

Minutes of the LEP Place Leadership Group 8 May 2019

NFU, AGRICULTURE HOUSE, PYNES HILL, RYDON LANE, EXETER, EX2 5ST

Attendees

Mel Squires (MS)	-	NFU
Barry Smith (BS)	-	Environment Agency
Dan Newman (DNe)	-	Torbay Development Agency
David Northey (DN)	-	Network Rail
Derek Phillips (DP)	-	South West Chambers of Commerce
Doug Bamsey (DB)	-	Somerset District Councils
Eifion Jones (EJ)	-	HotSW LEP
Ian Harrison (IH)	-	HotSW LEP Transport Board
John Dixon (JD)	-	Plymouth City Council
Mike Deaton (MD)	-	Devon County Council
Mike O'Dowd Jones (MODJ)	-	Somerset County Council
Paul Hickson (PH)	-	Somerset County Council/HotSW LEP
Ruth Lambert (RL)	-	Federation of Small Businesses
Tim Jones (TS)	-	Devon and Cornwall Business Council

Supporting Officers

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

Andrew Ardley	-	South Western Railway
Andrew England	-	Torbay Council
Barbara Shaw	-	Westward Housing
Chloe Thomas	-	Environment Agency
David Ralph	-	HotSW LEP
Heidi Coombe	-	HotSW LEP
Helena Davidson	-	HotSW LEP
Mark Worsfold	-	South West Water
Mel Sealey	-	HotSW LEP
Mel Squires	-	NFU
Richard Gibson	-	Cross Country
Sarah Jennings	-	Local Nature Partnerships

	Agenda item	Lead
1.	Welcome, introductions and apologies MS welcomed everyone to the meeting and invited attendees to introduce themselves. Apologies are noted above.	MS
2.	Declarations of Interest There were no declarations.	MS

<p>3.</p>	<p>Minutes of the Last Meeting Minutes of the last Place Leadership Group meeting (13th March 2019) were approved as an accurate record.</p>	<p>MS RH – To forward minutes to publish.</p>
<p>4.</p>	<p>Major Road Networks – Update IH explained that the Major Road Network (MRN) comprises of those roads “one level” below the Highways England Trunk Network. The MRN is therefore a sub-set of the A Road network. The MRN bids are different stages of development. In addition to the schemes presented by Jamie Hlland at the previous PLG meeting a project for improvements on the Barnstaple Bypass section of the North Devon Link Road is to be added.</p> <p>The possible bid for A358 Henlade Bypass is not being progressed; MODJ advised that an announcement on the Highways England work on the A358 (Henlade) is expected in June after the elections for the European Parliament are completed.</p> <p>Reflecting the importance of the need for wider connectivity, liaison with Western Gateway (an adjacent Sub National Transport Body) will take place via a planned director level meeting. The Peninsular Transport Body is supportive of proposals to improve access to Bristol Airport.</p> <p>Mendip is working with Somerset on an MRN bid for a bypass near Glastonbury as well as a Large Local Major proposal for a bypass on the A39 at Walton and Ashcott. MODJ advised that both of these have had broad options appraisals. Business cases have yet to be developed, and the aim will be to make sure that the cases are compelling.</p> <p>It is possible that although a competitive process nationally, a proportion of the funding may be allocated to STBs on a pro-rata basis.</p> <p>IH will provide an update at the next meeting and to seek endorsement of the submissions.</p> <p>The discussion brought out the following points:</p> <ul style="list-style-type: none"> • Is the funding always about road building or does it include support for electric vehicles? IH advised that the Government position was that the funding was for road improvement. MODJ added that this could include “smart” technologies. It was felt that this issue should be part of the wider clean growth discussion. • TJ enquired about the timing of the improvements to the A303 at Stonehenge, the impact of PF2 being stopped and possible impacts of cost over-runs or savings being available for new projects. <p>IH advised:</p> <ul style="list-style-type: none"> - A303 at Stonehenge – Currently in the Development Consent Order stage (the Sparkford section is slightly further ahead in the consent process). The LEP has responded to all 	<p>IH</p> <p>IH to update next meeting</p>

