

Minutes of the LEP Place Leadership Group

3 May 2017

Petroc, Mid Devon Campus, Tiverton

Attendees

Barbara Shaw (BS)	-	Westward Housing
David Northey (DN)	-	Network Rail
Doug Bamsey (DB)	-	Somerset District Councils
Ian Harrison (IH)	-	HotSW LEP Local Transport Board
John Dixon (JD)	-	Plymouth City Council
Pat Steward (PS)	-	Torbay Council
Paul Hickson (PH)	-	Somerset County Council/HotSW LEP
Sarah Jennings (SJ)	-	Devon, Plymouth and Somerset LNPs
Tim Jones (TJ)	-	HotSW LEP Board
Angela King (AK)	-	Devon County Council

Supporting Officers

Eifion Jones (EJ)	-	HotSW LEP
Rob Hensley (RH)	-	HotSW LEP Place Secretariat/Somerset County Council

Guests

Nick Robertson (NR)	-	Grant Thornton
James Gilgrist (JG)	-	South Somerset District Council
Simon Hooton (SH)	-	Ash Futures Ltd
Rebekah Southern (RS)	-	Ash Futures Ltd
Stephen Walford (SW)	-	Mid Devon District Council
Jenny Clifford (JC)	-	Mid Devon District Council

Apologies

Brendan Cleere	-	Taunton Deane Borough Council
Chris Garcia	-	HotSW LEP
Darren Arulvasagam	-	South West Devon Council
David Julian	-	South Somerset District Council
David Scott	-	Federation of Small Businesses
Derek Phillips	-	South West Chambers of Commerce
Ellen Vernon	-	North Devon Council
Joe Keech	-	Devon County Council
Judith Gannon	-	LEP Business Forum
Kathryn Deeney	-	Devon, Plymouth and Somerset LNPs
Mark Worsfold	-	South West Water
Mike O'Dowd-Jones	-	Somerset County Council
Stephen Bird	-	South West Water/ HotSW LEP Board

	Agenda item	Lead
1.	Welcome, introductions and apologies BS welcomed everyone to the meeting and invited attendees to introduce themselves. Apologies are noted above.	BS

- **Cross-Cutting Themes**
 - Physical and Natural Capital
 - Education, Employment and Skills
 - Businesses and Innovation

- **Strategic Priorities**
 - These run through the model and articulate what the HoTSW is aiming for
 - They are:
 - Providing access to markets and opportunities for all and a high quality environment
 - Creating a highly skilled, ambitious, flexible and healthy workforce
 - Supporting the development of ambitious and innovative businesses
 - These priorities inform and lead to commitments (not yet projects) via enablers and drivers

- **Framework**
 - A conceptual diagram illustrated the relationship between the cross-cutting themes and the Enablers, Drivers and Accelerators to deliver Inclusive Prosperity

- **Enablers** (for each cross-cutting theme)
 - E.g. Grid capacity; Qualified workforce with relevant skills; Strong SME business base

- **Drivers** (for each cross-cutting theme)
 - E.g. Improvements to intra-regional road and rail connectivity; Higher levels of retention of talented young people; Businesses with international aspirations

- **Accelerators and Disruptors** (disruptors seen as positive in this context)
 - Marine
 - Natural Environment and Productivity
 - Nuclear
 - Data Analytics and Digital Innovation
 - Aerospace and Advance Engineering
 - Health and Care

- **Commitments**

These describe what will be done (not projects yet) to turn the enablers and drivers into actions in order to deliver the strategic priorities. E.g. Build X number of new homes, create enterprise zones in rural areas and connect businesses with the research base

Examples of the strategic priorities, enablers, drivers, accelerators and commitments for each of the cross-cutting themes were then presented to illustrate how the draft plan is currently structured to show the links between the

cross-cutting themes and commitments needed to deliver them.

The key points arising from the discussion on this item were:

- **Job security and quality**

Should this refer to job opportunity instead?

