

**Minutes of HotSW LEP CIC Board Meeting
13 September 2019
at
Petroc, Tiverton Campus**

Board Attendees:

Barbara Shaw – Chief Executive, Westward Housing Group
Cllr David Hall - Cabinet Member for Resources and Economic Development, Somerset County Council
Dr Fiona McMillan OBE – Non-Exec Director EDF Energy
John Laramy - Principal & CEO, Exeter College
Karl Tucker - Executive Chairman, Yeo Valley Farms Production Ltd
Martha Wilkinson – Chief Executive, Devon Community Foundation
Melanie Squires MBE – SW Regional Director, NFU
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
Cllr Steve Darling – Leader, Torbay Council
Steve Hindley CBE DL – Chair HotSW LEP Board, Chair the Midas Group Ltd
Prof. Sir Steve Smith – Vice-Chancellor & Chief Executive, University of Exeter
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 (PCC) for Growth Hub presentation
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
Kevin Mowat - Interim Director of Place, Torbay Council, officer accompanying Cllr Steve Darling
Paul Hickson - Strategic Commissioning Manager – Economy & Planning, Somerset County Council, officer accompanying Cllr David Hall
Tracey Lee – Chief Executive, Plymouth City Council, officer accompanying Cllr Tudor Evans

Others in attendance:

Anne Marie Morris MP – representing Devon MPs
 Dolores Riordan - Devon County Council for Growth Hub presentation only
 Ian Gent - IG Marketing & Business Development Ltd for presentation on Social Inclusion Strategy only
 James Heapey MP – representing Somerset MPs
 Janet Powell – Executive Assistant, HotSW LEP (for minutes)
 Linda Wilson – Devon County Council for Growth Hub presentation only
 Richard Greenwell – case worker & support officer for James Heapey, MP

Apologies:

Rt Hon Ben Bradshaw MP – representing Devon MPs
 David Bird, Regional Director, Santander Corporate & Commercial Banking
 Prof. Judith Petts CBE– Vice-Chancellor & Chief Executive, University of Plymouth
 Suzanne Bond - Area Lead – Heart of the South West, Cities and Local Growth Unit - South West

Table of decisions

Paper	Decision	Decision Agreed
6.1 Growth Hub (commercially confidential)	Commercially Confidential	Commercially Confidential
6.2 Business Feedback and Quarterly Bulletin - Update	<p>That the Board agrees</p> <ul style="list-style-type: none"> • the direction of the working draft • to support this activity as part of our targeted engagement with key stakeholders and the wider business community • to note the comments from the business community about their key issues this quarter, and where relevant use these to help inform LEP policies and actions. 	The board agreed to the recommendations.
6.4 HotSW CIC Accounts 2018-2019	That the Board agrees to put forward the accounts to the LEP AGM on 4 November 2019.	The board agrees to formally table the accounts at the LEP AGM.
Appendix 1 – GSW prospectus	That the Board continues to support.	The board agrees to continue supporting GSW.

Agenda	Action
<p>1. Agenda & Apologies Apologies as above.</p>	
<p>2. Declarations of interest FM: EDF Energy, Nuclear and HPC RS: Growth Hub MW: ESIF SH: Midas has ongoing building interests with South Devon College high tech centre, Devon Community Foundation and Claylands, Torquay, Exeter Science Park PB: Exeter Science Park</p>	
<p>3. Draft Minutes of 23 July 2019 Board meeting and actions arising</p> <p>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 – this is being pursued via the Great South West (GSW) partnership and this item is now discharged.</p> <p>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 – this has been raised at every opportunity and this item is now discharged.</p> <p>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 – a GSW 'energising our future' brochure has been published and all local MPs have a copy, this item is now discharged.</p> <p>Action: on Board recruitment – there is an update today.</p> <p>c/f: Further work is required within the Local Industrial Strategy (LIS) on how to deliver clean growth, possibly in conjunction with Cornwall - this is ongoing.</p> <p>c/f: 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 – this will be brought to the next Board meeting in November.</p> <p>Action: For the Chairs of the LEP and HotSW Joint Committee to look at a joint letter 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 – this has not been sent out and an update will be provided further on in the agenda.</p>	<p>DR</p> <p>DR/EJ</p> <p>DR/EJ</p> <p>SH/DR</p>

