

## HotSW LEP Scrutiny Committee

### Chief Executive's Update – June 2019

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**Report theme:** Local Industrial Strategy

**Author:** David Ralph

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#### **1. Introduction**

The purpose of this paper is to:

- Update the committee on the LEP performance report from CLGU and improvement plan; and
- Share the work in progress (through a presentation) on the emerging Local Industrial Strategy which is due to be discussed at joint-committee in mid-July.

#### **Action Required from Scrutiny Committee**

#### **Headline Achievements since last Scrutiny Meeting**

- **Revised Articles for the LEP** have been submitted to Companies House to implement the key recommendations of the Governance review.
- **Institute of Technology successful bid** – the IOT proposals led by Exeter University was one of 12 successful IOT proposals announced earlier this month. There was also a successful in West of England supported by Yeovil College.
- **Environmental Technologies accelerator** - submitted a successful expression of interest –clearing the way for a detailed (£30m) business case to be developed. However, other endorsed bids were not successful although some may choose to resubmit in Round 2 which has now been declared open
- **Digital Skills pilot** - secured £255k for Digital Momentum
- **South-west Exeter secured £53m HIF funding** - to support housing growth in the wider Exeter area

- **Coastal Communities Fund** – Torrington (£1.2m), North Devon £1.5m and the Onion Collective (£5m) West Somerset – all secured Coastal communities funding
- **FDI - HOTS** continues to buck the trend (30% down nationally) with the second highest in the South-west – 22 successful investments
- **GSW APPG** - relaunch was held at the House of Commons on 2<sup>nd</sup> May 2019 and the first 'hearing' is scheduled for 25 June 2019.
- **Skills Advisory Panel** - £75k received. First SAP likely to meet in June 2019.
- **Core Funding and offer letter** – both the core funding and LGF offer letter and funding for 2019/20 have been received
- Stronger Towns Funding (For south west) confirmed but prospectus (from MHCLG) not yet issued
- Similarly, UK Shared Prosperity Fund not yet consulted on

### **Update on Annual Performance Review**

Appendix 1 sets out the conclusions of the Annual Performance Review from CLGU following our submission (shared with earlier Scrutiny Committee)

Subsequently, we have prepared Delivery Plan and improvement plan for coming 12 months – Appendix 2.

A further mid-year review is likely to take place in September.

As Scrutiny Committee has previously been informed the LEP is assessed on Governance – the LEP review required a full Governance review – Strategy – largely our progress on developing a LIS – and delivery – largely the performance of Local Growth Fund.

The biggest issue identified in this years review was Delivery. The primary assessment for this was a 'spot check' on spending targets where the LEP was considered by CLGU to only have spent 63% of its target against a Treasury tolerance of 90%.

The LEP had not been aware of this target and remains unclear as to how this figure was derived and has raised these concerns with Government (that is assessments are to be made the LEP needs to understand the criteria).

However, we have decided not to challenge the overall grade as we recognise that there are serious challenges in delivery and particularly the time lag between capital project delivery and the delivery of jobs and homes. This is clearly illustrated in our annual performance submission (for 18/19) attached in Appendix 3.

The core challenge is not necessarily the efficacy of the projects but the original justifications claimed in the project proposals of delivery, the project appraisal of key jobs and homes targets by particular dates.

The LEP itself is a commissioning organisation (not a delivery organisation) and is totally reliant on the delivery partners (usually Local Authorities). The time lag in delivery is not specific to individual delivery organisations and relates in part to a lack of timely management information, in part to a lack of accountability for delivery – but mostly to a competitive bidding process where accelerating deliver outputs and timescales is increasingly likely to secure funding (so is arguably incentivised).

The LEP through its Strategic Investment Panel is taking specific action to address this issue.

### **Local Industrial Strategy**

The HOTSW Scrutiny Committee recognised it wanted to look at issues emerging for the LEP rather than only scrutinise past delivery.

On this basis, they expressed a desire to work with the LEP on the emerging industrial Strategy.

However, in recent weeks there has been a significant change in the political leadership of HOTSW Local Authorities so it is proposed at this meeting for the Chief Executive to recap on the progress so far, the next steps and for the scrutiny committee to confirm how they might best wish to engage with the emerging plan.

The LEP is intending to share a working draft of the plan with the joint committee at its meeting on the 13<sup>th</sup> July and then engage in wider feedback on a working draft after the LEP Board meeting at the end of July.

**David Ralph**  
**Chief Executive**

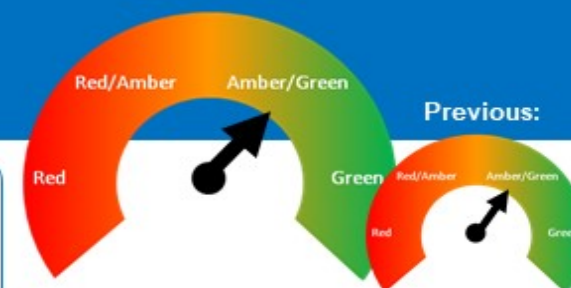


## **2. LEP Dashboards**

**Key highlights** - a series of specific one-page reports on the Business, People and Place themes and key challenges

# Workstream: Business

Lead: Amanda Ratsey



The Business theme is focused on supporting business growth and innovation as drivers for wealth. The need for transformation is urgent as despite some notable exceptions our businesses tend to be smaller, older, more insular and less knowledge intensive. Businesses have flagged up that support landscape is fragmented and not understood – the Growth Hub Service for All focuses on signposting and facilitating.

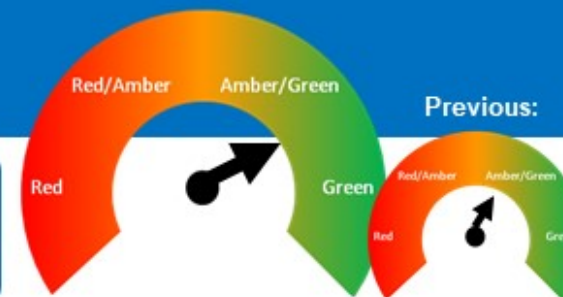
Activity	Highlights
Higher value growth through Smart Specialisation and increasing innovation capacity	<ul style="list-style-type: none"> <li>✓ GD 1 delivery: all projects have funding agreements</li> <li>✓ GD 2 delivery: All projects have been agreed by SIP</li> <li>✓ GD 3 delivery: All projects have been agreed by SIP</li> <li>✓ HotSW LEP part of wave 2 for LIS development. Evidence base has been agreed by LEP Board and JC and LIS is being developed</li> </ul>
Business growth through business support system inc. Growth Hub	<ul style="list-style-type: none"> <li>✓ By the end of March 2019 the GH had engaged with 5696 businesses, referring 1026 to a local or national service, and providing a more intensive package of 3 hour business support to 414 businesses. 95% of respondents would recommend Growth Hub to business partners/friends, and 91% were satisfied or very satisfied with the referral</li> <li>✓ ERDF funded Growth Support, Social Enterprise and Start Up programmes are supporting eligible businesses across HotSW</li> <li>✓ Growth Hub continuation is in progress. Evaluation report has been finalised</li> <li>✓ Scale Up support – Somerset launch on 16 May at Haynes Motor Museum, Devon launch later</li> </ul>
Unlocking Growth Fund	<ul style="list-style-type: none"> <li>✓ 8 projects have now been approved and UGF is fully committed.</li> <li>✓ Overall, UGF projects have attracted over £14m match funding and will create 590 jobs</li> </ul>
Business growth through new markets and exporting and Inward Investment	<ul style="list-style-type: none"> <li>✓ ERDF Soft landing package – formal response to MHCLG’s pre-contract conditions was submitted end December.</li> <li>✓ Interim service is being provided by TDA</li> </ul>

Key Issues & Risks	Proposed Mitigating Actions
<ul style="list-style-type: none"> <li>▼ BREXIT</li> </ul>	<ul style="list-style-type: none"> <li>✓ LEP has established BROG to identify threats and opportunities; further work is underway</li> <li>✓ Brexit has been discussed at LEP AGM and BLG and has been made a standing agenda item for BLG</li> </ul>
<ul style="list-style-type: none"> <li>▼ ESIF programmes continuation</li> </ul>	<ul style="list-style-type: none"> <li>✓ ERDF funded projects will be underwritten for their duration by Treasury. ESIF programmes support has been extended to 2023</li> <li>✓ Government has announced creation of Shared Prosperity Fund in manifesto. Formal consultation expected soon</li> </ul>
<ul style="list-style-type: none"> <li>▼ Growth Hub – continuation and future direction</li> </ul>	<ul style="list-style-type: none"> <li>✓ 1-year extension has been agreed by Board</li> <li>✓ Growth Hub sub-group has been established</li> <li>✓ Board has agreed preferred option – work on this has started</li> </ul>

# Workstream: People

Lead: Keri Denton

Summary: People sit at the heart of our economy. Whilst our people are self reliant, work hard and participate in society, they tend not to be well paid and many are working below their capabilities. Research has flagged that in key areas we face not just a skills crisis but a people crisis – the workforce is too small. We have limited levers to make an impact on these agendas with the majority of education and training budgets still retained centrally. Our focus is on deployment of those budgets we can influence.



