSW Joint Committee

Meeting date – 12 July 2019

HOTSW DRAFT LOCAL INDUSTRIAL STRATEGY

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1. Summary

1.1. This report seeks agreement to proceed to the next stage of development of the Local Industrial Strategy (LIS).

2. Recommendations

2.1. The Joint Committee is recommended to:

- (a) Agree the overall direction of the draft Local Industrial Strategy;
- (b) Agree that the draft version should be shared with Government to form the basis of the next stage of co-development;
- (c) Agree that the draft is published for information on the Joint Committee and LEP websites (following the LEP Board meeting on 23 July and subject to approval of the same recommendations at that meeting);
- (d) Agree to support targeted engagement with key stakeholders and promote wider awareness of the Local Industrial Strategy.

3. Reasons for recommendations

- 3.1 The Heart of the South West area was given the opportunity by Government to be part of the Wave 2 areas developing Local Industrial Strategies. This opportunity was based on the strength and maturity of the relationship between the Joint Committee and the LEP, and in recognition of the substantial joint working and comprehensive evidence base that led to the Productivity Strategy.
- 3.2 All LEPs are required to produce a LIS by March 2020 which means that all areas that weren't in the early waves will be competing for Government time and attention over the coming months. If there is slippage in the HotSW timetable we will have to compete for Government time which will delay final publication of our LIS.
- 3.3 If we are able to get our Local Industrial Strategy agreed both locally and

across Government departments as soon as possible we will be able to develop our propositions for investment and submit bids as soon as funding streams are announced, as well as feeding proposals into the Comprehensive Spending Review process. This will put us in a much stronger position to make our case to Government.

4. Background

- 4.1 In March 2018 the Heart of the South West Joint Committee, together with the LEP, endorsed their Productivity Strategy. This Strategy was developed over a 2 year period and is based on extensive evidence and wide engagement. The Strategy is focussed on increasing productivity levels across both the distinctive and traditional sectors of the HotSW economy. The overall aim is to double the size of the economy over the next 20 years; raising productivity and ensuring prosperity for all.
- 4.2 The Productivity Strategy covers a broad economic base and actions to deliver against it are through various mechanisms. Local Industrial Strategies are being co-developed with Government by all areas of England as a direct response to the national Industrial Strategy. Our LIS will be one of several routes for delivering aspects of growth and productivity for the HotSW economy, linked to our 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 'multi-channel' approach to delivering against our priorities.
- 4.3 The Government expects Local Industrial Strategies to align with the national Strategy in terms contributing towards 'Grand Challenges'. The Heart of the South West LIS has a central theme aligned to the Clean Growth Grand Challenge in recognition of the area's distinctive natural assets, combined with our technical capabilities and the opportunities that these present for our economy going forward.
- 4.4 The Productivity Strategy set out a cross-cutting commitment to inclusive growth and this principle also applies to the LIS. This means we will actively identify and tackle barriers that mean all parts of our area and our communities can access the opportunities that will be created. For example, this could include addressing digital inclusion, transport infrastructure, housing or skills levels.

5. Next Steps

- 5.1 The draft LIS will be shared with Government to enable further development and agreement across departments.
- 5.2 An update to the Joint Committee's functions that was agreed by all constituent members through separate council reports in late 2018/early 2019 gave the Joint Committee the role of helping to develop and endorse the LIS, noting that final approval rests with the LEP and Government.
- 5.3 The aim is to maintain the current pace of development of the LIS with

Government in order to reach agreement and publication in late September.

6. Equalities Implications

6.1 An Equality Impact Assessment was undertaken to support the Productivity Strategy from which the LIS has been developed. Therefore a separate assessment has not being undertaken and Government have confirmed this is not needed for LISs.

7. Financial Implications

7.1 There are no implicit financial implications associated with the Local Industrial Strategy however the Strategy creates a framework for future investment from Government and other funding sources, and in particular the expectation that it will guide decisions on the UK Shared Prosperity Fund for our area.

8. Legal Implications

- **8.1** The Government requires all areas to have a LIS agreed by March 2020. We aim to complete ours well ahead of the deadline.
- 9. Business Risk
- **9.1** N/A
- 10. Other Implications: Health and Well-being; Health and Safety; Sustainability; Community Safety; Privacy
- **10.1** N/A

11. Background papers

10.1 The Heart of the South West Productivity Strategy: <u>Stepping up to the Challenge</u>

Heart of the South West: <u>Local Industrial Strategy Progress Statement</u> (April 2019)