



**Minutes of HotSW LEP CIC Board Meeting
21 November 2017
at
Exeter Racecourse Conference Centre**

Board Attendees:

David Bird
David Hall
Gordon Oliver
Helen Lacey
Ian Bowyer
Jackie Jacobs
Jerry Roberts (alternative for Judith Petts) from 11.10 am onwards
Karl Tucker
Mark Williams (alternative for Paul Diviani)
Martin Brown
Martha Wilkinson
Mel Squires
Richard Stevens
Sean Fielding (alternative for Steve Smith)
Stephen Criddle
Steve Hindley (Chair)
Stuart Barker
Stuart Brocklehurst
Tom Killen (alternative for Harvey Siggs)

Officers in attendance:

Chris Garcia – HotSW Chief Executive
Alan Denby – officer accompanying Gordon Oliver
Pat Flaherty – officer accompanying David Hall
Amanda Ratsey – officer accompanying Ian Bowyer
Keri Denton – officer accompanying Stuart Barker
Tracey Aarons – officer accompanying Tom Killen

Others in attendance:

Diane Dimond – Petroc (taking over as FE Director from Stephen Criddle in January 2018)
Eifion Jones - LEP Head of Strategy & Operations
Janet Powell - LEP Executive Assistant (for mins)
Richard Snell – Devon County Council (for presentation only)

Sally Edgington BEIS

Apologies:

Barbara Shaw

Ben Bradshaw – representing Devon MPs

Fiona McMillan

James Heapey MP – representing Somerset MPs

Judith Petts

Steve Smith

Table of Decisions

Board paper	Decision required	Decision agreed
5.1 LEP Governance	<p>1. To agree to take forward the LEP Governance and Transparency recommendations of the Ney Review in our LEP governance and prepare for our 'Annual Conversation'; necessary material being agreed by David Bird as Chair of SIP and Finance and Resources on behalf of the LEP.</p> <p>2. To defer discussion of District representation on the LEP Board pending publication of the broader Review of LEPs (expected in Spring 2018).</p> <p>3. To confirm that the HotSW Special Interest Groups are not part of LEP Governance structures (and that therefore in future they should not use LEP branding) and that their specific activities will be supported on a case by case basis (subject to usual governance / business case consideration)</p> <p>Agrees to delegate authority to sign off the quarterly reporting dashboard to the Strategic Investment Panel (SIP). Note that CLOG guidance for the dashboard also requires Section 151 Officer approval of the dashboard alongside Board approval</p>	<p>1.The Board agreed to this recommendation.</p> <p>2.The Board agreed to defer this to Spring 2018.</p> <p>3.To review the TORs for each SIG and bring back to the board for further discussion.</p> <p>The Board agreed with this recommendation.</p>
5.2 CEX Recruitment	To agree the recommended approach and delegate the supervision of the process to the F & R committee with the intention of commencing the recruitment process following the January 2018 LEP Board meeting.	The Board agreed with this approach, with some recommendations made to reinforce the candidate briefing pack.
5.3 Great South West next steps	<p>1. To provide guidance on what should be the focus for GSW from our perspective</p> <p>2. To ask for volunteers to attend the next Leaders</p>	<p>1.Board noted focus.</p> <p>2.Volunteers to inform CG.</p>

Commented [HD1]: When things are plural there's no apostrophe.

	Forum	
5.4 North Devon Link Road bid	To endorse and agree to submit the submission to Department for Transport of the Outline Business Case for £78m of DfT funding for improvements to the A361 North Devon Link Road.	The board agrees to endorse and submit the bid.
5.5 SIP Recommendations	<ol style="list-style-type: none"> To support the SIP request to enable Marsh Barton Station promoters to come back to the LTB with a revised proposal when they have completed their cost reduction activities. To support the reallocation of £4,000,000 of Local Growth Fund from the Edginswell Station project to the next LEP priorities, as identified by the Board at the July meeting. 	<ol style="list-style-type: none"> The Board supported SIP decision. The Board agreed this decision.
5.6 ESF Update	<ol style="list-style-type: none"> Notes the points in the paper; and Agrees to continue to escalate to the LEP Network and the national ESIF Growth Programme Board the need for further national clarity and focus in terms of future drawdown of ESF. 	<ol style="list-style-type: none"> The Board notes points. The Board approves the way forward.

