



north east combined authority

Economic Development and Regeneration Advisory Board

Tuesday, 26th March 2019 at 2.00 pm

Meeting to be held: Committee Room, County Hall Durham, County Durham, DH1 5UQ

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AGENDA

Page No

1. **Apologies for Absence**
2. **Declarations of Interest**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.
3. **Terms of Reference (For information and reference)** 1 - 2
4. **Minutes of the Previous Meeting** 3 - 6
5. **5G North East** 7 - 16
6. **North East LEP Innovation Programme** 17 - 28
7. **Economic Development and Digital Progress Update** 29 - 44
8. **Economic Development and Regeneration Advisory Board (EDRAB) – Review** 45 - 52
9. **Date and Time of the Next Meeting**

To be confirmed.

Contact Officer for this meeting: Victoria Miller Tel: 0191 211 5118

E-mail: victoria.miller@northeastca.gov.uk

To All Members

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Part 3.2 Economic Development and Regeneration Advisory Board

Membership: 4 (one Member from each of the Constituent Authorities)

Quorum: 3 (not including the co-opted or LEP members)

Also: 1 non-voting member from the LEP
Any non-voting co-opted members approved by the Leadership Board representing key sectors in the region including the North East Chamber of Commerce and the CBI and the FSB.

The aim of the Economic Development and Regeneration Advisory Board (EDRAB) is to support the Leadership Board in the development of the Economic Development and Regeneration Theme by:

- Making recommendations to the Leadership Board based on insight and intelligence that is not otherwise available to Board so that the decisions taken reflect the needs and ambitions of the key stakeholders in the region.
- Providing strategic advice and intelligence relating to key drivers of growth and barriers to investment and growth and other issues relevant to NECA's aim to pursue sustainable economic growth in the region.
- Advising and supporting NECA in the development of the Economic Development and Regeneration strategic priorities and implementation plans.
- Supporting the Economic Development and Regeneration Thematic Lead in the delivery of the Economic Development and Regeneration Implementation Plan.

The Leadership Board shall seek the advice and recommendations of the EDRAB on such economic development and regeneration matters as the Leadership Board considers appropriate, which shall include (but are not limited to):

1. The development of a Regional Investment Plan that will support economic growth and build on the opportunities presented by the region's growth assets.
2. The implementation of activity that is consistent with the strategic intent outlined in the Strategic Economic Plan and associated Economic Development and Regeneration Implementation Plan.
3. Recommendations on the allocation of resources and approval of funding proposals and the prioritisation of planned regional investment in infrastructure and assets.
4. Monitoring and overseeing collaborative initiatives to promote inward investment.
5. Commissioning provision that is consistent with the agreed objectives.
6. Ensuring that measures associated with the delivery of the Economic Development and Regeneration work programme are linked effectively with other related service areas.

7. Advising and approving evaluation measures for the Economic Development and Regeneration related activities.
8. Monitoring performance of the delivery of the Economic Development and Regeneration work programme.
9. Considering Economic Development and Regeneration related matters specifically referred to the Advisory Board by the Leadership Board.
10. Informing the evolution of Economic Development and Regeneration related activities, taking account of government policy, global trends and capability and capacity in the region.
11. Establishing and engaging in working groups formed to progress specific priorities with the Economic Development and Regeneration work programme.
12. Approve an Annual Report summarising the work of the Board over the previous year for submission to Annual Meeting of the Leadership Board.

Information:

1. The Advisory Board will be chaired by the Economic Development and Regeneration Thematic Lead.
2. One substitute member is permitted for each Constituent Authority.
3. A Vice-Chair will be appointed from the business representative co-opted members of the Advisory Board.

Economic Development and Regeneration Advisory Board

DRAFT MINUTES FOR APPROVAL

23 October 2018

Meeting held: Committee Room, Town Hall and Civic Offices, Westoe Road, South Shields, Tyne and Wear, NE33 2RL

Present:

Chair I Malcolm (Chair)

Councillors J Adams, G Bell, G Miller, B Pickard and K Shaw

Co-opted Members B Farhat and S Glendinning

10 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor R Wearmouth, Councillor C Marshall and Ms G Hall.

11 DECLARATIONS OF INTEREST

There were no declarations of interests.

12 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 24 July 2018 were approved as a correct record.

13 ECONOMIC DEVELOPMENT AND REGENERATION PROGRESS UPDATE

Submitted:

- i. A report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes); and
- ii. Brexit and Employment Rights, a briefing paper by Trade Union Congress (with the Chair's permission, circulated at the meeting and copy attached to Official Minutes).

Members considered the report which provided an update on activity and progress under the Economic Development and Regeneration Thematic Lead Area of the Combined Authority.

The Chair praised the Invest North East Team for their work, particularly in the context of the capacity of the team.

In discussion, it was noted that Officers would clarify the figures set out in paragraph 1.45 of the report, in relation to the European Social Fund. **(Action)**

Members also noted the clarification of the figures in paragraph 1.48 and 1.49.

B Farhat of Trade Union Congress gave a brief update on the work to analyse and flag up risks associated with the impact of Brexit on workers' rights and engage with partners. A briefing paper was circulated at the meeting (copy attached to Official Minutes).

RESOLVED – That the report be noted.

14 BUSINESS GROWTH UPDATE

Submitted:

- i. A report of the Business Growth Director, North East Local Enterprise Partnership (previously circulated and copy attached to Official Minutes); and
- ii. The Great Jobs Agenda, a paper by Trade Union Congress (with the Chair's permission, circulated at the meeting and copy attached to Official Minutes).

Members considered the report which provided an update on the Business Growth and Access to Finance Programme, as led by the North East Local Enterprise Partnership.

C Bell, Business Growth Director of the North East Local Enterprise Partnership, delivered a presentation on the North East Growth Hub which offered an impartial, business-focused support to deliver transformational change to businesses which were seeking to grow and improve. Members noted the benefits of the Programme, including easier engagement process and referrals. It was also noted that the Hub's mentors had their own businesses and understood the perspective of business in practical terms.

The ensuing discussion included the ambition of the programme and the measurement of its performance, including through scaling-up and productivity. Members made comments about the importance of measuring the ambition and the programme's performance by jobs creation, productivity and the quality of the jobs. Members also commented on the importance of being inspirational in conversations with the government.

S Glendinning of the Confederation of British Industry (CBI) mentioned a current CBI project on productivity, the information on which would be brought to a future meeting of the Advisory Board. She also drew Members' attention to a CBI report on productivity titled From Ostridge to Magpie, a copy of which would be shared with Members **(Action)**.

B Farhat of Trade Union Congress (TUC) drew Members' attention to a paper titled The Great Jobs Agenda (copy attached to Official Minutes) and suggested that this subject should be referred to the Leadership Board for consideration (**Action**).

RESOLVED – That the report be noted.

15 **STRATEGIC ECONOMIC PLAN AND LOCAL INDUSTRIAL STRATEGY UPDATE**

Submitted: A report of the Head of Strategy and Policy, North East Local Enterprise Partnership (previously circulated and copy attached to Official Minutes).

Members considered the report which provided information on the work to update the Strategic Economic Plan (SEP) and the process to develop the Local Industrial Strategy. H Golightly introduced the report.

In discussion, Officers confirmed that stakeholders' input was part of the work to develop the Local Industrial Strategy.

RESOLVED – That the report be noted.

16 **UK SHARED PROSPERITY FUND**

Submitted:

- i. A report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes); and
- ii. A presentation on the UK Shared Prosperity Fund (with the Chair's permission, delivered at the meeting and copy attached to Official Minutes).

Members considered the report which provided an update on the development of the UK Shared Prosperity Fund and sought agreement to a renewed set of messages to inform a regional response to the government consultation.

S McMillan introduced the report and delivered a presentation.

In discussion:

- The Chair highlighted the importance of funding being allocated in a way that would target the areas of highest need and deprivation rather than using a competitive bidding approach. The Chair also expressed doubt about the government providing fair and sufficient funding for the NECA area. He also spoke about the importance of lobbying the government through appropriate routes and speaking as one voice.
- A Member expressed concern about the potential loss of funding for smaller schemes and commented on the importance of local decision-making on the allocation of funding.
- A Member highlighted the importance of communicating with the government and making the region's view clear.

RESOLVED – That:

- (i) the report be noted; and
- (ii) the key messages to inform a regional response to the government's consultation on the UK Shared Prosperity Fund, set out in paragraph 1.16, be agreed.

17 **DATE AND TIME OF THE NEXT MEETING**

Tuesday, 29 January 2019 at 2pm (date and time to be confirmed).

Chair.....

Date.....

Economic Development and Regeneration Advisory Board

Date: 26 March 2019

Subject: 5G North East

Report of: Innovation Director, North East Local Enterprise Partnership

Executive Summary

This report outlines the emerging 5G opportunity and outlines a regional approach (5GNE) to co-ordinate and accelerate 5G rollout across the 7 local authority areas. The Advisory Board is requested to receive an update on the continuation of a regional approach to the roll out of 5G.

Recommendations

The Advisory Board is recommended to note the continuation of a regional approach to the roll out of 5G.

Economic Development and Regeneration Advisory Board

1. Background Information

- 1.1 The small 5GNE team has continued to develop the 5G opportunity and proposition following the unsuccessful UCCP bid last year. This paper outlines the emerging 5G opportunity and proposes to continue a regional approach (5GNE) to co-ordinate and accelerate 5G rollout across the 7 local authority areas.

