

**Draft Minutes of HotSW LEP CIC Board Meeting**  
**23 July 2019**  
**at**  
**Taunton Rugby Football Club**

**Board Attendees:**

Barbara Shaw – Chief Executive, Westward Housing Group  
Diane Dimond – Principal, Petroc  
Dr Fiona McMillan OBE – Non-Exec Director EDF Energy  
Prof. Judith Petts CBE – Vice-Chancellor & Chief Executive, University of Plymouth  
Kevin Mowat - Interim Director of Place, Torbay Council (alternate for Steve Darling, Leader, Torbay Council)  
Melanie Squires MBE – SW Regional Director, NFU  
Paula Hewitt – Lead Commissioner Economic & Community Infrastructure, Somerset County Council (alternate for Cllr David Hall, Cabinet Member for Resources and Economic Development for Somerset County Council)  
Cllr Phil Bialyk – Leader, Exeter City 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 OBE – Leader, Plymouth City Council  
Cllr Val Keitch – Leader, South Somerset Council

**Officers in attendance:**

Alex Parmley - Chief Executive, South Somerset Council, Officer accompanying Cllr Val Keitch  
Amanda Ratsey - Head of Economy, Enterprise & Employment, Plymouth City Council, officer accompanying Cllr Tudor Evans  
Eifion Jones – HotSW LEP Chief Operating Officer  
David Ralph – HotSW LEP Chief Executive  
Karime Hassan - Chief Executive & Growth Director, Exeter City Council officer accompanying Cllr Phil Bialyk  
Keri Denton – Head of Economy & Enterprise, Devon County Council, officer accompanying Cllr Rufus Gilbert  
Cllr Swithin Long - Cabinet Member for Economic Regeneration, Tourism & Housing, Torbay Council, accompanying Kevin Mowat

**Others in attendance:**

Chris Evans - Assistant Director of Innovation, Impact & Business, University of Exeter  
Janet Powell – Executive Assistant, HotSW LEP (for minutes)

John Laramy - Principal & CEO, Exeter College  
 Suzanne Bond - Area Lead – Heart of the South West, Cities and Local Growth Unit - South West

**Apologies:**

Anne Marie Morris MP – representing Devon MPs  
 Rt Hon Ben Bradshaw MP – representing Devon MPs  
 David Bird, Regional Director, Santander Corporate & Commercial Banking  
 Cllr David Hall - Cabinet Member for Resources and Economic Development, Somerset County Council  
 James Heapey MP – representing Somerset MPs  
 Karl Tucker - Executive Chairman, Yeo Valley Farms Production Ltd  
 Martha Wilkinson – Chief Executive, Devon Community Foundation  
 Cllr Steve Darling – Leader, Torbay Council  
 Prof. Sir Steve Smith – Vice-Chancellor & Chief Executive, University of Exeter

**Table of decisions**

Board agenda item	Decision	Decision agreed
6.1 Draft Working LIS	<p>That the Board agrees</p> <ul style="list-style-type: none"> <li>• the direction of the working draft</li> <li>• to share the working draft with Government and to use this to form the basis of the next stage of co-development.</li> <li>• that the draft LIS is published for information on the Joint Committee and LEP websites</li> <li>• to support targeted engagement with key stakeholders and promote wider awareness of the Local Industrial Strategy.</li> </ul>	<p>The board are happy to progress with bullet points 1,2 and 4, but not to publish on websites at this time.</p>
6.2 Initial Project Pipeline	<p>That the Board agrees</p> <ul style="list-style-type: none"> <li>• the draft pipeline is noted</li> <li>• as agreed at the March Board, the productivity strategy delivery plan will be refreshed in the autumn, which will be after the final LIS is agreed with</li> </ul>	<p>The Board agreed to all the points.</p>

	<p><b>Government. The draft pipeline therefore to be revised at that time based on the revised delivery plan and the revision to ensure both alignment with LIS priorities and consider a high-level test on deliverability.</b></p> <ul style="list-style-type: none"> <li>• that the revised pipeline is presented to the LEP Board when complete end 2019/early 2020.</li> </ul>	
<b>6.3 ESIF update</b>	<b>That the Board notes points in the paper.</b>	<b>Noted.</b>

<b>Agenda</b>	<b>Action</b>
<p><b>1. Agenda &amp; Apologies</b> Apologies as above.</p>	
<p><b>2. Declarations of interest</b> DD: Petroc, ESIF/ERDF funding, Building Better Opportunities, HPTA Capital Fund. JP: ESIF/ERDF funding plus Growth Deal 3 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, Devon Community Foundation and Claylands, Torquay PB: Exeter Bus Station for pipeline projects &amp; Exeter Science Park</p>	
<p><b>3. Draft Minutes of 17 May 2019 Board meeting and actions arising</b></p> <p><b>c/f Action: The question of HotSW representation in Gov't was raised again, with agreement to pursue options for a Minister for the South West, to act as an advocate for the area, similar to the Northern Powerhouse.</b></p> <p><b>c/f Action: To progress conversations at senior Gov't level to put pressure on WECA to engage with Peninsula LEPs on shared strategic opportunities.</b></p> <p><b>c/f Action: A joint script to be developed between the LEP and HotSW MPs emphasising priorities for the region if given x amount of funding.</b></p> <p><b>Actions: re Transport</b> - Responses to transport related actions from May 2019 LEP Board have been answered on Page 38 of CEX report.</p>	<p><b>DR through Great South West</b></p> <p><b>DR</b></p> <p><b>DR</b></p>