<p>4. Questions from the public None</p>	
<p>Presentation on Social Inclusion by Ian Gent, Managing Director – IG Marketing & Business Development Ltd and Martha Wilkinson, Chief Executive – Devon Community Foundation and LEP Board Director (presentation forwarded to all in advance).</p> <p>Inclusive growth is a key part of the draft Local Industrial Strategy (LIS); many organisations and studies set out what inclusive growth is, but there is far less available on how inclusive growth can be implemented in economic development. The LEP had previously agreed to adopt the Inclusive Growth Commission’s definition of inclusive growth as enabling as many people as possible to contribute to and benefit from the proceeds of growth. The work was commissioned to inform the LEP and wider partnership’s approach to this through the LIS.</p> <p>The full report on Inclusive Growth has already been circulated to the Board.</p> <p>The presentation was commended for its top-level granularity, the work commissioned assisting towards the evidence gathering for both the productivity plan and the LIS, however it now needs to be translated down into practical what’s happening on the ground level, which can sometimes be hampered by the high level chain of command getting in the way of localised effort i.e. the tension in buying local hampered within construction sector procurement. It was noted that initiatives that are already underway i.e. West Somerset Opportunity Area should be considered (<i>WSOA was launched by the government to raise education standards locally, providing every child and young person with the chance to reach their full potential and is focused on improving early years education, improving outcomes at primary and secondary school and helping young people find a good job</i>) this worked on inclusivity and to draw upon the positive lessons already learnt here. The largest barrier to inclusivity is where a person lives and this determines their opportunities for education and employment and presents the biggest challenge to business to find the right staff with the right skills. The WSOA provided a source of funding that helped funding for transport for sixth formers.</p> <p>Looking at the RSA final report and the recent Centre for Cities study into inclusive growth, successes have come from creating resources from local city assets and where an external source of funding has been forthcoming – perhaps the LEP needs to pursue a dedicated fund via partnership funding i.e. with NESTA (the Innovation Foundation) or the Big Lottery etc.</p> <p>There needs to be transparency around inclusive growth, and it needs to be front and centre of the LEP’s economic vision – the challenge for the LEP is how to deliver an implementation plan to demonstrate this to the wider community.</p>	

<p>There was some disparity over current growth statistics, but it was acknowledged that whilst some areas have grown, growth hasn't been shared across the patch.</p> <p>It was confirmed that the inclusive growth work formed a fundamental part of implementing the Local Industrial Strategy and was not a separate programme or initiative.</p> <p>Key points recommended to be taken forward</p> <ul style="list-style-type: none"> - Study to understand the inclusive growth challenge at a granular level across the HotSW area - Investigation on whether anchor employers such as the NHS can improve procurement activity to better support inclusive growth - Investigation on whether some form of Special Purpose Vehicle or similar could be used as part of the implementation 	
<p>5. Chief Executives Report</p> <p>Prior to the above report, the CEO gave a presentation (a copy of the presentation was sent out in advance) which focused on the goals he had set himself when he first joined just over a year ago, what achievements had been made, together with thoughts on the challenges going forward and what needs doing differently.</p> <p>Discussions cont./d and included a call for more timeliness of papers (currently they are normally downloadable from the HotSW LEP website 6 working days in advance of a board meeting, except for late papers); for presentations to be emailed in advance so that they can be read beforehand with a slot of 5 minutes given at the Board to present and the opportunity for questions; more action orientated Board meetings; to look for assistance from Local Authorities (LAs) and Business members to work with the CEO and COO to prepare board papers; to engage more with parliamentary colleagues and ministers with clarity and consistency of purpose on the key asks and to maintain pressure to make priorities happen, utilise local MPs more and keep them apprised of any sticking points (some LEPs get better access to ministers); to review and work with Sir Gary Streeter, MP (Chair of APPG) as to MPs attending the APPG and ensure they are sufficiently well briefed beforehand to enable them to make decisions on the day; the challenges of working across Gov't departments e.g. Defra and BEIS, i.e. Defra leads on the issue of rural business but BEIS appears to take no account of the impact on rural businesses; LEPs are continually being asked to react to new Gov't initiatives, but when there is push back to question or challenge for further clarification answers are not forthcoming, lessons are not learnt before previous initiatives evaluated, request for Gov't to be more consistent and clearer; no direction from Gov't on devolution policy; continuing frustration with the West of England LEP's lack of will to engage with the</p>	