Security and quality was used here to reflect the prevalence of zero-hours contracts and part-time working and the need for good value jobs.

The risk to jobs in future from Artificial Intelligence (AI) is something that needs to be borne in mind when considering future economic development, productivity and growth.

- **Natural Capital**

Discussion is ongoing (with the Local Nature Partnerships) on how Natural Capital could/should be used in the Productivity Plan. It was agreed that an outcome statement on Natural Capital is needed for the Productivity Plan. Note; this will be the subject of a meeting with LNP representatives on 17th May.

Natural Capital can be a driver as well as a USP for the area but it needs to be put into an economic context (for the Productivity Plan) with deliverable actions.

- **Baselining and Scale of Ambition**

Although, it appears to be a small figure, growth in productivity at 0.5% per year more than the national rate is a big challenge and an ambitious target. Should we compare HotSW with other LEPs, UK regions or international geographies? For example, what are our international competitors doing that makes them better than us?

- **Timescales and Early Wins**

What will we invest in now to realise increases in productivity?

- **Barriers to Growth**

What are these? They need to be identified.

- **Commitments**

The commitments represent the end of the process. Therefore, there needs to be a link between them and the sectoral productivity analysis; what commitments might make a difference?

What interventions for affordable housing are required?

Flood water management is missing from the model at the moment. This reads across to Natural Capital and could turn a threat into an opportunity.

	<p>Overall, what interventions will make a difference and not be just the same as before?</p> <ul style="list-style-type: none"> Summary Overall, the model for the Productivity Plan was broadly accepted but it was agreed that the interventions (supported by data and evidence) need to deliver something different than before. <p>The 0.5% goal is a big target to achieve and we must be realistic with our aspirations.</p> <ul style="list-style-type: none"> Spatial Distribution The commitments that realise the opportunities and address the challenges in the plan will be spread across three spatial levels <ul style="list-style-type: none"> - South West - Heart of the South West - Economic Areas Economic Areas These are functional economic geographies based upon inward commuting data. There is overlap between them and the boundaries are “porous” but as an approach for planning purposes they are currently defined as: <ul style="list-style-type: none"> - North Devon - M5 Corridor (Bridgwater/Taunton) - A303 Corridor/Mendip - Plymouth - Torbay - Lower Exeter <p>The subsequent discussion raised two issues:</p> <ul style="list-style-type: none"> - A key question to answer when developing the Plan will be to understand what the productivity Plan Model looks like in each of the six economic areas and in so doing recognise the differences between them. - What is the relationship with other LEPs? This work has yet to be done. <p>The approach of using the geographies as described was supported.</p> <p>It was agreed that the next Place Leadership Group meeting (5th July 2017) would be dedicated to the Productivity Plan.</p>	<p>RH – to provide a summary of the presentation for Place Leadership Group members</p> <p>RH – to note agenda for next meeting</p>
<p>5.</p>	<p>LEP Investment Monitoring and Evaluation Work SH and RS presented some reflections on the emerging themes from feedback that they have received to-date. The main messages from the brief were as follows:</p>	

- **Context**
 - Constraints placed upon LEPs are recognised and include Government limiting local discretion and that investments take time to deliver
- **Strategic Economic Plan (SEP)**
 - Seen as a useful document
 - Some elements held back by mainly capital funding
 - Needs to make more of existing investments
- **Leading and Coordinating Partnerships**
 - Support expressed for cross-border working
 - Leadership groups seen as good at establishing networks, but rural districts overlooked.
- **Securing and Delivering Investment**
 - Perceived as good at fundraising (e.g. Growth Deal)
 - Helpful at lobbying for other funds
 - However, there are too many “political” decisions
 - There is limited evidence of influence on other spending
 - Too much investment in silos
- **An Effective Organisation?**
 - Differing views on private sector vs Local Authority approaches and the impact this has on pace
 - Differences between urban/vs rural and small businesses
 - Staffing arrangements; perhaps the core team could be strengthened?
- **Progress against SEP Objectives**
 - High profile projects have been delivered, but lack of revenue funding see as a big issue
 - SEP needed a strong action plan; would make monitoring and evaluation easier
 - Are management structures risk averse?
- **Progress on Economy and Outcomes**
 - It will be hard for the LEP to achieve strong or transformational growth targets for 2020
 - Some investments have weak links to outcomes and outputs
- **Process Review**
 - Local Authority staff are professional and supportive
 - Staffing model supported, but the loss of risk-taking, speed and creativity perceived as an issue
 - Leadership groups effective, but need to focus more on delivery