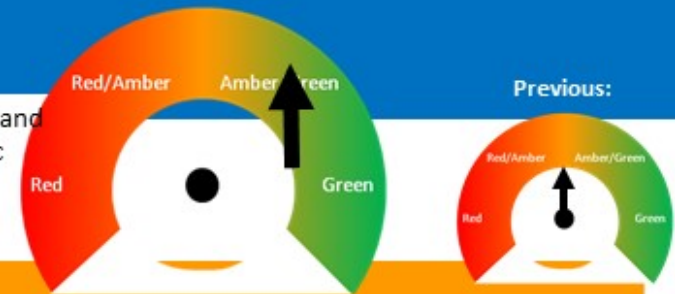
Priority /Activity	Highlights / Progress
Creating a responsive environment with the right facilities, which are accessible and have employer engagement	<ul style="list-style-type: none"> <li>✓ GD1 – All 3 have finished claiming LGF.</li> <li>✓ GD1 HPTA – All 6 projects signed funding agreements; 5 projects completed and 1 is in progress (National College for Nuclear).</li> <li>✓ GD3 pipeline - 3 skills capital projects. SD College and Devon Communities Together progressing. Blue Screen business case – approved SIP May 2019, subject to conditions and further due diligence.</li> </ul>
Increasing productivity by moving people into employment, supporting progress to better jobs and improving workforce skills	<ul style="list-style-type: none"> <li>✓ ESF calls and opt-ins tendered in late 2018. £9.5m additional activity agreed in principle across 3 themes – now subject to contracting.</li> <li>✓ CEC Careers Hub pilot - formal launch in Jan 19. Team in place and engaging with schools and colleges.</li> <li>✓ Careers Learning Pilot ongoing – delivery happening. Additional courses rolled out Nov 18 &amp; Jan 19.</li> <li>✓ Institute of Technology – successful - contracting ongoing.</li> </ul>
Supporting higher value growth by creating a world class workforce with higher level skills, aligned to opportunities	<ul style="list-style-type: none"> <li>✓ LEP worked with MA (DWP) to develop further ESF calls.</li> <li>✓ DSP – one of 3 nationally. Digital Skills research published &amp; website updated. 2019 Action Plan in progress. Innovation fund bid successful.</li> <li>✓ Work ongoing on Nuclear and Construction activity. Follow on work for Nuclear sector deal ongoing. Recruitment ongoing for nuclear sector skills post.</li> </ul>

Key Issues & Risks	Proposed Mitigating Actions
Ability to deliver ESFA projects in light of reduced timescales and process, and lack of communication and timelines from ESFA.	Contractors delivering. Need to keep on top of contract management with ESFA to get best outcomes. Quarterly review pattern instigated to support LEP assurance role.
Completion of funding agreements for FE capital projects	GD1 signed and all but one project completed. GD3 delivering, or undergoing due diligence. Ongoing support to ensure projects can deliver. Ensure flexibility within reasonable limits.
Managing expectations around EU funding	Maintain dialogue & comms with all stakeholders and partners, including Government. Implementation for £28.6m of ESF underway, or complete with provision being made for further calls for remaining funds.
Lack of investment through future funding rounds - such as growth deal, particularly for skills projects.	Support to develop pipeline projects with robust business cases. Pipeline established for GD3, but need to maintain momentum and explore additional funding streams
Concerns around skills funding and FE landscape – linked to Area Based reviews and devolution	Emerging thinking & work ongoing on Productivity Strategy to reflect local priorities. Wider work underway with partners around national policy / consultations.

# Workstream: Place

Lead: Paul Hickson

Summary: Place issues play a vital role in the growth of HotSW. Investment through Growth Deals and our wider influence on infrastructure investment is key to delivering the HotSW strategic economic plan



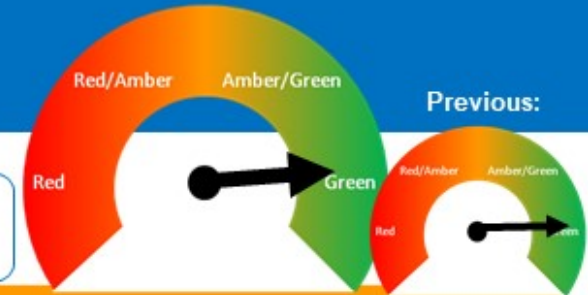
Activity	Highlights
Infrastructure for growth (inc transport, digital, flood management and energy)	<ul style="list-style-type: none"> <li>✓ <b>Energy</b> - The March Board recognised the joint LEP work to date. Collaborative work on the Delivery Plan scheduled to begin on 20<sup>th</sup> May.</li> <li>✓ <b>Energy Grid</b> – a draft brief on energy distribution and capacity issues for James Heapey, MP has been prepared.</li> <li>✓ <b>SW Energy Capacity Hub</b> – Project Manager is now in post and an introductory meeting held. Next steps include discussion of existing and future projects and where support may be needed.</li> </ul>
Facilities for more and better employment (inc Enterprise infrastructure, employment sites and housing sites)	<ul style="list-style-type: none"> <li>✓ <b>Defence Sector Review</b> – A draft project requirement has been developed.</li> <li>✓ <b>Broadband</b> - CDS Programme is looking at options on current delivery and commencing Open Market Review (OMR) to test the market plans in order to inform future delivery alternatives. Broadband strategy to be developed.</li> <li>✓ <b>Mobile</b> - to be incorporated into the CDS programme once the Broadband strategy is prepared.</li> </ul>
Facilities for higher level growth (inc specialist sites, innovation infrastructure and max our env assets)	<ul style="list-style-type: none"> <li>✓ <b>Flood Action Plan</b> – variation request being prepared for June SIP</li> <li>✓ <b>Future High Streets Fund</b> – A total of 14 Expressions of Interest were received and letters of support provided to all bids prior to the submission deadline.</li> </ul>

Key Issues & Risks	Proposed Mitigating Actions
<ul style="list-style-type: none"> <li>▼ Understanding spatial dimension to our growth agenda</li> </ul>	<ul style="list-style-type: none"> <li>• Co-ordinate and facilitate placelated input to development of HotSW productivity plan, including stakeholder awareness and engagement in consultations</li> <li>• Facilitation of joint working and awareness raising among LNPs and other environmental stakeholders of productivity plan process and HotSW Natural Capital framework</li> <li>• Co-ordinating development of LEP responses to development plan consultations</li> </ul>
<ul style="list-style-type: none"> <li>▼ Energy/Grid infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• SW Energy Capacity Hub has now been set up and a manager appointed. Key issues are to develop effective regional partnership working informed by the outcome of regional energy strategies.</li> </ul>



# Workstream: Finance & Resources

Lead: Mel Roberts / Ben Bryant



The underspend to budget ended up larger than forecast, being £726,951. This is largely attributed to additional interest on growth deal funding, exchanging more funding than needed in the financial year to be earmarked towards future budget requirements and other general operational underspends.

Activity	Highlights
Budget / Finances	<ul style="list-style-type: none"> <li>✓ The £726k underspend was made up of the following:                             <ul style="list-style-type: none"> <li>❖ £250k from the contribution exchange with Plymouth CC. This will provide support to future years budgets.</li> <li>❖ £187k additional interest earned from the investment of the growth deal capital funding held.</li> <li>❖ £141k underspend on the Collaborative Working budget.</li> <li>❖ £148k attributed to other general underspends across all other budgets</li> </ul> </li> <li>✓ Of this underspend, £519k has been earmarked for specific use in future years. Details of these are noted in the financial position spreadsheet</li> <li>✓ The value of the general reserve is £1.8m, which has been planned for use in the 3 year forward budget.</li> </ul>

Key Issues & Risks	Proposed Mitigating Actions
<ul style="list-style-type: none"> <li>➤ Project funding &amp; spend (on going) – projects need to spend on profile and ensure claims are only for eligible spend.</li> <li>➤ The LEP await confirmation of ongoing future operational grant.</li> </ul>	<ul style="list-style-type: none"> <li>➤ PMO in frequent engagement with projects to understand and promote progression of each in line with application profile.</li> <li>➤ It was agreed at the latest SIP board that a communication be sent to all projects to provide as up to date forecasts with reasons on slippage, with a focus to projecting spending up to the 2021 deadline and providing timelines for the continued delivery of outputs.</li> <li>➤ Guidance offered to projects on request and encouraged to engage their advisors regarding capitalisation of cost.</li> <li>➤ Assumptions are based on current receipts, in the 3 year forward plan. If funding isn't forthcoming and at the same value, the full amount of reserves will be required.</li> </ul>

## Growth Hub Dashboard for HotSW Business Leadership Group to 31 March 2019

### Key Performance Indicators (Contract Outputs)

Ref.	Deliverables	OVERALL	Extension Actual	Extension Profile	RAG
B1	Number of (countable) businesses engaged	5,696	205	150	
B2	Number of businesses referred to local or national schemes	1,026	29	25	
B3	Number of businesses receiving more intensive support	414	14	15	
B4	Number of networking events for partners	37	1	1	
B5	Number of OLAs actively managed	10	20	10	
B6	Annual Report of Mapped Business Support	2	0	0	



Above. (1) the new 'Pod' at Exeter Science Park and (2) Nick Hewer presents Amy Lawson of Somerset-based Eco-Friendly Shop with a Fairtrade Gold Award.

March marks the start of the extension contract with new KPI targets to deliver in-year. The Growth Hub team have made a good start with KPIs on track and a pipeline of business support activity in progress including Start-Up seminars and resource pack, tailored workshops for tourism and retail businesses, along with on-going business engagement activity such as radio adverts, monthly newsletters and social media campaigns.