GSW on common cross cutting regional issues (despite numerous attempts) and their formation of the Great Western Powerhouse which risks distancing them further, with the lack of alignment seen by MPs and Gov't as an impediment to future funding for the South West; to have one speaker or high- profile business champion for the region that parliamentarians identify with for the SW to loudly make the political points and act as a champion for the area - perhaps even consider funding a representative in London?

There was also a plea from Mel Squires, NFU Board member, for greater political collaboration between local MPs to progress rural HotSW LEP issues.

Recapping on the Chief Executive's report there were 3 main decisions to be agreed by the Board to: -

- Sign off Accounts for 18/19 ahead of the AGM (November 4th, Agenda item 6.4
- Next Steps – re Growth Hub – Agenda item 6.1 (commercially confidential)
- GSW Outline Prospectus

Since writing the CEO report, a further update was given on recent headlines: -

- Additional towns of Glastonbury, Torquay and Bridgwater have been successful from Stronger Towns Funding.
- Connected Devon & Somerset (CDS)'s contract with broadband provider Gigaclear has been terminated.
- The case for re-opening of Appledore shipyard is continuing favorably with the Rt Hon Geoffrey Cox QC MP and Peter Heaton-Jones MP involved and any assistance that can be given by local MPs to help progress this would be much appreciated.
- HotSW LEP and Exeter colleagues have met the new management team at Flybe, they have posed some large challenges to the airport area, which will be discussed at a local meeting next week.
- The Barden Corporation has been turned into a successful outcome from a planned closure, to remaining in situ in Plymouth, with huge effort from Plymouth City Council interceding and with plans to expand and for growth in the area.
- Brexit and Resilience Group (BROG) – there are a series of events across the region planned for Sept/Oct on Brexit related topics sponsored by Dept for International Trade (DIT).
- Gov't have announced further monies to aid Growth Hubs towards Brexit resilience in order to support SME's – leading on this for the 3 LEPs is Cornwall and Isles of Scilly LEP, with funding to last until the end of March 2020. Funding is appx £180,000 from a national amount of £108m. It is important that the LEPs are clear what the funding will be used for – a package of funding to support SME's post Brexit to those hit hardest. Effective join-up is needed across the different organisations in this space to avoid duplication.

