

People & Places Board Agenda

Tuesday, 11 September 2018 11.00 am

Smith Square 3&4, Ground Floor, 18 Smith Square, London, SW1P 3HZ

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People & Places Board 11 September 2018

There will be a meeting of the People & Places Board at **11.00 am on Tuesday, 11 September 2018** Smith Square 3&4, Ground Floor, 18 Smith Square, London, SW1P 3HZ.

A sandwich lunch will be available at 1.00pm

Attendance Sheet:

Please ensure that you sign the attendance register, which will be available in the meeting room. It is the only record of your presence at the meeting.

Political Group meetings:

The group meetings will take place from 10.00 -11.00am. Please contact your political group as outlined below for further details.

Apologies:

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting.

Conservative:	Group Office:	020 7664 3223	email:	lgaconservatives@local.gov.uk
Labour:	Group Office:	020 7664 3334	email:	Labour.GroupLGA@local.gov.uk
Independent:	Group Office:	020 7664 3224	email:	independent.grouplga@local.gov.uk
Liberal Democrat:	Group Office:	020 7664 3235	email:	libdem@local.gov.uk

Location:

A map showing the location of 18 Smith Square is printed on the back cover.

LGA Contact:

Amber Chandler Amber.Chandler@local.gov.uk / 020 7664 3235 / 07780226852

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People & Places Board – Membership 2018/2019

Councillor	Authority
Conservative (14)	
Cllr Mark Hawthorne MBE (Chairman)	Gloucestershire County Council
Cllr Gillian Brown OBE (Vice Chairman)	Arun District Council
Cllr Derek Bastiman	Scarborough Borough Council
Cllr Tom Fitzpatrick Cllr Keith Glazier	North Norfolk District Council
Clir Tim Hall	East Sussex County Council Surrey County Council
Cllr Adrian Hardman	Worcestershire County Council
Clir Glen Horn	Mid Suffolk District Council
Cllr Penny Jones Cllr Rory Love	Monmouthshire County Council Shepway District Council
Cllr Linda Robinson	Wychavon District Council
Cllr Harvey Siggs	Mendip District Council
Cllr David Thomas Cllr Rob Waltham MBE	Torbay Council North Lincolnshire Council
Substitutes	
Cllr Michael Green	Lancashire County Council
Cllr Peter Jackson Cllr Tim Oliver	Northumberland Council Elmbridge Borough Council
Labour (4)	
Cllr Simon Henig CBE (Vice- Chair)	Durham County Council
Cllr Azhar Ali	Lancashire County Council
Cllr Leigh Redman Cllr Sue Woodward	Somerset County Council Staffordshire County Council
Substitutes	
Cllr Alan Waters Cllr Rosanne Kirk	Norwich City Council
	Lincoln City Council
Liberal Democrat (2)	
Cllr Heather Kidd (Deputy Chair)	Shropshire Council
Cllr Sarah Osborne	Lewes District Council
Substitutes	
Cllr Stan Collins	South Lakeland District Council
Independent (2)	
Cllr Bob Jennings (Deputy Chair)	Epping Forest District Council
Cllr Helen Grant	North Yorkshire County Council

Local
Government Association
Substitutes
Cllr Lorna Corke

Substitutes	
Cllr Lorna Corke	Sedgemoor District Council
Cllr Robin Julian	Devon County Council



Agenda

People & Places Board

Tuesday 11 September 2018

11.00 am

Smith Square 3&4, Ground Floor, 18 Smith Square, London, SW1P 3HZ

Item

1.	Welcome, introductions and declarations of interest
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	PART ONE- NON-CONFIDENTIAL	Page	
2.	Membership and Terms of Reference	1 - 6	
3.	People and Places Draft Work Programme 2018/19	7 - 12	
4.	Industrial Strategy Update	13 - 20	
5.	Post Brexit England Commission [Part 1]	21 - 26	
	PART TWO- CONFIDENTIAL		
6.	Post Brexit England Commission [Part 2]	27 - 30	
7.	Skills Task Force - Verbal Update		
8.	Minutes of the last meeting	31 - 36	

Date of Next Meeting: Thursday, 15 November 2018, 1.00 pm, Smith Square 3&4, Ground Floor, 18 Smith Square, London, SW1P 3HZ



Membership and Terms of Reference for 2018/19

Purpose

For discussion.

Summary

For members to note the membership and agree the Terms of Reference for the People and Places Board for 2018/19.

Recommendations

The People and Places Board is asked to:

- 1. Note the membership of the Board for 2018/19 at Appendix A;
- 2. Agree the Board's Terms of Reference for 2018/19 at Appendix B

Action

Officers to take any actions as required.

