

Item 1.3: CONFIRMED Key Decision/Action Points from Board

D2N2 LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

Tuesday, 31 March, 2020

By Zoom Dial-In

Chair Elizabeth Fagan, CBE

Minutes Sally Hallam

1. Present and Apologies

D2N2 Board Members in Attendance

Graham Cartledge	Business Representative
Paul Harris	Business Representative
Jane Howson	VCS Representative
Cllr David Mellen	Leader, Nottm City Council (10.00 – 10.45am)
Prof Kathryn Mitchell	H E Representative
Cllr Chris Poulter	Derby City Council
Emma Rigler	Business Representative (from 10.30am)
Cllr Simon Robinson	Rushcliffe Borough Council
Viv Russell	Business Representative
Karen Smart	Business Representative
Dawn Ward, CBE	F E Representative
David Williams	Business Representative
Melanie Phythian	For Area Lead D2N2, BEIS
Susan Caldwell	LEP Senior sponsor, DIT

Also in attendance

Scott Knowles	CEO, East Midlands Chamber
Nicki Jenkins	rep for Nottingham City Council
Lee Hickin	rep for N E Derbyshire DC
Anthony May	CEO, Nottinghamshire County Council
Greg Jennings	rep for Derby City Council
Mike Ashworth	Director, Derbyshire County Council

Officer Support

Natalie Gasson	Head of Operations, D2N2
Tom Goshawk	Head of Capital Programmes, D2N2
Rob Harding	Head of Communications and Marketing, D2N2
Frank Horsley	Head of Business and Innovation, D2N2
Will Morlidge	Head of Strategy and Policy, D2N2
Rachel Quinn	Head of People and Skills, D2N2
Sajeeda Rose	Chief Executive, D2N2

Apologies

Apologies were received from Board members Cllrs Cutts, Lewis and Thacker. From the supporting officers, apologies were received from Rushcliffe Borough Council's CEO, Kath Marriott.

1.1 Welcome and Introductions

The Chair welcomed attendees to the meeting, including LEP sponsor, Susan Caldwell.

1.2 Declarations of interest

The Chair reminded all Members that Declarations of Interest should be stated to be recorded where an interest arose.

Under item 2.5 Capital Programme Performance, both Paul Harris and Prof Kath Mitchell declared an interest regarding Derby's Nuclear Advanced Manufacturing Research Centre, PH as a consultant to the project and KM due to its links with Derby University.

1.3 Minutes of last meeting and matters arising

The Minutes of the previous meeting held on 31 January, 2020 were confirmed as a true record.

There were no matters arising other than those already covered on the agenda.

2.1 COVI-19 co-ordination discussion

The Chief Executive introduced her report summarising the active co-ordination role that the LEP had taken on, working with national, regional and local partners to provide clear and consistent advice and support for businesses in D2N2 at this time of crisis.

She drew Members' attention to the newly-created 'hub', made up of the LEP, Growth Hub, East Midlands Chamber, FSB and CBI who were liaising directly with BEIS locally to identify gaps in provision and working to plug them. Board noted further that the LEP was also working closely with local authorities to co-ordinate practical support. Sajeeda Rose thanked Nottingham City Council in particular for providing additional officer support for the Growth Hub. Board was advised that the scale of contact with businesses had increased dramatically in the previous 7 days, with more than 700 calls received.

There were also ongoing discussions regarding the possibility of redeploying funding to support the economic impact of COVID 19, notably by possible use of the ESIF reserve fund, unallocated Growing Places Fund and future Local Growth Fund monies.

SR highlighted the redundancy triage service launched by D2N2 in partnership with DWP and Futures to co-ordinate between areas of unemployment and areas of recruitment.

Going forward, the 'hub' would work to develop a D2N2 recovery plan for when the pandemic subsided.

The Chair thanked SR for the summary and invited local authority Members to share their perspectives first.

Cllr Robinson felt that the 80% Government support to businesses for furloughed staff was key and welcomed, but expressed concern for the number of self-employed who did not fit the criteria for claims as well as concern over perceived delay on the part of banks in releasing funding that would be needed quickly to plug the gap between now and June, a point echoed by Cllrs Mellen and Poulter and by Anthony May for Nottinghamshire County Council.

Cllr Mellen welcomed the LEP approach generally and agreed on the need not to duplicate services across partners. He highlighted specific concerns in the provision of adult social care

within his authority. He reported that a major drive was under way to recruit additional staff resource and that willing staff were being redeployed to assist in this work. The need to ensure optimal functioning of the social care sector was crucial to avoid additional pressure transferring to the NHS.

