

Draft Minutes of HotSW LEP CIC Board Meeting

8 April 2022

9.30 – 12.00 noon

Via MS Teams

Board Attendees:

David Bird, Isca Ventures LLP (DB)
Jane Dumeresque – Non-Exec Director (JD)
John Laramy CBE - Principal & CEO, Exeter College (JL)
Prof. Judith Petts CBE– Vice-Chancellor & Chief Executive, University of Plymouth (JPetts)
Karl Tucker – Chair HotSW LEP and Managing Director, Yeo Valley Properties Ltd (KT)
Paul Coles – CEO, SWBC (PColes)
Paul Crawford – Chief Executive, LiveWest (PCrawford)
Cllr Phil Bialyk – Leader, Exeter City Council (PB)
Cllr Richard Bingley – Leader, Plymouth City Council (RB) until 10.30am
Cllr Rufus Gilbert -Cabinet Member for Economy and Skills, Devon County Council (RG)
Stuart Brocklehurst – Chief Executive, Applegate (SB)
Cllr Val Keitch – Leader, South Somerset Council (VK) until 10.30am
Vince Flower – Non-Exec Director (VF)

Officers in attendance:

Tracey Lee – Chief Executive, Plymouth City Council took over from 10.30am as alternate for Cllr Richard Bingley (TL)
Kevin Mowat – Director, Torbay Council (alternate to Cllr Darling)
Jane Portman – Chief Executive, South Somerset Council accompanying Cllr Val Keitch (JP) until 11.00am

Karime Hassan – Chief Executive, Exeter City Council accompanying Cllr Phil Bialyk
Keri Denton - Head of Economy & Enterprise, Devon County Council, accompanying Cllr Rufus Gilbert (KD)
Claire Gibson – Head of Delivery, HotSW LEP (CG)
David Ralph – Chief Executive, HotSW LEP (CG)
Donna Parham - Deputy S151 Officer, Somerset County Council (DP)
Eifion Jones – COO, HotSW LEP (EJ)

Others in attendance

Elizabeth Spence - Deputy Area Lead for HotSW & Dorset, Cities & Local Growth Unit – South West (ES) until 10.50am
Garth Davies - University of Exeter for agenda item Innovation piece only (GD)
Phill Adams- Programme Lead, Devon, Plymouth & Torbay County Deal, Devon County Council for Devo Presentation only (PA)
Janet Powell – Executive Assistant, HotSW LEP (for minutes) (JPowell)

Shane Vallance – For Economic Dashboard presentation only (SV)
 Simon Hooton - Director, Ash Futures (SV) for Economic Dashboard presentation only (SH)
 Suzanne Bond – Area Led, HotSW, Cities & Local Growth Unit (SB)

Apologies:

Cllr David Hall - Cabinet Member for Resources and Economic Development, Somerset County Council (DH)
 Prof Lisa Roberts – Vice-Chancellor, University of Exeter (LR)
 Melanie Squires MBE – SW Regional Director, NFU (MS)
 Richard Stevens – Managing Director, Go South West (RS)
 Cllr Steve Darling – Leader, Torbay Council (SD)
 Anne Marie Morris, MP representing Devon MPs (AMM)
 Ben Bradshaw, MP representing Devon MPs (BB)
 Marcus Fysh, MP representing Somerset MPs (MF)

Paper	Decision	Decision agreed
7. Chief Executive's Report	Hold a Members meeting and recommend the proposed amendments to our Articles– Appendix 2.	The Board agreed.
7. Chief Executive's Report	Ask for the Nominations Committee to carry out the recruitment of 2 new private sector Board Members addressing our gender balance etc.	The Board agreed.
7. Chief Executive's Report	Ask the College principals to update FE representation and as part of the Governance/Effectiveness review at the end of the summer note the need to confirm the Chair's appointment.	The Board agreed.
9 iii) Updated Build Back Better	That the revised Build Back Better plan is approved.	The Board agreed to the changes to the wheel diagram in the cover paper. However, the amended BBB is to be circulated to see if there are any changes to the text by the deadline date 22 April. Minor modifications have been made as a result of feedback and the updated document has been published.

