

Heart of the South West Joint Committee

Friday 5 October 2018

1.30 pm Blackdown Suite, Holiday Inn,
Junction 25, Deane Gate Avenue,
Taunton, Somerset TA1 2UA



To: The Members of the Heart of the South West Joint Committee

Nominated Members

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|------------------------------|--|
| Cllr John Hart | Leader - Devon County Council |
| Cllr David Fothergill | Leader - Somerset County Council |
| Cllr Tudor Evans | Leader - Plymouth City Council |
| Cllr David Thomas | Leader - Torbay Council |
| Cllr Peter Edwards | Leader - Exeter City Council |
| Cllr Clive Eginton | Leader - Mid Devon District Council |
| Cllr John Tucker | Leader - South Hams District Council |
| Cllr Jane Whittaker | Leader - Torridge District Council |
| Cllr Philip Sanders | Leader - West Devon Borough Council |
| Cllr Val Keitch | Leader - South Somerset District Council |
| Cllr John Williams | Leader - Taunton Deane Borough Council |
| Cllr Anthony Trollope-Bellew | Leader - West Somerset Council |
| Cllr Andrea Davis | Deputy Chairman - Exmoor National Park Authority |
| Cllr Jeremy Christophers | Leader – Teignbridge District Council |
| Cllr Duncan McGinty | Leader – Sedgemoor District Council |
| Cllr David Brailey | Leader – North Devon District Council |
| Cllr Bill Hitchins | Chairman – Dartmoor National Park Authority |
| Cllr Harvey Siggs | Leader – Mendip District Council |
| Cllr Ian Thomas | Leader – East Devon District Council |

Nominated Substitute Members

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| Cllr Paul Diviani | East Devon District Council |
| Cllr Rachel Sutton | Exeter City Council |
| Cllr Peter Smith | Plymouth City Council |
| Cllr Steven Pugsley | West Somerset Council |
| Cllr Mark Edwards | Taunton Deane Borough Council |
| Cllr Mike Edmunds | North Devon District Council |
| Cllr Lois Samuel | West Devon District Council |
| Cllr Jo Roundell Greene | South Somerset District Council |
| Cllr Humphrey Clemens | Teignbridge District Council |
| Cllr Dawn Hill | Sedgemoor District Council |
| Cllr David Hurley | Torridge |
| Andrew Cooper | Secretary of State Appointee - Dartmoor National Park Authority |
| Cllr Alan Tyreman | Torbay Council |
| Cllr David Hall | Somerset County Council |
| Cllr Tom Killen | Mendip District Council |

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| Cllr Stuart Barker | Devon County Council |
| Cllr Simon Wright | South Hams District Council |
| Robin Milton | Exmoor National Park Authority |
| Cllr Richard Chesterton | Mid Devon District Council |

Non Voting Members

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| Steve Hindley | Chair of Heart of the South West Local Enterprise Partnership |
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Issued By Julian Gale, Strategic Manager - Governance and Risk - Date Not Specified

For further information about the meeting, please contact Julian Gale, Democratic Services, Somerset County Council or 01823 357628

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Section 100A (4) of the Local Government Act 1972.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item Heart of the South West Joint Committee - 1.30 pm Friday 5 October 2018

Guidance Notes

1 **Apologies for absence**

To be reported and recorded

2 **Declarations of Interest**

3 **Minutes of the previous HotSW Joint Committee** (Pages 7 - 16)

To agree the minutes of the meeting held on 25th May 2018 as a correct record.

4 **Public Question Time**

The Chair will allow members of the public to present a petition on any matter within the Committee's remit. Questions or statements about any matter on the agenda for this meeting will be taken at the time when each matter is considered.

5 **Chair's Update**

Cllr David Fothergill (Chair) and David Ralph (Chief Executive – HotSW Local Enterprise Partnership) to present

6 **HotSW Joint Committee - Senior Responsible Officer's update and position statement**

Tracey Lee, Chief Executive - Plymouth City Council to present

7 **HotSW Productivity Strategy Delivery Plan Update** (Pages 17 - 76)

To consider and endorse phase 1 of the Delivery Plan and Communications document for the Productivity Strategy (Papers 7, 7.0a and 7.0b) to be presented by Tracey Lee, SRO for the Joint Committee and David Ralph, Chief Executive of the Local Enterprise Partnership.

8 **Local Industrial Strategy Update**

To consider an update from David Ralph, Chief Executive of the Local Enterprise Partnership.

9 **HotSW Joint Committee Governance report update** (Pages 77 - 86)

To consider a report covering (Papers 9 and 9a), providing an update on governance issues affecting the Joint Committee and related recommendations – to be presented by Julian Gale, Strategic Manager – Partnership Governance, Somerset County Council.

Item Heart of the South West Joint Committee - 1.30 pm Friday 5 October 2018

10 **Brexit Opportunities & Resilience Group**

To consider an update to be presented by Phil Norrey, Chief Executive, Devon County Council.

11 **Transport for the South West Peninsula update**

To consider an update by Julian Gale, Strategic Manager – Partnership Governance, Somerset County Council.

12 **Date of Next Meeting:**

To note that the next meeting of the Joint Committee meeting will be held on Friday 30th November 2018 at 10.00pm – venue to be confirmed.

Work programme for this meeting to include:

- To consider the Opportunities document – phase 2
- To consider the Delivery Plan – phase 2
- To agree principles for the investment framework
- To consider a draft budget for the JC for 2019/20

13 **Any Other Business**

Guidance notes for the meeting

1. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact Julian Gale on Tel: (01823) 359500 or Email: jjgale@somerset.gov.uk
They can also be accessed via the Somerset County council's website on www.somerset.gov.uk/agendasandpapers

2. Public Question Time

If you wish to speak, please contact Julian Gale - by 12 noon the (working) day before the meeting.

At the Chair's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total.

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the Agenda for this meeting may be taken at the time when each matter is considered.

You must direct your questions and comments through the Chair. You may not take direct part in the debate. The Chair will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chair may adjourn the meeting to allow views to be expressed more freely. If an item on the Agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will normally be limited to two minutes.

3. Exclusion of Press & Public

If when considering an item on the Agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

4. Recording of meetings.

The Committee supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone wishing to film part or all of the proceedings. No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film

or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chairman can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

Minutes of the Heart of the South West (HotSW) Joint Committee

Devon County Council, County Hall, Exeter EX2 4QD

10.00am, Friday 25 May 2018

Attendance

**Voting Members of the Constituent Authorities (unless otherwise specified-
NV)**

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|------------------------------|--|
| Cllr Bill Hitchens | Chairman - Dartmoor National Park Authority |
| Cllr John Hart | Leader - Devon County Council |
| Cllr Ian Thompson | Leader – East Devon District Council |
| Cllr Paul Diviani | Substitute - East Devon District Council – NV |
| Cllr Rachel Sutton | Substitute - Exeter City Council |
| Cllr Andrea Davis | Deputy Chairman - Exmoor National Park Authority |
| Cllr Harvey Siggs | Leader - Mendip District Council |
| Cllr Clive Eginton | Leader - Mid Devon District Council |
| Cllr Des Brailey | Leader - North Devon District Council |
| Cllr Tudor Evans | Leader - Plymouth City Council |
| Cllr Dawn Hill | Substitute - Sedgemoor District Council |
| Cllr David Fothergill | Leader - Somerset County Council |
| Cllr John Tucker | Leader - South Hams District Council |
| Cllr John Clark | Substitute - South Somerset District Council |
| Cllr Terry Beale | Substitute - Taunton Deane Borough Council |
| Cllr Jeremy Christophers | Leader - Teignbridge District Council |
| Cllr David Thomas | Leader - Torbay Council |
| Cllr Jayne Whittaker | Leader - Torridge District Council |
| Cllr Philip Sanders | Leader - West Devon Borough Council |
| Cllr Anthony Trollope-Bellew | Leader - West Somerset Council |

Non-Voting Members

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| Richard Stevens | Substitute - Heart of the South West Local Enterprise Partnership |
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Officers

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|----------------|--|
| Phil Norrey | Chief Executive - Devon County Council |
| Mark Williams | Chief Executive - East Devon District Council |
| Karime Hassan | Chief Executive - Exeter City Council |
| Chris Garcia | Chief Executive - Heart of the South West Local Enterprise Partnership |
| Eifion Jones | Head of Strategy and Operations - Heart of the South West Local Enterprise Partnership |
| Andrew Jarrett | Deputy Chief Executive – Mid Devon District Council |

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|-----------------|--|
| Paul O’Sullivan | Managing Director – Partnerships, Northern, Eastern and Western Devon Clinical Commissioning Group |
| Giles Perrett | Assistant Chief Executive – Plymouth City Council |
| Alison Ward | Regional Portfolio Manager - Plymouth City Council |
| Doug Bamsey | Corporate Director - Sedgemoor District Council |
| Pat Flaherty | Chief Executive - Somerset County Council |
| Julian Gale | Strategic Manager/Partnership Governance - Somerset County Council |
| Peter Stiles | Clerk to the Joint Committee - Somerset County Council |
| Sophie Hosking | Head of Paid Service - South Hams District and West Devon Borough Councils |
| Netta Meadows | Director (Strategy and Commissioning) - South Somerset District Council |
| Phil Shears | Chief Executive - Teignbridge District Council |
| Steve Parrock | Chief Executive - Torbay Council |
| Kate Spencer | Corporate Support - Torbay Council |
| Jenny Wallace | Chief Executive - Torridge District Council |

Apologies

| | |
|---------------------|--|
| Cllr Peter Edwards | Exeter City Council |
| Steve Hindley | Heart of the South West Local Enterprise Partnership |
| Cllr Duncan McGinty | Sedgemoor District Council |
| Cllr Ric Pallister | South Somerset District Council |
| Cllr John Williams | Taunton Deane Borough Council |

1. Appointments

1.1 Election of Chair

1.1.1 On the motion of Cllr Hart, seconded by Cllr Thomas, Cllr Fothergill was elected Chair for the Municipal Year.

1.2 Appointment of Vice-Chair

1.2.1 On the motion of Cllr Sanders, seconded by Cllr Brailey, Cllr Tucker was appointed Vice-Chair for the Municipal Year.

2. Declarations of Interest

2.1 Details of councillors’ appointments to local authorities were displayed in the meeting room and were therefore taken as read as declarations of personal interests by councillors.

3. Minutes

- 3.1 The Minutes of the Joint Committee meeting held on 23 March 2018 were confirmed and signed as correct, subject to “Chairman” being replaced by “Vice-Chairman” in Minute 1.2 - Appointment of Vice-Chairman.

4. Public Question Time

- 4.1 There were no public questions.

5. Heart of the South West Productivity Strategy Delivery Plan

- 5.1 The Joint Committee considered a report by Tracey Lee, SRO, on the proposed approach to the HotSW Productivity Strategy’s Delivery Plan which was presented by Chris Garcia and Eifion Jones, HotSW Local Enterprise Partnership.
- 5.2 The Delivery Plan would be based on the high-level programmes within the Productivity Strategy’s three strategic themes for raising productivity and improving prosperity: business leadership and ideas; housing connectivity and infrastructure; and employment, skills and learning and the three cross-cutting themes: maximising the potential from digital technology; inclusive growth for communities and places; and capitalising on our distinctive assets. There were two steps involved in moving the programmes to delivery, the first being to develop outcomes that the programmes would realise, the second being to set out how outcomes would be achieved.
- 5.3 The key focus of the Delivery Plan would be a suite of opportunities (transformational, bedrock and enablers) which reflected the specific potential of the HotSW area and the activity required to realise these opportunities. Each opportunity would be judged against the outcomes to ensure that they were delivering to the themes and overall ambition of the Productivity Strategy.
- 5.4 Each opportunity would form a compelling commercial proposition, a clear reason for investing in the HotSW area, supported by key investments needed to achieve this. The approach was aimed both at being clear on collective priorities across the Partnership and in creating significant propositions to Government and other funders.
- 5.5 The Delivery Plan process would respect the numerous sub-geographies and different priorities of the HotSW area and this would enable different areas to progress at different speeds as required by partners in those areas, meaning that programmes were tailored to specific circumstances.
- 5.6 The Delivery Plan would reflect the fact that activity was already underway, but there was a need to focus on what should be done differently in the future

to 'step up to the challenge'. A flexible approach to respond to changes in funding streams would be vital.

- 5.7 The next step involved developing the opportunities and testing and refining them through engagement across the Partnership, and more work on outcomes. A further report setting out progress would be submitted to the Joint Committee.
- 5.8 Chris Garcia referred to the good track record of the Partnership in attracting funding for the HotSW area which had included: Government funding of over £83m for improvements to the A361 North Devon Link Road; over £62m from the Housing Infrastructure Fund to support new housing schemes; and Lloyds Bank's launch of a £100m fund to help small businesses take advantage of supply chain opportunities in the construction of EDF Energy's Hinkley Point C nuclear power station. The Delivery Plan would be an important element in consolidating and building on this success.
- 5.9 Karime Hassan, Exeter City Council, referred to the housing workstream, funding opportunities and to work on the audit of the position on housing provision (housing construction programmes etc) in each district within the Partnership area. This would lead into the Housing Summit in September.
- 5.10 The following points were made during discussion:
- given the size of the farming/agriculture industry and the world class environment of the protected and other rural/coastal areas in the South West, Agriculture should be identified as a separate, transformational opportunity (and not subsumed within Food and Drink under Bedrock)
 - the need for:
 - fuller engagement with the wider business community on the Delivery Plan
 - further early, tangible progress on implementing the Productivity Strategy
 - LEPs to be encouraged to see local government as a full business partner
 - housing plans to be in place at an early stage to benefit from external funding
 - Healthy Ageing not to be forgotten
 - the need for improvements to transport infrastructure and social mobility in West Somerset/Exmoor
 - ways of involving Leaders more closely between Joint Committee meetings to ensure continued political engagement in driving the HotSW agenda. A report on this issue will be brought back to the Joint Committee for consideration.
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5.11 **RESOLVED**

(a) to adopt the proposed approach to identifying and commissioning programmes of activity that would form the HotSW Delivery Plan

(b) subject to the change in respect of Agriculture identified in Paragraph 5.10 above, to agree that the Delivery Plan should focus on the opportunities highlighted in the report.

6. Peninsula Sub-National Transport Body Progress Report (STB)

6.1 The Joint Committee received and noted a report presented by Pat Flaherty on progress with establishing an STB for the South West Peninsula to enable the transport authorities to respond effectively to the Government's request for more strategic thinking about transport investment and maximise investment opportunities.

6.2 The emerging approach was for two STBs to be formed in the South West (the only part of England not already covered by an existing or proposed STB), one likely to be called the 'Western Gateway' covering the West of England Combined Authorities and one covering the Peninsula Authorities of Cornwall, Devon, Plymouth, Torbay, Somerset and potentially Dorset. Corridor Alliances straddling STB areas such as the A38 Alliance were likely to continue. There would inevitably be cross-boundary interests with the Western Gateway STB and this was likely to be recognised through the ability for an STB to have co-opted membership of another. The Department of Transport appeared to have accepted the proposal to have two STBs covering the South West but a shared narrative would need to be developed on the reasons for this approach.

6.3 A formal proposal was being prepared for the Peninsula Authorities for establishing a Shadow Sub-National Transport Body by this autumn which could engage effectively with Government on investment planning. This would initially be an informal partnership comprising elected members from each local authority and representatives of bodies responsible for transport infrastructure in the area and other organisations such as Homes England and Local Enterprise Partnerships.

6.4 The report outlined key activities in establishing the partnership, pointing out that the next stage involved formal approval of the proposal by Peninsula Transport Authorities.

6.5 In response to points made during discussion, Pat Flaherty confirmed that the Department of Transport had done nothing to discourage the setting up of two STBs for the South West or a Peninsula STB and that in the longer term the greatest potential benefit for the Peninsula was likely to be derived from a formal, statutory body. A relationship between HotSW Joint Committee and

the Peninsula STB could be established through the Board's governance arrangements. Pat Flaherty said that he would look into, and report back on, the process involved in establishing a statutory Board and the likely timescale.

7. Heart of the South West Joint Committee Communications Strategy

7.1 The Joint Committee received and noted a report presented by Julian Gale, Somerset County Council, on the Communications Strategy for the Leaders and the HotSW Joint Committee agreed by the Chief Executives' Delivery Board.

7.2 The Strategy acknowledged that since the start of the work on the devolution agenda in 2015, the focus of the Partnership's discussion had moved from achieving a devolution 'deal' to a more flexible way of working across policy agendas and boundaries in tune with, and seeking to take advantage of, Government policy and funding. The Strategy was primarily concerned with communications with key stakeholders and ensuring that there was a degree of co-ordination across the 23 constituent organisations and a clarity of message. Engagement with Ministers and local MPs and key 'influencers' would be critical to the success of the Partnership's work programmes and the plan was to co-ordinate this activity with the LEP. The Strategy also provided a framework for communications around the wider work and interests of the HotSW Leaders.

7.3 The Strategy aimed to support the work of the HotSW Leaders and the Joint Committee by meeting the following objectives:

- build support for the work of the HotSW Leaders in Westminster and Government departments
- articulate clearly and concisely the HotSW Leaders' 'asks' from central Government
- provide regular information and updates to key influencers across the HotSW area
- raise public awareness and understanding of the work of the Leaders and the Joint Committee
- update elected members on progress, key decisions and milestones.

7.4 The Strategy also covered: target audiences; key messages; approach and tactics; campaign action plan; branding; communications budget and evaluation.

8. Heart of the South West Joint Committee Draft Budget and Cost Sharing Agreement (B&CSA) for 2018/19

8.1 The Joint Committee considered a report presented by Julian Gale, Somerset County Council, on the Committee's draft B&CSA for 2018/19.

- 8.2 He indicated that it was important that the Joint Committee was aware of its operating and support budget position and could be assured that the financial impact on individual authorities was made as clear as possible early in the financial year. The draft B&CSA was a development of part of the Inter-Authority Agreement approved by the constituent authorities when the Joint Committee was established.
- 8.3 It was noted that the underspend carried forward from the work on devolution during the 2015 to 2018 period was significantly higher than the £42,000 anticipated and this, together with the contributions agreed by the constituent authorities, would give the Joint Committee a larger than expected budget for 2018/19.
- 8.4 The proposed budget for 2018/19 was £113,838. In terms of anticipated spend for 2018/19 the plans outlined in the report suggested that the Joint Committee would be able to operate within budget although not all commitments had yet been identified. Therefore, at this stage it was thought that constituent authorities would not need to be asked for additional contributions beyond those already approved when the Joint Committee was established. Any funds not spent in 2018/19 would be carried forward to 2019/20 to help reduce the budget requirement for that year.
- 8.5 The B&CSA explained the key role played by the Administering Authority in managing the budget and the responsibilities of constituent authorities.
- 8.6 **RESOLVED** to approve the Budget and Cost Sharing Agreement for 2018/19 for recommendation to the constituent authorities, subject to the Section 151 Officers of those authorities signing off the Agreement as acceptable and appropriate.

