

Business Leadership Group

Monday 2nd September. 1.30pm – 3.30pm.

NFU Offices, Rosemoor Court, Pynes Hill, Exeter EX2 5TU

No.	Agenda Item
1	Introductions, Apologies and Conflicts of Interest
	<p>The introductions were made and apologies were noted for: Alistair Handyside Amanda Ratsey Martha Wilkinson Paul Thomas Richard Adams Steve Warren Brown.</p> <p>Conflicts of interest were declared for everyone in relation to the Growth Hub.</p>
2	Minutes of Last Meeting and Matters Arising
	<p>SH noted factual errors in relation to the agricultural land management project across England. LMJ requested asked that future events be referred to as not vanilla. HH asked that her name be included on the apologies list from the previous meeting.</p>
3	Brexit
	<p>The session was led by David Hynd of the Growth Hub and Sue Rose from BROG. SR introduced the agenda item by highlighting the national uncertainty surrounding Brexit, but hoped to shine a light on what had been happening sub-regionally. However, it was worth remembering that preparation for Brexit is made on the basis that the ultimate responsibility lies with the government, despite them not sharing any of their planning. Businesses are currently at various stages in their planning and this is set to increase following the government's recent launch of the <i>Get Ready for Brexit</i> campaign. This campaign is mostly hosted on the gov.uk front page where there is a link for businesses and customers to FAQs. Government is asking that LEPs and local authorities help circle this resource. However, there is concern that there is little substance behind the tagline. Last week Andrea Leadsom announced a £10m grant fund for business support to help spread the word about being prepared for Brexit. There are a number of conditions attached to this fund with applications due at the end of the month, with all money spent by the end of October.</p>

Creating opportunities in Devon, Plymouth, Somerset and Torbay

Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.

Registered in England and Wales.

No. 8880546, Registered Office, PO Box 805, Exeter, Devon, EX1 9UU

SR has put forward a proposal about using primary authority partnerships, however at present they have to be funded and have yet to hear anything back from BEIS.

Since the change in the government's cabinet there has been a real shift in the attitude towards No Deal preparations, however, previously raised issues such as the lack of coordination between departments continues to be an issue.

The resilience forums have been tasked with the running of the Brexit preparations with each preparing a Brexit plan. However, the current issue is that it won't be the initial days following a No Deal Brexit where the impacts are seen, some impacts are already happening (e.g stockpiling) and some are expected further down the line. To properly ensure that all local authorities are prepared there are now Brexit lead officers in every council, however council leaders are saying that they aren't able to properly prepare without knowing the full impacts, information that government is not sharing.

Regional Chief Executives have been asked to provide advice and input on the medium to long term effects of Brexit, this role will likely change to work with LEPs in order to get a better business barometer view, however the BROG group are still waiting on a steer from government on this.

In June 2016 the HotSW Board and Joint Committee voted to create BROG with the aim of looking at the issues related to Brexit. Now operational the group has raised multiple issues with government, ranging from the lack of coordination between departments (particularly in relation to ports), the lack of funding and the lack of practical business supports.

David Hynd of the Growth Hub then introduced himself to the group. DH stated that the local Growth Hub was recognized by government as an early adopter in promoting Brexit-related information. Coming up, the Growth Hub has a number of key activities in the diary. Maddie Rowland from DIT is working with the Growth Hub to organize 3 events between now and October. At present there's an event on the 2nd October at junction 24, one on the 17th of October and one in the Plymouth area with details to be confirmed. In addition to this BEIS are also holding a regional event in Exeter with no confirmed date. DH noted that it will be very difficult to get businesses to attend these.

SW had already fed in that these workshops / events should be made webinars, businesses often find it very difficult to make these events. She asked if there was anything else that could be done, perhaps write a recommendation from the LEP / Business Leadership Group etc.

JB observed that there is now funding available for No Deal preparation but no follow on funding, this appears to be a massive gap.

RS asked what the criteria is for being *in trouble* and deemed worthy of funding. What KPIs are going to be used to assess this, what feedback do they want from businesses?

SR replied saying that at present this information is not known. In 2008 there were regional task-forces brought together by civil servants, community leaders, businesses etc. Businesses are currently saying that it feels like the country is going back to 2008, just without the organizational structure to support.

LMJ noted that it is also important that this is a public / private partnership. LMJ has a video clip on her website on how exporting companies can prepare. At present LMJ is disenfranchised. DR suggested a conversation between LMJ and DIT in relation to their coming events. LMJ has already looked at the fund and have been approached by an out-of-region chamber to support in practical workshops for preparing for exports etc.

JB referenced the eligibility criteria for the fund, only legal entities such as trade organisations were able to bid.

Creating opportunities in Devon, Plymouth, Somerset and Torbay

Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.

Registered in England and Wales.

No. 8880546, Registered Office, PO Box 805, Exeter, Devon, EX1 9UU

DR stated that the LEPs receive no additional funding to prepare for Brexit, with local councils receiving a little. He asked if the group felt that there needed to be a conversation about delivering a single Brexit strategy application.

RK suggested as we don't get know what problems will manifest themselves it might be worth developing a regional plan. DR asked if the group were happy with developing a digital advisor, pop-up shop advisory resource. SR asked that this resource helps highlight to government the need for support following on from the 31st of October.

