

Minutes of the LEP Place Leadership Group 13 March 2019

SOUTH WEST WATER, PENINSULA HOUSE, RYDON LANE, EXETER EX2 7HR

Attendees

Barbara Shaw (BS)	-	Westward Housing
Andrew England (AE)	-	Torbay Council
Chloe Thomas (CT)	-	Environment Agency
David Ralph (DR)	-	HotSW LEP
Derek Phillips (DP)	-	South West Chambers of Commerce
Doug Bamsey (DB)	-	Somerset District Councils
Ian Harrison (IH)	-	HotSW LEP Transport Board
John Dixon (JD)	-	Plymouth City Council
Mark Worsfold (MW)	-	South West Water
Mike Deaton (MD)	-	Devon County Council
Paul Hickson (PH)	-	Somerset County Council/HotSW LEP
Sarah Jennings (SJ)	-	Local Nature Partnerships
Tim Jones (TS)	-	Devon and Cornwall Business Council
Jamie Hulland (JH)	-	Peninsula Transport Shadow Strategic Transport Body (For item 4)

Supporting Officers

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

Apologies

Andrew Ardley	-	South Western railway
David Northey	-	Network Rail
Heidi Hallam	-	HotSW LEP
Helena Davidson	-	HotSW LEP
Mark Williams	-	Devon District Councils
Matt Barnes	-	Great Western
Mel Sealey	-	HotSW LEP
Mel Squires	-	NFU
Mike O'Dowd Jones	-	Somerset County Council
Richard Gibson	-	Cross Country

	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
2.	Declarations of Interest Declarations were noted where appropriate for Future High Street Expressions of	BS

	Interest																									
3.	<p>Minutes of the Last Meeting</p> <p>Minutes of the last Place Leadership Group meeting (16th January 2019) were approved as an accurate record.</p>	<p>BS RH – To forward minutes to publish.</p>																								
4.	<p>Major Road Network Fund Consultation</p> <p>JH presented details of Major Road Network (MRN) and Large Local Majors (LLM) schemes that are currently being considered with a view to seeking feedback on them. He outlined the eligibility criteria which included:</p> <ul style="list-style-type: none"> - Scheme must be on MRN and not wholly on the Strategic Road Network - DfT contribution will be between £20m and £50m - Local financial contribution of at least 15% - Strategic Outline Business Case (SOBC) 3 years before works start - Outline Business Case (OBC) 2 years before works start - Must start construction by 2024/2025 <p>Details of the following MRN Schemes were presented:</p> <table border="1" data-bbox="220 1025 1337 1429"> <thead> <tr> <th>Scheme</th> <th>Cost (£m)</th> <th>BCR* (Expected/Estimated)</th> </tr> </thead> <tbody> <tr> <td>A39 Camelford Bypass</td> <td>£39.7</td> <td>1.365 (Low – Medium)</td> </tr> <tr> <td>A38 - A374 Marsh Mills to Cattedown</td> <td>£48.3</td> <td>(High – V High)</td> </tr> <tr> <td>A38 – A3064 Weston Mill to Pennycomequick</td> <td>£43</td> <td>(V High)</td> </tr> <tr> <td>A382 Drumbridges to Newton Abbot</td> <td>£33.5</td> <td>3</td> </tr> <tr> <td>A379 Exeter Outer Ring Road</td> <td>£25</td> <td>-</td> </tr> <tr> <td>A358 Henlade Bypass</td> <td>£40 - £45</td> <td>2 (Medium – High)</td> </tr> <tr> <td>A361 Glastonbury Bypass and Pilton</td> <td>£40 - £70</td> <td>(V High)</td> </tr> </tbody> </table> <p><i>*BCR = Benefit Cost Ratio</i></p> <p>The discussion highlighted the following:</p> <ul style="list-style-type: none"> • Some schemes are already on the Growth Deal long-list or effectively part of Growth Deal projects or supported previously. There was logic therefore to support further investment in those corridors where there has been a link to housing and growth • The proximity of the 2024 deadline is a challenge for planning process as is the need for a 15% funding contribution. Given this, scrutiny on how well schemes were developed in terms of design, land acquisition and planning was encouraged • The strategic importance of the Camelford Bypass was challenged vs other areas e.g. Tavistock. JH advised that the latter was not part of the MRN 	Scheme	Cost (£m)	BCR* (Expected/Estimated)	A39 Camelford Bypass	£39.7	1.365 (Low – Medium)	A38 - A374 Marsh Mills to Cattedown	£48.3	(High – V High)	A38 – A3064 Weston Mill to Pennycomequick	£43	(V High)	A382 Drumbridges to Newton Abbot	£33.5	3	A379 Exeter Outer Ring Road	£25	-	A358 Henlade Bypass	£40 - £45	2 (Medium – High)	A361 Glastonbury Bypass and Pilton	£40 - £70	(V High)	<p>JH</p>
Scheme	Cost (£m)	BCR* (Expected/Estimated)																								
A39 Camelford Bypass	£39.7	1.365 (Low – Medium)																								
A38 - A374 Marsh Mills to Cattedown	£48.3	(High – V High)																								
A38 – A3064 Weston Mill to Pennycomequick	£43	(V High)																								
A382 Drumbridges to Newton Abbot	£33.5	3																								
A379 Exeter Outer Ring Road	£25	-																								
A358 Henlade Bypass	£40 - £45	2 (Medium – High)																								
A361 Glastonbury Bypass and Pilton	£40 - £70	(V High)																								

