

HoftSW Joint Committee

Meeting date - 23rd March 2018

STATEMENT OF STRATEGIC INTENT – REPORT OF THE CHIEF EXECUTIVES' ADVISORY GROUP

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1. Summary

1.1. This report recommends that the Committee adopts a Statement of Strategic Intent as a policy framework document. It has been developed by the Chief Executives' Advisory Group on the back of initial discussions with the Government Minister and officials.

2. Recommendations

2.1. The Joint Committee considers and adopts the Statement of Strategic Intent set out in this paper, to guide its work moving forward.

3. Reasons for recommendations

3.1 The creation of the Joint Committee signals the commitment of the partners to work together to deliver better outcomes across the Heart of the South West. The statement sets the framework within which the Joint Committee will work moving forward, to ensure that it is best positioned to take advantage of any policy opportunities arising from Government.

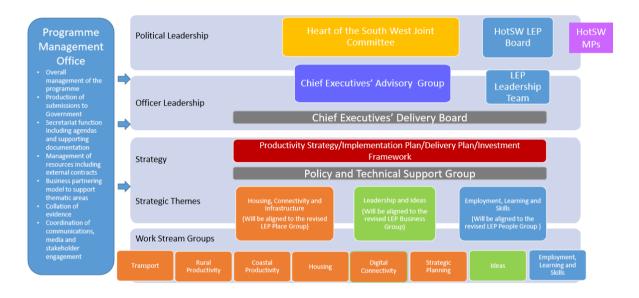
4. Background

- **4.1** The Partnership has been working together since August 2015. It has now entered into a formal Joint Committee arrangement to progress its objectives to co-deliver a Productivity Strategy for the Heart of the South West with the LEP, and to engage with Government to secure powers and funding to help achieve its ambitions.
- **4.2** The Government's commitment to devolution remains unclear and they have yet to publish their Devolution Framework for non-mayoral Combined Authorities. Despite this lack of national direction, the Partnership (and latterly the shadow Joint Committee) has taken the view that it will continue to work together and prepare for any opportunities arising from Government.
- **4.3** At a recent meeting with the Cities and Local Growth Unit, officials praised the approach taken by the Partnership and gave encouragement to continue. They were particularly

struck by:

- the unity and clarity of purpose of the Partnership,
- the productive relationship between the public and private sector, illustrated by close working with the LEP
- clear leadership and governance arrangements which provide reassurance of our commitment and capacity to deliver (refer to leadership structure below in figure 1)
- the ambitious vision set out in the Productivity Strategy, building on our strengths

Figure 1 – HotSW Joint Committee Leadership Structure



- **4.4** Another clear message that came from the discussions with civil servants was the need to be flexible in terms of the geography at which we work, and therefore which partners we engage with. This needs to be on a case by case basis, depending on the issue. This approach is important for Government, as on some issues they expect to work at a larger scale than the LEP geography. The Partnership must therefore be ready to work collaboratively with other areas.
- **4.5** There is already evidence of successful cross-LEP collaboration, for example on the Science and Innovation Audit, and the South West Rural Productivity Commission. There is also now an emerging consolidation around a South West Peninsula grouping of the 3 LEPs (Cornwall and the Isles of Scilly, Heart of the South West and Dorset) and the 4 county areas (Cornwall, Devon, Somerset and Dorset). These are the core participants in taking forward the Memorandum of Understanding with Innovate UK; in proposing a strategic transport body for the South West Peninsula; and in delivering the recommendations from the Rural Productivity Commission.
- **4.6** Consolidating the relationships across the Peninsula through a 'coalition of the willing' will provide a coherent geography; a greater critical mass covering a population of over 3 million people; and a stronger voice to Government. Whilst not an 'exclusive' group, as there will naturally be cooperation outside of this on some topics, it's clearly the 'best fit' to quickly progress the current opportunities with Government.
- 4.7 Members of the Joint Committee have already agreed, through their respective

Councils, the 'Arrangements' and 'Inter-authority' documents which described the purpose of the Joint Committee, how it will operate, be supported, and funded, and the role of individual members.