Actions:

1. **Piece of work around the Brexit readiness fund**
2. **Link LMJ with the DIT Brexit preparation events.**

4	Digital Strategy
----------	-------------------------

Sofie Francis introduced the agenda item by outlining how she had been tasked with developing a strategy which predicted where, when and how the effects of digitalization would come. The strategy would help allow the region to be ready for change and identify which parts of the economy stand most to benefit, and which will be adversely affected. They are working with Farpoint to develop a broadband plan with DCMS. RS asked who the client of the strategy was. SF stated that she was the project manager of the HotSW strategy.

Simon Hooton of Hatch Regeneris noted that Connecting Devon and Somerset only addressed capital infrastructure support. This strategy allows for capitalization on broader issues. The region has an ambition to be a leader and policy driver in digitalization but to do so must validate and build on current infrastructure. There is a strong business and skills base that can be built upon. The strategy aims to showcase the opportunities and address the weaknesses.

RS asked if that included indirect infrastructure. SH replied that it hadn't come up so far. HH noted that there is a grid constraint issue in the HotSW region, should we be enabling businesses to increase their adoption of digital technology, with subsequent increased grid requirements, this issue should probably be raised. DR noted that the grid issues were a limited to growth, previous meetings with the Met Office have highlighted concerns that there won't be enough power for forthcoming updates to the supercomputer. SF felt that it should be referenced in the strategy as an enabler.

SH said that there are lots of positive indicators here about growth of the economy. Nationally there is an increased focus on building the digital economy (e.g. technation). In relation to competitiveness it creates new opportunities for new entrants into the labour marker, encourages social mobility and new ways of working. It is thought that the roll-out of full fibre connectivity could create £68b of economic growth.

Drivers for economic growth.

The strategy has highlighted 3 strategic priorities:

1. Digital connectivity
2. Economic development
3. Place-making

JB felt that the place-making approach could be helpful for town centre regeneration. SH agreed saying that we are increasingly seeing people working in leisure environments.

Creating opportunities in Devon, Plymouth, Somerset and Torbay



There are currently some 13000 people working in the HotSW digital economy, this is much bigger than Cornwall and the West of England with a 29% over the past 5 years.

KT asked what businesses were included in the digital sector, SH replied that they had used the nesta definition **but would send out the sic codes to the group.**

The 4-pronged strategy of infrastructure, people, places and economy focuses on much more than making a website.

HH asked if there were any figures for how many businesses in the area would need this basic level of digital adoption. SW noted that this group of businesses were mainly made up of tourism traders.

Going forward, this strategy is still a working progress with more sessions lined up to test the strategy.

RS asked how it would reference the LIS, SF had sent the latest iteration of the LIS to Hatch Regeneris.

RK asked how the strategy differentiates our region from others. It was felt that a greater use of case studies could help differentiate our region.

SF to circulate draft for comments.

The strategy will come to the board and joint committee in due course.

5 Update on the Local Industrial Strategy

DR updated the group on the LIS. The draft was sent into government 3 weeks ago. Initial comments suggest some word alterations and smartening up, but no major changes. Feedback is due in early September with comments hopefully back for the 13th September Board meeting. The difficulty is what will happen to LIS in general, it will either be approved in 2 weeks with a massive rush or parked indefinitely.

DR understood the difficulty for some sectors seeing themselves in the strategy and asked how it can be brought alive for sectors such as agriculture, tourism etc. because of this it is important to be clear that the Productivity Strategy encapsulates the entire economy, whilst the Local Industrial Strategy only encapsulated some of the HotSW economy. DR suggested:

1. There is plenty in the upcoming digital strategy which will drive structural change in tourism.
2. This change and momentum be driven through the GSW offer.

SH thought that the strategy was missing climate change adaptation.

HH noted that similar feedback from tourism had been fed in at other events.

The tourism sector deal summary has gone into government.

6 HOTSW Business Support Landscape

JB updated the group on a meeting which is being organized. The invitations have been sent out and on the 24th of September business support providers will get together to outline their priorities going forward. SW apologised that there could be no FSB representation. The providers which have been invited came from HH, but it was felt that if more could be invited and there was no capacity then a second event should be organised.

DR inquired about the Scale Up launch and the progress in Somerset. CB replied that so far 15 had been engaged with Goldman Sachs starting in September. An individual has been appointed for the Devon area (Tom Dent).

JB to circulate video of the Somerset launch.

Creating opportunities in Devon, Plymouth, Somerset and Torbay

Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.

Registered in England and Wales.

No. 8880546, Registered Office, PO Box 805, Exeter, Devon, EX1 9UU

CB mentioned that the Scale Up Institute has asked to use us as a case study in their annual review. Have regular updates in terms of numbers.
DR asked about progress on Be the Business? JB had tried to contact them lots of times, will now try through BEIS.

7	<p>Growth Hub Update</p> <p>CONFIDENTIAL AGENDA ITEM</p>
8.	<p>AOBs</p>
	<p>HH – 4th of November –HOTSW annual conference in Torbay. Theme is clean growth. Only half a day. You will get a formal email. Looking at sponsorship. DR – digital skills partnership has had funding agreed for another 12 months.</p> <p><i>Next Meeting: Tuesday 5th November. 2pm – 4pm. NFU Offices, Exeter.</i></p>

Creating opportunities in Devon, Plymouth, Somerset and Torbay

Heart of the South West LEP CIC, is a Community Interest Company Limited by Guarantee.

Registered in England and Wales.

No. 8880546, Registered Office, PO Box 805, Exeter, Devon, EX1 9UU

