

Key Decision/Action Points from Board

D2N2 LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

Tuesday, 23 March, 2021

By Teams Dial-In

Chair Elizabeth Fagan CBE

Minutes Sally Hallam

1. Present and Apologies

D2N2 Board Members in Attendance

David Williams	Deputy Chair
James Brand	Business Representative
Graham Cartledge CBE	Business Representative
Andrew Cropley	F E Representative
Cllr Kay Cutts, MBE	Leader, Notts County Council
Cllr Alex Dale	Leader, NEDDC, D2 Representative
Michele Farmer	Inclusion and Diversity Representative
Tim Freeman	Business Representative
Cllr Barry Lewis	Leader, Derbyshire County Council
Jayne Mayled	Business Representative
Cllr David Mellen	Leader, Nottingham City Council
Cllr Chris Poulter	Leader, Derby City Council
Becky Rix	Business Representative
Viv Russell	Business Representative
Cllr Simon Robinson	Rushcliffe Borough Council, N2 representative
Prof Shearer West, CBE	HE Representative
Chris Lowry	Area Lead, BEIS
Chris Lowry	

Also in attendance

Gill Callingham	Director, N E Derbyshire DC
Anthony May	CEO, Nottinghamshire County Council
Kath Marriott	CEO, Rushcliffe Borough Council
Rachel North	Director, Derby City Council
Nicki Jenkins	Director, Nottingham City Council
Emma Alexander	Exec Director for Derbyshire County Council

Officer Support

Sajeeda Rose	Chief Executive, D2N2
Tom Goshawk	Head of Capital Programmes, D2N2
Frank Horsley	Head of Business and Innovation, D2N2
Michelle Reynolds	Operations Manager, D2N2
Rachel Quinn	Head of People and Skills, D2N2
Rob Harding	Head of Marketing and Communications, D2N2

Apologies

Apologies were received from Board member, Clare James, from EMC CEO, Scott Knowles and from LEP Sponsor, Susan Caldwell.

1.1 Welcome and Introductions

Elizabeth Fagan welcomed all to the meeting, extending a particular welcome to Becky Rix who was attending her first Board meeting as a member, having observed the last meeting.

1.2 Declarations of interest

The Chair reminded all Members that Declarations of Interest should be stated to be recorded where an interest arose. Elizabeth Fagan declared an interest in exempt item 2.6 relating to Boots EZ and took no part in discussion during that section of the meeting handing the chair to David Williams as Deputy Chair.

Cllr Mellen declared an interest in item 2.5 relating to the redevelopment of Nottingham's Broadmarsh area and took no part in any discussion during that section of the meeting.

Prof West declared an interest in item 2.5 relating to Nottingham University's Aerospace facility project and took no part in any discussion during that section of the meeting.

1.3 Minutes of last meeting and matters arising

The Minutes of the previous meeting held on 27 January, 2021 were confirmed as a true record and actions were confirmed as having been completed.

In a change to the published running order, the Chair agreed to take item 2.4 Midlands Connect update presentation ahead of strategic business in order for presenter, Maria Machancoses to be able then to leave to fulfil other commitments.

Elizabeth Fagan welcomed the Midlands Connect Chief Executive and invited her to take the floor.

2 Strategic Discussion

2.1 Chair's Report

Elizabeth Fagan introduced this report updating members on significant developments since the last meeting, including:

- i) East Midlands Freeport;
- ii) Budget 2021 Implications on LEPs;
- iii) Advisory Boards update;
- iv) Partner engagement.

i) East Midlands Freeport

The Chair referred to the recent success with stage one of the Freeport bid and recorded thanks to all who had supported across the region, from city councils to district and county authorities, landowners and local MPs who had helped to lobby successfully towards this outcome. She reminded Board, however, that the competitive phase would not be over until such time as Government accepted the detailed business case that was now being developed in collaboration with Government alongside putting in place a formal governance structure.

ii) Budget 2021 Implications for LEPs

EF referred Board to the announcement in the Budget that future capital funding would go to local authorities and the role of LEPs would be reviewed, noting that this was a sensitive issue with implications for staff colleagues present on this video call.