Agenda	Action
1. Welcome & Apologies Apologies as above. The Chair announced a slight reorganisation of the agenda bringing agenda item 8 – Innovation – Maritime and Environmental Science Accelerator ahead of the presentations.	
2. Declarations of interest	

<p>All Board Directors submit yearly annual submission declarations of interest forms. Only those conflicts of interests over and above those already declared are required to be raised. Nothing further raised.</p>	
<p>3. A little bit of Culture JD stepped up instead of LR to read a poem today by Becky Hemsley. It will revert back to LR at the next Board meeting.</p>	
<p>4. Draft minutes of 23 January 2022 Board meeting and actions arising</p> <p>C/F from 16 July 2021 the action was that the Dept of Work and Pensions (DWP) shortcomings will be taken up with the relevant Gov't partners. The DWP now deem the complaint is finished and closed. The University is asking relevant partners if they wish to take the matter up with the Parliamentary Ombudsman regarding DWP's procedural failures and one MP's support is required for this. If partners decide to take this further then DR is happy to approach AMM or BB who at a previous Board meeting indicated they would be happy to be involved.</p> <p>Action: On Page 11, paragraph 2 of the minutes a correction to be made 'of both Universities receiving grants for their projects of £60 million towards more research and development into floating wind technology' – this should be £6 million.</p> <p>All other actions completed and minutes otherwise taken as accurate.</p>	<p>JPowell</p>
<p>5. Questions from the public None.</p>	
<p>8. Innovation – Maritime and Environmental Science Accelerator, Stuart Brocklehurst</p> <p>During 2020 and early 2021, the region participated in the MIT Regional Entrepreneurship Acceleration Program (MIT REAP) funded by the Dept. of Business (BEIS), recommendations from that work were approved by the LEP board in November 2020 and the Innovation Board has been working with the two universities to specify the deliverables in greater detail, cost the programme and engage with key stakeholders. The aim of the programme is to define approaches to driving forward innovation and to identify distinct strengths in global terms.</p> <p>The three elements of the programme, now firmed up and costed are:</p> <ul style="list-style-type: none"> - creating the world's first Maritime Autonomy Assurance Testbed in Plymouth at a cost of £53m - building an environmental intelligence solutions hub in Exeter for £60m - establishing a South West Technopole to commercialise R&D assets, for £15.3m for the combined cost of £128.3m over five years. <p>At a recent meeting in March, with Michael Gove, the Secretary of State for Levelling Up Housing and Communities, the Minister was very engaged in the opportunity to support the Gov't's ambition to become a science superpower, to deliver an increase in spending on research and development (R&D) particularly outside of the Greater South East, to boost export earnings and critically to support the levelling up agenda, especially where examples showed the impact of forming a research-intensive business in more marginalised</p>	

communities i.e creating more apprenticeships etc. Subsequently, this has been socialised with Gov't officials, a follow-up conversation held with Sally Edgington, and a meeting with Fiona Murry, the Dean of Innovation and Professor of Entrepreneurship at MIT. She now heads up the REAP programme and is also a member of the Council of Science and Technology briefing the Prime Minister on how to become a science superpower and Fiona has relayed her support for the plans to Michael Gove. The next steps are to hold an event in the region (probably Plymouth) for local MPs and Fiona has agreed to come over from Boston to speak about MIT and to express the views of No. 10.

A briefing was due at No.10 but this has been postponed by the Ukraine crisis. The region has consistently been told to focus on areas of real global strength hence maritime autonomy and environmental science - a shopping list will dilute HotSW's credibility. So far only 3 cities have received accelerator funding Glasgow, Manchester and Birmingham - the ask is very ambitious but if overloaded, the risk is that it will fall over.

