

Draft Minutes of HotSW LEP CIC Board Meeting

14 July 2023

from

9.30 am – 12.00 via teams

Board Attendees:

Cllr David Thomas – Leader of Torbay Council (DT)
Cllr David Woan- Associate Lead Member for Economic Development & Inward Investment Somerset Council (DW)
Jane Dumeresque – Non-Exec Director (JD)
Prof. Judith Petts CBE– Vice-Chancellor & Chief Executive, University of Plymouth (JPetts)
Karl Tucker – Chair HotSW LEP and Chair Yeo Valley Farms Ltd and Yeo Valley Ltd (KT)
Paul Coles – CEO, SWBC (PColes)
Paul Crawford – Chief Executive, LiveWest (PCrawford)
Richard Stevens – Managing Director, Go South West (RS)
Cllr Rufus Gilbert -Cabinet Member for Economy and Skills, Devon County Council (RG)
Stuart Brocklehurst – Deputy Vice-Chancellor for Business Engagement and Innovation, University of Exeter(SB)
Cllr Tudor Evans – Leader of Plymouth City Council
Vince Flower – Non-Exec Director (VF)

Officers in attendance:

Claire Gibson – Head of Delivery, HotSW LEP (CG)
David Ralph – Chief Executive, HotSW LEP (DR)
Eifion Jones – COO, HotSW LEP (EJ)
Janet Powell – Executive Assistant, HotSW LEP (for minutes)
Lisa Tuck - Divisional Director Economy, Environment & Infrastructure, Pride in Place, Torbay Council, accompanying Cllr David Thomas
Keri Denton - Head of Economy & Enterprise, Devon County Council (KD), accompanying Cllr Rufus Gilbert
Paul Hickson - Lead director: Service Director of Economy, Employment and Planning, Somerset Council, accompanying Cllr David Woan
Tracey Lee, Chief Executive, Plymouth City Council, accompanying Cllr Tudor Evans
Suzanne Bond - Area Lead – Heart of the South West, Cities and Local Growth Unit - South West (SBond)

Others in attendance for presentation on Social Impact Fund Scoping

Jack Scriven – Achieve Good
Dominic Llewellyn - Achieve Good

Apologies:

David Bird, Isca Ventures LLP (DB)
Helen Higgs - Head of Construction Skills Capability, EDF Nuclear New Build, EDF (HH)
Mark Bolton – Principal & CEO, Yeovil College (MB)

Jason Vaughan – Director of Finance, Somerset Council (JV)
 Anne Marie Morris, MP representing Devon MPs (AMM)
 Ben Bradshaw, MP representing Devon MPs (BB)
 Marcus Fysh, MP representing Somerset MPs (MF)

Absent

Phil Bialyk – Leader of Exeter City Council

Paper	Decision	Decision agreed
7. Chief Executive's Report	<ul style="list-style-type: none"> i) Agree on any actions if the Chancellor has provided any further guidance. ii) Agree to review an options paper on the transition at the September deep dive session (assuming further guidance issued by Chancellor) iii) To hold a member's meeting to agree on amendments to the Articles - to change the representation of Somerset Council – if Directors can't attend it is important that their vote is made (through a proxy) 	The Board agreed to all 3 decisions
8. Digital Funding Update	<p>The Board is asked to note this paper and agree to the following recommendations from OIC:</p> <ul style="list-style-type: none"> i. Invite a business case from CDS to invest £437,480 in the Community Challenge Fund, made up of the £391,280 LGF contribution to the Voucher Top-Up Scheme and £46,200 Mobile Boost LGF underspend. The final decision is to be delegated to OIC. ii. Agree to return the unspent £433,376 GPF from the Voucher Top-Up Scheme to the Growing Places Fund unless there is proven community demand to support an increase in the LEP's contribution to the Community Challenge Fund. The final decision is to be delegated to OIC. 	The Board agreed to both recommendations.

