

From: Mark Dance, Cabinet Member for Economic Development
Barbara Cooper, Corporate Director Growth, Environment & Transport

To: Growth, Economic Development and Communities Cabinet Committee – 6 September 2017

Subject: Revision of South East Local Enterprise Partnership's Strategic Economic Plan

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: The draft SELEP Strategic Economic Plan will be presented to GEDCC on 21 November 2017.

Electoral Division: All

Summary:

This report updates the Cabinet Committee on the production of a new Strategic Economic Plan for the South East Local Enterprise Partnership.

Recommendation:

The Cabinet Committee is asked to:

- Note the activity underway to review and revise the South East Local Enterprise Partnership's Strategic Economic Plan.
- Comment on SELEP's consultation questions.

1. Introduction & Background

- 1.1 Local Economic Partnerships (LEPs) are partnerships between business, local government and education partners. LEPs were set up by the Government in 2011 to drive economic growth by setting priorities for investment in the area. More information on LEPs is available at:
<http://researchbriefings.files.parliament.uk/documents/SN05651/SN05651.pdf>
- 1.2 The South East Local Economic Partnership (SELEP) is one of 38 LEPs across England. Its geographical remit covers East Sussex, Essex, Kent, Medway, Southend and Thurrock. SELEP has a federated governance structure. The Kent and Medway Economic Partnership (KMEP) is the federated board for the administrative geography of Kent and Medway. KMEP's membership comprises the Leaders of Kent County Council, Medway Council, the 12 District Councils, and 17 business representatives (selected by the Kent and Medway Business Advisory Board) plus a Higher Education and Further Education representative. Essex County Council is the 'accountable body' for SELEP.
- 1.3 In 2013/14, the Government asked Local Enterprise Partnerships to prepare Strategic Economic Plans (SEP) for their areas. The Government asked that

SEP set out each LEP's vision for economic growth and its proposals for the use of the Local Growth Fund.

- 1.4 SELEP submitted its SEP to Government in March 2014. This SEP is a large document, reflecting the size and complexity of the SELEP area. The Kent and Medway Growth Deal appears as a chapter within the Plan. The document is available to view at:
http://kmep.org.uk/documents/Strategic_Economic_Plan_2014.pdf
- 1.5 A summary showing the structure and themes of the original SEP is shown in Appendix 1.
- 1.6 The Government has allocated £187 million of local growth funding and £12.1 million of skills capital funding to projects in Kent and Medway that aligned with priorities set out in the SEP. Similarly, £16.2 million of Growing Places capital loan funding was allocated to Kent and Medway; the repayments from which will be recycled into the SELEP economy.

2. Revision of SELEP's Strategic Economic Plan

- 2.1 The national policy landscape has changed substantially since 2014. The Government has published its industrial strategy green paper and housing white paper, and commenced legislation to withdraw the UK from the European Union. Combined Authorities, the National Infrastructure Commission, Sub-national Transport Bodies, the Northern Powerhouse and the Midlands Engine have been launched. Accordingly, the SELEP Strategic Board took the decision to review, refresh and revise its Strategic Economic Plan during 2017/18.
- 2.2 SELEP has appointed a Strategy Manager (Georgina Button) and a consultant (Jim Sims from 'The Service Design Company') to lead on the production of the new SEP.
- 2.3 The timetable for producing the revised SELEP SEP is shown in the table below:

	June 2017	July	Aug	Sep	Oct	Nov	Dec	Jan 2018
Literature review & analysis of secondary sources								
1st phase of stakeholder consultation								
Formulation of SEP priorities & action plan 'hypotheses' for exploring with stakeholders								
Interim evidence base, SEP priorities & action plan framework to SELEP & KMEP								
Further consultation to build a shared agreement on the SEP priorities								
Final draft SEP circulated to partners								

Presentation to SELEP & KMEP									
Final SEP Production									

3. Stakeholder consultation questions

3.1 In this first phase of stakeholder consultation, SELEP is seeking responses from local partners to the following questions:

- a) What would we love the economy to become?
- b) How will we cope with the changes/challenges we face?
- c) What is our core proposition for attracting more funds to deliver better productivity/prosperity outcomes?
- d) What particular evidence should we draw on to develop a compelling SEP narrative?
- e) What are the main strategic assets of the SELEP economy?
- f) How can we invest in these assets to achieve a source of international competitive advantage?
- g) How can investment in these assets help maximise their contribution to economic growth?
- h) How can we invest in our strategic assets to help reduce their long term dependency on the public purse?
- i) What can the LEP and partners do better together in the future to maximise economic growth in the SELEP area?
- j) What existing and new partnerships are needed to maximise the potential of these assets?
- k) How should we prioritise challenges/barriers that are holding back the local economy and what actions should be taken to overcome these?
- l) Which projects do you consider to be a future priority?