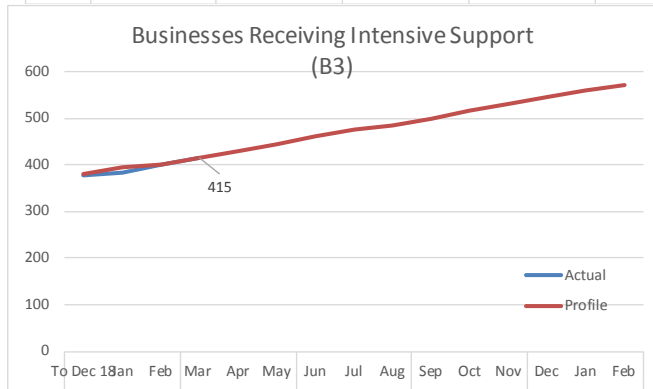
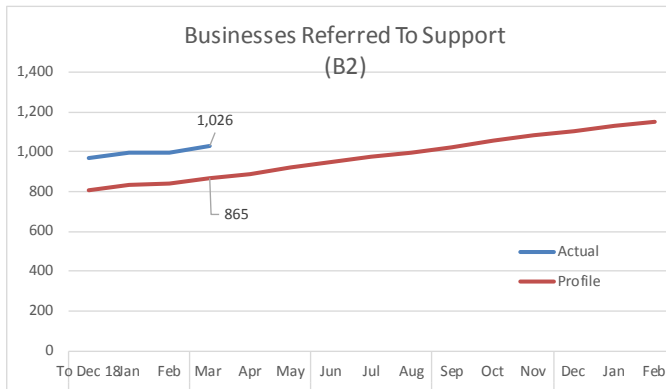
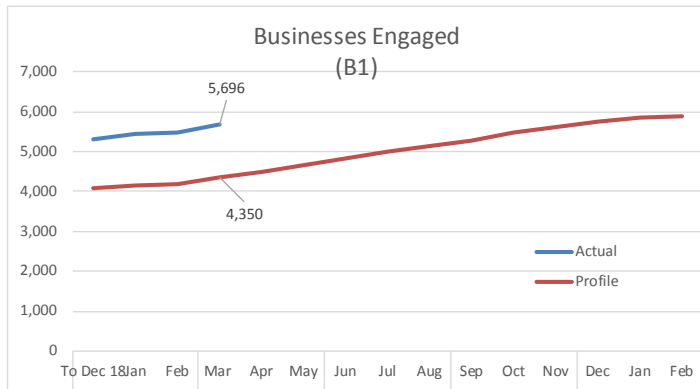
#### Highlights

- Start-up Campaign – launched mini-series of Smart Start seminars at the Nook, Cullompton; resource pack for pre-starts and start-ups; fully booked already for May seminar with Plymouth Library. [Starting Up in Business - Growth Hub](#)
- Brexit Resources – dedicated web pages giving access to a range of resources provided by Government and partners which aim to help businesses plan for the various Brexit scenarios they may face. [Brexit Business Resources - Growth Hub](#)
- Rural Tourism harnessing technology workshops – well attended workshop at the Hartnoll Hotel, Tiverton. Working with Visit Dartmoor and Visit Devon.
- Campaign targeting retail businesses – tailored digital technology workshops for retailers and follow-up 1-to-1 support. Working with Local Authority contacts and BID managers.

A busy month for enquiries to the Growth Hub team. The team were out and about at various events in March including, amongst others, the DIT Export Forum Breakfast event, Visit Dartmoor Tourism Day, Innovation in Care Exhibition, Enterprise Mendip Business Day and the Somerset Business Show. The top schemes for business referrals in this month were (1) ERDF Start Up & Grow (2) ERDF Growth Support Programme and (3) Skills Support for the Workforce.

Partnership meetings in March included the Rural Special Interest Group, HotSW Careers Hub, Environmental Futures Impact Lab and various evaluation discussions regarding the BBfA Partnership, Innovate2Succeed and the Local Manufacturing Advisory Programme.

## Performance Graphs



Risk No	Risk Description	Mitigation / Actions	RAG
7	Lower than profiled take-up of business support. Contract extension requires high numbers of new businesses (not previously engaged).	Comprehensive, multi-channel business engagement strategy. Working closely with LEP and stakeholders. Experienced and highly capable Growth Hub team.	
6	Requirement for rapid response to support businesses in the event of a no deal EU-exit.	Likelihood reduced due to recent political decisions. Working closely with the LEP and BROG stakeholders to keep updated with preparations. Brexit campaign on-going to encourage businesses to prepare.	
5	GDPR implementation could impact upon business engagement activity and inhibit the ability to collect & share data.	Data compliance plan actions progressing. Data inventory and mapping done. Privacy policies updated in conjunction with data controller (SCC).	

## **Heart of the South West LEP Finance Management Report**

Our finances are managed by Devon CC and Somerset CC according to appropriate financial regulations, so the board can be assured on the financial propriety and robustness of our situation. The tables above set out the financial position on our core funding to manage the LEP against the budgets for this year and anticipated y/e out-turn as at the end of March 2018. Performance against budget is reviewed by the Finance and Resources committee and commitments are regularly reviewed in light of actual income and costs.

## Financial Management Report as of 31 March 2019

	2014-15	2015-16	2016-17	2017-18	2018-19 <i>As at 31/03/19</i>	2019-20	2020-21	2021/22
<b>GD operations</b>								
Income budget	1,003,456	1,412,368	1,686,912	1,570,000	1,770,000			
Income actual (to date)	1,072,141	1,427,915	1,892,688	1,727,387	1,835,000			
Income commitments								
Income surplus / (deficit)	<b>68,685</b>	<b>15,547</b>	<b>205,776</b>	<b>157,387</b>	<b>65,000</b>	-	-	
Expenditure budget	900,994	1,434,930	1,548,381	1,563,488	1,934,850			
Expenditure (to date)	877,699	1,185,292	1,204,650	1,172,082	1,445,477			
Expenditure commitments								
Expenditure surplus / (deficit)	<b>23,295</b>	<b>249,638</b>	<b>343,731</b>	<b>391,406</b>	<b>489,373</b>	-	-	
<b>Projects</b>								
Budget				52,720				
Income (to date)				264,460				
Expenditure (to date)				236,036				
Commitments								
Project surplus / (deficit)	-	-	-	<b>81,144</b>	-	-	-	
Surplus/ deficit to reserve	<b>194,442</b>	<b>242,623</b>	<b>688,038</b>	<b>555,305</b>	<b>389,523</b>	-	-	
<b>Reserves</b>								
	2014-15	2015-16	2016-17	2017-18	2018-19 as at 31/03/2019	2019-20	2020-21 Forward Estimate	2021-22 Forward Estimate
<b>LEP Operations reserve</b>								
Opening balance	0	236,442	482,929	1,135,017	1,690,322	1,795,671	1,795,671	
Operations surplus/deficit	236,442	246,487	652,088	555,305	389,523			
Interest on growth deal capital					337,428			
1819 draw from reserve					- 134,576			
1819 Projects closing entries					32,455			
<b>Closing balance</b>	<b>236,442</b>	<b>482,929</b>	<b>1,135,017</b>	<b>1,690,322</b>	<b>2,315,152</b>	<b>1,795,671</b>	<b>1,795,671</b>	Held by SCC
<b>Commitments to reserve ie (Earmarked into 2019/20)</b>						- 519,481		

<b>Detailed commitments to reserves</b>								
1718 projects under/over to core reserve						- 69,612	1718 total	
1819 projects under/over to core reserve						20,879	1819 total	
<b>Total due from Projects for closing balances</b>							- 48,734	
<b>Core ongoing + new Commitments</b>								
Special Projects Fund: ESIF Growth Hub Match						- 40,000.00	ESIF Growth Hub Match £40k.	
Special Projects Fund: SW Tidal Hub (now to be possibly used for MOD sites project?)						- 40,000.00	SW Tidal Hub (now to be possibly used for MOD sites project?) £40k.	
Special Projects Fund: Enterprise Zones						- 22,500.00	Huntspill & Oceansgate match funding to projects	
Special Projects Fund: Rural Productivity Commission						- 12,240.10	Match funding to project	
Reasearch - LEP Contribution to Economic Model						- 9,334.00	LEP Contribution to Economic Model Agreed by EJ See IY email 14&20/12/18	
Emma ERDF work						- 2,000.00		
Inward Investment						- 1,849.51	Underspend	
Staff Redundancy						- 15,000.00	Current agreement at the Board the reserve would hold 1 quarter for SLA and staff budget.	
Technical Assistance Project						- 63,293.60	Project being led by Sam Seddon (SCC- Ec Dev) - EJ agreed from reserve	
Research - SCMC supply chain 1819						- 25,000.00	Research - SCMC supply chain 1819	
Strategy & Policy Prog Mgt (Emma B & Rebekah) 1819						- 15,500.00	Strategy & Policy Prog Mgt (Emma B & Rebekah) 1819	
Inward Investment - Misc activity 1819						- 12,400.00	Inward Investment - Misc activity 1819	
Cluster - HSDF MEH Skills Research 1819						- 8,000.00	Cluster - HSDF MEH Skills Research 1819	
Collaborative Working - Employment land study 1819						- 10,000.00	Collaborative Working - Employment land study 1819	
Delivery plan IT equipment						- 12,000.00	It equipment for addiotnal coordinators (EJ email 25/03/19)	
LEP review funding -non dormant CIC analysis 1819						- 181,135.00	LEP review funding -non dormant CIC analysis 1819	
Overheads GDPR IT and Infrastructure Audit						- 495.00	As per IY email 29/03/19	
							- 470,747.21	

## **Funding & Programme Management**

The Strategic Investment Panel met in February. Updates on progress are available in the Programme Highlight report below– and decision tables are also attached for the meeting. Tables of individual project progress are also in the table below.

