

Report title	Place delivery theme update – agenda item 9c)				
Purpose	This paper is for noting				
Link to LIS^b	Inclusive Growth			Clean growth ✓	
	Energy ✓		Engineering		Digital ✓
	Ideas	People	Infrastructure ✓	Bus. Environment	Places ✓
Non-LIS purpose	N/A				
Timing	The report covers infrastructure and place-related activity in the period to end November 2020				
Financial impact					
Decisions requested					
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1.0 Summary

1.1 This report is an update about delivery against the LEP’s infrastructure and place theme.

2.0 Place Leadership working arrangements

2.1 Scope of the LEP’s infrastructure and place-related activity.

The Place Leadership Group has overview and delivery responsibility for the infrastructure and place priorities of the Heart of the South West (HotSW) Local Industrial Strategy. This includes energy, natural capital, employment land and premises (including the portfolio of Enterprise Zones in the HotSW area), rural productivity, and coastal and market town matters.

2.2 Place Theme Updates

A - Rural Productivity

The Rural Productivity Working Group met on 4th February and the list of potential actions, in light of Covid-19 and Brexit, were discussed at the meeting, as well as being developed further after the meeting using an online whiteboard. These look at short, medium, and long-term issues and potential actions to support the Rural economy. A list of priority actions is in development and will be finalised at the next meeting on 15th April but the work so far has helped to define the potential pipeline of projects.

The study to inform the development of a community-led Rural Productivity Programme (analysis and recommendations for Community-Led Local Development Programme, such as LEADER, FLAG, etc.) has been commissioned with the contract awarded to DR Company, the final report and recommendations will be brought to the Place Group in July. It will then be submitted to the Board. The study will need to look at how a future programme could operate within the Heart of the South West, the benefits for the local rural economy, and the potential to link to the aims set out within the Local Industrial Strategy, Build Back Better, emerging Clean Growth Plan, 10 Point Green Industrial Strategy, etc.

The Rural group also considered the mapping of the market and supply chain for food a priority, to complement work being achieved in the HotSW including the SW Food Hub. The NFU submitted a proposal to undertake a study to look at public sector food procurement including processing capacity. Workaround this is in development, with the Head of Delivery, NFU, and with Devon County Council offering to lead the project. A proposal was submitted to F&R and they agreed to contribute £10k to match the £10k each offered from the NFU and DCC.

B - Energy

A Deep Dive on Energy was held at the Place Group meeting in February 2021 with a presentation from BEIS on the Energy White Paper, - [Energy white paper: Powering our net-zero future - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/energy-white-paper)

Some of the opportunities for the Heart of the South West based on the White Paper include

- **Zero carbon buildings, retrofit, and heat pumps**
- **Smart, flexible electricity system**
- **Transport**
- **Innovation and High Tech**

Western Power is currently consulting around future network constraints - <http://www.westernpower.co.uk/distribution-future-energy-scenarios-application>

There will be two Fusion site location nominations in the South West – one being Hinkley and one focused on Oldbury and Berkeley in Gloucestershire. Both locations have shared assets, for instance, the AGR fleet with staff trained in the use of high-temperature materials,

the type of skills required for STEP Fusion activity. Nomination form completed and submitted by 31 March 2021. UKAA will then have conversations with nominees over the next 18 months to 2 years.

A Hydrogen Summit for the West of England Aerospace Forum was hosted in February. The forum has a big interest in Hydrogen as aviation fuels are going to be one of the more challenging areas to decarbonise – looking at decarbonised fuels, electric flights but hydrogen is of interest, if it can be used for aviation it will have a significant impact on that sector. The key message from the summit was that many sectors will need to work collaboratively on this to make it work – trains, shipping, heavy goods, etc.

The draft Clean Growth Plan was presented by the Head of Delivery and requested feedback on priorities. The Place Group was broadly comfortable with the focus.

We are working with the SW regional energy hub to provide support to their work, including the roll-out of the Green Homes Grant where the Hub has made indicative allocations for each LEP area and is currently procuring local delivery partners for this.

The CEO, Head of Delivery, and Place theme lead recently met with key officers from the Hub to review progress and identify areas where it can assist future delivery of LEP priorities.

