

NORTH EAST LOCAL ENTERPRISE PARTNERSHIP BOARD

Thursday 28 July 2016 at 5.00pm

Held at Sunderland College, Bede Campus, Durham Road, Sunderland, SR3 4AH

MINUTES

Present:

Andrew Hodgson	Chair, NELEP
Farooq Hakim	BT
Gillian Hall	Watson Burton
David Land	Drive 2 Business
Jeremy Middleton	Middleton Enterprises
Andrew Moffat	Port of Tyne
Mark Thompson	Ryder Architecture
Paul Varley	Oddballs
Councillor Grant Davey	Leader, Northumberland County Council
Mayor Norma Redfearn	North Tyneside Council
Councillor Paul Watson	Leader, Sunderland City Council
Jon Vincent	Association of North East Colleges

In Attendance:

Helen Golightly	LEP Chief Operating Officer
Adam Wilkinson	Interim Head of Paid Service, NECA
Paul Woods	Chief Financial Officer, NECA
Patrick Melia	Chief Executive, North Tyneside Council
Gillian Kelly	Sunderland City Council

Apologies

Heidi Mottram	Northumbrian Water Group
Councillor Nick Forbes	Leader, Newcastle City Council
Councillor Martin Gannon	Leader, Gateshead Council
Councillor Simon Henig	Leader, Durham County Council
Councillor Iain Malcolm	Leader, South Tyneside Council
Professor Andrew Wathey	Northumbria University

ACTION

1. WELCOME FROM THE CHAIR AND OPENING REMARKS

The Chair welcomed everyone to the meeting and thanked them for their attendance.

Board Members were made aware that the meeting was inquorate on the

local authority side, however the majority of reports had been considered by the Leadership Board and if any decisions were required, consent would be sought via email from those Board Members who were not able to attend.

2. MINUTES AND MATTERS ARISING

The minutes of the Board meeting held on 26 May 2016 and 4 July 2016 were agreed as a correct record.

3. APPOINTMENT OF VICE-CHAIRS

The Board received a report setting out the arrangement for the public sector Vice-Chair of the North East LEP Board.

The Board had previously been advised that Councillor Watson had succeeded Councillor Henig in the role of the Chair of the North East Combined Authority. Accordingly the North East Leadership Board had agreed that Councillor Watson would replace Councillor Henig in his role as Vice-Chair of the North East LEP Board.

The Board NOTED that Councillor Watson had been appointed as the public sector Vice-Chair of the North East LEP Board.

4. STRATEGIC ECONOMIC PLAN REFRESH

The Board received a presentation providing an update on the current position with regard to the refresh of the Strategic Economic Plan (SEP).

The process and timings of the refresh was outlined and Board Members were advised of the content of each of the relevant publications. The economic analysis published in June 2016 provided key messages around recent economic progress, ongoing challenges and key messages looking forward.

Opportunity areas had been identified as: -

Key capabilities – smart specialisation themes

- Passenger Vehicle Manufacturing
- Subsea and Offshore Technology
- Life Sciences and Healthcare
- Creative, Digital, Software and Technology Based Services

Enablers: Areas of high productivity and employment potential

- Financial, professional and business services
- Education – in particular, but not exclusively HE
- Transport and logistics

‘Place’ and regional competitiveness

- Sites, housing, digital infrastructure, quality of life assets, environment
- Potential for productivity gains linked to concentration of activity
- Place and innovation – smart cities, test beds etc.
- Internal and external connectivity

An engagement paper and on-line survey had been published and eight consultative workshops had taken place during June and July to provide feedback on future directions, opportunities and challenges and North East issues in each of the opportunity areas. The next steps for the process would be an Advisory Group meeting on 3 August and further engagement with networks over the summer. The relevant sub-boards and the North East Combined Authority would meet during September to consider implications and refine plans.

The Board were advised that the North East Economic Review had adopted a strategic approach around the four smart specialisation themes and enablers and had looked at how the region could be differentiated in the Northern Powerhouse area. This would also put the LEP in a position to have a national and international conversation and the Industrial Strategy would give a clearer sense of what the North East LEP region had to sell which was specific to it. Richard said that there was a catch all within the consultation asking what might have been missed within the SEP, for example the Water Science Hub at Durham University.

