

North East Local Enterprise Partnership Board

28 January 2021

Meeting held via Zoom

Present

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

Apologies

Kate Wickham	Gate7 Group
Councillor Miller	Leader, Sunderland Council
Councillor Sanderson	Leader, Northumberland County Council

Officers

Helen Golightly	LEP CEO
Richard Baker	LEP Director of Strategy and Policy
Alan Welby	LEP Innovation Director
Paul Woods	NTCA – Finance officer
Janice Gillespie	Section 73 officer North of Tyne Combined Authority
Katy Laing	Deputy section 73 officer North of Tyne Combined Authority
Malvina Bondy	Vivid Economics
Dan Aylward-Mills	Vivid Economics
Brenda Joyce	NCC Democratic Services

1 INTRODUCTIONS AND APOLOGIES

The Chair, Lucy Winskill, welcomed everyone to the meeting. Councillor Tracey Dixon, Leader South Tyneside Council, was welcomed and congratulated on her appointment.

Apologies were received from Kate Wickham and Councillors Miller and Sanderson.

2 **DECLARATIONS OF INTEREST**

Gillian Hall declared an interest as a Port of Blyth Commissioner and as chair of Mediaworks.

Lucy Winskell declared an interest for item 8, Innovation Delivery - Partnerships and Economic Markets Foresight.

Erica Leadbetter advised that her company had a presence in Port of Blyth.

Heidi Mottram declared an interest for the Water Hub involved in the Innovation Bids.

Ammar Mirza advised that he was providing technical support to the academic health science network.

Councillors Dixon, Forbes, Gannon, Henig declared an interest as directors of Newcastle International Airport Holding Company Ltd.

Mark Thompson declared interests with the Getting Building Fund (GBF) Programme as Ryder Architecture was engaged with the following projects – Aykley Heads, Tyne Dock Enterprise Park, Bedlington Town centre regeneration, The Glassworks South Shields, and Gateshead Quays.

3 **MINUTES OF THE LAST BOARD MEETING HELD ON THURSDAY 3 DECEMBER 2020**

The minutes of the last meeting held on 3 December 2020 were approved as a correct record.

Matter arising

Mark Thompson raised the issue of the climate emergency sub-group discussed at the 1 October meeting.

Helen Golightly provided a verbal update on the work to date. A small steering group had been established with some of the Board Members and herself and Richard Baker from the Executive Team. The group had met a couple of times before Christmas and would meet again in February. The steering group would report back to the next meeting of the Board.

4 **FREEPORTS BID – CONFIDENTIAL PAPER TO FOLLOW**

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.

Helen Golightly introduced the report which detailed significant work undertaken across a series of workstreams established by the Freeports Steering Group and co-ordinated by a Freeports Working Group facilitated by the North East LEP and Port of Tyne. Advice and support on key aspects of the bid had been provided by Vivid Economics and Sanderson Weatherall. Significant discussions had been held on key aspects of the bid with the seven local authority (LA7) Leaders and Mayor, supported by input from Local Authority Finance Directors, Economic Directors, Planning leads and Legal Advisers. Similar conversations had taken place at the Boards and Senior Teams of other partners to the bid.

Richard Baker and Janice Gillespie gave a presentation to the Board which covered:

- Geography of the North East Freezone
- Finance, investment proposals and enabling programmes
- Digital enablement and security
- Economic and other benefits
- Governance, and
- Next steps

RESOLVED - Board members agreed to the recommendations as set out in the paper and to proceed to submit the bid accordingly.

5 SEP UPDATE

The Board received an update on the delivery plan setting out the progress against the five Strategic Economic Plan (SEP) programmes and the performance against plan targets since the 2019 refresh.

The report highlighted matters in relation to: Business Growth; Innovation; Skills, Employment, Inclusion and Progression; Transport; Investment and Infrastructure; Strategy and Policy; and Communications. The full programme delivery update was attached to the report as Appendix 1.

Helen Golightly advised that the SEP was the current overarching economic strategy for the region. Next to that, a draft Local Industrial Strategy (LIS) had been developed and it had been expected to be approved signed off and published by Government ahead of purdah last year but that did not happen. The LIS had been seen as providing more detail, mechanisms and interventions to build on the delivery elements of the SEP. Work was continuing to develop the Covid Recovery Plan linked to the SEP and focussed on the response to the pandemic. It was expected the budget announcement on 3 March would include details of how the government saw the LIS/growth agenda developing across the regions. That would provide some ground rules around bringing all of the elements together.

The Chair congratulated the Executive Team on the progress made against the KPIs.

