

Taunton Deane Borough Council

Executive – 11 March 2015

Establishment of the Somerset Growth Board

Report of the Growth and Development Programme Manager

(This matter is the responsibility of Executive Councillor Norman Cavill)

1. Executive Summary

The purpose of the report is for Taunton Deane Borough Council to endorse the proposal to establish a Somerset Growth Board.

The Somerset Growth Plan was endorsed by all six local authorities in early 2014 (TDBC Executive 12 March 2014).

The key purpose of the Growth Board is:

- To provide strategic 'ownership' of the Somerset Growth Plan and manage the ongoing cycle of reviewing, updating and promoting the Plan;
- To act in an advisory capacity to the six Somerset Councils and the Heart of the South West (HotSW) Local Enterprise Partnership (LEP) in respect of the Somerset Growth Plan. All recommendations from the Board will be presented to the six councils for approval. The Board therefore has no delegated decision making authority;
- To accelerate delivery of the Somerset Growth Plan and maximise local accountability.

2. Background

- 2.1 The Somerset Growth Plan was developed by the six local authorities, business representative organisation and other key stakeholders including the Local Enterprise Partnership (LEP) and Somerset's Further Education sector. The Growth Plan sets out Somerset's plans to promote growth between now and 2020 and for laying the foundations for long term sustainable economic growth for years after this. It was developed to attract and guide investment into Somerset, to overcome barriers and maximise sustainable employment and housing growth from local opportunities, benefitting Somerset's communities, businesses and residents. The Growth Plan was endorsed by all six local authorities in February/March 2014 (TDBC Executive 12 March 2014).
- 2.2 The LEP's first Growth Deal has demonstrated the success of working in partnership to agree initial priorities for Somerset and our ability to effectively influence the LEP's negotiations with Government to secure investment. Somerset will see around £36m of investment from the Growth Deal 1; £18m

of which is allocated in 2015/16. Growth Deals are an ongoing process by which the Government will award LEPs a share of the Single Local Growth Fund to support the Government's localism agenda. Growth Deal 2 was confirmed at the end of January 2015 with a Government announcement that £65.2 million is being awarded to Somerset and Devon – and Taunton Deane will be a major beneficiary with funding for major improvements to M5 Junction 25, improved superfast broadband coverage for rural areas, and a possible new enterprise centre in Wiveliscombe. Our priorities now are to support the LEP in delivering the funded Growth Deal projects and to ensure we are in a position to effectively influence future Growth Deal negotiations.

- 2.3 Equally the climate for securing investment, both within our LEP and across all the LEPs nationally is very competitive and Somerset needs to position itself effectively to maximise success in the future. The context for this also includes growing expectations from Central Government of integrated working across local authorities in economic development, as illustrated by the devolution package for Greater Manchester in late 2014. To ensure partners within Somerset continue to have a coherent and collective voice to agree ongoing priorities for growth, to communicate them to others and can demonstrate that they are responding to the Government's agenda for collaborative working, the Somerset Chief Executives and Leaders Group have endorsed the establishment of a Somerset Growth Board.
- 2.4 Various discussions and consultations have taken place in respect of the Somerset Growth Board. Reports have been presented at key stages to the Somerset Regeneration Directors, Somerset Chief Executives and the Somerset Leaders Groups.

3. Somerset Growth Board

- 3.1 The Terms of Reference for the Growth Board were endorsed by Somerset County Council on 14 November 2014 and are attached at **Appendix A**. The Growth Board will be the way in which the Somerset growth agenda is integrated into the LEP and will give impetus to the Growth Plan.
- 3.2 The key purpose of the Growth Board is to take strategic ownership of the Growth Plan, ensuring that Somerset's priorities are communicated with key partners, such as the LEP, and to provide local accountability for its delivery. The Growth Board will act in an advisory capacity to the six Somerset Councils and the LEP and will present recommendations from the board to individual councils for approval.
- 3.3 A key function of the Board will be to ensure that Somerset is in a position to respond, at short notice, to ongoing calls for projects should additional funding be made available. Somerset should have a pipeline, for the LEP and other external agencies, of prioritised projects supported by evidenced business cases. If we are not in a position to provide these details then the LEP will have to make decisions on the information it can obtain; it is therefore in our best interests to ensure we work towards developing and agreeing Somerset's priorities.

