

**Minutes of HotSW LEP CIC Board Meeting
19 September 2017
at
Exeter Racecourse Conference Centre**

Board Attendees:

David Hall
Fiona McMillan
Gordon Oliver
Harvey Siggs
Ian Bowyer
Judith Petts
Karl Tucker
Martha Wilkinson
Martin Brown
Mel Squires
Paul Diviani
Richard Stevens
Sean Fielding (alternative for Steve Smith)
Stephen Criddle
Steve Hindley (Chair)
Stuart Barker
Stuart Brocklehurst

Officers in attendance:

Chris Garcia – HotSW Chief Executive
Kevin Mowat – officer accompanying Gordon Oliver
Mark Williams – officer accompanying Paul Diviani
Pat Flaherty – officer accompanying David Hall
Tracey Aarons – officer accompanying Harvey Siggs
Tracey Lee – officer accompanying Ian Bowyer
Keri Denton – officer accompanying Stuart Barker

Others in attendance:

Eifion Jones - LEP Head of Strategy & Operations
Janet Powell - LEP Executive Assistant (for mins)
Emma Buckman – for Rural Commission presentation only
Sarah Bryan – for Rural Commission presentation only
Corinne Matthews – for Nuclear presentation only
Simon Howes – for Nuclear presentation only
Simon Hooten – for Productivity Plan update only
Sally Edgington BEIS

Apologies:

Anne Marie Morris MP – representing Devon MPs
 Barbara Shaw
 David Bird
 Helen Lacey
 Jackie Jacobs
 James Heappey MP – representing Somerset MPs
 Steve Smith

Table of decisions

| Board paper | Decision required | Decision agreed |
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| 4.1 Productivity Plan | The LEP Board notes the contents of this paper and the request for feedback on the draft. | The Board agreed to the commencement of Consultation. |
| 4.2 Joint Committee update | To reconfirm the LEP's welcome for the establishment of a Joint Committee and to note the requirement to set out more detailed arrangements for LEP/ Joint Committee working. | The Board supported the establishment of a Joint Committee. |
| 4.3 GSW update | The LEP Board notes the update on the revised focus to the development of Great South West & highlights the emerging set of propositions which are becoming the focus of the initiative and set out proposed next steps. To note, encourage attendance at SW Growth Summit (20 Oct) and provide feedback on next steps. | The Board supported and agreed the direction of travel |
| 4.4 HIF Endorsements | The LEP Board: <ol style="list-style-type: none"> 1. Notes the summaries provided 2. Notes and confirms agreement with recommendations from the Place Leadership Group about support for Housing Infrastructure Fund proposals from local authorities in the Heart of the South West area | The Board agrees with the recommendations from the Place Leadership Group. |
| 4.5 SIP Approvals | To seek recommendation from the Board for Growth Deal 1 Allocation to Torbay Western Corridor | The Board supports the transfer of monies. |
| 4.6 Digital Skills Pilot | The LEP Board notes the contents of paper. | The Board is fully supportive and notes the paper. |
| 4.7 ESIF update | The LEP Board to note the update on implementation of the Heart of the South West European Structural and Investment Funds (ESIF) Strategy | The Board notes the paper and gave feedback. |

| Agenda | Action |
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| <p>1. Welcome & Apologies Apologies as above. The Chairman will be speaking with Gary Streeter, MP for an alternative Devon MP to replace Anne Marie- Morris for attendance at Board meetings.</p> | |
| <p>2. Declarations of interest SH: Midas has building interests ongoing with Oceansgate, Nuclear College building, Yeovil Innovation Centre, South Devon College high tech centre and refurbishment of offices at Taunton Deane Borough Council. SC: South Devon College interest in ESIF. JP: Plymouth University is involved in future ESIF/ERDF funding and Growth Deals for Oceansgate. GO: Torbay Council has an interest in Housing Infrastructure Fund (HIF) plus transport scheme for SIP approval under page 4.5. MW: Devon Community Foundation is involved in several partnership bids, future ESIF/ERDF funding and Building Better Opportunities. FM: on the board of EDF and NNB which is Nuclear New Build, interest in HPTA and Nuclear Enabling. SBarker: Devon County Council has an interest in Tiverton funding, South Devon College and ESIF. SF: Exeter University an interest in Growth Deal Exeter Science Park and ERDF. NB: all local authorities have an interest in HIF.</p> | |
| <p>3. Draft minutes of last meeting 18 July and actions arising</p> <p>A small amendment to the minutes on page 6, 4.3 LEP Business Plan 17/18 last paragraph “it was also noted that there are no capital monies going forward for Higher Education” to read “no capital monies going forward for Higher and Further Education ...”</p> <p>c/f Action: Post 4 May County Elections to organise a meeting with the LEP, Local Authorities (LAs) and local MPs to take forward several topics i.e. Brexit, Education/Skills etc. to present a united approach and direction of travel for the HotSW area to Gov’t. This has now been superseded by cross SW LEP working sectors, the organisation of the SW Growth Summit and the emergence of the draft Productivity Strategy produced by the Devolution Partnership for the HotSW area – upon which the Chairman regularly briefs local MPs via regular letters and adhoc meetings/telephone calls with either the Chairman and CEO.</p> <p>For the minutes, this item is now discharged.</p> <p>c/f Action: Post Election to seek clarity on Gov’t policy on non- devolution areas. Awaiting a possible paper from Gov’t (to be confirmed) on the above and an explanation of what constitutes a rural area?</p> | |