JPetts introduced the Marine Autonomy Assurance Test Bed – the bid was submitted by Lloyds Register, (one of the four main regulation and standard-setting organisation in the world for all things marine) together with the National Physical Laboratory (NPL) to the Comprehensive Spending Review (CSR) and also to the Dept for Transport (DfT) and BEIS. The Dept. for International Trade (DIT) has designated Plymouth and South Devon Freeport as a High High Potential Opportunity (HPO). The bid emphasises that this will be the mechanism by which all marine autonomous shipping will be regulated by 2030 and is worth c. £100b. Plymouth was highlighted as an opportunity due to its engineering and autonomy strength, the fact that Plymouth Sound has 1000 sq km of highly digitalised 5g, with some of the longest data for monitoring in the world and it provides a defined area to test and set the standards for global autonomous shipping. This would apply to commercial shipping, offshore floating wind, the maintenance of offshore floating wind, scientific research and the development of equipment in the marine sector. There is competition from Korea and Singapore. This is a time-limited one-off opportunity with significant inward investment spin-offs, but the difficulty will be in aligning three gov't depts to get in front of No. 10 to agree on funding. Funding will be partly from Gov't, the LEP or whatever in the future, UK Research and Innovation (UKRI) Innovate UK and the industry itself.

GD introduced the Environmental Intelligence Solutions Hub – this will enable organisations to make smart decisions based on future climate change scenarios, maximising financial benefits, whilst reducing business or service risk. It will provide environmental artificial intelligence (AI) expertise alongside tailored support and tools to the following sectors; energy, transportation, telecommunications, agriculture, critical infrastructure, insurance, health care and marine. Examples where this expertise could be used:- the team will be able to utilise current projections and AI to predict the type of future flooding and effects on electricity, transport and communication networks to reduce costs with early interventions and mitigation; also solar and wind yields for renewables which can predict the impact of future extreme weather events on energy system security; in construction to determine the future temperatures with the thermal characteristics of buildings and the landscape to determine solutions for heating, cooling and insulation under a changing climate; in agriculture using data science and historical

climate records with crop yields and land conditions with the impact of future weather will provide food security. The environmental intelligence team at Exeter University utilising data science, AI and cutting edge technology can equip businesses and Gov't with the information and tools to adapt and compete. Not only is there huge potential to support the South West but both nationally and internationally bringing skills and jobs to the region.

The topic was opened up for Board comments.

In Cllr David Hall's absence, his comments were read out by the Chair.

- The concern that the proposal as currently framed is focused on innovation drivers in Plymouth, Exeter and Devon. To become a HotSW wide proposition there needs to be a meaningful focus on the drivers for Somerset (nuclear, marine geospatial data, aerospace and the emerging net zero opportunities linked to Gravity). Given the Board's commitments to inclusive growth and the Gov'ts drive for levelling up, seeing £100 million-plus of the £128 million figure for the proposal being invested in Exeter and Plymouth does not sit comfortably with him.

In answer to the above SB responded that inclusive growth is critical and is why the technopole is so indispensable in ensuring that R & D intensive businesses are supported regardless of their location. The whole region will benefit hugely by having global leadership in maritime and environmental science e.g Silicon Valley now covers over half of Southern California, businesses don't have to be based at Stanford but are spread out across the region. Many years ago the board supported Hinkley Point C, a nuclear power station in Somerset, however, there isn't a power station in Devon. There is plenty of evidence though that demonstrates the impact of the Hinkley supply chain and its ripple effects across the region which has benefited many other areas e.g North Devon. So far three accelerators have been nationally funded – to be successful it has to be in a place with a real intensive R & D strength, if the centres of Plymouth and Exeter are not successful it isn't a question of it going to Taunton it will go to San Mateo, Colorado or South Korea. In terms of UK Gov't funding, it could go to different industries in Newcastle, Nottingham or Leeds. Unfortunately, the simple reality is that support cannot be provided for an R & D base that is not present.

