

Minutes of Board Meeting 10 September 2014 at the University of Plymouth

Board Attendees:

Adam Chambers
Andrew Leadbetter
Barbara Shaw
Charles Uzzell (for Mayor Gordon Oliver)
Chris Garcia
Councillor David Hall
Councillor Harvey Siggs
Frances Brennan
Julian Beer (for Wendy Purcell)
Mark Goodwin (for Steve Smith)
Nick Engert
Councillor Paul Diviani

Simon Barker
Stephen Bird
Stephen Criddle
Steve Hindley (Chair)
Tim Jones
Councillor Tudor Evans
Vaughan Lindsay

Also In attendance:

Chris Atkinson
David Draffan
Heather Barnes
Ian Thompson
Janet Powell
Julia Sweeney
Mark Williams
Paul Taylor
Paula Hewitt
Sally Edgington

Welcome:

Charles Uzzell, Director of Place & Resources – Torbay Council, alternate for Gordon Oliver
Chris Atkinson, Corporate Manager - Access to Services, Mendip District Council, officer accompanying Harvey Siggs

David Draffan, Assistant Economic Director, Plymouth City Council, officer accompanying Tudor Evans
 Ian Thompson, Interim LEP Mobilisation Manager
 Mark Goodwin - Deputy Vice Chancellor, University of Exeter, alternate for Steve Smith
 Paul Taylor – LEP Head of Strategy & Operations
 Stephen Criddle, Principal & CEO, South Devon College, new Board Director representing FE Colleges

Apologies: Gordon Oliver, Nick Ames, Steve Smith

Agenda Item	Action
<p>1. Welcome & Apologies: as above Thanks to JB and the University of Plymouth for hosting.</p>	
<p>2. Declarations of Interest Same as last board meeting.</p>	
<p>3. Draft Minutes of last meeting 22 July and actions arising Draft Minutes agreed as accurate and final. Update on Actions: FB/VL update on establishing a Construction Academy:- - first meeting has taken place to scope the breadth of the issue, formulate a strategy, address the leverage of private sector money and to seek ways of marrying up with the Place Leadership group, in order to address the issue of youth employability in this sector by embedding Skills into the planning system and procurement obligations.</p>	
<p>4. Chief Executive's Report There are two areas of discussion where board members views are valued:- <u>First area</u> – follow up from the LEP/DCLG summit which includes:-</p> <ul style="list-style-type: none"> ➤ Looking at the delivery structure to check it is robust and fit for purpose. ➤ Continuing to retain the focus as set out in the Strategic Economic Plan (SEP) and Growth Deal (GD) and not to lose momentum i.e. around conditions for growth (infrastructure, transport & digital). ➤ Looking for specific opportunities to work smarter - touched on with Construction Industry Training Board (CITB) work, inward investment agenda and ongoing LA collaborative discussions. <p><u>Second area</u> – to agree 4 key principles:-</p> <ul style="list-style-type: none"> ➤ Of maintaining current model of upper tier and lower tier funding and resources, expanding the principle to acknowledge the District Council's (DCs) contributions. ➤ Maintaining current Service Level Agreements (SLAs) and commitments with the 4 Local Authorities (LAs) and establish cross working for additional resource. ➤ To expand on commissioning agreements and contracts ➤ Seek to avoid 'poaching' staff between LAs (especially in Social Care) and directly recruit for LEP activity, working collaboratively and avoid salary 'creep'. <p>The following comments were made:</p> <ul style="list-style-type: none"> ➤ Query over capacity building, whether this exists with the DCs, at a time when LA 	

budgets are retracting?

➤ How can resources best serve the LEP?

DCs are in a different position as they do not have the burden of social and young people responsibilities that the LAs have, therefore they have more flexibility in how they utilise their resources. PD: stated that the DCs will help as much as possible. It was also acknowledged that most DCs had already made financial contributions from their budgets to the LEP.

Growth Deal 2 update

We are still awaiting formal guidance around a further GD 2. Current guidance is that a submission will be requested by the end of November, with a final decision from Govt about the size of the Local Growth Fund available due on 3 December (Autumn Statement). We are advised that the overall funding available will be significantly less than in the first round.

N.B. Shortly after the Board meeting, on 19th September, Government confirmed that a submission would be required from LEPs by 6th October. The ask from Government was to submit projects that require 'top up' funding, including to accelerate delivery of schemes already agreed in the Growth Deal; to take forward projects within our prioritised lists of schemes that did not get funded in July; and to take forward new projects.

PT: requested the support of a 'sounding' board made up of the Chairs of the 3 Leadership Groups, working with the LEP Management Team, to guide this work and invited other interested Board Members who wished to volunteer to sit on this group to come forward.