- The point was made that the preparation of schemes raises expectations in the business community - needs a good communications strategy about what is deliverable
- JH advised that schemes will be compared nationally and must ensure match (£) and deliverability
- DfT define the MRN e.g. MRN roads must connect to the Strategic Road Network (SRN)
- The national MRN has yet to be formally announced; some roads have been removed and some e.g. the Exmouth corridor have been added
- It was noted that the Camelford scheme made no reference to housing or jobs suggesting that the focus of the scheme was a transport issue
- JH advised that supporting growth and productivity were key drivers that should be high on the assessment criteria (not just BCR for example)
- It was felt that the prioritisation of investment was important – where is the overall assessment?
- JH advised that the South West is behind on putting a regional evidence base together but strategic connectivity is key. Western Gateway connectivity is a consideration as are routes on growth corridors
- The A38 is an issue for Somerset because the M5 (part of the Strategic Road Network) dominates. The A361 also accommodates local growth
- Will there be one “chunk” of money for the South West? JH advised that there is only one national Transport Board
- JH further advised that although the Western Gateway relationship is important, the MRN in the region is the focus for now.

Large Local Majors

Eligibility is as follows:

- Not limited to roads on the MRN
- DfT contribution will be from £50m
- Only road schemes as funded through National Roads Fund
- Local funding contribution should aim for at least 15%
- Strategic Outline Business Case (SOBC) 3 years before works start
- Outline Business Case (OBC) 2 years before works start
- Must start construction by 2024/25

Details of the following schemes were presented:

Scheme	Cost (£m)	BCR (Expected/Estimated)
A38 Manadon Interchange	£107	(V High)
M5 Junction 28 Improvement	£80 - £120	(High)
A39 Walton Ashcott Bypass	£90	(V High)

Note; North Devon Link Road already has a business case covering the LLM section and A39 between Barnstaple and Bideford

	<p>The discussion highlighted the following:</p> <ul style="list-style-type: none"> • IH noted that the A39 Walton Ashcott bypass was a potential Growth Deal project previously and that the LLM schemes are a big commitment and require a lot of technical work in the timescale • Is there enough growth along the A39? Careful consideration needed and lack of BCR noted • Consideration is also needed for M5 Junction 23 • JH advised that the deadline is the end of April (?) to provide information for scrutiny (e.g. commitment to match funding and modelling of BCR) • It was noted that there was a strong urban/location bias for the investment. What about improvements to corridors? • IH will provide feedback to STB • JH advised that improvement to complete schemes not “bits” is the preference. The lists will be prioritised by July – the STB Board meets at the end of June • The LEP is represented on the STB. The proposals for Plymouth and North Devon may be looked at prior to the Board meeting. • IH will report back to the PLG meeting on 8th May • <i>Note; After the discussion DR also suggested to JH that it would be helpful to understand whether, in the spirit of cross boundary working, there will be dialogue between the Peninsula and Western Gateway STBs about the emerging programmes. There could, for example, be logic in jointly supporting initiatives on cross boundary routes.</i> 	<p><i>IH to provide feedback to STB</i></p> <p><i>IH to update next PLG meeting</i></p>
<p>5.</p>	<p>Future High Streets Fund</p> <p>The Ministry of Housing, Communities & Local Government (MHCLG) launched the call for Future High Streets Fund (FHSF) Expressions of Interest (EOIs) from Local Authorities at the end of December 2018. The expectation from MHCLG was that EOIs should include proof of engagement and support from stakeholders, including LEPs. A joint MHCLG/HotSW LEP workshop to brief bidding authorities and stakeholders was held on 26th February 2019. Another round of FHSF is anticipated possibly in 2020 (but not before).</p> <p>11 EOI bids were discussed at the meeting and all were supported. Three further bids were received and supported out of committee. Letters of supported were drafted and provide to all 14 bidding authorities prior to the 22nd March deadline for EOI submissions to Government.</p> <p>During the general discussion, the following points were highlighted:</p> <ul style="list-style-type: none"> • HotSW LEP view is that investment in town centres is important for the region • Given this importance and looking forward to the development of Government’s Strategic Prosperity Fund (SPF) it was felt that a piece of work by the LEP on town centres would be helpful. This could inform subsequent bids for a second round of FHSF • The inclusion of a review of bids by the LEP within the timescale from the workshop to the submission date for EOIs was viewed as very challenging. 	<p>RH to capture</p>