9. Great South West Update

- 9.1 The Joint Committee considered a report presented by Chris Garcia, HotSW LEP Chief Executive on progress with establishing cross LEP area regional working through the Great South West initiative to promote shared objectives and shared opportunities with neighbouring areas.
- 9.2 He referred to the continuing commitment from local authorities, businesses, the three South West LEPs (Cornwall, Dorset and HotSW) and academic institutions to developing, and seeking formal Government recognition for, a 'Great South West' brand. This built on the publication in 2016 of a South West Growth Charter and two South West Growth Summits. A Steering Committee had been established to take the proposal forward and this had met for the first time on 16 May 2018.
- 9.3 The Steering Committee had agreed that work should be based on areas of common interest across the South West where there was a 'coalition of the

willing' whose combined efforts could make a real difference. The Committee had identified transport, rural productivity and trade and investment as the initial areas of focus and would be seeking Ministerial support for the Great South West initiative.

- 9.3 **RESOLVED** to continue to support the establishment of Great South West and to confirm the Committee's support for the key areas identified in Paragraph 5.4 of the report that the region should focus on as momentum builds.

(Cllr Thomas declared a personal interest in this item by virtue of his membership of the Steering Committee for Great South West and took no part in the discussion thereon)

10. **Brexit Resilience and Opportunities Group (BROG)**

- 10.1 Phil Norrey, Devon County Council, gave an update on the work of the Brexit Resilience and Opportunities Group established to identify the opportunities and challenges of Brexit and their impact on businesses across the HofSW area. He referred to the difficulties arising from the slow progress of the UK - EU Brexit negotiations and lack of clarity about the UK's future relationship with the EU.
- 10.2 An important area of work had focused on the recent DEFRA Command Paper *Health and Harmony: The Future for Food, Farming and the Environment in a Green Brexit* consulting on a new post-Common Agricultural Policy (CAP) domestic settlement for agriculture with greater freedom for all parts of the UK. The Government proposed to redirect money from direct payments under the CAP, which were based on the amount of land farmed, to a new system of paying farmers 'public money for public goods' – principally for their work to enhance the environment and invest in sustainable food production. Other public goods which could be supported include investment in technology and skills to improve productivity, providing public access to farmland and the countryside, enhanced welfare standards for livestock and measures to support the resilience of rural and upland communities.
- 10.3 The Government would continue to commit the same cash total in funds for farm support until the end of the current Parliament in 2022 and the Command Paper set out proposals for an 'agricultural transition' lasting a number of years beyond the post-Brexit implementation period during which direct payments would continue, providing stability and certainty for farmers as they prepared for the new system. At the same time, however, reduced direct payments in the first year of the agricultural transition period could free up £150 million for the environment and other public goods.

- 10.4 Phil Norrey referred to BROG's concerns about the impact of the proposals on the HotSW area and to discussions on these and prospective funding etc opportunities resulting from the new arrangements with Neil Parish, MP for Tiverton and Honiton, who chaired the Environment, Food and Rural Affairs Select Committee, and relevant stakeholders.
- 10.5 Other BROG activities included commissioning research and development into capacity for responding to opportunities following Brexit and engaging with businesses on their Brexit preparations.
- 10.6 Discussion points included: agricultural reform - food production as a public good, retention of local environmental schemes, and the need for a simpler scheme for direct payments to farmers; future fisheries policy and customs arrangements; and supply chains following Brexit.

11. Next Meeting

- 11.1 It was noted that the next meeting of the Joint Committee would be held on Friday 20 July 2018 at 10.00am.

12. Work Programme for 20 July 2018

- 12.1 It was noted that this would include:
- an update on discussions with the Department for Business, Energy and Industrial Strategy
 - Delivery Plan update
 - agreeing principles for the Investment Framework.

(The meeting ended at 12 noon)

CHAIR

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HotSW Joint Committee

Meeting date: 5 October 2018

HEART OF THE SOUTH WEST PRODUCTIVITY STRATEGY DELIVERY PLAN UPDATE

Lead Officer: Tracey Lee, Senior Responsible Officer, Leaders for the Heart of the South West

Author: Eifion Jones, Programme Management Office

Contact Details: 07525 806334

1. Summary

1.1 To update the Joint Committee on progress in the Productivity Strategy's delivery plan and associated communications document.

2. Recommendations

2.1 The Joint Committee is recommended to:

- a) note the progress with the delivery plan – attachment 7.0a - and endorse its direction and content
- b) endorse the related communications document – attachment 7.0b - and the 'asks' set out in the Annex
- c) agree to delegate any final changes to the documents in the light of comments received to Tracey Lee, SRO (noting that David Ralph, Chief Executive of the LEP will sign off any changes on behalf of the LEP).

3. Background

3.1 Joint Committee members have previously considered the Productivity Strategy and requested a delivery plan to accompany the Strategy. Members have been keen to ensure this work progresses at pace. The first phase of the delivery plan is attached with this paper, along with a communications document.

3.2 The delivery plan is an internal document to enable the partnership to coordinate delivery across key priorities; the communications document is extracted from the delivery plan, is more succinct, and is targeted at MPs, Ministers and officials as part of continuing to raise the profile of Heart of the SW ahead of Budget 2018, the 2019 spending review and the anticipated launch of the UK Shared Prosperity Fund towards the end of 2019. Clearly the timescales are subject to uncertainty given the wider political climate and the HotSW approach will be reviewed in light of any developments.

3.3 Since the Joint Committee last met, Government has confirmed that Heart of the SW is one of 6 LEP areas in Wave 2 of developing Local Industrial Strategies (LIS). This is a significant indication that the area is meeting success in raising its profile and is due in a large part to the existing work on the Productivity Strategy and the close alignment between the Joint Committee and the LEP. First wave LIS have been concentrated on large urban areas and Government are keen to understand what a LIS looks like in a more mixed urban/rural/coastal economy; this was part of the offer from HotSW partners and Government recognition of this is pleasing.

3.4 Government has asked LEPs to lead on developing LIS and the solid foundation within the HotSW partnership means the LIS will build heavily on the work to date; the exact route from delivery plan to LIS will be developed in the coming weeks as the LEP works both with Government on the LIS, and with the Joint Committee on agreeing respective local responsibilities. With public consultation to form part of the LIS development in 2019, it is not therefore intended to take the delivery plan to widespread consultation before then. A fuller briefing on LIS work will be given at the Joint Committee.

4. Delivery Plan

4.1 The plan broadly divides into two sections – a ‘core offer’ concentrating on business support and skills which is available to all people and businesses everywhere; and a section focussing on the opportunities specific to the LEP area. Joint Committee members are asked to note that the delivery plan is continuing to be developed through the relevant task and finish groups and through various forums including the LEP’s Business, People and Place Leadership groups and the LEP Board on 18 September, plus of course feedback from Joint Committee members.

4.2 The delivery plan outlines existing work and that required in the future. At this stage the opportunities section contains half of the opportunities previously discussed by the Joint Committee: Digital (photonics); Advanced Engineering (marine; nuclear); High-value Tourism; Farming, Food & Fishing. Content around the core infrastructure and housing components is also being developed.

4.3 Work on the other opportunities is progressing with a view to updating the plan in early 2019 to incorporate Healthy Ageing, further Digital (creative & big data) and Advanced Engineering (aerospace) content, Construction and Defence. Place markers are included for inclusive growth and natural capital and again content will be developed around these for the early 2019 version.

4.4 In terms of the ‘core offer’ sections, the Business Leadership and Ideas, and the Employment, Skills and Learning sections have been populated and this information will continue to evolve. For Housing, Connectivity and Infrastructure, the information and outcomes from the Housing Summit will be used to populate the housing section; the connectivity section will be informed by road and rail priorities for HotSW and linked to the case for the Sub-National Transport Body, based on the Peninsula Rail Task Force agreed 20 Year Plan and the road priorities identified for the next Highways England funding cycle (RIS2). Delivery for digital connectivity will be informed by the Connecting Devon and Somerset programme. These sections will be populated over the next couple of months, along with delivery plans for the energy network and other aspects of connectivity and infrastructure.

4.5 Members are asked to note that this timescale and the next phase of the delivery plan will in part be dependent on the development of the Local Industrial Strategy.

5. Recommendation

5.1 Members are asked to endorse the progress and direction of the delivery plan.

6. Communications Document

6.1 The document is drawn from the delivery plan. An October event is being developed to share with MPs and the document will be accompanied by a covering letter jointly signed by the Chairs of the Joint Committee and the LEP. To ensure the document has longevity beyond the immediate next few weeks, the partnership’s key strategic asks of Government will be set

out in the joint letter – these are detailed in the Annex and the LEP Board has given its support to these.

6.2 The asks build on those discussed with Tony Bray earlier in 2018 and reflect the progress made by the partnership since then. As delivery plan work progresses and the HotSW offer strengthens, our asks of Government will evolve accordingly.

7. Recommendation

7.1 Members are asked to endorse the asks set out in the Annex to go into the covering letter

8. Equalities Implications

8.1 There are no equalities implications associated with the recommendations. As individual project and proposals are progressed, and decisions required, the equalities implications will be addressed as part of the considerations.

9. Other Implications (Legal, Financial, HR, Risk, Health and Well-being, Health and Safety, Sustainability, Community Safety, Privacy)

9.1 There are no specific implications associated with the recommendations. As individual project and proposals are progressed, and decisions required, the implications under these headings will be addressed as part of the considerations.

10. Background papers

10.1 None

Note: For sight of individual background papers please contact the report author.

Annex – Heart of the South West Partnership’s key strategic asks of Government

As part of the partnership’s increased lobbying with MPs and with reference to the Great South West Partnership several ‘policy asks’ of Government have been identified to coincide with party conferences and the Autumn Budget. These will be socialised over the next few months and are:

1. Recognition of the Great South West Partnership in the Autumn Budget Statement together with a commitment to co-design a Rural Deal - a ‘Rural Productivity Partnership’ with GSW following publication of Rural Productivity Commission Report earlier in the year
2. Strategic Connectivity
 - a. Confirmation of Sub National Transport Body/ (ies)
 - b. Peninsular Rail priorities – e.g. commitment for funding Dawlish
 - c. Funding commitment for A303 improvements
 - d. Superfast Broadband and 5G trials
 - e. A38/M5 Growth Corridor study by National Infrastructure Commission

3. Transforming Cities and Strength in Places bids agreed
4. EU Fisheries underspend proposal: an offer to work with Government to develop a proposal to utilise the projected underspend in the current EU Fisheries budget.
5. Nuclear Sector Deal (and others specifically Maritime and Defence) to have clear place-based elements/funding, recognising the HotSW opportunity in these
6. LIS specific: encourage joint working with WECA on Wave 2 Local Industrial Strategies particularly around connectivity and Smart specialisations e.g. Nuclear and Aerospace

DELIVERY PLAN FOR THE HEART OF THE SOUTH WEST PRODUCTIVITY STRATEGY

TABLE OF CONTENTS (all hyperlinked)

- 1. Introduction**
- 2. The Core Offer and Principles for Growth**
 - 2.1 Business Leadership and Ideas
 - 2.2 Housing, Connectivity and Infrastructure
 - 2.3 Employment Skills and Learning
- 3. Delivering the Key Opportunities**
 - 3.1 Nuclear
 - 3.2 Aerospace
 - 3.3 Marine
 - 3.4 Creative Industries
 - 3.5 Big Data
 - 3.6 Photonics
 - 3.7 Healthy Ageing
 - 3.8 Farming, Food and Fishing
 - 3.9 High Value Tourism
 - 3.10 Defence
 - 3.11 Construction
- 4. Monitoring**

Section One: Introduction

Our Productivity Strategy

The Heart of the South West is an area with enormous potential and a simple **ambition to double the size of the economy over 20 years**. The area is home to almost 1.8 million people and our economy is worth close to £35 million, making the Heart of the South West the size of a major UK city. The vision is for all parts of the area to become more prosperous and for people to have a better quality of life with higher living standards. Improving productivity is key to achieving that goal and our **Productivity Strategy** was agreed in March 2018, based on a sound evidence base ([insert hyperlink to the evidence](#)) to guide our collective actions for accelerating growth.

Our evidence and analysis means the Productivity Strategy is structured around three strategic themes of Business Leadership and Ideas; Housing Connectivity and Infrastructure; and, Employment Skills and Learning.

Spanning our **rural, coastal and urban areas** the Productivity Strategy also integrates cross cutting themes to ensure that we **capitalise on our distinctive assets, maximise the potential from digital technology, and deliver inclusive growth** for people and places.

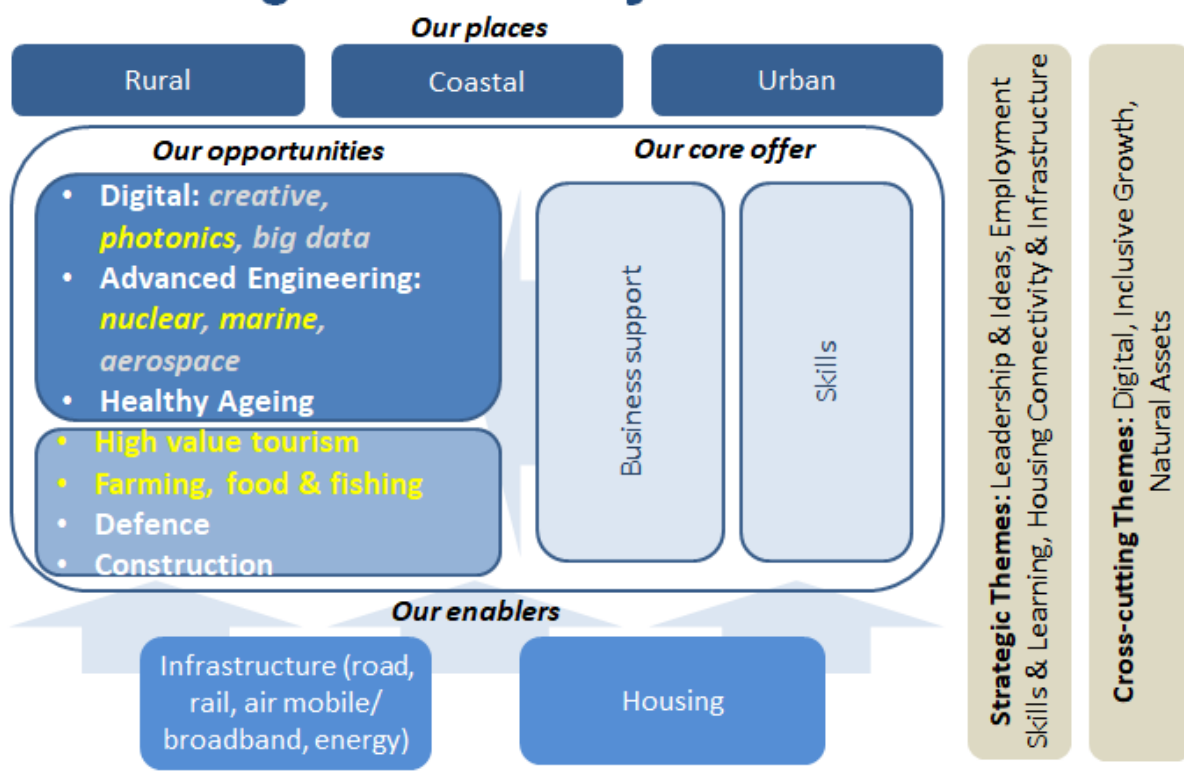


The Strategy also closely mirrors and supports the priorities identified in Government's Industrial Strategy, itself targeted at raising UK productivity levels.

A Focus on our Opportunities

The strategic issues identified in the evidence base and the Strategy are being addressed through a focus on a series of opportunities alongside a core offer for all places and businesses. Since developing the Productivity Strategy more work has been undertaken to better understand the potential of our **transformational and bedrock opportunities where we have clearly identified comparative advantages**. Transformational opportunities are those where there is a growing or new market emerging which has the potential to make a step change in productivity, bedrock opportunities are those which are already major parts of our economy where there is significant opportunity to increase productivity. Some of these opportunities cross regional boundaries and we have been working closely with partners in neighbouring areas to develop our ideas. Work to understand the opportunities is being taken forward by a series of Task and Finish Groups containing experts in the field from a range of public, private and social purpose organisations. This work is at different stages and the first wave of developed opportunities is shown in yellow below with the others to follow across the autumn and spring.

Delivering Productivity Growth



Purpose of the Delivery Plan

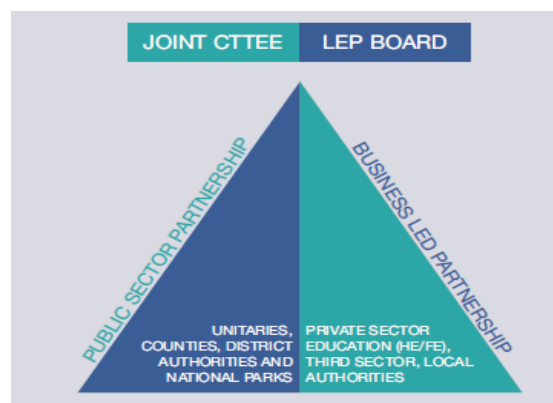
This Delivery Plan therefore sets out how the strategic challenges and opportunities of the area will be addressed and brought to life in a **common framework for action and delivery**.

It is being developed within an evolving context and **should be seen as a living document that will be regularly monitored and updated over time**. This Delivery Plan will be used as a basis for decision-making as we look to **optimise local resources and leverage external funding streams** to deliver the actions listed within this Plan. Business cases will be tested to ensure they are delivering our cross-cutting themes.

Heart of the SW has also been identified by Government as one of the first LEP areas to develop a Local Industrial Strategy. This will be developed in the coming months so the Delivery Plan will feed into this and be updated as a result.

Governance of the Plan

The document is owned by both the Joint Committee and the Local Enterprise Partnership. The shared responsibility between all local authorities, the national parks and the business-led LEP means that we have a stronger commitment than ever before to set the strategy and deliver the priorities.



Monitoring the Plan

Drafting note: the content for this section is being developed by our economic development officers and will be added in due course.

Structure of the Document

The remainder of the document is structured as follows:

- **Section Two – The Core Offer and Principles for Growth**
- **Section Three - Delivering the Key Opportunities**
- **Section Four – Monitoring**

Section Two: The Core Offer and Principles for Growth

Introduction

Higher productivity is characterised by businesses creating more wealth, higher value jobs and contributing to better living standards. To help achieve this, the Productivity Strategy identified three strategic themes with associated aims and programmes of activity which are shown below. Although the associated programmes have and will continue to evolve over time, the principle is for our ‘core offer’ to be available for all businesses and places. The transformational and bedrock opportunities draw on and enhance this core offer; it is the foundation of our delivery.