Minister Paul Scully had been appointed to lead the review, which was to be completed by early summer. A LEP review body was being set up and terms of reference were being worked on by Government executives and the LEP Network. Once more detail was available, it would be for members to take a view and seek to influence accordingly. In the meantime, business would continue as usual.

In response to EF opening up to the floor for comment, Anthony May offered to bring a synopsis of funding streams available to local authorities to the next meeting of this Board for information.

iii) Advisory Boards Update

EF noted that People and Skills would be covered in detail under the next item and invited the Chairs of Place Board and Business Growth and Innovation Board to summarise briefly any points in addition to the notes contained within the Chair's report.

David Williams for Place Board reiterated the previously noted challenge of getting a large and diverse group to identify appropriate cross-cutting themes across the whole area. He felt that low carbon and the use of hydrogen was gaining real traction in this respect.

Viv Russell for Business Growth and Innovation Board reported a well-attended and dynamic meeting on 3 March. He felt that the group had now gelled and was working well as a unit.

Two key points to note were the establishment of a manufacturing and advisory group to support the industrialization framework and the use of a theme group to complete a mapping exercise to support innovation and R&D for SMEs.

Becky Rix asked if there was an update on the Green Hub throughout the region.

ACTION: Frank Horsley undertook to check out information and follow up separately outside of the meeting.

iv) Partner Engagement

Board noted that dialogues were ongoing with partners and key stakeholders.

A further regular meeting had taken place last week with the region's Conservative MPs, who had demonstrated continued support for the work of the LEP and a keenness to engage in the context of allocation of capital funds to this area.

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

2.2 People and Skills Report

Rachel Quinn delivered a presentation summarising the plans and priorities of the People and Skills Board in its role as the Skills Advisory Panel (SAP) for D2N2, as detailed in the written report.

She reminded Board of the three strands of the P & S strategy, focusing on digital, Covid 19 recovery and future skills.

Board was advised that, following the successful launch of the digital boot camps in the D2N2 area, a further bid had been submitted to continue the programme and extend into Lincolnshire.

Much work had been undertaken under Covid 19 recovery to understand the situation in real time, with recent focus on young people who had been disproportionately affected by the pandemic and the promotion of the Kickstart programme.

On future skills, a decision was still awaited on an Institute of Technology for the region. The successful Careers Hub model was now being rapidly expanded to a 4-hub model

giving pan-LEP coverage.

RQ drew Members' attention to the contractual obligation of the SAP to produce a Local Skills Report, publication of which was due by 31 March, 2021 and for which a link to the final draft had been circulated ahead of the meeting. The lengthy document had been prepared to the prescribed format and a shorter summary would be produced for ease of reference in due course.

RQ thanked the University of Derby who had been instrumental in supporting preparation of the document, particularly with the test and challenge elements to ensure a robust evidence base for supporting proposed actions. Analysis had highlighted key areas for attention, including targeting areas of high levels of unemployment amongst the young, improving access to skills including digital skills and with reference to rural needs and delivering a skills offer to build productivity linking in with the Economic Growth and Recovery Plan for D2N2.

Partner 'asks' included embedding careers and digital elements in the curriculum for schools and for Government to increase access for re-skilling and upskilling of the general workforce.

Work was also under way to prepare for Local Skills Improvement Plan delivery. Two meetings had already taken place with East Midlands Chamber to discuss how to progress this initiative building on the Local Skills report and a collaborative bid to deliver had been agreed.

RQ handed to Prof Shearer West for her reflections on the operation of the P & S Advisory Board.

Prof West reported good progress on governance, acknowledging the work done by her predecessor, Prof Kath Mitchell to support this. There was slow but steady progress on developing a dashboard which would be an important tool for the future when considering interventions.