Other comments:-

- The HPO also covers Cornwall, Devon and Dorset and needs to explore linkages with the Great South West (GSW). Hayle has recently received favourable news regarding its floating offshore wind (Wave Hub) and in Dorset, the HPO includes aqua-culture which has had a large number of enquiries, but none converted into investments.
- To win for the region, sometimes you have to focus on a particular area, compare what Hinkley has done to increase welding wages in Devon and imagine if the accelerator has a similar impact in Somerset? The Board needs to become better at investing in specific projects as opposed to spreading the butter too thinly across a wide geographical area.
- The marine autonomy assurance testbed is the first of the projects in the larger Ocean Futures Total programme which spans Cornwall and Dorset. Floating offshore wind is across Cornwall, N Devon, Plymouth and in multiple locations but driving forward the testing and demonstration is the first step into autonomy. These are tiered projects which have to go ahead before a much larger programme of work.

<ul style="list-style-type: none"> - Have to be realistic, work needs to be focused on where the centres are and this in turn will bring benefits to the whole region. <p>The Chair and the Board commended SB, JP and GD for their report and were fully supportive of the work so far.</p>	
<p>6i) Presentation – Emerging County Deal update – Tracey Lee & Phill Adams</p> <p>The presentation was circulated in advance.</p> <p>Following on from a recent teams video call in which some Board members and business organisation representatives (BROs) attended and gave a quick outline presentation on the Deal so far including the draft of the Devolution Deal Template - this session provides a brief update on the background and current status of deal negotiations so that everyone's understanding is at the same level and takes into account Board feedback on the template and the proposed approach to embedding the business voice/principles plus next steps.</p> <p>Following the Gov'ts recent letter sent a letter to LEPs on 'integrating LEPs into local democratic institutions a chief executive's local authority (LA) and LEP meeting is in the process of being organised on how to take this forward. The Devo team are clear it wants good engagement with the LEP Board and recognise a strong business voice is integral in making investment decisions.</p> <p>Work is required on the next stage for the GSW recognising that a number of key business sectors e.g marine, aerospace, energy, defence spreads across a wide geographical area and the need to ensure the balance is right. The focus is on what other tools can help to deliver the priorities going forward that have already been identified in the work of the LEP and Joint Committee in producing the Productivity Plan, Local Industrial Strategy and the updated Build Back Better plan as they all flow into each other.</p> <p>The following comments arose:-</p> <ul style="list-style-type: none"> ➤ Gov't expects LEPs to be involved and where there is no Devo deal there will still be a LEP although local partners will need to determine what this looks like in line with the options set out in the integration letter. ➤ How will the BROs be engaged? The intention is to include them within the wider strategic group. ➤ The template is too prescriptive and doesn't allow a compelling narrative for the SW which has the largest housing crisis outside of London, issues with social mobility, employment and low wages increase the challenges to levelling up. ➤ The role of business in investing in the region needs to be drawn out – have to be careful the Devo construct is not just a framework for public funding (which is scarce). There is considerably more private investment in the region, it has to be a public/private partnership not just in governance but in investment in the region which is critical. ➤ Don't focus just on the Devo deal as a lot can be achieved outside of the proposition e.g with long term strategic joint partnership planning around land supply, and collaborative work around accelerating new homes. The 5-year plan is not fit for its purpose, need to 	

forward plan for the next 15 years and identify the future opportunities for commerce, industry and housing.

- Concerns over the legacy role for the LEP particularly in Somerset – there is a danger it gets overshadowed by the Devo deal.
- The risk of losing focus and momentum within the work of the Skills Advisory Panel (SAP) especially if key players are involved in the dialogue of a county deal and increases the number of meetings to attend. The danger is that nothing is achieved for a year and Somerset is forgotten.
- The LEP will continue its functions in Somerset but who will deliver these in the future will be decided once Somerset has concluded its single unitary authority status next year.
- Innovation (which involves scale, money, inward investment and operation outside of the area) doesn't feel as if it can be delivered by a Combined Authority (CA) footprint with only the small amounts of funding that might flow in an SPF. The CA's relationship role with Gov't will be limited in what other pots of funding it can draw down (aside from its direct funding) and this in no way replicates the larger sums the LEP and previously the Regional Development Agency (RDA) have been able to achieve which highlights a real gap.