Business, Leadership and Ideas

| Summary/Outcome | High Level Aims | Programmes |
|---|---|---|
| Our businesses are strong and amongst the most innovative and productive in their sector | <ul style="list-style-type: none"> Significantly improve the productivity of existing businesses in both urban and rural areas Capitalise on our competitive advantages and transformational (golden) opportunities Attract additional, high value, businesses Support and encourage a more equal distribution and take-up of opportunities | <ul style="list-style-type: none"> Business innovation Management excellence Exports – new markets, new opportunities Accessible support to start up and grow Attracting business investment and Foreign Direct Investment |

Housing Connectivity and Infrastructure

| Summary/Outcome | High Level Aims | Programmes |
|--|--|---|
| Our businesses have the right physical environment to thrive, connectivity to markets and space to grow | <ul style="list-style-type: none"> Create vibrant places that are attractive to skilled people and new investment, with infrastructure to support productivity and inclusive growth | <ul style="list-style-type: none"> Connectivity and resilience Housing and land for business Improving digital infrastructure and opportunities Clean energy infrastructure |

Employment Skills and Learning

| Summary/Outcome | High Level Aims | Programmes |
|--|---|---|
| Our businesses have a skilled workforce and are committed to training and developing talent to capitalise on future opportunities | <ul style="list-style-type: none"> Develop, attract and retain a highly skilled and adaptable workforce Enhance education, skills and learning opportunities to improve the economic potential of our workforce | <ul style="list-style-type: none"> Educating and retaining the workforce of the future Creating pathways to success for all Skills for our golden opportunities Supporting our workforce to succeed in a changing economy |

Business, Leadership and Ideas (BLI)

Core Approach – draft version – in development

Individual Outcomes:

- Business innovation that rivals some of the best areas in the UK (B1)
- All businesses have access to comprehensive support to develop outstanding leadership (B2)
- Total value of HotSW exports places the area on the top 1/3 of the UK or (B3)
- Value of HotSW exports exceeds the LEP area average within 15 years (B4)
- One of the best places in the UK to start up and grow a business (B5)
- One of the best places in the UK to locate and grow a business (B6)

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| Current and Future Activity | Outcome | Lead | Key Partners | Funding status | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|---|---------|------------|--|---|--------------|---|--|---------------------------|---------------------------|------------------------------|---------------------|
| Support innovation in our local markets and become a test bed for innovation | B1 | Applicants | HotSW LEP, central government and key industry and academic partners | See individual projects under opportunities | | ERDF funded programmes Innovate2succeed and Local Manufacturing Advisory programme supporting all businesses. Additional interventions under individual opportunities | Regional / Innovate2succeed transition region only | All | | Business, leadership & ideas | |
| Support businesses to create and implement new ways of working and become more innovative | B1 | Applicants | HotSW LEP, key industry and academic partners | ERDF Secured 2018/19 | | | Regional / Innovate2succeed transition only | All | | Business, leadership & ideas | |

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|--|--------------|---------------------------|---|--|--|--|---|-----|-------|------------------------------|--|
| Connect businesses with existing research and innovation capabilities | B1 | Applicants | HotSW LEP, key industry and academic partners | See individual projects under opportunities | | This is partially being delivered through individual projects under opportunities | Regional / Innovate2su ccced transition only | All | | Business, leadership & ideas | |
| Map and proactively support clusters and networks | B1 | LEP, Local Authorities | HotSW LEP, Local authorities, key industry and academic partners | HotSW LEP to confirm | | The LEP is supporting clusters through Nuclear coordinator and SCMC coordinator posts. LAs support individual clusters | Cross-regional | All | Ideas | Business, leadership & ideas | |
| Support capital investment to drive innovation | B1 | Applicants, LEP | HotSW LEP, central government, Local Authorities and key industry and academic partners | Funding for projects agreed has been secured through ERFD and UGF – future funding tbc | | UGF and ERDF have been available for capital projects that support innovation. Future funding might come from SPF. | Depends on project | All | Ideas | Business, leadership & ideas | |
| Support social enterprises | B1, B2 B5 | Applicants | HotSW LEP, Local Authorities and key partners | Secured until 2020/21. | | Social Enterprise Support programme, funded through ERDF. | HotSW | All | | Business, leadership & ideas | |
| Foresight Network – prepare for opportunities | B1 | | HotSW LEP, central government and key industry and academic partners | | | | | All | | Business, leadership & ideas | |
| Innovate UK MOU – delivery plan | B1 | HotSW LEP and Innovate UK | HotSW LEP, central government Innovate UK and key | HotSW LEP to confirm | | Develop a delivery plan with Innovate UK to create more opportunities for HotSW businesses to | Cross-regional | All | | Business, leadership & ideas | |

| | | | | | | | | | | | |
|--|---------|----------------------------------|---|-------------------------|---|--|-------|-----|--|------------------------------|--|
| | | | industry and academic partners | | | benefit from Innovate UK support | | | | | |
| Bespoke Management Programme | B2 | | HotSW LEP and key partners | | All businesses have access to comprehensive support to develop outstanding leadership | | | All | | Business, leadership & ideas | |
| Network of business champions | B2 | | HotSW LEP and key partners | | All businesses have access to comprehensive support to develop outstanding leadership | | | All | | Business, leadership & ideas | |
| Business-to-business mentoring | B2 | Business Mentors SW; Cornerstone | | NA - External | All businesses have access to comprehensive support to develop outstanding leadership | Business Mentors SW - volunteer mentoring scheme; Cornerstone - mentoring scheme in Somerset | HotSW | All | | Business, leadership & ideas | |
| Export programme | B3 / B4 | Applicants | HotSW LEP, Government, Local Authorities and key partners | Funding secured 2018/19 | Total value of HotSW exports places the area on the top 1/3 of the UK or Value of HotSW exports exceeds the LEP area average within 15 years | Currently, ERDF funded Export for Growth programme | HotSW | All | | Business, leadership & ideas | |
| Connect businesses to new markets | B3 / B4 | Applicants | HotSW LEP, Government, Local | Funding secured | Total value of HotSW exports places the area | ERDF funded Local Manufacturing Advisory programme | HotSW | All | | Business, leadership & | |

| | | | | | | | | | | | |
|--|----|--|---|---|--|---|-----------------------|-----|--|------------------------------|--|
| | | | Authorities and key partners | 2018/19 | on the top 1/3 of the UK or Value of HotSW exports exceeds the LEP area average within 15 years | is supporting all businesses. | | | | ideas | |
| Growth Hub | B5 | HotSW LEP (for Service for All), DCC (for ERDF Growth Support programme) | HotSW LEP, Government, Local Authorities and key partners | Secured until 2019/2020. | One of the best places in the UK to start up and grow a business | BEIS and ERDF funded programmes. BEIS confirmed for 18/19 and 19/20. ERDF funded support will end Dec 2019. LEP funding secured until 2019/2020. | HotSW | All | | Business, leadership & ideas | |
| Start-up support | B5 | Applicant | | Funding secured 2018/19 | One of the best places in the UK to start up and grow a business | ERDF funded Start-up & Grow programme for HotSW area. Start Up loans is a national Government funded programme | Cross-regional/Hot SW | All | | Business, leadership & ideas | |
| Business Intelligence, mapping & simplification task & finish group | B5 | HotSW LEP | HotSW LEP, Growth Hub, local authorities and key industry and academic partners | Business support mapping part of GH deliverables. | One of the best places in the UK to start up and grow a business | There are currently 74 business support schemes available in HotSW. Many schemes are only available for local areas. Establish a T&F group to map schemes and identify potential for synergies and simplification. We need to understand the current and future economic impact of our opportunities to | HotSW | All | | Business, leadership & ideas | |

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|---|----|-----------|---|------------------------------|--|---|-------|-----|--|------------------------------|--|
| | | | | | | inform our investment framework | | | | | |
| Support to scale-up, grow and improve productivity | B5 | HotSW LEP | HotSW LEP, Government, Local Authorities and key partners | Funding secured for 2019/20. | One of the best places in the UK to start up and grow a business | HotSW LEP is currently exploring options to commission a bespoke scale-up programme. Funding through LEP monies. As future funding is unclear this will require potential support in the future | HotSW | All | | Business, leadership & ideas | |
| Market the region's special benefits and unique business opportunities to attract new investment | B6 | HotSW LEP | HotSW LEP, Government, Local Authorities and key partners | Secured until 2020/21. | One of the best places in the UK to locate and grow a business | LEP Inward Investment Manager is working with LAs to create a supportive environment and market the region. ERDF funding to support Inward Investment has been applied for. | HotSW | All | | Business, leadership & ideas | |
| Capital investment that enables growth | B6 | | HotSW LEP, Government, Local Authorities and key partners | | One of the best places in the UK to locate and grow a business | UGF and ERDF have been available to businesses and capital projects that support businesses but future funding is unclear | HotSW | All | | Business, leadership & ideas | |
| Create a supportive environment for all sizes of businesses | B6 | | HotSW LEP, Government, Local Authorities and key partners | | One of the best places in the UK to locate and grow a business | We will develop and support interventions for all businesses such as digital utilisation support services. We will identify specific interventions for | HotSW | All | | Business, leadership & ideas | |

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|--|--------|----------------|---|------------------------|--|--|-------|-----|--|------------------------------|--|
| | | | | | | particular areas such as the High Growth Corridor. We will improve accessibility for rural businesses. | | | | | |
| Access to finance: signposting and investor readiness | B5, B6 | HotSW LEP, DCC | HotSW LEP, Government, Local Authorities and key partners | Secured until 2020/21. | One of the best places in the UK to locate and grow a business | Signposting and diagnostic are being delivered through Growth Hub and Growth Support programme. | HotSW | All | | Business, leadership & ideas | |

Employment, Skills and Learning

Core Approach

People’s skills and experience underpin the success of an area. They are a central element in the creation of local prosperity; providing the labour that fuels successful business; the talent that drives forward enterprise and innovation; and the capacity that attracts investment and competition. Ensuring that the HotSW’s workforce and residents are therefore consistently supported to meet their full economic potential is imperative, allowing us to build on opportunities as they arise, as well as address challenges to sustainable growth and create a more inclusive economy.

The HotSW benefits from a strong starting position around Skills and Employment, with almost functional full employment, and a rapidly falling level of those experiencing wider worklessness. However, the area continues to face challenges around fulfilling the potential of those in work, and as a result the wider potential of its business community / core sectors. Too many of those in the workforce still hold a basic or lower level qualification; too few talented young people and adults stay in the area, seeking employment within the HotSW’s core industries; and too many of those that do struggle with challenges around aspiration or overcoming barriers that deny them access higher value learning and work. This then has downstream challenges for business performance, community coherence, individual success, and overall economic dynamism.

To support the wider ambitions of the Productivity Strategy therefore, the HotSW will focus upon a multilateral approach to overcoming these barriers and maximising the skills / learning potential of every one of our residents. Our core approach focuses upon six core elements:

EES – P1: Educating and Retaining the Workforce of the Future

EES – P2: Apprenticeships and Traineeships

EES – P3: Employability / Creating Pathways for All

EES – P4: Technical and Occupational Skills / Skills for Our Golden Opportunities

EES – P5: Supporting the Creation and Implementation of Higher Level Skills

EES – P6: Creating the Infrastructure for Future Learning

| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|----------|---|---|-------------------------------------|--|--|----------|---------------------------|---------------------------|--|---------------------|
| Enterprise Advisor Network / CIAG / Education Business Partnerships | EES – P1 | Various (LEP, LA, FE, HEI, CEC, Private Sector) | Various (Schools, FE, HEI, LEP, Private Sector) | ~£1m per annum from various sources | Careers Information, Advice and Guidance support for young people, including one to one advice and support, industry | Full programme of activity underway across area, though offer is variable dependent on location and school. Wider elements in development or early implementation, | HotSW | All | People Places | Employment, Skills and Learning Business Leadership | Inclusive Growth |

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|--|----------------------|------|----------------------------|---------------------------|---|--|-------|-----|---------------|--|------------------|
| | | | | | related learning and other CIAG outcomes. | including education business partnerships. | | | | and Ideas | |
| European Social Fund – Support for NEETs and Young People | EES – P1 EES – P2 | ESFA | FE, Private Providers | £1.1m over three years | Increase in the number of young people accessing further learning, engaging in employment or undertaking an apprenticeship | Two programmes underway, led by Careers South West and SERCO. Funding due to complete in Spring 2019 | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| European Social Fund – Supporting Access to Employment | EES – P3 | DWP | FE, Private Providers | £600,000 over three years | Decrease in the number of individuals claiming out of work or other work-related benefits, either as they are accessing employment or in further education. | Programme ongoing, led by the Big Lottery, focused on working with those furthest from the labour market and young people. | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| European Social Fund – Active Inclusion | EES – P3 | DWP | FE, Private Providers | £7.8m over three years | Decrease in the number of individuals claiming out of work or other work-related benefits, either as they are accessing employment or in further education | Programme ongoing, led by a mixture of private sector providers and FE partners. | HotSW | All | People Places | Employment, Skills and Learning | Inclusive Growth |
| European Social Fund – Support for the Workforce | EES – P4 EES – P2 | ESFA | FE, HEI, Private Providers | £10.2m over three years | Increased number of individuals with higher level skills, specifically Level 3 and 4 across the workforce. | Programme ongoing, led by FE / HEI partners and Learn Direct. First round of contracts concluded in July 2018. | HotSW | All | People | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth |
| European Social Fund – Reinforcing the Capacity of Providers to respond | EES – P4 EES – P5 | ESFA | FE, HEI | £1.1m over three years | Increased and higher quality provision of training and learning opportunities within | Programme ongoing, led by a consortium of FE and HEI providers. | HotSW | All | People Places | Employment, Skills and Learning | Inclusive Growth |

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|--|--|----------------------------------|--|------------------------|--|--|---------------|-----|---------------|--|------------------|
| to the Market | | | | | core sectors | | | | | | |
| HotSW FE Capital Programme | EES – P2 EES – P4 EES – P5 EES – P6 | LEP | FE | ~£15m over three years | Enhanced facilities within the FE estate, deepening the curriculum offer across the HotSW. | Programme close to completion, with 8 projects ongoing with FE / HEI partners. | HotSW | All | People Places | Employment, Skills and Learning | Inclusive Growth |
| Hinkley Point Training Agency | EES – P4 EES – P5 | HPTA | LEP, FE, EDF Energy, Private Sector | £6.5m over two years | Increase in local labour and training opportunities linked to the development at Hinkley Point, including potential around backfill opportunities. | Programme ongoing, with intensive work in process with 5 HotSW colleges who have received core funding and Tier 1 Suppliers. | HotSW and WoE | All | People | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth |
| Apprenticeship Ambassador Network / Support for Apprenticeships | EES – P2 | NAS / AAS | LEP, FE, Schools, HEI, Private Sector | £100,000 | Increase in number of individuals taking up apprenticeships, in particular form hard to reach groups or at higher levels. | Programme ongoing, with NAS and AAS running both network processes and events in year. Further emphasis to be put on apprenticeship roll out over next twelve months, following bedding down of levy. | HotSW | All | People | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth |
| Adult Education Budget | EES – P3 | FE, Training Providers, LAs | Community Groups, Health Partners | ~£25m per annum | Increase in number of individuals holding basic skills and able to move forward into higher value education, learning or employment opportunities. | In year provision ongoing, with increased number of providers reporting smaller underspends and higher levels of delivery / achievement than in previous years. Full review of base funding currently planned for 2019/20. | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| National Adult Retraining Pilots (Careers Learning Pilots / Flexible Learning Fund) | EES – P3 EES – P4 | DfE, LAs, FE, Training Providers | Wider Training Providers, Private Sector | £4m in 2018/19 | Increase in the number of in work individuals progressing to a higher-level qualification, with a | 6 projects ongoing across the HotSW, with progress being tracked and early evaluation activity ongoing to feed into national adult retraining | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |

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| | | | | | focus upon Level 3 and 4. | programme in 2021 | | | | | | |
| T Level Pilots / FE Reform | EES – P4 EES – P5 | DfE, FE | HEI, Private Sector | £500,000 in 2018/19 | Increase in the number of individual progressing to a higher-level technical discipline or qualification. | First round of pilots currently concluding, with second round due to roll out in new year. 3 FE pilots in HotSW. | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth | |
| Digital Skills Partnership | EES – P2 EES – P4 EES – P5 | DCMS, LEP | LAs, FE, HEI, Private Sector | £150,000 over two years | Increase in the quantum of digital skills and expertise across the economy, including at basic, technical and higher levels. | Pilot formed in mid-2018, with staffing and delivery plan currently being finalised. Program complement and next steps to be conclude in later 2018. | HotSW | All | People Ideas Business Environment | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth Digital | |

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| Proposed Future Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|----------------------|------------------------|--------------------------------|------------------------------|---|-------------------------------|----------|---------------------------|---------------------------|---------------------------------|---------------------|
| European Social Fund – Support for NEETs and Young People | EES – P1 EES – P2 | Subject to Competition | Schools, FE, HEI, LAs | £4.7m over three years | Further support for CIAG provision across the HotSW, including support for those most at risk of becoming NEET. | Call published in August 2018 | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| European Social Fund – Active Inclusion | EES – P3 | Subject to Competition | DWP, FE, LAs, Community Groups | £1.3m over three years | Support for communities to support residents to access employment and undertake additional learning through grant support | Call published in August 2018 | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |

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|---|----------------------------------|-----------------------------|--|--|---|---|-------|-----|--------------------------------|---|-----------------------------|
| European Social Fund – Support for the Workforce | EES – P4 EES – P2 | Subject to Competition | Private Sector, FE | £11.6m over three years | Increase in number of individuals holding a level 3 and above qualification, with a focus on core sectors. | Call published in August 2018 | HotSW | All | People Business Environment | Employment, Skills and Learning Business Leadership and Growth | Inclusive Growth Digital |
| European Social Fund – Reinforcing the Capacity of Providers to respond to the Market | EES – P4 EES – P5 | Subject to Competition | FE, HEI | £1.4m over three years | Higher quality provision of training and learning opportunities within key sectors, through improved resilience in FE and HE. | Call published in August 2018 | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| Careers Hub / Enhanced Careers Information, Advice and Guidance Provision , aligning existing activity and rolling out a strengthened and comprehensive CIAG service. | EES – P1 | LEP, CEC | Schools and other education providers, FE, HEI, Private Sector | ~£500,000 per annum provided by CEC, LAs, LEP and other partners. Potential for SPF in future years. | Improved career and educational outcomes for young people within the HotSW, including increased take up of core sector opportunities. | Business Planning, with Hub Pilot approved in spring 2018. Delivery to roll out in September 2018, with current intention to build offer over 3 years. Follows on from end of current ESF activity. | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| Further input into usage of Adult Education Budget / Adult Skills Funding , seeking to better align activity with sectoral and local need, and tailor provision to better meet local conditions. | EES – P3 | FE, LAs, Training Providers | Community Groups, Wider Training Providers | ~£20m per annum core DfE funding, matched by learners and wider partners | Enhanced and refocused adult provision for those seeking employability and other basic skills, as well as community learning opportunities. | Annual provision, with partners seeking an ability to influence the shape and type of provision commissioned. | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth |
| Creation of a ‘Skills for Business’ Advisory Service , seeking to support business to | EES – P2 EES – P4 EES – P5 | LEP | LAs, Business Support Agencies, | £1m per annum. Potential for | Improved workforce planning and capacity across business community, leading | Inception stage, with early discussion ongoing about project scope and fit with Growth Hub and other | HotSW | All | People Business Environment | Employment, Skills and Learning Business | Inclusive Growth |