- **What needs Improving**

- Greater integration across themes
- More private sector involvement
- Shorter reports and summaries
- New board members need a broader induction process

- **Looking Ahead**

- Need to lobby for more discretion over funding/investment decisions
- Need an action/delivery plan
- Clearer roles for the Board, SIP and Leadership Groups
- Clarity between Place Group and Local Transport Board (LTB)
- Establish a Monitoring and Evaluation Framework
- Sweat the assets

The subsequent discussion drew out the following:

The relative amount of overall Government investment (£270m) is still small but the delivery plan will clarify LEP responsibilities. It was pointed out that the SEP was produced as a bidding document and therefore it was not easy to write a delivery plan.

It was explained that all transport projects have outputs and monitoring and evaluation frameworks. Whilst enablers create the conditions for investment, leverage can be limited as can control over timescales.

The view was also expressed however, that the need was to invest the right money at the right time to make a difference i.e. use a small amount to achieve big results.

Is the LEP an entity or a partnership? Where do investment returns sit?

It was felt that the timing of the work, coinciding as it does with the development of the Productivity Plan was very useful in that it will challenge and inform priorities and the setting of deliverables and outcomes.

The monitoring and evaluation report will be for internal (LEP) consumption and therefore will be used to inform discussions with external bodies e.g. Government. It was felt that LEP communications needs more work and that this should be reflected in the Monitoring and Evaluation document. On this aspect it was noted that every organisation can always do better at communications.

In summary, this independently conducted work was viewed as being very useful as it will help the LEP to improve and shape the approach going forward. For example, by highlighting that visibility across the Leadership Groups could be strengthened.

<p>6.</p>	<p>Garden Town and Village</p> <p>Papers on the planned Garden Settlements at Taunton and Culm were circulated to the Group prior to the meeting. Providing an overview of the Culm Garden Village, JC explained that there was a genuine desire in the community to see growth and the benefits of growth. The local plan has been submitted for review which includes the construction of 1700 dwellings as part of Phase 1 of the development. There are still issues to explore, including the Government’s final arrangements, infrastructure requirements (e.g. M5 J28 capacity and upgrading), project engagement and community, especially with the local community and alignment with parallel work streams across Planning Policies.</p> <p>The discussion highlighted the following:</p> <p>Green Infrastructure - Similar developments at Cranbrook and Sherford had aspirations to include green infrastructure but did encounter a number of issues. Therefore, there might be lessons that Culm garden Village could learn from. JC confirmed that they are keen to learn lessons from other developments.</p> <p>Governance – The need for robust governance structures is recognised and their development is a work in progress, particularly as the delivery of aspirations is so important. Specifically, local representation and accountability is wanted. On this issue, SW explained that the process now is to pass through the next gateway and therefore, effort is being spent on putting local governance in place, particularly as local support is strengthening the case.</p> <p>Rail and M5 Motorway – These transport/infrastructure issues represent a shared agenda with the Place Leadership Group. For example, how does rail serve connectivity along the M5 corridor so that it supports local connectivity not just to the large urban centres like Birmingham and London? This is something that the LEPs in the region need to push for.</p> <p>SW explained that linkages and corridors to build relationships with areas like Exeter were the aspiration rather than aiming to replicate them. He went on to explain that the lack of a train station was an issue, but was raised regularly and that the whole view of M5 developments was not really visible.</p> <p>Profile and Role of LEPs – The raised profile of Garden Settlements was relevant to the SEP and the investment agenda. For example, the LEP network had previously been invited to discuss the Housing White Paper with the Department for Communities and Local Government (DCLG). Work is now ongoing to clarify the role of the LEPs. SW welcomed the LEP’s support.</p>	
<p>7.</p>	<p>LEP Update</p> <ul style="list-style-type: none"> • Growth Deals 1, 2 and 3 projects are now being managed as one programme • The strategic approach for 4G Mobile Coverage (from GD2) has been approved by the Strategic Investment Panel (SIP) and ERDF funding signed 	

