

Place Theme Updates

A - Rural Productivity

The Rural Productivity Steering Group has not been convened since its first meeting in November, the next is scheduled for 4 February 2021.

A list of potential actions, in light of Covid-19 and Brexit, have been collated and these will be discussed at the next meeting. These will look at short, medium and long term actions to support the Rural economy. It will seek to support sectors such as tourism, hospitality and food production which have been seriously affected.

A study on Community Led Economic Development is to be commissioned, subject to F&R approval, as this was a local intervention that the Steering Group is keen to establish. The study will need to look at how this will operate within the Heart of the South West, the benefits for the local economy and the potential to link the rural economy to the aims set out within the Local Industrial Strategy, 10 Point Green Industrial Strategy, Energy White Paper, etc.

This was endorsed at the Place Group meeting in November 2020 and a report to request funds to commission will be taken to the F&R Committee. The study will be brought before the Board.

B - Energy

The Energy White Paper – Powering Our Net Zero Future – was published in December 2020.

This sets out the Government's aim to achieve a world-leading net zero target and how it aims to do so. The way that energy is produced is at the heart of the White Paper with a decisive shift away from fossil fuels to clean energy for heat and industrial processes.

Following on from the Ten Point Plan and the National Infrastructure Strategy, the Energy White Paper provides further clarity on the measures and puts in place a strategy for the wider energy system that:

- Transforms Energy
- Supports Green Recovery
- Creates a fair deal for consumers

The strategy highlights the decarbonising of the energy system over the next thirty years by replacing fossil fuels, as far as possible, with clean energy technologies such as renewables, nuclear and hydrogen. The HotSW LEP will be exploring its links to nuclear (for production purposes) We are collaborating with regional Stakeholders to support WEAFF's Hydrogen Summit happening this month, and will be working with others to start to map out a hydrogen strategy for the SW region. . This is good news for the SW Nuclear Supply Chain who can now also potentially access fresh contracts at SZC, as well as capitalising on knowledge transfer.

The White Paper also references the National Supply Chain & Business Competitiveness Programme, with local delivery which featured in the Nuclear Sector Deal. This raises again the hope that the LEP will be able to draw down funding to **support continuation of the Hinkley Supply Chain Programme.**

Retrofit

There is an identified need for training in retrofit skills with the increasing demand in this area of work. There was a strong message from the Energy Working Group that the LEP should be taking actions to ensure that both skills and material supplies are consistent with this growing sector. This work is not only crucial to meet Net Zero aims but will become a strong economic sector. Currently companies from outside the area are benefiting from contracts for this work, there it is important to develop local skills and supply chains, learning from the work done on the Hinkley Supply Chain.

C - Natural Capital

A report was taken to the Board in January 2021

Informed by the work of the task and finish group to date the place leadership group recommends to the LEP Board the proposal of developing a natural capital demonstration fund to pilot on a loan basis investment in schemes that combine natural capital principles and the LEP's economic objectives. A suggested sum of £1 million received outline approval and the Board await further detail of proposed demonstrator projects. Approaches will be made to other bodies eg utility companies to co-finance this fund.

Details of demonstrator projects will now be developed. Carbon capture and carbon offsetting will be key to achieving Net Zero aims and this will be one of the areas of work for consideration.

An advisory paper is also being developed for projects that have received Getting Building Funds to start to get them thinking about Natural Capital within their projects. The intention is to issue this to all projects in future so that they embed within their business case and subsequent delivery.

D - Digital

Three companies have been selected to roll-out full fibre broadband networks on behalf of the Connecting Devon and Somerset (CDS) programme, backed by Government funding.

Airband, Truespeed and Wessex Internet will be installing full fibre broadband across Devon and Somerset to more than 56,000 rural homes and businesses over the next four years.

The combined public and private sector investment of around £80million will be in the vanguard of the Government's ambitions to build a Gigabit capable network across the UK. The three companies all have experience of working in the region and, between them, have already delivered connections to nearly 41,000 premises in the CDS region.

CDS will be undertaking further work to create the business case for the remaining Growth Deal money.

E - Getting Building Fund

Most projects are now nearing the end of the contracting phase and the final information is imminent.

One project is still unable to enter the contracting phase –the project is awaiting a decision on a loan for the match funding to cover their capital elements.

F - Place Shaping

Enterprise Zones – The LEP is working with the local authority leads from the three Enterprise Zones in the HoSW area – Oceansgate in Plymouth, the Exeter and East Devon Growth Point and Gravity in Somerset – to review and update their implementation plans. In November the strategic investment panel received and endorsed a presentation about progress with Oceansgate as the basis of the updated implementation plan and will review likewise the position with the other Enterprise Zones at future meetings. The Government has recently launched its Freeports Bidding prospectus - <https://www.gov.uk/government/news/freeports-bidding-process-opens-for-applications> and the LEP is engaged with stakeholders to consider options for bids which need to be submitted by 5 February 2021.

