

NORTH EAST LOCAL ENTERPRISE PARTNERSHIP BOARD

Thursday 11 September 2014 at 5.00pm

Held at Watson Burton, St James' Gate, Newcastle upon Tyne

MINUTES

Present:

Paul Woolston	Chair, NELEP
Dr Arnab Basu	Technology Business Kromek
Gillian Hall	Watson Burton
Andrew Hodgson	SMD North Tyneside
David Land	Gestamp Tallent
Jeremy Middleton	Middleton Enterprises
Gill Southern	Wessington Cryogenics
Paul Varley	Oddballs
Councillor Grant Davey	Leader, Northumberland County Council
Cllr Nick Forbes	Leader, Newcastle City Council
Cllr Simon Henig	Leader, Durham County Council
Councillor Mick Henry	Leader, Gateshead Council
Mayor Norma Redfearn	North Tyneside Council
Professor Peter Fidler	University of Sunderland
Anne Isherwood	Association of North East Colleges
Jane Robinson	Chief Executive, Gateshead Council

In Attendance:

Helen Golightly	LEP Chief Operating Officer
James Davies	LEP Team
Richard Baker	LEP Team
Chris Milne	LEP Team
Gillian Kelly	Sunderland City Council

Apologies

Michael Bellamy	PII Pipeline Solutions
Councillor Iain Malcolm	Leader, South Tyneside Council
Cllr Paul Watson	Leader, Sunderland City Council

ACTION

1. WELCOME FROM THE CHAIR AND OPENING REMARKS

The Chair welcomed everyone to the meeting, thanked them for their attendance and thanked Watson Burton for hosting the meeting.

2. INTRODUCTION FROM RICHARD PALMER, WATSON BURTON

Richard Palmer welcomed the Board to Watson Burton and stated that the practice had been serving the North East for over 200 years and had recently opened offices in Leeds and London. This would provide greater opportunities to reach clients and bring work back to the North East.

Transport and technology are very important to the practice and Watson Burton are active in the transport sector, acting for East Coast and Tyne Tunnel 2 and also acting for business start-ups in the technology sector. Watson Burton's objective is to get to know the regional decision makers and are keen to be involved in the Local Authority legal framework and to help in any way they could.

3. MINUTES AND MATTERS ARISING

The minutes from the meeting held on 17 July 2014 were agreed as a correct record.

Investment Panel Update

The Chair reported that the matters which had been delegated at the last meeting had been completed and the agreements were at the final stage for sign off.

Strategic Environmental Assessment (SEA)

The LEP Chief Operating Officer advised that this had been picked up with Viv Geary and it had been confirmed that an assessment would be required for the Strategic Economic Plan (SEP). There was currently a national challenge to the SEP process around the need for an SEA and this could result in a judicial review. It was understood that BIS would take a view on this within a month and any planning for the assessment would wait until the outcome of the challenge was known.

Staffing

The Board were updated on the process for the recruitment to vacant posts in the LEP team.

The Board were also informed that it was planned to have another away day event and the format and potential dates for this were currently being drawn up.

4. EUROPEAN STRUCTURAL AND INVESTMENT FUNDS UPDATE

The Board received an update on the European Structural and Investment Funds Strategy (ESIF) as its development moved closer to implementation. The LEP had received guidance in August 2014 to inform the development of

an implementation plan and the establishment of shadow governance arrangements. The first stage of the implementation plan required an update on four specific tasks: -

- Updated spend allocations by Investment Priority for 2018 and 2023
- Updated outputs by Investment Priority for 2018 and 2023
- Indicative calls for 2015
- Outline activities for opt-ins for initial period

This information would be developed with partners and would be provided at a high level in an indicative form by the end of September 2014.

It had been confirmed that the national Operational Programme no longer supported activities around Sustainable Transport and it was hoped to pick up elements of this under the low carbon theme. The inclusion of broadband infrastructure and climate change mitigation was still under discussion and the LEP would continue to push for maximum flexibility.

The LEADER development strategies had been circulated and Gillian Hall had provided the endorsement on behalf of the LEP Board.

A draft Sustainable Urban Development proposal for £24m had been put to the Government in July and this had been broadly well received, with a few elements to be worked up. With regard to the geography to be covered, the feedback had been that this was insufficiently urban and work was being undertaken with Northumberland and Durham County Councils to resolve this issue before the proposal was re-submitted to Government.

