

NORTH EAST LOCAL ENTERPRISE PARTNERSHIP BOARD

Thursday 27 July 2017 at 5.00pm

Held at the Lake Room, Quadrus Centre, Boldon Business Park

MINUTES

Present:

Farooq Hakim	BT
Gillian Hall	Watson Burton
David Land	Drive 2 Business
Andrew Moffat	Port of Tyne
Mark Thompson	Ryder Architecture
Paul Varley	North East Clothing Company
Councillor Martin Gannon	Leader, Gateshead Council
Councillor Peter Jackson	Leader, Northumberland County Council
Mayor Norma Redfearn	North Tyneside Council

In Attendance:

Helen Golightly	Executive Director, North East LEP
Patrick Melia	Local Authority Chief Executives
Richard Baker	Head of Strategy and Policy, North East LEP
Michelle Rainbow	Skills Director, North East LEP
Ray Browning	North East LEP
Gillian Kelly	Sunderland City Council

Apologies

Andrew Hodgson	Chair, North East LEP
Ammar Mirza	AmmarM (UK) Limited
Heidi Mottram	Northumbrian Water Group
Councillor Nick Forbes	Leader, Newcastle City Council
Councillor Simon Henig	Leader, Durham County Council
Councillor Iain Malcolm	Leader, South Tyneside Council
Councillor Paul Watson	Leader, Sunderland City Council
Professor Andrew Wathey	Northumbria University
Karen Redhead	Association of North East Colleges

ACTION

1. WELCOME FROM THE CHAIR AND OPENING REMARKS

The Executive Director informed Board Members that the Chair and Vice-Chairs had submitted their apologies for the meeting and it was proposed that David Land act as Chair for the meeting.

The Board AGREED that David Land be appointed as Chair for the meeting.

2. MINUTES AND MATTERS ARISING

The minutes of the Board meeting held on 25 May 2017 were agreed as a correct record.

3. DELIVERY PLAN

The Board received an update on the delivery plan setting out the progress against SEP actions and the performance against plan targets since 2014.

Michelle Rainbow was in attendance to report on the Skills Programme. Michelle advised that the European Social Fund (ESF) calls to support young people which had been imminent had now been launched. One of the calls was open for an eight week window and four other calls were open for 12 weeks. The LEP Executive Team and technical appraisal staff at local authorities were supporting potential bidders and workshops would be held over the summer.

Work under the SEP action of 'North East Ambition' was centred around the Good Career Guidance benchmarks and a Gatsby pilot had been running over the last few years. This was now moving to a full regional scale up and there had been 280 attendees at an event launching this in July 2017.

The programme was being rolled out to all schools and colleges who wished to participate with 130 out of a possible 170 secondary schools and colleges pledging to be part of the programme. The pilot had also had a positive impact on the schools which had taken part and a short video was shown to illustrate some of the feedback from the pilot.

The Board NOTED the Programme Delivery Update.

4. GREAT EXHIBITION OF THE NORTH

Carol Bell, Executive Director of the Great Exhibition was in attendance to deliver a presentation on the exhibition.

The North East had been awarded the Great Exhibition of the North as the result of a bidding process to the Department for Culture, Media and Sport (DCMS). The exhibition would take place between 22 June and mid-September 2018 and although NewcastleGateshead was taking the lead, this was about showcasing the North of England as a whole. The exhibition would have a predicted audience of three million and would show how the North's art, culture and innovation had shaped lives and would build the economy of tomorrow.

The planned outcomes for the Great Exhibition included boosting inward investment, encouraging more young people to study STEM subjects and broadening access and participation in arts and culture. There would be four key themes of the exhibition – Arts, Culture, Design and Innovation and the exhibition hubs would include the Great North Museum, Sage Gateshead and Baltic.

The vision and call out for the exhibition had been shared in March this year and expressions of interest were submitted in May. It was planned to select some elements of the programme following the call out in August with some elements being announced in November. The full programme would be announced in January 2018.

Carol advised that the exhibition had an operations board and local leadership group and reported direct to DCMS. The original bid for the exhibition totalled £10.6m with £4.5m having been awarded by DCMS and partner match funding of £2.4m identified. The board was seeking £1m from ERDF and £750,000 from the Heritage Lottery Fund and Arts Council and was working hard to get corporate sponsorship. It was intended to secure five premier partners to contribute £500,000 each and others to support to the value of between £25,000 and £100,000.

There would be opportunities for engagement in the exhibition and to help tell the story of the North. There would be a volunteering programme and business expo with signposting to the wider region through visitor itineraries. There was also a £15m capital legacy fund which DCMS were keen to make awards from and it was hoped that LEPs across the North would help to support this.

The Board NOTED the presentation.

5. STRATEGY PIECES

(i) Next steps with the Strategic Economic Plan communications and evidence

Richard Baker was in attendance to talk to three reports which were presented to the Board.

The paper provided an update on action in relation to communicating and promoting the Strategic Economic Plan and the ongoing strengthening of the economic evidence base in order to support thinking about North East economic development.

The report listed the various products and activities which were being used to communicate the SEP and Richard advised that the LEP team was working on a video which would communicate this. A core presentation was available, and being used, and work would continue to drive awareness.

