

Minutes of the Strategic Investment Panel

Thursday 2nd March 2017 13.30-16.30
Committee Suite, County Hall, Exeter

SIP Members:

- Adam Chambers, Chair of the SIP, LEP Board Member
- Amanda Ratsey, Business Lead, LEP Management Team
- Chris Garcia, LEP Chief Executive
- Keri Denton, People Lead LEP Management Team
- Paul Hickson, Place Lead, LEP Management Team
- Stephen Criddle, Chair People Leadership Group, LEP Board Member

In attendance:

- Ed Cross, DCC (Minutes)
- Eifion Jones, Head of Strategy & Operations
- Helena Davison, Communications Manager, HotSW LEP
- Ian Harrison, Independent Transport Assessor
- Mel Sealey, LEP PMO
- Jamie Evans, DCC
- Steve Murphy – SCC Accountable Body Representative
- Barbara Shaw

<p>1. <u>Apologies:</u> Mel Roberts, Alan Denby, Nick Ames, Sally Edgington, David Fothergill</p> <p>2. <u>Declarations of interest</u> KD – Tiverton Eastern Urban Extension & Exeter Science Park</p> <p>3. <u>Minutes of the 2nd February SIP</u> The minutes of 2nd February meeting were agreed with one minor amend to wording around Declarations of Interest. An amended version will be issued. Action c/f: 2b. Draft 2 protocols – for existing projects and new GD3 projects for April SIP (still ongoing). Send to AC for attachment to letters to LA finance leads.</p>	<p>MS MS/CG</p>
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<p>4. <u>For Decision- Investment Programme business cases and project changes</u></p> <p>4.1. <u>Growing Places Fund – N/A</u></p> <p>4.2. <u>Growth Deal</u></p> <p>4.2.1. <u>HPTA Revenue Business Case</u> JE talked through the business case for revenue funding of £150k. Potential issues over evidence of match funding and outputs in the HotSW LEP area (as opposed to the wider delivery area) were outlined, as well as concern over potential de minimus issues further down the line.</p> <p><u>Decision: SIP approved subject to conditions on: Evidence of match funding, eligibility of match funding, cashflow and intervention rate, state aid guidance to be provided. Agreed on a minimum of 20% of outputs to be delivered in HotSW given the broad geographic scope.</u></p> <p><u>Decision: SIP agreed to look at whether £10k of core funding would be available to purchase additional State Aid guidance (for F&R decision)</u></p> <p>Action: Set up proportionate monitoring regime for the 2 Hinkley revenue projects separately from Logasnet. Contact DCLG Logasnet team on need to report these on Logasnet going forward.</p> <p>4.2.2. <u>Update on Tiverton Urban Extension</u> IH talked through a paper and outlined current context providing an update on project development and providing recommendations on next steps. A discussion followed.</p> <p><u>Decision: SIP agreed on recommendation of working in conjunction with HCA to enable first stage of Tiverton UE junction to be brought forward into 2017 (subject to funding being found).</u></p> <p>Action: LEP to write to Devon County Council explaining the current progress on options and the meeting with the HCA, as well as the desire to resolve the funding shortfall, dependent on funding sources being available.</p> <p>4.2.3. <u>Exeter Science Park Variation</u> CG/AR updated on potential options for filling £1.7m funding gap, the SIP stating that further negotiation is required with the Science Park to come to agreement moving forward. A discussion followed.</p> <p>Proposal for moving £1.7m from separate GD2 project at Exeter Science Park was discounted given potential for jeopardising delivery of all projects.</p>	<p>MS/MR</p> <p>AR/AC</p> <p>MS/EC</p> <p>CG</p>
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<p>Action: Write up agreement reached at previous meeting at Science Park into a paper for SIP approval by written procedures during March.</p> <p>4.2.4. <u>Update on UGF/Bicton Project</u> GC outlined latest updates on project, including next steps for Bicton in responding to LEP's points and potential State Aid issues which might impact on projects eligibility for funding.</p> <p>SIP noted the paper and stated their openness to exploring potential solutions to enable funding for this project, including any State Aid issues, but felt that currently the project is not eligible.</p> <p><u>Decision: Other sources of funding to be considered.</u></p> <p>Action: Investigate potential resolution and update at next SIP or go through written procedures.</p> <p>4.2.5 <u>Taunton Station</u> Funding agreement wording agreed, with MOU expected to be signed next week.</p> <p>Action: IH to update SIP on progress at next meeting.</p> <p>4.2.6 <u>Marsh Barton/Edginswell</u> Marsh Barton and Edginswell no change.</p> <p>Action: Gain update from DFT re NSF timescales.</p>	<p>AR</p> <p>CG</p> <p>IH</p> <p>IH</p>
<p>5 <u>Investment Programme delivery</u></p> <p><u>5.1 Investment Programme Report</u></p> <p>MS talked through the report.</p> <p>A significant under-spend for this financial year is expected against DCLG funding profile but this will be balanced by shortfalls in funding in future years.</p> <p>5.2 <u>Amber Project Review</u></p> <p>MS talked through Amber projects list and a discussion followed.</p> <p>Exeter Science Park funding deadline to be amended from 'End of March', to 'suggested by end of March', in light of pending proposals for meeting the funding gap. Jn25 M5 to be moved to green.</p> <p>Action: Update document with agreed changes.</p>	<p>MS</p>