The Opportunity

- 1.2 5G is the shortened form used to describe the fifth generation of mobile communications technologies. 5G is in the early stage of development, with definitive standards only due to be agreed in 2019 and incremental deployment expected over the following decade. It is clear that 5G will deliver a step change of ultrafast, low latency (quicker reaction times), reliable, mobile connectivity. This step change will be able to support ever larger data requirements and transform wide-ranging new applications/use cases. These use cases might include autonomous vehicles, advanced manufacturing and robotics, augmented reality, smart agriculture, and smart homes and cities, efficient Health and Social care – leading to quicker, smarter and more productive services/ operations.
- 1.3 5G will transform business across most sectors including health, transport and education, and will bring new innovations, as unknowable today as the mobile apps and services we now take for granted were a decade ago. Securing the mobile networks necessary to put the North East at the forefront of this emerging technology will be critical to our region's growth and to drive our industrial base into the internet applications and services economy.
- 1.4 The 5th generation of mobile technology is different. The technology will drive convergence across all forms of connectivity – including fibre, wi-fi and low power (IOT) networks and will fully integrate with modern cloud platforms to create a “system of systems”. This will make it possible for innovators and entrepreneurs to find new ways to distribute roles and responsibilities and better orchestrate collaborations across entire industries and ecosystems – creating new disruptive opportunities for agile business. New business models, and niche services will emerge, often with global scope and opportunity due to the global standards and pervasive customer take-up that mobile can deliver.
- 1.5 Industries which have traditionally operated in distinct silos can begin to co-operate across sectoral boundaries and leverage engagement with customers to present new services and service bundles e.g. the ‘connected-car-service-industry’ might soon incorporate smart city, retail, cultural and workplace services, enabling consumers to safely and securely avoid congestion, do business better on the move and re-schedule domestic and leisure arrangements to suit complex needs.
- 1.6 Forecasts suggest that 5G could enable \$12.3 trillion of global sales activity by 2035. Regions that are at the forefront of this transformation will allow themselves

Economic Development and Regeneration Advisory Board

to shape a more productive economy, to foster growth in cities and regions, to drive efficiency in manufacturing, and to open-up new markets around the world. Likewise, regions that are not able to put in place appropriate 5G infrastructure risk losing competitive advantage.

- 1.7 For the North East, with a targeted roll out achieved by 2022, estimated benefits would include up to £500M increase in productivity and a further £125M in inward investment by 2025. Additionally, there could be a direct revenue benefit to the 7 local authorities of up to £50M by 2030 and further transformation savings generated through a joint innovation programme.

North East Context

- 1.8 From a national perspective, the goal of a single 5G network is as much beyond the economic power and appetite of Major Network Operators (MNO) as it is for central government. At this stage in the evolution of 5G, customer demand has still to become effective and Network Operators still have to make their major investment decisions. If the MNOs were to follow the previous 'inwards-out' model of development they favoured for 4G i.e. developing demand hotspots first and moving to less economically advantageous areas later, the North East could be relatively late to receive investment i.e. only achieving roll-out in 2025 – perhaps up to 5 years behind other regions.
- 1.9 Where there is a substantial business demand (UK hotspots) for network services, operators will have little incentive to change their delivery model. While investors remain uncertain of the best route to partnership, the North East would not be a priority location for new network service if evaluated solely on the size and scale of our economy.
- 1.10 For the North East to jump ahead of queue, we will need to develop a persuasive offer to investors both in terms of ease of delivering roll-out and access to regional partnerships willing to co-create new 5G enabled solutions. We will have to build a convincing case for investment in a new 'shared' (5G) infrastructure model for the region. By working collaboratively, the substantial asset base of the region can be assembled to remove barriers and reward cost effective approaches.

The investment required to drive roll-out of 5G infrastructure at a regional scale is very significant. Because the technology uses higher radio frequencies, 'coverage' from each antenna is smaller and greater 'densification' of antennae sites is required. Full roll-out might require thousands more sites, as well as the core and backhaul (fibre) networks required to support the Radio Access Network (RAN),

- 1.12 5GNE has estimated this level of infrastructure suggests greater than £500M investment requirement within the region.

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1.13 The North East has the elements needed to deliver a 5G platform in an emerging international market. These need to be assembled and worked up into a shared infrastructure offer to reduce the risk and overall cost of new infrastructure. This approach would need to align to and complement ongoing local authority and NEXUS activity.

1.14 Other regions in the UK are starting to assemble a shared infrastructure model – notably including Basingstoke , M3LEP and SEMLEP regions

5GNE approach and priority action areas

Current Activity

1.15 NECA/North East LEP and North East Business Innovation Centre (NEBIC) established the 5GNE project team in Sept 2017 with a view to developing a regional business case for investment in 5G and submitting bids for relevant funding.

1.16 A small project team, initially comprising a Project Director and support assistant was established in Sept 2017 and supplemented by a Local Authority Partnership manager and Technical Project Lead Officers. The team was supported by a steering group comprising representatives from NECA, NEXUS and North East LEP, with expert input from DFT, 5GIC and the Digital Catapult.

1.17 The team’s activity focused on the development of a North East bid to the DCMS Urban Connected Community Programme (UCCP) and developing strong links with broad 5G investor community. This has resulted with the North East being well positioned with the sector and government by raising our profile as a potential frontrunner region that understands the emerging market and has a strong asset base.

1.18 The UCCP proposal built on North East assets including: university led innovation, centres of excellence, regional smart-specialisms / opportunities and the Nexus Digital Connectivity Concession. This was well received by government (a strong runner up to the West Midlands) and strong interest from the private sector (recognising both the asset base and the potential of new development models – “Neutral Host operator” and a “Network Software Centre”).

1.19 With the DCMS UCCP decision to make the West Midlands the ‘preferred destination’ for 5G Trials and Testbeds activity, North East partners need to agree an appropriate strategy focused on creating conditions for the early roll-out of commercially driven, private-sector led investment.

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Proposed Approach

- 1.20 North East LEP will host the 5GNE team and use up to the £250,000 LGF funding (which has been approved in principle and is the subject to the final delegated approval in the near future) to cover salary, consultancy and programme costs for a 12 month period, where applicable providing match funding needed to secure additional UK and International investment e.g. Innovate (Celtic Next 5G call). The 5GNE team would work alongside colleagues from Local and Combined Authorities and Nexus to provide a coordinated and collaborative approach to engaging with potential private sector investors.
- 1.21 The 5GNE team would aim to facilitate the region to have achieved a tipping point in roll-out of next generation digital infrastructure by 2022. This would place regional business, cities and communities at the forefront of UK capability, achieve over 40% residential and business premises coverage and enable a 6% increase in regional productivity by 2025 through securing over £500M additional investment.
- 1.22 It is anticipated that 5GNE would transfer into an anticipated public-private partnership body delivering the roll-out of 5G in the region during the course of the next 12 months and the establishment of the a potential concession approach outlined below. By the end of the 12 month period , it is anticipated that 5GNE should have a clear sight of the investment opportunity – sight of candidate investors , a robust asset portfolio and several projects advancing collaboration with one or more stakeholder communities and investors.
- 1.23 Where there is a longer term requirement for resources beyond the twelve month term (i.e. to complete the anticipated procurement or specific project based activity) that this will be detailed in a business case during the course of this year. It is anticipated that a properly articulated business case will attract DCMS or other public resource which will offset any financial risk to local authority partners.
- 1.24 The development and agreement of a business case for a sites and premises concession should at minimum describe how owners of public sites and premises can benefit from long term revenues (from site rentals) for telecommunications equipment, albeit requiring forward commitment of facilities management and legal/procurement resource. The detailed business case will detail any ask of local authority partner resources. In scoping this activity we will have regard to DCMS barrier busting activity, including Ministerial commitment to support the North East i.e. some potential for additional DCMS resource.
- 1.25 Further soft market testing with potential investors and even with other public sector will guide the scoping and development of the procurement activity. In the event that this confirms the significant potential outlined (£500M commercial investment over 2-3 years to 2022/23), there will be a business justification for a commensurate procurement programme. It may be possible to offset anticipated further legal and management costs through collaboration with other city/regions and or government support.

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- 1.26 In the immediate future, the UK's Brexit position will be clarified and it is anticipated that DCMS will then be able to release further details of LFFN, Testbed and Trials Programme and Industrial Strategy challenge funds. These will present additional opportunities to progress collaboration and secure funding.

5GNE would focus on 4 priority action areas in 2019/20:

- 1.27 1. Development, mapping and procurement of North East 5G offer
- The 5GNE team would work with planning, property and facilities management specialists in local authority, NEXUS and partners to deliver a pro-active approach to the increasing workloads surrounding digital infrastructure deployment.
 - The initial goal would be for North East partners to assemble a single view (asset register) and ultimately a portfolio of 1-2000 suitable public sector sites and premises. This could be a specialised subset and contributor to Digital Twin developments undertaken by LA partners.
 - The portfolio would be of sufficient scale to accelerate Private sector investment and to facilitate addressing common issues, planning processes and capacity, community concerns, market failure and re-valuation of assets.
 - The portfolio can then form the basis of a procurement of a long-term services concession (agreement to let) based on sites portfolio. If agreed, the team will also coordinate the procurement process.
 - This activity would be overseen by a Task and Finish group bringing together Local Authorities and key regional partners.
 - This group would oversee the development of the sites portfolio, work up private sector partnership/ procurement models and commission joint work when appropriate.
 - This group would be chaired by a local authority senior planning and regeneration officer – to be identified on agreement by CEX.
 - 5GNE could potentially support additional specialist and hands-on resource to work directly with LA inhouse teams to remove barriers and build a platform to support a single dashboard view of all LA assets suitable for digital infrastructures.
 - An early output of this activity could be a business case for a collaborative platform to reduce planning overhead and allow development of a sites and premises access concession. This would be developed with potential funding from DCMS Barrier busting funds and InnovateUK.
- 1.28
- Coordination of private sector engagement
 - The 5GNE team would ensure that North East partners presented a joined up and co-ordinated dialogue to communicate potential to the private sector, particularly within the Mobile industry. This would

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complement and align individual local authority dialogue and is not intended to replace ongoing discussions.