**SEE NEXT PAGE FOR START OF TABLE**



# Q4 18/19 Dashboard – Approved 2<sup>nd</sup> May 2019

Deliverables Progress								
	This Qur	16-17	Financial Year				21-25	Total
			17-18	18-19	19-20	20-21		
<b>Housing</b>								
Houses Completed	334	1,630	1,070	593	0	0		3,263
Forecast for year	2,686		1,795	2,595	2,356	2,394		10,771
Progress towards forecast	13%		60%	23%	0%	0%		31%
<b>Jobs</b>								
Jobs Created	480	115	91	585	0	0		791
Apprenticeships Created*	119	372	393	583	0	0		1,348
Jobs including Apprenticeships	679	487	484	1,168	0	0		2,139
Forecast for year	3,737		1,531	3,737	4,833	6,503		17,191
Progress towards forecast	16%		30%	31%	0%	0%		12%
* Apprenticeships included within Jobs totals prior to 2017								
<b>Skills</b>								
Area of new or improved floorspace (m2)	885	4,212	11,265	1,795	0	0		17,272
Forecast for year	0		13,155	0	0	4,500		21,867
Progress towards forecast	-		86%	-	-	0%		38%
Number of New Learners Assisted	282	4,663	3,550	2,474	0	0		10,887
Forecast for year	8,026		4,971	6,025	5,993	5,872		27,624
Progress towards forecast	4%		71%	41%	0%	0%		38%
<b>Transport</b>								
Length of Road Resurfaced	0.0	0.0	9.9	0.0	0.0	0.0		9.9
Length of Newly Built Road	0.0	0.0	2.1	0.0	0.0	0.0		2.1
Length New Cycle Ways	2.8	0.0	2.8	2.6	0.0	0.0		6.6

Project RAG Ratings					
Project Name	Previous Quarter Q3_1819	This Quarter Q4_1819	Project Name	Previous Quarter Q3_1819	This Quarter Q4_1819
Yeovil Western Corridor Capacity Upgrade	G	G	Electronics & photonics Innovation centre	G	G
Torbay Western Corridor Capacity Improvement	G	G	Marine Industries Production Campus at Unlocking Growth Fund	G	G
Bridge Road, Exeter	G	G	Exeter Science Park MET Office Environment	A	A
Derriford Transport Scheme	G	G	Exeter Science Park Grow On Buildings	G	G
A382 widening, Newton Abbot	G	G	J25, M5 at Henlade	G	G
Torquay Gateway	G	G	Tiverton Eastern Urban Extension	G	G
Huntworth Roundabout Bridgwater	G	G	Somerset Energy Innovation Centre Phase 1	G	G
A361 Portmore to Landkey Stage 1	G	G	Connecting Devon and Somerset Phase 1	G	G
Derriford Hospital Interchange	G	G	Constructing Futures	G	G
Taunton Rail Station Enhancements	G	G	South Devon College Hi Tech centre	G	G
Torquay town centre access	G	G	IAero (South) Centre	G	G
Roundswell Phase 2, Barnstaple	G	G	Blue Screen ICT Training Project	G	G
A38 Deep Lane Junction, Sherford	G	G	Houghton Barton Package	G	G
A379 Newcourt Junction, Exeter	G	G	Taunton Tonerway Improvements	G	G
A39 Heywood Road Junction (Blidford)	G	G	Hunts Hill Energy Park	G	G
Marsh Barton Railway Station (Exeter)	R	R	Plymouth Central Railway Station	G	G
Plymouth Northern Corridor traffic signals	G	G	North Devon Innovation Centre, Roundwood	G	G
Bridgwater College Hinkley Skills Capital	G	G			
Plymouth College Stem Centre	G	G			
Hinkley HPTA package	G	G			
SW/Hinkley Low Carbon Innovation and Exeter Science Park Environmental Fund	G	G			
Somerset College Centre for Engineering	G	G			
Plymouth Science Park (Phase 5)	G	G			
Flood Action Plan	G	G			
Growth Hub	G	G			
Plymouth Eastern Corridor cycle network	G	G			
Plymouth Charles Cross and Exeter Road	G	G			
Pervasive 4G mobile Infrastructure	R	R			
Broadband Phase 2	G	G			

Financial Progress							
LGf Allocation	2016-18	2016-17	17-18	18-19	19-20	20-21	Total
	£43,410,000.00	£66,700,418.00	£38,132,150.88	£9,866,996.86	£13,146,491.67	£38,468,628.62	£187,833,416.00
LGf Outturn							
This Quarter	Financial Year						Total
Actual	£ 4,897,182		£ 50,645,078	£ 30,436,450	£ 28,026,538	£ -	£ 109,108,098
Forecast	£ 40,883,628		£ 30,436,450	£ 40,883,628	£ 49,499,883	£ 24,402,465	£ 195,867,404
Progress towards forecast	12%		100%	69%	0%	0%	68%
LGf Expenditure							
Actual	£ 4,897,182		£ 50,645,078	£ 30,436,450	£ 28,026,538	£ -	£ 109,108,098
Forecast	£ 40,883,628		£ 30,436,450	£ 40,883,628	£ 49,499,883	£ 24,402,465	£ 195,867,404
Progress towards forecast	12%		100%	69%	0%	0%	68%
Non-LGf Expenditure							
Actual	£ 8,704,889		£ 60,130,557	£ 39,507,217	£ 24,164,138	£ -	£ 123,801,912
Forecast	£ 40,880,913		£ 40,930,913	£ 39,470,957	£ 34,335,629	£ 16,314,707	£ 183,182,784
Progress towards forecast	21%		97%	61%	0%	0%	84%
Total LGf + non-LGf Expenditure							
Actual	£ 13,701,861		£ 110,775,635	£ 69,943,667	£ 52,190,676	£ -	£ 232,909,978
Forecast	£ 81,814,442		£ 71,367,363	£ 80,354,486	£ 83,835,512	£ 42,717,172	£ 389,060,188
Progress towards forecast	17%		+98%	+65%	+0%	+0%	80%

Contractual Commitments (manual entry)							
	16-17	17-18	18-19	19-20	20-21	Total	
Forecast	£ 122,764,598	£ 22,922,127	£ 11,540,000	£ 38,640,680	£ -	£ 195,867,404	
Actual	£ 122,764,598	£ 22,922,127	£ 5,500,000	£ -	£ -	£ 151,186,724	
Variance	+0.00%	+0.00%	-52.34%	-100.00%	-	-22.81%	

**Commentary**

This forecast shows an under allocation against projects, mainly due to the GD1 allocation towards programme management costs being outside this profile. Funding agreements require annual monitoring (as this was the original forecast requirement) so we will not have significant increases in outputs each quarter - rather this will be provided on a rolling basis as outputs come forward. In terms of RAG status, 2 projects remain red (Marsh Barton Station) and 4G Mobile- SIP decided not to fund this individually on the basis that the market has moved on and 4G coverage is now better placed as part of a wider digital strategy being developed for GD3 funding, subject to LEP Board approval of this approach.

Approved by LEP Board: Chief Executive  
 Signature: *David Ralph*  
 Name: David Ralph  
 Date: 25-Apr-19

Approved by Somerset County Council, S151 Officer:  
 Signature: *Sheila Collins*  
 Name: Sheila Collins  
 Date: 29-Apr-19