Andrew Cropley commented that overall progress was good but felt that in the context of the White Paper it would be helpful to place colleges at the heart of developments. He expressed the view that the tone of description of colleges within the Local Skills Report appeared unfairly negative in comparison with that relating to the higher education providers and agreed to work with RQ to improve where possible, noting the tight timescale.

Michele Farmer was invited to add any comments from an inclusion representative perspective. MF endorsed the message that jobs and skills, like Place-shaping, were clearly big agenda items to work on going forward. She welcomed the best practice examples of careers advice being rolled out in D2N2, citing Dan Heffernan's virtual careers environment in particular. She would be contacting each Advisory Body sub-group with agenda items to discuss who could be assisted and measurable actions to monitor successful achievement.

The Chair thanked RQ for the presentation. She also took the opportunity to thank Rachel generally for her contribution as Head of People and Skills as she prepared now to move on from D2N2.

Board **NOTED** the contents of the Local Skills Report, confirmed support for the asks of partners and gave final approval for publication.

2.3 Chief Executive's Report

Sajeeda Rose presented her report updating Board on items including:

- a) Business and Innovation update;
- b) Place activities update;
- c) Budget announcements;
- d) Marketing and Communications update;
- e) ESF update

and referred members to the detailed notes under each item.

Under Business and Innovation, SR highlighted in particular 2 workstreams now under way to support businesses and stimulate growth, namely:

- i) Access to finance – working alongside British Business Bank to identify areas for additional support around investment readiness, with possible scope to extend to colleagues in Lincolnshire and Leicestershire;
- ii) International investment – key to the success of the Freeport as well as capitalising on the SmartParc project in Derby, this focused on ways of working with partners to put the region at the heart of a strong investment programme.

On funding announcements in the Budget, SR drew attention to Levelling Up infrastructure funding for identified “priority 1” areas who could bid for up to £20m in the first round due to close on 18 June, 2021.

Members were also given an outline of the Community Renewal Fund, a £220m pilot revenue support successor to European funding, to trial new approaches to developing policy and shape how future rounds would be designed.

Attention was drawn to successful bids for Towns Fund funding from Clay Cross, Mansfield, Newark, and Staveley, whilst decisions were still awaited on Long Eaton and Ashfield.

Chris Lowry confirmed that a UK-wide investment framework would be published by Government later in the year.

Anthony May thanked SR for the summary and offered to report to a future Board on progress with the various funds across different local authority areas and any update

on the Shared Prosperity Fund.

On Marketing and Communications, SR thanked the Comms team for collaborative work on coverage of the Freeport bid and outcome, with particular mention for Rob Harding. Board was also advised that Rob had worked with Member, Jayne Mayled on how the LEP engaged on key messaging and referred to the accompanying Communications plan within the board papers.

Board **NOTED** the report.

2.4 Midlands Connect Update

Maria Machancoses took Board through a slide presentation summarising the work of Midlands Connect, a government-funded, sub-national multi-modal transport body for the Midlands. The presentation referenced current workstreams including HS2 and the Integrated Rail Plan, Technical Programmes, Strategy Refresh and other major strategic programmes and policies.

Board was reminded of the current ‘under review’ status of Phase 2b of HS2, with publication of the Integrated Rail Plan now expected in the summer, post-elections. Wider rail activity centred on 7 projects under the banner of Midlands Engine Rail, with a £3.5bn programme including initiatives to better connect east and west.

On roads, work was ongoing to progress schemes such as A46 and A50-A500 which supported East Midlands activities.

MM confirmed that a Midlands Connect strategy refresh was taking place in light of economic recovery post-Covid, the levelling up agenda and climate change including transport decarbonisation, with a particular focus on accelerating electric vehicle charging infrastructure. It would continue until autumn 2021 and a number of engagement and consultation events were planned.