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Appendix A

People and Places Board – Membership 2018/19

Councillor	Authority
Conservative (14)	
Clir Mark Hawthorne MBE	Gloucestershire County Council
(Chairman)	
Cllr Gillian Brown OBE (Vice	Arun District Council
Chairman)	
Cllr Derek Bastiman	Scarborough Borough Council
Cllr Tom Fitzpatrick	North Norfolk District Council
Cllr Keith Glazier	East Sussex County Council
Cllr Tim Hall *	Surrey County Council
Cllr Adrian Hardman	Worcestershire County Council
Cllr Glen Horn *	Mid Suffolk District Council
Cllr Penny Jones *	Monmouthshire County Council
Cllr Rory Love *	Shepway District Council
Cllr Linda Robinson *	Wychavon District Council
Cllr Harvey Siggs	Mendip District Council
Cllr David Thomas *	Torbay Council
Cllr Rob Waltham MBE	North Lincolnshire Council
Substitutes	
Cllr Michael Green *	Lancashire County Council
Cllr Peter Jackson	Northumberland Council
Cllr Tim Oliver	Elmbridge Borough Council
Labour (4)	
Cllr Simon Henig CBE (Vice- Chair) *	Durham County Council
Cllr Azhar Ali	Lancashire County Council
Cllr Leigh Redman	Somerset County Council
Cllr Sue Woodward *	Staffordshire County Council
Substitutes	
Cllr Alan Waters	Norwich City Council
Cllr Rosanne Kirk *	Lincoln City Council
Liberal Democrat (2)	
Cllr Heather Kidd (Deputy Chair)	Shropshire Council
Cllr Sarah Osborne	Lewes District Council



Substitutes	
Cllr Stan Collins	South Lakeland District Council
Independent (2)	
Cllr Bob Jennings (Deputy Chair)	Epping Forest District Council
Cllr Helen Grant	North Yorkshire County Council
Substitutes	
Cllr Lorna Corke *	Sedgemoor District Council
Cllr Robin Julian *	Devon County Council

* Newly appointed to this governance structure for 2018/19 meeting year.



People and Places Board 11 September 2018

Appendix B

Terms of Reference: People and Places Board

- 1. The People and Places Board represents the interests of non-metropolitan authorities. Its remit includes place-based inclusive growth with a particular emphasis on more rural areas, devolution, the implications of Britain's departure from the European Union for non-metropolitan areas, digital connectivity, skills and employment support, public service reform and wider issues relating to place-based leadership.
- The Board should seek to involve councillors in supporting the delivery of these priorities (through task groups, Special Interest Groups (SIGs), regional networks and other means of wider engagement); essentially operating as the centre of a network connecting to all non-metropolitan councils and drawing on the expertise of key advisors from across the sector.
- 3. The People and Places Board's responsibilities include:
 - 3.1. Ensuring the priorities of non-metropolitan councils are fed into the business planning process.
 - 3.2. Developing and overseeing a work programme to deliver the business plan against agreed priorities relevant to their brief, covering lobbying, campaigns, research, improvement support in the context of the strategic framework set by Improvement & Innovation Board, and events, linking with other boards where appropriate.
 - 3.3. Sharing good practice and ideas to stimulate innovation and improvement.
 - 3.4. Representing and lobbying on behalf of the LGA including making public statements on its area of responsibility.
 - 3.5. Building and maintaining relationships with key stakeholders.
 - 3.6. Involving representatives from councils in its work, through task groups, Commissions, SIGs, regional networks and mechanisms.
 - 3.7. Commissioning LGA officers and resources, where appropriate, to respond to specific issues referred to the Board by one or more member councils or groupings of councils.
- 4. The People and Places Board may:
 - 4.1. Appoint members to relevant outside bodies in accordance with the Political Conventions.
 - 4.2. Appoint member champions from the Board to lead on key issues, with responsibility for liaising with portfolio holders on key issues that require rapid response/contact with councils.



Work Programme

5. The Board to set its own work programme which is agreed at the start of each meeting cycle in early Autumn.

Quorum

6. One third of the members, provided that representatives of at least two political groups represented on the body are present.

Political Composition

7. The composition by political party is recalculated each year and reflects the political proportionality of the wider group of councils from which their membership is draw. The current composition is:

Conservative group:	12 members
Labour group:	4 members
Independent group:	3 members
Liberal Democrat group:	2 members

8. Substitute members from each political group may also be appointed.

Frequency per year

9. Meetings to be held five times per annum.

Reporting Accountabilities

10. The LGA Executive provides oversight of the Board. The Board may report periodically to the LGA Executive as required, and will submit an annual report to the Executive's July meeting.



People and Places Board – Draft Work Programme 2018/19

Purpose of report

For discussion.

Summary

This report sets out a draft work programme for the period to July 2019.

Recommendations

Board Members are asked to consider the draft programme and, subject to their comments and amendments, agree that it be confirmed as the People and Places Board's work programme for 2018/19.

Action/s

Officers to incorporate Member's comments into the work programme.

Contact officer:	Philip Clifford
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<u>Overview</u>