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| <p>A further update provided under agenda item 4.2 Joint committee update. For the minutes, this item is now discharged.</p> <p>c/f Action: To produce an update format for the LEP’s financial accounts. This was unable to be completed by the Accountable Body for the July’s Board meeting, but will be included in the LEP’s Annual Review in time for the September Board meeting. Despite best endeavours to format these into one set of traditional, consolidated accounts, this has proved too ambitious, as the LEP’s monies (depending on funding streams) are held with different accountable bodies. Therefore, the LEP will be producing tables summarising key funding statistics for the Annual Report, which will be circulated to all Directors and available for the AGM in November and public. For the minutes, this item is now discharged.</p> <p>c/f Action: Reference the management of the Project Pipeline and Growth Deal (GD) 3 projects – the prioritisation and business case testing of these will be revisited, once the productivity plan has been finalised (Jan/Feb 2018).</p> <p>Action: GSW Governance – the Board were supportive of the overall concept, however it was felt necessary to increase communication/ consultation with local partners such as LA’s and MPs before progressing. More communication has been carried out and a further update is provided under agenda item 4.3 GSW update. For the minutes, this item is now discharged.</p> <p>All other actions completed and the minutes were accepted as accurate.</p> | CG |
| <p>A presentation on the Rural Productivity Commission was given by Emma Buckman of Buckman Associates (an external consultant) leading on the Commission work and Sarah Bryan, Chief Executive, Exmoor National Park Authority (presentation attached)</p> <p>The Rural Productivity Commission is a partnership between four LEP’s: - HotSW, Cornwall & Isles of Scilly, Dorset and Swindon & Wiltshire and was set up to collect evidence on rural productivity and report accordingly.</p> <p>Following the presentation, the discussion focused on how to take forward the Commission’s finding, with feedback from the Board on direction of travel and next steps. It will be important to distill the research down into key messages to Gov’t in time for the Autumn Statement. Gov’t needs to recognise rural proofing across all departments and consider the agricultural sector as a business within its agenda of “prosperity for all”. At the last meeting of the LEP’s Rural Special Interest Group (SIG) led by Board Member, Mel Squires the group’s views mirrored those of the Commission’s findings. Future Rural SIG meetings will be timed to take place prior to Board meetings to check rural proofing across sectors and strategies.</p> <p>Caution was advised, to be clear about what the Commission could do – primarily it was a research vehicle and any next steps for LEPs would need costed up proposals on how to take this forward, including time frames and an ask for a rural devolution package that increases productivity. The Commission’s final report is due out in the next week or two.</p> | |

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| <p>Other topics that arose were: - to link up with Connecting Devon & Somerset (Broadband Initiative) to look at common modelling on actual broadband speeds achieved across the HotSW area; to feed the Commission’s findings into the Productivity Plan to ensure that actions can be fulfilled; planning in assisting rural businesses sustainability; a lack of evidence about public transport and moving people across the patch – however, it was pointed out that this was an issue raised by young people and apprentices and their lack of choice compared to those living in more urban areas; the possibility of a smart rural platform with a scientific thread - could LEPs take a lead and pilot this in the South West; what rural proofing means; is there enough evidence to reinforce the ask?</p> <p>In conclusion: - urban areas have many think tanks at national level, which is not the case for the rural agenda, there needs to be more emphasis on understanding the evidence and drawing out statistics to make the case to Gov’t.</p> <p>Action: To pick up the rural issues both regionally and nationally, define the asks of Gov’t with Local Authority Leaders at Joint Committee meetings and weave into the Productivity Plan.</p> <p>It was noted that the LEP was very grateful for the time that the Commission members gave to collate the evidence and to pass on their thanks to them.</p> | <p>CG/EJ</p> |
| <p>A presentation was given by Corinne Matthews, LEP New Nuclear Coordinator and Simon Howes, Area Director of the South West Manufacturing Advisory Service (SWMAS) on Nuclear Sector opportunities (presentation attached).</p> <p>The presentation covered the scale of the SW Nuclear sector; local delivery, maximising the opportunities within the region and alignment to the industrial strategy/nuclear sector deal. The presentation mapped a 10-year indicative construction timeline for Hinkley Point C showing the skills sets that would be required across the whole period –but highlighting the window of opportunity that existed now to concentrate on putting into place the right conditions to acquire the skills needed for midterm of the project.</p> <p>The following discussion points arose: - the critical skills issue the area faces are not unique to the Nuclear sector and to pick these up under the LEP’s People Leadership Group to reflect and collate evidence across the SW and translate into a skills strategy; to rethink careers advice and guidance, to give young and both older workers a clear path to a career including a guide into apprenticeships and adult education, looking at how existing careers can be topped up through training at the national college, creating a skills enterprise zone with freedoms and innovative flexibilities of training in conjunction with supporting the employer through recruitment; the need to focus on advanced mechanical and engineering capabilities, delivering legacy skills that can be internationally exported with transferable skills. The current funding systems are too narrow and inflexible and stretch across multiple Gov’t departments. There is a need for a transformational step change to acquire the right skills and to lift skills in our business. There appears to be no collaboration between Gov’t departments.</p> <p>HotSW could lead the way on how to tackle skills shortages in areas attached to large</p> | |

