

**Minutes of HotSW LEP CIC Board Meeting
20 July 2016
at
Best Western Hotel, Tiverton**

Board Attendees:

Adam Chambers
Barbara Shaw
Chris Garcia
David Hall
Frances Brennan
Gordon Oliver
Harvey Siggs
Judith Petts
Keri Denton (alternate for Andrew Leadbetter)
Mark Williams (alternate for Paul Diviani)
Martha Wilkinson
Martin Brown
Nick Engert
Simon Barker
Stephen Bird
Stephen Criddle
Steve Smith
Steve Hindley (Chair)
Tracey Lee (alternate for Ian Bowyer)
Tim Jones

Officers in attendance:

Paul Hickson - officer accompanying David Hall
Kevin Mowat- officer accompanying Gordon Oliver
Stuart Brown - officer accompanying Harvey Siggs

Others in attendance:

Helena Davison – LEP Comms Manager
Eifion Jones - LEP Head of Strategy & Operations
Janet Powell - LEP Executive Assistant (for mins)

Apologies:

Andrew Leadbetter
Ian Bowyer
Nick Ames
Paul Diviani
Sally Edgington

Table of decisions

Board Paper	Decision	Decision Agreed
4.1 Devolution	That the LEP Board endorse the principle of creating a Combined Authority for the Heart of the South West, as set out in the Prospectus for Productivity, as the basis for negotiation with Government towards a devolution deal for the area.	The LEP Board endorsed the principle of a Combined Authority.
4.2 Growth Deal 3 & Transport Majors Bid	<p><u>Transport Majors</u> Confirm support for Devon County Council's Large Major scheme for upgrading North Devon Link as being part of the LEP Strategy for Growth</p> <p>Support a bid for Development Funding to prepare the business case for increasing the capacity of the rail network from Exeter to Yeovil and Castle Cary.</p> <p><u>Growth Deal Funding</u> The Board is asked to provide final decisions on the proposed content for our final Growth Deal 3, and the prioritisation of projects, in response to the criteria set by Government and the feedback so far received.</p> <p>The Board is asked to agree that we submit a further bid for £50m to address Brexit response.</p> <p>The Board is asked to agree the next steps set out below, and the proposed mechanism for securing final sign-off of our bid document, so it is submitted by the 28th July deadline.</p>	The LEP Board agreed to all the recommendations.
4.4 Recruitment of Non-Executive Directors for 2017	Seek the LEP Board's agreement to undertake an open recruitment process for up to 7 new private sector board directors following the anticipated retirement of a number of directors in 2017.	The LEP Board agreed to all the recommendations.
4.5 Leadership Groups terms of reference	The Board is asked to confirm this approach to the revised Terms of Reference for the three Groups.	The LEP Board agreed to the revised TOR.

Agenda Item	Action
<p>1. Apologies as above</p>	
<p>2. Declarations of interest</p> <p>SC: South Devon College interest in ESIF and Growth Deal. MW: Devon Community Foundation is involved in a number of partnership bids and future ESIF/ERDF funding. JP: Plymouth University in involved in future ESIF and ERDF funding. FB: Pluss organisation has an interest in Big Lottery Funding (specifically Building Better Opportunities) and future ESIF Funding. GO: Refer to Page 29 of Paper 4.2 GD 3 paper, ref project Torbay Rethink - The Gateway to Torquay, GO owns a parcel of land further down the road from this. SBarker: Leonardo (previously Agusta Westland) interest in Growth Deal. JP: Plymouth University interest in Growth Deal.</p>	
<p>3. Draft Minutes of last meeting 18 May 2016 and actions arising. Correction Page 7, 4.7 HR matters – employee contracts, should read verbal update given, not paper tabled. Update on previous actions: -</p> <ul style="list-style-type: none"> - Agenda item 3, to liaise with partners on how to support/organise another Downing Street Office delegation from HotSW on our priority issues - this is being progressed jointly with Peninsula Rail Task Force (PRTF), ongoing. Suggestion made to work together with the Confederation of Business Industry (CBI) on revision of 5 x SW LEPs priorities of; Road, Rail and Broadband and update Connectivity Report. - Agenda item 4.4, to ensure the strengths of HotSW’s 5 Science audit themes are included in HotSW’s Devolution Deal in order that Government recognises the importance of these in the area – on going, to progress within the devolution proposal. - Agenda item 4, to determine the split between market and affordable housing and how much is delivered against both, to be looked at by the Place Leadership Group – detailed conversations have taken place with the Homes and Communities Agency (HCA), aim to take construction project proposals via Strategic Investment Panel (SIP) prior next Board meeting in September. There was frustration with the delay in a response to the Housing Paper proposals put forward at a previous board meeting which addresses key delivery elements. <p>All other actions completed.</p> <p>The agenda was re-arranged to move to item 5 next, in order to give sufficient time for discussion and any queries.</p>	
<p>5. Update on Connecting Devon & Somerset Broadband An update was given by Keri Denton, (see paper 5) and discussion/queries invited.</p>	