- The People and Places Board represents the interests of non-metropolitan local authorities. It provides a forum for leaders from across England to discuss place-based issues of common priority and a platform from which to advance the policy interests of more rural and coastal areas at the national level. Together with the City Regions Board it covers a wide range of policy areas, in contrast with the majority of other LGA boards which focus on particular agendas such as social care, community safety or finance.
- 2. The Board was established within the context of a national Government actively in favour of devolution to local areas, most notably through a series of devolution deals with groups of councils across the country.
- 3. While open to all areas, through the process of inviting proposals, assessing these across Whitehall and subsequently agreeing individual deals, the Government expressed both a clear preference for a specific model of devolved governance, a Mayoral Combined Authority, and exhibited a relatively narrow focus on cities and city regions.
- 4. As such, there are now ten signed devolution deals and seven Mayoral Combined Authorities. Of these, only Cambridgeshire and Peterborough and North of Tyne might be considered to contain substantial non-metropolitan areas and only Cornwall and London have managed to secure a deal without establishing a combined authority.
- 5. Both the Board's membership and policy focus reflect this context, with limited representation from those areas at the forefront of national Government's devolution agenda and a cross-cutting work programme that seeks to: ensure the opportunities of devolution are open to all areas; prioritise particular policy areas where the case for further devolution might best be made; and, capture those place-based issues most relevant to rural and coastal communities.
- 6. The next few months are likely to see both Whitehall and Westminster continue to be dominated by preparations relating to the UK's Withdrawal from the EU on 29 March 2019. In anticipation that the UK's departure will be followed at some point before May 2022 by a General Election there are signs that political parties and their aligned think-tanks are already beginning to develop policies suitable for inclusion in future party manifestos.
- 7. Throughout this period the onus will be on local government to continue to make the case for devolution. The People and Places Board has a crucial role to play in shaping this agenda and the draft work programme set out below, provides a framework for achieving this over the short, medium and longer term.
- 8. Members are asked to consider this report and, subject to their amendments, agree that it is confirmed as the People and Places Board's work programme for 2018/19.



Strategic priorities for 2018/19

- 9. It is proposed that the primary objective of the People and Places Board remains the devolution of power and resources to local government across England. However, recognising that few members of the Board are likely to be actively engaged in delivering devolution deals and the importance of maintaining a focus on issues specific to non-metropolitan and rural areas it is proposed that the strategic priorities for the year ahead are both broad and forward looking.
- 10. For those issues that lie outside these identified priorities, but which the Board's membership believe to be of particular relevance to non-metropolitan authorities it is proposed that in the first instance the priority will be to determine which LGA policy board, if any, has responsibility for this issue and what opportunities there are to contribute to ongoing and future activity.
- 11. The exception to this general approach will be those areas of interest shared with the City Regions Board, which represents the interests of urban authorities. In these cases, as is currently the case with skills and employment policy it is proposed that the presumption will be in favour of seeking to establish a joint position.
- 12. Reflecting the national context, the composition of the Board and its particular placebased focus it is therefore recommended that the 2018/19 work programme has three components:
 - 12.1 **Pushing for devolution now** advocating for devolution through national Government's place-based growth agenda i.e. the Industrial Strategy and on a Department-by-Department basis, such as skills and employment support devolution and sub-national trade and investment reform
 - 12.2 **Building the case for future devolution** using the Post-Brexit England Commission as a platform to advance a refreshed case for devolution to nonmetropolitan areas, re-positioning councils as a key partner with Government in shaping and supporting a successful post-Brexit England;
 - 12.3 **Strengthening non-metropolitan economic resilience** pushing for parity of treatment in Government policy and investment across all parts of England, with a targeted focus on issues of particular priority, reflecting the extent of the Board's wider work-programme, such as digital connectivity and the opportunity to reform the Common Agricultural Policy.

Pushing for devolution now

- 13. Despite the apparent 'pause' in the Government's devolution agenda there remain opportunities within the short to medium term to push for the transfer of power and resources to local areas.
- 14. First and foremost amongst these opportunities is the Government's Industrial Strategy, which represents both the firmest commitment by national government to a place-based



growth agenda and the greatest opportunity for engagement across Whitehall and with local anchor institutions such as universities and the NHS.

- 15. The Industrial Strategy has three place-based components: the Local Enterprise Partnership Review, Local Industrial Strategies and the UK Shared Prosperity Fund. While the precise relationship between reforms within each of these elements has yet to be clearly articulated it is understood that outside the Mayoral Combined Authority areas Local Enterprise Partnerships will play a crucial role in accessing devolved funding for local growth, such as the UK Shared Prosperity Fund and securing Departmental collaboration on local policy interventions such as skills and employment support.
- 16. Given the importance of this agenda to non-metropolitan authorities it is proposed that the People and Places Board take a leading role in this area, working closely with the Local Enterprise Partnership Network and agreeing where possible common positions relevant to Local Industrial Strategies, the UK Shared Prosperity Fund and Local Enterprise Partnership governance.
- 17. Second, the seven mayoral combined authorities represent the current high-point of national Government's approach to local devolution, with the next significant development expected to be the eighth Mayoral Election which will take place in North of Tyne in May 2019. However, the 2017 Conservative Manifesto also proposed a new Common Devolution Framework, widely interpreted as a mechanism for securing devolution outside the combined authority governance model.
- 18. While the precise relationship between the Devolution Framework and the Industrial Strategy is as yet unclear, early indications suggest that it may provide an opportunity to explore public service reform and elements of devolution that sit outside the economic growth agenda.
- 19. Within the context of a newly appointed Secretary of State, one yet to set to set out his position regarding future devolution, there is a significant opportunity to influence the design of this framework for the benefit of non-metropolitan authorities. As such it is proposed the Board seek to secure a meeting on this subject as a matter of urgency.
- 20. Third, alongside the City Regions Board it is proposed that the People and Places Board will continue to advance the role of local government in driving inclusive growth on a Departmental basis, reflecting both the priorities of members and the potential traction to be gained with Ministers.