3.2 As well as inviting written responses, the SELEP Strategy Manager and Consultant attended the following local meetings organised by KMEP:

- The Kent and Medway Business Advisory Board (BAB).
- The Kent and Medway Economic Partnership (KMEP).
- Two workshops, attended by a total of 80-100 local stakeholders. Invitations were sent to business leaders (that do not sit on BAB), university academics, further education principals, skills guild chairpersons, KCC officers, district officers, rural and environmental representatives, infrastructure leads, EFA, social enterprises, sub-county partnership chairpersons, Locate in Kent, Whitehall liaison officers, cultural leads, developers, and port, road, rail and air operators.

An overview of the feedback received at these meetings will be presented by the KMEP Strategic Programme Manager during the Cabinet Committee meeting.

3.3 The Cabinet Committee is invited to contribute its responses to the stakeholder questions. Georgina Button and Jim Sims will be in attendance at the Cabinet Committee to hear your views.

4. The SELEP Skills Strategy and SELEP Infrastructure and Investment Strategy

- 4.1 The SELEP Strategic Board has decided that the SEP should be supported by an Investment and Infrastructure Strategy, a Skills Strategy, and a series of 'theme issues papers', reflecting more detail of the needs of key elements of our economy.
- 4.2 The SELEP Investment and Infrastructure Strategy will be a place-based document, which will identify the pipeline of local projects that require investment. It is currently envisaged that the Investment and Infrastructure Strategy will be updated on an annual basis to enable the SEP to be retained as a strategic plan.
- 4.3 The timeline for production of the Investment and Infrastructure Strategy and the SELEP Skills Strategy aligns with the publication of the SEP. The Skills Strategy is being informed by a survey which can be accessed at: <http://www.southeastlep.com/skills/skills-survey>

5. Next Steps

- 5.1 The draft Strategic Economic Plan will be presented to Members at the next Growth, Economic Development and Communities Cabinet Committee. This is before the final draft strategy is presented to SELEP Strategic Board on 15 December.

6. Recommendation:

- 6.1 The Cabinet Committee is asked to:
- Note the activity underway to review and revise the Strategic Economic Plan for the South East Local Enterprise Partnership.
 - Comment in response to SELEP's consultation questions.

7. Appendix

- Appendix 1: Broad themes and structure of SELEP SEP in 2014

8. Report Authors

David Smith

Director of Economic Development
03000 417176
David.Smith2@kent.gov.uk

Sarah Nurden

KMEP Strategic Programme Manager
03000 416518
Sarah.nurden@kent.gov.uk

CONTEXT / INTRODUCTORY INFO

- **Contextual information** on SELEP's economic strengths (i.e. economic dataset)
- **Contextual information** on how the proximity of London impacts SELEP

MAIN THEMES AND SPECIFIC THEMATIC PRIORITIES

- How SELEP will **accelerate job creation**
- How SELEP will **build more houses**
- How SELEP will **improve skills**
- How SELEP will **boost productivity**
- How SELEP will **improve business support, access to finance, and develop Enterprise Zones**
- How SELEP will **grow international trade links**
- Identifies the **key transport infrastructure** required
- Identifies the **key economic sectors for investment**, e.g. life-sciences, advanced manufacturing, etc
- Identifies support for the **Rural Economy** as a priority
- Identifies regenerating the **Coastal Communities** as a priority
- Identifies increasing the impact of Centre for **Offshore Renewable Engineering** as a priority.

GEOGRAPHICAL PRIORITY AREAS

- Identifies the **Thames Gateway as an area for accelerated development**
- Then identifies **12 growth corridors across SELEP** for concentrated investment. The Kent and Medway growth corridors are:
 - A2 / M2 Thames Gateway Kent
 - A21 London – Tonbridge - Tunbridge Wells
 - M20 London – Maidstone – Ashford Corridor
 - High Speed 1 & the A2, A20 and A299 East Kent

TYPES OF FINANCE

- Refers to **SEFUND**
- Refers to the **Growth Deal / Local Growth Fund** asks
- Very briefly refers to **Growing Places Funding**

GOVERNANCE & ASSURANCE

- Describes the **federated model and governance**
- Describes the **MP engagement**, links to **government policy**, and the **consultation with partners** on developing the SEP.
- Describes the **Value for Money** and **Resource Requirements**