Jane Howson reported difficulties for care workers in her sector in obtaining PPE, including the staff at their school which had remained open to support its vulnerable young people. Anthony May confirmed that he had written to the new Permanent Secretary at MHCLG on 30 March to highlight the difficulty locally in accessing PPE.

Sajeeda Rose confirmed that the LEP would work to match local authorities with companies who could produce the appropriate equipment and she would liaise with all parties outside of the meeting to progress this.

Karen Smart reported that East Midlands Airport had been formally announced as the most resilient airport in the EU with cargo operations continuing as before and some additional capacity being introduced to meet demand. Cargo operators on site would however need extra staff and overall the airport had been obliged to furlough staff who would be seeking redeployment elsewhere.

Jayne Mayled reported some relief within the creative/marketing sector for salary support in the short term, but indicated wider long-term concern over the potential loss of clients who may not return post-pandemic. Initiatives had commenced within the sector to provide some guidance to SMEs and those managing freelancers on the process of furloughing which was unfamiliar territory for most.

Scott Knowles of East Midlands Chamber confirmed that an online webinar programme was being launched by EMC from 1 April, 2020 which would help to address some of these issues. Comms would be following to all support networks shortly to publicise this initiative widely including beyond the usual channels.

SR agreed to follow up with the Chamber and the Growth Hub to explore broader and wider channels of communication to ensure the message on support for businesses reached a wide audience.

The Chair thanked all for their contributions and confirmed an action for the LEP to continue to make Government aware both directly and via the LEP Network of the impact of the pandemic on businesses locally and to continue to lobby for practical translation of policy into practice on the ground.

After the meeting, LEP sponsor, Susan Caldwell fed back her support for the COVID response and welcomed connections already seen to be working on the ground. She undertook to highlight again to transport-sector colleagues in central government the important role of EMA for freight.

Board **NOTED** this report.

Item 2.2 Chair's Report

Elizabeth Fagan introduced her report including:

- i) An update on the Local Industrial Strategy (LIS);
- ii) Freeport Consultation;

- iii) Partnership Engagement activities;
- iv) An update on the Advisory Boards, including a People and Skills Board presentation by Prof Kath Mitchell/Rachel Quinn.

i) LIS Update

The Chair drew attention to the notes in the report and, in response to a question from Paul Harris concerning any known movement of timescales from Government, confirmed that no new directive had been received so work was continuing to the previously set deadlines until otherwise advised. In addition to the existing priorities, the LEP would also be ensuring it took into account recovery planning especially in relation to the support for SMEs.

ii) Freeport Consultation

Elizabeth Fagan again directed Members to detailed notes within her report and confirmed that work was continuing to keep the potential of the East Midlands as a Freeport, at the forefront of Ministers' minds as the working group of partners developed the consultation response.

The Chair sought approval from Board for delegated authority to approve the final response to the consultation, which was due to be submitted to Government before this Board met again (deadline 20 April, 2020).

Board **APPROVED** delegation of authority to approve the freeport consultation response to the D2N2 Chair.

iii) Partnership Engagement activities

On partner engagement, Elizabeth Fagan drew Board's attention to the notes in her report covering engagement with key partners including a meeting with Secretary of State for Housing, Communities and Local Government, Robert Jenrick and a group meeting of local Conservative MPs from across the D2N2 area.

Board noted that further planned meetings with Labour group MPs together with 1:1s were currently in abeyance due to the present coronavirus outbreak and would be rescheduled as soon as possible when normal business resumed.

iv) Advisory Boards Update including People and Skills Presentation

Elizabeth Fagan drew Board's attention to notes in her report updating on the Advisory Boards and invited Prof Kath Mitchell and Jane Howson, Co- Chairs of People and Skills Board with Rachel Quinn, D2N2 Head of People and Skills to provide an update to Members.

Colleagues spoke to a slide presentation, beginning with a reminder slide showing the governance structure for this Board. The task and finish groups still needed further input and support from employers for maximum impact.

Prof Mitchell was confident that work being undertaken would put D2N2 in a strong position post-COVID 19. There was a particular focus on addressing gaps in the care and IT/digital skills sectors. Work was under way to address current gaps between the available skills base locally and the needs of D2N2 employers and also to identify and prepare for future skills needs. This included ensuring young people were fully prepared to benefit from the world of work.

There were a number of ongoing work streams including a pilot coming to D2N2 as part of the National Retraining Scheme covering digital skills.