The Board thanked TL and PA for their very helpful updates.

6iii) Presentation - Observatory Dashboards – Simon Hooton

The economic dashboards for the economy, clean growth, future growth and inclusive growth were circulated in advance.

One of the LEP functions is to provide data intelligence on the economy and Simon Hooton from Ash Futures assists in this by producing dashboards that are available to the LEP's partners and on the website. There are three levels to each dashboard; a visual front, behind which sits several pages of background and linked to the source data so people can choose how much detail they wish to view. The dashboards will be updated over the next year to capture new data sets as published and are currently being double checked as a mistake was highlighted by one of the Board members. Key issues were highlighted for each of the dashboards.

Comments picked up in the chat function were as follows:-

- the digital connectivity data from OFCOM is significantly out of date and mis-represents the true extent of digital connectivity in Devon and Somerset. Appropriate data source to be investigated in the verification of the data already mentioned
- .
- Worth noting that Russia is one of the E7. Its proportion of the forecast E7 growth may need revisiting ahead. (E7 stands for a group of the emerging market economies of Brazil, China, India, Indonesia, Mexico, Russia and Turkey as opposed to the G7 which represents countries with advanced economies).
- Soon-to-be-published research by Dr Anne-Marie Sim and Professor Lee Elliot Major of Exeter University shows that the SW has the worst educational outcomes for disadvantaged young people in the country, and particularly low social mobility compared with other regions.

<p>For the expediency of time, the Chair asked any Board members with questions to contact EJ after the meeting who will liaise with Simon.</p>	
<p>7. Chief Executive's Report</p> <p>One of the functions transferring from the LEP to the CA will be data, therefore the LEP will continue to ensure the dashboards are updated regularly over the next year and are easily accessible. In transition, the LEP will want to want to understand how the CA will use and apply data moving forward to ensure that future priorities and actions are evidence-based.</p> <p>Updates since the report was circulated:-</p> <ul style="list-style-type: none"> ➤ Board members will have seen the PM visiting Hinkley Point C yesterday and the launch of the new energy security strategy for the UK directly relevant to floating offshore wind and nuclear going forward. ➤ There was also a short debate in the House of Lords yesterday on the topic of 'levelling up the South West' which was highlighted to SW peers together with any relevant points in briefing materials. ➤ There is a Social Mobility event on 28 April which is being run jointly by the LEP and the University of Exeter after which the Social Mobility Report will be published. ➤ A letter of comfort has been received on Growth Hubs (GH) indicating funding for a core amount only per annum (a lot less than last year) and but this requires confirmation by Gov't and the LEP will need to work out what this means in terms of delivery over the next 12 months. ➤ The integration letter from Gov't confirms the area is in level 2, but once a deal is done in the CA of Plymouth, Torbay and Devon this moves the region into a level 3 area which means the LEP is bespoke and needs to work with Somerset on future progression. There are 3 principle actions within the integration letter; <ul style="list-style-type: none"> a) to submit a work plan by June 25 which apart from adding a few things from integration is nearly ready for sign off by Finance and Resources (F&R) and meets the five priorities the Board set of which one was on transition and four were on delivery which is all in hand; b) to have an integration plan with the CA; c) to have an integration plan with Somerset and both plans need to reference each other as there is overlapping work. The LEP is not being fast-tracked for an integration plan, more than likely this will be by November which is when Gov't normally requires a further delivery plan from the LEP (i.e for the LEP to continue i.e in Somerset and also Devon if the CA doesn't proceed). ➤ To progress the integration plan a meeting with CEOs is being planned with the 4 upper-tier authorities. It is a joint plan which needs both the LEP and LA agreement. <p>In order, to ensure the LEP is fit for purpose to deliver the transformational opportunities and priorities across the patch there are 3 actions relating to governance that need to be endorsed and implemented:-</p> <p>1) The maximum term a HE Board member can serve is 6 years and the recommendation is to hold a Members' meeting to consider proposed amendments to the Articles</p>	