Future of our Market Towns - A market towns study has now been commissioned. The completed study will be brought to the Place group and then to the Board for sign off.

Future High Streets - The funding to boost local high streets was announced in December 2020. The intention is to help these areas transform their high streets into vibrant hubs for future generation and to protect and create jobs.

Provision funding offers have been made to the following towns in the HotSW area:

- Plymouth City Centre - £12,046,873
- Barnstaple, North Devon - £6,548,876
- Newton Abbot, Teignbridge - £9,199,364
- Paignton, Torbay - £13,363,248
- Yeovil, South Somerset - £9,756,897
- Taunton, Somerset West & Taunton - £13,962,981

The outputs listed are locally reported and will undergo further quality assurance before being finalised and confirmed in grant offer letters.

Employment land – work is ongoing following the HotSW Employment Land Study published in early 2020. The recommendations of the report will be reviewed in the context of the planning white paper and a work programme developed for taking this forward with partners.

Review of recommendations will be undertaken with stakeholders following White Paper approval/revisions.

Transport

A303/A358 corridor

Following the Secretary of State's approval of the Development Consent Order application for the Stonehenge Tunnel, Highways England has now appointed contractors Osborne to conduct the advance works necessary to prepare for the main construction contract. Wessex Archaeology has been appointed to lead the archaeological investigations, which will mainly be conducted in advance of the main construction work. The Stonehenge Alliance has submitted an application for Judicial Review of the approval decision.

For the Sparkford to Ilchester dualling, the Secretary of State gave approval to the Development Consent Order on 29 January 2021.

Highways England has announced that the design development of the A358 dualling from the M5 at Taunton to Ilminster will be taken forward by Taylor Woodrow. It is anticipated that a statutory consultation on the proposed design will be conducted in 2021, before submission of the Development Consent Order application.

Major Route Network / Large Local Major schemes

DfT has advised that one consequence of the single year CSR is that the budget did not include the full 5-year allocation for the MRN and LLM programme, instead only including 1 year. With this, and the impact of Covid 19, the timescales for completion of projects will be extended, and there is inevitably some uncertainty for the whole national package. The highest priority scheme in the LEP area is the completion of widening the A382 between Newton Abbot and the A38 Drumbridges roundabout.

Rail Network Resilience

Dawlish – Teignmouth Sea Wall

Construction of the second section of the £80m sea wall upgrade at Dawlish is expected to be completed by late 2021, with the final stage of works at Dawlish to follow later. The raised sea wall will provide enhanced protection from waves under storm conditions and should prevent the closure of the railway under all but the most severe weather conditions.

The second element of threat to the operation of the railway is on the section of line between Parson's Tunnel and Teignmouth, where the concern is about landslips of the cliffs above the railway. In Spring 2020 Network Rail conducted an extensive public consultation on proposals for realigning the railway between Parson's Tunnel and Teignmouth, to move the railway away from the cliffs which can be unstable after periods of prolonged rain.

Given the level of local concern about the likely loss of beach which the scheme would entail Network Rail has announced that they will be reviewing their proposals and bringing forward a revised scheme for further public consultation later this year. They have also indicated that it is unlikely that such a scheme could be completed until the mid-2020s. Funding has not yet been allocated for these works.

Diversionsary Route East of Exeter

The severe weather experienced in the 2012-2014 period also highlighted the vulnerability of the Western Route to flooding, particularly at Cowley Bridge, Exeter; Hele and Bradninch; and on the

Somerset levels. This emphasised the need for diversionary capacity between Exeter and Castle Cary, using the Exeter to Waterloo route between Exeter and Yeovil Junction.

In 2020 Network Rail completed a strategic study of the Exeter to Waterloo route which confirms the need for additional passing loops between Exeter and Yeovil Junction, both for diversionary purposes and to support a more frequent train service in East Devon. Network Rail is now preparing a Strategic Outline Business Case for the passing loops, which is to be submitted to DfT in Spring 2021.

Restoring Your Railway Programme/ New Stations

The Chancellor's Autumn Statement and National Infrastructure Strategy (NIS) included announcements about the development of the Restoring Your Railway (RYR) initiative and funding for new railway stations.

The NIS included a reference to the re-opening to passengers of the Exeter to Okehampton route (Final Business Case has been submitted to DfT/ Treasury) and the provision of stations at Cullompton and Wellington (Strategic Outline Business Case just submitted to DfT). Edginswell station, Torbay, has been successful in securing funding from the New Stations Fund.

From the second round Restoring Your Railway bids a proposal for a new station serving Somerton and Langport has secured £50k funding to develop its business case. Rail industry colleagues and the LEP will be discussing the proposal with the promoters.

The third and final round of RYR bids are to be submitted by 5th March. These will include a revised submission to re-connect the Gravity strategic employment site at Bridgwater to the rail network.