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Taunton Rail Station Enhancements	LGF (GD1)	4.60	4.37	8.97	0.05	01/04/2016	01/03/2020	- Business Case Approved February 2015. - Rail company MOU signed, work required to clarify final terms on match funding towards full FA. Final approval at Dec 2018 LTB.	Negotiations with GWR moving forward. Profile has moved into 18/19 and 19/20 at Nov 2017 review of profile. Planning consent expected mid 2018, construction start Autumn 18, Expected completion by March 2021.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Torquay Town Center Access	LGF (GD1)	0.40	0.13	0.52	0.66	01/12/2015	01/03/2018	Business Case Approved April 2015. Incos extra £104k. Complete	Procured through term contract. Completion date March 2018. Construction complete - junction in testing.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Roundswell Phase 2 (Barnstaple)	LGF (GD1)	1.71	0.79	2.49	2.31	01/03/2016	01/07/2017	Programme Entry Approved Dec 2015. Final approval Dec 2016. Complete. Underspend identified to move to Marsh Barton station.	Construction started Jan 2017. Completed 17/18 -in monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
A38 Deep Lane Junction (Sherford)	LGF (GD1)	1.98	1.10	3.08	3.51	01/06/2016	01/07/2017	Business Case approved April 2015. Complete.	Started on site Spring 2016. Construction complete - in monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
A379 Newcourt Junction (Exeter)	LGF (GD1)	0.83	1.49	2.32	2.67	01/08/2016	01/01/2017	Business case approval Feb 2016. Complete.	Complete, road open. Expected small underspend transferred to Marsh Barton Station. In monitoring phase	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
A39 Heywood Road Junction (Bideford)	LGF (GD1)	0.07	0.45	0.52	0.00	01/03/2019	01/12/2020	PE Business Case approved December 2014. LGF grant reduced July 2015 to £70k, replaced by s106. Phase 1 of scheme approval at June 2018 LTB. Remainder of scheme likely constructed in 2020, link to NDLR. Final approval of Phase 1 LTB March 2019	Updated project profile required to reflect phased approach. Advanced utilities work completed and paid in 17/18.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Marsh Barton Railway Station (Exeter)	LGF (GD1)	3.52	6.90	10.42	6.96	01/02/2016	01/03/2019	- Programme Entry approved July 2014. Increase in funding and final approval July 2015. - Key risks. Delay in delivery completion due to NR processes. NSF bid to top up funding unsuccessful. DfT meeting to review on 5th october. DCC pulling funding package together. Approval to move funding of £844k from other GD1 DCC completed transport schemes. Update paper presented at Nov 2018 SIP. LTB approval to updated scheme March 2019. Final SIP decision to go ahead April 2019.	Extension of design period due to Network Rail. Further issues re construction timescales and cost escalation. Design underway, claims paid. Following April SIP approval project to progress from May 2019.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Plymouth Northern Corridor Traffic Signals	LGF (GD1)	2.10	1.31	3.41	1.73	01/02/2016	01/03/2020	Programme Entry approved December 2014 for Phase 1. Final business case approved for Phase 1. Phase 2 during 18/19.	Procured through term contract. Phase 1 complete. Phase 2 construction starting July 2018. Expected completion of LGF spend by end 2019	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Plymouth Eastern Corridor Cycle Network	LGF (GD1)	3.42	1.49	4.91	1.93	01/11/2016	01/03/2021	Programme Entry approved Dec 2015. 16/17 start. Final approval for Phase 1,2 and 3.	Phases 1 and 2 complete, phase 3 in progress.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Plymouth Charles Cross and Exeter Road	LGF (GD1)	2.10	2.72	4.82	1.02	01/02/2018	01/07/2020	Programme entry business case approved at Sept 2017 LTB. Update at June 2018 LTB reflecting delay in final approval to Autumn 2018, when contract will be awarded.	PCC reprofiled. Additional private s106 match and reduced LA contribution with overall costs increasing from original bid. Slippage by approx 1 year - construction expected to begin Feb 2018 running to June 2019 is now expecting to start on site Jan 2019. End date has been moved by 1 year to reflect this expectation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Bridgwater College (Hinkley Skills Capital)	LGF (GD1)	5.15	12.63	17.78	24.67	01/05/2015	01/03/2018	Business case approval March 2015. Variation email request to SIP for approval June 2017. Complete	Project in delivery. Completion of GD expenditure 16/17. Complete - into monitoring stage.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
City College Plymouth Stem Centre	LGF (GD1)	5.43	7.37	12.80	13.75	01/05/2015	01/08/2017	- Business case approval March 2015. Project in progress. - Key risks - planning and design to meet budget; sale of surplus site	Project complete and all LGF spent. In monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Hinkley HPTA Package - Exeter College	LGF (GD1)	2.00	1.00	3.00	2.00	01/08/2015	01/03/2017	July 2015 SIP approval of funding for: Yeovil, South Devon and Cornwall (Bicton. ) Conditional approval for Bridgwater College(NfCN) and Exeter College.	Site visit carried out and last claim paid - project complete.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Hinkley HPTA Package - NfN	LGF (GD1)	3.00	12.00	15.00	2.78	01/08/2015	01/03/2017	July 2015 SIP approval of funding for: Yeovil, South Devon and Cornwall (Bicton. ) Conditional approval for Bridgwater College(NfCN) and Exeter College. NfCN variation to extend longstop completion date agreed. Complete 18/19.	In construction - match funding spend requirements from government re profile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Hinkley HPTA Package - Petroc	LGF (GD1)	0.36	0.36	0.72	0.36	01/08/2015	01/03/2017	Dec 2015 SIP approval for Petroc.	Site visit carried out and last claim paid - project complete.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Hinkley HPTA Package - South Devon	LGF (GD1)	0.21	0.16	0.38	0.21	01/08/2015	01/03/2017	July 2015 SIP approval of funding for: Yeovil, South Devon and Cornwall (Bicton. ) Conditional approval for Bridgwater College(NfCN) and Exeter College. Dec 2015 SIP approval for Petroc. Project variations approved at Dec SIP. Yeovil College variation approved June 16 SIP.	Site visit carried out and Bicton last claim paid - project complete. Other projects in progress. No significant change to overall profile.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Hinkley HPTA Package - Cornwall College	LGF (GD1)	0.30	0.30	0.60	0.30	01/08/2015	01/03/2017	July 2015 SIP approval of funding for: Yeovil, South Devon and Cornwall (Bicton. ) Conditional approval for Bridgwater College(NfCN) and Exeter College. Dec 2015 SIP approval for Petroc. Project variations approved at Dec SIP. Yeovil College variation approved June 16 SIP.	Site visit carried out and Bicton last claim paid - project complete. Other projects in progress. No significant change to overall profile.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Hinkley HPTA Package - Yeovil College	LGF (GD1)	0.64	0.21	0.85	0.64	01/08/2015	01/03/2017	July 2015 SIP approval of funding for: Yeovil, South Devon and Cornwall (Bicton. ) Project variations approved at Dec SIP. Yeovil College variation approved June 16 SIP. Outputs variation approved at December 2017 SIP meeting.	Site visit carried out and last claim paid - project complete - in monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Somerset Energy Innovation Centre - Phase 1b	LGF (GD2)	6.50	7.02	13.52	1.34	01/09/2015	01/03/2018	Phase 1b business case approval May 2015.	Phase 1b complete.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Somerset Energy Innovation Centre - Phase 2	LGF (GD2)	0.00	0.00	0.00	3.88	01/09/2015	01/03/2019	Phase 2 business case approval Aug 2015. LEP Board agreement that Phase 2 funding to replace ERDF match from the GD2 pot, originally for Phase 3. Match funding agreed.	Phase 2 ERDF match agreed and underwritten by SCC. Funding agreement signed and construction started onsite - due to complete 18/19.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Exeter Science Park Environmental Futures Campus	LGF (GD1)	2.50	0.00	2.50	2.50	01/05/2015	30/06/2016	Business case approval March 2015. Minor budget variations approved Oct 2015. Project complete.	Complete - into monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Somerset College (Centre for Engineering)	LGF (GD1)	0.60	1.19	1.79	2.13	01/07/2015	01/03/2016	Business case approval March 2015.	Project complete and all LGF spend. In monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Plymouth Science Park (Phase 5)	LGF (GD1)	3.00	3.96	6.96	7.02	01/09/2015	01/03/2018	Business case approval March 2015.	All LGF funding spent and complete. Small match spend in 17/18.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Pervasive 4G Mobile Infrastructure	LGF (GD1)		0.50		0.00	01/09/2017	01/03/2019	Business case approval at April SIP with subsequent business case review. Key risk - procurement plan to be established with telecoms suppliers. Soft market testing meetings and state aid investigations carried out. Updated business case presented at August 2017 SIP. Following market evaluation further updated business case presented at November 2018 SIP. Due to market changes, digital strategy decision deferred to Jan 2019 LEP Board meeting.	Awaiting LEP Board decision on whether to progress or move into digital strategy activity.	<input type="checkbox"/>	<input type="checkbox"/>		
Flood Action Plan (Somerset Levels)	LGF (GD1)	13.05	30.89	43.94	18.76	27/07/2015	01/03/2021	Key risk - package of projects with varying deliverability. Business case approval July 2015. SIP variation approval July 2016. In delivery with variation paper due Jan 2019 SIP.	In delivery.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Growth Hub	LGF (GD1 Revenue)	1.06	0.00	1.06	0.51	01/02/2018	01/03/2020	Also funded separately by BIS. Successful procurement, contractor starting Feb 2016. Link to ESIF call. Includes additional £656k from BIS over 2 years. The start and finish dates are LGF specific - the project has been running since 2015/16 using BEIS funding.	In delivery. On track. Further BEIS funding available for 18/19-19/20.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Broadband Phase 2	LGF (GD2)	6.00	14.52	20.52	5.21	01/04/2017	01/03/2019	Business case approved at Nov 16 SIP. Key risks on procurement delays to original profile but mobilisation in progress. Proposal to reprofile discussed at Jan 2019 SIP meeting and agreed, subject to Board approval if needed. May need to move to Amber (Feb 19)	Procurement complete for all 6 lots. Funding agreement signed and mobilisation underway. Delivery issues on the ground are causing a significant delay in expenditure profile.	<input type="checkbox"/>	<input type="checkbox"/>		
Electronics & photonics innovation centre (EPIC)	LGF (GD2)	3.00	5.00	8.00	0.00	01/03/2017	01/07/2018	Business case approval August 16 SIP meeting.	Funding agreement delays due to match funding and other conditions. Near signing at April 2018.	<input type="checkbox"/>	<input type="checkbox"/>		