<ul style="list-style-type: none"> - Good progress on take up, may need to re-prioritise our revenue spend? - Issues around fibre and distances, vectoring (BT utilising old copper network to maximum profit – with negative impact on other providers) requiring primary legislation from Gov't to change. - To achieve the final 5% broadband connectivity (Gov' t has a target of 100% by 2020) may prove challenging. CDS team will need to engage with new minister to ensure a minimum of 10Mbps, any faster and this may need to be paid for. 	
<p>6. Update on Careers Enterprise project with schools – KD</p> <p>An update was given by Keri Denton, (see paper 6) and discussion/queries invited. This project is aimed at joining the dots between education and business, providing enterprise advisors from the business community (currently only to secondary schools). The project is a little light on enterprise advisors coming forward in the Somerset area but discussions are in progress with DH and PH to alleviate this. The ability to extend the project to all schools will depend on establishing a good relationship with the new Secretary State for Education, Justine Greening and waiting for the result of the Post-16 education and training institutions area based reviews.</p> <p>SC: wishes to record his thanks to Ben Rhodes, Devon & Cornwall Business Council (DCBC) for his support with the Enterprise Advisors.</p> <p>The board returned to Agenda item 4.</p>	
<p>4. Chief Executive's Report</p> <p>Much has happened since the last Board meeting and a short paper was emailed out to the board prior to this meeting (in addition to the papers and agenda) entitled "Supplementary Brexit update"</p> <p>This outlines the establishment of a Resilience and Opportunities Task and Finish Group as a result of a recent meeting of the Devolution Chief Executives Theme Leads Group, in order to undertake some joint work, given the current uncertainty around plans for exiting the EU. This will look at the resilience of the economy and public sector and, through intelligence sharing, consider the opportunities for the Partnership. This initiative was welcomed.</p> <p>Nick Engert, late attendee entered the meeting.</p> <p>Board discussion which centered around the impact of Brexit also included:</p> <p>A short verbal update was given by Tim Jones, chair of the LEP's Rural Special Interest on specific challenges to the Rural and Agricultural sector and to ensure the LEP recognises how important this sector is.</p> <p>A suggestion was made to utilise the Minister for International Trade for the 5 x SW LEPs, in order to redress the balance against the Northern Powerhouse. (Our North Somerset</p>	