The action from July's board meeting was to write to the Secretary of State and

<p>MPs on the impact to local businesses of a no-deal Brexit, however this was not completed, as it was felt following consultation, that this was not a constructive way forward. Many of the business representative organisations i.e. CBI, FSB have already written and made their views clear on Brexit. The Board reiterated that a letter urgently needs to go out from the LEP, highlighting the major concerns for agriculture and to ports, the issues over business continuity and the continuing uncertainty over business investment, volatility of labour, access to materials and components etc.</p> <p>CLRs David Hall and Rufus Gilbert departed the meeting at 12 noon.</p> <p>Action: The Board to be kept informed on conversations with Cornwall & Isles of Scilly LEP as GH cluster lead on the additional Brexit funding.</p> <p>Action: A paper is being developed by the BROG group to inform what the LEP would like the additional Brexit GH support monies to be used for and will be available for the Board at the next meeting.</p> <p>Action: A joint letter from the Chair of the BROG and Chair of the HotSW LEP to be sent to the Rt Hon Andrea Leadsom MP, Secretary of State for Business, Energy and Industrial Strategy outlining the critical challenges of a no-deal Brexit for the area.</p> <p><u>Nuclear Sector Deal</u> – a revised submission for the Supply Chain component will be submitted at the end of September, but there is growing concern that this is time critical as the MEH programme tenders start to be awarded and current funding for the Hinkley Deal programme comes to an end in March 2020 which is a huge risk for the supply chain which is reliant on welders from Eastern Europe.</p> <p><u>Local Industrial Strategy (LIS)</u> the draft is being reviewed with Gov't departmental officials with the commitments being discussed. Assurance was given that the document has not changed significantly and once all this stage is complete, the document will go to Treasury.</p> <p>Concern has been expressed from the Tourism Visitor Economy Bodies that there is insufficient reference in the LIS for their sector, although there is an ask for a Tourism Zone, but they feel this is not significant enough.</p> <p>Action: Draft LIS to be revised to ensure the Tourism sector is sufficiently referenced.</p> <p>Action: The final revised version of the LIS will be sent out to the Board with an indication of amendments/or summary of changes.</p> <p><u>Mid-Year LEP Gov't Review</u> - this light touch intervention took place last week. Three</p>	<p>DR</p> <p>DR/EJ/BROG</p> <p>DR/SH</p> <p>DR/EJ</p> <p>DR/EJ</p>
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<p>assessment criteria were used: -</p> <ul style="list-style-type: none"> ➤ Governance – the LEP continues to be good, compliant. ➤ Strategy – ref LIS and GSW, the HotSW LEP is acknowledged in driving forward the cohesion of the 3 LEPs, recommended as good. ➤ Delivery – at the last review this required improvement, however Gov’t are not changing the grades at mid-year point, therefore as the LEP has delivered 75% of its growth funding, this is determined as good. <p>Action: To circulate formal feedback and actions from the LEP Mid-Year review to the Board.</p> <p><u>High Street Funding</u> – Local Authority officers were commended for being most helpful in making the case.</p> <p><u>Delivery Outputs Schedule</u> – it is essential that the LEP is closely monitoring outputs across its investments and SIP has been working on this. All project managers have been written to, to provide updated information. Contractually all the LEP projects are committed except broadband.</p>	<p>DR</p>
<p>6.1 Growth Hub Paper (commercially confidential)</p> <p>This report sets out the way forward for the Growth Hub after the contract ends in February 2020 and asks the Board to approve the recommendations.</p>	
<p>6.2 Business bulletin quarterly pilot paper + bulletin working draft (see paper)</p> <p>This paper updates the Board on the development of the HotSW Quarterly Business Bulletin (pilot), including feedback from the business community on their key issues and to seek agreement to progress to the next stage. The aim is to provide better intelligence to inform LEP decision making. Partnerships have been developed with business representative organisations that cover approx. 25,000 business across the area to give a comprehensive view of sentiment, supported by economic data.</p> <p>The Board supports the direction of the working draft and the activity as part of the LEP’s targeted engagement with key stakeholders and wider business community. It also notes the comments from the business community about their key issues this quarter and where relevant to use these to help inform LEP policies and actions.</p>	
<p>6.3 ESIF update (commercially confidential)</p>	
<p>6.4 HotSW LEP CIC accounts 2018 – 2019 (see accounts)</p> <p>As the company is dormant, this is a paper exercise to present zero balance accounts</p>	

to be tabled at the LEP's Annual General meeting on 4 November 2019, for ratification prior to filing with Companies House to meet end of year deadlines.

A more informative balance sheet will be tabled for the LEP's Annual Conference and AGM which will show the flow of Gov't funding for projects via our Accountable Body.

The Board signed the accounts off and for them to be formally ratified at the LEP's AGM on 4 November.

Meeting closed with thanks to James and Anne Marie for attending.

AOB

DR: - Thanks to members Stuart, David Hall and Martha for giving up their time to assist with LEP recruitment and being part of the interview panel.

Next LEP Board meeting – 22 November 2019 from 10.00am – 1.00pm at Exeter Racecourse Conference Centre.