

North East Local Enterprise Partnership Board

30 September 2021

Meeting held remotely via Teams

Present

Lucy Winskell	Chair, North East LEP
Heidi Mottram	Northumbrian Water Group
Gillian Hall	Gillian Hall Consulting Limited
Mark Thompson	Ryder Architecture
John McCabe	Fusion PR Creative
Ammar Mirza	AmmarM (UK) Limited
Carol Botten	VONNE
Ellen Thinnesen	Sunderland College
Chris Day	Newcastle University
Councillor Forbes	Leader, Newcastle City Council
Councillor Gannon	Leader, Gateshead Council
Councillor Dixon	Leader, South Tyneside Council
Councillor Hopgood	Leader, Durham County Council
Mayor Driscoll	Mayor, NTCA
Mayor Redfearn	Mayor, North Tyneside Council

Apologies

Cllr Wearmouth	Northumberland County Council
Kate Wickham	Gate7 Group
Erika Leadbeater	TS Marine Limited
Andrew Moffat	
Cllr Miller	Leader, Sunderland City Council

Officers

Helen Golightly	Chief Executive, North East LEP
Colin Bell	Business Growth Director, North East LEP
Richard Baker	Strategy, Policy and Analysis Director, North East LEP
Nicola Laverick	Programme Manager, North East LEP
Paul Woods	Chief Finance Officer, North East LEP
Janice Gillespie	s73 Officer, North of Tyne Combined Authority
John Softly	Monitoring Officer, North of Tyne Combined Authority
Katy Laing	Deputy s73 Officer, North of Tyne Combined Authority
Josh Stott	Steer Consultancy (for item 7)
Susan Darroch	Democratic Services, Newcastle City Council

Observer

James Goodwin-Lynch	Student, Newcastle University
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WELCOME FROM THE CHAIR AND APOLOGIES

The Chair, Lucy Winskell, welcomed everyone to the meeting. She passed on good wishes to Erika Leadbeater, on the recent birth of her child. She also congratulated John McCabe on his new appointment as Chief Executive of the North East England

Chamber of Commerce, noting that this would be his last meeting as a LEP Board member. She thanked him for his significant contribution to the work of the LEP and noted that the Board looked forward to building on its excellent relationship with the Chamber under his leadership. J McCabe thanked her, noting that he looked forward to the Chamber continuing to work with the LEP and other business member organisations as a co-operative and trusted ally.

The Chair explained that she would be discussing membership vacancies with the Chief Executive, but while the government LEP Review was underway, this would remain pending until more information was available. This may come out of the Comprehensive Spending Review on 27 October.

11 **DECLARATIONS OF INTEREST**

Mark Thompson declared an interest as a Board member of NGI in relation to agenda item 10 (Tourism Update) and also in relation to the following projects – The Biosphere 2 and North Bank of the Tyne Development.

12 **MINUTES OF THE LAST BOARD HELD ON THURSDAY 22 JULY 2021**

The minutes of the meeting held on 22 July 2021 were approved.

13 **ANNUAL DELIVERY PLAN PROGRESS UPDATE**

The Board received a report which updated on progress against the SEP Annual Delivery Plan 2021/22 across the key areas of Business Growth; Innovation; Skills, Employment, Inclusion and Progression; Transport; Investment and Infrastructure; Strategy and Policy; and Communications. This followed the new agreed format and Board was referred to the full programme delivery update attached at Appendix 1.

The Chair commented that she was particularly pleased to note that BEIS had recognised the North East Growth Hub as a national exemplar. She then thanked officers for the work involved in compilation of the extensive update.

RESOLVED – To note the update provided in the report and Annual Delivery Plan at Appendix 1.

14 **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.

The Board received a report which set out two Local Growth Fund Grant Budget projects requiring Board approval (Part A); provided a summary of funding decisions taken under delegation since the last Board meeting (Part B); and provided a funding programme round up, covering the Local Growth Fund (LGF) Q1 programme budget and performance, Getting Building Fund' (GBF) programme update and also noted a revised request to support a grant application (Part C).

RESOLVED – That the Board

- (i) Approve £125,000 revenue grant from the LGF programme balances to Gateshead Council towards the North East Business Event Subvention Fund pilot project with project conditions as detailed in para. 2.17 of the report;
- (ii) Approve an additional £500,000 grant from the LGF programme balances to the North East Inward Investment Grant (NEIIG) scheme; and agree to the operational policy amendments as set out in para 2.30; and, following stakeholder consultations, receive a detailed report with a case to add an additional £5m from EZ surpluses in January 2022;
- iii) Note the submission of the Innovation Team funding submission into the North of Tyne Challenge initiative for £1,291,571 and if successful to enter into a grant funding agreement and service level agreements with delivery partners, as set out in paras 8.1 and 8.2 of the report; and
- iv) Note the funding decisions taken under delegation in Part B, Table 3 between 15 July and 21 September 2021.