	<p>submissions stating support for the scheme including the strong case for economic benefits (noting that there is emphasis on environmental issues). An NAO assessment is to be published shortly.</p> <ul style="list-style-type: none"> - With Government’s decision in October 2018 that it will no longer use Private Finance 2 (PF2) model of the Private Finance Initiative¹, the funding decision for the road improvement at Stonehenge lies with the Secretary of State for Transport and Chief Executive of Highways England in discussion with Treasury. - Cost escalation is being seen on some projects (e.g. Cross-Rail and HS2) but IH was not aware of savings making funding available for other projects. <ul style="list-style-type: none"> • It was agreed that the improvement of the whole (A303/A358) corridor is key for the LEP. Local Authorities and LEPs have a steering group supporting Highways England to complete the whole corridor. • BS stressed the need to not to forget the environment as part of the road schemes (i.e. thinking about the environment at an early stage not as “bolt-ons”). For example, work for the Sparkford section has funded an investigation on the River Cam. It was felt that the planning process provides mitigation and that Highways Authorities, Highways England and Planning Inspectorates make decisions using a rigorous process. For example, environmental documents are included on the Highways England Stonehenge website². BS highlighted the high profile of Stonehenge and reiterated that in his view the MRNs also need to consider environmental issues. • DN asked whether consideration is being given to the possible use of rail to cover for road disruption when works take place. IH advised that although not part of a formal process, this issue is recognised. For example, for the North Devon Link Road, the local rail community partnership is making strong attempts to engage with GWR to discuss capacity requirements. 	
<p>5.</p>	<p>Local Industrial Strategy – Clean Growth</p> <p>PH provided background and context to this item, briefly explaining:</p> <ul style="list-style-type: none"> - Government’s Industrial Strategy is the driver for Local Industrial Strategy documents that will be jointly owned by Government and LEPs - LEPs will develop their LIS by working with local stakeholders - HotSW is part of LIS Wave 2 - The HotSW Productivity Strategy provides a good evidence base - Government expects three broad stages; <ol style="list-style-type: none"> 1. Evidence and analysis – this was signed-off in February as the Command Paper 2. Drafting 3. Adoption and sign-off <p>The Command Paper identified three opportunity areas from the evidence base:</p> <ul style="list-style-type: none"> - Clean energy - Advanced engineering - Data 	<p>PH</p>

¹ <https://www.gov.uk/government/publications/private-finance-initiative-pfi-and-private-finance-2-pf2-budget-2018-brief>

² <https://highwaysengland.co.uk/projects/a303-stonehenge-amesbury-and-berwick-down/>

There are five foundations in the Government Industrial Strategy

- Ideas
- People
- Infrastructure
- Business
- Place

HotSW could be a leader in clean growth and this is getting advocacy from Government

The group discussed ideas for potential clean growth strategic interventions for infrastructure and place across the opportunity areas as well that of for general business. These are summarised in the annex below. The discussion of these ideas highlighted the following:

- **Foundation – Infrastructure**

Clean Energy

- Plymouth has declared a climate emergency, although it is not clear what this means yet. It points to the necessity to be clear on climate needs and suggests that something drastic is required. Radical decarbonisation is needed, but we must acknowledge that the action taken under the clean growth agenda is a start.
- We need to understand what we mean by “Clean Growth” which could include Exeter’s aspiration to become a zero-carbon city as well as concepts such as Tesla’s renewable energy powered “Gigafactory” for the manufacture of electric vehicle batteries.
- Clean growth represents a challenge (e.g. around transport) as well as an opportunity and raises the question about how ambitious the Government Clean Growth focal points will be. Productivity is the brief for Local Industrial Strategies. The review process will be challenging, and the strategic level content will be important (with detail sitting elsewhere?).

Advanced Manufacturing

- It was felt that reference to the A303 and access to ports and airports was needed.
- Supply chain efficiencies were viewed as being key.

Artificial Intelligence and Data

- Access for business is important alongside the understanding of who owns the data, who manages the data and what value does the data hold? This is an area that requires learning and skills development.
- There is a relationship between AI and Data and connectivity and infrastructure, for example helping to deliver a reduced need for transport through remote working.
- It was agreed that AI and Data should be a future a topic for a future meeting.

General Business

- Recognition and consideration of rural geography and issues is very important.
- Green infrastructure represents a great opportunity.
- Trees and grassland are carbon sinks and therefore planting trees for carbon capture can be seen as a strategic investment.

- **Foundation – Place**

Clean Energy

- The electricity grid and the smart technology needed to support it is key, noting that there is an important distinction between electricity transmission (high voltages from power sources) and distribution (from sub-stations to users).

- Tidal movement offers a potential source of energy although there are environmental concerns about it.
- How aspirational will the LIS be with regards to the development of clean energy resources?
- There is an energy hierarchy and reducing the need for energy consumption is a priority.

Advanced Manufacturing

- There are facilities in the region that support the improvement of agricultural productivity such as Kinghays Farm and Rothamsted Research.