All other actions completed.	
<p><b>4. Questions from the public</b> None</p>	
<p><b>5. Chief Executives Report Update</b></p> <p><u>Future High Streets Funding</u> - Yeovil and Taunton have successfully progressed to the next stage which will involve developing the business case over the next year.</p> <p><u>Town Centre Heritage funding</u> - In addition to the above – there is currently a separate call out for Heritage projects (part of the High Streets Funding) to help high streets to capitalise on local heritage by restoring treasured historic buildings for economic use.</p> <p><u>Strength in Places Funding (SIPF)</u> - Led by UK Research and Innovation, a second wave has been announced – deadline end September. This is a competitive funding scheme that takes a place-based approach to research and innovation funding, to support significant local economic growth. It is expected that the Universities will bid into this.</p> <p><u>Flybe</u> – The Competition Authority is currently looking into whether to approve the acquisition of British regional carrier Flybe by Connect Airways, a consortium made up of Virgin Atlantic, Stobart Group and Cyrus Capital. This has since been approved by the European Commission but its ruling states that some landing slots have had to be released. Flybe’s Chief Executive, Christine Ourmieres-Widener has also stepped down and resigned.</p> <p><u>Appledore</u> – Currently lots of work behind the scenes with prospective buyers, BEIS and Dept for International Trade (DIT) facilitated by Rt Hon, Geoffrey Cox, QC MP which looks encouraging. . Most of the departing workforce have found new employment, so it will be a challenge to find replacement employees (although some have said they may return). Could this be an opportunity to develop higher skills across the area utilising apprenticeships? Unfortunately, the draft of Type 31 Frigates precludes them from accessing the shipyard at Appledore (the MOD have a contract out to tender for Type 31’s).</p> <p><u>Brexit Resilience and opportunities</u> Govt’s assessment of a no deal Brexit on the HotSW area research indicates that our area will be less impacted versus other areas that have a higher reliance on advance manufacturing industries. It is important for the LEP to consider the implications of a no deal Brexit and how to manage this process. The underlying intelligence suggests that the Agricultural and Food Industries will be worst affected, especially in the first couple of months.</p> <p>The Growth Deal 1 Hinkley supply chain funding is running out (by spring 2020) and work in this area can only be extended if the supply chain programme within the nuclear sector deal can be agreed with Gov’t in a timely way. Lessons learnt here can be rolled out across other sectors which is of significance to the Local Industrial Strategy in clean growth and to expand the benefits of local infrastructure projects and to take advantage of the opportunities.</p>	

Ian Harrison’s update report on transport (page 38) gives a bleak view of the sustainability of the rural bus transport network but this may require more thought, due to its direct impact on the ability to develop a workforce i.e. the issues of students who live in rural areas accessing places of study and employment.

LEP Review and Recruitment- A Nominations Committee has been established, the purpose of which is to review applications for the roles of Non-Exec Board Directors (NED’s) and Chair to provide a short list for interview.

Currently there have been 10 applications for NED’s and 4 applications for Chair.

**Action – The board are requested to personally do all they can to publicise the vacancies for NED and Chair roles via social media platforms, in order to get the best selection of candidates. It is noted that candidates with digital sector experience are required.**

All

Scrutiny - of the LEP is ongoing via the HotSW Joint Scrutiny Committee. At the last meeting in June there was a master class prior to the main scrutiny committee meeting on the “Circular Economy”. Thanks given to the University of Exeter for organising this.

Business Bulletin – working with partners, the LEP will launch a business bulletin to include business performance data to the community in September.

Great South West (GSW) and All-Party Parliamentary Group (APPG) – works continues agreeing a prospectus, a consultant is providing further resource.

Dates for further meetings are 10 September 2019 and 15<sup>th</sup> October 2019.

UK Shared Prosperity Fund (UKSPF) – the current view within MHCG suggests there is insufficient time for a full consultation prior to the Comprehensive Spending Review (CSR) in Autumn.

Skills Advisory Panel – this group met for the first-time last week. The University of Exeter have been appointed to provide a labour market report. Priorities will be to concentrate on European Social Fund (ESF) projects to ensure monies are spent and to develop the ‘people’ bit of the LIS.

Business Leadership Group - Clarification required over the future and purpose of this group. However, both business and people groups have shared agendas and cross cutting activities.

