

Heart of the South West Local Enterprise Partnership

LEP Board Paper Agenda item 9 i)

Report title: 21/22 Workplan Update

Date: 8th April 2022

Purpose: This paper is for **information**

(overwhelming papers should be for decision)

Link to LIS: 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:

Timing: Ongoing

Financial Impact: (cost or cost saving): n/a

Decisions requested: none

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Summary

The Oct – Dec performance report is attached, providing an overview of delivery activity during the 21/22 year and progress against the workplan.

Overall, good progress has been made on the specific actions in the plan with the vast majority either complete or on track and the number of amber items reduced significantly from 3 months ago, despite uncertainties from the LEP review. There are several items marked 'not started' and more detail is given below; broadly, these actions were set 12 months ago and priorities have evolved over that time.

A draft 22/23 plan is also included in this pack and this is being finalised at present with final sign off by the May F&R meeting.

Details set out in the report.

KEY RESULTS TOTAL	Q1	Q2	Q3	Q4
Red	4	2	0	0
Amber	30	33	66	19
Green	86	89	84	42
Not Started	20	12	22	12
Completed	1	6	22	63

1. Background

The 21-22 workplan¹ set out three key priorities for the year:

1. Making a difference to the economy: delivering current programmes and activity
2. Making a difference to the economy: driving forward the transformational opportunities and their supporting programmes as set out in Build Back Better
3. Ensuring highly effective LEP operations

This report and attachments provide the latest update of progress against these using the Objective & Key Result methodology (OKRs). Progress is monitored through F&R quarterly and through the Board 6-monthly or by exception.

- Annex A gives a snapshot of progress against the objectives and shows which key results are green (on track or complete), amber (broadly on track though with some delay) or red (significantly delayed or not progressing)
- Annex B is an extract of the amber results (annex B) and those items marked 'not started'

The dashboard itself is a summary of the more detailed objectives and key results set out in the workplan.

2. Highlights: successes, specific issues and their mitigation

Business

The second half of the year has focussed on continued delivery of the existing programmes, with funding for several ceasing at the end of March, and the launch of the Growth Hub Thrive programme, offering access to business support for all businesses, irrespective of sector. Services completing at the end of March are scale-up support, peer networks, access to finance advice and Make it Net Zero. Government have confirmed peer networks will not continue into 22/23 and we await confirmation of Growth Hub funding and requirements around scale-ups which have historically been wrapped into the Growth Hub.

Overall through 21/22, the Growth Hub has supported over 1200 businesses to access advice and guidance and businesses rate the service highly. Disruption due to Covid means it has been challenging to meet targets for the Growth Hub's longer more intensive assists though the re-opening of the economy and the launch of the Thrive programme is seeing more interest from SMEs and the team are confident that the pace will pick up sufficiently for targets to be achieved by end March 2023.

Outside Growth Hub, there is a potential gap around provision of business support for start-ups, social enterprises and investor readiness that the Business group has identified and will be taken forward in the 22/23 workplan, along with maximising use of national offers such as Help to Grow and continuing to grow awareness and use of the Growth Hub.

Actions newly Amber or Not Started

Outcome	Actions	Comments
Enabling business transformation through comprehensive business support	Deliver Peer Network programme: 17 cohorts commissioned and delivered	Funding for the programme ends in March and due to Covid disruption 11 cohorts were delivered

Place & Infrastructure

- a) Natural Capital: following the call in 2021 which did not lead to any viable projects, the LEP is now working with the North Devon Biosphere on a proposal to support wider development of a natural

¹ [Microsoft Word - 210511 Heart of the SW LEP Work Plan 21-22 \(heartofswlep.co.uk\)](https://heartofswlep.co.uk/210511-Microsoft-Word-210511-Heart-of-the-SW-LEP-Work-Plan-21-22)

capital marketplace which could extend the offer across the whole LEP area and possibly wider. SIP have reviewed an outline proposal and a more detailed business case is being worked up

- b) Employment Sites and Workspace: Future of Workspace study was presented to the Place Group at the meeting in November. It is planned to revisit this work during 2022/23 once the post Covid workplace situation has developed. Many organisations are considering hybrid working and many will be looking at how to decarbonise. Consideration will need to be given as to how the HotSW LEP will be able to influence sites and workspace from a strategic level as these will need to contribute to Clean Growth Agenda

Actions newly Amber or Not Started

Outcome	Actions	Comments
Improved digital connectivity, connecting places across HotSW with a particular focus on heard to reach areas	Funding agreement finalised for remaining digital infrastructure funding from Growth Deal 3	Originally targeted for June 21, this is part of the recent £8m call and is carried forward into 22/23

People

The Local Skills Report has been refreshed and submitted to DfE², setting out three key objectives for the period 2022-24 which lead to every individual and business being able to access the skills that they need to thrive. The three objectives set out in the report are:

1. Ensuring that our skills and training environment is responsive and forward facing, meeting business and individual needs.
2. Ensuring that every individual can access the skills and training they need to achieve their own potential.
3. Ensuring that all skills and training investment and activity contributes to both improving our shared prosperity and collective productivity.