- The 5GNE team would engage in soft market testing with emerging delivery consortia and keep a close link to and help shape emerging discussions on evolving delivery models.
- Activity will focus on positioning the North East local authorities as a partner of choice and testing our emerging options with the market.
- The team will also support partners to co-develop a 5G Demand Accelerator (innovation) Programme. With the possible alignment of global private investment with regional public sector investment programmes. This would look to drive innovation in public services and secure significant cost saving in Local Government, NHS and other key sectors whilst providing a effective demand (pipeline) for investors and providers of digital infrastructure.

1.29

2. Use case support

- Regional partners are already looking to develop 5G testbeds and programmes. The 5GNE team will support and advise local partners on rollout and delivery. Furthermore, the team will work to build capability and capacity within regional partners where appropriate.
- Activity will focus on an immediate pipeline of activity:
 - Nexus Trackside infrastructure and Train to Train Connectivity Concession
 - IAMP / Nissan Connected and Autonomous Vehicles testbed/trial proposal.
 - Smart City - Newcastle Council / Newcastle University.
 - Housing development in County Durham comprising 1600 homes over a 10 year build period aims to embed 5G Infrastructure to support 'living lab innovation village for all age lifestyles community..
 - InTEGrel Energy / Clean Growth Demonstrator site and programme supported by CKI Group Utilities, Newcastle University, Arup and Siemens. 1st Stage '.

1.30

3. Bid support and government liaison

- Funding opportunities emerging from Government and other sources. The team will look to support bid development from partners. The team's focus should be supportive rather than leading and writing bids themselves. Funding opportunities include Rural (and/or Borderlands) connectivity, Grand Challenge funding and InnovateUK programmes. Activity could also include providing technical consultancy to in support Full Fibre Network (LFFN) submissions.
- Development and scoping of joint innovation programme. The team will explore the development of joint competition / calls programme through potential collaboration with Catapult and/or Innovate UK. The team will allow work up proposals for a future Shared Prosperity

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- programme.
- Government continues to work with a select number of regions (West Midlands, London, West of England, Glasgow and ourselves) to develop differing models to accelerating 5G roll out. 5GNE will act as a first point of contact with DCMS and other government departments.

Governance

- 1.31 5GNE programme will be overseen by a small steering group chaired by Patrick Melia on behalf of 7 local authorities. This will include representation from North of the Tyne and NECA authorities alongside NEXUS and LEP representation. This steering group will be expanded to include wider partners as delivery progresses.
- 1.32 The steering group will oversee the work of the 5GNE team and ensure smooth progress of the North East 5G offer task and finish group.
- 1.33 The 5GNE will be hosted by the North East LEP. Day to day management will be undertaken by the Director of Innovation (North East LEP). Secondment and employment arrangements will be agreed by the North East LEP and its accountable body.

2. Proposals

- 2.1 This report briefs the Advisory Board on the continuation of a regional approach to the roll out of 5G.

3. Reasons for this proposal

- 3.1 To update the Advisory Board on the continuation of a regional approach to 5G.

4. Alternative Options Available

- 4.1 This report is provided for information only and for the Advisory Board to comment where relevant.

5. Next Steps and Timetable for Implementation

- 5.1 The North East LEP will establish a steering group and progress the 5G offer task and finish group.

6. Potential Impact on Objectives

- 6.1 This report provides an update on the continuation of a regional approach to the rollout of 5G.

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7. Financial and Other Resources Implications

7.1 There are no financial or other resource implications directly associated with this report as it is for information only.

8. Legal Implications

8.1 There are no legal implications directly associated with this report as it is for information only.

9. Key Risks

9.1 There are no key risks arising from this report as it is for information only.

10. Equality and Diversity

10.1 There are no specific equality and diversity implications arising from this report as it is for information only.

11. Crime and Disorder

11.1 There are no specific crime and disorder implications arising from this report as it is for information only.

12. Consultation/Engagement

12.1 Consultation for the continuation of a regional approach for the rollout for 5G has taken place with the Chief Executives and Economic Directors of the seven Local Authorities.

13. Other Impact of the Proposals

13.1 There will be no other impact arising from this report.

14. Appendices

14.1 None.

15. Background Papers

15.1 None.

16. Contact Officers

16.1 Alan Welby, Innovation Director
alan.welby@nelep.co.uk 0191 561 5437

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17. Sign off

- 17.1
- Head of Paid Service
 - Monitoring Officer
 - Chief Finance Officer

18. Glossary

- 18.1 LEP – Local Enterprise Partnership

Economic Development and Regeneration Advisory Board

Date: 26 March 2019

Subject: North East LEP Innovation Programme

Report of: Innovation Director, North East Local Enterprise Partnership

Executive Summary

This report gives an overview of ongoing activity within the Innovation Programme, an update on the pipeline spend profile of the LGF Innovation mini funds and the new Innovation Programme developed as part of the Strategic Economic Plan (SEP) refresh.

Recommendations

The Advisory Board is recommended to note the progress to date and planned activities.

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1. Background Information

- 1.1 The North East Strategic Economic Plan (SEP) was published by the North East Local Enterprise Partnership in April 2014 and refreshed during 2016. It sets out a ten year plan to drive 100,000 'More and Better Jobs' in the LEP area which covers the seven local authorities of Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. It has also provided the policy framework to guide the investment of Local Growth Fund and the European Strategic Investment Fund resources.
- 1.2 The SEP promotes delivery through six programmes or themes, which are:
- Innovation
 - Business growth
 - Skills
 - Employability and Inclusion
 - Economic assets and infrastructure
 - Connectivity including digital.
- 1.3 The Board of the North East Local Enterprise Partnership oversees the development and the ongoing delivery of the Strategic Economic Plan. The Innovation Programme Delivery Board oversees the Innovation Programme specifically within this.
- 1.4 Innovation Programme
- Innovation is central to the long term aim to build a more productive North East, fostering a competitive and embedded business base and solving social and economic challenges in the region and beyond.
- 1.5 Innovation can help to internationalise our economy, particularly in areas of specialisation, by attracting partners and investors to engage with excellence in our science, research and business base and for strengthening the competitiveness of North East businesses and the creativity of our communities.
- For the North East to compete, we need to grow a collaborative and open innovation eco-system which enables the matching of what's needed to what's possible to drive economic or social value, or both.
- Through a focus on strengths and key capabilities, the aim is to secure stronger flows of business investment into research and development in the region, to maximise local business growth and continue to build our reputation through investment in our assets.
- 1.6 Ongoing progress on delivering the Innovation Programme is outline in Annex One.

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1.7 Local Growth Fund

Through the Local Growth Fund, the North East LEP has funded 12 ‘innovation’ project specifically identified under the Innovation Programme. It is worth noting however this doesn’t include the skills projects which also strongly align with the innovation programme such as the STEM and Innovation Centre (£1m), Marine and Offshore Engineering facility (£1.1m) and Offshore and Wind Energy training Facility (£400,000).

It similarly excludes broader investment in more general economic assets including Enterprise Zone sites which support growth in sectors with high innovation activity.

LGF Project	LGF Funding (£m)	Project Cost (£m)
Centre for Innovation in Formulation (CIF)	8.9	15.9
The Biosphere - Newcastle Laboratory and Life Science Incubation Hub	8.6	25.7
Sunderland Enterprise & Innovation Hub (FabLab)	4.9	8.2
Low Carbon Energy Centre and Heat Network Helix	2.8	17.5
Netpark Infrastructure Phase 3	5.09	5.09
National Centre for Healthcare Photonics (Stage 1)	0.212	0.332
National Centre for Healthcare Photonics (Stage 2)	7.9	7.9
Northern Centre for Emerging Technologies	0.969	7.8
Medicines Manufacturing & Medical Technology Innovation Infrastructure	0.212	0.243
Innovation Project Development fund	1.2	1.2
Incubator Support programme	2.9	2.9
5G Testbed Development Study	0.250	0.250

Innovation Mini-Programmes

Through two LGF-funded ‘mini-programmes’ the North East LEP has supported six projects over two call periods, with a further eight projects currently in appraisal. These two programmes are complementary but distinctive.

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- The Project Development call** has provided up to £250,000 to partners to support the development of robust, accurate and competitive funding bids and business cases. The aim of this investment is to enable local partners to access the increasing competitive, national funding pots, prepare for the Industrial Strategy Challenge Fund and approach private sector investment opportunities. By providing this early stage support to develop stronger proposals it is anticipated that this funding will leaver in large scale funding for regional priority area. The projects supported have had to demonstrate a strong regional strategic fit, sizable ambition (a minimum of £5m capital investment) and strong delivery potential.
- The Incubator Support call** was developed to encourage the increased provision of quality incubation facilities and accompanying business support. Stemming from a study highlighting a lack of quality incubation provision in the North East LEP area this provides a proportion of support for capital works to enhance existing facilities or develop new capacity in the North East. The call initially sought applications for up to £250,000 intervention; however this was increased in the second call to £500,000 to provide some scope for larger intervention where the case could be made.

Projects within the Innovation Project Development Fund

Through the Project Development Fund four projects have been approved and two are currently in appraisal.

Project Name	Applicant	IPDF Ask	Total Cost	Status
Centre of Excellence in Sustainable Advanced Manufacturing (CESAM)	University of Sunderland	£115,000	£230,000	Approved
International Centre for Connected Construction (IC3)	Northumbria University	£100,000	£201,000	Approved
National Centre for Rural Innovation	Innovate NE Ltd	£57,102	£114,204	Approved
Stephenson Challenge	Sunderland City Council	£247,000	£367,000	Approved
Centre for UK/Chinese Digital Business Development	Sunderland Software City	£76,800	£110,800	In appraisal
Creative Digital Innovation Hub	Generator North East	£125,000	£291,587	In appraisal

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Projects within the Incubator Support Fund

Through the Incubator Support Fund two projects have been approved and a further six are in appraisal (please note the incubator support fund is a two-stage approval process).