### 6.1 LIS covering paper & LIS working draft

Background setting – the key mission for LEPs is to prepare a local LIS which dovetails into

Gov'ts national LIS. HotSW are using the LIS to respond to key challenges, to demonstrate a unity of vision across partners with a clean growth emphasis to address climate change. The LIS will be backed up by an up-to-date evidence base, which incorporates new research into an aging population and the relevance to the local community and a clear script outlining HotSW issues, the challenges and plans to address. Within this there is an offer to Gov't for the HotSW area to become a pilot concentrating on low carbon and data in a rural led dispersed economy whilst investing in new economies. The LIS will be the pre-requisite for UKSPF.

A series of consultations have taken place with business organisations during the drafting of the LIS and all have been supportive of the vision, 2 further workshops will take place on 1 & 7<sup>th</sup> of August.

The HotSW Joint Committee approved the draft LIS at their meeting on 12 July and gave permission to make publicly available. Somerset and Devon District Councils are also happy with the document.

Acknowledgement and grateful thanks to the LIS project board for all their hard work in driving forward the development of the LIS.

Discussions continued over the draft LIS and included: -

Concern was raised over clarity of 'the sign off process' and whether the LEP has consulted with it's neighboring LEPs over similar asks and these were joined up? Several conversations have taken place with adjacent LEPs – with Dorset's concentrating on the ageing economy, Cornwall and the Isles of Scilly LEP majoring on clean growth but mentioning space and geothermal (which HotSW LEP doesn't have) and also Creative.

It was also felt that the document needed to be sharper and 'punchier' and needs to answer the exam question on what will be different, what will it do for the area? Editing work will take place over the next two weeks so that the document becomes shorter (some of the material around the evidence base will be taken out as it's done its job) whilst ensuring that it doesn't fundamentally change the draft but gives instead clarity of focus and vision with the key foundations remaining.

A plea was made to expand on Tourism (page 66) so that opportunities are not missed, perhaps how data intelligence can help support this sector and not to lose the bedrock industries.

**Action: Further work is required on how to deliver clean growth, possibly in conjunction with Cornwall.**

DR/EJ

Next Steps

- Final deadline to submit the draft LIS to Gov't is 16 August
- This then starts the ball rolling with civil servants and Gov't depts
- To be signed off by HMG envisage 6 – 8 weeks

<ul style="list-style-type: none"> <li>➤ A write around to turn into a formal document</li> <li>➤ A formal sign off process with HotSW LEP Chair and new Minister</li> </ul> <p><b>Action: Board members can feed in last minute comments for the draft LIS over the next two weeks, however note these are for ‘game changes’ only or because directors feel unable to put their name to the document.</b></p> <p>Reassurance was sought over any late changes to the document – if these were substantive, then of course the document will need to be brought back to the Joint Committee and LEP.</p> <p><b>The Board is happy with the working draft, to share with Gov’t and to support targeted engagement with stakeholder and to promote more awareness of the LIS, but not to publicly make available at this time on the Joint Committee or LEP websites.</b></p>	<p><b>All to DR/EJ</b></p>
<p><b>6.2 Initial draft project pipeline paper and annexes 1 &amp; 2 (commercially confidential)</b></p> <p><b>Action: The pipeline project list will be sharpened up and the long list brought back to the Board to a future meeting recognising the investment principles agreed at the joint committee.</b></p> <p><b>The Board notes the draft project pipeline, to be revised in the Autumn after the final LIS is agreed with Government to ensure alignment with LIS priorities and the revised list to be presented to the Board late 2019.</b></p>	<p><b>DR/EJ</b></p>
<p><b>6.3 ESIF update (commercially confidential)</b></p> <p><b>The Board notes the comments in the paper.</b></p>	
<p><b>7. Papers for noting</b> No comment</p>	
<p><b>8. AOB</b> Discussions continued over the implications of a hard Brexit or no deal Brexit with issues raised over - possible issues over fresh water production, food production’s short shelf life, lack of chemicals and medicines being available and the effect this will have on the economy. Plymouth has already been designated as a medicines port, but indications are that some medicines are already in short supply.</p> <p>The Brexit and Resilience Group (BROG) are in the process of producing a document on the effects of a no deal Brexit for the HotSW area, depicting the challenges and effects on the economy.</p> <p><b>Action: For the Chairs of the LEP and HotSW Joint Committee to look at a joint letter</b></p>	<p><b>DR/SH</b></p>



**emphasising the key challenges, concerns and effects of a no deal Brexit on the HotSW area and send to the Secretary of State, copying in local MPs to outline the impact on their constituencies.**

The CEO raised concern over Growth Deal projects and their lack of outputs information. All projects have been reminded again to report this information back to the LEP (with the emphasis that this is a requirement of their funding agreement). The Board endorsed the Strategic Investment Panel (SIP) taking a very strict view on projects that do not conform, with the possibility of claw back of funding which SIP will need the Board's approval for.

DR: The GSW prospectus is being finalised after further discussion with LA's and is due to be sent to Gov't shortly and when ready will be shared with all.

SH: Today is Diane's last Board meeting, (she is retiring as Principal and Chief Executive of Petroc) and she was thanked for all her support and valuable contribution to the Board and the LEP.

**Next Board meeting: - 13 September from 10.00am – 1.00pm at Tiverton Campus of Petroc.**