

NORTH EAST LOCAL ENTERPRISE PARTNERSHIP BOARD

Thursday 14 May 2015 at 5.00pm

Held at the Quadrus Centre, Boldon Business Park

MINUTES

Present:

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| Paul Woolston | Chair, NELEP |
| Michael Bellamy | PII Pipeline Solutions |
| Gillian Hall | Watson Burton |
| David Land | Drive 2 Business |
| Jeremy Middleton | Middleton Enterprises |
| Gill Southern | Wessington Cryogenics |
| Paul Varley | Oddballs |
| Councillor Grant Davey | Leader, Northumberland County Council |
| Councillor Mick Henry | Leader, Gateshead Council |
| Councillor Iain Malcolm | Leader, South Tyneside Council |
| Mayor Norma Redfearn | North Tyneside Council |
| Councillor Paul Watson | Leader, Sunderland City Council |
| Professor Peter Fidler | University of Sunderland |
| Anne Isherwood | Association of North East Colleges |

In Attendance:

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|-----------------|-----------------------------|
| Bob Paton | LEP Chief Executive |
| Helen Golightly | LEP Chief Operating Officer |
| Jane Robinson | Combined Authority |
| James Davies | LEP Executive Team |
| Paul Buie | North Tyneside Council |
| Gillian Kelly | Sunderland City Council |

Apologies

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|------------------------|--------------------------------|
| Dr Arnab Basu | Technology Business Kromek |
| Andrew Hodgson | SMD North Tyneside |
| Councillor Nick Forbes | Leader, Newcastle City Council |
| Councillor Simon Henig | Leader, Durham City Council |

1. WELCOME FROM THE VICE-CHAIR AND OPENING REMARKS

The Chair welcomed everyone to the meeting, thanked them for their attendance and thanked the Quadrus Centre for hosting the meeting. The Chair congratulated those local authority Leaders who had been re-elected at the recent local elections and welcomed Bob Paton, LEP Interim Chief Executive, to the meeting.

The Chair took the opportunity to thank Jane Robinson for her contribution to the LEP Board, as this was her last meeting as the Combined Authority representative.

2. WELCOME FROM THE QUADRUS CENTRE

John Scott welcomed the LEP Board to the Quadrus Centre and explained that the centre had been opened in May 2005 and was the result of a £5.2m capital development funded by South Tyneside Council and ERDF.

The centre provided managed workspace with 43 Grade A standard offices which were available 24 hours a day. The centre was busier than it had ever been with occupancy at 86%, representing 32 businesses employing just under 500 staff.

The Board thanked John for his presentation.

3. MINUTES AND MATTERS ARISING

The minutes from the meeting held on 19 March 2015 were agreed as a correct record.

Devolution

The Chair noted that, following the General Election, there was likely to be a lot happening under this agenda.

Accountable Body and Host Authority Arrangements

The legal documentation for the transfer of Accountable Body and Host

Authority arrangements was going through a final drafting stage and would be circulated to Board Members when complete.

LEP Chief Executive

The Board received an update on the position with regard to the post of LEP Chief Executive.

4. SEP THEME UPDATE – BUSINESS SUPPORT AND ACCESS TO FINANCE

The Board received a report providing an update on the development and delivery of the Strategic Economic Plan (SEP) Business Support Programme. The key actions which had been taken since the last meeting of the Board were highlighted. Governance and leadership was being addressed through the Business Support Board and four task and finish groups had now been established through the Board to develop the workstreams for the North East Growth Hub, business support revenue activities, access to finance and communications.

The Board had now met three times and there was good commitment and energy from the people involved. Activity continued in relation to engagement with partners and stakeholders and work was continuing to look at the integration of activities across SEP delivery programmes, particularly innovation, skills and employability.

The contract for the project to initiate, operate and develop the Growth Hub had been awarded and was progressing well. The test platform had gone live on 30 April 2015 and would be tested for a short period before being socialised with partners during May and June. It was suggested that the Board might like to have a presentation on the test site at a future meeting.

