



**heart of the
south west**

local enterprise partnership

HotSW Annual Review 2014/15 Interim findings

Monday 21st September 2015

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The Structure

- **How the LEP performed in 2014/15**
- Progress against core objectives in the SEP
- Reflections on LEP activity in 2014/15

How the LEP Performed in 2014/15

2014/15 was a busy year... HotSW LEP developed – and is now managing – a project portfolio of circa £500m. Governance and assurance mechanisms were developed in response.

Advocacy and influencing role

Growing Places Fund Delivery

ESIF submitted & published

DCLG decision to change delivery process

Assurance Framework and M&E Plan

SEP submitted & published

Growth Deal 1 negotiation

Growth Deal 2 negotiation

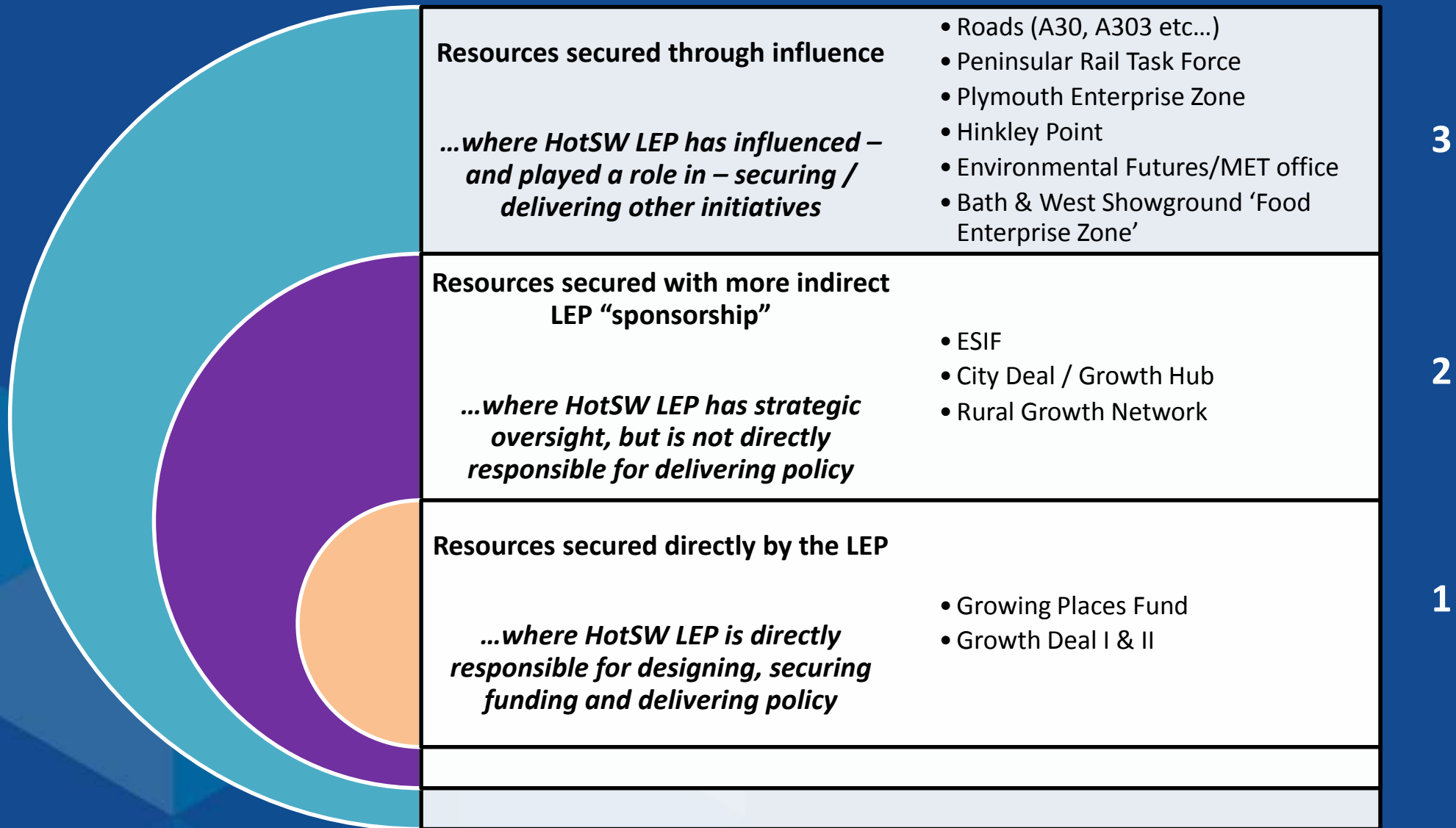
Business Case Approval / Funding Agreements signed

Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul

2014

2015

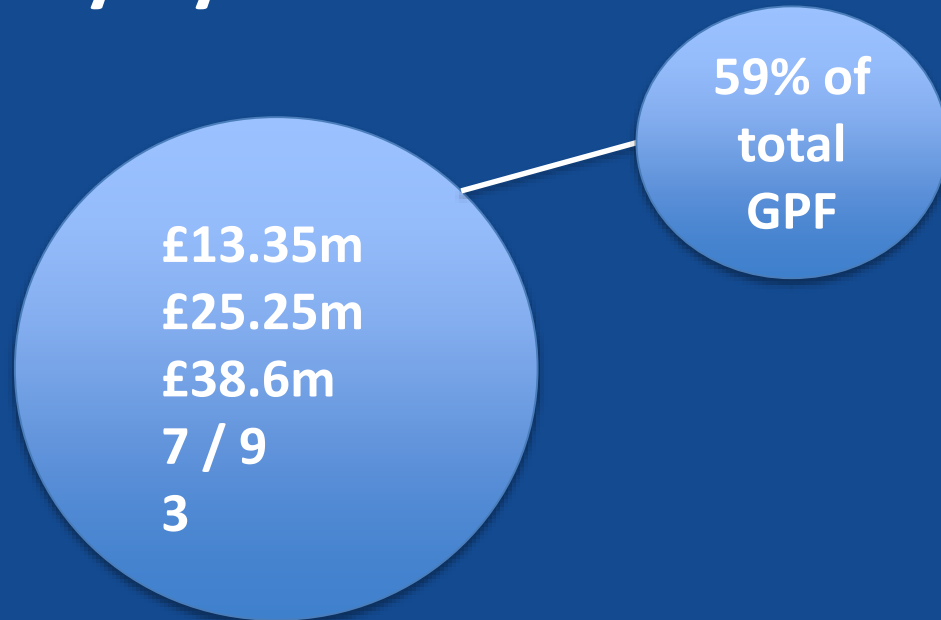
HotSW LEP's activity in 2014/15



1. Resources secured directly by HotSW

Growing Places Fund

Total Loans administered in 14/15
Match funding
Total funding
No. of live projects
No. of live projects repaying loans



Source: September 15 Programme Highlight Report no.8

- 2014/15 saw GPF project delivery
- Overall projects have been delivered to schedule and budget
- The remaining two projects in the portfolio are to be used as part of the Plymouth City Deal and the Connecting Devon & Somerset programme; both are awaiting business case development

1. Resources secured directly by HotSW

Growth Deal 1

Total public funding

Match funding

Total funding

Business cases approved

Funding agreements signed

No. of live projects / total projects

£111.6m

£182.23m

£294.45

23 / 29

3 / 29

0 / 29

In total, **£130m**
secured through
Growth Deal 1 from BIS

8th highest allocation
of the 39 LEPs

Source: September 15 Programme Highlight Report no.8

- The Growth Deal is a “something for something” agreement with government - a new way of doing business
- Strategic Investment Panel was established to manage this process
- HotSW LEP secured a good Deal for Devon, Somerset, Torbay and Plymouth
- Transport projects accounted for 59% of LGF

1. Resources secured directly by HotSW

Growth Deal 2

Total funding secured

£60.2m

Project Portfolio

11

Projects delivered

0 / 11

Work begun on business cases

4/11

Source: September 15 Programme Highlight Report no.8

- HotSW LEP's Growth Deal 2 was the highest LGF funding award across all LEPs
- Like Growth Deal 1, there was a strong focus on transport projects (54% of funding)
- Delivery will start shortly...