Agenda	Action
<p>1. Welcome & Apologies</p> <p>The Chair welcomed Cllr David Thomas, Leader of Torbay Council (replacing Cllr Steve Darling) and Cllr Tudor Evans, Leader of Plymouth City Council (replacing Cllr Mark Shayer) – changes which have occurred due to recent local elections.</p> <p>Apologies as above.</p>	

<p>NB No – one was volunteered to fill in the Board effectiveness meeting review form on this occasion.</p>	
<p>2. Declarations of interest All Board Directors submit yearly annual submission declarations of interest forms. Only those conflicts of interest over and above those already declared are required to be raised.</p> <p>Further declarations raised under agenda item 8 Digital Funding TE – Director of Destination Plymouth, a beneficiary. RS – Chair of Destination Plymouth, a beneficiary. RG – Board Member of Connecting, Devon and Somerset (CDS)</p>	
<p>3. A little bit of Culture The Chair read out a poem entitled ‘Ella of Infinite Possibilities’ by Jacqueline Sewald from the Readers Digest 20 most inspirational poems.</p>	
<p>4. Draft minutes of 14 April 2023 Board meeting and actions arising</p> <p>C/F Action: To assist the move through the transition from a business-led model to a local authority-led model, it would be useful for the LEP to have a SWOTs analysis from the authorities to help understand the implications. Also, a stakeholder plan ahead of determining structures to understand how this will be progressed. Not progressed at the moment as there is no news on transition (covered in the CEO report) with much still unknown.</p> <p>Action: Under Build Back Better to see if other sites across the patch could form part of a wider investment plan for photonics which needs further investigation. The business case for the production park and viability of the land has been produced, met with Torbay Council and the business case has been circulated to the inward investment teams. There is still a funding challenge with the hope of some levelling up monies. <u>This item is now closed.</u></p> <p>Action: The team developing the Local Visitor Economy Partnership (LVEP) study scope of work was thanked for their hard work with a final version due soon which highlighted the need for a comms plan which also needs to involve the LEP Comms team. Tomorrow’s Tourism has been appointed to do the LVEP work. <u>This item is now closed.</u></p> <p>Action: To seek a meeting with the National Grid for engagement and discussions around the implications of the Alverdiscott connection in N Devon etc. This is proving complicated and will be updated by CG under item 9. Build Back Better Plan. <u>This item is now closed.</u></p> <p>Action: to clarify the governance between the LEP Energy Programme Board and the distinction between the GSW Energy Programme Board. The LEP Board is continuing to meet while the GSW establishes its priorities, which will be informed by the GSW Energy Prospectus. <u>This item is now closed.</u></p> <p>Action: to confirm the voting rights on the Operations and Innovation Committee (OIC) if the Innovation Board were to close down (so reducing Board Director representation on OIC). The GSW Innovation Board is in train with the HotSW LEP one parked for the time being which still gives representation on the OIC. <u>This item is now closed.</u></p>	<p>DR/LAs</p>