	<p>Lessons from this round need to be captured and reflected in the process for any further FHSF competitions.</p>	<p>lessons identified</p>
<p>6.</p>	<p>Updates from HotSW LEP CEO</p> <p>Shared Prosperity Fund</p> <ul style="list-style-type: none"> • Following the reference to SPF in the Future High Streets Fund discussion; note that an announcement on SPF is due (n.b. at time of writing there does not appear to be a publication date for an SPF consultation document) <p>LEP Review</p> <ul style="list-style-type: none"> • The main items from the LEP review are that: <ul style="list-style-type: none"> - Governance has been reviewed - The LEP will be a dormant incorporated body - The LEP is compliant with diversity requirements - There are some small changes to articles to sign off at the Board - Regarding the operating model, the Leadership Groups will remain with “Place” being re-purposed as “Housing, Infrastructure and Connectivity” <p>Delivery</p> <ul style="list-style-type: none"> • There is pressure to show the delivery of housing, jobs etc from projects • Some projects are under scrutiny, particularly noting the 2021 deadline <p>Local Industrial Strategy</p> <ul style="list-style-type: none"> • The LEP is responsible for the development of the LIS as part of “Wave 2” • A three-stage process will be followed <ul style="list-style-type: none"> - Diagnostics/evidence base (until end of February) - Drafting (until the end of April) - Draft available and Government engagement from May • Three specific areas for growth identified in the LIS are: <ul style="list-style-type: none"> - Clean energy - Data Analytics - High-tech Engineering e.g. aerospace, marine, photonics, Agri-tech • Other areas for growth will still continue • There will be direct engagement with Government on how to develop the offer. Government is interested in clean growth <p>The discussion on the LIS raised the following:</p> <ul style="list-style-type: none"> • Will the LIS be tested against the impact of Brexit? E.g. the introduction of tariffs. It was agreed that this can’t be ignored, and that Government policy is a key influence • How does natural capital and the LIS align and how does it link with the productivity Strategy? The natural capital advocacy document is almost finished. The LEP has asked for a meeting with Defra; the natural capital proposition needs to be developed and the offer of input from the Local Nature Partnerships was 	

	welcomed. Discussion suggests that good progress is being made to make natural capital central not peripheral.	
7. Energy Strategy	<p>PH briefed on plans with regard to energy.</p> <ul style="list-style-type: none"> • Energy will be part of the Place Leadership Group activity going forward. This will include looking to bring in subject expertise into the Group • The LIS command paper identifies clean growth • Collaborative work with CloS and Dorset on a shared delivery plan for energy will be taken forward • The South West Energy Capacity Hub has been established and shared resources are in the process of being appointed <p>The discussion highlighted the following:</p> <ul style="list-style-type: none"> • Climate emergency declarations have been made by a number of Local Authorities and there is a need to understand how to recognise and deliver against this. Political demand for this is strong in Councils • The joint LEP energy strategy was felt to be about low carbon not just energy and points to the need to a large investment but is less clear on what is being signed up to 	
8. AOB	<ul style="list-style-type: none"> • SJ asked for an update on progress with the Productivity Strategy Delivery Plan DR advised that the Delivery Plan was to be tabled at the Joint Committee and LEP Board meetings before the end of March. He anticipated that the Delivery Plan would be referred back to the Leadership Groups • DR flagged that for the LIS, it would be good to understand South West Water's plans including for waste 	
	Next meeting: 8 th May 2019 – Details to be confirmed	

Actions Log Summary	Meeting Date	Owner	Status Update	Next Steps
To forward previous Place Leadership Group meeting minutes for publication on HotSW LEP website.	13/03/2019	Rob Hensley	Completed 01/04/2019	N/A
Feedback on the MRN and LLM to be provided to the STB (by 5 th April 2019.)	13/03/2019	Ian Harrison	Draft forwarded to DR 01/04/2019	
An update on the MRN and LLM to be provided to the PLG meeting on 8 th May 2019.	13/03/2019	Ian Harrison		
Lessons identified from the FHSF process to be captured.	13/03/2019	Rob Hensley		