2: Resources secured with more “indirect” HotSW LEP sponsorship

EU Structural Investment Fund Strategy for HotSW....

- submitted to government in May 2014
- with investment priorities for £116m of ERDF/ESF/EAFRD resources
- but delivery has been significantly delayed because of central government issues

Plymouth and South West Peninsula Growth Hub

- Progress being made in spite of difficult short term funding arrangements

HotSW Rural Growth Network Pilot

- with Defra funding, the Pilot started delivering in early 2013
- 2014/15 was a year of significant activity – key projects include physical hubs (e.g. Holsworthy, Highbridge) and business support with a particular focus on women-led enterprise

3: Wider resources secured, including...

Roads improvements (A30, A303, A358)



<http://www.geograph.org.uk/photo/2817623>



Hinkley

<http://trillionfund.com/edf-cuts-jobs-and-spending-on-planned-nuclear-power-plant-at-hinkley-point/>



South West Peninsular Rail Task Force

<http://www.annemariemorris.co.uk/news/keeping-our-dawlish-line-track>



Plymouth Enterprise Zone

<http://www.plymouthherald.co.uk/Plymouth-s-South-Yard-docks-seek-pound-28m/story-27631203-detail/story.html>



Met Office Environmental Futures Campus

<http://www.theexeterdaily.co.uk/news/business/supercomputer-create-knowledge-hub>

The Structure

- How the LEP performed in 2014/15
- What has been achieved against core objectives in the SEP
 - Programme viewpoint
 - Socioeconomic data viewpoint
- Reflections on LEP activity in 2014/15

The SEP mission statement and core objectives

“To reposition the Heart of the South West’s profile and reputation, nationally and globally. Connecting people, places, businesses and ideas to transform our economy, securing investment in infrastructure and skills to create more jobs and enable rewarding careers”

	Creating the conditions for growth	Maximising productivity	Capitalising on our distinctive assets (transformational opportunities)
Place	Infrastructure	Employment & housing sites	Specialist facilities
Business	Business support – to start and grow	Business support – raising productivity	Business support – innovation
People	Skills infrastructure	Jobs & quality careers	Talent for growth

Three core aims in the SEP

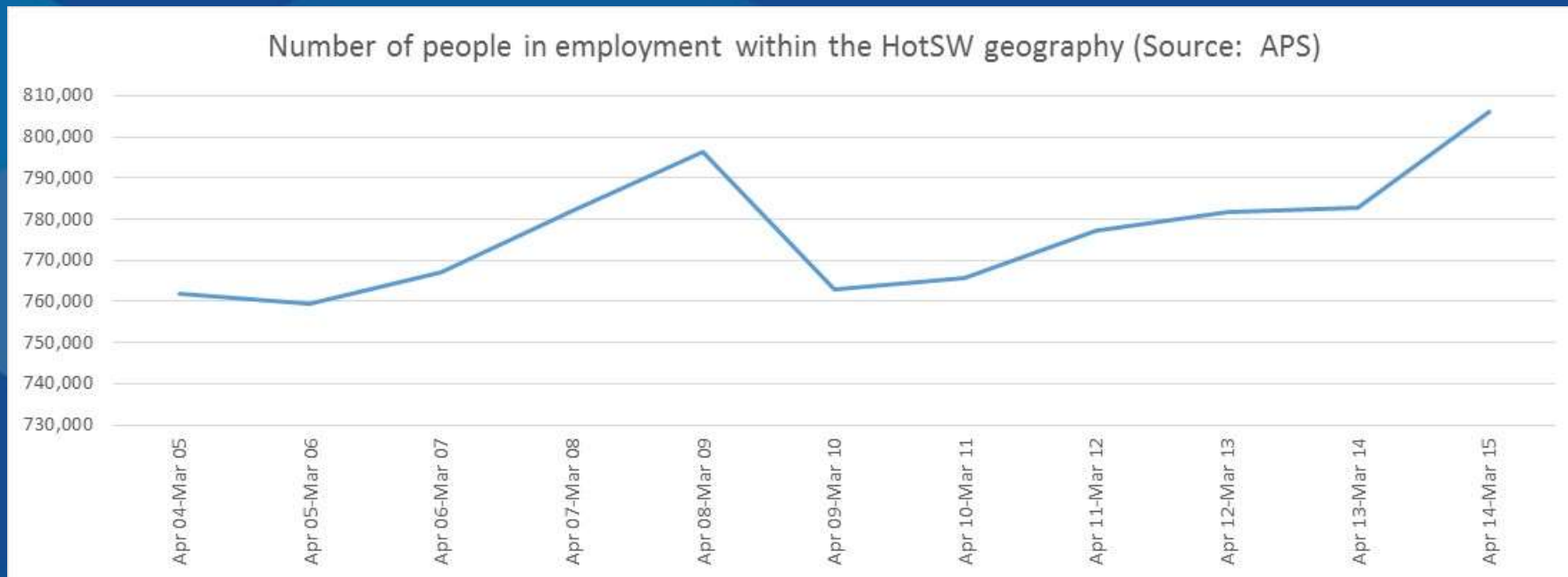
Thematic analysis upon which the SEP’s SWOT was based

