

Minutes of the LEP Place Leadership Group 17 January 2018

Abbey Manor Business Centre, The Abbey, Preston Road, Yeovil BA20 2EN

Attendees

Doug Bamsey (DB)	-	Somerset District Councils
Eifion Jones (EJ)	-	HotSW LEP
Ian Harrison (IH)	-	HotSW LEP Local Transport Board
Judith Gannon (JD)	-	LEP Business Forum
Mark Worsfold (MW)	-	South West Water
Mel Squires (MS)	-	NFU
Mike Deaton (MD)	-	Devon County Council
Paul Hickson (PH)	-	Somerset County Council/HotSW LEP

Supporting Officers

Rob Hensley (RH)	-	HotSW LEP Place Secretariat/Somerset County Council
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Apologies

Barbara Shaw	-	Westward Housing
Chris Garcia	-	HotSW LEP
David Northey	-	Network Rail
Heidi Hallam	-	HotSW LEP
Ian Bowyer	-	Plymouth City Council
John Dixon	-	Plymouth City Council
Mike O'Dowd-Jones	-	Somerset County Council
Pat Steward	-	Torbay Council
Sarah Jennings	-	Devon City Council
Tim Jones	-	Devon and Cornwall Business Council

	Agenda item	Lead
1.	Welcome, introductions and apologies MS welcomed everyone to the meeting and invited attendees to introduce themselves. Apologies are noted above.	MS
2.	Declarations of Interest There were no declarations	MS
3.	Minutes of the Last Meeting Minutes of the last routine Place Leadership Group meeting (30 th October 2017) were approved as an accurate record. Ref Transport item: The Association of Directors of Environment, Economy, Planning and Transport (ADEPT https://www.adeptnet.org.uk/) are producing a	MS RH – To forward minutes for publication RH – To circulate

	<p>paper in February. This to be circulated and discussed at the next Place Leadership Group Meeting.</p> <p>The HotSW response to the NIC National Infrastructure Assessment Consultation was flagged. Response as submitted on 12th January to be circulated to the Group.</p>	<p><i>ADEPT paper for next meeting</i></p> <p>RH – To circulate NIC consultation response</p>
<p>4.</p>	<p>Natural Capital Advocacy Document Apologies received from SJ so item deferred to next meeting (14th March 2018)</p>	<p>SJ – To brief at next meeting</p>
<p>5.</p>	<p>Joint LEP Energy Strategy</p> <p>RH gave an update on the joint Energy Strategy work being undertaken in partnership with Cornwall and the Isles of Scilly and Dorset LEPs. The outputs from the project will be key inputs to the SW Energy Capacity Hub delivery programme. At a high level, the aims of the BEIS funded project are:</p> <ul style="list-style-type: none"> • To understand how energy supply, demand reduction opportunities and challenges relate to economic growth • To maximise and secure the economic benefits of transition to a low carbon economy <p>The objectives of the project are to deliver:</p> <ul style="list-style-type: none"> • A strategy • A delivery plan including governance arrangements • Identified demonstrator projects <p>Baseline work, scenario modelling (assessing potential pathways from the Government’s Clean Growth Strategy) and first round of stakeholder engagement has now been completed, all of which have informed the identification of opportunities (such as renewables) and barriers (such as grid constraints). Key messages are:</p> <ul style="list-style-type: none"> • The strategy will be an “enabler” i.e. is not dependent on backing specific technologies • Energy is a significant economic opportunity • The requirement for investment is very large • LEPs should play a central role • Effective governance will be key <p>Three stakeholder workshops (one for each LEP area) to explore options for the delivery plan will take place during the fourth week of January. The strategy and delivery plan will be signed off by the end of this Financial Year. The key points made during the discussion for feedback to the project team were:</p> <ul style="list-style-type: none"> • There is a distinction between transmission and distribution. 	