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Oceansgate (formerly South Yard)	LGF (GD2)	1.50	3.90	5.40	6.28	01/01/2017	01/01/2018	Business case approved at Nov 16 SIP. EO1 submitted to SIP in March 2016.	On track for GD2 spend timescales. GPF match approved. Funding agreement in development. Project on site and Phase 1 construction complete.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Unlocking Growth Fund - Yeovil Innovation Centre Phase 2	LGF (GD2)	0.44	1.29	1.73	0.60			Three full business cases approved at June 2016 SIP - Highbridge, Wiveliscombe, Yeovil. YIC project variation agreed by SIP email during September 2017. Construction complete.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Unlocking Growth Fund - Wiveliscombe	LGF (GD2)	0.51	1.29	1.80	0.06			Three full business cases approved at June 2016 SIP - Highbridge, Wiveliscombe, Yeovil.	In construction.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Unlocking Growth Fund - South Molton Pathfields	LGF (GD2)	0.22	1.52	1.74	0.00			Business Case approved at February 2018 SIP meeting		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Unlocking Growth Fund - Highbridge	LGF (GD2)	0.23	0.23	0.47	0.25			Subgroup project prioritisation ongoing until full pot is allocated. Three full business cases approved at June 2016 SIP - Highbridge, Wiveliscombe, Yeovil. Claylands business case approved at August 2016 SIP. May 2017 SIP approved Wells Technology Enterprise Centre. Also Devonport scheme, subject to review at September 2017 SIP.	Funding agreements for the projects are in development. FBGC project approved at November SIP has been removed due to not being able to meet funding conditions. Further business cases due for approval at September 2017 SIP meetings.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Unlocking Growth Fund - Devonport	LGF (GD2)	0.50	0.91	1.41	0.00			Business case approval conditions reviewed at September 2017 SIP and project approved. Funding agreement in development		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Unlocking Growth Fund - Claylands	LGF (GD2)	5.00	5.00	10.00	0.00			Claylands business case approved at August 2016 SIP.	Funding agreements for the projects are in development. FBGC project approved at November SIP has been removed due to not being able to meet funding conditions. Further business cases due for approval at September 2017 SIP meetings.	<input type="checkbox"/>	<input type="checkbox"/>		
Unlocking Growth Fund - Caddisdown	LGF (GD2)	0.18	0.50	0.68	0.00			updated business case reviewed and funding approved at the September 2017 SIP meeting. Funding agreement in development.		<input type="checkbox"/>	<input type="checkbox"/>		
Unlocking Growth Fund - Wells Enterprise Centre	LGF (GD2)	0.77	1.51	2.28	0.14			Business case approval conditions reviewed by September 2017 SIP and project approved. Funding agreement signed, in delivery		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Exeter Science Park (Open Innovation Building)	LGF (GD2)	5.50	26.20	31.70	0.00	01/10/2018	01/03/2020	Budget move - 0.5m request to ESP Centre project approved by May Board. Business case developed and submitted for appraisal by Business LG during September 2017. Due for approval at the November SIP Meeting. Business case approved at July 2018 SIP. Status changed to Amber following this meeting, due to funding gap completion deadline.	Estimated start and finish dates	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Exeter Science Park (Grow On Buildings)	LGF (GD2)	4.50	1.63	6.13	5.64	01/12/2017	01/03/2019	Business case approval at June SIP. Planning permission Sept 16. Variation request authorised by SIP by email March 2017. In construction - Practical completion end Nov 2018. Tenants have moved in early 2019.	Match funding issues have caused delays of approx 2-3 months but now resolved and funding agreement variation signed.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
J25, M5 at Henlade	LGF (GD2)	12.90	3.00	15.90	2.10	01/01/2017	01/03/2020	Programme Entry business case approved at July 2016 LTB. Final business case expected Jun 2018. Update provided to SIP and LTB in June 2018 with business case now expected in the Autumn following completion of tender process. Will then finalise LGF contribution but currently SIP has set at a reduced figure of £11.65m for the time being with a further potential reduction to be considered. Final approval at December 2018 LTB. Request for move of £0.5m funding from Yeovil Western Corridor to be considered by SIP and Board in Jan 2019 due to increased costs. Agreed subject to clarification at January 2019 SIP meeting.	Pre-planning studies underway. Tendering for design and build Spring 2017. Slippage - construction start now later in 2018. Estimated finish date. F	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Tiverton Eastern Urban Extension	LGF (GD2)	1.50	4.20	5.70	4.26	01/09/2017	01/03/2019	Business case approval for £1.5m in principle at June 2017 LTB subject to funding being available for phase 1. Approved for funding at July 2017 LEP Board Meeting (on basis if GD does not become available LEP can utilise GPF as a last resort). Complete summer 2018.	In monitoring phase.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Somerset Innovation Centre (Phase 3)	LGF (GD3)	2.75	2.53	5.28	0.00	01/03/2018	01/03/2020	Pre-business case approval. Slippage of 1 year on start and end date. Progress with match funding and planning permission. Significant delays with production of business case against planned dates. SIP Approval of business case April 2019.		<input type="checkbox"/>	<input type="checkbox"/>		
Connecting Devon and Somerset Phase 3 and 4G Mobile Package	LGF (GD3)	9.57	2.00	11.57	0.00	01/03/2018	01/03/2020	Business case to come forward subject to development and review of digital strategy for CDS.		<input type="checkbox"/>	<input type="checkbox"/>		
Youth Construction Skills Project 'Devon Communities Together'	LGF (GD3)	0.57	2.94	3.51	1.05	01/01/2018	01/03/2019	Business case developed and in appraisal. Partial approval at October 2017 SIP with some outstanding issues to resolve. Project meeting held and paper to January 2018 SIP. Final approval including of outstanding conditions obtained following January SIP (on 22nd January 2018) by email.	Updated start and end dates to reflect delays in business case approval.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
South Devon College Hi Tech Centre	LGF (GD3)	8.13	8.50	16.63	9.93	01/03/2017	01/07/2019	Business case approval at July 2017 SIP, subject to appraisal conditions.		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
iAero (South) Centre	LGF (GD3)	3.83	3.80	7.63	0.00	01/03/2017	01/03/2019	Business case approval November 2018 SIP meeting (subject to conditions)		<input type="checkbox"/>	<input type="checkbox"/>		

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
Next generation ICT training project "Blue Screen IT - PROJECT X"	LGF (GD3)	0.69	0.73	1.42	0.00	01/03/2017	01/03/2019	Business case due for appraisal Dec 2018, was aiming at Jan 2019 SIP meeting for approval. Have been some delays and now aiming at May 2019 SIP approval		<input type="checkbox"/>	<input type="checkbox"/>		
Houghton Barton Package	LGF (GD3)	2.87	4.50	7.37	0.00	01/04/2018	01/03/2021	PE business case approval at December 2018 LTB. Link Road and Cycle route - cycle route will be constructed first.	Expected LGF spend 19/20-20/21	<input type="checkbox"/>	<input type="checkbox"/>		
Taunton Toneway Corridor Capacity Improvements (Phase 1 Creech Castle)	LGF (GD3)	6.41	3.08	9.49	0.00	01/04/2018	01/03/2021	Update presentation at June 2018 LTB. Programme entry approval at October 2018 LTB meeting.	Expecting to go out to tender in April 2019 and start construction in November 2019.	<input type="checkbox"/>	<input type="checkbox"/>		
Huntspill Energy Park	LGF (GD3)	3.94	4.12	8.06	0.00	01/04/2018	01/03/2019	Business case programme entry approval at March 2018 LTB. SIP Jan 2019 confirmed a name change to This is Gravity Limited for the site owner and developer.		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Plymouth Central Railway Station	LGF (GD3)	4.79	50.82	55.60	0.00	01/03/2017	01/03/2021	Programme entry approval at December 2017 LTB. Update at June 2018 SIP to reflect end date change to Spring 2021.	Slippage of end date by 1 year from March 2020 to 2021.	<input type="checkbox"/>	<input type="checkbox"/>		
North Devon Innovation Centre, Roundswell	LGF (GD3)	0.00	0.00	0.00	0.00	01/12/2018	01/04/2019	Business case approval at September 27th 2018 SIP meeting. Conditions to be resolved before FA is signed including planning permission and ERDF funding confirmation. Planning permission granted Nov 2018.		<input type="checkbox"/>	<input type="checkbox"/>		
Hinkley Related Revenue Projects	LGF (GD2 Revenue)	0.65	0.00	0.65	0.00			Revenue funds freed up from Growth Hub reallocated to two HPTA/Hinkley Supply Chain projects. Approved at May board for £0.15m and £0.5m to HPTA pump priming and Hinkley Supply Chain support projects business cases approved at SIP for both projects.	Projects into delivery phases, with conditions to meet from SIP business case approvals to be met as part of funding agreement development. Variation request to October 2017 SIP for additional match funding from Welsh Assembly for approval.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Concise Homes, Bridgwater	GPF (Loan)	1.44	15.00	16.43	1.44	28/02/2013	31/07/2013	All claims and repayments completed.	Closed. Into annual monitoring period.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Millfields	GPF (Loan)	2.10	3.02	5.12	2.10	28/02/2013	30/11/2014	Building open. Repayments have begun.	Completed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Science Park, Exeter	GPF (Loan)	4.50	0.00	4.50	4.50			Building open and operating. December 2017 request for variation of Loan to a grant received. Paper at January SIP. Agreed to have a follow up meeting with ESPL to discuss alternative options as a grant is not acceptable to the LEP.	Loan complete.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Ocean Studios	GPF (Loan)	0.80	0.00	0.80	0.80			Building open and fully occupied. SIP agreed further repayment holiday. PCC working on future management of project with legal completion end March 17.	PCC loan repayment under guarantee Dec 17.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		

HotSW LEP - Programme Summary

Date: 26/04/2019

Scheme	Funding Prog	Grant Funding (£m)	Match Funding (£m)	Total Funding (£m)	Total Spend (£m)	Start Date	End Date	Status	Spend vs Profile	FA Signed?	Final Claim Paid?	RAG Status	Prev RAG Status
DC Homes	GPF (Loan)	4.50	0.00	4.50	1.71			Variation to funding agreement complete. Turf cutting 30th Sep 2015. Asbestos and archeology have caused significant delay but construction is now underway. Sept 2017 approval to remove the land for substation from the LEP agreement. Project progress meeting in November 2017 - due for May 2018 opening. Collateral Warranties received. Near completion at July 2018.	16 claims paid. Costs have increased and requested additional loan to increase number of rooms. Meeting took place to inform project that this is not possible and talk about alternatives. Now investigating with other organisations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
BDUK Extension (CDS)	GPF (Grant)	4.20	0.00	4.20	0.00			Business case approval at Nov SIP. Expected to complete procurement and award contract by end of 2016.	Funding agreement signed Dec 16. Project mobilisation underway.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Oceansgate	GPF (Loan)	5.00	0.00	5.00	0.00			Business case approval at Nov 16 SIP. EOI discussed at Oct 15 SIP. Heads of terms for loan approved at July 16 SIP.	Funding agreement in drafting due for signing by end of July 2017 but delayed - spending GD funds first and issue around status of MOD and relationship to funding agreement.	<input type="checkbox"/>	<input type="checkbox"/>		
EAN (Enterprise Advisors Network - Revenue)	CEC Revenue Grant	0.36	0.00	0.36	0.18			Funding from Careers Enterprise Company. Project in progress.	Delivery underway for 17/18	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

- Red Highly Problematic - requires urgent and decisive action, multiple key risks.
- Amber Issues - some aspects require substantial attention, some key risks.
- Green Good - all aspects proceeding well, no key risks requiring mitigation.