The Programme Viewpoint

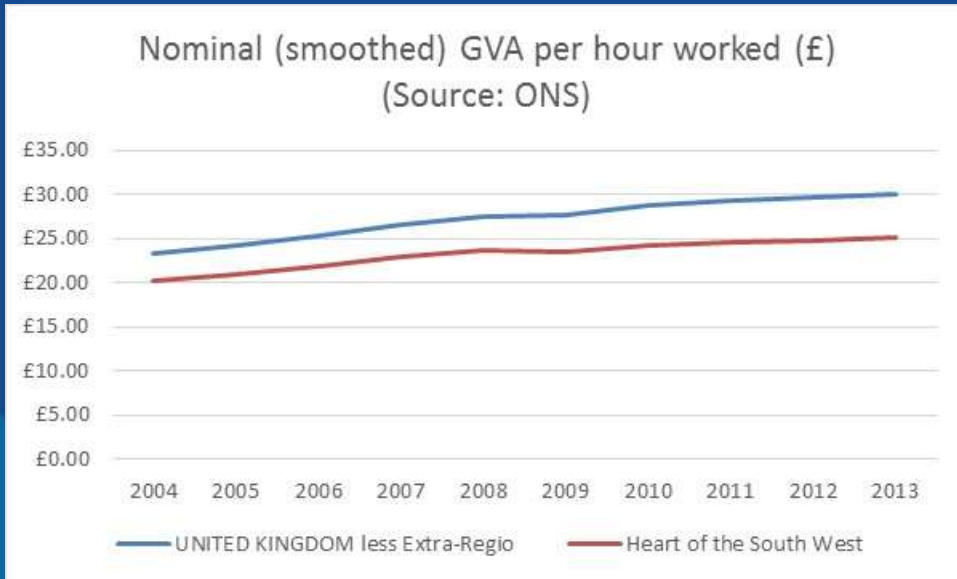
	Creating the conditions for growth	Maximising productivity	Capitalising on our distinctive assets (transformational opportunities)
Place	<p>Infrastructure</p> <ul style="list-style-type: none"> • Connecting Devon & Somerset (GPF) • Pervasive 4G mobile infrastructure (GD1) • Various road & rail improvements (GD1 &2) • Flood Action Plan (GD1) 	<p>Employment & housing sites</p> <ul style="list-style-type: none"> • DC Homes & Concise homes Bridgewater (GPF) • Millfields Plymouth (GPF) • Ocean Studios Plymouth (GPF) • Plymouth Science Park (GD1) • Unlocking Growth Fund (GD2) 	<p>Specialist facilities</p> <ul style="list-style-type: none"> • Exeter Science Park (GPF & GD 1&2) • Plymouth Enterprise Zone • Electronics & Photonics innovation EPIC • Marine Industries Production Campus, South Yard, Plymouth
Business	<p>Business support – to start and grow</p> <ul style="list-style-type: none"> • Plymouth City Deal (GPF) • ESIF • RGN 	<p>Business support – raising productivity</p> <ul style="list-style-type: none"> • Plymouth City Deal (GPF) • ESIF 	<p>Business support – innovation</p> <ul style="list-style-type: none"> • Plymouth City Deal (GPF) • Low Carbon Innovation Centre Growth Hub (GD2)
People	<p>Skills infrastructure</p> <ul style="list-style-type: none"> • Bridgwater College Hinkley Skills Capital (GD1) • Plymouth College Stem Centre (GD1) • Hinkley HPTA package (GD1) • Somerset College for Engineering (GD1) 	<p>Jobs & quality careers</p>	<p>Talent for growth</p>