<p>MP, Liam Fox has been appointed as Secretary of State for International Trade).</p> <ul style="list-style-type: none"> - To ensure the maximum take up of EU funding, by transferring projects across that will fund market interventions and press the Dept. of Communities & Local Gov't (DCLG) to make decisions quickly on ESIF funding. 	
<p>Action: The LEP to engage with MEPs, to support accessing any untapped EU funding.</p> <ul style="list-style-type: none"> - Reports of mixed messages coming from Gov't departments, some advising business as usual, whilst others are coming to a halt on decisions and adopting a more cautious stance i.e. DCLG not signing Clean Sky MOU. 	CG/SH
<p>Action: LEPs to push DCLG for signing of Clean Sky MOU.</p> <ul style="list-style-type: none"> - The impact on collaborate EU research projects for the Universities is causing concern (The UK is no.2 in the world for research) and with significant cuts to Universities anticipated in the Autumn Spending Review, Universities are looking at how to substitute revenues. - The social implications need to be considered and what can be done to help to counter this i.e. increase in xenophobic behavior in communities, the anxiety in non-UK nationals, impact on productivity, labour resource in Agri/ Rural sector, depression. <p>Other points raised on the CEX report:</p> <ul style="list-style-type: none"> - LEP's annual accounts would be submitted to the next Board for approval. 	CG/EJ
<p>Action: To include approval of annual LEP accounts in items for next Board meeting.</p> <ul style="list-style-type: none"> - The recent UK Trade & Investment Report (UKTI) highlights a significant fall in UKTI reported inward investment for the HotSW area (30% down as opposed to 2 years ago). SB provided further detail and highlighted several issues which were being considered with partners Inc. that a new model for the future was required even more than when last discussed by the board. 	CG/JP
<p>Action: An options paper for proposals on resource for getting the Inward Investment Plan back on track to be tabled at the next Board meeting.</p> <p>4.1 <u>Devolution – agreement to establishment of Combined Authority – (see paper)</u></p> <p>The Board discussed this in detail. There was clarification from the LA's that this was solely an agreement, in principle, to progress with plans for a combined authority and to carry on with the current direction of travel, whilst waiting for the new government and it's policy environment to settle down.</p> <p>Following the debate, the Board endorsed the principle of a Combined Authority.</p> <p>4.2 <u>Growth Deal 3 & Transport Majors Bid (see paper)</u></p> <p>There are two applications for funding; growth deal funding and transport majors</p>	CG/ SBarker

funding which require Board support.

The transport majors funding is in two parts; the first for development funding to support business case preparation for elements of the Peninsula Rail force task 20 year rail investment strategy which aims to increase the capacity of the rail network from Exeter to Yeovil and Castle Cary; the second for support for Devon County Council's Large Major scheme for upgrading the North Devon Link Road, as part of the LEP's Strategy for Growth (submitted as a future marker to ring fence to Gov't).

GD 3 Funding – final decisions on content and next steps, plus further Brexit submission.

Discussion highlighted the need to reflect both urban and rural business base, and that the LEP should:

- Invest whatever time is needed in engagement with local MPs to ensure their support.
- Maintain transparency going forward.
- Board members discussed the approach used to prioritise projects – that this was undertaken by the theme leadership groups and the merged list agreed by the SIP before submission for consideration by the Board. This was in accordance with the agreed process and our governance structure. It was requested that in future rounds we ensure even greater transparency of processes by including the leadership group analysis in detail in the papers submitted to the board.

The Board were all in agreement to support recommendations for both.

Action: Final sign off GD 3/Transport Majors Funding documents.

The Chair commended all the support and detailed work carried out by partners, Leadership Groups and LA staff to get to this stage.

SH/CG/
JPetts

4.3 ESIF Update (see paper)

Defra is due to hold a Rural Payments Agency (RPA) meeting on 28 July to discuss and develop the approach to EAFRD calls which hopefully will give more clarity. The Board feels the focus must be about developing the pipeline, announcing the calls and spending the money quickly, with perhaps an opportunity to have monies transferred over from other LEPs who are unable to fulfill their allocations. It is envisaged that when new Ministers are in place, the process will speed up and funding agreements will be signed.

4.4 Proposed Recruitment of Non-Executive Directors for 2017 (see paper)

This paper seeks Board approval: - that the 7 directors appointed six years previously should retire on or around June 2017 and 7 new private sector directors be recruited; for the candidate specification attached to paper to be used by CEX for recruitment; that the recruitment process be overseen by the Chair; to invite 6 – 8 business representation organisations to establish a nominations committee to review experience prior to shortlisting; for an interview panel consisting of at least 2 private sector directors (one of whom should be the Chair), the other being LEP Director from the Finance and Resource Committee and a LA board director.

Vacancies will be advertised in January 2017 as soon as the final combined Authority Devolution Governance structure is known.