Artificial Intelligence and Data

- There is a need to address the barriers to collaboration which would help to make better use of data. For example, sharing transport to drive supply chain efficiencies.
- Data processing represents an opportunity, such as analysis to determine optimum transport movements.

General Business

- Natural capital is an important factor in clean growth and concepts such as “the polluter pays” are part of an ongoing conversation with Government. This represents a significant challenge, for example how to reduce reliance on fleets of diesel vehicles and whether payments might stop for those not following best practice.
- A carbon balance sheet would be a useful tool to help enable the achievement of the requirement for clean growth. This is a challenge for the region given the dispersed geography and consequential need for a lot of transport.
- Soils and land management provide an opportunity for carbon capture and we need to encourage a broader approach to energy sources.
- Hydrogen powered trains are being looked into; there is currently a large diesel fleet. The depot in Exeter will service these trains and in 10 – 15 years the fleet is like to need a refresh. This could represent an opportunity to think about new fleet manufacturing.
- We must not forget that this issue also includes environmental degradation as well as the need to reduce carbon emissions.
- A natural capital approach for the region has very big implications but could help to deliver the climate and energy agenda. There are a lot of regional assets. Could the region use these potential solutions to sell “credits”?
- The North Devon Biosphere Strategy for Sustainable Development also includes the development of circular economies and public health which ties in with Government’s Ageing Society Grand Challenge.

The discussion on clean growth concluded with the following points:

- Is the evidence base covering the rural economy or is the focus on urban areas? The challenge is to make sure that rural areas benefit as well as urban areas.
- There is an opportunity under the “green” agenda including integrated supply chain development and ecosystem services.
- We need to be clear and honest about what we mean by clean growth. For example, initiatives such as nuclear are not always palatable to all stakeholders. There is a scale from cleaner – clean – cleanest and work on a definition of clean growth is being done.
- A key consideration is how to turn the debate into action and tangibles.

<p>6.</p>	<p>Coastal Economies</p> <ul style="list-style-type: none"> • The Coastal Special Interest Group is working on a Coastal Productivity Plan. The evidence base has been collated and the challenges, such as low GVA per head and the socio-economic issues in coastal areas are well understood. • The Coastal Productivity Plan is in the same vein as South West Rural Productivity Commission. The priority themes include infrastructure , skills and employment, identity and place and the need to upgrade digital connectivity, improvements in transport and natural capital. • Strategic recommendations include: <ul style="list-style-type: none"> - Inclusive growth and social mobility - Tourism and hospitality e.g. as career options - The need for digital skills e.g. for businesses and to support the delivery of public services, the latter being subject to significant changes seasonal demand - Coastal enterprise zone with associated incentives and policies - Employment land • The Productivity Plan has key asks to support productivity growth in the Heart of the South West’s LEP coastal areas. The aspiration is for the Productivity Plan to set out a number of key interventions which may be delivered through funding opportunities such as the UK Shared Prosperity Fund and Stronger Towns Fund. The next step is for the strategy document to put forward for consideration to Joint Committee. <p>The discussion highlighted the following points:</p> <ul style="list-style-type: none"> • The definition of coastal areas, and scope of the Productivity Plan • The resilience of coastal communities is important and there was some discussion about how to “coastal communities” should be defined e.g. on the basis of population sizes less than 250k and outside urban areas? Some areas are commuter towns for major urban areas and therefore show different levels of productivity. • HotSW region has two coastlines which are subject to the risks and vulnerabilities associated with climate change, such as coastal erosion as well as the challenge of maintaining navigable channels in coastal inlets and estuaries. Social isolation and mobility are also important issues for coastal populations. There is however a great deal of potential benefit from the “blue economy” although more is needed to engage key sectors such as tourism with it, particularly along some parts of the coastline, such as along the Bristol Channel. 	<p>DNe</p>
<p>7.</p>	<p>Updates</p> <ul style="list-style-type: none"> • Future High Street Fund Expressions of Interest <ul style="list-style-type: none"> - 14 letters of support were provided by the LEP in response to the bids that were received - Issues to consider for the future are, how best the LEP can add value and help bidders increase their chances of producing successful bids <ul style="list-style-type: none"> - The bids received ranged from calls for help through to strong statements of intent, often with powerful storyboards - It would be useful to review the bids to draw out common themes and lessons identified for future consideration 	<p>RH</p> <p>RH to review</p>