Project Name	Applicant	ISF Ask	Total Cost	Stage
Fenwick Incubator	Fenwicks	£250,000	£750,000	Appraisal
Innovation Zone	North East BIC	£82,000	£120,000	Approved
Innovation Northumbria Incubator	Northumbria University	£156,200	£331,200	Approved
Wood Pottery Incubator	Project North East	£330,000	£730,000	Appraisal
Percy Street Incubator	Hanro Group	£500,000	£2,048,204	Business Case
Helix Incubator	Newcastle City Council	£116,564	£392,836	EOI
Incubator Support for SMEs	Business Durham	£197,000	£394,000	Appraisal
Sunderland Digital Incubator Programme	University of Sunderland	£500,000	£1,034,805	EOI

1.8 Other activities

As is highlighted in Annex One, the delivery of the Innovation Programme is wider than the LGF-funded project included above. This includes working closely with partner organisations to develop and deliver a range of projects aimed at supporting innovation activity in the North East. Of particular note where the North East LEP has had a leading role are:

- The design and establishment of the Innovation SuperNetwork which is unique in the UK in providing a basis for collaboration across the existing networks operating in areas linked to innovation. Sponsored and part-funded by the North East LEP the SuperNetwork was launched in 2016 and runs a series of projects.
- The SuperNetwork has run the annual VentureFest and Finance Camp events for a number of years. With VentureFest attracting over 800 participants, primarily from local SMEs, this year these serve to increase visibility and access to investment for local businesses who are innovating.
- The North East LEP is a delivery partner, alongside RTC North in a European-funded project which is testing different approaches to accessing innovation business support and investment with partners across the UK, Belgium, Germany, Luxembourg and Greece.

Economic Development and Regeneration Advisory Board

- The North East LEP has continued to work with Government to raise the profile of the North East and its assets and capabilities nationally including leading the delivery of an Science and Innovation Audit (SIA) and approach championed by the Department for Business, Energy and Industrial Strategy (BEIS) around the application of digital technologies to manufacturing, reflecting two North East strengths. In addition the LEP has been involved in diverse relevant SIAs for Satellites, the Bioeconomy, Chemicals, Healthcare and the Offshore and subsea sectors.

1.9 SEP refresh

The Board of the North East Local Enterprise Partnership (North East LEP) agreed that the Strategic Economic Plan (SEP) should be updated to reflect changing economic and policy circumstances and to bring forward updated programmes for the period 2019-2021. The evidence review and evaluation to date does not question the direction of travel and focus of the current SEP but reinforces the key sectors and programmes of activities.

The Innovation Programme has been re-focused and developed via the Innovation Board. The Innovation Programme for the updated SEP is attached in Annex Two.

2. Proposals

- 2.1 This report briefs the Advisory Board on ongoing activity in the Innovation Programme, as well as the priorities for the updated Strategic Economic Plan and the emerging Local Industrial Strategy.

3. Reasons for this proposal

- 3.1 To update the Advisory Board on the ongoing delivery of the Innovation programme and provide an overview of the approach for the revised Innovation programme as part of the updated SEP.

4. Alternative Options Available

- 4.1 This report is provided for information only and for the Advisory Board to comment where relevant.

5. Next Steps and Timetable for Implementation

- 5.1 This section does not apply as the report is for information only.

6. Potential Impact on Objectives

- 6.1 This report provides an update on SEP refresh and developing the Local Industrial Strategy.

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7. Financial and Other Resources Implications

- 7.1 There are no financial or other resource implications directly associated with this report as it is for information only.

8. Legal Implications

- 8.1 There are no legal implications directly associated with this report as it is for information only.

9. Key Risks

- 9.1 There are no key risks arising from this report as it is for information only.

10. Equality and Diversity

- 10.1 There are no specific equality and diversity implications arising from this report as it is for information only.

11. Crime and Disorder

- 11.1 There are no specific crime and disorder implications arising from this report as it is for information only.

12. Consultation/Engagement

- 12.1 Consultation for the updated SEP took place at a large engagement event on the 19 September 2018 with economic partners and local authorities. The draft SEP Innovation Programme was discussed at the North East Local Enterprise Partnership Innovation board on the 29th November and part of a wider discussion on the SEP at the main LEP board on the 29th November. It was also developed in consultation with Local Authority Economic Directors and Chief Executives.

13. Other Impact of the Proposals

- 13.1 There will be no other impact arising from this report.

14. Appendices

- 14.1 Annex 1: Innovation Programme Delivery Plan
Annex 2: Innovation Programme - SEP

15. Background Papers

- 15.1 North East Strategic Economic Plan
<https://www.nelep.co.uk/the-plan/>

Economic Development and Regeneration Advisory Board

16. Contact Officers

16.1 Alan Welby, Innovation Director
alan.welby@nelep.co.uk 0191 561 5437

17. Sign off

- 17.1
- Head of Paid Service
 - Monitoring Officer
 - Chief Finance Officer

18. Glossary

18.1 LEP – Local Enterprise Partnership
LIS – Local Industrial Strategy
SEP – Strategic Economic Plan
CESAM - Centre of Excellence in Sustainable Advanced Manufacturing
IC3 - International Centre for Connected Construction

Ambition for 2024

Innovation is central to our long-term aim to build a more productive North East, fostering a competitive and embedded business base and solving social and economic challenges in the region and beyond. It is a tool for internationalising our economy, particularly in areas of specialisation, by attracting partners and investors to engage in our science, research and business base and for strengthening the competitiveness of businesses and creativity of communities.

We have an ambition of a collaborative and open innovation eco-system that enables the matching of what is needed to what is possible to drive economic or social value, or both.

We aim to increase the number of innovation active businesses by 550 and increase investment in business research, development and innovation by 50% between 2014 and 2024.

SEP Action	Progress/ current position	High level risks	Lead	Status
Stimulate new business opportunities through the North East Open Innovation Challenge				
<p>Key deliverables:</p> <ul style="list-style-type: none"> Support growing activity to foster open innovation between large corporates, public sector and innovation-led SMEs in the region with a clear brand Support the alignment and communication of open innovation and challenge events and programmes to create critical mass and deepen engagement with regional businesses in events Support best practice for open innovation events 	<ul style="list-style-type: none"> Challenge launched through the Invite programme launched in partnership with North East Automotive Alliance on 24th January. Ongoing discussions with Northumbrian Water Group to hold a sprint during the NWG innovation festival. 	<ul style="list-style-type: none"> The Challenge programme fails to gain traction among North East businesses Administering the “brand” becomes too time-consuming and challenging. 	AW	

Prioritise a regional pipeline of projects to form a Strategic Investment Programme

Key Deliverables:

- Develop a prioritised list of regional, large scale pipeline projects
- Align with activities undertaken by our Combined Authorities
- Focus on large-scale collaborative projects that have the capacity to have significant impact for the regional economy and create jobs
- The North East LEP's Innovation Board will play a challenge and support role, holding regional partners to account for progress in developing the evidence base and business plans, securing funding and delivering pipeline projects
- Develop a programme to address identified place-based gaps to supporting business growth
- Coordinate an approach to securing funds for pipeline projects, including from the National Productivity Investment Fund (NPIF) and Grand Challenges

- Project Pipeline Prioritisation approach endorsed by Innovation Delivery board on 21st February
- Approach endorsed by Local Authority Economic directors on 1st March
- Outline approach tested with broader innovation community at Innovation Super Network partner group meeting on 28th January
- EOI call to be launched in early March
- 3 North East proposals selected to proceed to next round of Strength in Places Fund. This is an excellent return of 3 bids from 4 submitted and builds on the coordination and prioritisation approach led by LEP in June 2018.

- Process becomes too bureaucratic and does not add value
- Updating the Innovation Board becomes a paper exercise rather than a genuine challenge and support process.

AW

Support our businesses to capitalise on local research and innovation capability

Key Deliverables:

- Strengthen collaboration between businesses and innovation assets such as universities, catapults and national centres of excellence
- Enhance the co-ordination between businesses, sectors and innovation assets
- Support our innovation assets to successfully secure national funding to run regional programmes
- Work with service delivery partners such as the NHS and local authorities to take-up and roll-out new delivery approaches

- Ongoing work to engage with catapults and universities through the Local Industrial Strategy
- Strong engagement by Universities and Catapults at workshop to develop a new North East Innovation Business support programme on 28th February

- Key partners focus on their national/international priorities rather than local role
- Businesses fail to benefit from engagement due to lack of alignment and focus by providers.