All other c/f items and outstanding actions have been completed and the minutes were taken as accurate.	
<p>5. Questions from the public None.</p>	
<p>The agenda jumped to item 7. Chief Executive's Report (as item 6 is due at 10am)</p> <p><u>Further updates since the CEO's Report</u> Gov't has published the National Evaluation of Growth Hubs (GH) which is pretty favourable nationally and for HotSW generally - scoring top 5 coverage (although some of the figures look slightly odd). The Business Leadership Group will examine these further and report back.</p> <p>An announcement was made for £7.5 million towards the University of Plymouth Supergen Offshore Renewable Energy Hub providing an extension of a further 10 year's worth of research funding for the Hub in the SW, crucial for the Celtic Sea and helping to cement the SW's leadership in Offshore Wind. Congratulations to Prof. Deborah Greaves who led the project. The Ministerial visibility on Supergen is quite high at the moment in terms of the development of energy and the Celtic Sea.</p> <p>2 x Endorsements for the Engineering and Physical Sciences Research Council (EPSRC) for Place-Based Impact Acceleration Account funding (PBIAA) for the UK</p> <ul style="list-style-type: none"> - University of Plymouth for the Celtic Sea was not successful. - GW4 to develop and accelerate the delivery of a programme of impact activities for the emerging hydrogen research and innovation cluster across the South West and South Wales status was shortlisted for interview and outcome is expected soon. - <p><i>Private and Confidential</i> A Govt' announcement on Apollo/Gravity is imminent. Due diligence will then follow on the agreement and includes the sale of the site (it is likely 75% of the site will be bought on a freehold basis), the scheme is only in outline format and the case for public subsidy (using the new public subsidy control systems) is still to be progressed.</p> <p>There are 3 forms of public subsidy; potential direct Gov't contribution, a local contribution through the business rate Enterprise Zone programme and an application to the Automotive Transformation Fund application.</p> <p>The due diligence stage and sign-off of the agreement are likely to take at least 3 months. More will be revealed as and when.</p> <p><i>NB: Subsidy control regimes set rules, procedures and processes that allow public authorities to award subsidies to achieve public policy objectives, whilst also limiting the negative effects of subsidies on domestic and international competition and investment.</i></p> <p>Is there any LEP Funding for the above to maximise the supply chain opportunities? The work streams include the supply chain in a local investment plan. Although there is very very little available LEP funding officers will look to whether it is appropriate to contribute directly to add</p>	

value to other initiatives.

NB. Gov't has since made an announcement but is yet to confirm the specific site.

Transition

Nothing much has happened since the last meeting, some of the queries remain answered and still awaiting the Chancellor's statement on the future of LEPs although promised before summer recess which may at least clarify funding. A recent County Council Network meeting asks the Chancellor to abolish LEPs as soon as possible.

Legal work (Ashfords) has been commissioned with the Councils on the ownership of LEP assets and this advice is expected back at the end of July.

It would be helpful to understand more clearly any timeline for the transition of LEP functions – a recent meeting with the Minister may help with this and the Councils have been asked for their initial view of any TUPE implications for LEP staff to better understand its position.

Further comments from the Board included:-

TE. Reported on a meeting with Dehenna Davison, Parliamentary Under-Secretary of State for Levelling Up attended with local authorities (LA) who stated that none of the LA's wants a level 3 Devo Deal (with a mayor), they want a level 2 deal and urged time was running out for a decision. When asked for clarity about LEPs and the support they bring or for the results of the Gov't survey on LEPs – this was not forthcoming. The Levelling Up Dept. handed back £1.9b worth of unspent housing money last week and councils made the case that they could deliver housing in a very short time given the money. There were also further asks about innovation, skills and capital expenditure.

The Chair made it clear the LEP's position remains unchanged and it remains broadly supportive of Devo principles particularly if it improves the prospects of real instruments to improve the local economy, with the LEP playing its part in moving to transition in the future, but is frustrated by the lack of progress and clarity which is unfair to the LEP teams who continue to deliver.

SB: Guidance has been given to further develop proposals for the Maritime and Environmental Science Accelerator (MESA) indicating a higher level of funding but with a longer timeframe for spending the money. An initial paper was prepared with colleagues but this will be urgently revised pending the meeting yesterday with Dehenna Davison.

Governance

Within the CEO report, there is a decision for the Board which recommends amending the Articles to revise Somerset's representation from the County and District (still in Devon) to 2 representatives from the establishment of the new unitary authority. Cllr Ros Wyke the other representative from Somerset has given apologies for today. Cllr David Woan was reminded that he should abstain from this vote as this represents a conflict of interest.

The Business Leadership Group (BLG) and Skills Advisory Panel (SAP) will continue to run and the Innovation Board (whilst the LEP one is dormant) is now working on a GSW basis.