<p>5.3 <u>Expenditure Profile Review</u></p> <p>MS talked through spreadsheet summarising estimated expenditure profile across all 3 Growth Deals projects. Made SIP Members aware of the potential requirement for forward funding projects towards the latter half of the funding window (before 20/21). However more work is required to update proposed profiles from GD3 projects with ambitious plans to spend in 17/18.</p> <p>Action: Update sheet for SIP review at April SIP .</p> <p>5.4 <u>Funding Exchanges</u></p> <p>SM updated the SIP on the need for approval of extension to Growth Deal funding to end of 2018/19.</p> <p>The project is still chasing s151 officers for e-signatures to the assurance Framework.</p> <p>Action: Discuss with SM re implications for reporting</p> <p>5.5 <u>SCC Update</u></p> <p>None</p>	<p>MS</p>
<p>6 <u>Strategic Agenda Items</u></p> <p>6.2 <u>Productivity Plan Update</u></p> <p>EJ updated on status of Green Paper which is live with White Paper expected by May-June 17; the final version set for release in September in time for formation of new joint committee after local elections.</p> <p>SIP members agreed that there may have to be some flexibility with the dates surrounding approval of the White Paper, given pending local elections.</p> <p>6.3 <u>ESIF Update</u></p> <p>EJ updates on progress. Two ERDF calls offs are now open - one for low carbon - the other for workspace.</p> <p>All ERDF closed calls have received applications.</p> <p>EAFRD has 3 calls live with a workshop in March. Concerns about the unspent funding still to be allocated being raised with DEFRA.</p> <p>KD mentioned that all ESF contracts have been awarded.</p>	<p>MS/HD</p>
<p>7 <u>AOB</u></p>	<p>MS</p>

<ul style="list-style-type: none"> • CG requested a copy of funding agreements to be shared with LG leads. MS mentioned discussions with Bluegrass about potential SharePoint access to documents, although SIP wishes MS to check security of such an approach. Action: Investigate further. • CG suggested that output spreadsheets should be shared with all applicable colleagues. Action: Investigate further. • KD emphasised the need to have firm evidence of outputs for projects to support associated claims. SIP agreed that monitoring team should be selling the positive impacts of such data, and working with projects to release press releases on progress using output statistics. Action: Explore PR potential further as part of updating of publicity protocol for new projects. • F&R to explore Audit plans <p>8 <u>Date of next meeting- 4th April 2017</u></p>	<p>MS</p> <p>HD</p> <p>AC/CG</p>
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