AW

Increase private sector investment into growing innovation businesses

<p>Key deliverables:</p> <ul style="list-style-type: none"> • Support VentureFest and FinanceCamp • Develop new approaches to lever private funding from outside the region • Develop an open innovation challenge to drive increased collaborative investment • Work with universities to continue to grow spin-out success, including through Northern Accelerator 	<ul style="list-style-type: none"> • Ongoing development of Venture Fest 2019 • Two successful applications to Innovate UK - Regional Angel Investment Accelerator (RAIA) Pilot programme. •Funding allows allocation of £1 million to distribute as grants to SMEs alongside equity investment. Both successful applications (Led by Northstar and Innovation Super Network) are focussed in the region – this is an excellent result given that only consortia would be supported. • Alan Welby sat on the Pre-incorporation Funding Panel for Northern Accelerator projects : 10 applications (£356,354) selected 	<ul style="list-style-type: none"> • Investment sources are not found to increase private sector investment • Current provision fails to adapt to changes in need and demand. 	AW	
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Engage partners to identify and drive business growth through an Innovation Sectors and Competencies Programme

<p>Key deliverables</p> <ul style="list-style-type: none"> • Identify an prioritise regional innovation sectors and competencies, including assessing where these align with the Industrial Strategy and North East Local Industrial Strategy • Put robust governance in place to identify priority areas • Ensure buy-in and engagement with private sector • Develop a portfolio of projects and programmes • Identify leads and capacity to drive activity • Improve alignment of innovation activities to skills and business growth programmes 	<ul style="list-style-type: none"> • Stage 1 programme in delivery taken forward with the Policy and Strategy Team to support the development of the Innovation Framework and Local Industrial Strategy • Technopolis have been appointed to deliver this and are currently engaging with partners including the Innovation Board, local authorities, universities, assets and private sector actors • Stage 2 is being developed ready to commission further support, this will focus on the prioritisation of action and development of action plans. 	<ul style="list-style-type: none"> • Research findings provide a significant challenge to the current SEP approach • Approach fails to build in suitable buy-in from partners. • Research fails to result in action and practical delivery. 	AW	
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Coordinate regional partners to provide enhanced innovation support activity

<p>Key deliverables</p> <ul style="list-style-type: none"> • Supporting the delivery of a programme of innovation support for regional businesses • Ensure activity is aligned through successful partnership brokered by the Innovation SuperNetwork • Support businesses to increase their investment in RDI • Strengthen our links with national and international hubs and networks to generate commercial returns for local businesses 	<ul style="list-style-type: none"> • Programme of workshops to work with Innovation Business Support community started on the 28th February with good turnout • Event developed and delivered with Innovation Super Network • Tender for Business Growth Models and Review of Support drafted and put out for competition in early March • Lee Viney - new regional Innovate UK lead for Yorkshire, Humber and the NE inducted into region with meeting with partners, engagement in LIS workshops and hot-desking at LEP. 	<ul style="list-style-type: none"> • Complexity of business support model remains • Concern over long-term funding holds back engagements from delivery bodies. 	AW	
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Annex 2: Innovation Programme (SEP)



What are our challenges?

- Comparatively low level of investment in research, development and innovation particularly from private sector.
- The North East is a relatively small economy, meaning that there are fewer opportunities for innovation to arise from a large number of potential collaborators and competitors being in close proximity to each other than in other areas.
- There is a low number of headquarters and research, development and innovation (RDI) facilities in the North East - as these are functions that are most likely to engage in innovation, this limits the level of innovation in the region.
- The region has a wide range of innovation assets including universities, catapults and national centres for excellence - but more needs to be done to ensure businesses are utilising these to improve commercial returns and to solve social challenges.

What is our vision for 2024?

Innovation is central to our long-term aim to build a more productive North East, fostering a competitive and embedded business base and solving social and economic challenges in the region and beyond. It is a tool for internationalising our economy, particularly in areas of specialisation, by attracting partners and investors to engage with excellence in our science, research and business base and for strengthening the competitiveness of North East businesses and the creativity of communities.

Our vision is of a collaborative and open innovation eco-system which enables the matching of what is needed to what is possible to drive economic or social value, or both.

Through a focus on strengths and key capabilities, our aim is to secure stronger flows of business investment into research and development in the region, to maximise local business growth and continue to build our reputation through investment in our assets.

We aim to increase the number of innovation active businesses by 900% and increase investment in business research, development and innovation by £180m.

What are our opportunities?

- Growing understanding and interest in open-innovation and challenge-based approaches to innovation provide the basis for new collaborative, commercial-focused activities, building on our established test and demonstration capabilities.
- Local knowledge and business strengths are relevant to growing markets, providing opportunities for North East businesses to capitalise on innovation to develop new products and services, processes and market.
- Increased investment, including through the Government's pursuit of 2.4% of GDP for innovation and dedicated funds (National Productivity Investment Fund) support productivity and efficiency gains from innovation.

How will we know if we have been successful?

- Increase the percentage of businesses that are 'innovation active' to above the England excluding London average by 2021.
- Increase R&D investment to 2.4% of GVA 2027.
- Reduce by 50% the gap in business expenditure on R&D against the UK average by 2021.
- To be the second ranked UK region by percentage of businesses that are engaged in process innovation by 2021.
- To be the second ranked UK region by percentage of businesses that are engaged in 'wider innovation' by 2021.
- Increase the share of UK government innovation expenditure per capita to the UK average by 2021.

What will we deliver by 2021?		
ACTIVITY	DESCRIPTION	KEY DELIVERABLES
Stimulating new business opportunities through the North East Open Innovation Challenge	Develop a brand and a coordinated approach to open-innovation and challenge-based programmes, recognising the potential for these approaches to engage local SMEs, to open up commercial collaborations and to take advantage of our region's smaller scale.	<ul style="list-style-type: none"> Support growing activity to foster open innovation between large corporates/ public sector and innovation-led SMEs in the region with clear 'brand' Support the alignment and communication of open innovation and challenge events and programmes to create critical mass and deepen engagement with regional businesses in events Support best practice for open innovation events
Prioritising a regional pipeline of projects to form a Strategic Investment Programme	Develop a shared, prioritised list of regionally important strategic pipeline innovation projects including consideration of place implications and gaps. This pipeline will provide focus for identifying and securing funding.	<ul style="list-style-type: none"> Develop prioritised list of regional, large-scale pipeline projects Align with activities undertaken by the Combined Authorities Focus on large-scale collaborative projects that have the capacity to have significant impact for the regional economy and create jobs The North East LEP's Innovation Board plays challenge and support role, holding regional partners to account for progress in developing the evidence base and business plans, securing funding and delivering pipeline projects Develop programme to address identified place-based gaps to supporting business growth Co-ordinate approach to securing funds for pipeline projects, including from NPIF and Grand Challenges
Supporting our businesses to capitalise on local research and innovation capability	Work with partners to enable local businesses to secure greater commercial value from research, development and innovation assets.	<ul style="list-style-type: none"> Strengthen collaboration between businesses and innovation assets such as universities, catapults and national centres of excellence Enhance the coordination between businesses, sectors, and innovation assets as groups Support our innovation assets to successfully secure national funding to run regional programmes Work with service delivery partners such as the NHS and local authorities to insert take-up and roll-out of new delivery approaches
Increasing private sector investment into growing innovation businesses	Engaging with investors and funders to increase access to and success in securing finance for innovation for North East businesses.	<ul style="list-style-type: none"> Support VentureFest and FinanceCamp Develop new approaches to lever private funding from outside region Develop open innovation challenge to drive increased collaborative investment Work with universities to continue to grow spin-out success, including through Northern Accelerator
Engaging partners to identify and drive business growth through an Innovation Sectors and Competencies Programme	Develop stronger clarity over commercial strengths, existing and potential and put in place governance and support arrangements to drive delivery.	<ul style="list-style-type: none"> Identify and prioritise regional innovation sectors and competencies, including assessing where these align with the Industrial Strategy and North East Local Industrial Strategy Robust governance in identified priority areas Ensure buy-in and engagement with private sector Development of portfolio of projects and programmes Identified leads and capacity to drive activity Improve alignment of innovation activities to skills and business growth programmes
Co-ordinating regional partners to provide enhanced innovation support activity	Review current activity to prepare a coordinated innovation support and skills programme with providers to reduce duplication and improve signposting through the North East Growth Hub.	<ul style="list-style-type: none"> Supporting the delivery of a programme of innovation support for regional businesses Activity aligned through successful partnerships brokered by the Innovation SuperNetwork Activity targeted at supporting business to increase their investment in RDI Strengthen our links with national and international hubs and networks to generate commercial returns for local businesses

Economic Development and Regeneration Advisory Board

Date: 26 March 2019

Subject: Economic Development and Digital Progress Update

Report of: Thematic Lead for Economic Development and Digital

Executive Summary

The purpose of this report is to provide an update on activity and progress under the Economic Development and Regeneration theme of the Combined Authority.

Recommendations

The Advisory Board is recommended to note the progress update for information and agree to receive a further report on the development of the Local Industrial Strategy at its next meeting.

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1. Background Information

1.1 This report provides an update on activity and progress under the Economic Development and Digital theme of the Combined Authority, including:

- Invest North East England activities
- Brexit
- Local Industrial Strategy
- European Structural and Investment Funds Programme

Invest North East England Activities

1.4 The inward investment successes recorded in the first three quarters (April-December 2018) are set out in the table below. In the NECA area there have been 28 Inward Investment project successes resulting in 1,182 jobs.

Combined Authority	FDI Projects	FDI Jobs	UK Projects	UK Jobs
NECA	17	527	11	655
NOT CA	15	685	8	160
Total INEE area	32	1212	19	815

1.5 Key investments in the NECA area in the period include:

- SNOP – company building new facility at the International Advanced Manufacturing Park
- Parker Bioscience Filtration - investment in new equipment in Gateshead
- Interflex – investment in new equipment in Sunderland

Marketing and Communications

1.6 The Invest North East England (INEE) Team, with support from the North East LEP Communications Team continues to improve and refresh its website and its range of marketing materials, as well as plan / deliver campaigns and events. Over time, it is expected that this work will generate new investment enquiries in addition to raising the profile of the region nationally and internationally. Key elements in the first two quarters of 2018/19 include:

1.7 Website:

- The INEE website has been updated to reflect feedback from partners. Amendments made will help visitor navigation and improve overall visitor experience
- Part of the update is a dedicated 'Resources section' which will feature all downloadable brochures and videos.

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- A new micro-website was launched at the end of July – Energy Gateway North East England. This website is focused on the offshore energy sector and it covers the three main ports of Blyth, Sunderland and Tyne and the rivers they sit on. The website showcases the ports, the sites, R+D assets, skills and training, market opportunities and supply chains etc.
- Four company case study videos have also been produced. These have been added to the website and are being used as social media content to further engage with target audiences.