Agenda	Action
<p>1. Welcome & Apologies Apologies as above. The Chairman welcomed Diane Dimond, Principal and Chief Executive of Petroc who will be replacing Stephen Criddle in January 2018, as the replacement Director representing Further Education. Stephen was thanked for all his hard work and support during his service on the board. .</p>	
<p>2. Declarations of interest SH: Midas has building interests ongoing with Oceansgate, National College for Nuclear , Yeovil Innovation Centre, South Devon College high tech centre and refurbishment of offices at Taunton Deane Borough Council. SC: South Devon College interest in ESIF. JP: Plymouth University is involved in future ESIF/ERDF funding and Growth Deals for Oceansgate. GO: Torbay Council has an interest in Business Support projects and agenda item 5.5 for Edginswell Station. MW: Devon Community Foundation is involved in several partnership bids, future ESIF/ERDF funding and Building Better Opportunities. SBarker: Devon County Council has an interest in Tiverton funding, South Devon</p>	

<p>College and ESIF as well as other associated projects. DD: Petroc, ESIF/ERDF funding and Building Better Opportunities. SF: Exeter University an interest in Growth Deal Exeter Science Park and ERDF. CG: As current CEX, with reference to paper 5.2 Recruitment of CEX.</p>	
<p>3. Draft minutes of last meeting 19 September and actions arising</p> <p>c/f Action: Reference the management of the Project Pipeline and Growth Deal (GD) 3 projects – the prioritisation and business case testing of these will be revisited, once the productivity plan has been finalised (Jan/Feb 2018).</p> <p>Action: To pick up the rural issues both regionally and nationally, define the asks of Gov't with Local Authority Leaders at Joint Committee meetings and weave these into the Productivity Plan. This is being progressed via Lord Gardner's request for a recent Defra/LEP Roundtable which is picking up momentum and developing into specific actions by LEPs on both national and regional actions. Action closed.</p> <p>All other actions completed and the minutes were accepted as accurate.</p>	<p>CG/EJ</p>
<p>4. Questions from the public None were submitted.</p>	
<p>A presentation on Enhancing Social Enterprise and Innovation in Healthy Aging was given by Richard Snell of Devon County Council (copy of presentation forwarded).</p> <p>This project aims to: -</p> <ul style="list-style-type: none"> ▪ Encouraging SMEs to grow their business through innovation. ▪ Use challenges faced by the ageing population in Devon, Plymouth and Torbay as a catalyst for innovation within 4 key sectors of: - Health Care, Pharmaceuticals, Medical Technology & Bio Medical Technology ▪ Project partners include: West Devon BIP, SW Academic Health Science Network and University of Plymouth. <p>This timely update coincides with recent approaches from the Academic Health Science Network to SW LEPs to engage further. The board agreed there was an appetite to engage in social capital with many healthy aging opportunities. Social Enterprises (SEs) are key to reaching the more vulnerable, however following the UK's exit from the EU, funding support will cease for SEs, so it's an area that is important for the LEP to explore further. The Industrial Strategy White Paper (published 27 Nov) will have within it a strand on ageing – so this has the potential for the LEP to put forward innovative ideas for healthy ageing and to perhaps become a test bed for some of these. The board agreed that the project required more clarity in terms of what it will deliver and its outputs.</p>	

<p>A presentation on Devonport Naval Base and Dockyard was given by Ian Bowyer and Amanda Ratsey of Plymouth City Council (copy of presentation forwarded).</p> <p>This presentation focused on the importance of Devonport Naval Base and Dockyard economically to the South West, in light of recent leaks that the Gov't is proposing potential defence cuts include decommissioning two Devonport-based assault ships and cutting the number of Royal Marines nationally.</p> <p>The board fully endorsed the actions within the presentation to raise Devonport's future and to influence Gov't.</p> <p>Action: LEP to support by way of a letter to reinforce the 'ask' to Government to commit to the long- term future of Devonport Dockyard and Naval Base.</p>	<p>CG</p>
<p>5. Chief Executive's Report</p> <p>There was a recap of the recent budget with some reservations raised about the Gov't confirmation to engage more actively with those areas that are Mayor led or with combined authorities, therefore it seems likely that other areas without this arrangement do not appear to be a priority for funding opportunities. The LAs confirmed the Joint Committee will be established in early 2018 and this will provide a basis upon which to form some bids. In the meantime, the LEP continues with cross LEP working on Rural issues nationally, innovation with the universities and to encourage a minister to come and visit the area – there is a possibility with a date being worked up for a visit by Richard Harrington (Parliamentary Under-Secretary (Department for Business, Energy and Industrial Strategy)).</p> <p>With no combined authority in a rural area set up yet, if this progresses, the HotSW area will be the first large rural area to have one – an achievement which breaks new ground, as there has been no prior model to base this on.</p> <p>5.1 LEP Governance (see paper)</p> <p>This paper provides an update on the governance and transparency review recommendations and actions proposed (included in the LEP's 'Annual Conversation with Gov't) with related proposals for addressing District representation on the LEP Board and two issues (the role of 'Special Interest Groups' and revised dashboard reporting) which arose during discussions on above other issues.</p> <p>There have been two LEP reviews recently: -</p> <ul style="list-style-type: none"> ➤ The Mary Ney Review into governance and transparency of LEPs recently published 	