<p>8. AOB</p> <ul style="list-style-type: none"> • Funding opportunities - BS flagged a role for the LEP in flagging up Government funding opportunities, which, if thought of broadly could provide significant benefits such as flood risk protection measures that also help to protect schools. All agreed to share knowledge of funding opportunities and feed them into the LEP as an ongoing activity. • Climate discussion – What is the role for the Place Leadership Group on this issue? Discussion of the delivery of the 25 Year Environment Plan is ongoing and it was agreed that this sits with the Place Leadership group (involving Local Authorities) and that understanding, and rigour is needed. It was agreed that a “situation report” on the environment should be a discussion item at the next meeting. • Rail Freight Developments – DN offered to ask his colleagues in Network Rail Freight Movement and Logistics team to bring a presentation on rail freight developments to a future meeting. This was welcomed and the link to data management issues noted. • Transport and Social Mobility – IH advised that a draft report has been received on the link between transport and social mobility. Consultants to be invited to present their findings at the next meeting. • Natural Capital Advocacy Document – RH advised that the document will be available for consultation with key partners in June. Place Leadership Group members welcome to attend. MS expressed interest in doing so. It was agreed that this should be an agenda item for the July meeting. 	<p><i>All feed in any funding details to the LEP</i></p> <p><i>All to note intention</i></p> <p><i>DN to progress</i></p> <p><i>IH to invite</i></p> <p><i>RH to advise SJ</i></p>
<p>Next meeting: 10th July 2019 - Details to be confirmed</p>	

Actions Log Summary	Meeting Date	Owner	Status Update	Next Steps
To forward previous Place Leadership Group meeting minutes for publication on HotSW LEP website.	08/05/2019	Rob Hensley	Completed 15/05/2019	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	Completed See Section 4 above	
Lessons identified from the FHSF process to be captured.	13/03/2019	Rob Hensley	Captured informally and briefed	RH to review FHSF bids to draw out common themes etc for future LEP consideration

Update on the MRN to seek endorsement of submissions at the July meeting	08/05/19	Ian Harrison		
Artificial Intelligence and Data to be noted as an agenda item for a future meeting	08/05/19	Rob Hensley		
Information on funding opportunities to be shared with the LEP	08/05/19	All	Ongoing	Ongoing
An environmental "situation report" to be an agenda item for the July meeting	08/05/19	All		
A presentation on rail freight development to be brought to a future meeting	08/05/19	David Northey		
A presentation on the link between transport and social mobility to be included for the July meeting	08/05/19	Ian Harrison		
SJ to be notified of PLG interest in the consultation on the Natural Capital Advocacy Document	08/05/19	Rob Hensley		
Natural Capital Advocacy Document to be an agenda item for the July meeting – SJ to be advised	08/05/19	Rob Hensley	SJ informed 20/05/19	

ANNEX – Strategic intervention Ideas for Infrastructure and Place

Foundation – Infrastructure	
Clean Energy	<ul style="list-style-type: none"> • Enabled distributed generation capacity/capability • Grid distribution capacity • EV infrastructure (roads) • Electrification of rail
Advanced Manufacturing	<ul style="list-style-type: none"> • Distribution network and connectivity e.g. resilience of A303 • Access to ports and airports e.g. for international connectivity/exports • Supply chain efficiencies... (export region)
Artificial Intelligence and Data	<ul style="list-style-type: none"> • Digital connectivity and resilience • (Big) data management e.g. to facilitate/optimize smart transport and grid networks • Data management/ownership etc • Added value from data
General Business	<ul style="list-style-type: none"> • Mobility services e.g. to support zero carbon cities • Green infrastructure e.g. cycle routes, pedestrian walkways • Urban green spaces?

Foundation – Place	
Clean Energy	<ul style="list-style-type: none"> • Development of regional renewable energy resources e.g. solar, wind, biomass and tidal • Innovative local energy solutions e.g. heat networks, ground source heating, efficient build etc • Grid distribution capacity
Advanced Manufacturing	<ul style="list-style-type: none"> • Regionally developed renewable energy technologies/solutions? • Land management/agri-technologies to promote clean productivity gains e.g. monitoring and autonomous systems • Food processing opportunities
Artificial Intelligence and Data	<ul style="list-style-type: none"> • Systems and analyses to support land management to facilitate resource use and agri-tech productivity gains • Smart energy management • Food supply chain management • Data analysis opportunities/services – competitive advantages • Better equip businesses about data ownership, management, exploitation, marketing e.g. through cooperation/collaboration
General Business	<ul style="list-style-type: none"> • Carbon capture/sequestration opportunities • Land management opportunities e.g. natural flood protection and payment for ecosystem services and for the “public good” • Digital connectivity • Feedback loop with infrastructure piece and natural capital • Carbon balance sheet • Circular economy • Health and well-being benefits