1.8 Marketing Collateral:

- A general brochure has been produced showcasing the five key investment sectors that INEE concentrate on.
- Sector-specific inserts have been produced on Offshore Wind, Business Process Outsourcing, Fintech, Customer Contact Centres, Shared Service Centres, Digital and Tech, Immersive Tech, Video Development, Automotive and Rail. An insert covering Life Sciences is currently in production. These inserts are produced on small print runs for particular events as well as electronically so visitors to the website can download the information / INEE team can send electronically.
- A specific brochure highlighting key elements of the Energy Gateway North East England has been produced.

1.9 Promotional Videos:

- INEE has produced six short videos; one general video promoting the North East and five sector-specific videos covering Energy, Business Services, Life Sciences, Advanced Manufacturing and Digital Tech.
- The videos were launched in February and are available on the website and will be sent as part of bespoke propositions to potential investors, as well as used during face to face investor pitches and exhibitions etc. Initial feedback has been extremely positive with the showcase video being viewed over 900 times on You Tube (in the first three weeks).

1.10 Social Media:

- Twitter, Facebook and LinkedIn social platforms continue to grow in followers and impressions. The video launch provided thousands of social media impressions.
- INEE has created a YouTube page as a platform for videos (this also supports easy integration into the INEE website).
- INEE also subscribes to Converge Today which is an additional social platform to INEE share news and create new engagements.

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- INEE continue to produce a bi-monthly newsletter for subscribers covering news and events from North East England.

1.11 Media Outlets:

- In partnership with Bdaily, INEE sponsor the Inward Investment Hot Topics page on the Bdaily website and also produce 6 x thought leadership 'blogs' for the news outlet. This has been a successful campaign in 2018/2019 helping to raise the profile of INEE on a national level.
- INEE has committed to the same partnership package 2019/2020

1.12 Events:

The INEE team is planning to attend/ have attended a number of events in 2018/19 that align with some of the key priority sectors which are being targeted for investment. Some of these will be attended as an exhibitor and others as a delegate. These include:

- NOF Energy – A Balanced Future – Sedgefield (June 2018)
- Global Offshore Wind – Manchester (June 2018)
- Wind Europe – Hamburg (September 2018)
- MIPIM UK – London (October 2018)
- Web Summit – Lisbon (November 2018)
- Offshore Wind North East – various North East locations (November 2018)
- MIPIM Cannes – Cannes (March 2019) (with Invest Newcastle delegation)
- Shared Services Leaders' Summit – London (March 2019)
- Xrtgo Conference – Gateshead (April 2019)

For events occurring in the North East region, the team will be looking to organise investor visits structured around the event.

Lead Generation Contract

- 1.13 INEE are in the final phase of a lead generation contract with OCO Global. This has been focused in the main on digital and professional services companies in London and the South East. However, the contract has also identified various manufacturing projects as well as projects from India, Ireland, USA and Italy.
- 1.14 To date, the contract has led to projects totalling over 1,000 potential jobs being put on INEE's pipeline and has led to a number of visits to the region, including two small investment successes.
- 1.15 INEE is currently discussing the next stage of lead generation with local authority partners.

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Working with the Department of International Trade (DIT)

1.17 DIT High Potential Opportunities (HPO) bid:

INEE has been successful in its bid for the development of a HPO. A HPO is a mechanism to ensure that significant market opportunities which will be attractive to overseas investors are publicised widely to relevant markets overseas. The opportunities should currently be less well known or under the radar of the overseas network of DIT posts. Successful project bids will get the opportunity to work intensively with DIT officials to develop a detailed proposition of the opportunity which will then be widely publicised in relevant overseas markets.

1.18 INEE worked with local partners to prepare a bid based on the growing strength of the North East's immersive tech sector, and the links with the advanced manufacturing sector in the region, which could be developed into a compelling proposition for overseas companies.

1.19 This bid was successful and INEE and partners are now working with DIT to develop the HPO. It is anticipated that this will be launched to overseas DIT staff in May 2019.

1.20 DIT National Sector Team briefings:

In December 2018 and January 2019, INEE briefed the national DIT teams responsible for Life Sciences and Energy & Infrastructure. These briefings are one way in which INEE and other partners ensure the DIT national teams have an up to date understanding of the key North East capabilities and opportunities in key sectors.

1.21 *Northern Powerhouse Key Account Management Programme*

1.22 After a successful first year aimed at broadening the delivery of the Strategic Account Management of foreign owned firms in the North East, DIT Northern Powerhouse (NPH) entered into a contract with the NECA to enable local authority partners to deliver additional account management resource, adding value to the existing arrangements delivered by DIT. The 2018/19 programme is progressing well, with delivery expected to reach contracted outputs.

DIT has confirmed that the same level of resource will be available in 2019/20 and INEE is working with local authorities on the detailed plans for this.

North East LEP study to review the Inward Investment Service in the North East

1.23 In March 2018, the North East LEP Board requested an evidence-based study to review the current Invest North East England inward investment model and to make recommendations for the regional inward investment model covering the North East LEP area, which would deliver the optimum inward investment service and achieve value for money and delivery of outputs, primarily jobs and investment.

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- 1.24 Economic Development consultancy Mickledore was appointed to conduct the study and work was undertaken over the summer. The final report was presented to the North East LEP Board on 29th November, which requested that a Task and Finish Group is set up to further consider the report which should include both public and private sector representation. The group is being led by Mark Thompson, a private sector Board member, and will include Nigel Wilcox of Mickledore and is due to report back to the LEP Board in March.

Educating the Modern World: CBI and Pearson Education and Skills Annual Report: November 2018

- 1.25 The CBI's annual education and skills survey represents views of businesses of all sizes and sectors from regions across the UK and provides a unique insight into employers perceptions of the UK's education system.
- 1.27 The CBI's 2016 report, Unlocking Regional Growth, found that educational attainment of young people at 16 was the single most important driver of productivity differences across the UK.

Key Findings

- 1.28 **Business demand and expectation for skills is continuing to change.**

For the first time since 2014, the survey found that almost 80% of businesses expect to increase the number of highly-skilled roles over the coming years, but that nearly 70% of businesses are concerned that will be a lack of skilled people to fill the roles.

More than 90% of the businesses surveyed expect to maintain or increase investment in their workforce through training.

- 1.29 **Businesses highly value qualifications and work readiness.**

Over half of the businesses in the survey value broader skills such as literacy and problem solving as one of their three most important considerations recruiting school and college leavers. The businesses also stated that they view academic and technical qualifications equally.

- 1.30 **Links between business and education remain strong, but progress has stalled.**

Effective schools and college partnerships with businesses has a key role in raising levels of attainment and smoothing the transition to work. In 2018, 75% of the businesses were involved in these partnerships, but this is down from the 2017 figure of 81%.

- 1.31 **Technical education is highly valued but is in urgent need of improvement.**

The number of firms operating apprenticeship programmes has shown a sharp fall

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since the introduction of the Apprenticeship Levy and a significant number of businesses have taken the decision to absorb the Levy as an additional cost, rather than draw down the Levy to train staff.

To boost confidence in the Apprenticeship Levy, businesses suggested slowing the use of the Levy funds to cover a wide range of costs for training.

Awareness of T-Levels amongst businesses is low, which is particularly concerning given the compulsory work experience element of the T-Levels.

1.32 Developing the higher education and skills system to meet future skills needs is crucial for UK competitiveness.

The UK's higher education system must prepare young people for the changing world of work and it must also provide the opportunity for those already in work to retrain and upskill so that they can continue to develop their skills.

Technical advances and automation are increasingly changing the nature of work. Over 60% of the businesses responding to the survey expected to retrain some employees to take up new roles in the year ahead, with over half of those businesses identifying new technologies or services as the driver for retraining.

Businesses cite the lack of funds and the costs of training, the lack of available qualifications or training and difficulties releasing employees from their day-to-day duties as major barriers to upskilling staff.

European Structural and Investment Funds Programme

- 1.33 The European Structural and Investment Fund (ESIF) programme continues to be delivered in the North East. The region is split into two areas; More Developed (Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland) and Transitional (County Durham). An update on European Regional Development Fund, European Social Fund and European Agricultural Fund for Rural Development is provided below.

European Regional Development Fund (ERDF)

- 1.34 The notional allocation for the More Developed area is £176.9m, and in the Transitional Area is £86.3m; a total for the North East LEP area of £263.2m.
- 1.35 The deadline for the first Sustainable Urban Development (SUD) call was 30 March 2018. Full applications from this call are still in appraisal. The second SUD call was announced at the beginning of September 2018 with a closing date of 31 January 2019. Funding available for this latest call was £6m for Priority Axis 4: Supporting the Shift Towards a Low Carbon Economy in all sectors, and £2.1m for Priority Axis 5: Promoting Climate Change Adaptation, Risk Prevention and Management.
- 1.36 Further ERDF calls were issued in October 2018 (with a closing date of 23 November 2018) for Priority Axis 1: Research and Innovation, Priority Axis 3: SME Support in the North East, Priority Axis 4: Supporting the Shift Towards a Low

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Carbon Economy in all sectors, and Priority Axis 5: Promoting Climate Change Adaptation, Risk Prevention and Management. Total funding across all of the calls was £36.6m in the More Developed area and £35.7m in the Transitional area. All outline applications submitted in response to these calls are undergoing appraisal by MHCLG.

- 1.37 Further calls for any remaining ERDF resource are expected to be launched in spring 2019. At this stage, approximately £58m remains to be allocated across the programme as a whole.