➤ A Review led by Ministers on the future role of LEPs, the publication of this has now been pushed back to Spring 2018
Somerset County Council who act as the LEP's accountable body confirmed it has a good relationship with the LEP, with no issues over governance and with the emergence of a Joint Committee will continue to link governance into this, which will increasingly strengthen the decision-making process. It was reiterated that all LEP monies are held by the accountable body.

One of the recommendations from the Ney Review was to ensure that declarations of interest forms for Board Directors included land investments. As many of the annual declarations for directors are due to expire, it was felt expedient to include this in an updated form, even though the Minister led LEP review may require additional changes in the future.

Action: to update the declaration of interest form to include land investments, send out to Directors to fill in, sign and return.

CG/JP

The National Assurance Framework for LEPs requires a brief formal assurance statement on an annual basis from the leadership of the LEP (i.e. the Chair and CEO), on the status of governance and transparency within their organisation – this will be needed for the preparation for the imminent Annual Conversation early December. **It was agreed that David Bird, as Chair of LEP Finance and Resources Committee would agree the wording of this, on the Board's behalf, in readiness for the Chair and CEO to sign.**

With regard to District representation on the board, it was agreed to defer this until April 2018, when the Ministerial led review into the future of LEP's will be published in case any specific recommendations to board make-up are made.

Special Interest Groups (SIGs) – were established at the beginning of the LEP's creation, they do not form part of the LEP's formal governance structure or have any decision-making authority and came about due to a Director's interests in a particular sector. There is confusion amongst some external organisations as to their role and the proposal is for them to cease using the LEP name, to use HotSW instead in the title of the group. Some board members felt that these groups play an important role in engaging with those on the ground, are a channel for communication and conduits to businesses, bringing additional expertise and it would be a shame to lose the LEP name. However, if they continue to use the LEP name, their perception in the market and accountability needs to be reviewed. SIGs are not funded, they must be supported by partners, have terms of reference (TORs) and a Board Director sponsoring them.

<p>Action: To review the TORs for each SIG and bring back to the board for further discussion.</p> <p>Included in the broader review of LEPs and for the Annual Conversation, the board agreed to delegate authority to sign off the quarterly reporting dashboard, to the Strategic Investment Panel (SIP) as the signing of this dashboard falls in between the cycle of Board meetings.</p> <p>Note that CLOG guidance for the dashboard also requires Section 151 Officer approval of the dashboard alongside Board approval.</p> <p>5.2 <u>CEX Recruitment (see paper)</u></p> <p>This paper sets out the agreement for the approach to be used to recruit the HotSW LEP Chief Executive (CEX) due to the retirement of the current CEX in July 2018 and sets out the key next steps over coming months.</p> <p>Fitzgerald HR have been chosen to undertake the CEX recruitment upon a successful procurement exercise. Timetable for recruitment suggested as follows: -</p> <ul style="list-style-type: none"> ➤ Candidate specification agreed at January 2018 Board ➤ Interviews March ➤ Successful applicant appointed April, allowing for 3 months' notice, to start early July giving a 1 month overlap with current CEX for handover. <p>There was some concern that recruitment will be ongoing, whilst still awaiting key results of the Ministerial review into the role of LEPs in early Spring, which may impact or change the future role of the CEX. The possibility of taking on an Interim CEX was discussed– however it was felt that this might lessen the pool of applicants, and that the role would only suit an individual who thrives on operating in an ever changing, uncertain environment.</p> <p>The board agreed to the recommendations in the paper, providing the candidate specification clearly stated the uncertainty surrounding the role and that this may alter pending the result of the LEP review in Spring.</p> <p>The board agreed to the recommended approach outlined in the paper and to delegate the supervision of the process to the F & R committee.</p>	<p>CG</p>
<p>Action: To include in the candidate pack, ‘a week in the life of a CEX’ to aid in a greater understanding of the role.</p> <p>5.3 <u>Great South West next steps (see paper)</u></p> <p>This paper provides an update on the revised focus to the development of Great South West, highlighting the emerging set of next steps which are becoming the focus of the initiative and look for volunteers to come forward for future governance.</p>	<p>CG</p>