C - Natural Capital

A £1m loan fund was approved by the Board in January 2021. Subsequently, an Expression of Interest Form and Guidance was developed and issued in March 2021. Applications for demonstrator projects were requested, which can demonstrate income generation to repay the loan and, also, to develop actions that could be replicated elsewhere in the Heart of the South West. This was circulated widely amongst networks with a closing date of 8th April 2021 for completed EOIs. Guidance issued can be viewed via the following link:

[Heart of the South West LEP Growing Places Fund \(heartofswlep.co.uk\)](http://heartofswlep.co.uk)

D - Digital

The Business Case preparation, for the remaining Growth Deal funds, is progressing and is looking at likely costs and target premises. At present, a pool of circa 2,500 Next Generation Access (NGA) white prems have been identified which could be targeted.

For information:

Next Generation Access (NGA) broadband infrastructure is defined as:

The physical structures required for the operation of superfast broadband services delivering speeds of at least 30Mbps.

White Premises are:

Premises that do not have access to a qualifying NGA network, or where there are no plans to provide such infrastructure over the next three years.

The costs of some of these will vary and therefore the actual number of premises included in the business case is still under consideration. We envisage that we will receive this in April 2021.

The proposal will likely be for a form of voucher/ community top-up scheme to help to leverage maximum support from other public funding (particularly the new gigabit voucher scheme from DCMS) and commercial sources but picking up some of the premises which may otherwise be left out/less viable. Pooling local LEP resources with other funding schemes are likely to maximise the impact of this intervention.

The Business case is being prepared following an Open Market Review (OMR) undertaken earlier this year to identify areas that have not been included in the current Fibre rollout plans. The review also assessed what areas have been included in various commercial rollouts since the previous OMR was conducted.

The Digital Strategy has been updated and published on the LEP website. It can be accessed at [Digital - Heart of the south west LEP \(heartofswlep.co.uk\)](https://www.heartofswlep.co.uk)

E - Getting Building Fund

All projects within the Place portfolio are now contracted and some have submitted the first claim.

Smarter Carbon had to withdraw their application as they were unable to secure the necessary match funding.

The Devon Biosphere AI Project obtained match funding and is now contracted.

F – Supporting Place Shaping and Levelling Up

The HotSW coastal productivity plan has now been endorsed by the joint committee in addition to the LEP Board and a steering group has been formed to take its recommendations forward, with a first meeting on 7 April 2021.

The study into the future of market towns has now been commissioned and the draft report will be available for consideration at the Place Leadership group on 1 July 2021.

Local authorities across the HotSW area will be considering their approach to the first round of the Levelling Up Fund (bids by 18 June 2021) and the LEP will provide support to bidders wherever possible

Freeports – Plymouth was successful in its bid for Freeport status. This is seen as part of the 'Levelling Up' agenda bringing economic opportunities to the area. Discussions are now taking place on the scope of this and what inward investment it will bring. The Great Western Freeport bid which included the Gravity site was unfortunately not successful in the process.

G - Transport

A303/A358 corridor

The Secretary of State for Transport approved the Development Consent Order for the A303 Sparkford to Ilchester dualling on 29 January 2021. A design and build contractor had been appointed, and construction is expected to start later this year. The scheme should be completed in 2023/24.

There has been a legal challenge to the Secretary of State's approval of the Development Consent Order application for the Stonehenge Tunnel, and this will be the subject of a Judicial Review in Summer 2021.

Design development of the A358 dualling from the M5 at Taunton to Ilminster is underway. Highways England will hold a statutory consultation on the proposed design later in 2021, before submission of the Development Consent Order application.

Restoring Your Railway Programme

Following positive statements, in the Budget papers and the National Infrastructure Strategy (NIS), a formal announcement was made by the Prime Minister about the re-opening to passengers of the Exeter to Okehampton line as the first project approved under Restoring Your Railway (RYR) initiative. Significant works are underway to bring the track up to a condition suitable for regular passenger services. These works will take several months to complete, and it is understood that passenger services will be able to commence in Autumn 2021.

The third and final round of bids to the RYR New Ideas Fund closed in March. Out of a national total of 85 round 3 bids, there are 12 in the HotSW area, including one submitted jointly by the LEP and West Somerset Railway for the restoration of regular train services between Taunton and the West Somerset Railway. Some of the bids are re-submissions of proposals that were unsuccessful in rounds 1 and 2.

Following the success in securing New Ideas funding, the Strategic Outline Business Case for the re-opening of stations at Cullompton and Wellington has been completed and submitted to DfT. The outcome is awaited, and if positive it is expected that this may provide additional funding to prepare the Full Business Case.

Sub National Transport Body – Peninsula Transport

Peninsula Transport has received core funding from DfT which, together with Local Transport Authority contributions, will enable it to continue development work towards a peninsula transport strategy. Consultation on a High-Level Vision and Objectives has been delayed by the local government pre-election period.