

# Chief Executive's Report – 23 July 2019

## **1. Introduction**

This meeting is mostly focused on the Local Industrial Strategy which was reviewed by the HotSW Joint Committee earlier in the month and by the LIS Analytics team at CLGU.

The LEP Board are being asked to agree to publish a working draft of the Local Industrial Strategy for feedback with a view of securing final sign-off at the September meeting cycle. During this period, we are also hoping to initiate the Government write round process so that we can quickly move to publication.

In addition, we are sharing the initial work on emerging project pipeline although it is important to stress that there is no additional confirmed funding.

### **Decisions/Action Required for this Board in this report**

Agree to publish the HotSW Local Industrial Strategy Working Draft.

Agree next steps for our project pipeline

### **Headline Events since last Board meeting**

- **GSW Submission** – following recent discussion with CLGU the outline business case for Great South West has been drafted.
- **The GSW APPG** met on June 25<sup>th</sup> to look at transport issues and again on July 16<sup>th</sup>, 2019 to start to look at Budget 2019 asks.
- **Business Basics Fund** – Devon CC have been successful in securing £400,000 particularly to support rural businesses and digital skills.
- **Senior Sponsor Visit** – Mike Parsons, DG at the Cabinet Office and our senior sponsor visited hosted by University of Exeter. We were able to bring him up to speed on particularly Oceansgate and UKHO (as well as our emerging LIS) and he has offered to try to push forward the implementation of the Rural Productivity Commission.
- Ground has been broken on the access road at Gravity;

### **Summary - What's going well and what isn't**

#### **i. LEP Review - Articles of Association and PAC Hearing**

Following spot checks from CLGU, the LEP website information has been confirmed as compliant with the transparency requirements of the National Assurance Framework. The

informal mid-year review – no Board Members are required to attend – will take place in early September.

The Public Accounts Committee's final conclusions on LEPs have been published, recognising the capacity challenges within LEPs, that more work is needed to resolve overlapping areas and that LEPs are fully held to account. See the link for a copy of the report

(<https://publications.parliament.uk/pa/cm201719/cmselect/cmpubacc/1754/175402.htm>). The recommendations are for BEIS at this stage and the LEP Network has published the following statement which HotSW would endorse

*"We welcome the PAC report and their recognition of the improvements that LEPs have made to strengthening our transparency and Governance. We are extremely efficient organisations and have made significant progress in implementing all the recommendations, including resolving LEP geographies, and increasing the diversity of our boards. Delivering value and impact for all our communities we serve is what drives LEPs and has helped us to generate over £7bn of private sector investment in our communities"*

We have had no further information on either Stronger Towns Fund or consultation on UKSPF.

ii. Recent Business Closures/announcements

**Flybe – representatives of the local task force** met with Flybe and the airport at the beginning of July.

**Appledore Shipyard** – a number of interested parties are currently proposing plans for the shipyard but these details remain commercially confidential at this stage

**British Ceramic Tiles** – a local task force has been established to support the current work force and progress sale

A number of food processing companies including Premier Foods are reviewing their business priorities. This may be worthy of further discussion

iii. Brexit Resilience and Opportunities

BROG continues to meet – including Government as well as local representation. It is likely that the group will have to address directly the inherent risks of a no deal exit scenario. BEIS will be holding a workshop for businesses in Taunton on 25<sup>th</sup> July which the LEP has promoted on our website and through the Growth Hub. The event is free to attend, and more details are available here:-

<https://heartofswlep.co.uk/news/preparing-business-eu-exit-free-event/>

iv. Transport programmes

The Peninsular Sub-National Transport Board have prioritised their Major route Network schemes and Local Majors – an update can be provided to the meeting but they include A382 nr Newton Abbott (the next phase of the Growth Deal scheme); a Plymouth scheme; A Mendip scheme (Glastonbury by-pass) and support for the Western Gateway access to Bristol Airport scheme (this also impacts on J22 which is in the HotSW area).

Further to the transport presentation at the last Board, attached is an update on the actions agreed (see annex 1), along with a briefing provided to the Great SW All Party Parliamentary Group (see annex 2): the LEP's Place theme group will be taking this forward. More detail on p39-40.

v. European Structural Funds

An update is provided as a separate report.

vi. Nuclear Sector Deal

A revised Supply Chain bid is being prepared for submission to BEIS - a separate report provides a further update.

vii. Growth Hub

The performance report has been provided and we are intending to bring recommendations on future Growth Hub delivery to the September meeting.

viii. Rural Productivity Plan and Meeting with HOTSW Senior Sponsor, Mike Parsons

DEFRA have offered a further follow-up meeting and we have been discussing with NFU about a joint approach. I am reluctant to do this without greater senior leadership support to progress an outcome within DEFRA. Following our discussions with our senior sponsor, Mike Parsons (DG, Cabinet Office) he has offered to try and move the conversation forward.

vii. The LEP Review and Recruitment

The mid-year review etc is scheduled and we have appointed Fitzgerald's to help with the Board recruitment process. Adverts for the 2 private sector Board Members and Chair were published at the beginning of July with deadlines at the end of July. The Nominations Board has been established and will meet to shortlist applicants 6 August. (see committee members annex 3).

viii. Local Industrial Strategy – Wave 2

Following a presentation to the Joint Committee on the 12<sup>th</sup> July and workshops with local stakeholders on the 16<sup>th</sup> May 2019 and 14<sup>th</sup> June 2019 we have completed the working draft of the HotSW Local Industrial Strategy which is being presented for publication. There is a separate report on this item, but we remain keen to get the final strategy agreed locally and with Government ahead of CSR.

ix. Scrutiny

The HotSW Scrutiny Committee met in mid-June to review performance and the emerging Local Industrial Strategy. They also had a well-received masterclass on the Circular Economy from the University of Exeter.

I also presented to the Teignbridge District Council Scrutiny Committee in late June.

x. Business Engagement and Communications

The Annual Conference and AGM will take place on the 4<sup>th</sup> November 2019 in Torbay and we are working on a new quarterly business bulletin to be published in September.

Following the Local Industrial Strategy workshops, we have specific engagement events with Business Representative Organisations in August.

Xiii Great South West and APPG

The GSW Partnership met at the end of April receiving an update report on rural productivity and agreed to appoint additional support to develop the GSW business case for Ministerial review over the summer, Cornwall Council are providing secretariat support to the partnership in the run-up to CSR.

Xiv Stronger Towns Fund and UKSPF

We are still awaiting further announcements on the consultation for UKSPF and the prospectus for Stronger Town Fund.