<p><u>GSW</u></p> <p>The GSW Board met last week and there are a couple of changes to Board membership due to local elections. The 3 main topics covered were:-</p> <ul style="list-style-type: none"> ➤ To look at the GSW Energy Prospectus led by Judith Petts <p>Action: To circulate the final GSW Energy Prospectus to the Board.</p> <ul style="list-style-type: none"> ➤ More work was carried out to clarify the priorities, which is nearly finalised and the next steps will be to set these out in a document with the business plan. ➤ An interim Internationalisation plan – was presented with feedback taken on board. <p>It was decided to support UKREiff next year as GSW.</p> <p>An advert for the recruitment of a permanent Director for GSW will be going out in the next week or two.</p> <p><u>Members Meeting</u></p> <p>A member's meeting convenes after this board meeting to ratify the approval of the amended articles.</p> <p>Decisions – The Board agreed to the following:</p> <ul style="list-style-type: none"> i) Any actions regarding transition if the Chancellor provides any updated guidance ii) To review an options paper on the transition at the September deep dive session (assuming further guidance issued by Chancellor) iii) To agree on the amendments to the Articles (to modify Council representation) and hold a Member's meeting (immediately after) to formally confirm the amendments to the Articles – Directors unable to attend to give a proxy vote. <p>The Board agreed to the above decision.</p> <p>Board members unable to attend today:-David Bird, Helen Higgs and Mark Bolton gave their proxy votes to Karl before the Board meeting.</p>	<p>DR</p>
<p>6. Presentation on Social Impact Fund Scoping - Jack Scriven and Dom Llewellyn from Achieve Good and includes (2 x papers)</p> <ul style="list-style-type: none"> - Cover paper Prospective Social Impact Fund - HotSW Place-Based Social Impact Fund <p>The presentation (which is attached) covered: an introduction to Achieve Good and Place-Based Impact Investment, a snapshot of work to date, social issues and what is being heard in the community, case study investments, social sector growth opportunities so far, two examples of place-based social impact funds, the application of these options for HotSW and questions for the Board to consider. Today's feedback will help to inform the report.</p> <p>Originally the LEP was thinking to adopt the Bristol City Fund model but this is not set in stone and could be a mixture of two for more funding models.-</p> <p>Other comments from the Board:-</p> <ul style="list-style-type: none"> ➤ The report will give an idea of the opportunities for funding, the gaps, and what's out there already. Regardless of the future of LEPs and legacy funding, it was felt worthwhile to 	

explore the potential for using the repayment of the Growing Places Fund (GPF). Who the fund belongs to or who runs it in the future is unknown and is not within the current scope of work, but will need to be considered in the future.

- Hugely supportive, a great opportunity to take advantage of the Growing Places Fund. The LEP Board needs to be clear about the criteria and expected outcomes which need to align with the inclusive growth proposition and to be careful to manage expectations in the wider community. Whilst mixed funding will make the money go further, joining with the Big Society Capital and other social enterprises (SEs) will allow investment at scale but the Board should consider taking the best bits of models to ensure the opportunity has long-term traction and is aligned to the LEP's priorities as well as fitting with potential Devo priorities once transitioned.
- There is a need to be distinctive and avoid complications with already successful local funds and be sustainable.

Jack and Dom were thanked for their presentation.

8. LEP Digital Funding Update – Claire Gibson

Some context was given as to where the money has come from (covered in the update paper). The combination of having some money that needed re-allocating and the challenges around the National Voucher Scheme and the local supply chain meant it was necessary to find a way to address both. Discussions with CDS have highlighted a slightly underused community challenge fund which could be activated very quickly, therefore a proposal is being developed to utilise this additional funding, expecting development through October – December and money to go out to the community over the next year. OIC has invited a business case subject to approval by the Board.

Decision: The Board is asked to note this paper and agree to the following recommendations from OIC:

- i. **Invite a business case from CDS to invest £437,480 in the Community Challenge Fund, made up of the £391,280 LGF contribution to the Voucher Top-Up Scheme and £46,200 Mobile Boost LGF underspend. The final decision is to be delegated to OIC.**
- ii. **Agree to return the unspent £433,376 GPF from the Voucher Top-Up Scheme to the Growing Places Fund unless there is proven community demand to support an increase in the LEP's contribution to the Community Challenge Fund. The final decision is to be delegated to OIC.**

The Board agreed to the above recommendations (with those conflicted not voting).

