

**Minutes of HotSW LEP CIC Board Meeting
23 January 2018
at
Taunton Rugby Football Club**

Board Attendees:

Barbara Shaw
David Bird
David Hall
Derek Mills (alternative for Gordon Oliver)
Diane Dimond
Harvey Siggs
Helen Lacey
Ian Bowyer
Jerry Roberts (alternative for Judith Petts)
Martha Wilkinson
Paul Diviani
Steve Hindley (Chair)
Steve Smith
Stuart Barker
Stuart Brocklehurst

Officers in attendance:

Anthony Payne – officer accompanying Ian Bowyer
Chris Garcia – HotSW Chief Executive
Keri Denton – officer accompanying Stuart Barker
Kevin Mowat – officer accompanying Derek Mills
Mark Williams – officer accompanying Paul Diviani
Paul Hickson – officer accompanying David Hall

Others in attendance:

Eifion Jones - LEP Chief Operating Officer
Helena Davison – LEP Comms Manager
Janet Powell - LEP Executive Assistant (for mins)
Sally Edgington BEIS
Stephen Bird – Managing Director, SW Water for presentation only

Apologies:

Ben Bradshaw – representing Devon MPs
Fiona McMillan
Gordon Oliver
James Heapey MP – representing Somerset MPs
Judith Petts

Karl Tucker
Martin Brown
Melanie Squires
Richard Stevens

Table of Decisions

Board paper	Decision required	Decision agreed
5.1 Productivity Strategy/Delivery Plan update	The LEP Board notes the contents of this paper.	The Board notes the contents.
5.2 Joint Committee update	The Board agrees to continue to support the establishment of the Joint Committee and to actively support the development of our Local Industrial Strategy and the relevant Asks and Offers around the devolution process.	The Board agreed to continue support.
5.3 CEX Recruitment	The Board to agree finalised approach (with day to day supervision still delegated to the F & R committee) with commencement of the recruitment process on 26 January, following the January 2018 LEP Board.	The board agreed to the approach and timescales for CEX recruitment, with one final amendment to the JD.
5.4 LEP Governance & Transparency	<p>The Board agrees to take forward the best practice guidance in respect of the LEP Governance and Transparency recommendations of the Ney Review in our LEP governance.</p> <p>To press on Government that we will be unable to commit to expend the necessary resources to meet these requirements until Govt have committed to us that their core funding to us for next year is confirmed and will include provision to fund this extra work.</p>	<p>The Board agreed to the implementation of best practice guidance from Gov't.</p> <p>The Board agreed to press Govt for necessary funding</p>
5.5 ESIF/ERDF update	That the Board notes both the points in the paper and raised by Stephen Bird in the ESIF presentation to the Board.	The board notes the comments in the paper and Dr Stephen Bird's presentation and supports the work of the ESIF Area Committee
5.6 Great South West Update	<p>The Board agrees to continue to support the establishment of Great South West and supports:</p> <ul style="list-style-type: none"> • An early meeting of a new Steering Group • The appointment of a new Partnership Executive to facilitate progress 	The board agreed to continue support and the two proposals.
5.7 Matter referred from SIP	The Board agrees to SIP recommendation that any surplus LGF that might arise pending finalisation of Productivity Strategy Delivery Plan should be invested in the LEP's existing Unlocking Growth Fund (UGF) programme.	The Board agreed to surplus LGF funds that might arise pending development of the Productivity Strategy, its Delivery Plan and any new list of prioritized projects, being allocated to the UGF.

Agenda	Action
<p>1. Welcome & Apologies Cllr Derek Mills, Deputy Mayor was welcomed as Gordon Oliver’s alternate for this meeting. Apologies as above.</p>	
<p>2. Declarations of interest SH: Midas has ongoing building interests with Oceansgate, Nuclear College building, Yeovil Innovation Centre, South Devon College high tech centre and refurbishment of offices at Taunton Deane Borough Council. JR: Plymouth University is involved in bidding for future ESIF funding. MW: Devon Community Foundation is involved in several partnership bids, future ESIF/ERDF funding and Building Better Opportunities. PD: Chair of Blackdown Hills and East Devon DC for ERDF delivery SBarker: Devon County Council has interests in South Devon College, ESIF, plus Exeter Science Park, as well as other associated projects. DD: Petroc, ESIF/ERDF funding, Building Better Opportunities, HPTA Capital Fund SS: Exeter University an interest in Growth Deal Exeter Science Park and ERDF.</p>	
<p>3. Draft minutes of last meeting 21 November 2017 and actions arising</p> <p>c/f Action: The prioritisation and business case testing of the Project Pipeline and Growth Deal (GD) 3 projects will be revisited, once the productivity plan has been finalised (to be brought to the March Board meeting) and a delivery Plan has been agreed.</p> <p>An update on Declarations on Interest Forms – new register forms are expected imminently from the Gov’ts pending its final Best Practice for LEP Governance and Transparency and will be sent to Board members to re-register their interests prior to the March Board meeting.</p> <p>c/f Action: 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 LEPs will be published in case any specific recommendations to board make-up are made.</p> <p>c/f Action: Volunteers are requested to establish a Steering Group of Leaders from business, education and local authorities to guide the Great South West (GSW) work, to make themselves known to the CEX after the Board meeting. All other actions were completed.</p>	<p>CG/EJ</p> <p>CG</p> <p>All/CG</p>
<p>4. Questions from the public None were submitted.</p>	

An update presentation on the European Regional Development Fund (ERDF) was given by Dr Stephen Bird, Managing Director of South West Water and Chair of the Area ESIF Committee (copy of presentation forwarded).