	<p>off.</p> <ul style="list-style-type: none"> • GD3 Projects – Plymouth Station and Huntspill Energy Park; meetings have been held and businesses cases will be ready by the autumn of 2017 • EAFRD – there are three live calls at the moment with targeting statements that reflect the SEP. There is a simplified process for these calls and a workshop was recently held to promote the calls and give advice to potential applicants. The ESIF Committee Subgroup (Chaired by TJ) has provided advice to the Rural Payments Agency (RPA) on strategic fit. 14 Expressions of Interest (EOIs) have been received to date. RPA has started work on a broadband call, but this is currently on hold during the purdah period. • Joint LEP Energy Strategy – HoTSW working with Cornwall and the Isles of Scilly and Dorset LEPs have secured £100k of funding from BEIS to develop an energy strategy across the region to address issues, build on strengths and support the clean growth agenda. A steering committee to oversee the project has been formed and will meet again via conference call on 15th May to discuss stakeholder engagement, an initial project specification (a refinement of the project proposal) and the strategic connections across the region for the project going forward. 	
<p>8.</p>	<p>AOB</p> <ul style="list-style-type: none"> • DN/Network Rail is maintaining a watching brief on the Plymouth Station development and Huntspill project as they both involve (transport) connectivity. DN will present an item on Network Rail’s future plans at the Place Leadership meeting on the 6th of September. • Two Highways England consultations have recently been completed. A consultation on the A358 is live until 20th May. An option presented is for a connection to the M5 west of J25. The concern was raised that this proposal would promote “junction hopping” by local traffic. Somerset County Council and Taunton Deane Borough Council have posed questions and IH is currently considering a response on behalf of the LEP. • A consultation on new rail franchises is anticipated. DFT have a franchise team in place but the process is on hold pending the General Election. • Reflecting the earlier discussion the importance of motorway junctions as business hubs in their own right was also noted. • It was agreed that a discussion on the sweating of assets should be included as an agenda item at the Place Leadership Group Meeting in September. For example, how should we strengthen our leverage in the future Productivity Plan model? • The environment as a driver for growth will be picked up in the Productivity Plan. 	<p>RH – to note future agenda item</p> <p>RH - to note future agenda item</p>
<p>9.</p>	<p>Next meeting: 5th July 2017. Westward Housing Offices, Exeter</p>	

Actions Log Summary	Meeting Date	Owner	Status Update	Next Steps
To collate the 10 key messages arising from the discussion for circulation and comment.	20/02/2017	Paul Hickson Rob Hensley	Time Expired	Messages summarised in the minutes.
To forward Place minutes for publication on HotSW LEP website.	03/05/2017	Rob Hensley	Completed 11/05/17	
A short paper summarising the Productivity Plan presentation to be circulated to Place Leadership Group members	03/05/2017	Rob Hensley	Drafted but deferred as approach and timing of Productivity Plan development was subsequently changed	
The Place Leadership Group Meeting on 5 th July will be dedicated to the Productivity Plan.	03/05/2017	Rob Hensley	Timing of Productivity Plan development was changed and meeting not held	
Network Rail future plans and how the LEP can sweat assets more effectively to be added to the agenda for the Place Leadership Meeting on 6 th September 2017	03/05/2017	Rob Hensley	Deferred to 30 th October	Item to be taken on 30 th October 2017