KPI information was now being brought to the Board and would now move forward to the action orientation stage. This was a strong opportunity to set out how the LEP was going to achieve the aims of the SEP. It was noted that with the European dimension it was a perfect opportunity to future proof the refreshed SEP and that action plans were needed to take the region forward. It was also suggested that it would be useful to know what was new and what had changed within the updated plan.

The Board were advised that the evidence base would be analysed and taken back to the sub-boards and further refined so that action plans would flow from the data presented to the September meetings.

The Chair concluded by saying that he was receiving positive feedback on the process and believed that the refreshed plan would be a more powerful document.

The Board NOTED the update.

5. STRATEGIC ECONOMIC PLAN DELIVERY

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.

6. EU REFERENDUM – BOARD DISCUSSION

The Board were advised that representatives from the business community had met on 8 July 2016 to discuss the immediate impact of Brexit. A note of the discussion was presented to the meeting.

Now that the decision had been made, it was felt that the LEP had to move forward and use the shock of the Brexit vote to reignite the ambition of the region and to think about the very significant asks to make of the Government and itself.

It was highlighted that businesses were generally very supportive of devolution and also of a single inward investment programme. Currently there was only one small gateway team and the business community wanted a more ambitious view to be taken. There was concern about the time taken to move from reactive to proactive and the need for a marketing plan for the region.

It was felt that fiscal sustainability should be something to aim for, but tools were needed to improve the region's own economy and to create a level playing field. It was agreed that there should be specific asks for money and flexibility and that there were business led, commercial ways of achieving this. The group also discussed how to make the North East region stand out and be differentiated from other areas.

It was agreed that the notes from the meeting would be shared with local authority chief executives to obtain their comments and additions from a public service perspective. Feedback on this would be provided at the next LEP Board meeting.

It was felt that the region needed to promote itself within its own communities and to also consider what sort of investment model it wanted to have going forward. The Board were informed that the Greater Manchester Combined Authority had asked the North East Combined Authority to sign a letter asking that nationally significant trade be protected and it was noted that it might be useful to highlight things which were very specific to the North East in the 'asks' to Government.

The Board NOTED the content of the discussion.

7. LET'S GROW FUNDING

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.

8. FUNDING UPDATE

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9. DEVOLUTION UPDATE

Adam Wilkinson informed the Board that the first Order was currently with the Government and was expected to receive final acceptance in the first week of September and after this point legally the Mayoral Combined Authority would be in place. The second Order would not be progressed until the governance arrangements had been consulted on and this process was on hold until there was confirmation of Government funding and the need for an elected mayor. If this went forward then the constituent authorities would agree the second Order which would create the governance and structure of the mayoral combined authority and enable elections to be held in May 2017.

The Board NOTED the update.

10. NECA THEME UPDATES

(a) Employability and Inclusion

The Board received a report providing an update on the progress being made in delivering the Employment and Inclusion SEP theme.

Councillor Davey highlighted that good results were being seen in youth employment programmes and progress was also being made in relation to the DWP European Social Fund Opt-In for the North East and the Mental Health Trailblazer.

The Chair informed the Board that the Social Mobility Foundation had begun a project to link disadvantaged individuals to job opportunities in the North East LEP area.

The Board NOTED the update report.

(b) Economic Assets and Infrastructure

The Board received a report providing an update on the progress being made in delivering the Economic Assets and Infrastructure SEP theme.

Councillor Watson drew attention to the investments made in 2015/2016 which totalled 107 and had created 3,368 new jobs. Approximately 75% of the foreign direct investments were re-investments which reinforced the good work which was done in terms of aftercare with investors. It was highlighted that in 2016/2017, more than 2,000 jobs had already been created through

further inward investment.

The Board NOTED the update report.

(c) Transport and Digital Connectivity

The Board received a report providing an update on the progress being made in delivering the Transport and Digital Connectivity SEP theme.

The Board NOTED the update report.

11. ANY OTHER BUSINESS

Adam Wilkinson

The Chair advised Board Members that this would be Adam Wilkinson's last LEP Board meeting before he left his role with the North East Combined Authority. On behalf of the Board, the Chair thanked Adam for his fantastic work and support to the LEP Board and wished him well for the future.

12. DATE AND TIME OF NEXT MEETING

The next meeting of the LEP Board would take place on Thursday 29 September 2016 at 5.00pm.