infrastructure projects; look at how effective the Civil Defence Partnership is - how does this work with companies such as Babcock to develop skills?

The Chairman thanked both for an informative presentation.

4. Chief Executive's Report

4.1 Productivity Plan update including annexes (a)productivity plan (b)delivery plan (see papers)

These papers provide an update on the Productivity Plan and this agenda item was led by Eifion Jones, LEP Head of Strategy and Operations, together with Simon Hooten, Director of Ash Futures and the Editor of the productivity plan.

Clarification was given that projects illustrated on the delivery plan are only those that have cropped up during the drafting process and in no way have been sense checked or prioritised, they are just there as examples.

The plan reflects some of the issues coming out of the Rural Productivity Commission Report, but will be finessed once the Rural Report is finalised. The plan also includes some high level thinking around the proposals for skills and transport commissions, but needs more work on how this will practically operate.

The update paper covers suggestions for the board and asks for feedback. With Board approval the Plan will go out for consultation during October and November.

In general, the board agreed the plan was shaping up well and has evolved a long way since the first draft, however there were some reservations about its length, the need to be bolder and more exciting, with objectives at the front of the document and evidence in the appendices; the need to pull out some of the highlights from the prospectus and look at the flexible geography in the area to be clearer with pragmatic linkages on working with neighbours; seems to have lost the cultural and creative assets, concern over lack of emphasis on aerospace and nuclear and crossover between issues across the Leadership groups; perhaps lost some of its core, diluting growth and the strength of cities.

A query arose about the consultation timescales – considering the Gov'ts Industrial Strategy White Paper and Autumn Statement is due soon, should the LEP wait to see what comes out of Gov't in case of changes or do partners press ahead with the Plan? The advice was that whilst there will be a national strategy, the foundations of this will be drawn down into local strategy which sits at LEP level. The LEP may need to think about civil building renewal with a local industrial strategy sitting alongside the Productivity Plan.

Board agreement was given to proceed with consultation.

4.2 Joint Committee update (see paper)

This paper updates the Board on the arrangements for a Joint Committee in the Heart of the SW area.

The first meeting of the Shadow Joint Committee is on 22 September and it is anticipated that each individual council will sign this off by the end of the year. The Joint Committee

will remind Gov't of the HotSW area and send a strong statement of intent nationally.

A breakthrough came recently as a result of a LA leaders meeting on 13 September with Jake Berry, MP Parliamentary Under Secretary of State (Minister for the Northern Powerhouse and Local Growth) with responsibility for Mayors and Devolution and LEP policy, whereupon he indicated that it was not necessary for the HotSW area to have an elected Mayor - this has opened the way potentially towards faster progress for a Combined Authority as the result.

There is good news that Tom Walker is moving from the Dept. of Communities and Local Government (DCLG) to the Homes and Communities Agency, as DCLG are very housing focused now and any deals that can be done to increase housing in areas with high house prices will be looked upon favourably.

The Board supported the establishment of a Joint Committee.

4.3 GSW update (see paper)

This paper provides an update on the revised focus to the development of Great Southwest, highlighting the emerging set of propositions which are becoming the focus of the initiative and sets out proposed next steps.

A good example of a common agenda across the SW LEP's is Nuclear and demonstrates what the region can do together.

The GSW Summit is being held on 20 October and this will judge the breadth of support for common initiative across LEPs and will be the catalyst of whether to continue cross LEP branding for the Great South West across common LEP themes.

The Board supported and agreed the direction of travel with the emphasis on being clear on the golden opportunities and that these are integrated into larger conversations.