- 21. Priority areas of work over the next year for the Board to consider and contribute to in this category include:
 - 21.1 Influencing the design and roll-out of the Industrial Strategy, which has three key place-based components the Local Enterprise Partnership Review, Local Industrial Strategies and the UK Shared Prosperity Fund. Ensuring areas across the country have an equal opportunity to develop ambitious and credible plans for growth that garner the support of Government, are backed by robust local governance arrangements that make the most of existing partnerships and are underpinned by devolved funding for growth that better reflects the need of local communities.
 - 21.1
 - 21.2 Influencing the development of the Government's 'Devolution Framework', now expected to be published in the autumn and drawing on the experience of councils with devolution deals to ensure those without a deal are best able to make the most of this opportunity.
 - 21.3 Continuing to advance the arguments in favour of skills and employment devolution, pressing government to fully implement Work Local, the LGA's positive proposal for change, working with the Department for Education to deliver the post-16 skills partnership through the combined authorities and non-combined authorities working groups and using the LGA's Skills Taskforce to build an expanded coalition of stakeholders outside the local government sector to support the LGA's proposals for skills and employment devolution.
 - 21.4 Developing the LGA's approach to trade and international investment, by working with the Department for International Trade to understand and strengthen the existing sub-national trade and investment landscape, building an evidence base of place and sectoral priorities for future trade deals and agreeing with Government how the views and international relationships of local government might be harnessed during these deals.

Building the case for future devolution

- 22. In anticipation of both the opportunities and challenges following Britain's departure from the EU, the inherent limitations in the medium term resulting from the current national political context and the time required to develop credible and coherent policy proposals the People and Places Board took the decision at the start of the 2017/18 work programme to establish the Post-Brexit England Commission to develop a refreshed case for devolution to non-metropolitan areas and re-position councils as a key partner with Government in shaping and supporting a successful post-Brexit England.
- 23. Since its formal launch in February 2018, the Commission has built a broad coalition of partners from across local government, Parliament, business and the public and housing sectors.



People and Places Board 11 September 2018

- 24. In May, the Commission began a series of roadshows across the country, to gather evidence on the challenges rural and coastal communities are facing and the local policy levers needed to tackle them.
- 25. At the LGA Annual Conference in July 2018, the Commission published its interim report detailing the significant social and demographic challenges facing rural and coastal communities and identifying seven policy areas in which power and resources might be devolved to councils in order to provide better outcomes for residents and businesses.
- 26. The report attracted significant positive press coverage at the national and local level and attracted widespread support for the Commission's objectives.
- 27. Over the year ahead the Commission will continue to gather evidence, develop compelling policy proposals and build the stakeholder networks necessary to successfully advance the case for ambitious local devolution ahead of a final publication in 2019.
- 28. The key area of work over the next year for the board to consider and contribute to is:
 - 28.1 Shaping and supporting the Post-Brexit England Commission as it moves towards publication of a final report in 2019. Noting that the Commission contains both discrete elements of policy as well as acting as a framework for considering wider questions, such as the constitutional position of England within the United Kingdom.

Strengthening non-metropolitan economic resilience

- 29. While the Board's diverse membership, strategic priorities and allocation of resources reflect its creation as a platform to advance the case for devolution to all parts of the country, both the clear urban locus of implemented devolution deals and the comparatively scant attention paid at the national level to issues affecting deeply rural as well as coastal areas have, over successive political cycles, encouraged members to provide national leadership on issues of particular relevance to their non-metropolitan communities.
- 30. Priority areas of work over the next year for the Board to consider and contribute to in this category include:
 - 30.1 Digital connectivity steering the work of the Rural Digital Connectivity Working Group
 - 30.2 Common Agricultural Policy exploring the potential to develop new thinking relating to the reform of the Common Agricultural Policy

Next Steps

31 Members are asked to consider this report and, subject to their amendments, agree that it is confirmed as the People and Places Board's work programme for 2018/19.



People and Places Board 11 September 2018

Industrial Strategy Update

Purpose

For discussion and direction.

Summary

This paper provides an update on recent developments with the Government's Industrial Strategy and outlines proposed next steps relating to the key place-based elements of the Industrial Strategy.

Recommendation

Members of the People and Places Board are asked to consider the developments and proposed next steps in relation to:

- 1. The Government's Review of Local Enterprise Partnerships (paras 3-13);
- 2. The development of Local Industrial Strategies (paras 14-21); and
- 3. The design of the UK Shared Prosperity Fund (paras 22-30).

Action

Officers to proceed with next steps in line with members' steer.

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People and Places Board 11 September 2018

Background

- 1. On 27 November 2017 the Government published the Industrial Strategy White Paper which set out the Government's plans for supporting Britain's industrial sectors, improving productivity, driving growth across the country and making British business more competitive.
- 2. This paper provides an update on and proposes next steps relating to the three key place-based components of the Industrial Strategy the Government Review of Local Enterprise Partnerships, the development of Local Industrial Strategies and the design of the UK Shared Prosperity Fund.