4.8 This Statement of Strategic Intent complements those documents by describing the proposed relationship of the Joint Committee with neighbouring councils; with other areas in the South West; and nationally, in order to support the delivery of the Productivity Strategy, and when engaging with Government on different issues. It also sets out the approach that the Joint Committee (and the LEP) will adopt in delivering the Productivity Strategy.

5. Statement of Strategic Intent

- **5.1** The Productivity Strategy sets out an ambitious agenda for the Heart of the South West economy, with the aim of delivering increased productivity and prosperity for all. Delivering this step change will require the Joint Committee to be clear on the approach it will adopt.
- **5.2** Within this context, economic development can helpfully be categorised in terms of transformational or incremental activity. Transformational economic development is generally the large scale strategic or disruptive activity that creates a step change in an area's economic growth, and which will require multiple interventions across the three strategic themes in the Productivity Strategy. In this regard the investment at Hinkley, and the work to realise the £50 billion of business opportunities from this to create a long-term nuclear supply chain capability in the area will be 'transformational'.
- 5.3 Incremental economic development however is also an essential component of growth, and is vital in ensuring that all areas are benefitting and growing. The impact is steady, sustained and measurable, though not on the large scale of programmes like Hinkley. An example could be the provision of support to grow start-up businesses, or to help businesses to export. Interventions here would be more likely to involve just one or two of the Productivity Strategy's strategic themes.
- 5.4 The Joint Committee will support both approaches, working alongside the LEP to achieve the objectives in the Productivity Strategy. These will be illustrated by the range of activities and interventions described in the Delivery Plan. Some of the programmes will operate across a larger geography.

STRATEGIC INTENT (For reference the position of the LEP is also set out where relevant within this Strategic Intent.)

- Strategic framework the Joint Committee will work with the LEP to develop
 a series of high level programmes across a number of themes, and an
 associated investment framework. These programmes will make up the rolling
 Delivery Plan that will achieve the aims in the overarching HotSW Productivity
 Strategy.
- Transformational opportunities will be those that focus on sectors, businesses and areas that have the potential for higher value, faster growth, capitalising on our unique strengths and assets as a region, and enabling the area to compete nationally and internationally. The LEP will also focus on transformational opportunities by working at a national, cross-regional, HotSW or sub-regional level as required.

- Economic development will continue to be led by individual local authorities, working with sub-regional partners, as appropriate, as part of their 'business as usual' services. The Joint Committee will seek to add value to this 'core offer' by sharing best practice across the Partnership and raising the overall quality and accessibility of the offer. The LEP will also continue to work to support incremental economic development, for example through the Growth Hub, and will work with local partners to maximise the core offer across the region.
- Flexible boundaries means that the Joint Committee is open to working collaboratively across flexible geographical boundaries, as opportunities arise. The LEP will also operate in this way to maximise the impact of joint working and to capitalise on engagement with Government. This could be with other LEP areas; with neighbouring local authorities; Peninsula-wide; across the whole of the South West; or nationally as in the case of Sector Deals. The councils and LEPs covering the South West Peninsula are currently emerging as the 'core group' to collaborate on a number of opportunities, representing a coherent geography and size.

6. Consultation, communication and engagement

6.1 This statement has been developed by the Chief Executives' Advisory Group following a recent meeting of all HotSW Chief Executives, meeting as the Chief Executives' Delivery Board. There has therefore been a wide level of engagement at Chief Executive level.

7. Options considered and the reasons for rejecting them

7.1 None considered.

8. Equalities Implications

8.1 As this is just a policy statement there are no direct equalities implications associated with the proposed decision.

9. Other Implications

- 9.1 Legal, Financial, HR, Health & Well-being, Sustainability, Community Safety and Privacy Implications : As this is just a policy statement there are no direct implications under the above headings associated with the proposed decision.
- 9.2 <u>Risk</u>

There are no direct risks to the Joint Committee of not adopting this policy statement but as stated earlier without being transparent and open about the way the Joint Committee intends to work may reduce our influence within the Government and our ability to deliver the Productivity Strategy. This could result in reputational damage further down the line.

10. Background papers

10.1 None

Note: For sight of individual background papers please contact the report author.