The objective of the presentation was to highlight to the Board the delivery challenges the HotSW LEP has encountered with this fund. Nationally this has resulted in a number of progress reviews being held between the Dept. of Communities & Local Government (DCLG) Growth Delivery Teams and their corresponding LEP area contacts to review key aspects of the delivery process with concerns around: -

- Application quality
- High attrition rates
- Confidence in delivery of outputs and timing
- Confidence in adhering to agreed spend profiles

The HotSW Chair and Chief Executive have set in train a series of actions with good progress made by the Executive, the ESIF Committee and its Partners, designed to reassure DCLG of the LEP confidence in overseeing the delivery of the required outcomes, with Q2 in 2018 being a key target to achieve.

However, the delivery challenge remains to be addressed by DCLG (as the managing authority) successful applicants and their key partners. The LEP can support the work of these stakeholders.

Action: The HoTSW Board is requested to support all stakeholders to deploy all available resources and influence to ensure that the healthy pipeline of approved and pending projects, deliver to both their contractually agreed spend profiles and output delivery commitments.

ALL

Action: To make the CEX aware of any partner/s struggling to get their claims through DCLG and the LEP will escalate, to resolve the issues as quickly as possible.

ALL/CG

A presentation was given by the CEX on the LEP's Financial Management Report dated 31 Dec 2017, together with a preview of the new Gov't Growth Deal Dashboard (A4 hard copy of the dashboard was handed out).

The dashboard is historic with the hardcopy handed out providing figures for the quarter that finished Sept 2017. However, there are some formatting issues with the template that need revising, therefore the dashboard is not to be circulated, as some figures are incorrect.

This new dashboard for LEPs is to ensure that information is presented in a consistent template and enables Gov't to benchmark LEP performance and includes: project rag ratings, housing deliverables, jobs, skills and learners created plus information on transport (roads), as well as financial progress and a 3 year Local Growth Fund forecast reporting on expenditure (actual, forecast and

<p>against forecast).</p> <p>The LEP will also continue to issue its existing dashboards, in conjunction with the above as these remain more current.</p> <p>The Finance and Resources Committee have always felt it prudent to work to a 3 year budget, (with higher reserves to meet its obligations and overheads) as the Gov't has only ever issued LEP core funding on an annual basis. However, forthcoming confirmation of funding to be announced, indicates funding will be issued for a 2-year period, which will be welcomed by LEPs and provide more stability.</p>	
<p>5. Chief Executive's Report</p> <p>5.1 <u>Productivity Strategy/Delivery Plan update (see paper)</u></p> <p>This provides an update on the Productivity Strategy. The consultation period closed mid December 2017 with responses currently being considered, upon which the strategy will be re- circulated and taken to the first HotSW Joint Committee meeting (2 March) and to the LEP Board (13 March).</p> <p>In parallel to this, work is under way on a more detailed and shorter timescale delivery plan for 5 years.</p> <p>The responses indicated that there needs to be better weaving in of the findings of the Rural Productivity Commission Report; more recognition of coastal/rural areas; the tone of the strategy needs more work and to be more ambitious. Whilst airports were not mentioned specifically in consultation responses, the strategy needs to reference the importance of airport provision and its influence on the HotSW area.</p> <p>Action: to circulate a summary of the consultation responses to the Board.</p> <p>The Board notes the contents.</p> <p>5.2 <u>Joint Committee update (see paper)</u></p> <p>This paper updates the board of the progress in establishing the Joint Committee and discussions around devolution.</p> <p>Ministers have expressed renewed interest in a devolution discussion with Heart of the SW partners and to this end, the LEP as part of the HotSW partnership met with Civil Servants recently to request that Gov't demonstrates its support for the partnership. Thanks, were given to our Gov't sponsor, Sally Edgington for the organisation of this meeting. The two- hour meeting was positively received with clear and concise presentations given, demonstrating coherent leadership. Formal feedback is expected shortly.</p>	<p>EJ/JP</p>

Following conversations with Gov't, it will be important to focus on key propositions that the Joint Committee and its partners can progress quickly and highlighted that better access is needed to other Gov't departments in order to continue the momentum.

Action: to concentrate on those topics/issues for the HotSW area that can be progressed in the short-term and table at the next Board meeting.

CG/EJ

The Board agrees to continue to support the establishment of the Joint Committee and the development of the Local Industrial Strategy and relevant asks and offers around the devolution process.

5.3 CEX Recruitment (see paper)

This paper finalises the approach to be used to recruit the HotSW LEP Chief Executive due to the retirement of the current Chief Executive in July 2018 with a proposed date of 26 January for recruitment to commence.

