

**Heart of the South West Local Enterprise Partnership
LEP Board Paper 6 d)**

Report title: Business theme update

Date: 11.01.2021

Purpose: This paper is for **noting**

(overwhelming papers should be for decision)

Link to LIS (or Recovery Plan?): Indicate by **bolding** which area the paper links to.

Inclusive Growth		Clean growth		
Energy		Engineering		Digital
Ideas/ Innovation	People/Skills	Infrastructure	Bus. Environment	Places

Non- LIS purpose: (if not connection to LIS, explain it's purpose. Again overwhelmingly papers should link to the delivery of LIS)

Decisions requested: none

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Below is a brief update on Growth Hub, Inward Investment and reports from Key Sectors:

Business Leadership Group:

The end of 2020 saw the Business Leadership Group continue to work with its key stakeholders as the business support landscape continues to prioritise the survival and recovery of our businesses throughout the ongoing Covid-19 pandemic.

In 2021, the Business Leadership Group shall continue this activity as a priority whilst working with our partners to understand the challenges and opportunities that have emerged from the UK's departure of the European Union and how we can best help our businesses adapt to these changes. These issues shall be tackled by the newly reformed Business Leadership Group, which has realigned its membership to be more representative of the region's economic geography.

Growth Hub Update:

Financial support continues to be a high priority for businesses and features prominently in the enquiries received, with overall enquiry levels and web traffic showing a slight increase during the beginning of November.

The Growth Hub supported a UK Transition webinar on 20th November, where over 170 people (from around 130 businesses) registered to attend. The event was hosted by Devon and Plymouth Chamber of Commerce and chaired by Sir Gary Streeter MP, with speakers including the NFU Regional Policy Manager and the FSB Head of International Affairs.

The Growth Hub's radio advertisements and digital campaign launched at the end of November, targeted at all of Somerset, Torbay and south Devon, and northern Devon, with the Growth Hub advert featuring on radio stations such as Heart, Smooth and Classic.

A second EU Transition webinar, again hosted by Sir Gary Streeter MP, was held on 11th December with around 75 businesses attending.

Supplementary £10M Funding

The additional Growth Hub advisor is in post and the additional one to one Growth Hub support is being delivered, while the activity undertaken by Devon Chamber, Somerset Chamber, and the FSB has been completed. Sector support will include webinars for the aerospace and nuclear sectors, to be delivered during February and March, and coordination of the SW Defence Cluster. Devon and Plymouth Chamber will deliver a series of webinars on sales training for businesses between January and March. There is also a pilot programme to engage Black, Asian and Minority Ethnic (BAME) led-businesses.

PFA Research will interview 450 businesses across the HotSW LEP to assess their needs and barriers around access to finance, with the survey starting this week.

Peer Networks

Work has continued to ensure we had delivery partners for all of our networks. Devon Chamber agreed to deliver the Peer Network for the Defence Sector, and Somerset County Council are delivering the final network for businesses located in Somerset. Recruitment continues to be a challenge for some of our delivery partners, with the impact of Lockdown 2, the end of the transition period, and Lockdown 3 in January, all limiting the ability of businesses to commit. Where partners are facing this challenge we have agreed the scope of recruitment can be widened to include businesses outside of the targeted sector area or location.

Currently five of our 12 networks have started sessions, with three having start dates set. Two are progressing with recruitment and will shortly set a start date, and the final two are experiencing greater difficulties in recruitment.

We are in constant dialogue with delivery partners, BEIS, and the Growth Company, who are acting as overall programme manager for the Peer Network Project. Weekly returns on progress are submitted to the Growth Company and as networks go live, they are required to record progress on a microsite, which will assist with this monitoring process.

Transition Funding

Having been made aware of potential funding from BEIS to increase FTE count in order to give businesses support up to and following the end of the EU Transition Period, discussions continued within government and we were informed of further funding. We received the pre-cursor to an Offer Letter late on 16th December, confirming the breakdown of funding and what was deemed ineligible expenditure.

The total Grant allocation for the Heart of the South West LEP under this programme is £203,550, with the maximum amount of funding allocated for individual activities broken down as follows:

Activity	Funding Allocation
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Advisors for Outreach and Advice	£81,000 (Ringfenced)
Specialist & General Advisors	£108,000
Intelligence, Analysis, Monitoring & Evaluation	£5,000
Regional Coordination & Targeting	£9,550

We have completed and returned schedules to BEIS setting out our proposed activity and financial forecast and are now waiting for a formal Offer Letter. Concurrently we are also procuring FTEs to meeting the funding requirements, including following-up discussions with potential partners, while being mindful of the need to ensure activity and spend completes by 31st March 2021.

Inward Investment:

The ERDF Inward Investment Support Grant has to date received five applications, each is at different stages of the appraisal process. It is hoped that at least two will be brought to the January Business Leadership Group for a decision. The businesses applying are from the marine, photonics and construction sectors, proposing to create over 100 new jobs.