Government Review of Local Enterprise Partnerships (LEPs)

- 3. In the White Paper, the Government announced it would be 'reviewing the roles and responsibilities of LEPs and will bring forward reforms to leadership, governance, accountability, financial reporting and geographical boundaries.' This Review was overseen by the LEP Advisory Panel, established by Jake Berry MP and Margot James MP in December 2017.
- 4. Two of the invited members of the Panel were LGA Lead Members Cllr Judith Blake CBE (Leader of Leeds City Council and Lead Member of the Environment, Economy, Housing and Transport Board) and Cllr Anne Western CBE (Derbyshire County Councillor and then Lead Member of the People and Places Board).
- 5. In addition to LGA representation on the LEP Advisory Panel, a joint letter was submitted to the panel on behalf of the Chairs of the City Regions, People and Places and Environment, Economy, Housing and Transport Boards. This letter highlighted the key areas that local government wanted to see addressed through the LEP Review and outlined suggested recommendations in accordance with these.
- 6. Following the publication of the White Paper, the LGA also engaged with the LEP Network to discuss opportunities for collaboration on the LEP Review as well as the key place-based announcements contained in the White Paper, such as the introduction of Local Industrial Strategies. This was subsequently reflected in a joint press release published by the LGA and the LEP Network that outlined our commitment to joint working in these areas.¹
- 7. In March, the LGA hosted a roundtable event with the LEP Network which provided an opportunity to identify common ground between councils and LEPs in relation to the Industrial Strategy and to consider how these can be most effectively communicated to the Government. The key output from this event was a joint letter to Greg Clark, Secretary of State for Business, Energy and Industrial Strategy. The letter outlined our shared priorities for the Industrial Strategy including the need for skills devolution and unified growth funding.

¹ <u>www.local.gov.uk/about/news/lga-and-lep-network-joint-working-commitment</u>



People and Places Board 11 September 2018

- 8. The LEP Advisory Panel met for the fourth and final time in May and the conclusions of the LEP Review were published in July in the 'Strengthened Local Enterprise Partnerships' policy paper.² This paper stated that the Government would aim to:
 - 8.1. Agree Local Industrial Strategies with all areas of England by early 2020 and "publish a further statement on Local Industrial Strategies to inform locally-led development across the country";³
 - 8.2. Establish "more representative" LEP boards of a maximum of twenty people with the option to co-opt up to five additional Board members. The Government's stated aspiration is that two-thirds of board members should be from the private sector;
 - 8.3. Ask LEP Chairs and other local stakeholders to come forward with considered proposals by the end of September on "geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers";
 - 8.4. Introduce a number of measures to strengthen accountability, including the development of "a LEP sector-led approach to assessing and improving performance through regular peer review" and support to LEPs to "set out how they will ensure external scrutiny and expert oversight, including participating in relevant local authority scrutiny panel enquiries to ensure effective and appropriate democratic scrutiny of their investment decisions";
 - 8.5. Take steps relating to the role of LEPs in Mayoral Combined Authority (MCA) areas, including "encouraging LEPs and MCAs to move towards coterminous geographies where appropriate in line with the wider discussions on LEP geographies";
 - 8.6. Provide up to £20million in 2018-19 and 2019-20 in additional capacity funding to "support LEPs to implement the review and to provide the strategic and analytical capability to develop ambitious Local Industrial Strategies";
 - 8.7. Publish a statement on the role and responsibilities of LEPs that will focus on enhancing productivity; and
 - 8.8. Offer an induction and training programme for LEP board members and officers on working with Government that will be developed with the LEP Network, the LGA and other professional development bodies.
- 9. In response to the publication, the LGA issued a response that covered the following key points:⁴

²<u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/72</u> 8058/Strengthened_Local_Enterprise_Partnerships.pdf

³ Mayoral Combined Authorities will have a Local Industrial Strategy (LIS) led by the mayor and supported by LEPs. For parts of England without a mayor, their LIS will be led by the LEP.



People and Places Board 11 September 2018

- 9.1. The LGA welcomed the confirmation following recent joint calls for this from the LGA and the LEP Network that every area will be invited to develop a Local Industrial Strategy in partnership with the government.
- 9.2. The Government's proposals on LEP board composition risk diluting the views of local people and undermining the role and investment that local authorities make in the success of their local economies.
- 9.3. While it is important that the structure and governance of LEPs reflects the need for transparency and accountability highlighted by the Ney Review, on their own these changes will do little to help the country to match the productivity levels of its rivals.
- 9.4. Only a devolved, streamlined, local solution to skills provision can help bridge the productivity gap globally. This must be backed by a UK Shared Prosperity Fund that is at least equal in quantum to current EU funds and does not result in a gap at the end of EU Funding. This fund should be flexible, localised, and based on the needs of local places and communities.
- 10. The Government has asked Local Enterprise Partnership Chairs and other local stakeholders to come forward with considered proposals by the end of September on geographies which best reflect real functional economic areas, remove overlaps and, where appropriate, propose wider changes such as mergers.
- 11. It has also stated that Government will respond to these proposals in the autumn and future capacity funding will be contingent on Ministerial approval of these proposals.
- 12. In light this and the wider findings of the Government Review of LEPs, it is proposed that next steps for the LGA's activity relating to LEPs includes the following:
 - 12.1. Understanding the broad parameters of emerging proposals related to geography and considering the implications for local authority leadership and representation.
 - 12.2. Continuing to emphasise the importance of local leadership from councils in driving local growth as well as highlighting the importance of public sector representation on LEP Boards to both government and the LEP sector;
 - 12.3. Continuing to engage with the LEP Network to explore how local partnerships might be supported to implement elements of the LEP Review; and
 - 12.4. Considering how other elements of the LGA's Industrial Strategy work can strengthen joint working between councils and LEPs, such as activity relating to Local Industrial Strategies and the UK Shared Prosperity Fund.