<p>giving the Board discretion to re-appoint any HE Director and so retain their services for the LEP.</p> <p>If members are unable to attend the meeting they must defer their proxy vote to the Chair as a 75% positive response is required to pass this resolution.</p> <p>2) Ask the college principals to confirm who their future member will be as JL's term is up in the next month or two.</p> <p>3) For the LEP to recruit 2 private sector Board members as it is not currently compliant with the Gov't assurance framework on gender. The proposal is to use the shortlist of applicants undergoing the future leader's programme in the first instance and this list has been circulated to the LAs and has good geographic coverage.</p> <p>The above 3 actions were endorsed by the Board.</p> <p>In the run-up to the 23/24 delivery plan submission in November– there are also further pieces of work that need undertaking; a governance review/refresh and a board effectiveness review potentially recognising that the LEP may be working in a different geography in the future. The chairmanship will also need reviewing by December and six Board directors will reach their 6 year time by April 2023. Future Governance will also need to take into account the single unitary council in Somerset which will change the LA representation going forward. All are significant challenges for the LEP.</p> <p>Action: A volunteer is sought to carry out the board effectiveness review.</p>	
<p>9. Performance updates – Eifion Jones</p> <p>i) 21/22 Workplan Report + Annex A – Objectives & Key Results Dashboard + Annex B – Objectives & Key Results Amber Report</p> <p>The performance update covers the last 6 months consisting of a narrative, a dashboard showing how the LEP is doing against the different outcomes and a separate report showing which objectives are still amber. Throughout the year good progress has been made shown by the completed actions. There are no longer any red actions and a lower amount of amber actions. Some actions set out a year ago have not been started and this is because things have moved on since then i.e board recruitment and board skills audit, this work was put on hold due to the uncertainty over the LEP review. Similarly, the study for potential tidal energy in the Severn was recently discussed at the Board deep dive into energy. The end of the narrative sets out the 5 priorities for 2022/2023 which F & R have been working on to set out in more detail.</p> <p>ii) Standing item Leadership Group updates</p> <p>Business – As RS is unable to attend the meeting a written update has been circulated. Within this update, it confirms the letter of comfort received from the Gov't for £268,00 GH funding for the year (half of last year's amount) and the LEP previously agreed it will underwrite the difference through to March 2023 to enable the service to continue, regardless of what Gov't has prescribed.</p>	<p>All to DR</p>

The Inward Investment £900,000 soft landing package has so far committed £480,000 which will create 35 jobs. A live call out has generated approx. £450 – 500,000 more worth of funding concluding in September with the money to be spent by June 2023.

Place – with MS absent, CG provided an update. This group hasn't met for a while and plans are afoot to disband it but this has not been communicated yet. This leaves 3 working groups connected to Place; rural productivity, the energy subgroup and the natural capital working group. How these groups will be picked up will be covered later in the Build Back Better (BBB) update.

The Chair reminded the Board they approved the recommendations made in the Public Food Procurement Report and that LA institutions need to ensure specific targets are made to increase local food procurement.

Skills Advisory Panel – Vince Flower. Apologies were given as an update paper will be circulated after the meeting. The update highlights there are continuing labour market concerns across all sectors and that the active population in Devon has fallen by 126,000 during 2019 – 2020 and is at its lowest level since 2010 and is of major concern. The shrinking population fall is contributed to early retirement, young people disengaging from work due to covid and small numbers leaving the UK due to Brexit. There are concerns over what SAP can achieve in the next 12 mths and whilst there have been two meetings held this year (both well attended) frustration is growing as the group want to start making a difference – internal conversations will be taken up to resolve this. The Local Skills Report published at the end of March is now available on the website.