All documentation relating to the Growth Hub had been submitted to BIS and had been approved by the national team. A Growth Hub Steering Group had been established and a Growth Hub Development Manager had been appointed and would come into post in June.

Initial feedback from businesses had been very positive and it was noted that work was taking place with the national Business Support Helpline regarding services to support the delivery of the North East Growth Hub.

The Board NOTED the progress being made in developing and delivering the SEP Business Support Programme.

5. SEP THEME UPDATE – INNOVATION

The Board received a report providing an update on the development and Delivery of the Innovation SEP Theme Programme.

A detailed Innovation Implementation Plan was to be taken to the Innovation Board in June. It was highlighted that as a large amount of Innovation funding was derived from European programmes and had not been confirmed at this stage, however the rest of the programme was working well. The Innovation Board Communications Group had agreed an approach to defining the communications programme.

The Board NOTED the update report.

6. SEP THEME UPDATE – SKILLS

The Board received a report providing an update on the development and delivery of the Skills SEP Theme Programme.

The first full meeting of the Employment and Skills Board would take place on 15 May 2015. It was agreed that LEP Board Members would be provided with background information about the new members of the Employment and Skills Board.

The Board NOTED the progress made under the Skills theme.

7. SEP THEME UPDATE – EMPLOYABILITY AND INCLUSION

The Board received a report providing an update on the development and delivery of the Employability and Inclusion SEP Theme Programme.

Efforts were being made to combine the update reports from the Skills and Employability and Inclusion themes as there were a large number of cross cutting issues and commonality.

Good progress was being made with the theme and highlighted that figures showed that a large number of young people were getting into employment. It was also noted that local authorities were working with private companies to generate more opportunities for apprenticeships and a North East Apprenticeship Hub had been established to drive this forward.

The Chair welcomed the good news about employment figures on behalf of the Board.

The Board NOTED the progress made under the Employability and Inclusion theme.

8. SEP THEME UPDATE – ECONOMIC ASSETS AND INFRASTRUCTURE

The Board received a report providing an update on the development and delivery of the Economic Assets and Infrastructure SEP theme.

The Economic Development and Regeneration Advisory Board had now been established and would begin a programme of quarterly meetings from July 2015. The role of the Board would be to advise the North East Leadership Board on economic development strategy, project pipelines and funding, future priorities and to monitor and oversee collaborative initiatives to promote inward investment.

The Board were informed that a draft project pipeline was being developed to form the basis of a Regional Investment Plan. This plan would provide the basis for all development so that there was a clear relationship between economic development, housing development, transport investment and the development of the area's towns and cities.

It was highlighted that a representative from the LEP Board had been invited to attend the Economic Development and Regeneration Board.

The Board NOTED the update report.

9. SEP THEME UPDATE – TRANSPORT AND DIGITAL CONNECTIVITY

The Board received a report providing an update on the development and delivery of the Transport and Digital Connectivity SEP Theme Programme.

The report provided an overview of the key actions and achievements which had been made in relation to transport but it was highlighted that the area of digital connectivity was still not fully developed. The Board were advised that a review was currently underway to identify areas which were able to deliver the SEP objectives in relation to digital connectivity. The findings of the review would be reported to the North East Leadership Board in June and to the LEP Board in July.

The Board NOTED the update report and ENDORSED the continued

involvement of the North East in the Transport for the North Partnership, in order to advance the case for the North East's transport priorities.

10. EUROPEAN STRUCTURAL INVESTMENT FUND (ESIF) UPDATE

The Board received a report providing an update on the latest position in relation to the European Structural and Investment Funds (ESIF).

The process for ESIF delivery was in a period of change and flux as it continued to be influenced and informed by the negotiations to finalise the England-level Operational Programmes.

The programme had been launched with a small number of initial calls in March 2015. There was a limited approach to this based on the balance of risk and continuity but this would not prejudice the larger range of calls and options. A new Inclusion Focus Group had been established within the Combined Authority structures in place of the Social Inclusion Advisory Group.