⁴ The LGA's full response can be found here: <u>http://www.local.gov.uk/about/news/lga-responds-new-government-proposals-local-enterprise-partnerships</u>



People and Places Board 11 September 2018

13. Members are invited to comment on the proposed next steps for the LGA's work relating to the LEP Review.

Local Industrial Strategies

- 14. The key place-based announcement contained in the White Paper was the introduction of Local Industrial Strategies. The White Paper outlined that places in England with a Mayoral Combined Authority will have a Local Industrial Strategy (LIS) led by the mayor and supported by LEPs. For parts of the country without a mayor, the development of the LIS will be led by the LEP.
- 15. At previous meetings, Members of the City Regions and People and Places Board have highlighted the need for further guidance on Local Industrial Strategies and requested confirmation from government that all parts of the country will be invited to develop a LIS.
- 16. These are issues that the LGA has continued to push for further clarity on through its engagement at political and official levels.
- 17. Following the attendance of senior BEIS officials at the Boards in June, the LGA submitted a joint letter with the LEP Network to Greg Clark, Secretary of State for Business, Energy and Industrial Strategy. This letter sought confirmation that all areas would be invited to develop a LIS by government.
- 18. Following this engagement, the Government confirmed in the LEP Review publication that it will aim to agree Local Industrial Strategies with all areas of England by early 2020. It also committed to publishing a policy prospectus on Local Industrial Strategies over the summer to guide locally-led work. We understand that the policy prospectus will set out the objectives, policy rationale and approach to developing Local Industrial Strategies and will be accompanied by progress statements from Greater Manchester and the West Midlands that will set out the extent of cross-Whitehall support for LIS development.
- 19. In July, the Government also announced that the North East, Tees Valley, West of England, Leicester & Leicestershire, Cheshire & Warrington and the Heart of the South West will be the second wave of areas to work with government to develop their Local Industrial Strategies. This follows the first set of LIS trailblazers in Greater Manchester, the West Midlands and the Cambridge-Milton Keynes-Oxford corridor.
- 20. Now that it has been confirmed that all areas will agree a LIS with government, it is proposed that the LGA's engagement with Whitehall now seeks to secure clarity on the following areas for councils:
 - 20.1. Understanding the links between Local Industrial Strategies and other key areas of local growth policy including: the UK Shared Prosperity Fund, the LEP Review and the devolution framework;
 - 20.2. Ensuring that Local Industrial Strategies are a vehicle to securing the necessary powers and adequate funding for local leaders to deliver successful and inclusive economies and that these efforts are supported across Whitehall departments; and



People and Places Board 11 September 2018

20.3. Clarifying the approach to future phasing of Local Industrial Strategies and how this will be structured to both meet proposed timeframes and ensure that those areas involved in later phases are not disadvantaged both in relation to the support provided to develop their LIS and the powers and resources awarded following agreement of their LIS.

21. Members are invited to comment on the LGA's priorities for engagement relating to Local Industrial Strategies.

The UK Shared Prosperity Fund

- 22. The Government has pledged to create a UK Shared Prosperity Fund (UKSPF) to replace EU funding. In a written statement delivered in July,⁵ James Brokenshire, Secretary of State for the Ministry of Housing, Communities and Local Government, provided an update on the UKSPF in which he stated that the Fund would aim to:
 - 22.1. **Tackle inequalities** between communities by **raising productivity**, especially in those parts of our country whose economies are furthest behind;
 - 22.2. Be a **simplified**, **integrated fund** to ensure that investments are targeted effectively and supported by strong evidence about what works at the local level; and
 - 22.3. **Respect the devolved settlements** in Scotland, Wales and Northern Ireland.
- 23. The written statement also referenced the preparation of Local Industrial Strategies which will enable local areas to prioritise long-term opportunities and challenges to increasing productivity. It states that this prioritisation will help local areas decide on their approach to maximising the long-term impact of the UKSPF once details of its operation and priorities are announced in the Spending Review.
- 24. Finally, the written statement announced that the Government will underwrite the UK's allocation for structural and investment fund projects under this EU Budget period to 2020 in the event of no-deal.⁶
- 25. However, despite the detail outlined in the written statement, there continues to be limited detail on what it will mean in practice for local areas and, crucially, what the quantum of the UKSPF will be.

⁵ <u>https://www.parliament.uk/business/publications/written-questions-answers-statements/written-</u> <u>statement/Lords/2018-07-24/HLWS898</u>

⁶ The LGA's response to this announcement is available here: <u>https://www.local.gov.uk/about/news/lga-responds-government-announcement-funding-eu-programmes</u>



People and Places Board 11 September 2018

- 26. The LGA will continue to press for our key lines, including seeking a commitment to at least matching the current quantum of EU structural funds and building on existing devolved funding arrangements. We are also making the case for the introduction of the UKSPF to be a fresh opportunity to develop a place-based, multi-year fund that is based upon locally determined targets and outcomes, as opposed to a replication of the current system that is unnecessarily complex and bureaucratic.
- 27. The LGA have been proactive in pressing the Government on the design and delivery principles to underpin UKSPF. We have published our principles in the <u>Beyond Brexit</u> report and made the case for urgent action in our LGA Conference report, <u>Brexit: Moving the Conversation On</u>. The LGA are working with the sector to develop these principles further as well as supporting councils and combined authorities that attend any related events.
- 28. The Government are holding a series of pre-consultation events and formal consultation is expected by the end of the year. The LGA have secured a council officer led roundtable as part of the pre-consultation process on 24 August. This will have a focus on strategic economic issues beyond current EU funding streams and how UKSPF can be integrated within economic development and growth programmes. A verbal update on the discussion will be provided at the Board.
- 29. The LGA is preparing for the consultation that is anticipated towards the end of the year and we continue to welcome contributions from members.
- 30. Members are invited to comment on the next steps for the LGA's work relating to the UKSPF.