Action: Volunteers for the sounding group to:-

Advice from our Govt sponsor/s: it is important for the LEP to put into place the correct delivery model and governance, whilst discussions amongst ministers continue on a GD 2. The suggestion is to resurrect good quality projects from Round 1, that did not progress and to work them up into priorities for the next round. We are encouraged to think about the priority projects that would bring about truly transformational opportunities.

TE: Feels the LEP needs to be bolder in its vision with the projects put forward i.e. Why not ask for full electrification from Paddington all the way down to Penzance? We are willing to be bold and ambitious, but must rely on some indication from Whitehall as to whether the LEP is pitching too high.

The consensus was to also work in partnership to feed into the Autumn Spending Review, so that as well as pitching for a range of projects, we are also lobbying for the 1 or 2 big strategic projects that would make a significant difference to the area.

PT

Compilation of GD2 projects falls under the remit of the Head of Strategy and Operations role (PT) with the support of the management team and the sounding board on the prioritisation process.

Other transformational opportunities were mentioned:- joining up the South East to the South West with a second rail route and two highways coming in; the ability to leverage in private sector Investment; Supercomputer; South Yard; Peninsula Rail Task Force (PRTF); Skills; motorway tolls.

Growth Deal 1 governance

A lot will depend on how effective the LEP is in delivering the current GD 1, with Govt placing a high priority on mobilisation and delivery, which is why direction is being sought from the board on the proposals put forward in Annex A, (CEX report). There is already a strong delivery structure developing through the Service Level Agreements (SLAs) from the SEP in the leadership themes of People, Place and Business. The LA Pre- Meet, prior to the Board meeting had an opportunity to discuss these and favour Option 1, but also to pick up some strengths of Option 3 ref accountable body requirements.

The three different governance and management options for arrangements for GD 1 were summarised and comments invited.

The preferred option of the board was for Option 1.

Some concerns were voiced with regard to the capacity of accountable bodies to provide resources, who the partner organisations were, how to manage consistency, wariness of sub-committees, risks with skills i.e. Skills Funding Agency (SFA) are a funding agency not a delivery agent.

The discussion was then handed over to Ian Thompson, Interim Mobilisation Manager to go through Annex B (CEX Report).

Growth Deal Programme mobilisation update

The key issues are - the LEP is still waiting for the offer letter, which will set out the terms and conditions and guidance on outputs. Once this is received an implementation plan can be prepared, which sets out how to manage the programme, whilst the Assurance Framework will cover the governance, how the accountable body and project delivery will work. Another key element will be monitoring and evaluation as the Government require us to monitor impact and it hoped this can be carried out jointly with the Government putting in additional resource, as evaluation can be expensive.

The transport projects already conform to the Local Transport Board framework which

provides confidence, however, the non-transport projects are in a less developed stage, i.e. expression of interest (EOI) and still need to go through a formal process, be state aid and planning compliant, have their own form of contracts and Terms & Condition's tied down. The plan is to develop a parallel system to that of the LTB. There are queries around approving spend on an accrued basis and looking for flexibility on how design costs can be factored in, as many are purely speculative at this stage.

FB: mentioned that at the recent LEP Network Chairs Dinner in London, Local Partnerships stated there was some additional transport funding here that could help. CG: replied he was aware of this and was in discussions with Local Partnerships re the methodology for building the business case for non-transport projects i.e. railway stations, with an approach to capture different benefits (similar to a green book approach).

Further points from CEX Report

The board needs to be aware that a Judicial Review is currently underway:- Emily Shirley v Secretary of State for Communities and Local Government to challenge the decision on 7 July 2014 to agree Growth Deals with 39 LEPs under which central Government funding is being made available in order to boost local economies on the failure to carry out an environmental assessment of the 39 GD's etc. This LEP, as have all other 38 been served as interested parties.

Action: any queries relating to this matter, contact CG directly.

TJ: raised the visibility of Growing Places Fund (GPF) within the CEX report. Unfortunately, the summer holidays have delayed figures being reported.

However, a format for reporting on GPF progress together with overall profiling, which is easy to follow has been agreed with the accountable body - Devon County Council.

Action: GPF report available within CEX Report for next board meeting.

CG

Andrew Leadbetter departed at this stage due to prior commitments.

5. DCLG EU SIF presentation – Tim Wheatley & Les Roper

Julia Sweeney our Senior Government sponsor, introduced Tim and Les who took us through a power-point presentation (see attached).