3.4 To ensure the Growth Board can effectively attract and guide investment it will need sufficient executive support. Regeneration Directors can provide an overarching senior executive support role for the Board through their support to the thematic sub-groups and attendance at the Board meetings. However, additional support will be needed for management and ongoing review of the Growth Plan; primarily the development and management of a project pipeline based on evidenced business cases. A monitoring evaluation framework will be developed which will provide appropriate performance reporting allowing the Board to identify where further effort needs to be made to achieve the strategic targets. In order to support the Growth Plan's wider purpose, of overcoming barriers and maximising sustainable growth from local opportunities, appropriate communications and engagement with stakeholders is needed. There are currently no identified resources to provide this executive support to the Growth Board. To ensure its effectiveness it is suggested that each of the six Somerset councils co-fund this support and each commit to a three year financial contribution as set out in the table below:

Local Authority	Annual Contribution
Somerset County Council (cash)	5,000
Somerset County Council (in-kind)	4,500
Mendip District Council	3,071
Sedgemoor District Council	3,277
South Somerset District Council	4,570
Taunton Deane Borough Council	3,125
West Somerset District Council	957
TOTAL	24,500

3.5 Alternative options considered by the Chief Executives and Leaders included:

- “Status quo arrangements” - the authorities continuing to work as per present through informal collaboration and seeking to secure direct influence on the LEP and other bodies for local priorities. However this has the implication of competition among Somerset partners for influence and resources. It is also likely that greater influence will be secure through collaborative working
- Growth Board with joint decision making powers - The Somerset Chief Executives and Leaders considered the possibility of the Growth Board being a decision making authority, but it was agreed that individual authorities would still like to maintain overarching control of decisions; the Growth Board is therefore an advisory Board which is reflected within the Terms of Reference.

4. Finance Comments

4.1 Taunton Deane Borough Council has been requested to make an annual contribution of £3,125 over the next three years to support the core costs of the Growth Board. It is recommended that the Council should make this contribution initially on a one year basis (for 2015/16), with in principle support

for the full three year contribution to be earmarked if possible. This will be funded from the anticipated over recovery of Planning income in 2014/15.

4.2 A contribution totalling £24,500 per annum will need to be secured from the Somerset Local Authorities, as detailed in paragraph 3.4, over the same period.

4.3 The Somerset Growth Board, by enabling shared investment priorities among Somerset partners and facilitating a co-ordinated Somerset “voice” to the LEP, and Government departments and agencies, is likely to result in increased and better targeted external investment in Somerset infrastructure and growth priorities.

4.4 **Section 151 Officer comment** - It would be appropriate to transfer a sum of £3,125 to an earmarked reserve in the current financial year for use in 2015/16 to assist with the establishment of the Somerset Growth Board.

5. Legal Comments

5.1 There are no legal implications directly arising from this decision.

6. Links to Corporate Aims

6.1 The Council’s corporate priorities (and associated objectives) align closely with the objectives within the Somerset Growth Plan, in particular:

- Quality sustainable growth and development
- A vibrant economic environment

7. Environmental and Community Safety Implications

7.1 No implications identified as a direct result of this decision.

8. Equalities Impact

8.1 No implications identified as a direct result of this decision.

9. Risk Management

9.1 If Somerset does not develop and agree a collaborative set of local priorities it will not be able to effectively influence the LEPs priorities and will therefore be at risk of not being able to attract its fair share of funding through the Growth Deal negotiations. This also poses a reputational risk to Somerset in that we will not be seen to be working collaboratively across the local area.

9.2 The formation of a Somerset Growth Board as described in this report is designed to mitigate this risk

10. Partnership Implications

- 10.1 The Somerset Growth Board will respond to the Government's agenda for collaborative working (as described in paragraph 2.3).

11. Comments from Scrutiny

- 11.1 This report was considered by the Community Scrutiny committee 3 March 2015 – a verbal update on any comments will be made at the Executive committee meeting.