15 **SECTOR AND BUSINESS GROWTH UPDATE**

The Board received a detailed presentation updating on the Business and Sector Growth Programme over the past year in terms of team performance, structure and new developments. The following key points were noted:-

- Programme performance was generally on track. The past year had seen an increased role for the North East Business Growth Hub in delivering national programmes, reflecting the change in approach to delivery by the government.
- The BEIS Annual Review had highlighted the team as an exemplar with very complimentary feedback around the North East Growth Hub's work on engagement with companies and focus on interventions to maximise economic impact. The team had also received recognition of its work to help shape thinking nationally and to support other region's Growth Hubs.
- The team had grown significantly. The sector team had been embedded to create the Business and Sector Growth Team. There had been focus on managing this integration and also on establishing links with other departments across the LEP. A matrix structure was developing to help the whole LEP to work together to support delivery of its goals and objectives.
- Sector leads were now in place for each priority sector. Significant capacity had also been built in the Growth Hub Connector team. A Triage and Surveying team had also been established to further support a more proactive way of working. This enabled outbound calling to be undertaken to stimulate demand and gather intelligence.
- Following review by the Business Growth Board, it was proposed that the Programme would be structured around key sectors, with each sector chaired by a Business Growth Board member. A Strategy Group would also be established, to fully champion each sector. Strategic themes where focus was required to support Levelling Up were noted to include support for scale-ups, start-ups, improved productivity and additional export capacity. Strong links with all LEP Boards would be important.

- New developments were outlined including the “Modernising Business Support” project to provide a more co-ordinated and cohesive business support journey for customers. BEIS, DiT and Innovate UK were all involved in this pilot, with BEIS considering whether it may have national application. An Inclusive Growth Project was about to start to better engage with hard to reach groups. This involved work with major business connections and was feeding into the All Party Parliamentary Group for Inclusive Growth.
- The Mentoring programme was being re-galvanised and the Cross Company Mentoring programme was being developed to support mentoring at more senior levels in organisations. A pilot was being developed with Northumbrian Water, Newcastle Building Society and Learning Curve.
- Funding had been secured to carry out a proof of concept study into the potential establishment of a Life Science Manufacturing and Innovation Zone to increase the national profile of the significant work underway in the region, facilitating greater investment in R&D and inward investment.

A Mirza, Chair of the Business Growth Board, thanked the team for the significant work undertaken in the past year during the difficult pandemic period. L Winskell particularly welcomed the development of the matrix approach to enable different LEP Boards to work collectively and support one another.

RESOLVED – That the update be received.

16 **STRATEGIC ECONOMIC PLAN EVALUATION UPDATE**

R Baker introduced Josh Stott, Associate Director at Steer Economic Development (ED), which had been appointed in 2018 to take forward the interim evaluation of the Strategic Economic Plan (SEP). Key areas of focus covered by Steer ED’s remit were outlined.

J Stott, then gave a detailed presentation to support the accompanying report, which focused on the performance of the SEP in terms of key outcomes delivered against objectives (with focus on the Local Growth Fund and Enterprise Zones); the role of the LEP in co-ordinating and facilitating delivery; the strategic added value and wider benefits achieved; before then going on to make a number of recommendations for consideration in moving towards the final stage of the SEP programme up to 2024. The Chair thanked him for the presentation noting that it had been very helpful in expanding on key issues identified in the report.

RESOLVED – That

- (i) The presentation from Steer ED consultants be received;
- (ii) Board member comments on the findings of the interim evaluation be noted; and
- (iii) Approval be given to the development of a future final evaluation framework for the North East SEP and LGF/EZ programme.

17 **STRATEGIC ECONOMIC PLAN UPDATE AND NEXT STEPS**

The Board received a report on proposals for updating the Strategic Economic Plan (SEP) as the delivery programmes expired at the end of the calendar year, however,

it was noted that the Annual Delivery Plan for 2021/22 took programme delivery up to March 2022. Extensive work was previously carried out to refresh the SEP in both 2017 and 2019.

R Baker noted that it was considered timely to begin a two-stage process. Firstly, to update the current SEP delivery programmes taking into account the Our Economy and Covid evidence for 2022/23, and secondly, begin to prepare for a longer term regional economic plan that can be developed once Government guidance and policy is clear.

The usual extensive approach to carrying out a SEP review was noted as detailed in sections 3 and 4 of the report and the proposed approach for the planned review was noted in section 5. The following week would see publication of “Our Economy 2020-21” with an accompanying report to explore the Covid experience. This forms the core of the compilation of the evidence base which will be used to develop future policy. The Regional Economy Group will be asked to consider the longer term direction once the policy environment is clearer.

There was consensus around the need to carry out the two stage review as proposed. It was recognised that the scale of issues faced, particularly around employment, meant that the longer-term planning would have to be a collective process involving all partners and sectors in order to understand the implications for the region.