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|---|--|--------------|---|--|--|---|----------------|-----|--|--|-----------------------------|
| better understand the skills landscape, assist with workforce development and | | | Private Sector, FE, HEI | mixture of SPF, LEP, LA and other match. | to enhanced outcomes in terms of business output and productivity. | business support products. Follows on from current ESF activity. | | | ent | Leadership and Ideas | |
| Securing of an Institute of Technology , providing new provision of qualifications and content to strengthen the digital and advanced engineering sectors within the area. | EES – P2 EES – P4 EES – P5 EES – P6 | LEP | FE, HEI, Private Sector | £30m over three years from FE Colleges, HEI partners and DfE | Increased learners at Level 4-6 and beyond, accessing a range of bespoke technical training opportunities to meet the needs of the digital and advanced engineering disciplines. | Business Planning Stage 2, following successful approval of Stage 1 bid in May 2018. | HotSW and CloS | All | People Places Business Environment | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth Digital |
| Technical Skills for the Workforce , a new programme of supported activity within core sectors to assist with the delivery of improved outcomes and workforce development. Programme with seek to complement emerging IoT and T Level programme. | EES – P4 EES – P5 | LEP | FE, HEI, Training Providers, Private Sector | £4m per annum, with funding secured from SPF with LA, LEP, FE, HEI and Private Sector match. | Increased learners undertaking technical level and higher-level qualifications within core sectors, with downstream impacts for business productivity and output. | Inception Stage, with early discussions ongoing on SPF and other potential funding streams. Follows on from current ESF activity | HotSW | All | People Business Environment | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth Digital |
| Apprenticeship and Traineeship Support Programme , seeking to support SME business employ an apprentice, and support individuals to understand the benefits and potential of apprenticeship opportunities. | EES – P2 | LEP, NAS, FE | HEI, Private Sector, Training Providers | £3m per annum within funding to be secured from SPF, with match | Increased uptake of apprenticeships and traineeships as a route to employment and learning. Focus on higher level skills, key sector opportunities and technical occupations. | Inception Stage, with early discussions on-going on SPF and other potential funding streams. Follows on from current ESF activity | HotSW | All | People | Employment, Skills and Learning | Inclusive Growth Digital |

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| Rolling Labour Market Intelligence , creating a programme of intelligence gathering to inform skills commissioning and wider activity. | EES – P1 EES – P2 EES – P4 EES – P5 | LEP, Private Sector | FE, HEI, Training Providers | £100,000, the £50,000 per annum. Funded by a mixture of LA and other core funding. | Enhanced labour market intelligence to inform funding prioritisation and business planning / bidding processes. | Business Case stage, with initial specification for LMI approach currently being scoped. | HotSW | All | People Business Environment Place | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth Digital |
| Creation of a Skills Advisory Board for the HotSW , bringing together a representative sample of employers, providers and wider skills and learning stakeholders to inform forward commissioning and fuse of relevant funding. | EES – P2 EES – P4 EES – P5 EES – P6 | LEP | Private Sector, LAs, FE, HEIs, Training Providers, Wider Stakeholders | £50,000 per annum, currently funded from within core LEP funding. | Improved governance of skills and education decision making and commissioning within the HotSW | Business Case stage, with initial specification and operating model currently being scoped. | HotSW | All | People Business Environment | Employment, Skills and Learning Business Leadership and Ideas | Inclusive Growth Digital |
| FE Capital Renewal Programme , supporting the updated and renewal of core assets within the FE estate | EES – P6 | LEP | FE, HEI, Private Sector | £15m over three years, subject to future funding allocations from Govt | Enhanced provision within college facilities and improved site infrastructure for learners, leading to improved / broadened outcomes | Inception, with individual institutions beginning forward planning on stock / asset replacement. | HotSW | All | People Infrastructure | Employment, Skills and Learning | Inclusive Growth |
| Strengthening Places / HEI Specialisation Funding , to support development of higher education capacity and offer through added new capital equipment facilities. | EES – P5 | HEI | FE, LEP, Private Sector, Training Providers, Schools | £10m over 3 yrs, with potential for further SPF and other core funding to supplement. | Sector specific innovation and training opportunities, with focus on growth sectors and HoTSW specialisation. | Business Case stage, with multiple additional opportunities in process within HotSW HEI providers. | HotSW | All | People Ideas | Employment, Skills and Learning | Inclusive Growth |

Section Three: Delivering the Key Opportunities

Introduction

The opportunities presented within this current draft include:

- **Nuclear** – where there are benefits from Hinkley Point C as a leading nuclear new build project with £50bn of opportunities within a 75 minute radius; and Devonport Dockyard as home to the Royal Navy’s nuclear submarine maintenance work but where intervention is needed to anchor the long term economic legacy of the cluster;
- **Marine** – in which we benefit from our position within the South Coast Marine Cluster running from Cornwall to Hampshire and accounting for £2.54bn GVA but require intervention to help develop our growth opportunities;
- **Photonics** – where we have a concentration of high value supply chains across a broad range of sectors such as marine, aerospace, defence, and space applications in which photonics plays a key role as an enabling technology but needs further support to develop a world class cluster;
- **Farming, Food and Fishing** – with an agri-food sector that is built upon a rich agricultural and horticultural heritage but where Brexit is expected to bring about significant changes; and,
- **High Value Tourism** – in which we have an unparalleled breadth and depth of tourism assets and infrastructure to suit many tastes but intervention is needed to maximise the economic contribution from this important sector and the quality of employment opportunities that are available through it.

Advanced Engineering – Nuclear (AE –N)

Key Opportunities

The area benefits from Hinkley Point C as a leading nuclear new build project with £50bn of opportunities within a 75 minute radius; and Devonport Dockyard as home to the Royal Navy’s nuclear submarine maintenance work. By 2030, it will be home to a world-renowned cluster of high value businesses with transferrable expertise in advanced engineering and expertise in nuclear decommissioning which will also act as a stimulant to raise productivity in complimentary sectors. Intervention is needed to anchor the long term economic legacy of the cluster in the south west; without it there is a significant risk that the supply chain jobs and businesses move elsewhere in the country. Our core approach is to:

[AE - N1] Develop a legacy of a world class engineering supply chain across civil and defence sectors

[AE –N2] Develop HOTSW as a strong location for innovation in the nuclear sector, capitalising on the opportunity of the HPC construction

[AE – N3] Develop the skills requirements for the nuclear life cycle (specifically MEH and de-commissioning) and nuclear defence (engineering), creating a world class decommissioning cluster

[AE – N4] Develop the South West as a key location for advanced engineering (nuclear) inward investment

| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban | Industrial | Productivity | Cross |
|---|---------|----------------------------------|--|------------------------------------|--|-------------------------------|--------------|---------|----------------------------|------------------------------|------------------|
| | | | | | | | | Rural | Strategy Theme | Strategy Theme | Cutting Theme |
| | | | | | | | | Coastal | | | |
| Supply chain project with HOTSW, WoE and Wales (funders) | AE- N1 | Hinkley Supply Chain Team (HSCT) | Delivery Partners – SCOC, SWMAS, Business West | £1.5M finishes 2019 | Engaged with 30 Tier 1 contractors to the HPC project. 90 work packages identified and assessed. £200 Million opportunity pipeline over the next 6 months. 2000 companies matched across the region to the opportunities. Over 300 companies have started the support journey through the programme. 50 companies have received intensive support. £15 million pounds of contracts won by local firms supported through the programme. | In line with contracted KPI’s | Cross region | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Nuclear SW – Inward | AE – N4 | HSCT | SWMAS, | £459.6K finishes | 14 landings achieved. | In line with | Cross | All | Business | Business, | Inclusive |

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| Investment Service with HOTSWS (Local Authority funders – SCC / SDC / TD / WS) and WECA (IBB) | | | Business West, IBB and HOTSWS Local Authorities | 2020 (funding secured until March 2019) | 200 warm leads generated at WNE 2018 | contracted KPI's | region | | environment. Places | leadership & ideas | growth |
| Development of Huntspill Enterprise Zone as an anchor point for the early phase of the clusters | AE – N1 | SDC | SCC, LEP, Industrial Partners | £4.2M | 2Msqft of commercial space; 4.5K jobs, 180% GVA uplift. 50-150 new businesses. 50MW electricity generations | Site remediation started | Somerset | Rural | Business environment Infrastructure Places | Business, leadership & ideas | Inclusive growth |
| Development of Somerset Energy and Innovation Centre | AE – N2 | SCC | SWMAS, SCOC, BW | Awaiting info from SCC | Awaiting info from SCC | Built and occupied. Funding secured for phases 2 and 3 | Somerset | Rural | Business environment Infrastructure Places | Business, leadership & ideas | Inclusive growth and distinctive assets |
| Development of SW Nuclear Hub / Nucleate Project / | AE – N2 | Bristol University | NSW, Plymouth, UWE, Southampton Universities | £8M (SWNH) £4M secured for Nucleate | <ul style="list-style-type: none"> •Engagement with industry and the public – international speakers showcase for businesses. Co-hosting events with Nuclear Institute, IOP, IMechE and the NIA. •Engagement with national and regional policy •Working with consortia including SEIC to create a technology pipeline. | Robust collaboration potential with spin-outs to HOTSWS LEP area. | Cross region | All | Business environment Ideas | Business, leadership & ideas | Distinctive assets |
| National College for Nuclear established | AE – N3 | Bridgwater & Taunton College | EDF / UOB | £15 Million | Nuclear Degree, foundation Degree, L3, Degree Apprenticeships, mechanical and electrical engineering / top up courses, nuclear safety and ILM qualifications / courses developed. X students. | Facility open and providing high level technical training | Cross region | All | Infrastructure | Employment skills & learning | Distinctive assets |

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|--|---------|------------|--|------------|--|---|------------------|-------|------------------------------------|------------------------------|---|
| EDF training & development centre established in Cannington | AE – N3 | EDF | | | | Facility open and providing corporate training. Added value to local community – STEM / Young HPC / Education Inspire Project | UK | Rural | Infrastructure Places People | Employment skills & learning | Distinctive assets |
| Hinkley Point Training Agency established | AE- N3 | HPTA Board | LEP, EDF, BTC, AOC , DSTPN | £150K | <p>Total numbers trained to date: c.1800+</p> <p>Total training value to date: c. £250,000+</p> <p>Five Colleges brought together to create the specific offer for the HPC MEH phase</p> <p>Working with Unions involved on HPC to provide worker key skills learning</p> <p>Working with Somerset County Council to pilot traineeships for young people registered as SEND in Somerset. The placements will be with major contractors on the HPC project</p> <p>DWP in setting up SBWAs for unemployed.</p> | Enabling contractors and their supply chains to connect with training providers | HotSW | All | Business environment People | Employment skills & learning | Inclusive growth and distinctive assets |
| Investment in 5FE Colleges and National College for Nuclear | AE- N3 | LEP / HPTA | Bicton, Yeovil, BTC, Petroc, Exteter, South Devon, EDF | £10million | Deliverables in line with HPTA. | Supporting Hinkley skills development and off-setting displacement of skilled workers | Somerset & Devon | All | Infrastructure People | Employment skills & learning | Inclusive growth |

| Strategic Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|---------|-----------|--------------------------------|--|---|--|----------|---------------------------|---|-------------------------------|---|
| Further UK Collaboration between nuclear industry rich regions to maximise future nuclear project opportunities | AE – N1 | HOTSW LEP | Cumbria, New Anglia, BEIS, NIC | Utilisation of existing Govt funding streams and initiatives | Implementation of a Nuclear Place based Deal leading to specific Govt investment targeted at nuclear regions. Continuation funding for Supply Chain activity | Some involvement with Sector Deal implantation | UK | Rural | Business Environment, People, Places, Ideas | | Inclusive growth and distinctive assets |
| Baseline Evidence (Supply Chain) Develop comprehensive metrics for calculating economic value of all tiers and flow through work. Also contract wins and SW Content | AE – N1 | HOTSW LEP | LEP / HSCT | Contracted obligation for HSCT? | Robust calculation of local economic benefit | Not started | SW | All | Business Environment | Business leadership and ideas | Inclusive growth |
| Baseline Evidence (Skills) Annual nuclear workforce assessment that is analysed at SW and LEP level, to support delivery of national priorities at local level | AE – N3 | HOTSW LEP | HSDF People Grp / NSSG | Part of SAP requirement? | Demand/requirement for HPC, decommissioning and defence (and other appropriate key sectors) current local and national capability local and national skills gaps assess where the data gaps are and model local data collection (in the absence of nationally defined criteria). | Data collected by Autumn 2018 | SW / LEP | All | People | Employment, skills & learning | Inclusive growth |

| Priority Activity (underway or in development) | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|---------|------------|--------------|--|--|--|--------------|---------------------------|--------------------------------|------------------------------|---|
| Supply Chain Secure continuation funding for supply chain development project | AE – N1 | LEP | HSCT | £0.5M per LEP for 3 year programme | Up to 20% of HPC build costs supplied from within region. Diversification of supply chain to other sectors Viable legacy impact from winning MEH Contracts. Cross over opportunities in to SZC and BRB | Need to secure funding by end 2018 | Cross region | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Understand potential of nuclear defence opportunity | AE – N1 | LEP | MOD | Some pump priming / facilitation | % of £XB of contracts won locally – realising the £15Bn opportunity | Very initial scoping undertaken | HOTSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth and distinctive assets |
| Understand potential of decommissioning opportunity | AE – N1 | LEP | SWMAS | Some pump priming / facilitation | % of £XB of contracts won locally – realising the £15Bn opportunity | Very initial scoping undertaken | HOTSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth and distinctive assets |
| Skills Support delivery of filling critical skills gaps for HPC and other advanced engineering / manufacturing sectors – specifically MEH | AE- N3 | HSDF / LEP | LEP / NSSG | ESF calls (Shaping Future Skills Provision) and Skills in Employment | Defined top up training modules/accredited training requirements for transfer between trades/job roles. Raised awareness of these requirements with providers. Meeting labour demands by enabling accelerated opportunities for mobility/transfer in the nuclear sector from other sectors. | Develop HSDF delivery plan and align to current initiatives. Bids facilitated via HPTA | HotSW | All | Business environment People | Employment skills & learning | Inclusive growth and distinctive assets |

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|---|---------|-------------------|--|-------------------------------------|---|--|-------------------------|-------|--|------------------------------|---|
| | | | | | Managing the impact of demobilisation by creating opportunities to transfer from HPC to other major infrastructure projects/sectors. | | | | | | |
| Develop HPTA into a robust skills co-ordination provision for large infrastructure projects | AE- N3 | LEP / HSDF / NSSG | Industrial Partners / Developers | Funding identified by December 2018 | Quality provision provided locally when required, providing greater opportunities for sustainable construction careers and up-skilling. | Learning and growing from existing HPTA 5 co-ordination | HotSW | All | Business environment People | Employment skills & learning | Inclusive growth and distinctive assets |
| Support delivery of National Nuclear Skills Strategy at local level through development of local skills delivery programme | AE- N3 | LEP / HSDF / NSSG | NSW Stakeholders | Pump priming / capacity building | Greater influence to Government re skills for nuclear opportunities and challenges. Improved co-ordination with other regions – specifically joining up with Nuclear Sector 'Place Proposition' | Develop HSDF delivery plan and align to current NSSG priorities and identify local delivery options by Autumn 2018 | HotSW / Nuclear regions | All | Business environment People | Employment skills & learning | Inclusive growth and distinctive assets |
| Secure Institute of Technology bid (cross-opportunity) | AE – N3 | UoE | UoE, B&T College, Exeter College, Plymouth College, Cornwall College | £15m required | Supply of Level 4 and Level skilled labour with specific focus on digital, engineering and manufacturing | Submitted June 2018, decision expected by Autumn 2018 | Cross region? | All | People | Employment skills & learning | Inclusive growth |
| Innovation Secure funding for Somerset Energy Innovation Centre Expansion | AE – N2 | SCC / LEP | University of Bristol / SWMAS / Business West | £5.4M | Research and development space created for SME's at TRL 7-9 readiness. For NNB and de-commissioning, and transferability into other sectors | SIPF EOI submitted – July 2018 | Somerset | Rural | Business environment Infrastructure Places | Business, leadership & ideas | Inclusive growth and distinctive assets |
| Develop business innovation programme, | AE – N2 | LEP / SCC | University of Bristol / NSW | £1M | £10m GVA generated and 150 high level jobs in 5 | Develop programme by Spring 2019 | HotSW/ SW | All | Business environment | Business, leadership & | Inclusive growth |

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|--|-----------------|------------|--|--|--|---|-------------------|-----|----------------------------|------------------------------|------------------|
| capitalising on SEIC | | | Stakeholders Bath University (Supply Chain Lab) | | years 30+ products launched into the nuclear sector 200 businesses supported including referrals across the programme 25 companies with IP developed 60 R&D collaborations | dependent on funding bid outcome | Region | | Ideas | ideas | |
| Infrastructure Realising the potential to stimulate the rebirth of advanced manufacturing and supply chain production in the UK for products. | AE-N2 / AE – N4 | LEP / LA's | Industry | EM's | Investment in key road schemes and employment land sites to allow for indigenous expansion, diversification into other complimentary technology sectors (i.e. automotive) and encourage niche FDI where there are supply chain gaps | Scope infrastructure for Clean Energy Infrastructure Investment Plan | HotSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Export Establish export programme to connect to overseas markets | AE – N1 | NSW / LEP | DIT | Pump priming / capacity for audit of activity and follow-up marketing material | Nuclear Export proposition understood and promoted to targeted overseas markets | Develop proposition by first Quarter 2019 | HotSW / SW Region | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Inward Investment Continue to market NSW nuclear proposition, specifically to encourage FDI for overseas companies to partner with UK companies; or where there are niche capability gaps. Develop propositions | AE-N4 | NSW / LEP | DIT | Deliver a programme to support innovation in the supply chain (digital / tech) Deliver a programme that maximises | New marketing campaign delivered with specific nuclear sectors targeted new nuclear / decommissioning / AMR's Add value to EZ proposition, specifically on transferability of technologies and tech cluster for advanced manufacturing into clean | Develop campaign for NDA event (November 2018) Develop campaign for MIPIM 2019 (?) | HotSW / SW Region | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |

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|--|----------------------------|------------------|--|----------------------------------|---|---|--------------------------|--------------|---------------------------------------|---|-------------------------|
| <p>based on technologies that cut across multi-sectors / commercial opportunities</p> | | | | <p>our key commercial assets</p> | <p>energy growth . Encourage technology clustering to enable transferability across sectors such as automotive</p> | <p>Creating a national proposition for FDI post Brexit that builds on locality capacity and capability, piggy backs on nuclear investment, and attracts high value brands in mutually supportive commercial sectors</p> | | | | | |
| <p>Future Opportunities (as Identified by FNC) Re-use of nuclear licensed sites Nuclear Health Medicine Market Fusion Supply Chain</p> | <p>AE – N1 AE – N4</p> | <p>NSW / LEP</p> | <p>Various Partners to be identified</p> | | <p>Plan a programme of proactive involvement to promote the re-use of SW nuclear sites for future nuclear projects such as SMR's and AMR's Undertake a study to understand scope Deliver a programme to support SW Companies sell their capability into the fusion programme in the UK and overseas</p> | <p>Watching brief</p> | <p>HotSW / SW Region</p> | <p>Rural</p> | <p>Business environment Ideas</p> | <p>Business, leadership & ideas</p> | <p>Inclusive growth</p> |

Advanced Engineering – Marine (AE-M)

Core Approach

The South Coast Marine Cluster runs from Cornwall to Hampshire and accounts for £2.54bn GVA, or 8% of the UK total and more than any other recognised UK cluster. Its 8,000 businesses employ 105,000 or 5% of the working age population. Whilst there are concentrations of activity around port towns and cities, many of these businesses are spread across inland areas and are engaged in numerous non-marine supply chains. Our industry is built on a combination of our excellent natural resources, the largest concentration of ports and harbours in the UK as well as a world class research base. We produce more marine and maritime related research than any other region in the world, with 32 world class research and development organisations, the south Coast has un-rivalled research and testing capacity which combine to create an excellent test bed for innovation. In HOTSW, we have continuing investments in the Marine Industries Production Campus at South Yard.