12. Recommendations

The Executive is **recommended** to:-

- (a) Endorse the Somerset Chief Executive and Leaders' proposal to establish a Somerset Growth Board; and
- (b) Agree that a sum of £3,125 is transferred to an earmarked reserve in 2014/2015 (from planning income) to provide a funding contribution to Growth Board core costs for year 1 (2015/16), with an in-principle support for years 2 and 3 subject to review of the Board and availability of sufficient planning income in 16/17 and 17/18 respectively.

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SOMERSET GROWTH BOARD

TERMS OF REFERENCE

1. Purpose of the Somerset Growth Board

- 1.1 To provide strategic 'ownership' of the Somerset Growth Plan and manage the ongoing cycle of reviewing, updating and promoting the Plan;
- 1.2 To act in an advisory capacity to the six Somerset Councils and the Heart of the South West (HotSW) Local Enterprise Partnership (LEP) in respect of the Somerset Growth Plan. All recommendations from the Board will be presented to the six councils for approval. The Board therefore has no delegated decision making authority;
- 1.3 To accelerate delivery of the Somerset Growth Plan and maximise local accountability;
- 1.4 To have strategic oversight of the thematic sub-groups (Place, Employment and Skills, Business and Hinkley Local Leads) and funding streams associated with the delivery of the Somerset Growth Plan.

2. Core functions

- 2.1 To review and update the objectives and priorities within the Growth Plan at least annually, and make recommendations for approval by the six councils and endorsement by local business representatives;
- 2.2 To facilitate and promote joined-up delivery amongst partners of key projects identified within the Growth Plan and any associated activities;
- 2.3 To coordinate the local government contribution to the delivery of key projects identified within the Growth Plan and any associated activities;
- 2.4 To oversee delivery of the accountable body function, adopted by member organisations if appropriate;
- 2.5 To engage with and obtain support from key partners and stakeholders at a strategic level to support delivery of the Growth Plan;
- 2.6 To provide the strategic link between local government in Somerset and the HotSW LEP Board;
- 2.7 To provide the strategic link between Somerset's key economic development stakeholders and the Hinkley Strategic Development Forum (HSDF), and other appropriate National / sub-National forums;
- 2.8 To provide a coordinated response to consultations and policy announcements that impact upon the delivery of the Growth Plan. This does not exclude the six councils from responding separately where necessary.

3. Membership

- 3.1 Membership of the Somerset Growth Board shall be limited to:
 - Cabinet Economic Development leads from the County Council and each of the five District Councils,
 - Regeneration Directors,
 - HotSW LEP representative,
 - Business representatives (FSB, Chamber, IoD etc).
- 3.2 Membership of the Board shall be reviewed annually.

- 3.3 From time to time, the Chairman may invite 'guests' to present to the Board on specific topics of relevance to the focus of the meeting.

4. Role and Responsibilities of Members

Board Members should:

- 4.1 have the responsibility to represent their organisation or partnership and to feedback information to relevant individuals within the organisation or partnership they represent;
- 4.2 make recommendations to the council for the prioritisation of projects and resource commitments necessary to deliver them;
- 4.3 inform the Board of their councils commitment to deliver individual projects;
- 4.4 ensure that their council has a concise decision making process in place to agree issues of shared interest on growth and meet timetables set by government for national funding and other funding mechanisms;
- 4.5 make every effort to prioritise attendance at scheduled meetings but are asked to nominate a relevant substitute from the same organisation or partnership. In the case of Local Authority Cabinet Leads, the substitute should be a Cabinet member. The substitute will be copied into correspondence relating to meeting dates and papers, for information.

5. Chairmanship

- 5.1 A Chair shall be elected from the Board and hold office for a minimum of one year.

6. Meetings

- 6.1 A minimum of one meeting per quarter should be held throughout the year, with additional meetings scheduled as required.

7. Reporting lines

- 7.1 The Boards' recommendations will be referred to the six councils for decision;
- 7.2 The Somerset Councils Leaders Group will mediate where the Board is unable to achieve a consensus in support of recommendations to the councils or where the councils are unable to agree the Boards recommendations.

8. Resourcing

- 8.1 The administration of the Somerset Growth Board will be resourced by the member Local Authorities.

9. Review date for the Terms of Reference

- 9.1 The Terms of Reference will be reviewed annually from the point of acceptance and recommended for approval by the six councils.