<p>The paper makes mention of a number of areas where SW LEPs have particular common interests, namely an Energy Hub for the SW and exploring opportunities on Life Sciences, in addition to existing activity around rural, nuclear, marine and Aerospace.</p> <p>It was pointed out that Life Sciences was not an area mentioned in the Science and Innovation Audit and that LEPs should only concentrate on areas of strength that the LEPs can have a competitive edge in.</p> <p>The paper was noted by the Board and the direction of travel was agreed.</p> <p>Action: Volunteers requested for, to attend the next Leaders Forum to make themselves known by email after the Board meeting to the CEX.</p> <p>5.4 <u>North Devon Link Road bid (see paper)</u> Over the past two years Devon County Council has been developing a strategy for improvement of the A361 North Devon Link Road, which runs from M5 Junction 27 to Barnstaple, and continues as the A39 to Bideford. The first section of the A361, from the M5 to Tiverton, is dual carriageway but the remainder was built in the 1980s as a single carriageway trunk road. This Outline Business Case is now ready to be submitted to Gov't in December 2017 and requires the submission of the bid and an endorsement by the LEP and this paper sets out this detail.</p> <p>The SIP has agreed to the endorsement.</p> <p>The Board approves the above decision.</p> <p>5.5 <u>SIP Recommendations (see paper)</u> This paper recommends support to the reallocation of £4,000,000 of Local Growth Fund from the Edginswell Station project to the next LEP priorities, as identified by the Board at the July meeting.</p> <p>Unfortunately, the Edginswell project is unable to deliver its outputs within the life of the programme and SIP agreed that the funding allocation should be re-allocated in line with LEP agreed policy. Work is still underway on the Marsh Barton project on how to take this forward.</p> <p>With the permission of the Chair, GO spoke: - to reiterate that Torbay Council had spent a lot of time and money on the Edginswell project, but in the current climate, costs had considerably escalated. However, from Torbay Council's point of view this was still considered a live project for them and they hadn't given up on it. The board were reminded of Torbay's acute economic challenges and how the LEP could support this area going forward. Could there be a</p>	<p>All/CG</p>
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special case made for Torbay to the Dept. of Communities and Local Gov't (DCLG) for some funding to mitigate? Whilst it was unlikely there would be further funding under Growth Deals, opportunities would need to be looked at in the forthcoming Shared Prosperity Fund (which looks to replace EU funds).

It was recognised that Edginswell was a good project and when there were any frameworks for future funding this project would be considered again.

With no further news on imminent funding the board noted:

- HotSW area needs to finalise its Productivity Strategy and then work with partners to set out a framework for priorities for funding
- look at a number of funding channels through other Gov't departments i.e. (DfT, R & D through the Universities) and be prepared to seize the opportunity when new funding becomes available
- Progress the journey to a Joint Committee and any funding this might enable

The Board supported the SIP request to enable Marsh Barton Station promoters to come back to the LTB with a revised proposal when they have completed their cost reduction activities.

The Board supported the reallocation of £4,000,000 of Local Growth Fund from the Edginswell Station project to the next LEP priorities subject to business case submission.

5.6 ESF update + Annex A (see papers)

This paper updates the Board on implementation of the Heart of the South West European Structural and Investment Funds (ESIF) Strategy and seeks the agreement of the Board to continue to escalate to the LEP Network and the national ESIF Growth Programme Board the need for further national clarity and focus in terms of future drawdown of ESF.

The LEP area is in a better position than in September, however the main concern is the EU Social Fund of £19 million which has been returned to the programme by the Skills Funding Agency. Currently, Devon County Council has a consultant looking at the options for this, but realistically only £5 – 10 million can be utilised for local calls. Also considering Dept. of Work and Pensions (DWP) Opt Ins but there is very slow progress here and this needs constant pushing.

There is a perceived risk to the LEP; of the LEP being seen as not performing well, when it is not managing these funds. The LEP has been emphatic and clear at all meetings on the challenges and difficulties with regard to calls, funding programmes and processes, which have been conveyed back to DCLG – the LEP is only one of several partners and the decisions are not the LEP's but made by Gov't departments.

<p>The Board notes the points in the paper and approves continuance of the escalation of issues to the LEP Network.</p>	
<p>6. Papers for noting SBrocklehurst: raised the fact that he had been approached by a journalist to comment on some adverse comments made about the LEP and reminded everyone that they have a duty of interest under the company articles of association, to raise all issues of this type and refer to the LEP Comms Manager to respond to.</p>	
<p>7. AOB None. The Chairman again thanked Stephen Criddle for his positive support over his term of office as FE Board representative.</p>	

Next meeting: 23 January 2018, 10.00am – 1.00pm at Taunton Rugby Football Club, Taunton