

**Minutes of LEP SIP Meeting  
06/07/2021 at 09:30 – 11:30  
Via Microsoft Teams**

**Board attendees:**

*David Bird, Chairman of SIP, HotSW LEP Board Member*  
*Paul Hickson, Place Lead, HotSW LEP Management Team*  
*Richard Stevens, Chairman Business Leadership Group, HotSW LEP Board Member*  
*Mel Squires, Chairman Place Leadership Group, HotSW LEP Board Member*  
*Carl Wyard, Torbay Development Agency*  
*David Ralph, HotSW LEP Chief Executive*  
*Jane Dumeresque, LEP Board member (not a voting Member of SIP)*  
*Vince Flower, Skills Lead, HotSW LEP Board*  
*Julia Blaschke (deputising for Amanda Ratsey), Business Lead, HotSW LEP Management Team*  
*Mel Sealey (deputising for Keri Denton), People Lead, HotSW LEP Management Team. Also HotSW LEP PMO*

**Officers in attendance:**

*Suzanne Bond, CLGU*  
*Ian Harrison, Independent Transport Assessor*  
*Tom Satterly, HotSW LEP PMO (minutes)*  
*Richard Snell, HotSW LEP PMO*  
*Melanie Roberts, SCC Accountable body*  
*Hannah Norman, SCC Finance*  
*Isaac Young, SCC Finance*  
*Ben Bryant, SCC Finance*  
*Claire Gibson, Head of Delivery at HotSW LEP*

*Agenda Item attendees*

*Shane Vallance (4.2 CDS and 4.3 Getting Building Fund variations)*  
*Vince McConville (4.2 Digital Boost Variation)*

**NOTE:** 4 voting members are required to be quorate. Number of voting members present in meeting: 9

**NOTE FOR AUTHOR**

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**These minutes and the accompanying decision/actions table are now required to be published onto the LEP website with 10 clear working days of the meeting taking place. This may be in draft if internal LEP processes require clearance before they are finalised. The final documents must be published within 10 clear working days of being approved.**

**Therefore, following the process outlined above, please send the documents to [LEPAdmin@somerset.gov.uk](mailto:LEPAdmin@somerset.gov.uk) who will upload them onto the website.**

Item No.	Agenda Item	Actions
<b>1</b>	<b>Apologies</b>	
	Keri Denton Eifion Jones Amanda Ratsey Mel Roberts	
<b>2</b>	<b>Declarations of Interest</b>	
	Vince Flower – Torquay Gateway Julia Blaschke – Plymouth Business Centre Jane Dumeresque – ESPL Mel Sealey – CDS, ESPL, Mobile Boost, Devon Work Hubs Carl Wyard – Torquay Gateway Paul Hickson - CDS	
<b>3</b>	<b>Minutes from Last SIP Meeting – 11<sup>th</sup> May 2021</b>	
	Update from the Natural capital fund - A report will be going to LEP board and this will provide a recommendation on the next steps.  Minutes from the previous meeting were approved.	
<b>4</b>	<b>For Decision - Investment Programme Business Cases and Project Changes</b>	
<b>4.1</b>	<b>Growing Places Fund</b>	
	No Update	
<b>4.2</b>	<b>Growth Deal</b>	
	<p><b>Connecting Devon and Somerset Business case</b></p> <p>SV provided an overview of the business case and raised the following points.</p> <ul style="list-style-type: none"> <li>• Good level of detail in many areas.</li> <li>• Overall aim aligns with central government.</li> <li>• Voucher scheme to target 2,000 premises in a white area (no plans for commercial roll out in the future) over a 4 year period.</li> <li>• Premises in a white area have a higher connection cost and this is why public intervention is required.</li> <li>• Difficult to accurately measure economic impact as the 2,000 premises have not been finalised therefore the domestic to business premise ratio is unknown.</li> </ul> <p><u>Points raised by SIP</u></p> <ul style="list-style-type: none"> <li>• Concerns around the 4 year timescale as technology moves on quickly.</li> </ul>	

- Concerns around a voucher scheme method, however it was mentioned that it has been successful before and is the preferred method by central government.
- Market research has not been able to be undertaken to identify the recipient communities as the funding has not been secured.
- Concerns around the BCR and VFM
- Low BCR proves market failure
- Urged to focus less on the economic benefits and consider the social and moral benefits.

**DECISION** – To recommend refusal of the CDS proposal for £8m on the CCEP project.

SIP was united in wanting to enable improvements to digital connectivity for businesses in hard-to-reach areas. The appraisal conclusion that it did not deliver value for money was a concern, but it was also accepted that there is market failure and therefore it will always be more expensive to deliver such solutions in these areas. SIP was specifically concerned that CDS was not able to confirm whether the gigabit solution was what business actually needed and wanted and to understand whether whilst, vouchers are likely to be part of the solution, there was better alternatives that could provide greater and more immediate impact.

Moreover, the Government's recent call for evidence on improving connectivity for very hard to reach premises was also noted, the findings of which had not yet been reported.

Recognising the importance of Digital transformation to the HOTSW economy, it is recommended that the Board request and review further information on alternative more impactful solutions.

**ACTION** - DR to draft recommendation for SIP Members to review prior to LEP board meeting.

DR

### Digital Boost Variation

CG provided an overview of the variation request.

- Aim of the project is to improve 4G connectivity for voice calling in residential premises.
- This would enable 4G booster technology to be included within the technical solutions offered
- It would also extend the end date until September 22. This would come with a condition of a review in January to establish take-up of 400 vouchers and a strong pipeline of beneficiaries.