European Social Fund (ESF)

- 1.38 Across the whole NECA area there is a notional allocation of £224.7m (More Developed £161.31m, Transition £63.4m). At this point, approximately £53m remains to be allocated, of which nearly £45m is in Priority 2 - Skills for Growth.
- 1.39 For the six ESF calls which closed during the last reporting period: 1.1 Young People; 2.1 Digital Skills; 2.2 North East Ambition Pilot and 1.1 Specialist Support for those Furthest from the Labour Market, full applications have all been assessed and presented to the ESIF sub-committee. A number of Funding Agreements have now been issued to successful projects. The remaining submitted full applications (for 1.4 Furthest from the Labour Market and 2.1 Health and Social Care Workforce) are still in the appraisal stage.
- 1.40 A joint North East LEP and Local Authority event was held in January 2019 to inform the future Skills for Growth calls. This was followed by two further workshops in February 2019 to develop potential proposals and promote collaboration between local organisations, prior to calls being launched in spring 2019. A further pre-call consultation event is planned for 21 March 2019 focusing on Inclusive labour markets (i.e. targeting those individuals furthest from the labour market).

European Agricultural Fund for Rural Development (EAFRD)

- 1.41 EAFRD funds form part of the National Growth Programme, from which the North East received an allocation of £10.5m. Although a number of scattered localities are potentially eligible for EAFRD funding in Tyne and Wear, the focus is on the designated rural areas of Northumberland, Durham and neighbouring parts of western Gateshead, including the Derwent Valley.
- 1.42 In total, the call is oversubscribed, but the level of 'drop-outs' can be high as applications are processed, so this position may change.

Brexit

- 1.43 An update in relation to activities and preparations within the region in relation to Brexit, is provided below.

Economic Development and Regeneration Advisory Board

North East LEP Area

- 1.44 The North East Brexit Group, led by the North East LEP, provides a collective voice for the region in order to contribute to the ongoing national dialogue around the UK leaving the European Union. It includes networks representing businesses, education, trade unions, local authorities including local resilience forum representation and voluntary organisations.
- 1.45 Although there remains considerable uncertainty about the future shape of Brexit, with a number of possible scenarios, the group is moving into a second phase of work to ensure that advice and support is given to North East businesses and residents as the detail of changes emerge, and that thinking is done about other key issues germane to the negotiations about the future relationship which will follow withdrawal.
- 1.46 The group has developed a rolling work programme that responds to current possible scenarios, in particular the agreement of the current deal negotiated by the Prime Minister and the possibility of a 'No Deal' outcome. It is focused on four themes including; influencing the content of negotiations; developing compelling propositions to Government for support, given the scale of challenges faced by the North East; infrastructure preparedness; and business messaging.
- 1.47 A summary of the work to the end of 2018 is outlined in a release by the North East LEP which can be viewed using the link below.
<https://www.nelep.co.uk/news/statement-north-east-brexit-group>
It sets out and provides the documentary evidence of the group's work which includes:
- Publishing a response to the Migration Advisory Committee Call for Evidence in October 2017.
 - Publishing a 'key messages' statement on what our regional priorities are to inform Brexit negotiations.
 - Publishing a meta-analysis of reports and studies examining the impact of Brexit on the North East economy and its key sectors.
 - Responding to the All Party Parliamentary Group (APPG) inquiry into post-Brexit funding, specifically the UK Shared Prosperity Fund.
 - Supporting the development of the Brexit Toolkit which is now live on the North East Growth Hub.

Economic Development and Regeneration Advisory Board

- 1.48 Current work streams that are being delivered by the group now include:
1. Coordinating and developing a regional response to the Immigration White Paper that was published at end of 2018. This will build upon an online survey that the Brexit Group has conducted and analysed, anecdotal intelligence gathered from businesses and information through Brexit Group members. The agreed principles will support a regional response when the Home Office commences their formal consultation in April 2019.
 2. Businesses have voiced concerns about what the final deal will include, and the implications of a no deal outcome, specifically the likelihood of rising tariff costs and changes in the dynamics of their supply chains. In order to mitigate some of these issues and reduce trade risks in the shorter term, the group has recently commissioned a piece of research, led by Square One Law and WPI Economics to scope and understand alternative trade mechanisms such as Free Trade Zones and bonded warehouses. This research is two-fold, to firstly understand and analyse the legal framework that forms alternative trade mechanism and secondly, consult with regional businesses to understand the benefits and risks across different proposals.
 3. The sector study report highlighted that many North East businesses have not prepared for Brexit due to uncertainties of what the final deal will encompass. The group has worked with the LEP Business Growth team to develop a toolkit for businesses to access relevant materials and resources to increase their preparedness and to create a fund to support small businesses to take advice. The toolkit is now live on the North East Growth Hub, and the North East LEP is the first LEP to provide a single source for Brexit information and guidance. Alongside updating the toolkit content, the group has provided an opportunity for government departments to share and signpost relevant advice and guidance, for example the group hosted a representative from DCMS who shared information on data sharing and security in a 'no deal' scenario.
 4. The final Brexit deal is likely to impact how the region currently trades with Europe, and the North East Brexit group has now formed a sub-group, with the support of the North East LEP to engage with key infrastructure organisations to monitor preparedness and any ongoing concerns, in particular key transport gateways. This will enable feedback to Government about mitigation actions in different Brexit scenarios.
 5. Post-Brexit, the number of formal links and informal relationships with Europe will be reduced or lost all together and a number of important programmes such as Horizon 2020 and Erasmus are subject to negotiation. With the North East MEPs office, the group have mapped current engagement between the North East and the EU to understand both formal and informal networks and relationships to determine a strategy for preserving North East influence and engagement. Meetings have also been held with Scotland Europa, and the

Economic Development and Regeneration Advisory Board

Norwegian and Swiss permanent representation, to understand how regions from these non-EU members engage with EU programmes and what they have prioritised in their ongoing relationships.

- 1.49 Key discussion points included targeting a number of important programmes into which access could be negotiated including Horizon 2020, Erasmus and the Inter-regional co-operation programmes (for example the Inter-reg North Sea programme) as well as learning oriented co-operation with programmes like ERDF and Leader. It was recommended that the North East should develop an active plan to ensure these, and potentially other activities, are built into the future plan and that there was a need to project the North East as an engaged partner through the transition period.

NECA Area

- 1.50 Within the regional Brexit Group, NECA is represented by Sarah McMillan from South Tyneside and Vince Taylor from Sunderland. Regular reporting to MHCLG on concerns or issues from all of the 12 North East local authorities is undertaken by South Tyneside as part of the national MHCLG reporting mechanism for local government. In addition, all authorities are involved in resilience work through their Local Resilience Forum (LRF). The geography of each LRF is determined by the police force area and so the Durham and Northumbria police force areas are those which are relevant to NECA authorities. Each individual authority has undertaken its own assessment of operational and economy-wide risks emerging from a No Deal EU Exit and through the LRF has coordinated mitigatory actions as appropriate.

Local Industrial Strategy

- 1.51 An update in relation to the development of the Local Industrial Strategy for the region, is provided below.

North East LEP

- 1.52 In July 2018, the Secretary of State announced that the North East would be one of six areas that the Government would work with to develop a Local Industrial Strategy (LIS).

- 1.53 The process of developing the North East LIS is being overseen by a Steering Group that includes the North East LEP Chair and Chief Executive, North of Tyne Combined Authority Head of Paid Service, North East Combined Authority Deputy Head of Paid Service, the Dean of Engagement and Place at Newcastle University (on behalf of the region's four universities) and the Cities and Local Growth Unit (CLGU) Regional Director.

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1.54 The Department for Business, Energy and Industrial Strategy (BEIS) published a Local Industrial Strategy Policy Prospectus in October 2018. This set out their expectations of LIS. One of these is that the LIS should be based on a solid evidence base. This has been the focus of activities to date. Key elements of the evidence base will include:

- An overview of the North East economy, based on our annual Our Economy report
- A review of North East productivity performance

Mapping of North East industrial and innovation assets against the opportunities which are highlighted in the Industrial Strategy including Sector Deals and Grand Challenges.

1.55 The next stages of the LIS development process will be:

- Working with partners across the region to develop key propositions for inclusion in LIS
- Consultation and engagement on proposed LIS content
- Development of propositions in more detail
- Development of final LIS document for sign-off by LEP Board and Government. (Prior to sign-off, an update report will be provided to the EDRAB at its next meeting).

1.56 Key milestones in the process include:

- Cross-government analytical panel to review North East LIS evidence base – mid- to late-May 2019
- North East LEP Board to review evidence, headline narrative and key propositions – 23 May 2019
- Cross-government policy panel (comprised of senior officials) to review North East LIS headline narrative and key propositions – June 2019
- Consultation on North East LIS evidence, headline narrative and key propositions – Summer 2019
- LIS to be approved by North East LEP Board and Government – Autumn 2019.

NECA Dimension

1.57 Within the NECA area, work has been undertaken to develop a better understanding of the scale and nature of the economy of County Durham, Gateshead, South Tyneside and Sunderland through the development of a narrative supported by fresh economic analysis. Together with pen portraits of some of the new NECA area's most important existing projects, these are being drawn together into an economic Prospectus which will set out the area's strengths, challenges and opportunities in a way that is accessible to a wide audience but aimed primarily at private and public decision makers and influencers. This is an

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important first step in understanding how the NECA economy plays into the Strategic Economic Plan and the emerging LIS. It will be brought to EDRAB in due course.

- 1.58 NECA officers have also participated in the commissioning and delivery of the review of North East productivity performance and the mapping of North East industrial and innovation assets against the opportunities highlighted in the Government's Industrial Strategy, including Sector Deals and Grand Challenges.
- 1.59 Work will now be undertaken to identify the specific industrial and innovation assets that exist in whole or part within the NECA area that play into the opportunities highlighted in the Government's Industrial Strategy and to develop specific propositions within each of the five foundations of productivity as set out in that strategy:
- Ideas
 - People
 - Infrastructure
 - Business Environment
 - Places
- 1.60 This and work that has already begun to identify the NECA-wide pipeline of projects can form the basis of a set of proposals for inclusion in the LIS.
- 2. Proposals**
- 2.1 This report is intended for information only.
- 3. Reasons for the Proposals**
- 3.1 This section does not apply as the report is for information only.
- 4. Alternative Options Available**
- 4.1 This section does not apply as the report is for information only.
- 5. Next Steps and Timetable for Implementation**
- 5.1 This section does not apply as the report is for information only.
- 6. Potential Impact on Objectives**
- 6.1 This report sets out issues that will support the Authority in meeting its objectives, particularly in relation to those set out in the Strategic Economic Plan.