Discussions ensued around temporarily postponing recruitment until after the final review of LEPs is published by Gov't later in the year; or reflecting on the future landscape of the HotSW Joint Committee to make a joint appointment. Agreed to recruit quickly to continue the momentum of strong leadership, which has resulted in excellent funding awards for the LEP area in the last few years. It will become increasingly important for a future high quality CEX to forge even closer links with local authority partners. Central Gov't is emphatic that increasing the economic prosperity of a region is critically seen as being driven through business led LEPs.

Action: to ensure the CEX Job Description is amended to reflect the changing environment in which the post will operate. Also, to highlight the requirement to work across the Local Authorities/Joint Committee; and to ensure salary is advertised within a range. The final amended version to be circulated to the Board prior to recruitment going live.

CG

The board agreed to the approach and to commence with the CEX recruitment.

5.4 LEP Governance & Transparency (see paper)

This paper provides an update on the implications from DCLG on their best practice guidance for governance and transparency following the Ney Review including recommendations and actions. This will also form part of the Annual Conversation Gov't has with LEPs re: performance.

The actions include: - standardising timelines for publication of agendas and minutes across the LEP Board and its sub groups accessible to the public; standard template format for conflicts of interest declarations, with any new declarations raised at LEP meetings updated onto the Conflicts Register; ensuring there is an annual meeting

which is open to the public (HotSW LEP is already compliant in this area, with an Annual Business Conference and AGM annually).

In order to implement the additional requirements that need to be in place by 28 February, with no new money from Gov't to support the recommendations, the LEP issued a tender out to Local Authorities to support with resource. The LEP's accountable body (Somerset County Council) was awarded the work.

The Board agreed to the implementation of best practice guidance from Gov't.

5.5 ESIF/ ERDF update (see paper)

This paper updates the Board on implementation of the Heart of the South West European Structural and Investment Funds (ESIF) Strategy.

ERDF covered by Dr Stephen Bird's earlier presentation.

The LEP Network recently wrote to the Dept. of Work and Pensions (DWP) on behalf of LEPs to raise the issues several LEP areas were facing with DWP with regard to challenges around committing the remaining £19 million ESF monies. DWP have responded to the LEP Network setting out their intentions to work with opt-in providers to extend provision and to work with LEP areas to run calls from February 2018 in those priorities where commitment is below 40%. The LEP will be working with DWP on both these in coming months.

The board notes the comments in the paper and Dr Stephen Bird's presentation.

5.6 Great South West update and next steps (see paper)

This paper updates the board of the progress in establishing cross LEP regional work. Conversations between Great South West partners have been continuing over recent months. The CEXs of the Cornwall, Dorset and Solent LEPs have agreed to work with HotSW LEP on the establishment of a more structured steering group and to provide a resource (i.e. a part time Partnership Executive) to facilitate activity.

Aligning the whole of the South West is proving to be a challenge with the emergence of a Western Powerhouse between Bristol, Cardiff and Newport. However, it remains important to work with the LEPs that wish to collaborate across sectors; e.g. the progression of a sub-national Transport Board with those LAs interested (Cornwall, Dorset, Devon, Somerset) and with those other LEPs with common agendas e.g. Solent and the Marine Sector. The LEP is currently in talks with the Universities of Plymouth and Exeter to commission a knowledge-based narrative to aggregate figures and statistics that can be used across the whole area.

The board agreed to continue its support and to the formation of an early steering group meeting plus a partnership executive to progress the GSW work.

<p>5.7 <u>Matter referred from SIP (see paper)</u></p> <p>This paper requests board approval for a revised policy in respect of how to prioritise any surplus Local Growth Funds (LGF) that might arise pending finalisation of the Productivity Strategy Delivery Plan, which was originally expected to be in Jan/Feb 2018. As previously discussed this is still some months away, therefore SIP has recommended that if any funds become available in the interim that these should be added to our existing Unlocking Growth Fund (UGF) programme of £5m received (from a proposal of £10m). This programme grant funds to small infrastructure projects that benefit business. It has a proven track record and methodology for selecting opportunities and is highly valued by recipients.</p> <p>The Board agreed to surplus LGF funds being allocated to the UGF pending the development of a new list of priorities later this year.</p> <p><u>Chief Executive's Report</u></p> <p>Jackie Jacobs has resigned due to work commitments in her own business. During the last recruitment phase, eight new Directors joined the board, the LEP only requires seven to be a majority-led private sector board, therefore it is not deemed necessary to re- recruit at this time. This will be revisited once the HotSW Joint Committee is up and running. With Jackie's resignation and Mel Squires sometimes not able to attend the Finance and Resources Committee meetings, the LEP will be seeking to co-opt another private sector business person to this group to add useful expertise.</p>	
<p><u>6</u> Papers for noting</p> <p>HL: there was a query regarding the Comms Media and Monitoring report for the high level of activity showing for November.</p> <p>Action: To provide clarity on Comms Media and Monitoring Report off line.</p>	<p>HD/HL</p>
<p><u>7</u> AOB</p> <p>None</p>	

Next Meeting: - 13 March from 10.00am – 1.00pm at Petroc, Tiverton Campus.