Inclusive Growth – Paul Crawford. Apologies there is a report drafted for the Board which was unfortunately missed off the agenda but will be circulated after the meeting. Back in the Autumn, the top 4 priorities for inclusive growth were agreed upon:- business, jobs, housing and health with an expert panel to be set up to identify the key priorities within the HotSW area. The panel was due to meet in February but this was postponed pending the publication of the levelling up white paper to ensure the focus is current and aligned with central Gov't and also to take into the outcomes and activities from the Social Mobility Conference being held jointly with Exeter University on 28 April. Social mobility is integral to inclusive growth and everyone is invited to attend on the new date of 19 May, particularly the Chairs of the Leadership groups who are urged to champion inclusive growth in their working environments. The LEP and LiveWest are jointly funding the work of Metro Dynamics to produce a detailed action plan to be presented at the next Board meeting which will highlight areas of best practice, what's working well under the 4 priority areas and the gaps that exist. The plans will need to be segmented into Devon and Somerset so that these can be passed onto any construct that exists in the future to form part of the LEP legacy work.

iii) **Updated Build Back Better Plan – Claire Gibson.**

This paper outlines the refresh that has been done of the Build Back Better Plan and now incorporates the clean growth blueprint, reflects on policy changes that have happened since the document was published last Spring and builds in a new Food, Farming and

Natural Capital programme talked about previously at the Board. There are fairly modest changes to each of the programmes. Progress is as follows:

Energy - the floating offshore wind study is nearing completion, commissioned and jointly funded by the LEP, Devon County Council, North Devon and Torridge District Councils raising exciting opportunities for the whole area including Somerset to build on the existing Hinkley supply chain. The Gov'ts Energy Security Strategy has significant increases in floating offshore wind from 1 gw to 5 gw with plans to reform the planning laws to speed up the approval of offshore wind farms from 4 years to 1 year and a significant increase in nuclear to 8 plants (1 of which is Hinkley) increasing energy production to 24gw, which is 25% of the projected electricity demand for the UK. Small modular reactors will form part of this and hopefully, there will be more opportunities for the area to build on the legacy of Hinkley to benefit from this. A new body 'Great British Nuclear' will oversee the delivery of all of this.

Hydrogen – now doubling from a forecast of 5 gw to 10 gw by 2030 and the LEP may need to reconsider whether Hydrogen is a priority particularly as Gov't is looking to co-locate with offshore wind to help reduce the production costs of hydrogen?

Board comments in the chat facility; Hydrogen should be reviewed, some very interesting opportunities to lead on the reduction of CO2 from domestic heating. One SW company is struggling to get R & D Funding support from Innovate UK to help enable the conversion of domestic gas heating to hydrogen – it is worth noting this week's Intergovernmental Panel on Climate Change (IPCC) comments on the role of hydrogen. They may inform government thinking.

Grid Capacity – a recognition this needs to increase with changes to planning to accelerate these investments by 3 years, the will want LEP needs to ensure the area benefits.

There was also some advice for households and businesses on energy efficiency but this has been criticised as not enough.

The Energy Programme Board, kindly chaired by JPetts has its' first meeting on 5 May and will pick up on the Board's comments from the LEP's Energy Deep Dive, the eight priorities, reflect on the Energy Strategy, next steps for the floating offshore wind study and provide feedback at the next Board meeting.

Marine – The business plan for Ocean Futures is nearing completion. The final draft has been socialised with various Gov't depts with favourable feedback and new governance arrangements are being set up in the form of a partnership Board which will be the vehicle to govern and deliver this programme of Oceans Future within the BBB plan.

Sustainable Aviation - is making good progress with another meeting of the programme board next week. Work has been commissioned to look at the region's offer for future flight and the final draft report is being reviewed to be presented to the partnership board. There are some great opportunities for both Devon and Somerset, no doubt resulting in actions to realise the benefits to the area.

Digital – currently working on 2 expressions of interest (part of the BBB Digital call from the £8 m digital investment programme) both with good links to the marine and environmental intelligence priorities, with the hope that the business cases will go before the Strategic Investment Panel (SIP) in July and will update the Board in the coming months.