Nationally the LEP has been told to stop the voucher top-up scheme, so this is a workaround using a local scheme to continue supporting those communities that would have benefited from the top-up scheme. The risk of not spending the money by December 2024 has been highlighted to OIC but the LEP is considering additional capacity into LAs to provide support for a digital community triage service. The business case will demonstrate the scale of demand and the risk.

The remainder of the paper gives an update on the £8m Digital Investment Programme and its 4 strands - digital skills, business utilisation/Community Triage, infrastructure and Build Back Better.

Digital Skills Series – Devon County Council (DCC) are delivering £1.5m in 3 strands. The digital skills sector support and leadership programme for SMEs is going well with a slight issue around the schools engagement strand partly in terms of resource capacity and alignment with school term times. DCC has now recruited someone to manage this programme which will hopefully get more schools signed up, the target is 100 and 40 have signed up so far. To be aware that DCC have requested that the programme be extended by six months to June 2025 to allow it to be delivered over two full academic years.

Digital Business Utilisation and Community Triage – SME support is being delivered by the Growth Hub (GH) with additional resources provided for targeted digital advice to SMEs via a coordinator responsible for the programme, ensuring the website information is up-to-date and links SMEs to the national and local advice available, as well as providing two dedicated Digital advisors. The Board were encouraged to look at Digital Link [here](#) which is going well and offers 1 – 1 support for those that need it. A preferred route to provide additional community support via LA's has been agreed by OIC and applications will be invited soon.

Digital Infrastructure – is the Mobile Boost scheme which is now closed but the small underspend will be transferred across into the Community Challenge Fund.

Build Back Better – more details are provided in the paper on the 8 projects.

- £50,000 was approved for Tech SW to support the LEP to develop an Access to Finance Platform for SMEs.
- £1.2 million was approved in July 2022 for the University of Plymouth's Smart Sound Connect Subsurface Project for the Marine Sector.
- £2 million was approved in July 2022 for the Satellite Applications Catapult to establish an Environmental Living Lab and includes funding for the equipment within the 3 FE colleges (Bicton, BTC, and Petroc) as well as the University of Plymouth to provide a mobile platform that can go out and reach farms.
- £500,000 was approved in July 2022 for Destination Plymouth to build a Tourism Data Hub. The feasibility study was presented to OIC, who agreed to proceed with procurement and includes the development of a data platform operating for 12 months, after which there are some good revenue options for it to be self-financing when funding runs out.
- Construction of the Taunton Digital Innovation Centre with £235,718 from the Digital Investment Programme.
- In May 2023, £650,000 was approved for the Cyber-Resilience of Offshore Wind Network (CROWN) project.
- £507,000 was approved in May 2023 for Plymouth Science Park's HotSW Digital Reverse Engineering And Metrology (HotSW DREAM) project.
- £268,777 for Somerset Council to Exploit Digital Innovation in High-Value Engineering

There is potentially another business case for the ACE Lab at the Centre for Future Clean Mobility which will go before OIC in September.

The conclusion is that this has been an effective programme and the Board were thanked for their support.

Assurance was sought that the LEP could meet its funding deadlines. The Getting Building Funds were spent by the end of the last financial year, despite concerns from Gov't. All Local Growth Fund capital projects need to be realised by December 2024, with final payments made by March 2025. The digital programme has been challenging due to the reallocation of funds (the digital infrastructure project is currently the only red-risk LEP project) and the programme is profiled to be delivered by December 2024, but it's clear this is extremely demanding, will need to be monitored very closely and if there are any concerns to make the Board aware of them. The risks due to slippage will mean Gov't intervention, to be avoided and OIC has a contingency plan for this (not allowed on new projects, it has to be an extension of existing programmes. A reserve list for this and other projects has been suggested in case of other potential funding from Gov't in the future.