The OECD predicts that globally the Ocean Economy is expected to double in size by 2030. At a national level, the UK foresight report highlights the importance of emerging sectors many of which have a major presence in the South Coast Marine Cluster. Based on our review of emerging growth opportunities mapped against our local strengths with input from business and research partners, the South Coast Marine Cluster have concluded that there are three key complementary strategic growth opportunities:

1. High Value Marine Manufacturing
2. Marine Renewables
3. Marine Autonomy

There is a strong correlation/overlap between the underpinning competencies and infrastructure required for our specialisms and those recommended to develop other market opportunities including: Nuclear, Defence, Opto-electronics and Aerospace. These include:

- [AE-M1] Cross-sector collaboration and supply chain development
- [AE-M2] Commercial access to sites and infrastructure
- [AE-M3] Skills and innovation

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| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|---------|------|--------------|--|----------------------------------|--|----------------------------|---------------------------|--|--|---------------------|
| Oceansgate Marine Enterprise Zone Phase 1 | AE – M2 | PCC | HotSW LEP, | Growth Deal 2 £1.5m Growing Places Fund Loan £5m PCC Grant | 177 jobs 2600m2 of floorspace | Building complete in May 2018. Eight out of 26 units let | National and international | Urban Coastal | Ideas: Artificial Intelligence, Future | Business environment Infrastructure | Distinctive Assets |

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|---|---------|----------------------------|---|--|--|---|----------------------------|-------------------|---|--|--------------------|
| | | | | £1.2m | | | | | mobility, Clean Growth | Places | |
| Oceangate Marine Enterprise Zone Phase 2 | AE – M2 | PCC | DCLG ref ERDF | PCC £6.1m Loan ERDF £2.2m (tbc) MHCLG £5m grant | 196 jobs 2900m2 floorspace | Construction commences March 2019 Building complete May 2020 | Urban, coastal | | Place Artificial Intelligence, Future mobility, Clean Growth | Business environment Infrastructure Places | Distinctive Assets |
| Oceangate Marine Enterprise Zone Phase 3 | AE – M2 | PCC | MoD | DIO Loan £1m | 600 jobs 3 dry docks 4 jetties A range of industrial buildings | £16m funding needs to be found before enclaving and remediation works can take place. | National and International | Urban and Coastal | Place: Artificial Intelligence, Future mobility, Clean Growth | Business environment Infrastructure Places | Distinctive Assets |
| Marine Business Technology Centre | AE – M3 | PCC | Plymouth & Exeter Unis, PML, Marine Biological Association | £2.7M, 3 years | 97 Businesses assisted | Live | Cross Region | All | Ideas: Artificial Intelligence, Future mobility, Clean Growth | Ideas | Distinctive Assets |
| 'In sea' test range initiated | AE – M3 | Public private partnership | PCC, PML, Plymouth University, MBA, Thales, Msubs, Sonardyne Plus wider | Various public and private sources including in kind match. Additional funding sought through | Pipeline of product testing including Thales autonomous minesweeper, Autonaut, and Valeport sensors. | Facilities and support already in place. The formal recognition of a body of water near Plymouth and accessibility of a wider suite of | Coastal | All | Ideas/Infrastructure Artificial Intelligence, Future mobility, Clean | Ideas | Distinctive Assets |

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| | | | South Coast Cluster Partners | Strength in Places bid | | facilities is being developed. | | | Growth | | |
| South Coast Marine Cluster | AE-M1 | HOTSW LEP | LEPS, HEIs, LAs, Business, National and International | £100k PA, contributed by LEPs, LAs and HEIs | Create and guide delivery of sector growth strategy (LIS) Facilitate regional collaboration e.g. test range and £30M SIP bid. Promote and communicate sector needs to UK Gov. | Strategy and regional governance in place. Established brand, collateral and senior stakeholder relationships. Additional resource required: to expand sector promotion and national influence. | Cornwall, HOTSW, Dorset, Solent and Hampshire | All | All Artificial Intelligence, Future mobility, Clean Growth | All | Distinctive Assets |

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| Proposed Future Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|----------------|--------------|--------------------------------|--|--|---|--------------|---------------------------|---------------------------|-------------------------------|---------------------|
| Focused Innovation Support | AE-M3 | Plymouth Uni | Several regional HEIs and SCMC | £30m Strength in Places Fund bid (EOI submitted) | 8% productivity gain to supported businesses equal to £71 million GVA PA | Bid submitted, 2 nd stage announced Oct 2018 | Cross region | All | Ideas Clean growth | Business leadership and ideas | Distinctive assets |
| Brokerage to and investment in test facilities – including further development of | AE-M2 AE-M3 | SCMC | HEIs, Business and MOD | Coordination: £500,000 Assets £1,500 | Increased investment in R&D in region | Business case and coordination to be scoped. | Cross region | All | Ideas Future of | Business leadership and ideas | Distinctive assets |

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|--|----------------|--------------|-------------------------------------|------------------------|--|--|-------------------|---------|--|-------------------------------|--------------------|
| in Sea Test Range | | | | (covered in SIP bid) | | £5.27M covered in Strength in Places bid including capital for new investments | | | mobility AI and Data Economy | | |
| Broadband at sea and for coastal industrial sites | AE-M2 AE-M3 | SCMC | Connecting Devon and Somerset, DCMS | Unknown | At sea: Enables innovation via internet of things at sea with numerous applications e.g. safety, logistics, autonomy etc. On land: industrial productivity uplift | At sea – ISCF bid submitted for pilot. Connecting Devon and Somerset current programme. | Cross region | Coastal | Future mobility AI and Data Economy | Business leadership and ideas | Distinctive assets |
| Cross-sector supply chain development | AE-M1 | LEP & SCMC | | £2M | Increased innovation, supply of skills, trade via access to new markets | Business case development £2M covered in SIP bid | Cross region | All | Business environment | Business leadership and ideas | Distinctive assets |
| Combined international marketing support | AE-M1 | LEP and SCMC | DIT | Circa £75,000 PA | Collateral, combined promotion programme, internationalised key opportunities. | Business case development | Cross region | All | Business environment | Business leadership and ideas | Distinctive assets |
| Support to protect and develop potential marine sites | AE-M2 | PCC | HEIs | TBC | Increased place offer to residents and visitors | In negotiation with UK Gov | Oceansgate | Urban | Business environment Places | Infrastructure | Distinctive assets |
| Support to create Geospatial Digital Hub | AE-M3 | TDBC | Geospatial Commission | £6M. £4.25M Geospatial | Estimated at £40-45 million | Business case development | Cross regional or | All | Ideas AI and Data | Business leadership | Distinctive assets |

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|---------|---|-------|-----------------|---|---|--|--|--------------|---------|-----------|---------------------------------|--|
| | | | UKHO, SCC, TDBC | Commission, £1.75M LEP/LAs | GVA over 10 years | | HOTSW? | | Economy | and ideas | Digital technology | |
| Page 53 | Skills – Enhanced upskilling and reskilling opportunities in technical disciplines, developing clear pathways to the sector and with supporting training / learning delivered through the emerging Institute of Technology and wider provider partners. | AE-M3 | LEP & SCMC | HEIs, FE, SCMC Business Leadership Groups | ESF / SPF / ASB | Defined top up training modules/accredited training requirements for transfer between trades/job roles. Raised awareness of requirements with providers Development of core capacity within the sector . Meeting labour demands by enabling accelerated opportunities for mobility/transfer to marine from other sectors. | Business case development | Cross region | All | People | Employment, Skills and Learning | Inclusive Growth Capitalising on our Distinctive Assets |
| | Skills – Development / enhanced roll out of a Marine Industries specific Career, Information, Advice and Guidance (‘CIAG’) offer, building on existing resources developed by | AE-M3 | LEP & SCMC | Maritime UK, MOD | CEC, LEP / LA Match/ Private Sector Funding | Increased supply of skills to key sectors Increased engagement and uptake of marine roles by | Careers Hub approved and in development process, with resources currently being mobilised. | Cross Region | All | People | Employment, Skills and Learning | Inclusive Growth Capitalising on our Distinctive Assets |

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| Maritime UK, and integrated within the emerging Careers Hub within the HotSW | | | | | Young People | | | | | | |
| Skills – Development of higher level apprenticeship pathways within the marine sector, working with relevant HEI and FE partners. | A3-M3 | LEP & SCMC | HEI, FE, Business Leadership Groups | ESF / SPF / HEIFC / Private Sector Match | Increased number of graduates within STEM and other disciplines Increased uptake of higher level occupations within Marine Sector. | Early business planning activity ongoing with university and FE partners. Links to higher level apprenticeship capacity development across Advanced Engineering sectors. | Cross Region | All | People | Employment, Skills and Learning | Inclusive Growth Capitalising on our Distinctive Assets |
| Skills – Pathway development for sector specialists to become trainers, leading to a broader and more robust curriculum offer. | A3-M3 | LEP / Providers | HEI, FE, Business Leadership Groups | ESF / SPF / FE Base Funding / Private Sector Match | Enhanced trainer capacity and industry specialisation within provider network. Tailored training provision for marine sector. | Early business planning activity ongoing with university and FE partners. Links to similar capacity development across Advanced Engineering sectors | Cross Region | All | People | Employment, Skills and Learning | Inclusive Growth Capitalising on our Distinctive Assets |
| Skills – Promotion of Marine Industry opportunities to adults working within wider industry, with retraining then supported by the emerging Adult Retraining Scheme and other core funding. | A3-M3 | LEP & SCMC | FE / DfE / ESFA / Business Leadership Groups | HEI / FE / DfE / ESFA / Private Sector Match | Upskilling of in work adults Increased wage and progression Enhanced skills and capacity within the Marine sector | Inception / Wider Pilot Activity | Cross Region | All | People | Employment, Skills and Learning | Inclusive Growth Capitalising on our Distinctive Assets |

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| Skills - Leadership and Management skills development promoted and supported across the sector and its supply chain. | A3-M3 | LEP & SCMC | HEIs, FE, SCMC Business Leadership Groups | ESF / SPF / ESFA / Growth Hub | Enhanced business leadership and development Peer to peer sharing of best practise and holistic enhancement of the South West sector in terms of business approach and methodology. | Inception / Part of wider business growth approach | Cross Region | All | People | Employment, Skills and Learning Business Leadership | Inclusive Growth Capitalising on our Distinctive Assets |
|---|-------|------------|--|-------------------------------|--|--|--------------|-----|--------|--|--|

Digital – Photonics (D –P)

Key Opportunities

Photonics is a £12.9Bn industry nationally, comprising of over 1,500 businesses directly employing around 65,000 people and projected to grow around 8-10% per year. Across the HotSW there is a strong and established cluster of 174 companies, employing 3,125 highly skilled people contributing over £516M per year (increasing to £918M to encompass the whole South West region) equating to 7% of total UK photonics output. The cluster boasts a broad range of capabilities across the value chain including; photonics component design, microelectronics, fibre optics, lasers, thin film and optical coatings, LED lighting, sensors & imaging and PIC packaging, and is a key enabling technology for:

- UK Big Data sector valued at £27Bn
- UK Aerospace sector valued at £32Bn
- UK Defence sector valued at £23Bn
- UK Space sector valued at £14Bn
- UK Security and Resilience valued at £13Bn
- UK Civil Nuclear industry valued at £6.4Bn
- UK automation/ robotic industry valued at £218M

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In summary the key outcomes are:

- D – P1: Develop a world class cluster in HotSW at the forefront of cutting edge innovation in R&D activity in the hi-tech sector – capitalising on the opportunities in 5G, Big Data, and autonomous vehicles
- D – P2: Provide skills and training for a highly skilled workforce to meet industry requirements across the photonics value chain
- D – P3: Grow and develop the supply chain and capabilities within the HotSW cluster in order to grow and retain the local value chain
- D – P 4: Promote and market the world leading capabilities and expertise within the HotSW photonics cluster

| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|----------------------|---------|------|------------------------------------|------------------------------------|--|-------------------------|-------------|---------------------------|---------------------------|------------------------------|---------------------|
| Torbay Hi-tech Forum | D – P1 | TDA | LEP/ SDC/ UKRI/ local universities | Ongoing TDA in-kind contribution | Collaboration and sector sounding board. | Established and growing | South Devon | All | Business environment | Business, leadership & ideas | Inclusive growth |

| | | | | | | | | | | | |
|--|--------|-----|-----------------------|--------------------------------|--|--|-------------|-----|--|------------------------------|---|
| | | | | | Combined industry voice to Government, driving sector growth, working with HE/FE to develop future workforce, development of pan European and wider sector cluster relationships | | | | Ideas | | |
| Development of Electronics and Photonics Innovation Centre (EPIC) | D – P1 | TC | TDA/ LEP/ MHCLG/ BEIS | £8M – TC, GD2, CCF, ERDF | Employment space, high skilled jobs, new products to market | Under construction – due to open April 2019 | HotSW | All | Business environment Infrastructure People | Employment skills & learning | Inclusive growth |
| Hi-Tech Apprenticeship Framework/ Standard | D – P2 | SDC | N/A | N/A | Hi-Tech apprenticeships [including Higher at Level 4] | On-going engagement and provision | HotSW | All | Business environment People | Employment skills & learning | Inclusive growth and distinctive assets |
| South Devon College Hi-Tech and Digital Centre | D – P2 | SDC | TC, HEFC, LEP, ERDF | £17M, SDC, TC, HEFC, LEP, ERDF | Under construction, due to be operational September 2019 | Supporting Hi-Tech and Digital skills development and work readiness | South Devon | All | Infrastructure People | Employment skills & learning | Inclusive growth |
| Secure foundation degree awarding powers [FDAP] in hi-tech and digital subjects | D – P2 | SDC | Employers | £200K | Development of existing Hi-Tech & Digital HNC/ FD programmes to meet the changing needs of learners and employers | On-going. Aim; Foundation Degree awarding status by 2019 | National | All | People Infrastructure | Employment skills & learning | Inclusive growth |

| | | | | | | | | | | | |
|---|--------|------|-----------------|-----|--|--------------|---------------|-----|----------------------|------------------------------|------------------|
| Supply Chain Mapping | D – P3 | LEP | TDA | £3K | Business intelligence and map of the local photonics supply chain | Concluded | HotSW | All | Business environment | Business, leadership & ideas | Inclusive growth |
| High Potential Opportunities deep dive | D – P4 | DfIT | HotSW LEP/' TDA | N/A | HPO marketing opportunity and raising profile of HotSW to define a clear sector investment proposition to target FDI | Early stages | International | All | Infrastructure | Business, leadership & ideas | Inclusive growth |

| Current Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|---|---------|-----------------------|---|--|---|--------------------------------------|----------|---------------------------|--------------------------------|------------------------------|----------------------------------|
| Development of an integrated photonics design facility | D – P1 | University of Bristol | TDA/ CSAC/ University of Southampton/ LEP | £?? – Strength in Places Fund Establish Network | Development of new technology, partnership working, | TBC | National | All | Business envionred Ideas | Business, leadership & ideas | Inclusive growth |
| Development of White Rock Business Park as a Technology Park with Enterprise Zone status to support inward investment and the expansion of the hi-tech cluster | D – P1 | TDA/ LEP | LEP/ TC/ SDC/ DfIT | £5M – enabling and infrastructure works | Employment space, creation of highly skilled job creation | TBC | Torbay | Coastal | Business Infrastructure Places | Business, leadership & ideas | Inclusive growth |
| Secure funding to expand the expansion of | D – P1 | TC | TDA/ LEP | £2M required – SPF/ Strength in | SMEs created, Highly skilled jobs created, | Identify funding options Autumn 2018 | Torbay | Coastal | Business environment | Business, leadership & | Inclusive growth and distinctive |

| equipment and facilities in EPIC | | | | Places | new technology developed | | | | Infrastructure Places | ideas | assets |
|--|--------|-----|-------------------|--------------|--|---|----------|-----|-------------------------------|------------------------------|------------------|
| Secure Higher Education status and degree awarding powers [BDAP] in Hi-Tech & Digital degree subjects, including accommodation strategy | D – P2 | SDC | LEP/ DfE | £111M | Higher skills levels and qualified entrants to local labour market/ research partnerships and programmes | On-going, degree awarding status by 2020 | National | All | People Infrastructure | Employment skills & learning | Inclusive growth |
| Develop a Hi-Tech & Digital degree programme | D – P2 | SDC | TDA/ Employers | £250K | Upskilling workforce, raising productivity | On-going, degree awarding status by 2020 | National | All | People | Employment skills & learning | Inclusive growth |
| Develop business accelerator programme | D – P3 | TDA | LEP/ SWAIN | £1M required | Creation of new hi-tech businesses and growth of cluster | Develop programme by Winter 2018/ 19 - dependent on scope for collaboration | HotSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Lead Generation Programme | D – P4 | LEP | TDA/ DfIT | £150K | Inward investment/ FDI's | TBC | HotSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |
| Hi-tech soft landings package | D – P4 | LEP | TDA | £250K | Inward investment/ FDI's | TBC | HotSW | All | Business environment Ideas | Business, leadership & ideas | Inclusive growth |

Bedrock – Farming, Food and Fishing (B-FFF)

Key Opportunities

The Heart of the SW has a strong agri-food sector built upon a rich agricultural and horticultural heritage. This has supported a significant and increasing number of artisan food and drink producers as well as larger internationally recognised names. We produce everything including milk, cheese, fish, shellfish, meat, fruit and vegetables, wines and beers, spirits, but the dairy and fisheries subsectors are particularly significant. As well as producers, we have nationally significant R&D assets including several land based colleges, Bridgwater Agri-tech Centre, Rothamstead Research, the Food Security and Land Research Alliance, the Agri-Epi Centre, the Royal Bath and West of England Society’s rural Enterprise Centre and Food Enterprise Zone. By 2025, the agricultural technology sector is expected to be worth more than £136bn globally, a key market opportunity for our emerging agri-tech cluster. Across the whole South West region, agriculture and food and drink manufacturing account for £2.9bn GVA¹ (11% of England’s agri-food GVA), and 332,416 jobs². **Insert figures for sectoral productivity if they can be obtained.** However, farm incomes in the South West were 20% lower than the England average and income from farming decreased by 32% between 2012 and 2016, a faster rate of decline than seen nationally (30%).