Exact details of the transition to Local Skills Improvement Plans are awaited as the skills legislation works its way through Parliament. Locally, discussions are continuing with partners over future support for the Careers Hub which currently has funding to July

Actions newly Amber or Not Started

None

Innovation

A major ask from Government combining the Marine and Environmental Intelligence proposals has been successfully worked up by the Innovation Board and our major Higher Education Institutions (HEIs). Very senior meetings (formal and informal) have taken place with Government to both explore how to present this offer and to confirm it meets the Levelling Up requirements placed on regions by Government. The ask will be considerable and the Board are united behind the proposals.

Underpinning the roll-out of the above is the Technopole. This proposal too has been extensively enhanced following consultations and investment by the LEP in a business case. The Technopole will form a core element of the likely proposals to Government - ensuring heightened geographic coverage.

² [2022-Local-Skills-Report-for-Heart-of-the-South-West.pdf \(skillslaunchpad.org.uk\)](https://skillslaunchpad.org.uk/2022-Local-Skills-Report-for-Heart-of-the-South-West.pdf)

The Innovation-Driven Enterprises panel is now operating, and we have carried out one survey exploring the current skills shortages and troubles recruiting. A second survey is imminent and will explore the need for cutting edge technology and where this could usefully be provided by FE, HEIs and Science Parks as well as a look at the availability of Innovation Grants and how we could, as a region, enhance their take-up. Results will be presented to the June 2022 Innovation Board meeting.

Actions newly Amber or Not Started

None

Transformational Opportunities

Of note

- a) Aerospace: The Sustainable Aviation Board held a deep dive into the opportunity around the Yeovil area. This is the second of three distinct cluster areas in our geography where aviation / aerospace and associated cross sector technologies are significant. The other is Plymouth. Frazer Nash Consultants have been commissioned to scope out what our Future Flight Test / Demo Zone could look like. They are due to present their findings at the April meeting of the Sustainable Aviation Programme Board. Also, at this session we will have an update from the Connected Places Catapult on their ZEFI project which looks at the future infrastructure requirements for regional airports to support sustainable aviation. Future Mobility Campus Ireland will also be presenting their activity and the Board will discuss potential areas for collaboration. The iAero Centre in Yeovil was officially opened in February. An aerospace digital skills event was recently held in collaboration with the West of England LSIP pilot. This activity will feed into a Skills Task & Finish Group of the Sustainable Aviation PB to support future skills fore sighting for the sustainable aviation sector.
- b) Nuclear: The £50K contribution from LEP reserves for the HPC Supply Chain Service was used to leverage in additional funding from Somerset partners, EDF, Welsh Government and WECA to enable the service to run for a further year during 2022/23. This includes the inward investment specialist service covering Devon, Somerset, and the West of England. To date no additional funding has been forthcoming from BEIS. The HPC Legacy activity continues at pace with a Clean Energy Prospectus being drafted that will be targeted at Developers such as Rolls Royce to support their site selection process for advanced nuclear technologies. We continue to actively support our partners within the Western Gateway with their STEP Fusion site bid, Severn Edge, which if successful will utilise many of the assets and capabilities that we have supported for HPC.
- c) Food & farming: HotSW LEP have supported two important pieces of research to look into the impact of transition away from traditional land-based financial support; and an investigation into the state of public sector food procurement and local supply chains. The Great SW APPG has been hearing evidence on the state of agriculture, with local MPs and Ministers attending. The LEP have also supported a region-wide project to deliver a comprehensive whole-farm approach to advice and business support which resulted in a Devon CC-led bid on a Great SW footprint. The Rural Productivity Working Group continue to work collaboratively across Devon & Somerset and lead on a rural productivity review.
- d) The Build Back Better plan has been refreshed – please see separate paper on this.