### Points raised

- Majority of current providers do use this technology.
- Cannot guarantee how long technology will be relevant for.
- The success relies on targeted marketing to encourage take-up.
- This project will be added onto the Amber Project list to keep status live

	<p>between now and January. A 6-month review to be built into the monitoring.</p> <ul style="list-style-type: none"> <li>• Strong support for the proposal.</li> </ul> <p><b>DECISION</b> – Variation is approved by SIP.</p> <p><b>Exeter Science Park Variation</b> JB provided an overview of the paper.</p> <ul style="list-style-type: none"> <li>• Variation to the Growth Deal 2 Open innovation building (aka Ada Lovelace building) funding.</li> <li>• £160k underspend is requested to be reallocated to fund creation of car park CCTV and electric charging points.</li> </ul> <p><b>Points raised</b></p> <ul style="list-style-type: none"> <li>• Board stated underspend policy therefore this is a decision for the LEP Board</li> <li>• State aid advice needs reviewing.</li> <li>• Project to cover state aid challenge costs</li> </ul> <p><b>DECISION</b> – This decision is to be deferred to the Board as it relates to reallocation of underspend which is a policy created by the board.</p> <p><b>Recommendation to Board</b> – This variation to be approved subject to state aid advice being reviewed, clarification of the other points in the covering report and recognising that this is an exception to the LEP’s general underspend policy which remains unchanged.</p>	
<b>4.3</b>	<b>Getting Building Fund (GBF)</b>	
	<p><b>GBF Business case variations</b> SV provided an overview of the 3 Getting Building Fund variation requests.</p> <p><b>Devon Work Hubs</b></p> <ul style="list-style-type: none"> <li>• Additional 2 work hubs</li> <li>• Increase of jobs from 104 to 129</li> <li>• No match funding from the 2 extra hubs</li> <li>• Completion date for Ilfracombe scheme is June 22</li> </ul> <p><b>Ilfracombe Watersports centre</b></p> <ul style="list-style-type: none"> <li>• Increase in project costs.</li> <li>• £150k increase from pre-tender to tender. Common in the building industry currently.</li> <li>• Match funding has increased and been confirmed.</li> </ul> <p><b>Plymouth Business park</b></p> <ul style="list-style-type: none"> <li>• Costs have increased from pre-tender to tender.</li> <li>• Change in design which has increased the number of units being created</li> </ul>	

<ul style="list-style-type: none"> <li>Increased number of jobs and better VFM</li> </ul> <p><b>Points raised</b></p> <ul style="list-style-type: none"> <li>There is enough underspend to cover these 3 projects.</li> <li>Freedoms and flexibilities will be required to be used across multiple projects.</li> </ul> <p><b>DECISION</b> – all three projects approved. Freedoms and flexibilities to be closely monitored going forward.</p> <p>SIP noted that Getting Building Fund was designed to deliver immediate results as part of the response to the pandemic and wanted assurance from all GBF projects that there would be substantive progress by 31<sup>st</sup> March 2022. PMO to monitor</p> <p><b>Torbay Business Centre</b></p> <ul style="list-style-type: none"> <li>This project has been delayed due to planning permission</li> <li>Revised timescale means all money is scheduled to be spent by July 22</li> <li>Agreed that this is an important project that needs to be supported.</li> <li>Providing a revised end date is good practice for projects requesting freedoms and flexibilities.</li> </ul> <p><b>DECISION</b> – Revised project business case approved.</p>	<p>Theme leads/SCC</p> <p>PMO</p> <p>JB</p>
<p><b>5</b></p>	<p><b>Investment Programme Delivery</b></p>
<p><b>5.1</b></p>	<p><b>Investment Programme Report</b></p>
<p>Report provided by email.</p>	
<p><b>5.2</b></p>	<p><b>Amber Project Review</b></p>
<p>3 projects on amber project review.</p> <ul style="list-style-type: none"> <li>Ifracombe Watersports Centre</li> <li>Taunton Digital Innovation Centre and Dunball Junction as they still require signed funding agreements</li> </ul> <p><b>ACTION</b> - Mobile boost to be added to the amber project review as agreed in the meeting today.</p>	<p>MS</p>
<p><b>5.3</b></p>	<p><b>SCC Update</b></p>
<p>No Update</p>	
<p><b>5.4</b></p>	<p><b>CLGU update</b></p>
<p>No Update</p>	
<p><b>6</b></p>	<p><b>Strategic Agenda Items</b></p>

<b>6.1</b>	<b>ESIF Update</b>
No Update – please refer to report prepared for July Board	
<b>7</b>	<b>AOB</b>
Nothing raised.	

**Next Meeting:** Tuesday 7<sup>th</sup> September 2021

### Table of Decisions

SIP Paper	Decision Required	Decision Agreed
Connecting Devon and Somerset business case	Growth Deal Connecting Devon and Somerset business case for approval	To recommend refusal of the CDS proposal for £8m on the CCEP project.
Digital Boost variation	Growth Deal Digital Boost variation for approval	Variation approved by SIP
Exeter Science Park variation	Growth Deal Exeter Science Park variation for approval	This decision is to be deferred to the Board as it relates to underspend policy
GBF 3 business case variations	Getting Building Fund 3 variations for approval (Devon Work Hubs, Ilfracombe Water Sports Centre, Plymouth City Business Park)	All three project variations approved.
Torbay Business Centre variation	Getting Building Fund Torbay Business Centre variation for approval	Revised project business case approved.