

North East Local Enterprise Partnership Board

22 July 2021

Meeting held via Microsoft Teams

Present

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| Lucy Winskell | Chair, North East LEP |
| Gillian Hall | Gillian Hall Consulting Limited |
| John McCabe | Fusion PR Creative |
| Andrew Moffat | |
| Heidi Mottram | Northumbrian Water Group |
| Councillor Hopgood | Durham County Council |
| Councillor Gannon | Leader, Gateshead Council |
| Councillor Wearmouth | Northumberland County Council |
| Chris Day | Newcastle University |
| Mark Thompson | Ryder Architecture |

Apologies

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| Ammar Mirza | AmmarM (UK) Limited |
| Carol Botten | VONNE |
| Erika Leadbitter | TS Marine Ltd |
| Ellen Thinnesen | Sunderland College |
| Kate Wickham | Gate7 Group |
| Councillor Nick Forbes | Leader, Newcastle City Council |
| Councillor Dixon | Leader, South Tyneside Council |
| Mayor Driscoll | Mayor, NTCA |
| Mayor Redfern | Mayor, North Tyneside Council |
| Councillor Miller | Leader, Sunderland Council |

Officers

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| Helen Golightly | CEO, North East LEP |
| Michelle Rainbow | LEP Skills Director |
| Paul Woods | Finance Officer, NTCA |
| Katy Laing | Finance officer, NTCA |
| Brenda Joyce | Democratic Services |

1 WELCOME FROM THE CHAIR AND APOLOGIES

The Chair, Lucy Winskell, welcomed everyone to the meeting. She went on to welcome new attendees, Councillor Richard Wearmouth, Deputy Leader of Northumberland County Council (representing Councillor Sanderson) and Councillor Amanda Hopgood, the new Leader of Durham County Council.

Apologies were received from Ammar Mirza, Carol Botten, Erika Leadbitter, Ellen Thinnesen, Kate Wickham, Councillor Forbes, Councillor Dixon, Mayor Redfern and Councillor Miller and Mayor Driscoll.

Helen Golightly stated that, in terms of being quorate, four members from the public sector and three members from the private sector needed to be in attendance.

Although Councillor Wearmouth was an observer the Constitution made provision for the observer to step up to be a member if members from the NTCA were not available; as such, Councillor Wearmouth would be noted as a member in the minutes and make decisions. Similarly, Councillor Hopgood would be noted as a member rather than an observer to make up the three public sector members to be quorate.

The Chair advised Members that the Investment Board was not quorate when it met and therefore had recommended the decisions to the North East LEP Board for approval.

She went on to congratulate Councillor Miller and colleagues in Sunderland, and South Tyneside, for the fantastic recent news regarding Nissan UK.

2 **DECLARATIONS OF INTEREST**

John McCabe declared an interest in the Air View Park and Bessemar Court projects (included in item 6).

Mark Thompson declared an interest in Gilbridge Police Station, Sunderland (included in item 6).

Gillian Hall declared an interest as a Port of Tyne Commissioner.

3 **MINUTES OF THE LAST BOARD MEETING HELD ON THURSDAY 27 MAY 2021**

The minutes of the last meeting held on 27 May 2021 were approved.

Helen Golightly (Chief Executive) gave a verbal governance update to advise that the North East Combined Authority and the North of Tyne Combined Authority nominations for Vice Chairs had now been received and were Councillor Dixon and Mayor Redfern respectively.

CHANGE TO ORDER OF AGENDA ITEMS

To enable agenda item 6 to be considered for decision, it was agreed that it be taken at this point.

4 **FUNDING DECISIONS AND UPDATE**

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

As the most recent Investment Board meeting was inquorate, this report included investment decisions for LEP Board decision in Part A; those Investment Board members present at that meeting had endorsed the project funding

recommendations that were being presented to the Board; Part B provided a summary of funding decisions taken under delegation since the last Board meeting and Part C provided a funding programme round up.

There were five CPIF Pilot programme Projects requiring approval.

During the discussion on the report the following comments and points were raised:

- Andrew Moffat confirmed that Investment Board had no particular issues with these items.
- It was anticipated that the Drum Industrial Estate project be subject to approval in September. This was one of the original three projects that was envisaged to be part of this programme. There had been a lengthy process of discussion between the developer and Durham Council. This was now at the stage where the developer could issue a plan to be appraised and this would take place in August. A saving had been identified within the programme and the balance would come from the NEIF. This funding route could support the project if it was recommended for approval.
- Cllr Hopgood declared an interest in projects in County Durham.

With regard to the Project Development Accelerator Fund, the Board was recommended to approve four 'green' projects with project specific conditions as set out in Appendix 2.

The non-urgent applications from the first call would apply in August and would be reported to the September Board alongside the assessment of two other outstanding bids.

During the discussion on the report Andrew Moffat confirmed that Investment Board had no particular issues with these items.