The socio-economic data viewpoint: What the latest data are saying (1)

- According to the Annual Population Survey, the number of people in employment in the HotSW area has increased markedly post-recession
- The recent rate of employment growth has been faster than the national average

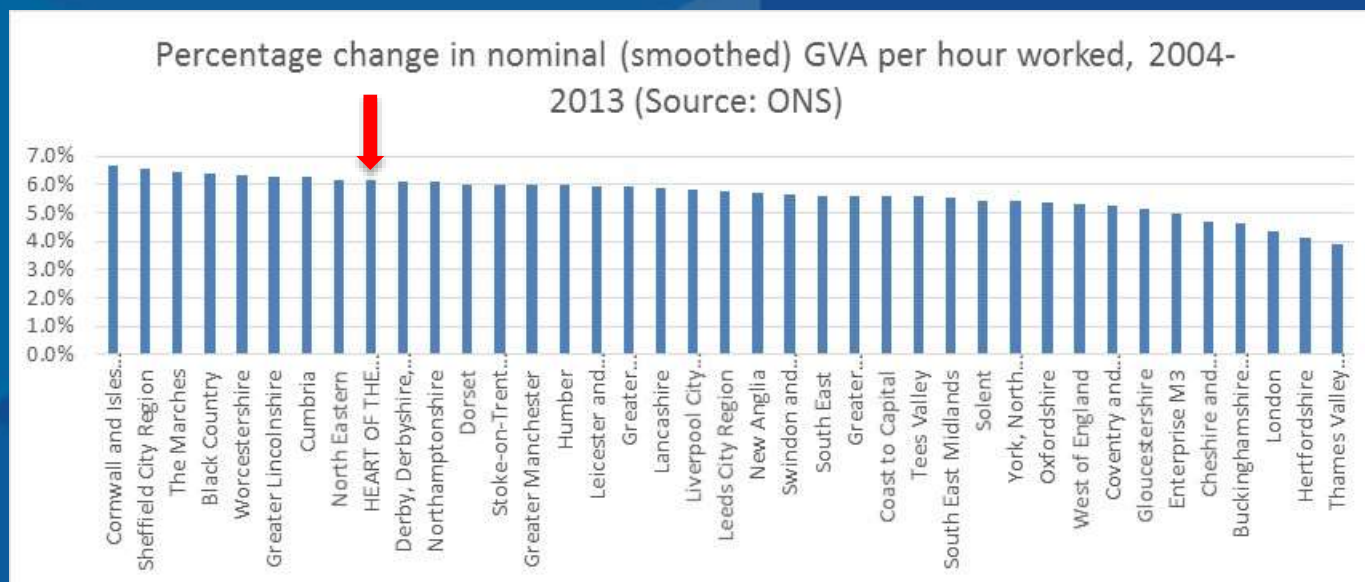


The socio-economic data viewpoint: What the latest data are saying (2)