Brexit is expected to bring about significant changes, providing a once in a lifetime opportunity for fundamental reform of direct support arrangements as well as a move towards payments for public goods (such as environment and health). The SW Rural Productivity Commission report highlighted the need for LEPs to help farmers and their supply chains to prepare for these changes by improving performance now and so we are working with our partner LEPs (C&IOS, Dorset and SWLEP) to achieve a ‘Rural Deal’ with Government, which includes proposals to improve productivity of the sector. Our collective aim is to build on our existing strengths to develop a world leading, internationally recognised proposition that is known for its high quality, healthy, competitive and sustainably produced products. Our core approach is to:

- [B - FFF 1] Reach new markets – exporting/import substitution
- [B – FFF 2] Improve SME performance – addressing the long tail of productivity
- [B – FFF 3] Capitalise on innovation and automation
- [B – FFF 4] Address workforce skills
- [B – FFF 5] Develop natural capital markets

| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|---|------------------|-----------------------|--------------|------------------------------------|-------------------------------------|-----------------------------------|----------|---------------------------|---------------------------|------------------------------|---------------------------------|
| RDPE Growth Programme – Food Processing | B-FFF1 B-FFF2 | Rural Payments Agency | Applicants | TBC | Projects that create or expand food | Closed to new applicants May 2018 | HOTSW | Rural | Business Environment | Business, leadership & Ideas | Distinctive Assets Inclusive |

¹ ONS, Regional GVA (note, it is not possible to disaggregate sectoral GVA at LEP level)

² BRES plus DEFRA agricultural statistics

| | | | | | | | | | | | |
|--|----------------------------|-----------------------|---------------------|-----------------------------------|---|-----------------------------------|-----------------------|-------|----------------------|------------------------------|--|
| | B-FFF3 | | | | processing businesses leading to growth and productivity gains | | | | Infrastructure | | Growth |
| RDPE Growth Programme- Business Development | B-FFF1 B-FFF2 B-FFF3 | Rural Payments Agency | Applicants (SMEs) | TBC | Projects to help rural businesses grow and create more jobs | Closed to new applicants May 2018 | HOTSW | Rural | Business Environment | Business, Leadership & Ideas | Inclusive Growth |
| LEADER – Grants scheme (including farm productivity and support for micro and small enterprises and farm diversification) | B-FFF1 B-FFF2 B-FFF3 | 8 Local Action groups | Local Action Groups | £12m across all LEADER priorities | Projects to promote business growth and job creation in rural communities | Largely closed to new applicants | 8 LEADER Scheme areas | Rural | Business Environment | Business, Leadership & Ideas | Inclusive Growth Distinctive Assets |

| Proposed Future Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|---|---------|------|--|--|---|---------------------------|--------------|--------------------------------------|---------------------------|------------------------------|--|
| SW Exporting Supply Chain Service | B-FFF1 | TBC | LEPs, Taste of the West, DIT and other commercial partners | Partner contributions matched through 'Rural Deal' | Increase in exporting | Business case development | Cross-region | Primarily rural, but not exclusively | Business Environment | Business, Leadership & Ideas | Distinctive Assets |
| Develop and Pilot Agri-food and drink Business Advice Pilots | B-FFF2 | TBC | LEPs, NFU, National Parks, Food and Drink groups | Partner contributions matched through 'Rural Deal' | Productivity improved in x businesses Regional evidence about what works and why | Business case development | Cross-region | Primary rural, but not exclusively | Business Environment | Business, Leadership & Ideas | Distinctive Assets Digital Technology |

| | | | | | | | | | | | |
|---|----------|----------------|---|--|---|------------------------------|--------------|-------|--------------------------------|--|--|
| Transforming Food Production – Industrial Strategy Challenge fund bid (Dairy productivity) | B-FFF3 | TBC | LEPs, R&D assets | Innovate UK: Industrial Strategy Challenge Fund | To be developed | Business case development | Cross-region | Rural | Ideas | Business, Leadership & Ideas | Distinctive Assets Digital Technology |
| Food SW – Strength in Places Fund bid | B-FFF3 | Business West | R&D institutions, local authorities, regional stakeholders and businesses | Innovate UK: Strength in Places fund | Drive productivity of whole food supply chain | EOI submitted | Cross-region | All | Ideas | Business, Leadership & Ideas | Distinctive Assets |
| A Virtual Food and Drink Skills Academy | B – FFF4 | Petroc College | LEPS, Education providers and businesses | Partner contributions matched through ‘Rural Deal’ | To be developed | Business case development | Cross-region | Rural | People | Employment, Skills and Learning | Inclusive Growth Digital Technology |
| Enhancing Natural Capital – Environmental Land Management Trials | B-FFF5 | TBC | TBC | DEFRA | Pilot approaches tested across the region | Proposals submitted to DEFRA | TBC | Rural | Business Environment Places | Housing, Connectivity & Infrastructure | Distinctive Assets |

Page 6

Bedrock – High Value Tourism (B-HVT)

Key Opportunities

The Heart of the South West has an unparalleled breadth and depth of tourism assets and infrastructure to suit many tastes. We have outstanding natural capital covering national parks, AONBs and award winning beaches and coasts. We have cultural treasures and events including stately homes, museums and festivals as well as opportunities for celebration including the Mayflower 400 celebrations in 2020. Our cities, towns, coasts and rural areas all play a part on our tourism economy.

The tourism sector accounts for 92,000 jobs and x% of our GVA and its strong multiplier effects to other sectors mean that its economic importance shouldn't be underrated, especially in more rural and peripheral areas, where it represents a greater proportion of employment. However, productivity is lower than average providing considerable scope for improvement. At the same time the digital age is having a disruptive effect on the sector with new business models and modes of engagement challenging the traditional paradigms. We must respond to these challenges to maintain and extend our market share into new high value opportunities. Intervention is therefore needed to maximise the economic contribution from this important sector and the quality of employment opportunities available through it. This challenge was highlighted in the SW Rural Productivity Commission work and so we are working with our partner LEPs (C&IOS, Dorset and SWLEP) to achieve a 'Rural Deal' with Government, which includes proposals to improve productivity of the sector. Our collective aim is to become an exemplar of high value, sustainable, tourism 365 days/year. Underpinning the process is a commitment amongst partners to use collective resources more effectively by reducing duplication and sharing best practice, whilst capitalising on individual identities.

Our core approach is to:

[B - HVT 1] Extend the season to reach new markets at home and abroad

[B – HVT 2] Drive improved business performance

[B – HVT 3] Retain greater expenditure in the local economy

[B – HVT 4] Improve the skills of SMEs and workforce

| Current Activity | Outcome | Lead | Key Partners | Funding Amount Source and Duration | Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|---|--------------------|-----------------------|--------------|------------------------------------|--|-----------------------------------|----------|---------------------------|--|--|---------------------|
| RDPE Growth Programme – Rural Tourism Infrastructure | B-HVT-1 B-HVT-2 | Rural Payments Agency | Applicants | TBC | Projects that encourage more tourists to come, stay for longer and spend more money in rural areas | Closed to new applicants May 2018 | HOTSW | Rural | Business Environment Infrastructure | Housing, Connectivity & Infrastructure | Distinctive Assets |

| | | | | | | | | | | | |
|---|-------------------------------|-----------------------|---------------------|-----------------------------------|---|-----------------------------------|-----------------------|-------|----------------------|------------------------------|--|
| RDPE Growth Programme- Business Development | B-HVT-2 | Rural Payments Agency | Applicants (SMEs) | TBC | Projects to help rural businesses grow and create more jobs | Closed to new applicants May 2018 | HOTSW | Rural | Business Environment | Business, Leadership & Ideas | Inclusive Growth |
| LEADER – Grants scheme (including rural tourism) | B-HVT-1 B-HVT-2 B-HVT-3 | 8 Local Action groups | Local Action Groups | £12m across all LEADER priorities | Projects to promote business growth and job creation in rural communities | Largely closed to new applicants | 8 LEADER Scheme areas | Rural | Business Environment | Business, Leadership & Ideas | Inclusive Growth Distinctive Assets |

| Proposed Future Activity | Outcome | Lead | Key Partners | Funding and Delivery Options | Potential Deliverables | Current Status | Coverage | Urban Rural Coastal | Industrial Strategy Theme | Productivity Strategy Theme | Cross Cutting Theme |
|--|--------------------|----------------------|---|---|---|---------------------------|--------------|---------------------------|---|--|--|
| Page 44 40 Intel – Tourism Intelligence for the 21st Century | B-HVT-1 B-HVT-3 | TBC | SW LEPS, DMOs and designated landscapes | Partner contributions matched through ‘Rural Deal’ | Research report highlighting high value market segments and Smart intelligence system | Business case development | Cross-region | All | Business environment | Business, Leadership & Ideas | Distinctive Assets Digital Technology |
| Create a Tourism Zone along the length of the SW Coast Path | B-HVT-1 B-HVT-3 | TBC | SWLEPs, SWCP, National Trust, DEFRA and DCMS | Revenue funding initially to develop and test concept and implementation plan with partners | 1) Feasibility study 2) Phased implementation plan | Business case development | Cross-region | Coastal/Rural | Business Environment | Business, Leadership & Ideas Housing, Connectivity & Infrastructure | Distinctive Assets |
| i-Heritage Cluster | B-HVT-3 B-HVT-1 | University of Exeter | Regional universities, commercial & heritage partners | £xx delivery funding required. Could come through rural deal or TBC | TBC | Business case development | Cross-region | All | Ideas Grand Challenges: AI and Data Economy | Business, Leadership & Ideas | Distinctive Assets Digital Technology |

| | | | | | | | | | | | |
|---|---------|-----|---|--|--|---------------------------|--------------|-----|---|--------------------------------|--|
| Digital Business Benchmarking Tool | B-HVT-2 | TBC | Commercial accountancy and social media partners. LEPs and DMOs | Partner contributions matched through 'Rural Deal' | A digital business benchmarking tool including social media and financial elements | Business case development | Cross-region | All | Business Environment Ideas Grand Challenges: AI and Data Economy | Business, Leadership & Ideas | Distinctive Assets Digital Technology |
| Virtual skills Academy | B-HVT-4 | TBC | SWLEPs, ESBs, education providers and tourism businesses | TBC | | Business case development | Cross-region | All | People | Employment Skills and Learning | Inclusive Growth Digital Technology |

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Productivity and Prosperity in the Heart of the South West

With an economy of £35 billion per year and a 1.7 million population, the Heart of the South West is the size of a major UK city. Employment is amongst the highest in Europe and the challenge now is to raise productivity levels to increase prosperity.

The local authorities, national parks and LEP have united in developing a Productivity Strategy and a series of opportunities within that which build on the unique assets within the area.

The ambition is to double the economy to £70 billion over the next 20 years, building 170,000 new homes and creating 163,000 new jobs.

The Heart of the South West Productivity Strategy



Ambition: to double the economy by 2038

Heart of the South West Productivity Strategy
host web address (TBC)

HEART OF THE SOUTH WEST
PARTNERSHIP

Unfold for a map of the area and key statistics...

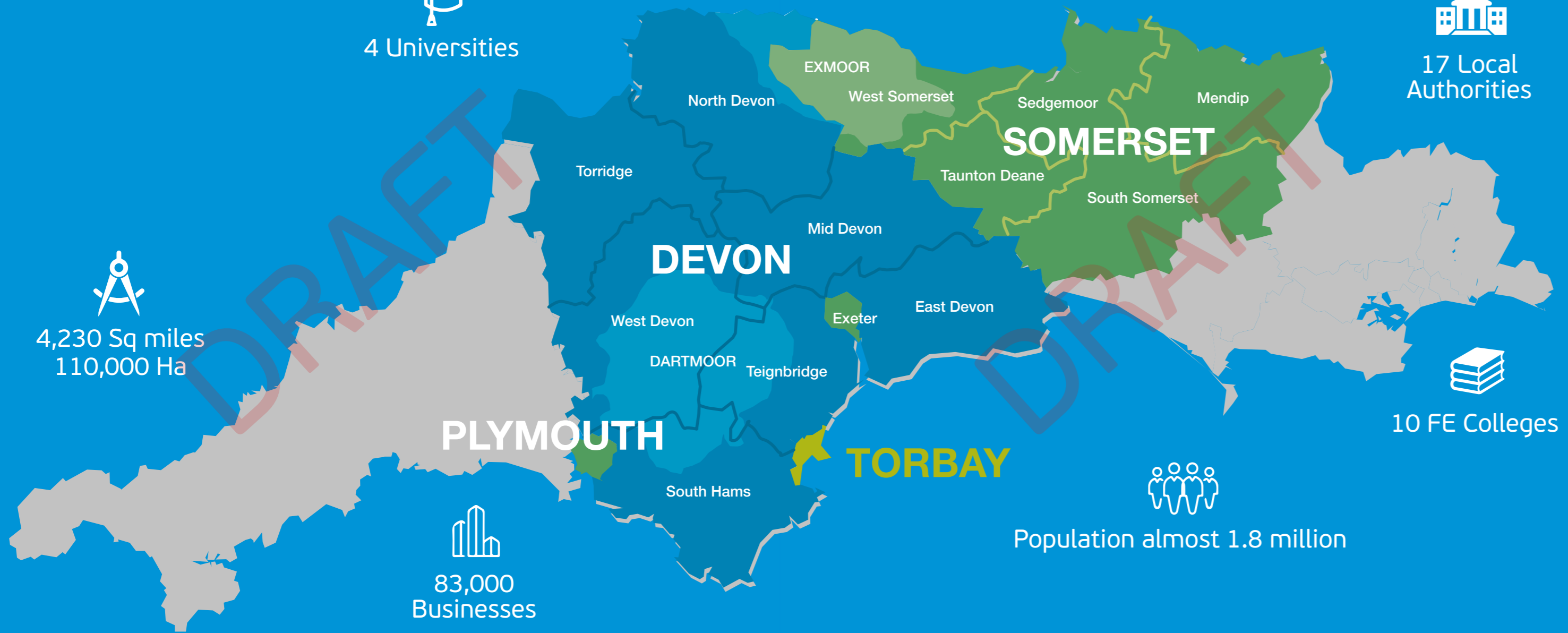
£35 BILLION ECONOMY
as big as Birmingham or Liverpool

4 Universities

2 National Parks

17 Local Authorities

4,230 Sq miles
110,000 Ha



10 FE Colleges

83,000
Businesses

Population almost 1.8 million



The potential within the Heart of the South West is enormous

These opportunities are a route map to transforming the productivity and prosperity of one of the most beautiful parts of the country; to raise living standards across cities, towns, villages and hamlets, in rural and coastal areas.

The Heart of the South West Partnership is investing and working locally to make this potential come to life, and it can be truly realised by addressing some of the long-standing strategic connectivity challenges the area faces.

Our strategic transport links across road and rail need significant improvements to better connect businesses to markets and strengthen resilience; Investment is needed to better connect our communities to local opportunities; and superfast and 5G connectivity will open up national and global markets for business.

The Heart of the South West LEP is working with its partners to develop the distinctive opportunities that the area has to offer as investment-ready propositions that have the potential to increase productivity and align with the national Industrial Strategy at a local level.

The Heart of the South West area presents many opportunities, some of them are termed as “**TRANSFORMATIONAL**” meaning that they present the most potential for high value growth for The Heart of the South West. Others are “**BEDROCK**” opportunities, which are the traditional sectors that the area relies upon as mature, sustained economies.

The five opportunities that have been developed into robust propositions are: marine, nuclear, photonics, high value tourism and farming, food and fishing. However, the LEP and the Heart of the South West Joint Committee are working in partnership to present further important propositions in spring 2019 which will include aerospace, creative industries, big data, defence and construction.

Delivering Productivity Growth

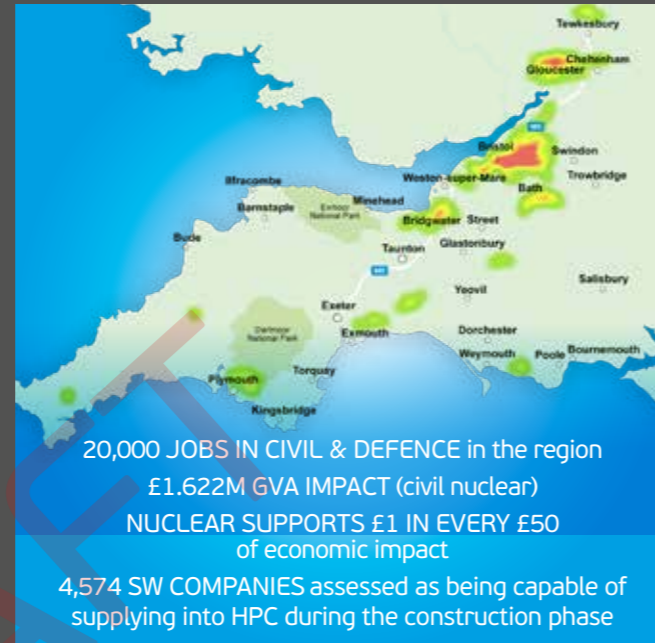


The strategic themes relevant to all of the sectors are:

Leadership and Ideas; Employment, Skills and Learning; Housing; Connectivity and Infrastructure. Cross-cutting themes are: Digital, Inclusive Growth and Natural Assets.

