

# Coast to Capital

**Meeting:** Coast to Capital Board Meeting  
**Date:** Wednesday 10 July 2019  
**Report Title:** Local Industrial Strategy Update  
**Report by:** Kirsten Trussell  
**Item No:** 3  
**Part:** A

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## Recommendation:

The Board is asked to note progress on our Local Industrial Strategy (LIS); to agree the revised LIS timeline in section three; and to agree the overall approach and process for consultation on the LIS.

### 1. Context

In line with Government's [Industrial Strategy](#), 2017, the team is currently working with partners to develop a Local Industrial Strategy. In December 2018, Government announced that Coast to Capital will take part in Wave 3 of Local Industrial Strategy negotiations. Government has set a target for all Local Industrial Strategies to be published by March 2020.

Our Local Industrial Strategy must align with the 5 Foundations of Productivity which are identified in the Industrial Strategy as: Ideas, People, Infrastructure, Place and Business Environment. In addition to the above, it must address some or all of the four Grand Challenges identified as: Artificial Intelligence & Data, Clean Growth, Future of Mobility and Ageing Society.

### 2. Progress so far

The April Board meeting provided the SRO with the mandate and the resource to progress work on our LIS. The Programme Group is now well established and is producing the further research necessary to allow us to successfully negotiate our LIS with Government and deliver against our eight Priorities set out in Gatwick 360° (our strategic economic plan). The evidence base in Gatwick 360 has been welcomed by Government analysts as providing a very good introduction to the challenges that the region faces.

Since the April meeting we have broadened our discussions with other LEPs (including visits to Oxfordshire and Heart of the South West LEPs) and civil servants involved in the LIS negotiation process, in addition to our regular conversations with our local CLGU team. The first completed LIS's from the

'trailblazer' LEPs (Wave 1) – West Midlands and Greater Manchester – have also been published.

As a result we are clearer now on what Government expects, both in terms of process and outputs of a LIS. We have addressed gaps in our programme and our timeline accordingly, as per the revised proposals set out in this paper.

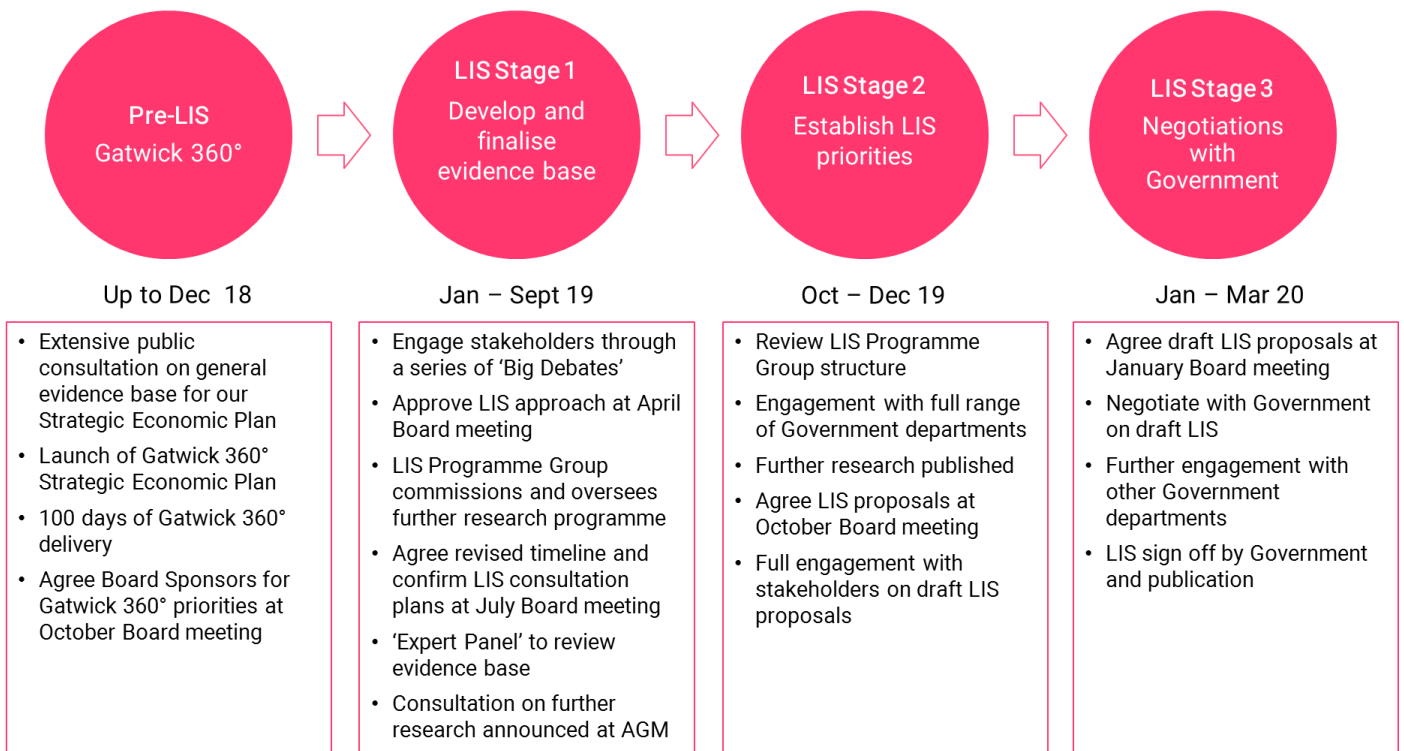
Most significantly, we have learned that Government appears to be most interested in the specific advantage within each LEP area for private sector innovation, related directly to the four Grand Challenges set out in the Industrial Strategy. This is likely to be the key differential between each LIS.

