

**Minutes of HotSW LEP CIC Board Meeting  
17 July 2018  
at  
Taunton Rugby Football Club Conference Centre**

**Board Attendees:**

Barbara Shaw -Chief Executive, Westward Housing Group  
Chris Evans - Assistant Director of Innovation, Impact & Business, University of Exeter (alternate for Prof. Sir Steve Smith)  
David Bird – Regional Director, Santander Corporate & Commercial Banking  
Cllr David Hall - Cabinet Member for Resources & Economic Development, Somerset County Council  
Diane Dimond – Principal, Petroc  
Dr Fiona McMillan OBE – Non-Exec Director EDF Energy  
Cllr Harvey Siggs – Leader, Mendip District Council  
Helen Lacey – Managing Director, Redberry Recruitment Ltd  
Karl Tucker – Managing Director, Yeo Valley Farms Production Ltd  
Martha Wilkinson – Chief Executive, Devon Community Foundation  
Melanie Squires MBE – SW Regional Director, NFU  
Cllr Paul Diviani – Strategic Development, East Devon District Council  
Richard Stevens – Managing Director, Plymouth City Bus Ltd  
Cllr Rufus Gilbert -Cabinet Member for Economy and Skills, Devon County Council  
Steve Hindley CBE DL – Chair HotSW LEP Board, Chair The Midas Group Ltd  
Stuart Brocklehurst – Chief Executive, Applegate  
Cllr Tudor Evans – Leader, Plymouth City Council

**Officers in attendance:**

David Ralph – HotSW LEP Chief Executive  
Keri Denton – Head of Economy & Enterprise, Devon County Council, officer accompanying Cllr Rufus Gilbert  
Mark Williams – Chief Executive officer, East Devon District Council, officer accompanying Cllr Paul Diviani  
Paul Hickson – Strategic Commissioning Manager – Economy & Planning, Somerset County Council, officer accompanying Cllr David Hall  
Tracey Aarons – Deputy Chief Executive, Mendip District Council, officer accompanying Cllr Harvey Siggs  
Tracey Lee – Chief Executive, Plymouth City Council, officer accompanying Cllr Tudor Evans

**Others in attendance:**

Eifion Jones – HotSW LEP Chief Operating Officer  
Helena Davison – HotSW LEP Comms Manager  
Janet Powell – HotSW LEP Executive Assistant (for mins)  
Simon Earles – Planning & Sustainability Director, Bristol Airport (for presentation only)

**Apologies:**

Ben Bradshaw & Anne Marie Morris – representing Devon MPs

Cllr David Thomas – Leader, Torbay Council

James Heapey MP – representing Somerset MPs

Prof Judith Petts CBE – Vice-Chancellor & Chief Executive, University of Plymouth

Martin Brown – Advisory Board Member, Digital Shadows

Sally Edgington – Assistant Director, BEIS South Central & West

Prof. Sir Steve Smith – Vice-Chancellor & Chief Executive, University of Exeter

**Table of decisions**

Board Paper	Decision	Decision agreed
6.1 Growth Hub	The Board are asked to approve the recommendations. Work on procuring a Growth Hub service for 2020/21 and onwards should commence.	The Board agreed to all the recommendations.
6.2 M5 Junction 25 Scheme Funding	It is recommended that the Board:- -Advise Somerset County Council of the maximum Local Growth Fund contribution which it can maintain for M5 Junction 25.	The Board agreed to maintain the maximum LGF contribution.
6.3 Forder Valley Link Road, Plymouth	That the Board confirm to the Department for Transport its continued support for the Forder Valley Link Road.	The Board agreed to continue support for the scheme.
6.4 Productivity Strategy Delivery Planning	The Board notes the progress in the delivery plan and agrees the approach and milestones	The Board notes progress and agreed approach and milestones.
6.5 Strength in Places Fund Bids	That the LEP Board notes the emerging bids and agrees to add LEP support.	The Board agrees to support Expression of Interests .  The endorsement process be reviewed in line with the discussion
6.6 ESIF update	That the Board notes points in the paper.	The Board notes the points.

Agenda	Action
<p><b>1. Welcome &amp; Apologies</b> Cllrs Tudor Evans, Leader - Plymouth City Council and Rufus Gilbert, Cabinet Member for Economy and Skills – Devon County Council were welcomed as new Board directors replacing Ian Bowyer, Plymouth City Council and Stuart Barker, Devon County Council.</p>	