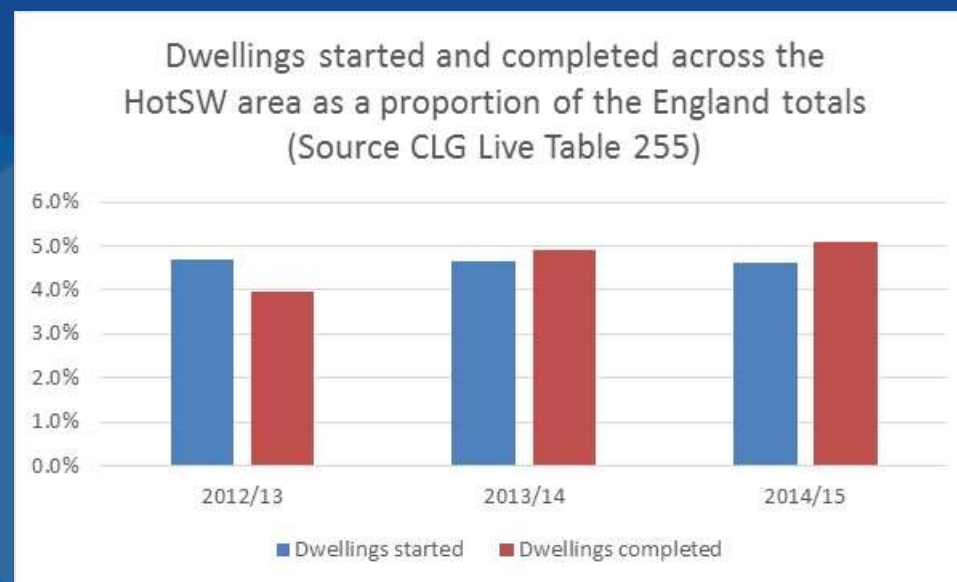
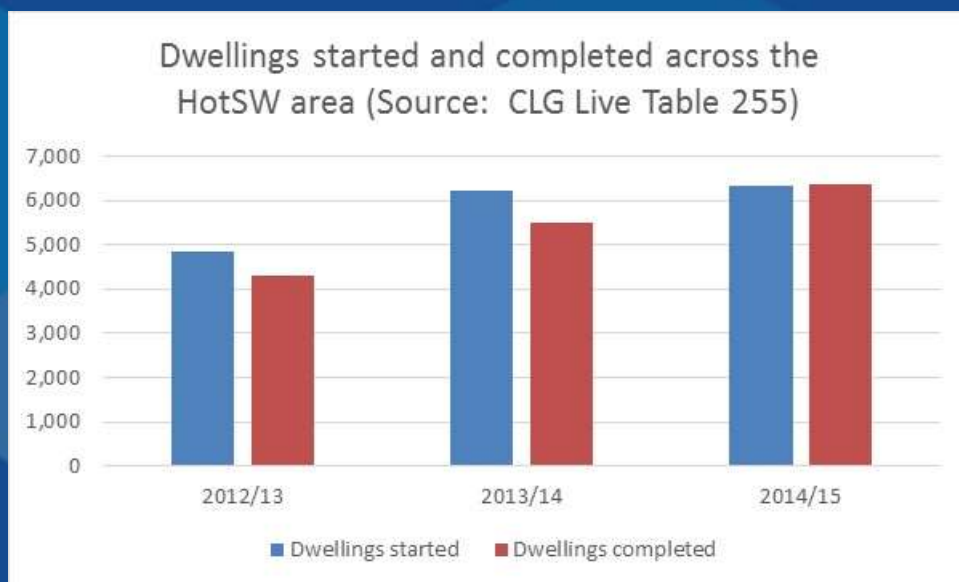
Based on data released by ONS in August 2015

- GVA per hour worked – a key measure of productivity – continues to be relatively low....
- ...but Heart of the South West has been one of the better performing LEP areas in terms of recent patterns of change



The socio-economic data viewpoint: What the latest data are saying (3)

- More houses are being built across HotSW
- This is broadly consistent with the national picture which reflects the economic recovery
- ...But the SEP target for 2020 is 10,000 dpa



The Structure

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Reflections on LEP activity in 2014/15: its portfolio

HotSW LEP has

- engaged with senior politicians and local MPs – raising profile and influence
- provided an effective conduit for linking multiple funding sources to create a large package of funding which has added value to projects (e.g. Connecting Devon & Somerset & Exeter Science Park)
- achieved impressive Growth Deal settlements

Going forward, there will be an on-going need to consider the impacts of intervention across the whole of the HotSW geography

- Balance of investment in transport vs investment in skills or innovation
- Ensuring investment in economic hot spots delivers benefits to the whole LEP area

Reflections on LEP activity in 2014/15: its advocacy & influencing role

- HotSW LEP has
 - Provided a platform for relationships between local authorities, laying some groundwork for recent devolution statement
 - developed cross-sector working (between functions) – and this will be increasingly important
- However, links to the private sector are still developing – do businesses know HotSW LEP? A key challenge?

Any questions?

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