4.4 HIF Endorsements (see paper)

LEPs have been asked to endorse Housing Infrastructure Fund (HIF) Forward Fund Expressions of Interest and Marginal Viability Funding Bids from the HotSW LEP region. Proposals were reviewed by the Place Leadership Group on the 15th of September with a summary provided to the Board to note and confirm that the proposals have support from the LEP. This will be followed by individual letters of support for each proposal as appropriate.

This LEP review process has been put in place so that the LEP can add value to submissions to Government by demonstrating LEP support for Local Authority partners and their stakeholders. It will also provide evidence of support for those submitting proposals.

Note the LEP's role is not to review, just to endorse the proposals in line with its strategic plan.

The Board agreed with the recommendations from the Place Leadership Group.

4.5 SIP Approvals (hard copy handed out on the day)

This paper seeks recommendation from the Board for the transfer of Growth Deal 1 Allocation from the Torquay Gateway project to the Torbay Western Corridor project. This is a unique set of circumstances, but it is noted that this by no means sets a precedent. This proposal has already been considered and approved by the Local Transport Board (LTB) and the LEP's Strategic Investment Panel (SIP).

The Board supports the transfer of monies.

4.6 Digital Skills Pilot Area (see paper)

This paper briefs the Board on the potential for the HotSW to be a pilot area for a Local Digital Skills Partnership, following on from the Gov'ts Digital Strategy published in March, which aims to create a world leading digital economy that works for everyone and has been raised of concern by central Gov't on future skills. There will only be a few pilot areas.

Thanks to Julie Hawker, CEO of Cosmic who helped pull this together with the aim of taking forward a Local Digital Partnership for the HotSW area.

The Board agreed it was excellent the LEP was involved and a great opportunity to shape thinking moving forward.

The Board fully supports the paper and notes its contents.

4.7 ESIF update (see paper)

This paper updates the Board on the implementation of the HotSW European Structural and Investment funds (ESIF).

On 7 September, the LEP received a letter from DCLG reiterating concerns around elements of ERDF performance in the HotSW area and the ability of the LEP to spend its allocation. The LEP will be formally responding to this letter shortly, highlighting the considerable efforts and progress made to date, as well as committing to continuing to work with DCLG to strengthen the ERDF pipeline in HotSW. There is some sensitivity here with push back from the LEP over DCLG processes. DCLG have taken on a consultant to assist them with additional capacity to help speed processes up.

The ESIF Sub Committee feels that the pipeline is strong with some good projects, Highlighting significant opportunities for the area and the LEP will do all it can to support projects and impress on partners to support each other.

The Board queried what the blockages were and what were other LEPs doing? The feeling is that ESIF funding is a nightmare, with auditing constraints making it very difficult, no allowance for the LEP to put in resources for smaller companies to assist in responding to calls, especially since the small bid process has ceased nationally; the difficulties in engaging with the Rural Payments Agency (RPA) and Stewardship schemes and being able to support with environmental consultants, all of which are discouraging applicants.

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| <p>However, the HotSW area’s position since receiving the letter from DCLG has changed – with the last two calls being oversubscribed and more work is ongoing via the rural community to share resources.</p> <p>The Board notes the paper and provided feedback.</p> <p>Chief Executive’s Report</p> <p>There are two further things to highlight;</p> <ul style="list-style-type: none"> ➤ Conversations with the Districts around LEP governance (our research has highlighted) that the Board is slightly light on District representation. Suggestions for a way forward have been circulated to the Districts, but as the Devon Districts are not due to meet until November, there will be an updated report for the November Board meeting. ➤ Transport Projects – Stations Marsh Barton and Edginswell that were at an amber status have changed to red, due to the DfT announcement of no further allocation of any funding to additional stations. DfT have offered to meet to discuss the two projects to see if how these might be taken forward. An additional LTB meeting has been scheduled to occur after the DfT meeting, to report to SIP and then onto the Board for the November Board meeting. <p>One further development over the summer was that Fiona McMillan has volunteered to be the LEP’s Vice Chair following the retirement of Frances Brennan. There were no objections, and so was ratified by the Board.</p> <p>It was noted that the HotSW LEPs are looking to sign a Memorandum of understanding (MOU) with Innovate UK, like the one signed by Innovate UK with Leeds LEP.</p> | |
| <p>5. Papers for noting</p> <p>No comments apart from Chairman’s Activity Report where it stated that he met with Anne-Marie Morris on 19 July, please note this did not go ahead, due to her having the whip withdrawn.</p> | |
| <p>6. AOB</p> <p>CG: The Board were asked to note, that due to their request of alternating 2018 meetings along the peripherals of the M5 between Exeter and Taunton, that this would result in an additional £1000 cost in room hire next year (due to the fact a special rate had been negotiated with Exeter Racecourse for 6 bi-monthly board meetings during 2017).</p> | |

Next Board Meeting:- 21 November from 10am – 1.00pm at Exeter Racecourse Conference Centre