Further guidance had been received on the governance structures, including a list of types of representatives required for the ESIF committee. The LEP Chief Operating Officer advised that the LEP team were working closely with the Economic Directors to bring capacity to the process. The terms of reference for the committee had talked about a single Chair and when this had been followed up with DCLG, they had advised that they would not endorse a co-chair proposal.

Board members were pleased to note that additional officers were working on this and providing support. It was also highlighted that the EU Engagement Group met on a monthly basis with representation from the LEP and the LA7 and that all local authorities had put forward resources to help with the project.

The ESIF Committee would need to appoint a chair and it was agreed that the LEP Board Chair be supported in becoming chair of the Local Sub Committee.

The Board AGREED: -

- (i) to receive the update on progress to date on the European Structural Investment Funds and noted the next steps;**

- (ii) that the proposed approach to implementation and governance arrangements be approved, with the LEP Board recommending that the LEP Board Chair should be supported in becoming chair of the Local Sub Committee, committee nominations related to the European Structural and Investment Funds be provided and the finalisation of the detail of the strategy be supported; and**
- (iii) that the update on the submission of the Sustainable Urban Development proposal be received.**

5. INNOVATION UPDATE

The Board received a report updating them on the work done to develop the Innovation programme set out in the Strategic Economic Plan (SEP).

The process of recruiting the Innovation Board and Innovation Director was nearing conclusion.

The Innovation task and finish group had been working to develop detail required for the seven priority programmes in the SEP and ESIF. Three calls had been developed which were being recommended for commissioning in early 2015 as ESIF resources became available. These were: -

- The Innovation Supernetwork
- University Research Commercialisation
- Our Innovation Projects Programme

The LEP Board were asked to agree to the prioritisation of these three calls for the first phase of ESIF funding and Board Members supported the proposal.

The Board also received an update on the work which was being done to develop the structure for the two Catalytic Competitions and the Grand Challenge.

The Board AGREED that: -

- (i) the progress made towards making appointments to the Innovation Board and post of Innovation Director be supported ;**
- (ii) prioritisation of three calls for the first phase of ESIF funding be agreed; and**
- (iii) the progress in developing a theme for the Grand Challenge be noted.**

6. BUSINESS SUPPORT PROGRAMME UPDATE

The Board received an update on the development of the Business Support Programme.

The process of establishing the Business Support Board was underway and the intention was to develop a coordinated package of business support which would make the North East a place where it was as easy as possible to do business.

The scope of the Business Support Programme was outlined to Board Members and updates were presented on the actions endorsed at the LEP Board meeting on 17 July 2014.

The immediate project which was being focused on was the North East Growth Hub which was intended to simplify and rationalise existing business support activity by integrating at the centre and joining up the services which were already available. There were great examples of satellite services in the region and the Hub was to be up and running by April 2015.

A North East LEP Business Directory was being developed through the business support mapping project and marketing work was being developed with the business community informing the communications strategy.

Board Members were apprised of the process for establishing the Business Support Board

It was noted that the Business Support Programme needed to take into account the differing needs of rural business. The Growth Hub would be integrated with the National Business Support Helpline as it was recognised that around 20% of businesses did not have access to the internet.

The Board NOTED the Business Support Programme Update.

7. INVESTMENT PANEL UPDATE

(a) North East Investment Fund Position

The Board received a report providing an overview of the North East Investment Fund and setting out the current position of projects being delivered and in the pipeline.

The Board NOTED the North East Investment Fund position.

(b) Confidential due to commercial information

8. SEP DELIVERY

The LEP Chief Operating Officer informed the Board that there was an ongoing dialogue with the Department of Business, Innovation and Skills (BIS) on what would be needed to deliver the Local Growth Deal. 22 of the 33 identified projects were to be delivered through the Local Growth Fund (LGF) and each of these would have to have an assessment of its business case, State Aid compliance, value for money and ability to hit the spending profile.

Expectations for monitoring and performance management would be passed on to project sponsors but it was not known at the moment what the Government would want to monitor and the LEP was trying to pre-empt this.

It was understood that a high level LGF implementation plan would be required by the end of October and this was beginning to be pulled together now.

The Board NOTED the update on SEP delivery.

9. OTHER BUSINESS

LEP Board Agenda

The Chair informed the Board that he would like the LEP Board agenda to be structured around the six themes of the Strategic Economic Plan in the future so that Board Members would be in a position to monitor delivery.

10. DATE AND TIME OF NEXT MEETING

The next Board meeting would be held on **Thursday 20 November 2014 at 5.00pm.**