The Marine Autonomy HPO proposition is progressing well, with a second draft currently being developed. The HotSW is now working jointly with the West of England on the Smart Aviation HPO; this will focus on electric flight and urban air mobility, delivering a strong proposition to international investors.

The Photonics HPO is already starting to deliver for the HotSW with the first business landing in Torbay this year, the profile and capabilities of the area continues to rise amongst potential investors.

The Digital Skills Partnership (DSP):

Business-facing activity included continued free access to [Coursera](#), as of December over 900 individuals had enrolled and had taken 2,700+ lessons. The top five subjects chosen were Excel, Data Analysis, Python, Time Management and Presentation Skills.

The enrolment window closed at the end of October, which was unfortunate as during the November lockdown we were contacted by several businesses requesting access for furloughed staff. The DSP is submitting a paper to the Growth Hub team to consider funding Coursera in 2021.

The DSP has secured £1.7million to deliver [Train4Tomorrow](#) from the Department for Education. Train4Tomorrow consists of 10 digital and technical bootcamps that will train 750+ people over a 12-week period into roles that align to Skills Shortage vacancies in the region. The bootcamps started on the 4th of January and the programme is now looking to work with employers who will benefit from recruiting from this talent pool.

The DSP will lead a further consortia to bid for follow on funding to run further bootcamps from April 21st, employers who wish to use this funding for in-workforce development are invited to be part of the 2nd wave consortia.

The DSP is expecting a joint ESF bid to develop digital skills within the construction supply chain to be approved Q1 2021.

Finally, the DSP is changing its Partnership model in 2021 to open up access to all organisations interested in digital skills. News, opportunities and networking will be through quarterly 'mini digital

skills conferences'. Dates of the meetings, a video rounding up our delivery in 2020 and information on free digital skills resources can be found on the updated homepage: <https://skillslaunchpad.org.uk/skills/digital-skills-partnership/>

Nuclear / Aerospace:

Funding has been secured for continuation of the **Hinkley Supply Chain Programme and Nuclear SW Inward Investment** activity for a further year (2021/22), it is also anticipated that the Welsh Government and West of England Combined Authority will continue to contribute.

The **Energy White Paper** launched in December 2020 has identified the **National Supply Chain and Business Competitiveness Programme** that was formally part of the Nuclear Sector Deal as being in place to support future opportunities, so there is some hope that we will be able to draw down aspects of that for SW activity. The EWP also references that negotiations between Government and EDF Energy are to continue in respect of the proposed new build at **Sizewell C**, which again provides some continued optimism for the local supply chain being able to transfer across.

The **UK Atomic Energy Authority** has launched a process for nominations for siting of the first **STEP Fusion test reactor**. Two Working Groups have been established within the South West to look at submitting a nomination, namely in Somerset (utilising land at and adjacent to Hinkley Point) and Gloucester (land at Oldbury and Berkeley). This is a very exciting opportunity- should a SW site be selected; this will ultimately lead to a significant increase in highly skilled employment.

The **Smart Aviation High Potential Opportunity (HPO)** is underway and will extend its reach to encompass the West of England. There are many synergies and shared assets, which should strengthen the commercial opportunity. An announcement on the projects submitted to the **Future Flight** programme is expected soon, but we can confidently say that there are three projects that will receive funding within our LEP area, one of which is up the upper end of funding and will be significant for the region.

We are working with the **SW Centre of Excellence for Satellite Applications** to formulate a strategic approach to maximising the use of these applications within our key sectors.

A workshop was held early in January with representatives of our key sectors and a report detailing the outcomes and next steps will be available soon.

Photonics:

Recruitment process is underway for the role to develop the **Technician Training Programme**. With support from the LEP, TDA is scoping a brief to bring in a facilitator/sector peer to work with the sector and identify key future projects.

Fishing:

Following Brexit, the Fisheries Group has agreed to convene monthly.

Early discussions with partners to establish a survey to inform future needs of the sector and create an action plan.

£100m fund for the sector has been announced but not details as yet.

Tourism:

A South West wide survey has been launched to help inform government messaging and recovery priorities.

In partnership with Cornwall, IoS and Dorset LEP, work is underway to start to scope out what a tourism zone for the Great South West will look like.

A meeting is planned with the GSW APPG on February 2nd to seek their support for the South West to become a Tourism Zone pilot ahead of the March budget. There will be a tourism deep dive session with the LEP Board on February 19th.

SW Regional Defence and Security Cluster:

The cluster finished in 2020 with a series of workshops delivered by DASA such as **How to Write a DASA Submission**. Over 70 businesses attended these workshops, which were open to non-members and helped push the cluster's membership up to 67 full members, which is on target for 100 full members by April 2021, set out in our 1st year strategy document.

At present, the Programme Management team are finalising the programme of engagements that will run up until April and working with our private sector stakeholders to secure the seconded role of Programme Manager past April, (the initial contracts for the Programme Coordinator and Programme Manager roles ran Sept 2020-Mar 2021).

A paper is being prepared for the February Finance and Resource Committee which will seek approval for the LEP to continue supporting cluster.