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D2N2 Local Enterprise Partnership Board Meeting Minutes

(Wednesday, 8 November, 2017)



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D2N2 Local Enterprise Partnership Board
Meeting Minutes
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Derby Arena Velodrome, Royal Way, Pride Park Derby DE24 8JB

Chair Peter Richardson

Minutes Sally Hallam

1. Present and Apologies

D2N2 Board Members in Attendance

Cllr Roger Blaney	Newark and Sherwood District Council
Cllr Kay Cutts	Nottinghamshire County Council
Cllr Jon Collins	Nottingham City Council
Cllr Bob Wheeler	South Derbyshire District Council
Cllr Simon Spencer	Derbyshire County Council (sub for Leader)
Andrew Pickin	Business Representative
Peter Gadsby	Business Representative
Ian Morgan	Business Representative
Jane Howson	VCS Representative
Dawn Ward	F E Representative
David Williams	Business Representative
Prof Edward Peck	H E Representative
Paul Harris	Business Representative

Also in attendance

Scott Knowles	East Midlands Chamber Chief Executive
Anthony May	Nottinghamshire County Council CEO
Chris Henning	Nottingham City Council (sub for CEO)
Frank Horsley	Derbyshire County Council
Paul Robinson	Derby City Council CEO
Andrew Muter	Newark and Sherwood District Council CEO
Justin Homer	BEIS (sub for Area Director)

Officer Support

David Ralph	Chief Executive, D2N2 LEP
Matthew Wheatley	Senior Manager – SEP

Guest speakers

Andrew Pritchard	East Midlands Councils
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Apologies

These were received from Board members Melanie Ulyatt, David Williams (Geldards), Cllr Barry Lewis and Cllr Ranjit Banwait. Cllr Spencer deputised for Cllr Lewis.

Welcome and Introductions

The Chair welcomed all to the meeting, extending a particular welcome to new Board member Paul Harris of Rolls Royce, who was attending for the first time.

1.2 Declarations of Interest

In light of the recent Ney review report, the Chair stressed the importance of declaring all interests fully for the record and started the process by declaring his interest in matters pertaining to HS2 as Chair of Tramlink. Ian Morgan likewise declared this interest as a Tramlink Board member. Other declarations given to be noted were David Ralph in respect of skills/EZ matters (member of Nottingham College Board and Boots DevCo); Peter Gadsby in respect of EZ (Infinity Park/Guildhall); Paul Harris as employee of Rolls-Royce, a major site owner throughout the D2N2 area and Prof Peck and Dawn Ward in respect of skills matters (Institute of Technology connection).

Minutes of last meeting and matters arising

The Minutes of the meeting held on 26 September, 2017 were approved as a true record.

On matters arising, David Ralph reported that Metrodynamics had been commissioned to facilitate the Away Day on 28 November in Derby from 1.00pm. A planning meeting with them, the Chair and David Williams (Geldards) would be taking place in a week's time ahead of the workshop, following which an agenda would be circulated.

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

2. Updates for Information**2.1 Chair's Report**

The Chair introduced his report to the meeting. On personnel changes to LEP Board, he reported that Board member, Melanie Ulyatt had tendered her resignation to him a few days before this meeting. She would be staying on to deal with residual matters and attend meetings as required until the end of the calendar year, including the forthcoming Board Away Day workshop. The Chair indicated that he would look for a steer from Board as to how to fill this vacancy and referred to discussion for the Away Day workshop, which would focus on how to make Board more relevant to businesses.

Andrew Pickin spoke to the update on business engagement. There were some positive perceptions in the way growth within the LEP area was seen, but real concerns remained, including the skills gap and ongoing uncertainty over Brexit and some softening of economic conditions. Members were invited to add comments. A general view around the room was voiced that it was important both to put out a positive message of opportunity in this area and to be proactive in defining what the LEP needs the emerging Industrial Strategy to mean locally and new Board member, Paul Harris had agreed to lead on the presentation of this area.

The Chair drew Members' attention again to the published Ney review into LEP Governance and Transparency and invited Members to contact him directly with any specific views on this.

The Chair also highlighted the date for D2N2 LEP's Annual Conversation with Government (Cities and Local Growth Unit) which would take place on 29 November, 2017 at 10.00am and S151 Officers were required to attend. He reported that this would be followed by an action plan in conjunction with s151 Officers. Anthony May raised a point of clarity as to whether Monitoring Officers and S151 officers from Accountable Bodies should attend – the Government have confirmed that it is only s151 Officers who must attend.

Board **NOTED** the report and agreed to make any further changes to Governance processes identified in the Annual Conversation, further upgrade the website and develop an action plan following the publication of the revised National Assurance Framework.

3. Items for Decision

3.1 Chief Executive's Report

The Chief Executive reported the mid-year review as set out in the report and specifically:

a) Finance Review – Core Funding

Scott Knowles confirmed that the financial strategy for 2017-18 was to monitor the spend of core funding in line with last year's actual expenditure (plus inflation) as set out in the Business Plan. Current spending at mid-year was in accordance with that trajectory but the spreadsheet would be recirculated as it was noted that the headings had been missed off in printing.