RESOLVED - That the Board is agreed to:

- i) Approve GBF grant incentive funding to the following CPIF pilot scheme projects under the Getting Building Fund, as detailed in Appendix 1;**
- ii) Agree to the funding approach set out in paragraph 2.5 to increase the CPIF budget a further project be approved at the September 2021 Investment Board.**
- iii) Approve four projects from the North East Strategic Project Development Accelerator Fund Budget First Call, urgent stage, as detailed in Appendix 2;**
- iv) As detailed in para 4.20 and 4.21, and subject to the conditions as set out, approve the project and to delegate the final decision to the Chief Executive in consultation with the NTCA Monitoring Officer and S73 Officer.**
- v) Agree to the backstop date for drawdown of the NEIF being extended to 31st December 2021, as set out in paragraphs 6.2-6.4.**

vi) Support the North East Challenge Programme as set out in paragraphs 7.2 to 7.8, subject to the outcomes of grant funding applications; and if successful:

- a. enter into Grant Funding Agreements with each grant awarding authority.
- b. enter into Service Level Agreements with the two delivery partners.

vii) Support the Future Markets Programme as set out in paragraphs 7.9 to 7.13, subject to the outcome of grant funding application; and if successful

- a. enter into UK CRF Grant Funding Agreements with local authorities.
- b. enter into Service Level Agreements with the eleven named delivery partners.

viii) Note the funding decisions taken under delegation in Part B, Table 3 between 20 May and 15 July 2021

5 SKILLS, EMPLOYMENT, INCLUSION AND PROGRESSION UPDATE AND DISCUSSION

Michelle Rainbow (Skills Director) gave a detailed presentation on the role and remit of Skills Advisory Panel, the Local Skills Report, current research, SEP key delivery aims for 21/22 and what was new around areas of focus.

During the discussion on the report the following comments and points were raised:

- The Chair commented on the scale and breadth of the ongoing work and asked if the Board was doing enough to support the Team.
- The Team remained focussed as they always came back to the key principles of the SEP and asked what value would be added. The Team also worked closely with a vast network of stakeholders, partners, local authorities etc.
- Research by New Skills Consulting and IPPR North would conclude in August; both consultants had been asked to produce a series of recommendations on the social elements of digital exclusion and the skills related impact of digital exclusion to inform a regional strategy.
- Local schools would have data on all homes that had been allocated IT, as would whether the kit had been used or not. The FE sector had also kept records of support to learners. Anecdotal evidence was also important.
- The role of higher education in the 'skills, employment, inclusion and progression' agenda was interesting. The Augar report might make the situation clearer. Newcastle, Northumbria and Durham universities had signed an MOU on how to produce the skills needed. FE offerings would have to be joined up with HE offerings to provide a suite of education levels appropriate for local industries.
- The construction industry was talking about 'people' rather than just skills.
- The six months Kickstart Scheme was off putting to employers as well as the target audience of 16 to 24 year olds.

- The region needed polytechnic need facilities to enable part time construction degrees.
- The LEP was working with Construction Excellence North East and the CITB, as well as national groups such as the Esh Group, looking at green construction for the future and skills around that. The Team was also talking to the national Green Energy Board Skills Working Group.
- Congratulation were offered to the Team as the only LEP to be invited to give evidence at a House of Lords Select Committee.
- Northumbria Water had taken on a number of Kickstart placements, but the six months of the scheme was too short and possibly not considered serious enough for a potential route for some people.
- A lot of businesses got behind getting computers to young people last year. It was suggested that work could be done with parents in the home where it was known the household now had a computer. It was hoped that the New Skills Consulting and the IPPR research and information from third sector partners would uncover the challenges.
- A main problem around this was because it did not sit with one government department; however, a business case needed to be ready for as and when funding became available to address the digital divide.
- The learning catch up for school children would be considerable and a major issue.
- There was now almost two years of school leavers struggling in the jobs market and had hospitality etc. chances denied.
- Messages around the 1000 available Kickstart positions needed to go out loud and clear from all partners; it was suggested that it should be on a local news programme.
- The impact on staycations would be around for some time. Some areas had been inundated with tourists but did not have the skilled workers. This sector of the economy was particularly challenging, but it would be interesting to see what could be done around hospitality.
- Sarah Green was attending the next meeting of the Skills Advisory Panel to talk about the challenges within the hospitality sector and discuss possible solutions. There needed to be a narrative that talked about 'a career' in hospitality, leisure and tourism rather than a one-off job with a zero hours contract.
- Covid had compounded Brexit issues in the labour market.

The Chair advised attendees that the Board had had one informal meeting to deep dive into certain areas. She suggested that this topic could be returned to in an informal session and Michelle and her Team for the huge amount of work going on.

6 ANNUAL DELIVERY PLAN PROGRESS UPDATE

This report provided a summary of the progress against the Annual Delivery Plan 2021/22 and highlighted points to note since the last meeting.

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

The Chair commented that the Annual Delivery Plan was another demonstration of a good positive story.

RESOLVED – That the Board noted the contents of the report and *Appendix 1*.

7 **CHAIR AND CHIEF EXECUTIVE UPDATE**

This report provided an update to Board Members on some of the discussions the Chair and Chief Executive had been involved in since the last Board meeting in May.

Helen Golightly verbally updated Board on the government led national LEP Review. The review was ongoing, at a slower pace than anticipated, with four workstreams. Helen was leading on the relationship with local and combined authorities workstream. There was no specific reference to LEPs in the Prime Minister's levelling up speech. It was likely that the work would complete by the end of August or September, ahead of the comprehensive spending review.

Of the SEP programmes the transport element was facilitated by Transport North East and the JTC. The investment piece was moving towards the local and combined authorities and the LEPs were not expected to have any key role in terms of investment. There was a strong indication that business support would remain with the LEPs and focus on the growth hub and advice and guidance. There was a clear recognition that there was a critical role for LEPs around the skills arena.

The government had issued the National Innovation Strategy today and there was a clear role for innovation for everybody and certainly within LEPs.

The LEP would only deal with funds it already held; it was expected that the skills and enterprise piece and business growth piece would land with the LEPs.

8 **ANY OTHER BUSINESS**

Helen Golightly confirmed that the next meeting would probably be held remotely as the Team was still operating to the working from home policy.

9 **DATE AND TIME OF NEXT MEETING**

Thursday 30 September from 5:00 – 7:00pm