Post-Brexit England Commission – Part 1

Purpose of report

For direction.

Summary

This paper sets out the background to the People and Places Board's Post-Brexit England Commission and outlines a proposed workplan for the next phase of the Commission's work following the successful publication of its interim report in July 2018.

Recommendations

Members are asked to:

- 1. Reflect on the work of the Commission to date (**paragraphs 1-9**)
- 2. Agree the future policy direction of the Commission including the policy areas on which the final report should prioritise its focus (**paragraphs 10-14**)
- 3. Note the dates of the Commission's remaining roadshows. (paragraphs 15-18)

Action/s

Officers to take forward work in line with members' steer.

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Post-Brexit England Commission – Part 1

Background

- 1. Early on in the last political cycle, members concluded that the process of withdrawing from the European Union will continue to fully occupy the attention and resources of national government for many months to come. In turn, this will leave both Whitehall and Westminster with little scope to tackle the major barriers to success and prosperity facing non-metropolitan England.
- 2. While the last few years have seen national and local government take steps towards addressing these barriers through the deal-based decentralisation of funding and policy responsibility, there is now a strong sense amongst members that, for areas outside the mayoral combined authorities, particularly non-metropolitan areas, devolution has stalled leaving the significant economic and social benefits of greater local control over public services and investment unrealised.
- 3. Consequently, the People and Places Board decided to establish the Post-Brexit England Commission to develop a refreshed case for devolution to non-metropolitan areas and to re-position councils as a key partner with Government within the context of shaping and supporting a successful post-Brexit England.
- 4. In order to secure the strong political buy-in of non-metropolitan councils and make best use of existing resources, the Board chose to maintain strategic oversight of this work, but for a broad range of stakeholders to be engaged on the Commission's focus to ensure its outputs are credible, coherent and compelling.
- 5. Since its launch in February 2018, the Commission has built a broad coalition of partners from across local government, Parliament, business and the public and housing sectors. In May, it began a series of roadshows across the country to gather evidence on the challenges rural and coastal communities are facing, and the local policy levers needed to tackle them.
- At the LGA Annual Conference in July 2018, the Commission published an interim report detailing its findings to date. <u>'The Future of Non-Metropolitan England: moving the</u> <u>conversation on'</u> outlines the 'perfect storm' of social and demographic challenges facing rural and coastal communities and identifies seven key challenges which local government can address if given the requisite powers and funding;
 - 6.1. tackling the skills gap;
 - 6.2. building more affordable and suitable housing;
 - 6.3. catalysing better digital connectivity;
 - 6.4. providing support services to help maintain health and wellbeing;
 - 6.5. maintaining and building high quality transport provision and infrastructure;
 - 6.6. supporting businesses to export and attract investment; and
 - 6.7. increasing productivity and securing inclusive growth.
- 7. As one of the LGA's key Conference publications, the report received a high level of attention from delegates and secured extensive positive coverage in the national media including <u>the Daily Telegraph</u>, <u>the Guardian</u>, <u>The Times</u> and <u>the Express</u>. Cllr Hawthorne



People and Places Board 11 September 2018

was also interviewed by Sky News Radio, which supplies news to every commercial radio station in the UK.

- 8. Since Conference, the report has been downloaded almost 500 times and has also featured in an editorial in <u>the Yorkshire Post</u> by Conservative Peer Baroness Macintosh.
- 9. The Commission's interim report is the first major milestone in its programme of work. Its publication, and the attention is has received to date, provides a firm foundation on which to develop the next phase of the Commission's activity which will culminate in the publication of a final report in 2019.

The future focus of the Commission

- 10. This first board of the 2018/19 political cycle is an opportunity for members to reflect on the activity and achievements of the Commission to date, refresh their overall ambitions for the Commission and consider how the final report might build on the work of the interim report in support of these.
- 11. The Commission's interim report places firmly on record the challenges and opportunities facing non-metropolitan England post-Brexit, spanning seven key policy themes across the remits of several LGA Boards. In adopting this high-level strategic perspective it provides a clear sense of the expansive and interrelated concerns facing non-metropolitan communities, has successfully gained traction with national stakeholders and the press, and will remain a centrepiece of the Commission's work over the coming political cycle.
- 12. The publication of the Commission's final report is now an opportunity for members to undertake fresh research and develop new thinking on behalf of the sector in policy areas of importance to non-metropolitan councils, and on which it has the direct remit to engage Government and other key stakeholders in the aftermath of Brexit and in the coming years. To this end, officers have set out four areas which it is suggested the board dedicates the capacity and resource available to the Commission in the coming year.