Actions newly Amber or Not Started

Not started:

Outcome	Actions	Comments
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Fishing industry has its own voice at a national level, infrastructure is modernised and the sector is stronger as a result of leaving the EU	Current sector data reviewed and evaluated, possibly requiring additional independent research to provide the local sector with a baseline analysis	The actions were linked, with the first to lead into the second etc with the intention to develop a revised evidence base that would inform bids into the £100M Seafood Fund. A brief was developed though in discussion at the Fisheries Action Group, it was clear that the key ports had distinct needs and the announcement of the fund priorities negated the requirement for the research. As a result it was agreed that LEP's role moved to one of supporting bids rather than actively leading the work.
	Series of priority actions developed, informed by sector data and the Fisheries Intelligence Group	
	Effective lobbying to ensure the SW receives a fair share of the £100m fisheries funding pot, with suitable projects identified and a bid submitted	
Investment in offshore renewables accelerated, focussing on FLOW and tidal energy	Tidal energy opportunities in the Severn Estuary investigated.	As discussed at the Energy deep dive, this will be taken forward in 22/23
HotSW recognised as national lead in delivering nature based solutions to provide resilience, improve biodiversity and support transition to net zero	Funding agreements in place for projects to be supported by LEP natural capital demonstrator fund	Call held summer 2021 did not result in any fundable projects. We are now working with North Devon Biosphere to develop a business case for an online platform to unlock natural capital by connecting landowners and farmers with nature-based interventions, funding and a route to market for ecosystem services. The business case supports extension into Somerset and other areas of the country. Being taken forward through SIP
	Seminar with stakeholders to focus on natural capital theme of Build Back Better Plan	
Employment sites & workspace	Complete Yeovil innovation & enterprise area proposition study	In consultation with partners in South Somerset, this has evolved to cover action planning around the Future Flight proposition
HotSW is recognised as a green energy powerhouse	Solution in place to unlock grid constraints	As discussed at the Energy Deep Dive, the Board have agreed updated priorities for the LEP to focus on and these will be taken forward through the Energy programme board
	Renewable energy heat plan produced	
	Testing & commercialising of solutions to transform the energy market – lessons learned shared with interested parties & potential for local energy market project explored	

The high-level approach was agreed at the October Board and a separate update is provided for the Board.

Actions newly Amber or Not Started

None

Programme Delivery & LEP Operations

Delivery of remaining Growth Deal (under F&F), Getting Building Fund and Growing Places has continued with a total of c£40 million of legacy funds continuing into 22/23. The Board agreed the key priorities for 22/23 and the operating model has been revised through F&R; this has included establishing programme boards across the transformational opportunities and strengthening the LEP's communications function. The LEP met the requirements of Government's annual performance review.

Actions newly Amber or Not Started

Not started:

Outcome	Actions	Comments
Board has the skills and knowledge needed for LEP's key priorities	Skills audit complete	This was placed on hold due to uncertainty from the LEP review
	Autumn 21 recruitment with Directors in place for Jan 22 Board	

3. Red Rated OKRs

None reported

4. Issues and Priorities to March 2023

In January the Board agreed that 22/23 work would focus around five priorities and a more detailed 22/23 workplan is being finalised through F&R. A summary of the key outcomes under each heading is shown below and the detailed plan will set out the specific actions and milestones under these. The plan will be tighter in focus than 21/22; this year's plan tracked 136 separate actions whilst 22/23 will track 70.

Progress will continue to be reported to F&R quarterly and the Board 6-monthly.

January Priority	Outcome
i) Transition	<ul style="list-style-type: none"> • Future roles of broader partnership is clear, aligned to pillars and missions on the white paper & other key policy drivers • Timeline agreed for transition • Highly effective LEP Board • LEP operations are delivering effectively ahead of and through transition • Skills and employment supports the area's key opportunities and improved access to jobs and careers • LEP continues to support partner's activity in other relevant areas

ii) Net zero & the transformational opportunities	<ul style="list-style-type: none"> HotSW's unique sectoral strengths are harnessed to deliver net zero, higher productivity growth
iii) Growth Hub, innovation, inward investment & tailored business support	<ul style="list-style-type: none"> Business support in place to support productivity-led clean growth Heart of the SW is recognised internationally as a location for FDI with a year on year increase in FDI enquiries and (re)investment Increased investment in innovation through creation of a major new research and innovation capability in the world-leading clusters of Marine & Environmental Intelligence and dedicated innovation support through a Technopole
iv) Inclusive growth	<ul style="list-style-type: none"> The LEP facilitates the ability of everyone to access to and benefit from economic growth
v) £40m of legacy investments	<ul style="list-style-type: none"> LEP investments are supporting transformational change in the economy