	<ul style="list-style-type: none"> • We want more renewables but we have barriers e.g. grid constraints. • What choices do we have? What are they and when do we need to take decisions? Implications? • Regional assets/attributes need to be captured – tidal appears to be absent. • What are the land use implications e.g. for solar and energy crops? • Implications of Hinkley must be reflected. • There is growth in locating energy source close to use. • Is there case to create a CIL (Community Infrastructure Levy) covering electricity distribution? E.g. as a means to help address grid constraints. • Interaction with transport is important - will lead to fundamental change in demand. • Are there any “hot spots” or areas within the region that we need to bring out? E.g. Tidal power and initiatives in Isles of Scilly. 	
<p>6.</p>	<p>South West Energy Capacity Hub Proposals</p> <p>PH provided a brief on the developments to establish an Energy Capacity Hub for the South West. This is the next step from the development of local energy strategies (see above). Funding is being provided by BEIS to provide capacity to bring together the local strategies at regional level.</p> <p>The following South West LEPs have agreed to work as a consortium:</p> <ul style="list-style-type: none"> • Swindon and Wiltshire • GFirst • Solent • Heart of the South West • Dorset • Cornwall and the Isles of Scilly • West of England <p>West of England Combined Authority will host the Hub and act as Accountable Body with the work programme for the initial three year phase being driven by the deliverables set out in the local energy strategies.</p> <p>The proposal for the initial use of funding (e.g. partnership arrangements, definition of tasking for the Hub, staffing etc) is under development and a funding agreement will follow. It was agreed that the lead appointee for the Hub should be invited to the Place Leadership Group once they are in post.</p> <p>The main issue that was raised was how to incentivise the market to deliver what is wanted/needed? Funds will be provided by BEIS in the form of an activity budget for the first three years, to be used for the development of business cases. The balance of public and private investment is an issue to take forward, with perhaps the Government’s Industrial Strategy acting as the basis for public</p>	<p>RH – To note for future meeting.</p>

	funding.	
7.	<p>Rural Productivity Commission Next Steps</p> <p>MS gave an overview of way forward with regards to the outcomes from the Rural Productivity Commission. This will include a meeting with the LEP Board to discuss priorities and objectives and the Terms of Reference for the Rural Task Force as recommended by the Commission.</p> <p>The subsequent discussion highlighted the following:</p> <ul style="list-style-type: none"> • A very useful evidence base has been put together as a result of this work and this will inform a technical level examination of the recommendations from a HotSW perspective in comparison to wider LEPs and input from Government. • Rural LEPs have welcomed the output from the Commission and there are common issues to collaborate on. • The Government’s 25 Year Environment Plan needs to be taken up in the recommendations from the Commission. • A key exam question is how can rural areas be more productive and take an environmental lead? • The Commission was a very positive process, how does this now “touch down” to produce tangible outcomes? The start was setting ambition and there is now work to be done to turn that into what needs to be done next. • “Rural” has a broad definition and therefore the Commission covered a wide range. We now need to capture opportunities from Government policy initiatives for example to identify locations for land use pilots and test beds. 	
8.	<p>Major Transport Consultations</p> <p>IH covered the details of the following six current transport consultations:</p> <ul style="list-style-type: none"> • DfT Transport policy <ul style="list-style-type: none"> – Great Western Franchise – Major Road Network – Community Rail Strategy • Highways England A303/A358 dualling <ul style="list-style-type: none"> – Stonehenge – Sparkford to Ilchester – A358 Ilminster to Taunton <p>Great Western Franchise – The Secretary of State for Transport is extending the GWR franchise. This comprehensive consultation is about the way forward for the franchise. A key question is whether the GWR network should be divided or remain as a single franchise. With regards to a LEP response, this is an opportunity to implement key elements in Strategic Economic Plan/Productivity strategy/Peninsular Rail Task Force (PRTF) strategy e.g. faster journey times. The</p>	