Areas to actively develop

- 12.1. The Industrial Strategy The Government's announcement that it will agree Local Industrial Strategies with all areas by early 2020, and the inclusion of non-metropolitan areas in the recently announced 'second wave' which will be developed, offers the Commission an opportunity to consider how Local Industrial Strategies will best work in the context of rural and coastal areas. The activity the Board will undertake in this area, as set out in a separate paper, will help inform the work of the Commission and allow officers to engage with non-metropolitan areas developing a strategy in the coming months. In turn, this will help the Commission set out a series of recommendations for those areas that are yet to develop a Local Industrial Strategy by the time of the publication of the Commission's final report
- 12.2. **Reform of the Common Agricultural Policy** It is suggested officers begin to scope out a piece of research which will explore the future of funding in non-



People and Places Board 11 September 2018

metropolitan areas, looking in particular at options for successor arrangements to the Common Agricultural Policy and how they might integrate into the new growth funding landscape, post-Brexit.

- 12.3. Digital connectivity With welcome progress made on the Commission's broadband asks, including the Government's recent decision to consult on mandating fibre to the premises for all new builds, the Commission could sharpen its focus on mobile connectivity coverage in rural and coastal areas. With support from the Rural Digital Connectivity Working Group, a survey of councils could be undertaken to understand the support they need in this area to help catalyse further connectivity. A representative from the Department for Digital, Culture, Media and Sport or Sharon White, Chief Executive from Ofcom, could also be invited to the January Board to discuss the findings of the survey.
- 12.4. **Trade and international investment** Finally, the Board has led on the LGA's work to date on how to strengthen the sub-national trade and investment support framework in England. The final report is an opportunity to further develop proposals on how the existing sub-national trade and investment framework could be strengthened to support local businesses export and attract investment, especially the SMEs and micro-businesses which dominate the economy of non-metropolitan areas. This will be aided by the survey of councils members have commissioned on the role of local areas in encouraging exports and establishing international links. It is also proposed that a representative from the Department for International Trade be invited to the November Board to discuss the findings.

Policy areas to keep a watching brief

- 13. It is suggested the Commission maintains a watching brief over the remaining policy areas covered in the interim report, and on which future LGA activity is being steered by other LGA Boards or working groups, but retains the option to consider them in greater detail in the final report should the need arise. These include:
 - 13.1. **Employment and skills** building on the proposals outlined in the interim report, the newly established LGA Skills Taskforce will advance the arguments in favour of skills and employment devolution, pressing government to fully implement Work Local, the LGA's positive proposal for change.
 - 13.2. Health and wellbeing following the postponement of the Government's Green Paper on adult social care, the LGA has published its own green paper '<u>The lives we want to lead</u>'. The consultative document seeks the views of people and organisations from across society, including non-metropolitan councils, on how best to pay for care and support for adults of all ages. Its findings will be used to inform and influence the Government's green paper and spending plans on behalf of the sector.
 - 13.3. **Rural Housing -** The EEHT Board will continue to lead the case for reforming housing, planning and homelessness policy to ensure councils have the tools and resources to meet local housing need. This includes planning and land market reforms to ensure developers build homes that are locally affordable,



People and Places Board 11 September 2018

appropriate, good quality and well supported by infrastructure, as well as pushing the case for certainty and flexibility for councils to build homes directly.

- 13.4. **Rural Transport -** The Government has made the future of transport one of the Industrial Strategy's 'grand challenges' and has launched a call for evidence on how changes to mobility will change transport networks and society. This call for evidence will influence a 'future of rural mobility strategy' that will be published at some point after 2018. The LGA intends to reply to this call for evidence with the insights gained through our future transport programme of work. The work will continue for the coming political year and will examine how local authorities will respond to changes in transport technology.
- 14. Members are invited to comment on the proposal to make a division between those policy areas to actively develop and those over which to retain a watching brief with a view to producing a final report which develops new thinking on behalf of the sector and on which the Board has the remit to engage Government and other key stakeholders post-Brexit.

The Commission's Roadshows

- 15. Over the last political cycle, members made clear the importance of engaging a wide ranging number of stakeholders, approaching public and private sector representatives as a matter of course, but also seeking input from a full cross-section of relevant rural industries, communities, academics and civic groups.
- 16. To this end it was proposed that the development of the Commission's recommendations are informed by a series of regional roadshows, with an explicit focus on ensuring these engage stakeholders from rural communities across the country, drawing deeply on local experience and expertise
- 17. Regional events in the East Midlands and South West were held in May 2018 to engage stakeholders on the drafting of the interim report. A summary of those meetings is provided in the Commission's interim report. The next iteration of the Commission's roadshows will be held across the remaining regions of the country between October and December to test and develop the findings of the Commission.
- 18. The dates of the roadshows are as follows and members can register their attendance on the LGA website <u>www.local.gov.uk/events</u>.



West Midlands	Thursday 4 October, Staffordshire County Council
North West	Tuesday 16 October, Lancashire County Council
East of England	Tuesday 27 November, Essex County Council
South East	Tuesday 18 December, LGA, Smith Square
North East	Date and venue to be confirmed shortly.
Yorkshire and Humber	Date and venue to be confirmed shortly.

Next Steps

19. Members are asked to:

- 19.1. Reflect on the work of the Commission to date (paragraphs 1-9)
- 19.2. Agree the future policy direction of the Commission including the policy areas on which the final report should prioritise its focus (**paragraphs 10-14**)
- 19.3. Note the dates of the Commission's remaining roadshows. (paragraphs 15-18)

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