

North East Local Enterprise Partnership Board - 2 December 2021

Meeting held remotely via Teams

Present:

Lucy Winskell	Chair, North East LEP
Carol Botten	VONNE
Mayor Driscoll	Mayor, North of Tyne Combined Authority
Cllr Gannon	Leader, Gateshead Council
Cllr Hopgood	Leader, Durham County Council (observer)
Heidi Mottram	Northumbrian Water Group
Andrew Moffatt	
Ammar Mirza	AmmarM (UK) Ltd
Mayor Redfern	Mayor, North Tyneside Council
Mark Thompson	Ryder Architecture

Apologies:

Chris Day	Newcastle University
Cllr Dixon	Leader, South Tyneside Council
Cllr Forbes	Leader, Newcastle City Council
Gillian Hall	Gillian Hall Consulting Limited
Erika Leadbeater	TS Marine Limited
Cllr Miller	Leader, Sunderland City Council (observer)
Ellen Thinnesen	Sunderland College
Cllr Wearmouth	Northumberland County Council (observer)
Kate Wickham	Gate7 Group

1 **WELCOME FROM THE CHAIR AND APOLOGIES**

The Chair welcomed everyone to the meeting and noted the apologies provided.

2 **DECLARATIONS OF INTEREST**

M Thompson declared an interest in relation to the following projects: Biosphere 2, Skyline, Giants on the Quayside, Glassworks, Bedlington Town Centre, NetPark, Gilbridge and Tyne North Bank.

3 **MINUTES OF THE LAST BOARD MEETING HELD ON THURSDAY 30 SEPTEMBER 2021**

The minutes of the meeting held on 30 September 2021 were approved as an accurate record.

4 **ANNUAL DELIVERY PLAN PROGRESS UPDATE**

The board received an update on progress against the Annual Delivery Plan 2021/22 across the key areas and key points to note since the last meeting.

The Chair congratulated officers for securing the launch of National Careers Week, the first time it had been held outside of London and suggested that the North of

Tyne Combined Authority and the North East Combined Authority would also wish to support the event.

RESOLVED: the board noted the update provided in the report and Annual Delivery Plan at appendix 1.

5 FUNDING DECISIONS AND UPDATE

This report was confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

6 INNOVATION UPDATE

A Welby gave a detailed presentation, which provided an update on progress for the Innovation priority within the SEP Delivery Plan and the following key points were highlighted:

- There was little information about why businesses were not engaged with innovation and a national survey in 2016/18 suggested there had been a downward trend, with businesses most likely to invest in internal research and development, rather than knowledge outside of the business and growing the business strategically. Barriers to innovation were linked to personnel, uncertain demand, finance, cost and competition.
- Small businesses would need to become more innovative, or there was a risk that the region would continue to lag behind.
- The current position highlighted that there was a case for public sector intervention to accelerate activity, including the need for regional programmes of business support and investment alongside national funding.
- This was an evolving landscape, including publication of the Innovation Strategy, which suggested a highly centralised model and strong role for national organisations. This may lead to a focus on businesses that wished to innovate and national competition for funding that focused on private/public investment models. In this scenario, regional funding may become fragmented with a national approach to selection and lack of alignment with local KPIs.
- Priorities for 2022 included agreement on a pipeline of 'oven ready' projects for future funding opportunities, which would be reported to the January board meeting; co-ordination of regional programmes; a refresh of the strategic framework; an emergent markets study on areas of competitive advantage and strategic importance; and pilot project delivery in Gateshead and Sunderland.

The board welcomed the update and agreed with the broad analysis provided.

The Chair thanked A Welby for the presentation and suggested that the board may wish to return to this area in an informal session.

7 DIGITAL EXCLUSION UPDATE

M Rainbow provided a detailed presentation on activity that had taken place since the board and its Skills Advisory Panel had commissioned the report. The following additional key points were noted:

- There was no clear definition of digital exclusion, with individuals experiencing digital exclusion to a different degree and at different times. The primary ways in which people experienced digital exclusion were broadly: devices; connectivity; skills; confidence and resistance.
- The North East was disproportionately impacted by digital exclusion with groups experiencing more than one barrier and there was a greater impact on those from disadvantaged backgrounds or socially excluded groups.
- Whilst Covid had a positive impact for some in respect of online learning, access to information and the acquisition of digital skills; for others it had exacerbated problems of digital exclusion and had widened the achievement gap for school learners from disadvantaged backgrounds who lacked access to devices and had limited parental support.
- Research with employers indicated that 92% considered digital skills were important and 28% had staff with basic skills that needed to be improved. But a high proportion of businesses surveyed felt that it was not their responsibility to provide this training.
- Current national intervention was fragmented with little government strategy and no ownership by any one government department.
- There was a need to embed digital skills as a core component of the national curriculum and evidence had been provided to the House of Lords Youth Employment Committee on this.
- There was a role for the North East LEP in respect of improving intelligence and data. A digital exclusion steering group had been established, with diverse membership, to consider clear and measurable objectives, priority actions and the development of a business case for future funding.

Summing up, M Rainbow discussed the next steps, with the steering group to meet in January to agree priority areas, a common message and a shared vision. Work commissioned to carry out a deep dive into the data would consider comments raised at the meeting and a further report would be presented to the board in Spring.

The Chair thanked M Rainbow and colleagues for the work done in this area to date.

RESOLVED – that the report be noted.

8 **POST BUDGET UPDATE**

R Baker presented the report, which provided an overview of the Autumn Budget and Spending Review, a summary of which had been circulated to the board following the budget announcement; and outlined the current position on Community Renewal Fund investment and the link between the two budget announcements during 2021.

In discussion the following points and comments were noted:

- The Autumn budget had provided an outline of the financial allocation to the Shared Prosperity Fund and the Levelling up Fund and indicated a 3.8% allocation to the North East.
- The Chair of the OBR had indicated that covid had a 2% impact on the economy and Brexit double this amount. However, the economic position had been

improved due to the financial protection provided by government during the pandemic.

The Chair thanked R Baker for the analysis and requested that the board be briefed on the Levelling up White Paper should this be published before the next meeting.

RESOLVED - that the report be noted.

9 **CHAIR AND CHIEF EXECUTIVE UPDATE**

Noted.

10 **ANY OTHER BUSINESS**

None.

11 **DATE AND TIME OF NEXT MEETING - THURSDAY 27 JANUARY FROM 5 - 7 PM**

The next meeting was noted as a virtual meeting on Thursday 27 January and 5pm.

The Chair, on behalf of the board, thanked H Golightly and the LEP team for their work during the year.