

# Engaging with Local Industrial Strategies Workshop 1 Dec

1 December 2017 Broadway House, Westminster

This workshop was organised by SEEC to help local authorities explore the potential of Local Industrial Strategies, as set out in Government's white paper 'Industrial Strategy: building a Britain fit for the future'. It provided an opportunity to discuss how local authorities could bring a 'place' dimension to Local Industrial Strategies and shared existing good practice in council-LEP collaboration.

Councillors and LEP representatives shared experiences and views that will inform a SEEC guide on how to maximise council-LEP collaboration and joint working on industrial strategies.

## Industrial Strategy

Opening the workshop, Phil Swann, Executive Chairman of Shared Intelligence presented a 'rough guide' to the Industrial Strategy white paper, highlighting opportunities for local authorities and LEPs to work with Government to include a 'place dimension'.

He outlined the white paper's 'five foundations of productivity' (ideas; people; infrastructure; business environment; and places) and four grand challenges (Artificial Intelligence & data economy; future of mobility; clean growth; and ageing society).

He said inclusion of 'place' in the five foundations is significant because no previous Governments have included it. This represents something new and important for local government. Inclusion of 'ageing society' as one of the grand challenges also recognises some of the issues councils face.

Initial reactions from some in local government are that they have 'been snubbed' in the Industrial Strategy. But Phil argued this is not the case as there are numerous references to 'action on productivity depending on close collaboration between businesses, local government, higher education and further education'.

The Industrial Strategy also proposes a number of 'sector deals' in areas such as life sciences, construction, artificial intelligence and automotive, and specifically mentions a place dimension to these. Phil said that in areas where there are clusters of businesses with a sector deal it will be important for local authorities to consider what place dimension they can bring to that deal.

## Local Industrial Strategies

There is no template for Local Industrial Strategies, which means there is freedom to develop them in a way that reflects local needs. Innovation and infrastructure are likely to play an important role in maximising returns at local level.

Local Industrial Strategies should be being developed locally but need to be agreed with Government. The first Local Industrial Strategies are expected to be agreed by March 2019 but this is not compulsory, areas should produce them when it makes sense to do so.

With no elected mayors or combined authorities, South East Local Industrial Strategies will be led by LEPs. If it makes sense for neighbouring areas to produce a single local industrial strategy, Government is open to that. In competing with areas such as the Midlands Engine and Northern Powerhouse, Phil questioned whether there is a need for a South East counterbalance to these – and what it might look like.

He welcomed a proposed review of the effectiveness of activity to help business grow, especially SMEs. This is an area where considerable money is spent but there is little knowledge about what actually works. He also highlighted a reference to each LEP area establishing a skills advisory panel to marshal activity on skills more effectively.

## Case studies

The workshop shared three examples of existing South East good practice in council-LEP collaboration.

- Tim Wheadon, Chief Executive of Bracknell Forest BC, outlined the close working relationship between his council (a unitary) and Thames Valley Berkshire LEP.
- Kevin Lloyd, Head of Economic Growth at Surrey CC, explained how the county works with two LEPs – Enterprise M3 and Coast to Capital.
- Nicolas Heslop, SEEC Chairman and Leader of Tonbridge & Malling BC, described how the district works with South East LEP in a federated structure.

Fuller details of the case studies will be included in the SEEC guide to maximising council-LEP collaboration to be published in 2018.

## Round Table discussion

Delegates debated five different aspects of working with LEPs and how to develop Local Industrial Strategies to support South East local economies. Key points included:

- Traditionally, the argument made to Government is that the South East is a high productivity area that provides an excellent return on investment. This should be widened to reflect other Government priorities, for example: Knowledge generated in the South East helps raise productivity significantly in other areas; and housing is essential to support the South East economy, increase inclusion in the workforce and thus improve productivity.
- There is a disparity in funding for academic skills and practical skills. Practical skills are often more 'place' based. What can councils do to help with apprenticeships and encourage people to develop the skills needed locally?
- The South East is missing from the industrial strategy. Getting Government to recognise it will require local authorities, LEPs and organisations like SEEC to put aside local issues and share data to help present a consistent message to Government.
- The South East may be disadvantaged by having a large number of Cabinet members with constituencies in the area, who could be sensitive to accusations of favouritism over investment decisions.
- The South East has a number of shared themes and concerns, and there is huge potential for cross-LEP deals. There is already a great deal of work along these lines behind the scenes. Sector deals might help formalise and encourage this type of collaboration.