

Audit, Finance and Governance Meeting

Tuesday 7th March 2023

3.00 pm – 4.30 pm held via Teams

Draft minutes

- SS welcomed members to the meeting which was attended by Mark Pearson-Kendall, Dafydd Williams, James Newman, Graeme Smith, Teresa Chalmers, Andy Hewitt and Chris Howell.
- No apologies or declarations of interest were received.
- TC reminded colleagues that the annual Registers of Interest were now required to comply with the Local Assurance Framework and that Karen Philipson would be communicating on this matter.

Minutes of the meeting on 22nd November 2022 were approved with the following matters arising:

The LEP Delivery Plan had been approved by the Board but would need reviewing in the light of the funding reductions which are on today's agenda.

The new board member had not yet been invited to join formally whilst awaiting the funding letter – the LEP team would now invite the colleague to formally join the Panel.

Action – AH/TC/KP

LEP funding position – TC and GS outlined the issues in the paper and the potential impact of the further reduction of 1/3 of LEP core funding. This leaves the HEY LEP in a very challenging position given its lack of reserves and very small core team. Whilst careful financial management of vacancies remaining unfilled mean the LEP is likely to be able to continue for a further year, activities will be further reduced, and any staff vacancies are not likely to be replaced. It was noted that to date, no Growth Hub letter had been received in terms of funding activity whilst the Made Smarter contract was for two years.

The two LAs had been very supportive, recognising key strengths within the team and wanting the LEP to continue. Services are now being delivered in a variety of ways including in partnership with both LAs re Foreign Direct Investment and Communications for example.

The prolonged delays in the proposed Combined Authority will have a further impact as current guidance is for LEPs to be integrated only once a CA has been formally agreed

in principle with the government and this may take longer than the LEP finances hold out.

DW asked about the viability of the LEP given the resources issue and expressed concern re the ongoing staff pressures. JN said that both he and Stephen Parnaby had given reassurances as far as possible to the team.

A further discussion will be held at the next board meeting on 23rd March where members will be encouraged to share their views and consider highest priorities of delivery for the LEP.

Employment and Skills Board Skills Advisory Panel final spends and rationale -
 CH explained the work of the LEP Employment and Skills Board and its work in partnership with the Local Skills Improvement Plan employer representative body – the Hull and Humber Chamber of Commerce. Both organisations were working in close partnership to help define employers needs and priorities via consultation which will help develop the delivery plan.

CH said some of the Skills Advisory Panel funding investment had been used with the joint agreement of the Chamber as is required by the DfE for example on an employer skills survey, the results of which will be used to inform the development of the Local Skills Improvement Plan and the LEP's strategic skills planning work.

Other reports on subjects such as use of Adult Education Budget, access and take-up of apprenticeships, digital skills and a regional economic study have also been commissioned as has an update to the "core indicators" (a data set that relates to employment & skills that inform strategic skills planning). The latter is published on the HEY LEP website in the form of a Microsoft Power BI dashboard.

The Employment and Skills Board remains proactive and continues the delivery of an ambitious agenda to upskill residents and support employers in recruiting talent. The HEY Workforce site is being widely promoted by the Growth Hub Business Advisors:
<https://heyworkforce.co.uk/>

HICP and arising recommendations – TC and JN updated the Panel on the most recent developments with the Humber Industrial Cluster Plan which will be launched on 9th March 2023.

The Humber Energy Board had agreed to become the 'guardian' of the Plan, providing strategic advice and reporting to the Humber Leadership Board. The 'delivery arm' of the Plan has not yet been decided and JN will meet with key partners at the end of March to discuss this further together with agreement on any arising processes for transparency.

APR outcome – AH updated that the Annual Performance Review had taken place on Monday 6th February with attendance by BEIS colleagues, JN, Stephen Parnaby, AH,

TC, Graeme Smith and Deborah Gray of Hull City Council as Accountable Body.

The pre-meet documentation and subsequent discussions had resulted in a proposed assessment of the LEP meeting all requirements; this will be formally reviewed nationally and the LEP will receive a letter confirming the results.

JN spoke positively about conversation with both LAs in terms of what skills delivery could look like within the future CA. This would recognise the expertise within the LEP and provide additional capacity to the future CA in terms of strategic and horizon scanning opportunities.

This potential will be discussed at the next LEP board prior to being socialised with stakeholders and this should provide more opportunities and reduce current duplication in the region.

Any Other Business - none