It is unlikely that the operational programme will be approved prior to Christmas, more likely to be in the second half of next year. Each LEP has received a (76 page) document for guidance. Local DCLG teams are currently engaged with us and looking at the pipeline. There are 2 leads for the South West with an overview of 6 LEPs and our nominated contact is Les Roper who will be working with us to see what this means for our LEP.

<p>DCLG confirmed they will provide the secretariat for the EU SIF committee.</p> <p>Further comments:-</p> <ul style="list-style-type: none"> ➤ Will the EU SIF committee talk to the Opt In providers and will there be the opportunity to blend opportunities, projects and funding to utilise one approach? Answer. YES. ➤ There is likely to be an early call towards the end of 2014 to boost the pipeline, however another organisation will be called upon to do this, as once the call goes out members will be conflicted. <p>Action: to look at scoping joint funding opportunities with DCLG as part of Construction Skills Project.</p> <ul style="list-style-type: none"> ➤ There were concerns around the necessity to have clear guidelines around the process, with protocols around how projects will be identified and to be wary of trade distortion and how to “police” this. Noted by DCLG. ➤ Will ESF and ERDF run along in parallel and will we be able to sequence funding? Answer. YES. ➤ It was pointed out to directors that anyone wishing to put themselves forward as an applicant for the EU SIF committee, that there was no reimbursement for this work, it was unfunded and there was no money provided for technical assistance (TA). Could any retrospective claims be made? This was still being discussed in Government and to look out for further guidance. Caution sounded that our last TA money received was only a SW case, not provided nationally. <p>Action: important to record costs against these items, in case retrospective claims can be made in the future.</p>	<p>FB, VL & LR</p> <p>IT</p>
<p>6. ESIF Local Committee Recruitment</p> <p>This requires board agreement to proceed as outlined in the paper, as the first meeting is scheduled for the end of October, but prior to this a recruitment exercise needs to be carried out for committee members. As stated previously, there is no remuneration for being a committee member, however it is an extremely important role and applicants need to be totally committed. Typical workload:- quarterly meetings, reading project appraisals, (last programme had 10 – 12 projects), plus other papers to read. The LEP will utilise its partner networks and organisations to advertise the roles.</p> <p>In principle the paper was accepted with the following conditions:-</p> <ul style="list-style-type: none"> ➤ The makeup of the committee needs to be slightly larger, as a BIS representative has inadvertently been missed off, with 3 LA members to cover all interests, one person may be able to cover more than one interest and there is no representative from the Social Enterprise (SE) sector on the committee. 	

<p>➤ Board agreement noted for paper to proceed.</p> <p>Action: Directors help sought for help in recruitment and selection panel, to inform Secretariat. Noted that NE, FB & AC volunteered.</p> <p>Action: Anyone wishing to be considered for recruitment to the committee or knowing of interested candidates to inform Secretariat. SBird put forward as a LEP representative on the Committee. Noted: TJ has significant prior experience with these committees and will be happy to continue discussions re ESIF Committee with DCLG and LR after the board meeting and provide ongoing support.</p>	JP & CG
<p>7. Inward Investment Strategy Paper</p> <p>Introduced by Simon Barker, Chair of the LEP Inward Investment Group. Simon asked for the Board to endorse the approach outlined in the report. Key points included:</p> <ul style="list-style-type: none"> ➤ The paper represents a fundamentally new approach representing cross-LEP agreement on priority sectors within the local authority economic development teams across and within Devon and Somerset. ➤ The approach has the support of senior UKTI personnel. ➤ The City Deal (which has provided funding for a LE Inward Investment Manager) together with the Growth Hub approach, has provided significant momentum for this work. <p>Agreed: Paper endorsed by the Board, with the following comments noted:</p> <ul style="list-style-type: none"> ➤ Consistent account management is important, linked to UKTI ➤ Opportunities work with the Universities to be explored. ➤ Important to maintain read-across to the smart specialisation sectors within EUSIF. ➤ There may be potential for savings in public sector budgets (economies of scale) in the long run by working in a more joined up way. ➤ Important to explore joint collaborative working with other LEPs (West of England LEP) on Aerospace and Nuclear. ➤ Regarding sectors, energy is very focused on nuclear and would benefit from a wider definition including renewables and agri-tech is a sector that would benefit from further shaping. ➤ NE: volunteered to input thoughts on a Food Park concept concerning more local food processing and distribution. 	
<p>8. Papers for noting No comment</p>	

Local Enterprise Partnership

Creating opportunities in Devon, Plymouth, Somerset and Torbay

9. AOB None	
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Next meeting: - 11 November 2014 from 10.00am – 1.00pm, in Torquay