1 ADVANCED ENGINEERING NUCLEAR

Hinkley Point C and the nuclear defence sector represent an opportunity to develop a world-class advanced engineering supply chain, offering highly skilled jobs and global export potential for existing and new businesses. Alongside this, wider supply chain and job opportunities exist around the construction of Hinkley Point C.

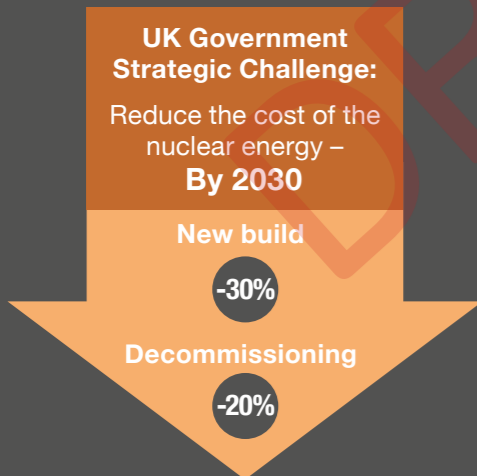


The UK's nuclear sector is a £50 billion opportunity, up to £15 billion of which could be delivered by South West companies.

New-build nuclear power stations in the UK and globally are creating engineering, construction and other supply chain opportunities. Civil and defence nuclear decommissioning, especially in submarines, are opening up a multi-billion pound growing market.

Partners across the Heart of the South West are already investing to maximise the potential of this opportunity.

- Working with partners across the South West and Wales, investment in developing the supply chain is enabling many businesses to understand the market, attain the certification needed and win new contracts in advanced engineering and other sectors
- An extensive skills infrastructure has been developed which includes the National College for Nuclear in Bridgwater



- the Somerset Energy & Innovation Centre provides strong linkages with the world-class nuclear research capability in the University of Bristol and wider West of England area
- Huntspill Enterprise Zone near Bridgwater will provide a world-class location for businesses across the spectrum
- Nuclear South West provides a clear private sector voice alongside EDF and other major primes

Our Proposition for Transformational Delivery

An excellent start has been made but there is more to do to unlock this opportunity. This includes:

- Supply chain development: **long-term investment** to support businesses in accessing this market and secure the engineering and export legacy and expand the successful civil programme to the defence sector
- Nuclear innovation: securing a Strength in Places bid to bring the full capability of the University of Bristol and partners to work with businesses in developing new products and services to solve challenges in the nuclear supply chain
- Skills development: securing an Institute of Technology in Heart of the South West and Cornwall & the Isles of Scilly. Working across multiple sectors the IoT will create a pool of high level engineering and digital talent to support growth in South West businesses
- Infrastructure: funding to improve capacity at J23 of the M5 to reduce congestion, support economic growth in the area and development of Hinkley Point C

Contributing to the National Industrial Strategy



Ideas

Generating new products and services in the civil and defence nuclear market



People

Creating high skill, high value jobs for the South West



Business Environment

High quality facilities at the Innovation Centre and Enterprise Zone



Infrastructure

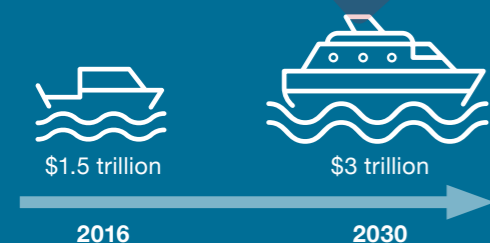
Hinkley Point C: a multi-billion pound investment in the UK's strategic energy infrastructure

2 MARINE

The UK's southern coast is exceptionally well placed to capitalise on the doubling of the global marine economy to 2030, expanding a high value, research intensive cluster to be a globally significant location.

The Marine and Maritime sector contributes £2.5 Billion to the South Coast economy each year. The cluster stretches across the southern coast of the UK from Cornwall & the Isles of Scilly to Hampshire and the Solent and includes coastal and inland communities. Globally significant companies and a rich seam of SMEs are located across the area. World class research institutions excel in marine and environmental technology and advanced manufacturing. The coastline has a globally distinctive and unique set of natural assets for product development and testing.

Global Economy Growth



MARINE AND MARITIME INDUSTRY ACCOUNTS FOR 8% OF UK GVA AND 10% OF EMPLOYMENT – More than any other UK cluster

THE STRONGEST REGION FOR MARINE RESEARCH IN THE WORLD

THE AVERAGE JOB IN THE MARINE INDUSTRY GENERATES £65,000 IN GVA – above the UK-wide level of £50,800

Three major opportunities for the South West...



Marine Manufacturing

- The cluster accounts for 1 in 4 UK marine jobs
- UK market worth £7.6 billion per year

Offshore Renewables

- UK market to rise to £2.9 billion pa by 2030
- The cluster accounts for 10% of the UK's offshore renewables sector

Marine Autonomy

- A strategic growth opportunity: marine autonomy global market to grow to \$136 billion over the next 15 years
- UK is forecast to secure a 10% share. The majority of marine autonomy platform developers in the UK are located on the south coast

The Heart of the South West area accounts for 7.5% of the UK's marine and maritime sector



Investment has been significant

- Oceangate Enterprise Zone in Plymouth and the Marine Business Technology Centre provide waterfront access for businesses, links to the world-class research institutes and an in-sea test facility for marine autonomy
- A strong cluster group is developing a comprehensive strategy across the whole south coast
- The cluster is working with Maritime UK to develop a marine and maritime sector deal

Our Proposition for Transformational Delivery

The potential for high value jobs and business growth is huge, giving access to global markets. Realising this requires:

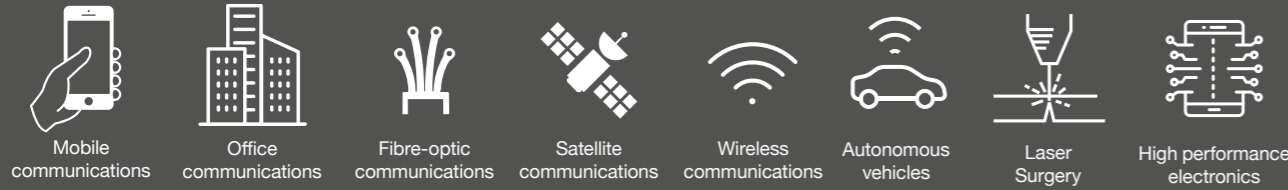
- Long term sector support: secure the Marine and Maritime sector deal with Government, including a strong south coast component
- Developing new products & services and expand the marine autonomy offer to add:
 - A Strength in Places bid enabling close cooperation between world-class research institutions and business to develop new products and services
 - A Geovation Innovation Hub enabling the world-leading data scientists in Taunton's UK Hydrographic Office to work with businesses
- World-class premises: funding to complete the Oceangate Enterprise Zone, open the waterfront access in the site and enable the Zone to become self-funding
- Skills development: secure an Institute of Technology (IoT) in Heart of the South West and Cornwall & the Isles of Scilly. Working across multiple sectors the IoT will create a pool of high level engineering and digital talent to support growth in South West businesses

Contributing to the National Industrial Strategy

- Ideas**
New products and services for the rapidly expanding global marine market
- People**
New higher value, higher skilled jobs
- Business Environment**
World-class facilities for business to develop, test and sell new products and services
- Places**
Bringing new jobs and opportunities to communities across the south of the UK
- AI & Data Economy**
Maximising the potential of the data at the UK Hydrographic Office to extend this global excellence to business
- Future of mobility**
Leading development of the marine autonomy sector



3 PHOTONICS

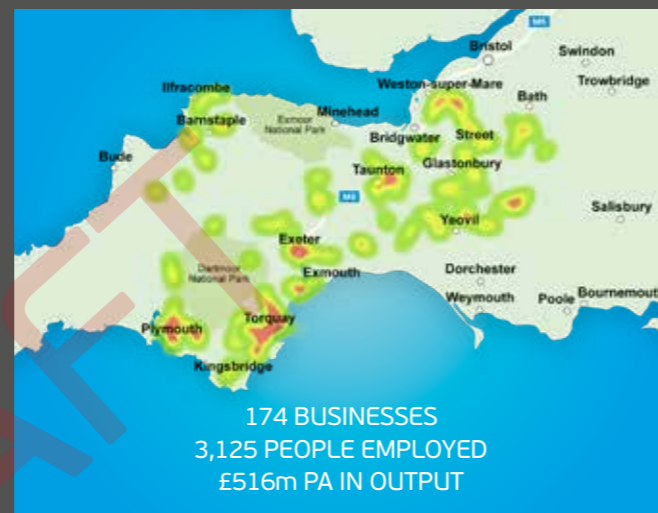


Photonics drives the modern world. It is the technology of light, key to smart phones, data, 5G, photovoltaic cells, autonomous vehicles, laser surgery, lighting, LEDs, cameras, fibre optics and many other future technologies. The Heart of the South West has 4% of the UK photonics industry and is already driving growth.

The global photonics industry almost doubled from £228 billion in 2005 to £447 billion in 2015. The UK photonics industry is worth around £12.9 billion and is forecast to grow at around 8-10% per year.

The Heart of the South West accounts for 4% of the UK sector. Over 170 companies across the area employ more than 3,000 people with research excellence in:

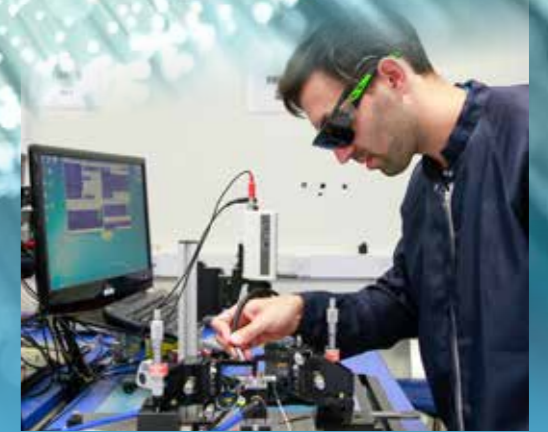
- Microwave photonics
- Quantum optics
- Photonic integrated circuit packaging



The area is home to the R&D facility of one of the fastest growing companies on the Silicon Valley Index in 2017. Around Torbay, the industry leads the Hi-Tech Forum, which has an industry and academic work programme delivering and identifying skills needs and outreach activities between industry and schools.

£8m has been invested in the Electronic and Photonics Innovation Centre in Torbay (EPIC). This will be a state of the art centre of excellence for innovation in microelectronics and photonics.

Complementary markets across the South West where photonics plays a key role as an enabling technology present major growth opportunities. These include the supply chains in marine, aerospace, nuclear, defence and space applications.



Contributing to the National Industrial Strategy



Ideas

New products and services to deliver to an expanding global market



People

A skills infrastructure to match industry need with local provision



Business Environment

Delivering world-class innovation facilities



Places

Creating new high value jobs across the Heart of the SW, including some of its poorest communities



AI & Data Economy

New optical communications have the power to deliver more data in real-time. Key to Superfast broadband, supporting the growth of data centres, along with 5G technology and the next generation



Clean growth

Next-generation photovoltaic technologies and LED lighting that can be integrated into buildings. Wider adoption of highly efficient laser-cutting marking and welding in manufacturing. More efficient photovoltaic cells



Future of mobility

Leading development of the marine autonomy sector



Ageing population

Photonics is critical for non-intrusive predictive preclinical diagnosis enabling efficient healthcare delivery in the community. Laser surgery is being continuously improved to reduce the downtime of patients

Our Proposition for Transformational Delivery

Highly skilled jobs can be created and businesses expanded to reach global markets in multiple sectors. To secure this we want ...

- New products and services – develop an integrated photonics design facility in conjunction with the University of Southampton
- Skills development – develop a Hi-Tech & Digital degree programme and strengthen the Higher Education offer with additional HE status and degree awarding powers in Hi-Tech & Digital degree subjects
- To support and attract businesses – develop a business accelerator programme to help existing businesses grow and offer a soft-landing package to new businesses coming to the area
- World-class facilities – photonics requires specialist vibration-free facilities and further investment in EPIC and other local employment sites will strengthen this offer

4 FARMING, FOOD AND FISHING

Farming, Food and Fishing is the opportunity to capitalise on our existing strengths in land management food production to create prosperity across the area.

The distinct opportunity in the Heart of the South West

The Heart of the South West has a rich farming, food and fishing heritage, producing a wide range of products from both small artisan producers to internationally recognised names such as *Riverford Farm*, *Yeo Valley*, *Sheppy's Cider* and many more.

We are known for:

- Livestock and Dairy, the South West raises 1/3 of England's cattle and produced 3bn litres of milk/year
- Ports and fishing with ports in the peninsula landing £68.2m catch in 2015
- Sustainability and pioneering approaches to land management
- Our nationally significant research assets, which are pioneering innovative agri-tech solutions



The sector is experiencing significant changes:

Brexit is expected to provide a once-in-a-lifetime opportunity for fundamental reform of direct support arrangements including a greater focus on public goods such as environment.

At the same time, the digital age is bringing about new opportunities to use **technology and automation**

Contributing to the National Industrial Strategy

- Ideas**
Using data and digital applications to transform the industry
- Business Environment**
Tackling low productivity and improving sector performance
- People**
Improving the skills of the workforce and SMEs

Our Proposition for Transformational Delivery

Our vision for the farming, food and fishing sector is to develop a world leading, internationally recognised proposition, that is known for its high quality, healthy, competitive and sustainable produced products.

Working together with our partner LEPs, we are developing proposals for a 'Rural Productivity Partnership' with Government. Our proposals address five key priorities:



Our ask of Government is to work in partnership with us to co-design our 'Rural Productivity Partnership Proposals'. These currently include ideas to:

- Boost exporting by developing exporting supply chains and overcoming practical barriers
- Pilot new ways to deliver business advice to the sector and enhance our natural capital
- Boost innovation through regional collaboration to transform food production
- Upskill our workforce through the development of a Virtual Skills Academy



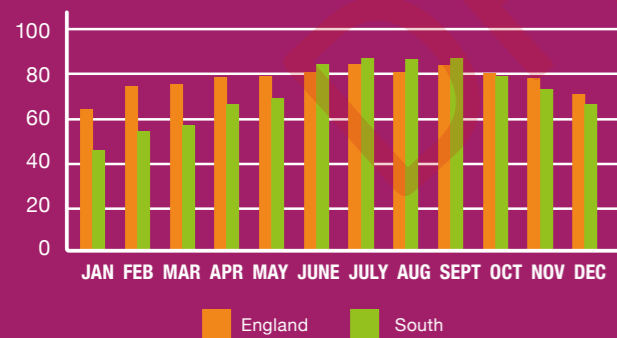
5 HIGH VALUE TOURISM

High value tourism is our ambition to secure greater economic value from tourism through extending the season and reaching new, high value, markets.

The distinct opportunity in the Heart of the South West

The Heart of the South West attracts 6.5m trips per year, resulting £1.4bn visitor expenditure. Employing approx 12% of our workforce, it is vitally important to us. This volume reflects the breadth and depth of our tourism offer.

The South West Rural Productivity Commission Report highlighted the importance of the sector and the scope for improving productivity – particularly through extending the season. The graph below highlights the difference in room occupancy between the South West and the rest of England.



Source: Visit Britain



BRINGS IN £8.1bn EXPENDITURE
210,000 PEOPLE EMPLOYED
£3.75bn GVA

Contributing to the National Industrial Strategy



Ideas

Using data and digital applications to create tomorrow's experiences



Business Environment

Tackling low productivity and improving sector performance



People

Creating year-round opportunities and improving skills



Our Proposition for Transformational Delivery

Our vision for the tourism sector is to make the peninsula an exemplar of high value sustainable tourism, 365 days/year.

Working together with our partner LEPs, we are developing proposals for a 'Rural Productivity Partnership' with Government. Our proposals address four key priorities:



Extending the season to reach new markets at home and abroad

Driving improved business performance

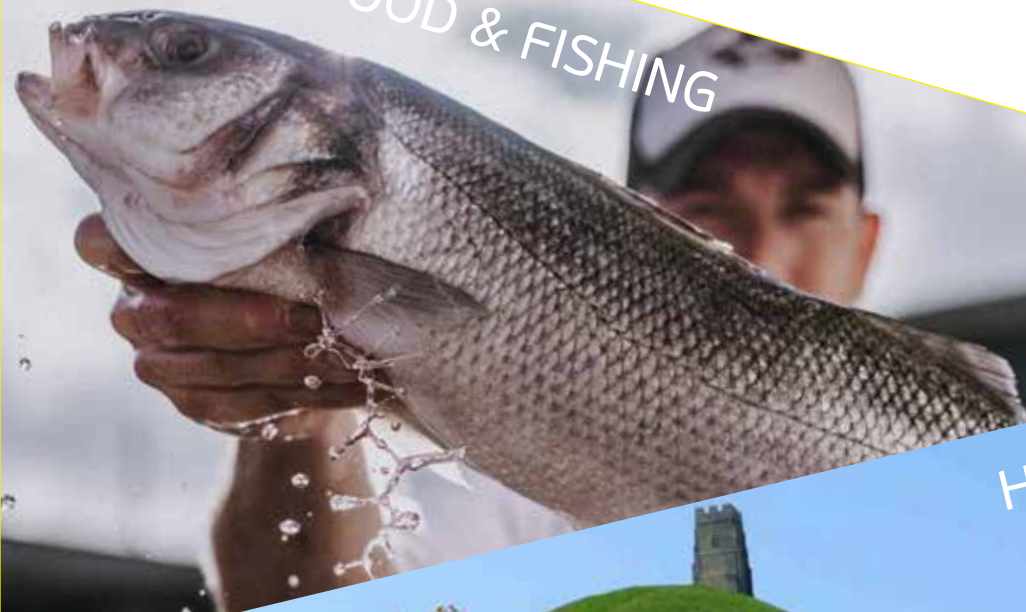
Retaining greater expenditure in the local economy

Improving skills of SMEs and workforce

Our ask of Government is to work in partnership with us to co-design our 'Rural Productivity Partnership Proposals'. These currently include ideas to:

- Capitalise on big data and digital solutions to provide new, immersive experiences for our visitors as well as new insights and intelligence for both businesses and destinations alike
- Capitalise and protect our natural assets, such as the South West Coastal Path by creating visionary tourism zones that bring together people, wildlife and economic opportunity
- Improve skills through the development of a Virtual Skills Academy
- Maintaining and enhancing our tourism infrastructure and natural assets

FARMING, FOOD & FISHING



HIGH VALUE TOURISM



ADVANCED ENGINEERING - NUCLEAR



MARINE



PHOTONICS

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HoftSW Joint Committee

Meeting date – Friday 5th October 2018

HOTSW JOINT COMMITTEE GOVERNANCE UPDATE

Lead Officer: Pat Flaherty, Chief Executive, Somerset County Council

Author: Julian Gale, Strategic Manager – Partnerships Governance

Contact Details: 01823 359500

1. Summary

1.1. This report:

- (a) Proposes a review of the Joint Committee's role and functions in the light of the outcomes of the Government's review of Local Enterprise Partnerships (LEP) and the announcement that HotSW has been prioritised by the Government in Wave 2 of developing Local Industrial Strategies (LIS)
- (b) In advance of the review outcomes proposed in (a) above, proposes that the Joint Committee recommends the constituent authorities to delegate authority to the Joint Committee to develop and agree their contribution to the development and approval of the HotSW LIS (noting that the final approval of the HotSW LIS rests with the LEP and the Government).
- (c) Proposes that the Joint Committee submits a formal update report to the constituent authorities updating them on the Committee's work over the last 6 months and to include the Joint Committee's Budget and Cost Sharing Agreement for formal approval.