<p>implications of splitting the network need to be understood and the HotSW LEP response will be informed by liaison with local authorities, adjoining LEPs and PRTF. The emerging points from the discussion were are as follows:</p> <ul style="list-style-type: none"> • The splitting up of the franchise could exacerbate the peripherality of the south west and reduce flexibility in rolling stock availability. • PTRF flagged the need for Wi-Fi on trains and connecting places at local level. • There is the possibility to push for new stations. • There is potential conflict between having faster trains and introducing more stops and stations. It may be possible to have both by creating services that combine some intermediate stops with fast sections of track. • There is the potential to use stations strategically e.g. as work hubs. • We need to understand what capability we have now vs what we need. • Passenger benefit from a franchise split is difficult to see although more franchises potentially introduce more competition. • Is electrification and resilience improvement delivered by this? With regard to resilience, there is a need to move rolling stock and therefore a single network would appear to be advantageous. • Tourism needs connectivity from Heathrow and Gatwick and we would want to maintain services into the peninsula from key access points such as these. • There should be rail links with Garden Town development e.g. Cullompton. • The predominant view of Community Rail Groups is that the network should be retained, not split. <p>Major Road Network - The Intention to create a Major Road Network was announced at launch of the DfT Transport Investment Strategy in July 2017 in response to study by the Rees Jeffries Road Fund. This recognises the importance of A roads as complementary to motorways and trunk roads managed by Highways England. For the HotSW region, this includes a North Devon link road and the A358, A316, A37 and others. The key points from the discussion were:</p> <ul style="list-style-type: none"> • The Highways England network is funded by road duty and will also play a role in supporting this but what is the impact on existing funding streams for Local Authorities? It was also noted that fuel duties in future will decline as the use of electric/low carbon vehicles increases. • Does this meet our priorities? Local Authorities/Transport Authorities need to advise and join with LEPs on common themes. • What are the implications of being designated? Makes more funding available and therefore could it enable housing and development? This might be possible, but the level of investment may not be sufficient to deliver a “step change” and will not change the characteristics of the routes. 	<p>RH – To circulate emerging points to PLG</p>
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<ul style="list-style-type: none"> • The conclusion was broadly to support. <p>Community Rail Strategy – Community rail lines have generally increased patronage over national networks. The themes of the consultation fit well with the Productivity Strategy, namely:</p> <ul style="list-style-type: none"> • Connecting people to places & opportunities • Integrating communities to create a fairer society and encourage diversity and inclusion • Supporting local and regional economies and sharing opportunities • Suggesting innovative ways to improve the way the railway works, including bringing disused buildings and land back into use and working with heritage railways. <p>There is a lot of support for community rail in the HotSW area although the availability of Local Authority funding for them is being squeezed. The community rail partnerships are very diverse and many people use them, e.g. to access education. The suggested line is that we need to stick with community rail, but how can this be funded and improved? Consultation closes on 28th January and any comments should be fed back to IH directly. LEP response to draw on liaison with Devon and Cornwall Community Rail Partnership.</p> <p>The key points from the discussion were:</p> <ul style="list-style-type: none"> • How does the Community Rail Strategy relate to Network Rail? Relevant bodies meet to discuss e.g. for the Tarka Line (Exeter to Barnstaple), the Local Transport Board (LTB) meets with Devon County Council and Network Rail. • Community rail in the region is often coastal and therefore provides an important link to support coastal areas. • Community rail is a formal designation and lines tend to be branch lines with many train services serving different functions, such as connecting to London whilst also meeting local need. • There is mixed use of community rail, particularly tourism mixed with commuting. • The key is maximising the use of the asset. <p>A303 – The economic case for dualling the A303 was made approximately five years ago with a forecast benefit of £41.6 billion. Government has previously agreed to gradual improvement. There are three current consultations:</p> <ul style="list-style-type: none"> • Stonehenge <ul style="list-style-type: none"> – Preferred route announced September 2017 • Sparkford to Ilchester <ul style="list-style-type: none"> – Preferred route announced November 2017 • A358 Dualling 	<p>ALL – Provide any comments to IH directly</p>
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	<ul style="list-style-type: none"> – HE received adverse responses to single option consultation carried out in Spring 2017 – Further route options consultation launched 16 January 2018 <p>There are three proposed options for the A358 at Taunton, one of which does not link to the strategic enterprise site at M5 Junction 25.</p> <p>The key consultation issues for the LEP were summarised as:</p> <ul style="list-style-type: none"> • Stonehenge <ul style="list-style-type: none"> – Need to show strong support, in conjunction with partners – DCO process will be contested by some heritage/ environment groups • Sparkford to Ilchester <ul style="list-style-type: none"> – Need to show strong support, in conjunction with partners – Emphasise need for complete route upgrade • A358 consultation <ul style="list-style-type: none"> – Need to show strong support for principle of A358 dualling – Options response could be mixed – key consideration for LEP is relationship with M5 Junction 25 Growth Deal project, and Nexus 25 business park development <p>The discussion emphasised the importance of the whole A303 route and the fundamental need for traffic to get past Stonehenge. Also, dualling of the road should provide capacity to link to the Garden Towns. It is anticipated that the response to the A358 options is likely to be mixed, but with the J25 Growth Deal and Nexus 25 Business Park now in the planning stage, it appears logical to support the options that connect to M5 Junction 25. Somerset County Council and Taunton Deane Borough Council are considering their own responses. It was agreed that the LEP Board needs sight of the proposed response.</p>	
9.	<p>Updates</p> <p>Productivity Strategy (EJ) – The consultation process ran until mid-December and there were 60+ responses. The aim is for the Joint Committee to sign off the strategy on 2nd March followed by the LEP Board on 13th March. Ownership (e.g. between LEP and Local Authorities). A session on 26th January with CEO partners will consider delivery at programme level. Discussion highlighted the need for ownership before prioritisation and the link to local Industrial Strategies that will be led by the LEPs. The local Industrial Strategy could “slice through” the Productivity Strategy and focus on 3 or 4 strengths/opportunities such as aerospace, nuclear and perhaps tourism.</p> <p>As further context, EJ explained that Leaders and CEOs of upper tier Local Authorities and Civil Service representatives were meeting on 17th January to discuss devolution. The Devolution Framework is not yet published and therefore the contribution from Government is not yet clear. It is possible that the focus will be on smaller offers on specific areas rather than big programmes. The steer</p>	