The Board were informed that Technical Assistance funding represented 4% of the ESIF programme which could be used to undertake a range of activities to support delivery. It was proposed that an application be made by the LEP and the Combined Authority for capacity across all the relevant SEP themes to support the development of projects and pipelines of projects which were suitable for ERDF and ESF investment. A small central resource would also be proposed to support work to fill in cross cutting themes in the programme.

Local authorities would be making their own applications, as would colleges and universities. The applications for Technical Assistance were to be made by 30 June 2015.

Low Carbon and Sustainability was a new theme within ESIF and offered a significant opportunity but also particular challenge. Work had been ongoing to develop a robust and extensive pipeline of relevant projects and it had identified a significant appetite for activity in this area. Partner workshops on low carbon were being held in June and it was proposed that Technical Assistance be used to enhance the capacity to support project applicants and the pipeline.

Two workshops were being planned in June 2015 to promote the North East European Strategy and future calls as well as providing information on the application process. Now that there was greater clarity on the Operational Programme, it was time to raise awareness and address partner concerns.

The Board NOTED: -

- (i) the progress made to date on European Structural and Investment Funds;**
- (ii) the preparation underway to develop a Technical Assistance bid;**
- (iii) the findings of the Low Carbon study and the associated response; and**
- (iv) the communications update.**

11. LOCAL GROWTH FUND UPDATE

The Board received a report providing an update on the development and delivery of the Local Growth Fund Programme.

The report outlined the current position of each project and the financial position regarding the 2015/2016 allocation. £53.9m had been transferred to the Combined Authority at the beginning of April and contractual arrangements were now being entered into.

Negotiations were continuing with the Government as funding beyond 2015/2016 was only indicative. Work was being done to manage the risk arising from the funding position whilst lobbying the Government for a firm resolution.

Having considered the report, the Board RESOLVED that: -

- (i) the contents of the report and the progress made in delivering the programme be noted;**
- (ii) the continued dialogue between the North East LEP, the North East Combined Authority and the Government to agree future years' funding as a matter of urgency, in order to reduce the risk to projects and programme delivery, and therefore fundamentally the achievement of agreed outputs, be supported;**
- (iii) the need to re-profile project spend within programme as a means to de-risk programme activity be supported; and**
- (iv) the need to over-programme in order to de-risk the target of spending the full £53.91m by 31 March 2016, and work with the North East Combined Authority to find the optimum level and**

solution, be supported.

12. NORTH EAST INWARD INVESTMENT

The Board had previously considered a report setting out a proposition to improve the inward investment service for the North East. The Board had asked for a further report providing detail of the composition of the function and an activity plan.

An Inward Investment Gateway Group had been established comprising the leads from the seven local authorities, the LEP and UKTI and a piece of work was being undertaken, taking the SEP and analysing priorities for the region and looking at the opportunities and areas of genuine potential. It was proposed that a high level Business Plan be developed from this work which would be proactive, sector based and aligned with competitive advantage. The Business Plan would be likely to pull out research and resource, evidence based marketing and collateral.

It was proposed that a project executive and administrative support for Inward Investment be put in place by the end of the financial year. The governance of the service would be through the Economic Development and Regeneration Board and there would be a need to develop strong links with the CBI, NECC and other business groups.

Having considered the proposal for the development of the North East Combined Authority and North East LEP Inward Investment function in detail, **the Board RESOLVED that: -**

- (i) **the proposal set out in appendix 1 to the report be agreed; and**
- (ii) **the funding for the proposal and the process to be followed be agreed.**

13. ANY OTHER BUSINESS

Local Enterprise Partnership Annual Review

The North East LEP Annual Review had been published and copies were available for all interested parties.

Board Meeting – September 2015

Board Members were given early notice that the meeting scheduled to take



place on Thursday 17 September 2015 was to be put back a week until 24 September. This was to avoid a clash with the NECC 200 Years Celebration Event also being held on 17 September which was likely to involve a number of Board Members.

14. DATE AND TIME OF NEXT MEETING

The next Board meeting would be held on **Thursday 23 July 2015 at 5.00pm.**