Authorship of the LIS with Government is, as we already knew, an iterative process. However, it is significantly more involved than we first thought, with the evidence base and final drafting having to pass through various rounds or 'gates' of Government intervention. Ultimately this will influence and shape the final product beyond our own drafting. For these reasons we have moved away from a focus on the four geographical product areas, since overall geography of a LEP area does not seem to be foremost in Government's mind.

### **3. Timeline**

From our learning, we have reprioritised the stages of our LIS programme to ensure we achieve the best outcome for our area. We envisage a slightly longer, more phased approach, including time to consult on the more detailed evidence base before we engage stakeholders on a set of draft LIS proposals. It is important to emphasise that the draft LIS we put forward to Government should be viewed as a negotiation piece and not the final product.

The following timeline sets out the revised LIS timeline, from development and launch of Gatwick 360° through to final LIS publication.



#### 4. Stakeholder engagement and consultation

We are undertaking a comprehensive and high quality engagement process for our LIS, reaching out to partners across sectors, our extensive geography and in the context of significant political change at the May local elections. This is a continuation of the various stages of engagement and consultation that lead to the development and publication of Gatwick 360° and is an approach that will continue throughout the LIS process.

Our activity includes:

- Political level engagement with local authorities (14 different county, city, district or borough councils) through bilateral meetings, attendance at Greater Brighton Economic Board, Surrey Futures and West Sussex Chief Executive meetings. We are also consulting on regular engagement with Leaders in the context of all future Board discussions
- A plan for MP engagement after summer recess
- Officer level engagement with local authorities, including a seat for each upper tier authority on our LIS Programme Group
- Wider engagement with business and civic society through our continuing programme of Big Debates
- Active promotion of our work and opportunities to engage through social media

Each LEP is expected to undertake a public consultation to support the development of the LIS. Learning from elsewhere shows this should not be viewed as a consultation on the final document, which is co-authored with Government, but rather on the evidence base and necessary targeted interventions that will increase productivity in the area. We propose to announce our consultation plans for the LIS at our AGM in September.

## **5. Conclusion**

We have learned that the process of producing a draft LIS document for negotiation with Government, which has the robustness of evidence to secure appropriate future investment, is a more complex and involved process than had been anticipated. It is further complicated by the ongoing uncertainty around Brexit, the economic outlook and political uncertainty. The recommended changes to our process and timeline will allow us produce a high quality draft LIS on which to negotiate the best outcomes for our area and the wider South East.

## **6. Next Steps**

The key milestones before October Board are:

- Conclude our further research work
- Announce consultation on the further research work at our September AGM
- Bring completed evidence base and proposals for the draft LIS to the October Board

## **7. Diversity Statement**

There are no diversity implications for consideration regarding the recommendations set out in this paper.

## **8. Legal Statement**

There are no legal implications for consideration regarding the recommendations set out in this paper.

## **Annexes:**

- Annex 1 – Gatwick 360° update