## **HOTSW Investment Programmes**

### **Highlight Report No 48 – SIP 2<sup>nd</sup> May 2019**

#### **Reporting period**

April 2019

#### **Summary Comments**

At the April SIP meeting the SEIC Phase 3 business cases was approved, along with a variation to the Marsh Barton Station scheme, meaning this is now progressing and no longer has Red RAG status.

The dashboard outputs and spend report has been completed and submitted.

Following a discussion at the April SIP meeting regarding the Annual Performance Review and the need to agree an expenditure forecast and acceptable variation to this for government approval, a paper has been produced for the May SIP meeting outlining an approach.

Projects who significantly underspend will be identified and SIP to agree a way of responding to the lack of delivery against their own forecast profiles. Individual meetings suggested for a key projects to understand issues and potentially where the LEP could assist to unblock.

The draft outputs programme summary presented to the April SIP has been further developed for review at the May SIP meeting. This will enable outputs information to be updated quarterly for SIP review in an easily digestible format, at the same time as for the dashboard.

#### **Growth Deals**

##### **Business cases and funding agreements**

All GD1 business cases are approved or partially approved – with 1 remaining to finalise for funding agreement/decision on proceeding. See table below for details of outstanding actions.

All GD2 business cases are now approved – 15 in total, including 8 in Unlocking Growth Fund. There are also agreements in place for the 3 Growth Hub/Hinkley business support projects which have been delivering for some time. 3 GD2 funding agreements are yet to be completed.

9 GD3 business cases are now approved - 5 GD3 business cases approved by SIP - South Devon College, North Devon Enterprise Centre, iAero, SEIC Phase 3 and Constructing Futures, plus 4 GD3 transport projects with Programme Entry approval – Huntspill Energy Park, Toneway, Houghton Barton and Plymouth Central Station. 2 GD3 business cases are yet to be approved.

3 GD3 funding agreements are signed, with 8 yet to be completed.

There are now **11** outstanding GD1, GD2 and GD3 funding agreements, as follows:

<b>Project</b>	<b>Funding Agreement Status</b>
<b>GD1</b>	
4G Mobile	First stage business case approved. Updated business case presented at November 2018 SIP Jan 2019 Board meeting decision to halt project in line with digital strategy.
<b>GD2</b>	
EPIC	Drafting now complete, most conditions met. Funding gap letter received and schedules being updated.
Unlocking Growth Fund	All allocated to 8 approved projects. 6 signed, 2 near signing –Caddsdwn, Claylands.
<b>GD3</b>	
Somerset Innovation Centre Phase 3	Business case approved at April 2019 SIP. Funding agreement in development
CDS Phase 3 and Mobile	Pre-business case approval – supporting digital strategy in development.
iAero (South) Centre	Business case approved at November 2018 SIP.
Blue Screen ICT	Business case due for appraisal end November 2018 – expected to come to May SIP meeting
Houghton Barton Package	Programme Entry approval at December 2018 LTB. Final approval target March 2020
Taunton Toneway	Programme Entry approval at October 2018 LTB. Final approval target December 2019
Plymouth Central Station	Business case Programme Entry approval – LTB Dec 2017. Final approval target June2019.
North Devon Innovation Centre	Business case approval September 27 <sup>th</sup> SIP. Funding agreement near signing.

## **Delivery**

26 projects have now completed spending their Growth Deal funding, including: Exeter Science Park GD1, Exeter Science Park Grow Ons, Plymouth College STEM centre, Somerset College ACE, Derriford Hospital, Huntworth Roundabout, A379 Junction, Bridge Road, Torquay Town Centre Access, Deep Lane, Roundswell, Bridgwater College Hinkley skills capital, Bicton HPTA, South Devon HPTA, Petroc HPTA, Exeter College HPTA, Yeovil College HPTA, Plymouth Science Park, UGF-Highbridge, UGF-Yeovil, Oceansgate, Youth Construction Skills, South Devon GD3 and Torbay Western Corridor.

A number of variation requests have been notified or been submitted for theme lead consideration and review by future SIPs as required. This includes Wells and Wiveliscombe Enterprise Centres, CDS and Flood Action Plan. A meeting was held in April with the project manager to discuss Flood Action Plan in more detail.

Monitoring will continue as per the projects' Monitoring and Evaluation Plans.

## Programme Overview

	Comment	RAG
<b>Timescale</b>	Programme is live. Business case approval is complete for all but 1 GD1 and 3 GD3 projects.	A
<b>Scope and objectives</b>	Programme is within the scope and objectives agreed by LEP Board and government	G
<b>Budget</b>	Currently headroom from GD1 transport projects has been reallocated to topslice, overprogramming and a new GD3 project. Potential for further funds to be reallocated as overprogramming situation resolves.	G

## Programme milestones and activities this period

Activity	Comment	Completion date
Funding agreements signed	47 funding agreements signed. Others in progress or outstanding as above.	Ongoing
Project business case approval	1 project received approval this month. Others ongoing	Ongoing
Claims paid	Claims paid to end Q4 18/19 total cumulative spend of approx £108.77m including Growth Hub/Rev GD2 projects.	Quarterly
Monitoring and Evaluation	Outputs sheet developed and in sign off ready for submission to government	26 <sup>th</sup> April 2019

## Other activities in next period Q1 19/20

Activity	Comment	Completion Date
Funding agreements to be finalised	In progress	Ongoing
Management of Expenditure	Regular meetings planned to review expenditure profile within SCC. PMO to continue with forecasting role. Individual project meetings to be set up for review of delivery.	Ongoing
Monitoring and Evaluation	Complete reporting cycle for Q4 dashboard report to MHCLG.	April 2019

## Critical risks and issues

Risk/issue	Management /Mitigation	Owner
Business case reviews show some projects cannot proceed on programme leading to slippage and underspend	Medium Risk. SIP, Leadership Groups and LTB to manage slippage across their portfolio of projects. UGF identified as means to utilise any underspend going forward.	SIP/Leadership Groups /LTB/ PMO
Reprofile of LGF budget to meet government requirements for annual spend causes delivery delays for some projects.	Low risk. SIP has discussed options for managing this with activities identified, leading to future Board decision as/when necessary.	SIP/LEP Leadership Groups/LTB/PMO

## Budget summary

From Government funding of £197.83m available (not including Forder Valley Link Road) £196.07 + £1.85m has been allocated by the LEP to projects + topslice giving - **£0.23m** of required. However, this is subject to change as projects complete and clarification on a handful of projects with the Accountable Body.

## 18/19 Q4 data and forecast

Note: table adjusted to reflect minor adjustments by SCC for previous years (mainly due to accruals).

Key points:

£16m slip into later years at end 18/19. Expenditure profile document will provide detailed breakdown. This is split across 19/20 and 20/21 with substantially more funding to be spent in 20/21 than previously forecast. Profile for 19/20 now £49.15m and needs to be validated with projects.

	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total £m
Forecast spend £m (GD1)	20.92	29.88	23.33	14.44	14.82	6.99	<b>110.28</b>
Forecast spend £m (GD2)	0	1.01	5.96	4.52	15.91	12.707	<b>40.1</b>
Forecast Spend £m (GD3)	0	0	0.99	7.72	18.42	18.59	<b>45.72 (including reallocation of £2.15m from GD1)</b>
<b>Forecast spend £m TOTAL</b>	<b>20.92</b>	<b>30.89</b>	<b>30.28</b>	<b>26.68</b>	<b>49.15</b>	<b>38.29</b>	<b>£196.05m (not including headroom/project mgmt. allocation of £1.78m)</b>

## Growing Places Fund

### Programme Summary

**DC Homes** –no update - 16 claims now paid – this is the last claim for GPF funding but progress claims will continue to be received until project completion. Opening event held early November.

All further Collateral Warranties now received for review and signing.

**Broadband** –no update -GPF funding agreement signed Dec 2016 and project mobilisation has begun. A request to review expenditure profile has been discussed by SIP in January and an updated reprofile is awaited.

**South Yard/Oceansgate** – GPF agreement being finalised for loan issue subject to SIP chairman agreement of minor variation

Other GPF projects are in repayment or complete.

## **Other projects**

### **Careers Hub**

A bid for an expansion of the current Hub has been submitted to the Careers & Enterprise Company (CEC) which, if successful, will increase the number of Hub schools from 40 to 60 thus creating much needed capacity within the Enterprise Adviser Network (EAN) – we are expecting to know the outcome of our bid in the near future, subject to purdah.

### **Digital Skills Partnership**

Digital Skills Partnership met on April 1st. Discussion and actions included; update on the Barnstaple Centre of Technology and Innovation Excellence £1.2m ERDF project, IoT, Tech South West report, Task and Finish groups that are taking forward the first 5 tasks from the 2019-2020 Action Plan (Employer and Training Provider regional roundtables, Digital Ecosystem for HoSW Blueprint, Digital Skills slide deck for schools campaign, #HOTswDigitalSkills industry expert campaign and sign off of Action Plan and Infographic)

Marketing assets have been produced that will help us raise awareness of the Digital Skills Partnership ( Business cards, Roller Banner pop, Newsletter Template, Infographic and Action Plan). The Infographic and Action Plan are in the final review stages and will be circulated next month. The 1st Newsletter (available [here](#)) was sent out on before the Easter break and has doubled the audience subscription on sending from 75 to 150 signups- this will be our main comms channel for sharing news and opportunities you can sign up for future editions [here](#). Our second update on gov.uk blog was also published [here](#).