Core Funding from Government for 2018-19 was expected to be confirmed in the forthcoming Budget.

b) KPIs – all KPIs had made progress and were RAG-rated and expected to be completed by the end of the financial year.

c) Performance of key themes – these again were RAG-rated and particular concerns were raised around delivery challenges within the Capital Programmes but other strategic priorities were on track.

David Ralph also reported on the proposed Energy Strategy which was subject to significant discussion including setting out a number of key challenges eg power stations, fracking but there was concern whether an energy strategy as outlined would provide significant added value at this stage.

ACTION: officers to review the implementation arrangements ahead of any further commissioning. (DR)

SQW then presented an update of the SEP refresh and the key overarching strategy proposed for the D2N2 area, including a series of workshops with local stakeholders in order to secure greater insight on proposed next steps.

Some Board members raised significant concerns that the proposals failed to recognise the distinctive elements of place within the D2N2 area and specifically a key logic chain which set out the evidence base, the problem or challenge this created and the solution to be adopted through the SEP. It was agreed that SQW supported by D2N2 officers would meet with a small number of Board members to put in place a stronger proposition ahead of bringing it back to Board for agreement.

ACTION: MW to arrange a meeting to include SQW, David Williams (Geldards), Peter Richardson and Paul Harris.

4. Standing Items – Updates

4.1 Skills

In Melanie Ulyatt's absence, David Ralph introduced a report updating Board on work by the Skills and Employment Commission on two areas, namely future ESF programmes and Institutes of Technology.

He referred Members to discussion of future ESF programmes that would form part of the ESIF committee that followed Board.

Cllr Cutts raised a challenge of what specific interventions D2N2 might progress. DR pointed to the previous agreements that in addition to securing buy-in to the Skills Strategy the LEP would focus on 3 areas:

- i) the IoT submission
- ii) commissioning the next stage of ESF programmes
- iii) delivering the Employability Framework and CEC programme in local schools.

In addition, David Ralph suggested that the LEP might want to look at maximising the use of the Apprenticeship Levy as apprenticeships generally were below trajectory in terms of their performance.

In Melanie Ulyatt's absence, Dawn Ward provided an information update on the IoT, confirming that an expression of interest had been submitted by FE and HE partners interested in establishing an Institute of Technology and the Commission would review the IoT bid for submission at its next meeting on 8 December.

In addition, Dawn wished to highlight that the ESF programme for young people being extended to age 24 would be likely to compete with FE's existing Adult Education budget which is nationally underspent.

Board **NOTED** the report.

4.2 D2N2 Business Growth Hub Update Report

David Williams spoke briefly to the report updating members on developments and progress made in the D2N2 Growth Hub.

He indicated a wish to thank all partners for their ongoing support and noted that the service had just assisted its 5,000th business. 50% of those engaged had taken action as a result of the contact and 88% would recommend the service to other businesses.

He drew Board's attention to the requests made for financial partners to work with the Growth Hub team to prepare and develop a bid under the Winter 2017 ERDF Call and reminded all D2N2 Local Authority Leaders/Chief Executives who wished to engage further with the Growth Hub and who had budget to contribute to confirm their intentions before Christmas 2017.

Board **NOTED** the developments with Growth Hub and further **NOTED** the Activity Report and Dashboard.

4.3 (i) and (ii) Enterprise Zone Nottingham and Derby

Peter Gadsby introduced an update report providing information on progress in the Enterprise Zone. Members were invited to comment.

Board **NOTED** the report.

4.3 (iii) EZ Markham Vale

In the absence of Cllr Lewis, Cllr Spencer introduced the report updating Board on continued progress with Markham Vale and the Enterprise Zone in general. Overall strong progress continued, with another 43,000 sq ft unit to be added creating opportunity for further jobs.

The issue of business rate growth benefits going to SCR not Derbyshire still remained unresolved. The Chair repeated the standing offer of support from the LEP over this.

Board **NOTED** the report.

4.4 GPF Report Capital Projects

Cllr Collins presented a report updating Board on the status of the Growing Places Fund (GPF) programme.

Board **NOTED** the overall progress and status of projects including due diligence.

4.5 Infrastructure and Investment Board report

In the absence of Cllr Lewis, Frank Horsley introduced the report updating Board on the September liB. He reported that the main focus had been on high-risk projects. There was a projected underspend of £16m.

Board **RECEIVED** the project updates and the high risk report, together with an update on the budget and the high-risk project responses from scheme promoters.

4.6 HS2 Update report

Andrew Pritchard presented an update on the HS2 Growth Strategy which had just recently been published and the progress of the East Midlands Rail Franchise renewal.

The HS2 Strategy was being dealt with by the HS2 Programme Board on behalf of D2N2 LEP and it was agreed that due to a lack of resources D2N2 LEP would work directly with transport authorities across the East Midlands on the response to the franchise but would not directly set out a LEP view.

Board **NOTED** the report.

5. Any Other Business

Peter Gadsby requested that a formal note be added to the Minutes recording thanks and recognition to outgoing Board member, Melanie Ulyatt for her contribution to the work of the Board.

6. Date of next meeting

Monday, 15 January, 2018 (2.00pm – 4.00pm)

Venue: Derbyshire County Council