MM referred to the Union Connectivity underway and in particular in the context to connectivity to Freeports identified within it. MM confirmed that Midlands Connect was keen to support both the freeports in the east midlands to maximise the benefits of the freeports across the region by ensuring better east west connectivity.

EF thanked MM for the presentation.

In response to a question from Tim Freeman on whether EV charging proposals were also including hydrogen, MM confirmed this to be the case and offered to provide additional information outside of the meeting.

2.5 Capital Programme Performance Update

The Chief Executive introduced a report providing an update on the performance of the D2N2 Capital Programme and detailing the latest updates of all programmes as presented to the Investment Board (IB) on 10 March, 2021.

SR clarified that the only exempt element of the report referred to commercially sensitive data within the full report on the Transforming Nottingham Southside project.

Board was reminded that the 5-year, £250.7m Local Growth Fund scheme was approaching its conclusion shortly and SR confirmed that, due to the decision to overprogramme, the scheme was fully on track to deliver. She recorded thanks to all involved for their efforts particularly within the last 3 years to bring about this significant achievement given the previous challenges of underperformance.

The 2-year Getting Building Fund was now at the end of year one, with completion of 7 of the 10 allocated projects (subject to approval today of funding for Transforming Nottingham's Southside) representing 57% of total £44m funding value. Good progress was being shown on the remainder.

This success had been reflected at the LEP's recent Annual Performance Review with BEIS. Board was advised of a change of assessment criteria by Government this year, with ratings against governance, strategy and delivery replaced by either meeting or not meeting Government requirements. D2N2 was advised that it had met Government requirements.

A robust discussion had highlighted the strength of the partnership and areas of good practice, notably in capital programme performance, work across the Towns Fund and development of a regional recovery plan cited as specific examples.

The Chair recorded thanks to SR and the team for management of the programme, in particular Tom Goshawk as the Head of Capital Programme throughout this difficult period and also thanked the Investment Board and D2N2 partners for their support.

SR handed to Tom Goshawk who took Board through summary slides covering:

- i) Project approval by written procedures for the UK Electrification of Aerospace Propulsion facility (for noting) and
- ii) Project approval for release of GBF funds for the Transforming Nottingham Southside project (exempt section, for ratification of IB recommendation and approval).

Board noted the £7.6m GBF contribution towards a £16.885m total project cost to purchase capital equipment in the University of Nottingham Jubilee campus facility, which would test and develop future aerospace technologies. The project aimed to

deliver 300 new jobs by 2025 and £140m worth of work for industry and support to the supply chain.

Board **NOTED** the progress of the D2N2 Capital Programme and the outcome of D2N2's Annual Review.

Board **NOTED** the approval by written procedures of £7.6m of Getting Building fund for the UK Electrification of Aerospace Propulsion facility in February, 2021.

Board **RATIFIED** and **CONFIRMED** the decision of the Investment Board to invest £7.99m of GBF to the Transforming Nottingham Southside project and **APPROVED** the release of funds to Nottingham City Council.

2.6 Growing Places Fund Update Report

This section of the meeting has been made exempt under Section 100(a)(4) of the Local Government Act 1972 on the grounds that in view of the nature of the business, that if members of the public were present, exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed to them and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2.7 Midlands Engine Development Corporation Strategic Business Case Update

Anthony May referred Board to his update report, noting that the end of the first phase of work on the Development Corporation had now been reached.

The Interim Vehicle had been set up into a company owned by the 5 most affected authorities and would be up and running from 1 April, 2021. Work was ongoing with D2N2 and public/private sector stakeholders to ensure compatibility of activities with Freeport and other Midlands initiatives.

A meeting was to be arranged with the Secretary of State to discuss the Development Corporation Strategic Business Case and Members would be further updated at a future meeting.

Board **RECEIVED** the report.

3. Any other business

None.

4. Date of next meeting

Wednesday, 19 May, 2021.