<p>Also, Chris Evans, Assistant Director of Innovation, Impact and Business, University of Exeter as alternate for Prof Sir Steve Smith.</p> <p>It was noted that Martin Brown was standing down after this meeting.</p> <p>Following the publication of the LEP review, a Governance Review would be completed to ensure compliance.</p> <p>Also, David Ralph as new Chief Executive to his first Board meeting.</p> <p>Apologies as above.</p>	
<p><b>2. Declarations of interest</b></p> <p>TE: Plymouth City Council &amp; Forder Valley Road.  DD: Petroc, ESIF/ERDF funding, Building Better Opportunities, HPTA Capital Fund.  DH: Somerset County Council &amp; J 25 M5.  FM: EDF Energy &amp; Nuclear.  CE: Exeter University, ESIF &amp; Strength in Places Fund (SIPF).  SH: Midas has ongoing building interests with South Devon College high tech centre.  MW: Devon Community Foundation is involved in several partnership bids, future ESIF/ERDF funding and Building Better Opportunities.</p> <p>A reminder was given with regard to declaring declarations of interest to Board members, that if the member or their organisation was in receipt of any LEP funding, then that member was not able to take part in any decision on the particular agenda item, nor have a vote and may be asked to vacate the room, whilst the topic was being discussed.</p>	
<p><b>3. Draft minutes of last meeting, 15 May 2018</b></p> <p><b>c/f Action: Regarding District representation on the Board, it was agreed to defer this until the Ministerial led review into the future of LEPs is published in case any specific recommendations to Board make-up are made.</b></p> <p><b>Action: An Innovation Board should be an early priority for David Ralph as he considers the reorientation of resources and governance around the enablers and opportunities.</b> The Terms of Reference (TOR) are currently being progressed with both Universities to determine the shape and subject areas of a Board and the results will be reported back at the September Board meeting.</p> <p><b>All other actions completed, and minutes taken as accurate.</b></p>	<p><b>DR/SH</b></p> <p><b>DR/Univs</b></p>
<p><b>4. Action Log of previous Board minutes January – May 2018</b></p> <p>Introduced by the new CEO to demonstrate to the Board that action points from</p>	

<p>previous minutes have been completed.</p>	
<p><b>5. Questions from the public</b> None.</p>	
<p><b>Presentation</b> <u>Bristol Airport - Simon Earles, Planning &amp; Sustainability Director (power-point circulated)</u> The objective of the presentation was to introduce Bristol Airport’s Master Plan consultation Stage 11 Development Proposals and Options and to ask the LEP for on-going support for the development plans and to offer support to the LEP to further it’s agenda. Much of its development plan hinges on the airports infrastructure to improve access by road, rail, coach and bus travel to enable it to expand passenger traffic. Despite the competing airports of Cardiff and Exeter, Bristol feels there is significant demand for increased air travel from differing airport offers, with increased growth for all and a bright future for the industry.</p> <p><b>Action: To review Bristol Airport’s development plans via the LEP’s Place Leadership Group to establish a HotSW view, taking into account the emergence of two proposed Sub National Transport Boards for the area and consideration of the Confederation of British Industry’s (CBI) position on the airport plans.</b></p>	<p>DR/EJ/HD</p>
<p><b>6. Chief Executive’s Report</b></p> <p>The Chairman proceeded to give feedback from the recent LEP Chairs meeting with the Prime Minister (the first of 6 monthly LEP Chairs meetings with the PM) in which the PM thanked LEPs for their hard work and support.</p> <p>She mentioned the forthcoming LEP review, soon to be published will report on strengthening the role of LEPs, provide some security for future funding of LEPs and will strive for more commonality between LEP structures, including diversity and make up of Board members and expressed the importance of the Industrial Strategy. The PM was joined by Greg Clark (Secretary of State for Business, Energy &amp; Industrial Strategy), James Brokenshire (Secretary of State for Housing, Communities &amp; Local Government) and Jake Berry (Parliamentary Under Secretary of State at the Ministry of Housing, Communities and Local Government). The view expressed by the Chairs (those with Mayoral authorities) was that civil servants were still keeping too tight a control over over these areas and not allowing them to have the freedom and flexilities promised under devolution – something the Ministers were unaware of.</p> <p>Regarding the 38 LEP Industrial Strategies, whilst these will be competitive, Gov’t is seeking distinctiveness within strategies and where there are synergies across LEPs and geographies there is an expectation of LEP’s working together on shared priorities (Great South West was name checked).</p> <p>Gov’t also promised to review the apprenticeship levy – which has resulted in fewer</p>	

apprenticeships being taken up.

The Chairman handed back to the Chief Executive for the remainder of the report. The new Chief Executive is pleased that the area is receiving some recognition within Gov't circles, however it is felt that more work is still required to highlight the opportunities across the South West and their close alignment with the goals of the Industrial Strategy.

Quarterly, Board meetings will include a business update, supported by feedback from the business community (what's going on in the area) via the Chambers and Institute of Directors (IOD) etc. Currently the HotSW economy is performing well with tight labour market conditions. Gov't will be keen to learn how the area is overcoming these challenges, using HotSW as a blueprint for what will be the norm nationally in other areas in years to come with an ever-increasing ageing population.