Website: our page on the LEP website is updated and a vanity url set up to help people navigate to the DSP information - [www.hotswdigitalskills.com](http://www.hotswdigitalskills.com) . DCMS have sign off to create a national DSP website which will have regional microsites.

After reviewing the Business Basic Fund, DSP have supported Devon County Council's bid that was already in development with digital skills statistics and evidence. There will be an opportunity for the DSP to bid into future rounds of the BB fund where there is a good fit with a skills need or a DSP business case. There is also an opportunity to work with BEIS to be part of regional control trials to test optimum channels and methodologies for engaging businesses in productivity growth activities. This program doesn't bring funding but requires a small time commitment in return for shared insights to inform future programs and support maximum engagement. More information on this has been requested to consider further.

Program development for the Digital Skills Innovation Fund continues; working with multiple partners (LearnDevon, Somerset Skills and Learning, FE colleges, NobleProg and Cosmic) to define the training offer. Job Description has been drafted for a project coordinator ( funded by DSIF) reporting into the Digital Skills Partnership Manager.

Regional digital skills workshops from Lloyds and Facebook are being planned for 2019.

Asks from regional coordinator day at DCMS include 1) Does HoSW LEP want to hold the inaugural Digital Skills Partnership summit? Would HoSW LEP want to see a high street space, reused as a national providers skills hub? Do we want to take advantage of an offer from the Whitehall Industry Group to facilitate events through their regional members (offer is event planning, space and refreshments).

Small roundtable held at Exeter Science Park with Simon Leeming, Head of the National Digital Skills Partnership and some of the region's larger employers - EDF, Met Office, UKHO, Securious, STEMLearning the meeting has helped galvanise the support of these employers. A clear request business was to produce a Digital Skills Blueprint to help with clarity of the digital stakeholder landscape across the HoSW region. Digital Skills Partnership exhibited at Tech Storm at the Met Office and presented at Tech Exeter. Meetings during the March and April held with EXIST, Impact Lab (Robert Kathro and Sarah Frear), Engineering UK, STEMLearning, TechNation, EDF Energy, City College Plymouth, Plymouth City Council

### Careers Learning Pilot – No update

The Careers Learning Pilot is working towards its second cohort of learners predominantly through learning providers who were successful in recent growth applications. This is enabling the three pilot outreach areas to work on a longer lead in period to be able to test the cost/outreach model further. The three outreach areas are Western Somerset (Somerset Skills and Learning), Plymouth and Torbay (South Devon College) and Northern Devon (Learn Devon) who employ two work coaches each to work with target learners, with additional CIAG provision contracted through Prospects. The Learning and Work Institute will be running a session in early November with the work coaches and Prospects to look deeper into the outreach work coach model, the session is being supported by Pluss. Hannah Halford has joined the Pilot as Project Manager, Hannah has over ten years' experience working in Adult Learning and has worked on several DfE/LWI projects from within the Learn Devon team.

SIP Paper	Decision Required	Decision Agreed
<b>Marsh Barton Variation</b>	Approval of changes to Marsh Barton Station project	Variations approved
<b>SEIC Phase 3 Business Case</b>	Approval of revised business case	Revised business case approved
<b>Annual Performance Review Report and Actions</b>	Agree the response to the APR	Response to be sent asking for further justification for the APR delivery status of needing improvement.
<b>CDS Update</b>	Agree a proposed way forward	Review at June SIP

### **3. Other operational reports**

#### **New Nuclear / i Aero / Aviation Cluster Development - Update (May 2019)**

- 1. Nuclear Sector Deal (NSD)** The business plan was submitted to BEIS requesting the drawdown of the £10M identified in the NSD for supply chain support. Challenges have been identified by BEIS in securing a collaborative approach to this via the lead, Nuclear Advanced Manufacturing Research Centre. If a combined solution cannot be found, then we are working towards a regional pan UK LEP Nuclear Places Programme that could include workforce development as part of the offer.
- 2. Nuclear South West** – Planning is well underway for the 4<sup>th</sup> Nuclear SW Conference and Showcase event which will be held in **Somerset** on **3<sup>rd</sup> October 2019**.
- 3. Nuclear Inward Investment** – This summer (June) sees visits to Somerset from a US and Chinese delegation as well as DIT Nuclear overseas posts. We are working with stakeholders to ensure that the whole range of nuclear expertise and assets are showcased.
- 4. Skills for Nuclear** – As reported last time we are recruiting a Skills for Nuclear Co-ordinator to support the delivery of critical skills gaps for Hinkley, as well as the wider strategic positioning in respect of national skills strategy, and transferability of skills across sectors.  
Interviews have been held, and we hope to appoint shortly.
- 5. Nuclear Innovation** – Following the unsuccessful Strength in Places Fund bid submitted by the University of Bristol working with NSW, the bid-writing Team have convened to review the feedback. The project scored an average of 76%, so certainly merits resubmission.
- 6. iAero - Inward Investment** the West of England Combined Authority are leading on the development of the SW Aerospace Stand at the upcoming Paris Air show (June), supported by us and some of the other SW LEPs.
- 7. Aviation / Exeter Airport / Flybe**  
Discussions continue with key stakeholders to monitor the on-going situation.

Corinne Matthews  
Nuclear / Aerospace Sector Lead  
May 2019

### **B City Deal**

#### **Oceansgate Enterprise Zone**

We have now secured all funding for Phase 2, subject to Plymouth City Council agreeing a Funding Agreement with MHCLG to confirm £2.2m of ERDF. It is anticipated that construction will commence in May 2019 with completion due in the

summer of 2020. Phase 2 will see the construction of 1534msq of light industrial and 1900sqm of office space with employment for up to 155 people.

### **Marine Business Technology Centre**

The Marine Business Technology Centre (MBTC) is now fully operational following the launch of the Centre on 31<sup>st</sup> of January. This included the launch of Plymouth Smart Sound, an instrumented range located in and around Plymouth Sound. A number of technology priorities were approved at the launch including; Marine Autonomy, Alternative Propulsion, Advanced Manufacturing/Materials, Environmental Monitoring/Modelling & Cyber/Big Data.

**Patrick Hartop**  
**Head of City Deal**

### **C Invest in the Heart of the South West**

There is no report at this time.

### **D South Coast Marine Cluster (SCMC)**

**LEP Report May 2019**

#### **South Coast Marine Cluster (SCMC)**

Cluster partners have struggled to meet the £82,000 necessary to resource the SCMC Coordinator post. This is principally due to a lack of support from Solent LEP and the inability of Plymouth and Exeter University to maintain support for business facing activity from their Higher Education Investment Fund (HEIF). A solution is being sought to continue the Coordinator function.

The SCMC agreed its refreshed, 50% business board who met for the first time in May. The board were strongly in favour of continuing the cluster as a regional strategic partnership, to pursue shared opportunities for the region, working on cross LEP coordination but with less expectation around business facing outcomes.

Partners have sought numerous sources of support for the cluster secretariat and solution will be agreed before the end of May.

The Cluster have been advised by the Department for Transport that a formal Maritime Sector Deal is now thought unlikely, the only significant proposal to be taken forward currently is 'MarRI-UK', a nation-wide industry research and innovation programme. Other initiatives within the Sector Deal proposal could be delivered through the recent Maritime 2050 strategy route maps. The most likely areas for opportunity within the strategy for HOTSW are around marine autonomy, smart ports and the requirement to green the maritime the sector.



At this time the MarRI-UK programme presents a specific potential opportunity for the SW in terms of creating an innovation hub (likely to be in Plymouth or Southampton).

In addition, the continuing opportunity presented by Floating Offshore Wind.

The £33 million Strength in Places EOI was not successful in phase one but the partnership received positive and feedback and will discuss resubmitting in Spring.

Sheldon Ryan - South Coast Marine Cluster Coordinator

### **E Digital Skills Partnership Update**

See page 37.

**Charlotte Collyer – Digital Skills Partnership Manager**

### **F – Transport Update**

The Sub-national Transport Body, Peninsula Transport is preparing bids for improvements to the Major Road Network (the highest flow local authority A roads) and the emerging proposals have been presented to Place Leadership Group. The LEP has indicated its support and noted the potential benefit of cross-border co-operation with the adjoining sub national body, Western Gateway. A prioritised bid is to be submitted to the Department for Transport by Peninsula Transport in July.

A major review of the structure of the rail industry was initiated by the Secretary of State for Transport in Autumn 2018, headed by Keith Williams. The LEP has participated in this review, together with the Peninsula Rail Task Force, by submitting a comprehensive response. Our view is that the current industry structure is not fit for purpose, and that there would be merit in the creation of a body to give strategic oversight to the whole rail industry and provide a focus for stakeholder involvement. Our view is that the current franchise system needs reform.

The public inquiries into proposals for dualling two sections of the A303 are ongoing. The LEP has made a submission into the examination of the Amesbury to Berwick Down scheme (Stonehenge Tunnel), indicating strong support for the Highways England scheme and stressing the economic benefits of upgrading the whole A303/ A358 corridor. The other scheme currently being examined is the A303 Sparkford to Ilchester dualling.

**Ian Harrison – HotSW LEP Transport Consultant**

**David Ralph**

**Chief Executive**