Tourism – waiting on the business case for the tourism data hub (another part of the £8m investment programme) and will update the Board when more details are known. This is being led by the Great South West Tourism Partnership with Plymouth City Council (PCC) as the accountable body.

Food, Farming and Natural Capital – working with MS to decide the membership of this group, to retain the expertise of members who currently sit on the Place Leadership Group and the productivity and natural capital working groups. This group will help to deliver the priorities from the food procurement mapping report and also the potential investment of the £1m natural capital demonstration loan fund due to go before SIP next month.

The decision requested is that the revised Build Back Better plan and changes are approved. In terms of good governance, the above was amended to request that the Board is happy to confirm the changes to the wheel diagram only on page 3 of the paper (as the complete BBB document has not been viewed).

The Board approved the changes to the wheel diagram.

All/J
Powell

Action: the revised BBB document in full will be circulated after the meeting for the Board to approve the small changes to the text that have been made. This was circulated on 8 April with tracked changes to Board members for any changes by cop Friday, 22 April – if nothing is received by this date it will be deemed that everyone is supportive of the changes.

iv) Strategic Investment Panel update – David Bird

The good news the team is doing well under extremely difficult circumstances and delivering against programmes, projects and outputs. Earlier in the year under the Getting Building Fund (GBF), the LEP reported to Gov't the need to use £7.5m against the freedoms and flexibilities which has now risen to £9.5m due to covid and supply disruptions all in all a good result due to great collaboration between the team and the projects.

Growing Places Fund – the LEP is continuing to support the clients that are borrowing with capital repayment holidays. The most pressing project is DC Homes where a valuation has been commissioned to inform the decision around supporting the project going forward. The funding is for projects to get to the stage where they can refinance on commercial terms with this principle now being firmly established.

Work has been undertaken to ensure Somerset during its reorganisation will continue to operate as the LEP's Section 151 officer which will transfer over into the new structure. Concerning the aforementioned freedoms and flexibilities mentioned in GBF, the timescale for redeploying the monies will be within this financial year. What happens if the monies are not redeployed by this time? The complexity with integration will be how this will work

<p>when a CA is in place if there is money left over? It will be particularly complicated to monitor outputs as Greater Devon will be responsible for some and Somerset for others. Also, because the LEP is a CIC there are challenges over the LEP's asset lock which it is seeking to understand. Jason Vaughan will remain as the S 151 officer and Donna Parham will cover for Ben Bryant as the finance officer for the LEP whilst Ben is working on a special project.</p> <p>The LEP's monies are held separately in Somerset's budget and are ringfenced as an accountable body function as LEP finances. The Board were assured that most of the projects utilising freedom and flexibilities will be delivered in the first half of this financial year.</p> <p>v) Finance Report month 6 & annexes A & B- David Bird</p> <p>The LEP finances are in good shape due to the prudent building up of reserves which assumed no more Gov't grants and includes the underwriting of the GH. Now the Gov't have confirmed some core funding for LEPs this allows the budget to be revisited, but the view is there are sufficient resources to deliver the priorities set by the Board and the team is doing a good job in delivering these. With diminishing reserves, F & R are continuously challenging the budget holders to see if budgets are still valid and because of this, the papers show funds coming back to the LEP which can be invested in other projects.</p> <p>The query around whether the LEP could sell its Growing Places Fund asset has prompted a high-level discussion which F & R is currently working on to understand the implications of a transition to ensure the directors discharge their duties correctly. The Articles are very clear and specific (in line with the asset lock of CICs) – if the LEP passes its assets onto another body, that organisation needs to be a community interest company (CIC) have the same community purpose, be at 100% value and be signed off by the CIC regulator.</p>	
<p>10. Papers for noting No comments.</p>	
<p>11. AOB None. The Chair thanked everyone who presented and the board members for taking part in the discussions.</p>	

Next Board meeting:- 15 July 2020 from 9.30am – 12.30pm via MS Teams