RESOLVED – That

- (i) The proposed approach be agreed to updating the SEP given the current point on its’ 10 year cycle and wider changes to the operating environment;
- (ii) Comments made during discussion particularly around skills and labour market pressures be noted;
- (iii) A further report be sought from the Regional Economy Group to the longer term process as the policy environment develops; and
- (iv) The Chair and Chief Executive discuss the structure and proposed timetable for the review and share this with the Board at the next meeting.

18 NORTH EAST NET ZERO UPDATE

This report was strictly 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.

H Mottram presented the report which updated the Board on progress since receipt last October of a discussion on the work of the North East England Climate Coalition (NEECCo) to promote the net zero carbon agenda in the North East which, had asked whether the convening power of the LEP across its partners, could join to add more impact to that work with a view to the North East becoming “Britain’s Greenest Region”.

Since then, a sub group of LEP Board members had been working on this issue in conjunction with LEP officers and an overview was provided of some of the work produced and progress achieved to date. It was noted that this process had

identified early on that some permanent regional resource would be needed to take this forward if the required impact was to be achieved, and that this was not available within the LEP. This position had been reported to and endorsed by Board in May 2021.

The subgroup had continued to meet to develop a 'prospectus' and articulate the Net Zero ambition of the region, as well as trying to identify appropriate capacity to coordinate future work.

H Mottram, welcomed that the discussion appeared to confirm a shared belief in the importance of acting collectively on this issue. The proposal was to build on an existing coalition and identify a contribution either financial or in-kind capacity from all key regional partners.

It was confirmed that the objective was to develop a regional resource at an appropriate level to champion net zero carbon issues for the North East.

It was agreed that it would be helpful for H Mottram to take a paper on this to the LA7 Leader's Meeting.

RESOLVED – That

- (i) Board note the progress to date and in particular the Statement of Commitment, the Prospectus and the universities' Academic Experts Group; and
- (ii) A report be taken to the LA7 Leader's Group around the potential ask of Local Authorities to support the work on the net zero carbon agenda with a view to seeking agreement on the way forward.

19 **TOURISM UPDATE**

The Board received a report updating on the process since agreement in September 2019 to establish a steering group to drive forward a Tourism Action Zone (TAZ) proposal. Since then the pandemic had resulted in the withdrawal of the Industrial Strategy and a shift nationally from the Tourism Sector Deal and TAZs to the Tourism Recovery Plan and the Review of Destination Management Organisations (DMOs) by Nick de Bois. This review had now submitted proposals to government to create a new structure to support regional tourism based on the re-organisation of regional tourism structures and the creation of Destination Partnerships.

It was considered that work previously undertaken by the steering group and local Destination Management Organisations (DMOs) to create a Statement of Intent in support of the proposal for a TAZ, meant that the region was well placed to take advantage of the outcomes of the review, should the government implement the recommendations. It was not yet known how government would choose to do this but it may involve a pilot project.

The review had identified the North East as a strong collaborative region and recommendations had been made to LEPs and Local Authorities on how they should support the new proposed infrastructure. A letter had been sent by the North of England DMOs, to the Secretary of State, to ask that this be taken forward. Board

was asked to note the briefing and confirm its ongoing support as one of the regions that wished to see this taken forward building on the work carried out to date.

The Chair commented that it was a positive North East story of effective collaboration and noted the great work by DMOs in the region.

RESOLVED - That Board

- (i) Note the progress to date on the Statement of Intent, building on the work of the Tourism Action Zone Steering Group and the joint work to influence the De Bois Review of DMOs; and
- (ii) Confirm its support for the working group and steering group to draw together a proposal which can be positioned as a leading bid or pilot for implementation should that opportunity arise and report back to the North East LEP Board in due course.

20 **CHAIR AND CHIEF EXECUTIVE UPDATE**

The Chair referred to the report which updated Board Members on some of the discussions that she and the Chief Executive had been involved in since the last Board meeting in July.

Along with H Golightly, she had been very pleased to attend the recent informative discussion with Local Authorities on North East transport issues. Toby Hughes, Director General of NEXUS had suggested that the Board may find it helpful to have an informal meeting focused on transport issues and if Board was in agreement she felt that this would be very helpful.

RESOLVED – That

- (i) The Board note the report.
- (ii) Agree that an informal meeting of the North East LEP Board be arranged to consider transport issues.

21 **ANY OTHER BUSINESS**

The Chair noted the following points of Any Other Business:-

Board members were reminded that “Our Economy” would be published on 7 October. Everyone should have received invitations to the event and it was hoped all could attend.

For the benefit of members who joined late, she reiterated her congratulations to John McCabe on his appointment as the new Chief Executive of the North East England Chamber of Commerce and placed on record her thanks for his work on behalf of the Board.

22 **DATE AND TIME OF NEXT MEETING**

Thursday 2 December 2021 at 5-7 pm