9. Build Back Better update – Claire Gibson

Transformational Opportunities The paper gives an update on progress, opportunities and sector support. The most significant activity recently has been the aerospace work with the Civil Aviation Authority (CAA) on the proposed future aviation test zone. There was a recent good workshop held in London and attended by the LEP, Leonardo, the Met Office, Exeter Airport, East Devon District Council and the Connected Places Catapult at which the HotSW's ambition was presented along with the number of projects currently being worked on with different companies ranging from electric and hydrogen aircraft to drone projects. The CAA was impressed and will use this to inform their consultation on demonstration zones for this type of activity and are keen to pursue a partnership with the LEP's Sustainable Aviation Programme Board, with a follow-up call scheduled to see how this might work.

Work continues with Somerset Council on iAero, the new website is now live, the centre has just celebrated its 1 year birthday and has marketed iAero and the region at several events most recently at the Paris Air Show.

Nuclear Energy capability is still being promoted under the banner of Nuclear SW and it will be attending the World Nuclear Exhibition (in Paris) in November, working with the Dept. and EDF to showcase the strengths of the region on the appropriate stands. There are discussions with the Floating Offshore Wind (FLOW) developers to ensure they benefit from the nuclear supply chain and workforce capabilities to support the delivery of FLOW but also on how to run effective skills and supply chain programmes and establish impactful community benefit schemes. A workshop is being run for one of the developers, which can be run for other developers too.

FLOW – The LEP chairs a small group with key LAs to coordinate activity with the developers and has recently agreed to some outcomes summarised in the paper. With the Crown Estate recently announcing the first 4 project development areas, all close to the region (each a gigawatt of capacity), this means there will need to be more active engagement with the developers to ensure they build in the right social and community benefits. The Crown Estate is encouraging developers through the tender process to follow the social value model that Gov't is promoting. There are talks with the authorities to provide additional resources, also to fund a clean growth vision for the North Devon Coastal Cluster (the scope of this work is nearly finalised) and look into more detail at what a community scheme might look like.

The Energy Futures Programme Board - continues to meet, the last one in May, and the next one in September.

Food, Farming and Natural Capital – not much has progressed due to the team’s resources in supporting GSW activity but a food summit is now being developed on a GSW footprint.

Natural Capital –OIC agreed that the LEP should remain committed to helping test innovative finance mechanisms for delivering nature-based solutions but that £1 million would no longer be ringfenced within the Growing Places Fund for this purpose, despite lots of great ideas over more than 2 years, this is a complex area and the timing for a loan is both difficult and not right for many projects at this stage.

Marine – there are significant delays with the Launchpad bids - submitted last Autumn for a grant scheme for SMEs around the Ocean Futures priorities which was due to open for application next month. Innovate UK continues to wait for Gov’t to approve the funding which leaves a gap as ERDF programmes are now finished and existing marine innovation services have therefore closed.

Photonics and Electronics -EPIC is still doing well and at 92% occupancy. The Photonics Production Park has been covered previously under matters arising.

Tourism – the Tourism Data Hub has already been mentioned and Tomorrow’s Tourism have been appointed to do the LVEP study. There are several opportunities for stakeholder engagement through the 3 work strands for in-depth interviews, workshops and surveys. There will be a draft report for an LVEP for Devon and for Somerset which will go out for further stakeholder feedback and a draft report will be presented to the Board in October.

Comments from the Board-

As Energy is the biggest social and economic issue for the SW – should GW4 become GW5 to include the University of Plymouth? This has been a long-held view and Plymouth is keen to have a role with GW4 as it recognises joint working is important (the other 3 members of Bath, Bristol and Cardiff are all out of the area except Exeter University). Changing the Alliance group will take time and it was emphasised that Swansea and Aberdeen universities are also important in this space and there is already collaboration across the boundaries here on these projects.

Chairs of the other leadership groups were invited to update on their topics.