	<p>being received is away from skills.</p> <p>The role of the Place Leadership Group in delivering the Productivity Strategy needs consideration; this to be on the agenda for future meetings once the plan has been developed.</p> <p>MoD Estate Review (PH) – In September 2017 the Strategic Investment Panel approved project proposal (worth £40k) for a preliminary economic options study of MoD estate scheduled for release (Norton Manor Camp, Chivenor and Stonehouse Barracks). Subsequently, One Public Estate bids from SCC and Devon Local Authorities have been awarded funding. The intention is now to pool resources in order to achieve best value. The work for this is now being scoped out. Note, there is a little uncertainty as it is anticipated that the new Secretary of State for Defence will refresh the estate review and report in spring.</p>	
10.	<p>AOB</p> <p>Housing Infrastructure Fund (PH) – Forward Funding and Marginal Viability bids were reviewed and supported by the LEP in September 2017. Government will review applications in February with the results anticipated in March.</p>	
11.	<p>Next meeting: 14th March 2018 – Details to be confirmed</p>	

Actions Log Summary	Meeting Date	Owner	Status Update	Next Steps
To forward previous Place Leadership Group meeting minutes for publication on HotSW LEP website.	17/01/2017	Rob Hensley	Completed 24/01/2018	N/A
North Devon Corridor rail strategy update to be provided at January Place Leadership Group Meeting.	30/10/2017	David Northey	Deferred to 14/03/2018	
Update on transport needs and agenda policy paper for Joint Committee to be provided at January Place Leadership Group Meeting.	30/10/2017	Chris Garcia & Doug Bamsey	ADEPT transport paper to be discussed at next meeting (14/03/2018)	RH to circulate paper when available
Verbal update on Productivity Strategy Delivery Plan and policy development to be provided at January Place Leadership Group Meeting.	30/10/2017	Chris Garcia	Covered by EJ during this meeting (see 9 above)	

Submitted HotSW LEP response to the National Infrastructure Commission National Infrastructure Assessment Consultation to be circulated to Place Leadership Group	17/01/2018	Rob Hensley	Completed 24/01/2018	
Circulate emerging points raised during the discussion on the GWR franchise consultation.	17/01/2018	Rob Hensley	Completed 23/01/18	
Provide any comments on the Community Rail Strategy to IH prior to 28 th January consultation submission date	17/01/2018	All	RH sent IH's draft consultation response to PLG for comment on 23/01/18	