Discussions continued issues for SMEs' and the following points were raised: -

- Businesses face the re-occurring issue of prospecting for new business with the dilemma of either taking on staff in advance of gaining new contracts or only staffing up when the contract is signed.
- Skills shortages are not only high –tec ones, there are skills shortages across a broad spectre of occupations i.e. panel beaters, window fitters etc.
- The importance of upskilling leaders and managers to develop their businesses and enabling them to link into supply chains to understand the benefits.
- Understanding the life cycles of start-ups and micro businesses is key and why intellectual property is being sold out of the region?
- A tight labour market needs businesses to be more productive, which in turn can only be achieved by investing in research and development (R & D). Innovate UK will fund R & D but the HotSW area lacks projects take up (as reported at an earlier Board meeting this year).
- Statistically exporting businesses seem to be performing well, but their rise in profits can be attributed to favourable exchange rates.
- The Agri – sector feels growth is impeded by the lack of finance, however the banking sector lends more to this sector than any other which obviously highlights a communications issue, therefore more factual information needs to be presented to this sector demonstrating that finance is available.
- The difficulties in linking academia to businesses – large businesses can afford to take on interns, but SME's cannot, so what support can be made available for smaller enterprises?
- How to access and harness the skills of the older population and underemployed sector to assist with skills shortages and job vacancies, which in turn means assisting employers to adapt and flex working practices to accommodate them?
- To evolve a register of Enterprise Advisors to match with schools that wish to engage and highlight gaps in the market. This in itself will not solve the problem as school

agendas are driven by Gov't policy, highly focused on individual school exam achievements and a major rethink at Gov't level is required to encourage strategies that encompass the longer term which Career Hubs need to be part of.

LEP Chairs have been invited to meet Rt Hon Anne Milton MP, Minister of State at the Department for Education for dinner in London on 23 July to raise a number of skills Issues with her.

Moving forward the LEP needs to emphasis it's key messages of distinctiveness and aims to double the size of the economy by increasing engagement with micros and SME's. The recent good news that the HotSW area is to become one of 20 'Careers Hubs' around England to help transform careers education for young people, will enable the LEP to help frame the careers strategy for the area.

A refresh of the Communications Strategy will be undertaken.

The forthcoming Gov't LEP review to be published next week is not anticipated to highlight any major changes for the HotSW LEP and will advocate the importance of business led partnerships, leadership skills, the diversity and make up of Boards and the requirement to become a legal entity, plus in non-devolutions areas the alignment of LEPs with Joint Committees and emphasis strength from cross LEP working on shared priorities.

With regard to the Industrial Strategy this is the HotSW Productivity Development Plan, Is being developed with the Joint Committee and a first cut is due to be published in September (in time for the Autumn Budget) and it is vital that this progresses at pace. And in turn fulfils the function of the HOTSWE Local Industrial Strategy.

#### 6.1 Growth Hub (see paper) commercially confidential

This paper sets out the way forward for the Growth Hub when the 3-year contract with Serco ends in February 2019.

**Action: The terms of reference (TOR) for reviewing the Growth Hub are to be developed and progressed by the Business Leadership Group ahead of the next LEP Board meeting.**

**The Board agreed to the all the recommendations.**

#### 6.2 M5 Junction 25 Scheme Funding (see paper) commercially confidential

This paper sets out the Growth Deal 2 funding background to the scheme and recognises the shortfall in GD funding from the original total sought by the scheme which arose when Gov't approved 3 transport schemes but only provided funding for 2 of them.

**The Board agreed to maintain the recommendation of maximum LGF as above.**

6.3 Forder Valley Link Road, Plymouth (see paper) commercially confidential

This paper provides the background to the Forder Valley Link Road retained scheme

**The Board agreed to continue support for the above scheme.**

6.4 Productivity Strategy – opportunities (see paper)

This paper updates the Board on progress in the Productivity Strategy’s delivery plan and to highlight potential implications for the LEP. A mock up A3 hard copy depicting the marine sector was handed out to members to demonstrate one of a series of delivery plans. The aim of the delivery plan is to have two components

- a) a series of clear actions to progress the opportunities and
- b) a comms piece (for MPs and other stakeholder).

The key being to ensure the correct content in the delivery plan. The HotSW Joint Committee is meeting on 20 July in a workshop session designed to take leaders through these, with the aim of an update to the Board in September and the JC in October, (the JC meeting was subsequently postponed).

The following points were raised: -

- To ensure there is more inclusivity across productivity, contributing to and benefiting from.
- To share emerging thinking on skills
- To note this is a HotSW piece, however some sectors cross cut across geographical areas
- To ensure there is emphasis on what the delivery plan will do for SME’s

**The Board notes the progress in the delivery plan and agreed the approach and milestones.**

6.5 Strength in Places Bids (see paper) commercially confidential

This paper briefs the Board on the Strength in Places bids in development and that the Board notes the emerging bids and agrees to add LEP support.

**The Board agreed to support the Expressions of Interest.**

**The Board asked that the endorsement process be reviewed in line with the discussion**

6.6 ESIF update (see paper) commercially confidential

This paper updates the Board on implementation of the Heart of the South West European Structural and Investment Funds (ESIF) Strategy. Generally, there has been positive progress on ESIF monies.

DR

**The Board notes the comments in the paper.**

**7. Papers for noting.**

No comments.

**8. AOB**

None.

**Next meeting: 18 September 2018 at Petroc, Tiverton Campus from 10.00am – 1.00pm**