2. Recommendations

2.1. The Joint Committee is recommended to:

- (a) **Approve the proposal to review its role and functions as proposed in paragraph 1.1(a)**
- (b) **Agree to recommend that the constituent authorities delegate authority to the Joint Committee to agree their contribution to the development and approval of the HotSW LIS as proposed in 1.1(b) above.**
- (c) **Agree to the proposal that the Programme Management Office prepares and submits an update report to the constituent authorities on the work of the Joint Committee as detailed in 1.1(c) above.**

3. Reasons for recommendations

- 3.1** The recent Government's announcements in relation to LEPs and the development of Local Industrial Strategies will impact on the role of the Joint Committee and its relationship with the LEP. An assessment of this impact is proposed which will lead to a report being brought back to the Joint Committee recommending changes to its role and function working alongside the HotSW LEP. This work will also include a review of the management arrangements supporting the work of the Joint Committee and the LEP where changes are required to strengthen and rationalise the current arrangements.
- 3.2** In advance of the review detailed in 3.1 above, the placing of the HotSW area in wave 2 of LIS development means an urgent need for the local authorities to contribute to the development and approval of the HotSW LIS and on a tight timescale. The timetable proposed for the development of the HotSW LIS is for the Strategy to be approved by June 2019. The lead role for the development and approval of the HotSW LIS rests with the LEP but the Joint Committee and its constituent authorities are key stakeholders in its development and approval. It is also important that the LIS is closely linked to and a natural development of the Productivity Strategy already agreed by the Joint Committee and the LEP. It is therefore proposed that the Joint Committee is well placed to contribute to the development of the HotSW LIS on behalf of the constituent authorities and working in collaboration with the LEP, hence the recommendation at 2.1(b).
- 3.3** The proposal for an update report to the constituent authorities is considered to be timely given the achievements of the Joint Committee over the first six months of its existence. This includes the approval of the Productivity Strategy and at today's meeting the first phase of the Delivery Plan. The Committee's key influencing role at Government level working alongside the LEP is also apparent following the priority afforded to the HotSW area in the LIS announcement. Although newsletters have been issued to all councils following each Joint Committee meeting, no formal update report has been issued to the councils since the Committee was established, hence the recommendation at 2.1(c).
- 3.4** At the last Joint Committee meeting, members approved the Committee's Budget and Cost Sharing Agreement for submission to the Councils for approval following consideration and sign off by all Section 151 Officers of the constituent authorities. This sign off is complete and therefore it is proposed that the Budget and Cost Sharing Agreement should be recommended for approval as part of the update report.

4. Background

4.1 Review of the role and functions of the Joint Committee

- 4.1.1** The report attached as the ANNEX to this report (paper 9a) sets out the proposed scope for the review of the role and function of the Joint Committee. This piece of work is considered necessary because of the impact of the Government's review of LEPs which will impact on the complementary roles of the Joint Committee and the LEP. The Appendix is self-explanatory.

4.1.2 The review is a significant piece of work with an expected timeline of a concluding report and recommendations to the Joint Committee in January 2019.

4.2 The role of the Joint Committee in the development and approval of the HotSW LIS

4.2.1 In advance of that review proposed under 4.1 above, the LEP has started to receive information from the Government on the development of the HotSW LIS and leading to its approval by the LEP and the Government by June 2019. This is elsewhere on your agenda for the information of the Committee. As already stated, although the lead role for the development of the LIS rests with the LEP, the Joint Committee will have a key role in its development and approval. Currently, the LIS does not feature in the list of functions agreed for the Joint Committee by the constituent authorities. It makes sense in the circumstances for the constituent authorities to be asked to formally delegate responsibility for the development and approval of the LIS to the Joint Committee on their behalf. This role will then be further detailed and refined in the wider review detailed in 4.1.1.

5. Equalities Implications

5.1 There are no equalities implications associated with the recommendations.

6. Other Implications

6.1 Legal:

The review of the role and functions of the Joint Committee will be considered in the light of the legal framework within which the Joint Committee operates.

6.2 Financial:

As stated the Budget and Cost Sharing Agreement will be recommended for approval to the constituent authorities as part of the proposed update report.

6.3 HR

No implications.

6.4 Risk

There are no specific risks associated with the report's recommendations.

6.5 Health and Well-being

No implications.

6.6 Health and Safety

No implications.

6.7 Sustainability

No implications.

6.8 Community Safety

No implications.

6.9 Privacy

No implications.

7. Background papers

7.1 None

Note: For sight of individual background papers please contact the report author.

REVIEW OF ROLE OF THE HOTSW JOINT COMMITTEE (JC) AND ITS RELATIONSHIP WITH THE HOTSW LOCAL ENTERPRISE PARTNERSHIP (LEP)

1. Introduction:

1.1 The scope of this review will include:

- The role and functions of the JC including the powers delegated from the constituent authorities.
- The JC's relationship with the LEP
- The management support arrangements of both the JC and the LEP

1.2 It is not intended to revisit the 'joint committee' model of governance as part of the review. The 'combined authority' governance option is therefore outside of this scope.

2. Background

2.1 The context for the review is:

- Government recent policy announcements, eg the development of Local Industrial Strategies, and the review of LEP governance and accountability
- Government future policy initiatives including the UK Shared Prosperity Fund, their impact on the roles of the JC and the LEP and the relationship between the two
- The move from setting policy (in the form of the Productivity Strategy) to delivery in the Delivery Plan and the different leadership and management arrangements required. A diagram showing the current leadership and management structures of the JC and the LEP is attached.
- The limited (and largely the same) officer resource available to support the JC and the LEP under SLA and 'in-kind' arrangements
- The review of the LEP's leadership and management arrangements following the appointment of David Ralph as CEx of the LEP
- The limited budget available to fund the JC's work. There will be an on-going budget commitment required of the Constituent Authorities to fund the JC and with local government finances as they are the budget available to the JC will remain restricted. There will therefore be a continued requirement for a significant level of in-kind support from the local authorities at officer level to support the work of the JC.
- The wider partnership agenda including the imminent establishment of the Transport for the South West Peninsula Board with separate leadership and management arrangements. This also includes the HotSW Local Transport Board. At this stage it is proposed that the detailed work on this review is focused on the HotSW area and the partnerships within its boundaries. In relation to the Transport for the South West Peninsula Board there would be some benefit in having a formal reporting link between the Board and the JC but beyond this aspect this will not be covered as part of this review.

3. The issues

3.1 Roles, cultural issues and management support arrangements

- The JC and the LEP have had complementary roles from the outset of the establishment of the JC with dual sign-off of policy in the shape of the Productivity Strategy. This was despite the LEP being unable to be given full voting membership of the JC because of the legislative restrictions. However, arguably the lead role within the relationship in terms of preparing the Productivity Strategy (PS) has been with the JC which has the delegated responsibility for approving the PS in collaboration with the LEP so providing for 'dual key' sign off.
- The roles of the JC and LEP need to be reviewed and adjusted to reflect the Government's policy announcements and greater importance attached to the LEP. This is most clearly displayed in the Government's announcements that LEPs will be responsible for the development and delivery of the LIS. The LIS is critical as the conduit through which funding will be allocated by the Government to places and will shape the deployment of the UK Shared Prosperity Fund. Local authorities (and by association the JC) will have important roles as stakeholders that the LEP will be required to involve and consult but the LEP will have the lead role. The JC's responsibilities need to be formally revisited to reflect these changes of emphasis. In addition, if the 'Opportunities' pitch to government is successful the partnership's delivery workload could grow significantly with the need to flex and adapt to take advantage of announcements that will benefit the area. We need to find ways to meet this demand. An unknown at this stage is the level of resource that the Government will make available to the LEP (as promised) to develop and deliver the LIS)
- The partnership between the JC and the LEP is still in its early days and there is a need to build on the successes such as the PS and the influencing of Government in terms of securing an early LIS commitment. The relationship between both bodies needs to evolve and adapt to ensure that there are clear decision-making accountabilities, and that the best use is made of the limited officer resources available to support both entities. On the JC side this requires a review of the structure including the CEx Advisory Group, the CEx Delivery Board, the Policy and Technical Advisory Group and the Programme Management Office.
- As well as being an important stakeholder in the development of the LIS, the JC will retain lead responsibility for a number of areas of activity where the LEP's role will have an interest as a stakeholder, and vice versa.
- The lead responsibilities for functions and workstreams will be more clearly defined through the review, accepting that because of the interdependencies both the LEP and the JC have a role in and need to be involved in / aware of activity across all the functional areas and workstreams. The lead responsibilities are important at the decision-making level in the JC and in the LEP Board but at management level the ability to be joined up and mutually supportive will also be critical to the success of the partnership.

- There is a need within the JC support structure to consider how in a practical way relevant portfolio-holders and directors can be better engaged in the work of the Committee to build support and buy-in from across the sector.

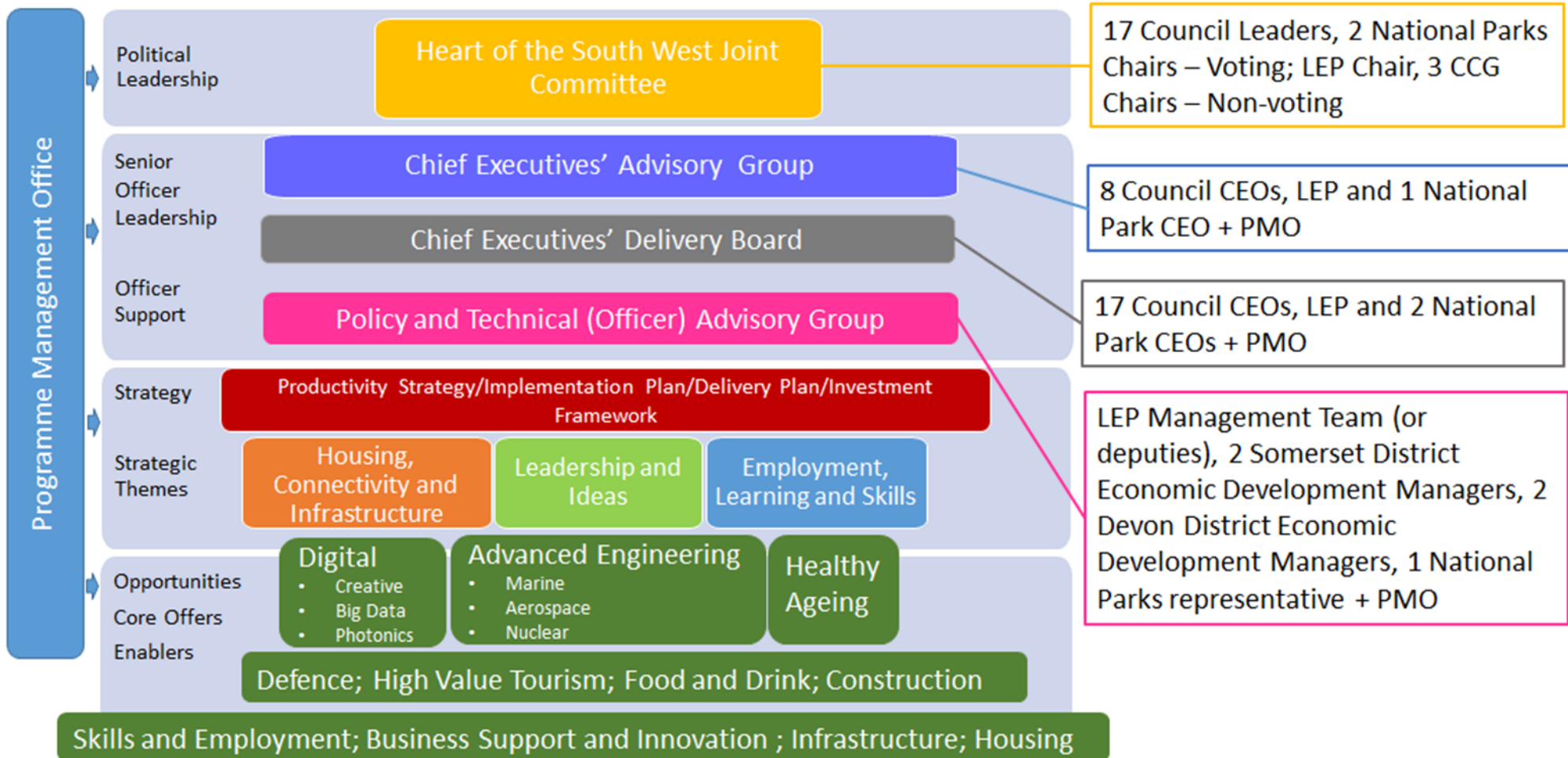
4. **Required outcomes:**

- Clarification of the roles of the JC and the LEP with an acceptance of the lead roles in terms of decision-making and accountability and willingness to support each other in terms of delivery. This includes the need to be able to flex accordingly within the arrangements to cope with the complex and rapidly changing policy background.
- Linked to the above should be an undertaking to share information and activity willingly across the wider partnership to enhance delivery, improve communication and avoid duplication/confusion
- A clear understanding and agreement on outcomes
- Delegation to the JC from the Constituent Authorities to sign off the LIS on behalf of the Constituent Authorities (accepting that the LEP has the lead role for approving the LIS)
- Establish revised management structures and support arrangements for both the JC and the LEP which makes best use of the limited officer resources available. This should include the development of a joint Communications and Engagement Plan.
- Review of the role and governance of the HotSW Local Transport Board to ensure best fit within local partnership arrangements.

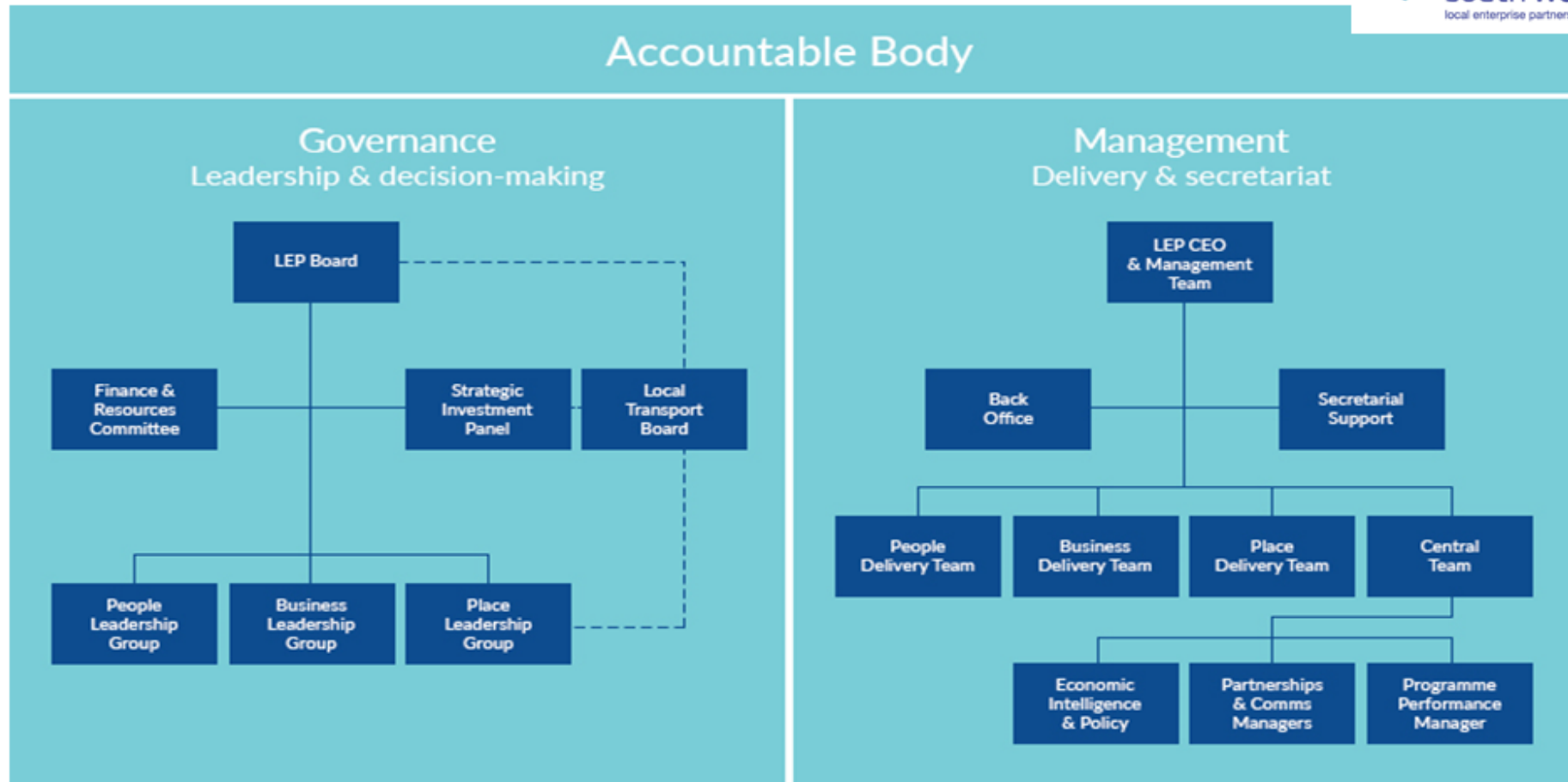
5. **The proposed process:**

- 5.1 It is suggested that the review is led by the CEx Advisory Group with additional representatives from the LEP as considered appropriate by David Ralph. Key reporting lines will be through to the JC (with the involvement of the CEx Delivery Board) and to the LEP Board. In the case of the JC, any changes to its role and functions will need the formal approval of all the Constituent Authorities.
- 5.2 There will need to be engagement with local authority portfolio-holders and directors as well as the HotSW Local Transport Board
- 5.3 It is suggested in terms of the JC that a report and recommendations are made to the 25th January 2019 JC meeting with a view to any changes being formally agreed by the Constituent Authorities before the 2019/20 financial year.

Heart of the South West Joint Committee Leadership and Management Structure



Heart of the South West Local Enterprise Partnership – Governance and Delivery Structures



Partnership support
Various support activities undertaken by our partners as a contribution to LEP activity (e.g. HE support on innovation or local authorities support on economic intelligence/analysis)

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