Economic Development and Regeneration Advisory Board

7. Financial and Other Resources Implications

7.1 There are no financial or other resource implications directly associated with this report as it is for information only.

8. Legal Implications

8.1 There are no legal implications directly associated with this report as it is for information only.

9. Key Risks

9.1 There are no key risks arising from this report as it is for information only.

10. Equality and Diversity

10.1 There are no specific equality and diversity implications arising from this report as it is for information only.

11. Crime and Disorder

11.1 There are no specific crime and disorder implications arising from this report as it is for information only.

12. Consultation/Engagement

12.1 There are no issues arising from this report for consultation.

13. Other Impact of the Proposals

13.1 There will be no other impacts arising from this report.

14. Appendices

14.1 None

15. Background Papers

15.1 Educating the Modern World: CBI and Pearsons Education and Skills Annual Report 2018

<http://www.cbi.org.uk/insight-and-analysis/educating-for-the-modern-world/>

16. Contact Officers

16.1 Vince Taylor, Head of Policy, Partnerships & Communications

vince.taylor@sunderland.gov.uk Tel: 0191 561 1113

Economic Development and Regeneration Advisory Board

17. Sign off

- 17.1
 - Head of Paid Service
 - Monitoring Officer
 - Chief Finance Officer

18. Glossary

- 18.1
 - FDI – Foreign Direct Investment
 - R+D – Research and Development
 - DIT – Department for International Trade
 - HPO – High Potential Opportunities
 - CBI – Confederation of British Industry
 - MAC - Migration Advisory Committee

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Economic Development and Regeneration Advisory Board

Date: 26 March 2019

Subject: Economic Development and Regeneration Advisory Board (EDRAB) - Review

Report of: Thematic Lead for Economic Development and Digital

Executive Summary

The purpose of this report is to invite Advisory Board members to provide their views in a discussion about the future role and remit of the EDRAB.

Recommendations

The Advisory Board is requested to provide its views on the future role and remit of the EDRAB.

Economic Development and Regeneration Advisory Board

1. Background Information

1.1 Members are invited to provide their views in a discussion about the future role and remit of the Economic Development and Regeneration Advisory Board (EDRAB).

1.2 The Advisory Board was established under the Economic Development and Regeneration theme of the North East Combined Authority (NECA) following its creation in 2014.

1.3 The Advisory Board was set up as a committee of the NECA to advise the Leadership Board on economic strategy, project pipelines, funding and future priorities and to monitor and oversee collaborative initiatives to promote inward investment.

The existing Terms of Reference for the Advisory Board, as set out in the NECA Constitution, are provided in Appendix 1.

The current membership of the Advisory Board is provided in Appendix 2.

1.4 Following the creation of the North of Tyne Combined Authority, and the redrawing of the NECA boundaries to comprise Durham, Gateshead, South Tyneside and Sunderland, the NECA and its themes are being refocused and an Economic Development and Digital theme has been established in place of the former Economic Development and Regeneration theme.

1.5 It is timely therefore to review the role and remit of the Economic Development and Regeneration Advisory Board. The thoughts and views of Members are sought in order to begin reshaping the Advisory Board in line with the new Economic Development and Digital theme and the revised NECA geography. It is proposed that the review be completed and new arrangements in place by October 2019.

1.6 Members are asked to provide comments on any aspect of the proposed review and the role and remit of the Advisory Board, with views welcome in particular on:

- The shift in focus to include the digital agenda within the theme;
- The operation of the Advisory Board and appropriate membership and representation going forward, including the role and responsibilities of individual members;
- Processes and mechanisms for undertaking the business and tasks of the Advisory Board (including this review).

2. Proposals

2.1 The North East Leadership Board (NELB) recently agreed new themes and thematic leads for the NECA. The appointed Thematic Lead for Economic

Economic Development and Regeneration Advisory Board

Development and Digital and Chair of the EDRAB, Cllr Graeme Miller, Leader of Sunderland City Council, therefore proposes to invite early comments from members on a review of the role and remit of the Advisory Board.

3. Reasons for the Proposals

3.1 A review is required of the Advisory Board's Terms of Reference in order to update the scope and purpose in line with the recently revised Economic Development and Digital theme of the NECA.

4. Alternative Options Available

4.1 This section does not apply as the report invites initial comments and views only.

5. Next Steps and Timetable for Implementation

5.1 This section does not apply as the report invites initial comments and views only.

6. Potential Impact on Objectives

6.1 This report sets out issues that will support the Authority in meeting its objectives, particularly in relation to those set out in the Strategic Economic Plan.

7. Financial and Other Resources Implications

7.1 There are no financial or other resource implications directly associated with this report.

8. Legal Implications

8.1 There are no legal implications directly associated with this report.

9. Key Risks

9.1 There are no key risks arising from this report.

10. Equality and Diversity

10.1 There are no specific equality and diversity implications arising from this report.

11. Crime and Disorder

11.1 There are no specific crime and disorder implications arising from this report.

12. Consultation/Engagement

12.1 There are no issues arising from this report for consultation.

Economic Development and Regeneration Advisory Board

13. Other Impact of the Proposals

13.1 There will be no other impacts arising from this report.

14. Appendices

14.1 Appendix 1 – EDRAB Terms of Reference (current)

Appendix 2 – EDRAB Membership (current)

15. Background Papers

15.1 NECA Constitution - <https://northeastca.gov.uk/wp-content/uploads/2018/12/NECA-Constitution.pdf>

16. Contact Officers

16.1 Vince Taylor, Head of Policy, Partnerships & Communications

vince.taylor@sunderland.gov.uk Tel: 0191 561 1113

17. Sign off

- 17.1
- Head of Paid Service
 - Monitoring Officer
 - Chief Finance Officer

18. Glossary

18.1 NECA – North East Combined Authority

EDRAB – Economic Development and Regeneration Advisory Board

NELB – North East Leadership Board

Economic Development and Regeneration Advisory Board

APPENDIX 1

NECA Economic Development and Regeneration Advisory Board – Terms of Reference (current)

Membership: 4 (one Member from each of the Constituent Authorities)

Quorum: 3 (not including the co-opted or LEP members)

Also: 1 non-voting member from the LEP

Any non-voting co-opted members approved by the Leadership Board representing key sectors in the region including the North East Chamber of Commerce and the CBI and the FSB.

The aim of the Economic Development and Regeneration Advisory Board (EDRAB) is to support the Leadership Board in the development of the Economic Development and Regeneration Theme by:

- Making recommendations to the Leadership Board based on insight and intelligence that is not otherwise available to Board so that the decisions taken reflect the needs and ambitions of the key stakeholders in the region.
- Providing strategic advice and intelligence relating to key drivers of growth and barriers to investment and growth and other issues relevant to NECA's aim to pursue sustainable economic growth in the region.
- Advising and supporting NECA in the development of the Economic Development and Regeneration strategic priorities and implementation plans.
- Supporting the Economic Development and Regeneration Thematic Lead in the delivery of the Economic Development and Regeneration Implementation Plan.

The Leadership Board shall seek the advice and recommendations of the EDRAB on such economic development and regeneration matters as the Leadership Board considers appropriate, which shall include (but are not limited to):

1. The development of a Regional Investment Plan that will support economic growth and build on the opportunities presented by the region's growth assets.
2. The implementation of activity that is consistent with the strategic intent outlined in the Strategic Economic Plan and associated Economic Development and Regeneration Implementation Plan.
3. Recommendations on the allocation of resources and approval of funding proposals and the prioritisation of planned regional investment in infrastructure and assets.

Economic Development and Regeneration Advisory Board

4. Monitoring and overseeing collaborative initiatives to promote inward investment.
5. Commissioning provision that is consistent with the agreed objectives.
6. Ensuring that measures associated with the delivery of the Economic Development and Regeneration work programme are linked effectively with other related service areas.
7. Advising and approving evaluation measures for the Economic Development and Regeneration related activities.
8. Monitoring performance of the delivery of the Economic Development and Regeneration work programme.
9. Considering Economic Development and Regeneration related matters specifically referred to the Advisory Board by the Leadership Board.
10. Informing the evolution of Economic Development and Regeneration related activities, taking account of government policy, global trends and capability and capacity in the region.
11. Establishing and engaging in working groups formed to progress specific priorities with the Economic Development and Regeneration work programme.
12. Approve an Annual Report summarising the work of the Board over the previous year for submission to Annual Meeting of the Leadership Board.

Information:

1. The Advisory Board will be chaired by the Economic Development and Regeneration Thematic Lead.
2. One substitute member is permitted for each Constituent Authority.
3. A Vice-Chair will be appointed from the business representative co-opted members of the Advisory Board.

Economic Development and Regeneration Advisory Board

APPENDIX 2

NECA ECONOMIC DEVELOPMENT AND REGENERATION ADVISORY BOARD – MEMBERSHIP (current)

Durham

Cllr Carl Marshal (vice chair)
Substitute: Cllr Kevin Shaw

Gateshead

Cllr John Adams
Substitute: Cllr Malcolm Brain

South Tyneside

Cllr Iain Malcolm
Substitute: Cllr John Anglin

Sunderland

Cllr Graeme Miller
Substitute: Cllr Michael Mordey

North East LEP

Gillian Hall (vice chair)

Co-opted

North East Chamber of Commerce

Jonathan Walker

Trade Union Congress

Beth Farhat

Economic Development and Regeneration Advisory Board

Confederation of British Industry

Sarah Glendinning

Federation of Small Businesses

Ted Salmon