Attention was drawn to the 'Skills Escalator' which would use a collaborative approach to overcome skills gaps and labour shortages. Progression pathways would be set out for both

new entrants to the labour market and those mid-career. Schemes would either re-skill experienced workers requiring additional skills to do the same job or upskill by training to do different or higher level jobs.

Elizabeth Fagan thanked Prof Mitchell, Jane Howson and Rachel Quinn for the presentation and invited comments in particular from business representatives of the Board to the points highlighted.

There was general agreement on the need for re-skilling in all sectors. Viv Russell commented that the need for remote working in the current pandemic had shown clearly the need for new skills to manage the new way of working. Jayne Mayled, Emma Rigler and Jane Howson commenting on creative, manufacturing and social care sectors respectively each noted the need to match the technical/IT skills of new entrants with the industry experience of existing staff so that both would benefit.

After the meeting, Susan Caldwell asked for recommendations on policy initiatives or financial incentives that might support economic recovery both for Skills and Freeport which she could feed in appropriately to the relevant departments.

On other Advisory Boards, Members noted that Place Board was now looking at 10 identified transformational schemes for the region. The Business Growth Board was looking to tie task and finish groups together. Paul Harris, Chair of the Innovation Board reported that this group would be focusing on transformational product innovation, and also review the form and function of the Innovation board in relation to the Business Growth Board.

Viv Russell and Paul Harris would review along with Frank Horsley and Sajeeda Rose and bring back a revised proposal to the main board.

Board **RECEIVED** and **NOTED** the Chair's report.

2.3 Chief Executive's Report

Sajeeda Rose presented her report updating Board on items including:

- a) Budget 2020
- b) Growth Hub update
- c) Foreign Direct Investment and Key Account Management
- d) ESIF update
- e) Marketing and Communications update.

and referred members to the notes under each item.

With reference to the ESIF summary update, the Chief Executive informed Board that all projects within these programmes had been contacted to understand the immediate impact of the coronavirus and to reshape delivery timelines as a result in conjunction with the Managing Authorities.

Board **NOTED** the report.

2.4 Midlands Engine Development Corporation Strategic Business Case Update

Anthony May from Nottinghamshire County Council introduced his report updating Board on the Midlands Engine Development Corporation Strategic Business Case. He informed Board

that a summary business case had been endorsed by the Oversight Board on 5 March, 2020 subject to amendments which had subsequently been made.

Work was continuing at pace and AM expressed gratitude to the LEP for its work on the proposed freeport, which was an important part of the Development Corporation bid.

Good engagement work was under way with the 3 universities within D2N2 who were providing assistance with master planning for the Toton site, whilst Loughborough University was helping on the Ratcliffe site.

Robert Jenrick MP was being regularly updated and continued to be supportive.

Anthony May drew attention to the Statement of Intent setting out the shared aspirations of the local authorities for the development corporation proposition and sought endorsement from Board.

After the meeting, Susan Caldwell welcomed the business case approval and ministerial interest being mobilised and would pass on to Capital Investment Team colleagues who were in touch with the main developers.

Board **RECEIVED** the report and **ENDORSED** the progress of Midlands Engine-led work to examine the feasibility of a locally-led Development Corporation with the potential to grow the local economy and bring significant investment.

Board **ENDORSED** the Statement of Intent.

2.5 Capital Programme Performance Update

Sajeeda Rose introduced a confidential update report on the performance of the D2N2 Capital Programme including the Local Growth Fund, Growing Places Fund and Enterprise Zones.

Board **AGREED** to ratify and confirm the decision of the Investment Board to confirm four new projects onto the Capital Programme as detailed

Board **AGREED** to ratify and confirm the decision of the Investment Board to invest £2.4m of Local Growth Fund to the HS2 Strategic Sites Project

Board **AGREED** to ratify and confirm the decision of the Investment Board to fund Project Mulberry and the Nuclear Advanced Manufacturing Research Centre projects subject to delivery of a compliant Final Business Case.

With regard to 2 current GPF loans, Board **AGREED**:

1. To loan variation terms for DSF Refractories as set out in the confidential report
2. To reprofile the Medicity loan from GPF, whilst continuing to review the revised arrangement and to take appropriate action on future reported changes
3. To delegate approval to the LEP Chair should Medicity require a variation in line with the arrangement as set out for DSF Refractories.

2.5 (i) Markham Vale EZ Report

Board **RECEIVED** an update report on the Markham Vale Enterprise Zone and **NOTED** the continuing progress being made on development activities, securing new occupiers and other matters regarding the Enterprise Zone.

3. Any Other Business

None.

4. Date of next meeting

Tuesday, 19 May, 2020 (10.00am – 12.00 pm) – joining details to follow.