

Minutes of the Strategic Investment Panel

Tuesday 6th December 2017 14:00-17:00

Clarke Willmott, Blackbrook Gate, Blackbrook Park Ave, Taunton

SIP Members:

- Alan Denby, Business Lead, LEP Management Team
- Amanda Ratsey, Business Lead, LEP Management Team (phone)
- Chris Garcia, LEP Chief Executive
- David Bird, Chairman of SIP, LEP Board Member
- Keri Denton, People Lead, LEP Management Team
- Paul Hickson, Place Lead, LEP Management Team
- Richard Stevens, Chair Business Leadership Group, LEP Board Member (phone)
- Stephen Criddle, Chair People Leadership Group, LEP Board Member (phone)

In attendance:

- Ben Bryant, Incoming SCC Accountable Body Representative
- Ed Cross, LEP PMO (minutes)
- Eifion Jones, Head of Strategy & Operations
- Helena Davison, Communications Manager, HotSW LEP
- Ian Harrison, Independent Transport Assessor
- Mel Sealey, LEP PMO
- Steve Murphy, Outgoing SCC Accountable Body Representative

<p>1. <u>Welcome and Apologies</u> Barbara Shaw, Jackie Jacobs, Mel Roberts, Sally Edgington</p> <p>2. <u>Declarations of Interest</u> AD, KD & PH -> Growth Deal and ESIF SC -> ESIF and South Devon College</p> <p>3. <u>Minutes of the 2nd November SIP</u> Minutes were approved without changes.</p> <p>4. <u>Investment Programme Business Cases and Project Changes</u></p> <p>4.1. Growing Places Fund No change</p>	
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<p>4.2. Growth Deal</p> <p>4.2.1. <u>Constructing Futures Update</u></p> <p>MS explained that there is still some uncertainty on how this capital expenditure funding agreement is implemented. A call with SIP would be useful to sense check the proposal and make the final decision, otherwise this will wait until a paper at the January SIP.</p> <p><u>Decision: JE to circulate a draft guidance for SIP members to look at. A call may be required after reading the document.</u></p> <p><u>Action:</u> Inform JE about circulation of the guidance and set up call/add to Jan SIP agenda as needed.</p> <p>4.2.2. <u>Yeovil College Variation</u></p> <p>KD briefly ran through the paper. MS explained that the suggested variations had been made with consultation of the PMO and HPTA with greater outputs offered than previously agreed although the time period had extended. HPTA had agreed that the revised outputs were realistic and in line with Hinkley C requirements. SC raised the potential challenges regarding VAT for colleges.</p> <p><u>Decision: SIP members approved the proposed variation.</u></p> <p>4.3. Special Projects Fund</p> <p>n/a</p> <p>5. <u>Investment Programme Delivery</u></p> <p>5.1. Investment Programme Report</p> <p>5.1.1. DC Homes Update – Growing Places Fund</p> <p>MS explained that the project had decided to request a substantial variation to the original plan and was asking for an additional £800k from the LEP to increase the number of bedrooms and add additional amenities. Such a change would need to follow LEP procedures, and currently, the LEP would not have the funding to support such a venture. A meeting has been set up with DC Homes, MS and DB to discuss the project further.</p> <p><u>Decision: SIP agreed that the money was not currently available. They also agreed that a proper valuation of the asset was required before they could decide a way forward. Proof of market failure would also be required to satisfy State Aid, and evidence of planning permission was essential.</u></p> <p><u>Action:</u> Have conversation with Sedgemoor council about the issues facing the project, and the state of current planning permission.</p>	<p>MS</p> <p>CG</p>
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<p><u>Action:</u> Brief David Hall at Somerset</p>	<p>PH</p>
<p>5.1.2. Programme Summary</p> <p>The issues/delays with Marsh Barton were raised by SIP, as well as Junction 25.</p> <p><u>Decision:</u> <u>SIP agreed that an update review point was required for these projects with the March LTB a logical time for a review. An earlier conference call would also be beneficial with the LTB specifically around Marsh Barton – SIP suggesting late January.</u></p> <p><u>Action:</u> Put J25 & Marsh Barton on next meeting agenda.</p> <p><u>Action:</u> Make sure risk register reflects potential of projects falling over.</p>	<p>IH</p> <p>MS</p> <p>MS</p>
<p>5.2. Amber Project Review</p>	
<p>5.2.1. Huntspill Update</p> <p>IH explained that the site had now been taken over by a new provider and that planning had now been issued for the site with S106 signed. However, the applicant still needed to sort out State Aid advice.</p> <p><u>Decision:</u> <u>SIP agreed to move the project back to green, but that further due diligence was required. They also agreed that the company needed to be made aware of the requirement for State Aid clearance, emphasising the fact that the risk and responsibility lay with them. Clarification on who the actual applicant is and evidence of the need of funding was also required.</u></p> <p><u>Action:</u> Change project back to green on RAG report</p> <p><u>Action:</u> Update on progress at next SIP meeting</p>	<p>IH</p> <p>MS</p> <p>IH</p>
<p>5.3. Update on Expenditure Profile</p>	
<p>MS updated on the current picture and desire to spread out expenditure into where possible. In terms of opportunities, the broadband project was seeking to push back their current expenditure to accommodate delivery plan changes. MS also requested that IH talk to transport project providers about timescales and funding profiles, specifically whether they would be willing to delay or forward fund expenditure.</p> <p><u>Action:</u> Talk to transport project providers about score for delaying or forward funding expenditure.</p>	<p>IH</p>
<p>5.4. Update on New LEP Process for Reporting/Governance</p>	
<p>EJ explained the new procedure for deciding on RAG statuses to projects</p>	

<p>and sign off of DCLG reporting.</p> <p>Action: Produce a paper for next SIP explaining changes.</p> <p>Action: MT need to decide what sub task and finish groups are required by the leadership groups.</p>	<p>MS</p> <p>GC/MT</p>
<p>5.5. SCC Update</p>	
<p>No change</p>	
<p>6. Strategic Agenda Items</p>	
<p>6.1. Productivity Strategy</p>	
<p>EJ explained that the final productivity strategy was set to be issued on the 16th January. Concerns were raised as to whether this was realistic given the time required to get buy-in from stakeholders and issues raised regarding weighting of priorities and wording of the report. SIP members also raised a concern that rushing to meet a deadline would result in a lack of consensus amongst partners and a less attractive proposition to Government.</p>	
<p>6.2. ESIF Update</p>	
<p>EJ updated that ERDF has made a lot of progress with getting more applications in. The switch of £3m to Somerset SME support has now been accepted and a call can go out. This leaves just £1m unallocated in the low carbon pot. A meeting is to be held with DCLG on the 19th December to work through the challenges with spend on live projects. Lobbying is still ongoing with DWP to allow open calls for the European Social Fund.</p>	
<p>Decision: SIP agreed to write a letter to DCLG highlighting the LEPs role regarding ESIF for potential use after the 19th December meeting.</p>	
<p>Action: Write letter to DCLG explaining role within ESIF.</p>	<p>CG</p>
<p>7. AOB</p>	
<p>IH mentioned that the North Devon Link Road bid was progressing – proforma submission will be made available to the LEP for signing.</p>	
<p>Decision: SIP agreed that Chris Garcia would sign the document in support of the bid.</p>	
<p>8. Date of Next Meeting</p>	
<p>10th January 2018</p>	