The evidence base was a key part of the process and it was aimed to get to a rolling programme of information development. The Board was informed that Victoria Sutherland had been appointed as a senior economist and it was proposed that short updates on new economic evidence would be brought to the Board on a regular basis. This would develop into an annual cycle and a State of the Region event would bring this together.

The Board NOTED the update.

(ii) Brexit and the North East

The second paper set out what had happened in the context of Brexit and it was highlighted that the Brexit working group which had prepared the original statement of key messages had continued to meet to monitor and co-ordinate knowledge. It was proposed to formalise the mechanism of the group with other partners and to coordinate the voices of the North East in this.

The Board NOTED the report and ENDORSED the next steps as set out.

(iii) Shaping the Economic Policy Environment

The third paper built on the previous two and considered the role of the LEP as an advocate for the SEP, set out the policy agenda at the current time and the range of organisations working in this space.

A key consideration was the position of the LEP in public policy work and as a collaborative organisation working across sectors, the underpinning principles of any work should be of non-partisanship and add value, while avoiding duplication.

The LEP Senior Management Team had carried out work which showed that the LEP Board and Executive Team were currently actively involved in a range of processes which could help shape the economic environment and in turn helping to enable the delivery of SEP themes. The Senior Management Team proposed that a piece of work should be undertaken to more clearly understand the networks and routes to influence and establish co-ordination to enhance North East influencing in support of SEP aims. The expectation was that this work would improve North East messaging and would complement the work of partners in business networks, in local government, education and in key sector and cluster organisations.

The Board NOTED the position and progress being made on this agenda and ENDORSED the direction of travel.

6. CONFIDENTIAL UPDATES

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

7. FUTURE NORTH EAST ECONOMIC GROWTH INVESTMENT

The Board received a report presenting a position statement from the North East LEP on future North East Economic Growth Investment.

The paper set out that there was no further commitment from the Government for Local Growth funding or the replacement of the European Structural and Investment Funds following the current programme and the need for the LEP to set out a clear position with the Government to support local growth and influence policy shaping. Board Members were asked to endorse the statement as lobbying material to influence the Government thinking on future investment policies and processes.

It was suggested that statement attached at Annex One to the report be reviewed and restructured to make more ambitious demands and provide solid justification for these demands.

The Board AGREED that the Executive Team be asked to review the key messages in Annex One in order to improve the evidence behind the investment request and to demonstrate a more ambitious level of potential investment to deliver SEP outcomes.

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8. NORTH EAST LEP FUNDING AND INVESTMENT GOVERNANCE

The Board received a report setting out the current governance arrangements relating to the funding managed by the North East LEP and providing recommendations on how these arrangements could: -

- better utilise specialist advice;
- be future proofed to streamline the approval process;
- improve wider LEP investment oversight and strategic thinking; and
- potentially allow time required at the North East LEP Board for funding decisions to be used more effectively, whilst continuing to meet Government guidelines, transparency and assurance.

It was proposed to merge the Technical Steering Group with the Investment Panel to create a Funding and Investment Board which would enable improved strategic, and fund, management. The proposed membership would be five members of the LEP Board – three private sector including the Chair and two public sector. It was also proposed that three external specialists be appointed to provide advice on the property market sector, commercial banking and access to finance.

Regarding the level of delegation to the Funding and Investment Board, it was confirmed that the LEP Board would make all primary funding decisions but the Funding and Investment Board would have delegated powers to sign off the full business case after due diligence as long as it was still within the scope of the initial LEP Board decision.

The Board AGREED that: -

- (i) the setting up of the proposed Funding and Investment Board to replace the Investment Panel and the Technical Steering Group be approved;**
- (ii) it be approved that the membership of the Funding and Investment Board be three private sector and two public sector members of the LEP Board and that one of the private sector LEP Board members chair the Funding and Investment Board; and**
- (iii) the roles and responsibilities as set out in annex one which will be used to inform the Terms of Reference and operational processes be approved.**

9. SETTING UP A COMPANY LIMITED BY GUARANTEE

The Board received a report providing an overview of the key benefits of setting up a company limited by guarantee to sit alongside and support the North East Local Enterprise Partnership.

It was reported that 20 out of the 38 LEPs in the country had an associated limited company and it was proposed that establishing a company limited by guarantee would allow the LEP to bid or apply for funding where the eligibility criteria currently precluded non-incorporated or public sector organisations.

The Board AGREED that: -

- (i) it be agreed to establish of a company limited by guarantee to sit alongside the current LEP model and to be responsible for procuring external funding and the delivery of specific projects in furtherance of the SEP; and**
- (ii) final approval of the company structure be delegated to the Chair and Vice Chair of the LEP Board in consultation with the NECA Monitoring Officer and Executive Director of the LEP.**

10. NORTH OF TYNE DEVOLUTION

The Board received an update on the progress being made towards North of Tyne devolution..

The Board NOTED the update.

11. ANY OTHER BUSINESS

It was queried whether there was going to be a large communications event taking place in the Autumn as it would be a year since the SEP launch. Board Members were advised that an annual 'State of the Region' event was planned to demonstrate the ongoing dialogue taking place between organisations in the North East LEP area in the Spring.

12. DATE AND TIME OF NEXT MEETING

The next meeting of the LEP Board would take place on Thursday 28 September 2017 at 5.00pm.

ACTION LOG

<u>Action</u>	<u>Lead</u>	<u>Update</u>