British Business Bank (BBB) – Richard Stevens

The Business Leadership Group (BLG)is focusing on building the content for the Finance Platform so that funders, businesses and professionals feel it is worthwhile participating in. Activity will be accelerated in the Autumn and the platform will be the key channel for businesses to access the BBB Fund. BBB will be running a webinar on the platform for SMEs. The SW Fund launched last week with loans of £25,000 - £2m and equity up to £5m available for start-ups and growth companies The fund managers are SWIG Finance and FSE Investment Services and DB has the LEP’s seat on the funds advisory board with JD as his deputy.

The Chair confirmed he had spoken to Ed from the Business Bank and queried why out of the total of £200m a reserve pot of £54M had been put aside. As a back up it would be used for putting

more into the various buckets (small loans, debt finance, equity) if the original allocation gets exhausted through demand or for follow-on funding within the equity pot.

Last week's BLG meeting – considered options for the unallocated Growth Deal funding, (GDF) to come before OIC in August, using a partial top-up from LA's for businesses to improve resource efficiency by installing EV chargers and solar circa £400k. Also, a grant of circa £400k for small businesses to help productivity through managing demand could be an issue so looking to go through the Science Parks or Innovation Centre.

The Peer Network programme is being set up with 4 networks (one more than in the paper);- the School for Social Entrepreneurs, Devon Chamber, SW Manufacturing Advisory Service and the University of Exeter and hoping to confirm with Somerset Chamber and the University of Plymouth shortly.

The Gov't has finally published its evaluation of GHs from the period 2015 – 2020 which shows GHs have engaged nationally with 8% of all business in England, higher than the 2.5% ambition set out in BEIS reporting. The local nature of GHs is seen as key to their success and the report shows that businesses value the support of GHs and attribute them to creating jobs, growing turnover and improving productivity. The HotSW GH is consistently in the top 5 of businesses supported, impressive when compared to other areas with better funding and higher business stock. Taking into account historic figures the GH would remain in the top 5 for the period 2020 – 22 if these figures were added in. The Board were reminded that in the survey period – the GH was fifth in 2016, third in 2017 and fourth in both 2018 and 2019 and has supported 7600 businesses versus:- the West of England's 3100, Cornwall's 1200 and Greater Birmingham's 7100 showing a very good penetration of 10% in the HotSW area.

Other comments:-

- When utilising GDF for SMEs to think about types of creative businesses that could benefit from carbon and energy efficiencies which could have quite an impact
- A recent BBB, South West Investment Fund introduction to the fund managers at Exeter Science Park had a great turnout of more than 140 people, the fund managers were very enthusiastic the quicker the money went out the sooner other reserves could be made available.

An update on the Skills Advisory Board (SAP) – Vince Flower

Members were pleased the work of SAP is continuing with meetings scheduled through to next year. The extension of the boot camps started in May and will support up to 1500 individuals and the additional funding from the LEP was welcomed for the digital skills programme and Careers Hub. The largest workstream has been the Local Skills Improvement Plans (LSIP) report in conjunction with the Chambers (achieving good engagement with SAP members), submitted in May currently with Gov't for a response by the end of the summer with some funding potential. Social mobility will be a larger topic for future agendas with perhaps an in-depth session on this.

Inclusive Growth – Paul Crawford

This has previously been covered under the social mobility funding and the main focus is to develop a HotSW social impact fund to bring back to the next Board meeting.

10. Update from Chair of OIC (*commercially confidential*)

This was covered by Eifion Jones in the absence of the OIC Chair.

The paper reviews options around the remaining unallocated Local Growth Fund (LGF), following a reconciliation of over 800 transactions by Somerset identifying £1,006,364 of capital funding, equivalent to 0.5% of the total funding awarded still to be allocated. There is a proposal for 3 options for allocation and subject to board approval to go back to OIC in August with firm proposals.

As mentioned by RS the proposals are for:-

- a) £400k to top up LA's shared prosperity funds for small £3k grants to SMEs for resource efficiency (the agreements would be with the LAs).
- b) £400k to invest in the kit required by the science parks and innovation centres.
- c) £200k for funding to the upper tier and unitary authorities to help develop proposed business cases to draw down future funding (£50k capital per upper tier authority), picking up the point earlier about having a reserve list of future investable projects.