The Board NOTED the Programme Delivery Update.

6 INVESTMENT UPDATE

This report was confidential as it contains 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 providing a summary of funding decisions taken under delegation since the last meeting including the latest Local Growth Fund (LGF) programme budget position, an update on the implementation of the 'Getting Building Fund' (GBF) programme, plans to make temporary funding swaps to help maximise the use of programme budgets in 2020/21, and information on the North East LEPs Annual Performance Review meeting with MHCLG; it also detailed one project requiring Board approval.

This was a proposal to extend the North East Property (loan) Fund. Initially established as a 3-year pilot in partnership with Santander and FW Capital in 2017, it was now planned to extend the fund for a further 3 years and to increase the budget with a further loan of up to £10m to the Fund Manager FW Capital.

RESOLVED - That Board members agreed to:

- 1. Note the funding and procurement decisions taken under delegated and urgent procedures set out in Part A.**
- 2. Receive a verbal update on the outcome of the Annual Performance Review between the North East LEP and MHCLG being held on 25 January 2021.**
- 3. Note and agree to the actions to maintain compliance with the National Assurance Framework guidelines and Government policies as set out in section 6.5.**
- 4. Agree the approach to temporary funding swaps to maximise Local Growth Fund and Getting Building Fund 2020/21 budget expenditure as set out in para 4.7.**
- 5. Approve an additional £1.0m from LGF balances, to top up the North East Inward Investment Fund, to provide certainty of funding availability ahead of a major inward investment grant application that was expected imminently. Para 3.3. refers.**
- 6. Approve, subject to the conditions detailed in Appendix 2, a 3-year extension and up to £10m in an additional loan to FW Capital for the North East Property Fund, and an increase in the maximum project loan amount to £2m.**

7 LEP BUDGET – INDICATIVE OUTTURN 2020/21 AND DRAFT BUDGET FOR 2021/22

The Board received a report providing an update to the North East Local Enterprise Partnership (North East LEP) Revenue Budget position for the current financial year (2020/21), and an indicative Budget for next financial year (2021/22). The report also provided an updated Budget position in relation to the Enterprise Zone account, and an update on the Local Growth Fund (LGF), the new Getting Building Fund (GBF), and the North East Investment Fund (NEIF).

As of 1 April 2020, the North of Tyne Combined Authority became the new accountable body for the North East LEP, the 2020/21 indicative outturn and 2021/22 indicative Budget position reflected this.

RESOLVED - The Board agreed to:

- i. **Note the positive Budget outturn position for 2020/21.**
- ii. **Note the indicative Budget for 2021/22, with an update on the 2021/22 Budget being reported to the LEP Board in May along with a three-year estimate.**
- iii. **Note the estimated end of year position of the Enterprise Zone account.**

8 INNOVATION DELIVERY PARTNERSHIPS

The Board received a report on the innovation framework and economic markets foresight activity and also to ratify the Innovation Board's endorsement of eleven pilot Innovation Delivery Partnerships (IDPs).

Alan Welby introduced the report and advised of a slight error; Immersive Technologies Delivery Partnership was led by Gateshead Council.

RESOLVED - The LEP Board agreed to:

- i. **Approve the eleven Innovation Delivery Partnerships endorsed by the Innovation Board on 8 December 2020**
- ii. **Note the progress to identify future market opportunities through the Economic Markets Foresight Analysis project.**

9 HEALTH AND LIFE SCIENCES STRATEGY

The Board received the Health and Life Sciences Strategy; health and life sciences was one of the four areas of opportunity identified in the Strategic SEP. The Health and Life Sciences Steering Group had worked together to produce the strategy to seize the opportunities in the North East.

The suite of documents highlighted a wide range of North East assets and connected those to the trajectories in this market environment and identified three pillars of intervention – growth in the pharma sector, supporting more growth in life sciences business and strengthening the performance of the eco system.

The Chair asked for a brief summary of the key indicators and milestones to be produced.

RESOLVED - The Board agreed:

- a) **To discuss and approve the appended Health and Life Sciences Strategy documents in appendix 1 and 2;**

- b) **To delegate any minor amends and updates to the document to the Chief Executive to make ahead of publication.**

10 **CHAIR AND CHIEF EXECUTIVE UPDATE**

The Board received a report updating Members on some of the discussions the Chair and Chief Executive had been involved in since the last Board meeting in December.

RESOLVED - The Board agreed to note the report.

11 **ANY OTHER BUSINESS**

None.

12 **DATE AND TIME OF NEXT MEETING**

Thursday 18 March 2021 from 5:00 – 7:00pm