Comments from the Board:-

PCrawford – made the point that the biggest challenge around delivering net zero is from the lack of labour force and poor supply chain, especially around components and new technology not where it should be - perhaps this is an area of work the Board should consider for a deep dive session. In the building sector, over the last 3 months, 3 large off-site manufacturing businesses have folded, pivotal in improving the production of homes quickly and reducing netzero, suggesting the lack of maturity of companies in this space and the need to take a fabric first approach. This was supported by the Chair.

Action: circulate the workforce capacity report completed by the Net Energy Hub (paid for through the SAP budget). To convene a call with Helen Higgs (who is keen to draw upon national work in this area) and other interested parties on NetZero skills.

DR

Quick wins with small amounts of money could be made on current work underway with some extra design work – it is not just a skills issue, it is about understanding how a clever energy efficiency decision can be made on current refurb or new build work.

90% of today's stock of homes will still exist in 2050 and the challenge is how to accelerate the retrofit of these, which is why intellectual capacity and the supply chain need investment now to support the delivery towards achieving the Gov't stretching targets by 2030. There is insufficient capacity to deliver in the current marketplace. New builds can be addressed in terms of design through planning but it's existing buildings where most needs to be spent in terms of technological solutions and in developing the workforce capable of retrofitting for the long term.

Action: To pull together a session on the issues around the delivery of NetZero for the next LEP Board deep dive session, starting with a broad discussion around what the long-term challenges are, the role of the LEP or potential devolution deal to support businesses in the long term.

DR/SB/
PColes

<p>Action: Whilst the Board took note of the 3 proposed funding options for the unallocated LGF there is a little more work to be done on the resource efficiency option to take into account the Board's broader points and to revisit the timings of taking these to OIC in August.</p> <p>Somerset has confirmed that the LEP can use both the interest on cash held and the interest on the Growing Places Fund towards the running costs of the LEP. They have some ongoing challenges post unitarisation with the LEP having no visibility of monthly financial information, anticipated to be rectified by the end of the summer. This is deemed a small risk to the LEP as cashflow at the beginning of the year was good and there have been no large items of expenditure since.</p> <p>The issues identified earlier in the year with the LEP's annual performance review with Gov't have now all been formally closed.</p>	EJ
<p>11. Papers for noting No comments.</p>	
<p>12. AOB</p> <p>SBond: announcements are imminent from Gov't in the next week or two about LEPs and the local economy. A positive point is how well the LEP is working with its partners during the transition. The Chair thanked SBond for her continued support.</p> <p>DR: there are challenges in keeping up with the different funding pots out there - the Growth Deal Fund is now finished. As local growth fund projects finish there are bits of underspend that need reallocating (to be spent by December 2024). It would be prudent to use some money towards work to develop a future pipeline of projects and for this group to consider future priority opportunities.</p> <p>TE: for everyone to keep amplifying the lack of capacity within the National Grid. The ambitions and priorities in the Great South West Energy Prospectus apply just as much to the LEP and LA work and there is a need to keep this at the top of agendas.</p> <p>JPetts – to approach someone from the National Grid to attend a Board meeting and speak about what exactly the Grid's issues are so that everyone is on the same page.</p> <p>RS: Whilst funding for net zero buses is available, several projects have been delayed through a lack of connectivity and/or availability of supply not just for electric but also hydrogen buses. Brighton has an order in for 50 hydrogen buses but the Health and Safety Executive won't support the planning permission. Therefore there is a huge issue around getting net zero infrastructure in place.</p> <p>Action: write to the National Infrastructure Commission to ask what is happening around the issues arising for NetZero infrastructure.</p> <p>The Chair formally called the Board meeting to an end, to progress into the Member's Meeting.</p>	DR/ JPetts

Next meetings - LEP Deep Dive, 8 Sept 2023, 9.30am – 12.30pm via teams
LEP Board meeting & AGM, 13 Oct 2023, 9.30am – 1.00pm in person TBC