

Hull and East Yorkshire LEP Board

Paper A Minutes of the Board meeting held at 9am on Thursday 25th November via Microsoft Teams

<p>Attendance</p> <p>Board Members</p> <p>James Newman OBE (Chair) Stephen Parnaby OBE (Deputy Chair) Councillor Jonathan Owen Diana Taylor David Hall Gill Alton Professor Susan Lea Catherine Bishop Madge Moore Jayne Adamson Dafydd Williams</p>	<p>Observers</p> <p>Alan Menzies - East Riding of Yorkshire Council Mark Jones - Hull City Council Peter Campey - BEIS</p> <p>Executive Team and Secretariat</p> <p>Teresa Chalmers - COO Caroline Sansam - Secretariat</p> <p>Guests</p> <p>Councillor Dean Kirk (on behalf of HCC) Karen Oliver-Spry - HEY LEP Jonathan Oxley - HEY LEP Stephen Savage - AFG Chair David Bell - HCC Graeme Smith - HCC</p>
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<p>1.</p>	<p>Apologies and declarations of interest</p> <p>Apologies were submitted by:</p> <p>Caroline Lacey Matt Jukes Councillor Daren Hale</p> <p>TC reminded the Board that declarations of interest should be declared at the start of each meeting or at the relevant agenda item.</p>
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<p>2.</p>	<p>Minutes of the meeting held on the 30th September and Matters Arising</p> <p>JHN welcomed all to the meeting, in particular Stephen Savage, Chair of the LEP's Audit Finance and Governance, and David Bell, the Section 151 Officer at Hull City Council.</p> <p>The minutes from the meeting on the 30 September were approved as accurate.</p> <p><u>Matters arising:</u></p> <ul style="list-style-type: none"> • The Prime Minister did not take up the invitation to visit the region which was disappointing. • David Levene from Transport for the North will attend the January Board meeting to present on the work of the NP11. • The COP26 event that the HEY LEP brought to the region was a success and JHN thanked all that helped with the planning and preparations, including DT for her involvement and support. There was some good publicity after the event, and it has helped to raise the profile of the Net Zero agenda.
<p>3.</p>	<p>Chair's Update</p> <p>JHN briefed the Board on several important areas of work:</p> <ul style="list-style-type: none"> • Regarding the last BEB meeting a follow up meeting with the local authorities is planned, which will focus on, MPs engagement, working together as a region and devolution. • The outcome of the LEP review is still awaited and remains linked with the Levelling Up agenda. The timetable remains unclear and LEPs and the LEP Network are pushing the Government for a decision. Some LEP's are beginning to serve staff with redundancy notices due to the continued uncertainty. • The remaining half year funding (October to March) has been confirmed by Government and will be received shortly. • The Energy Board proposal has been approved by the Humber Leadership Board. Next steps are the first meeting, which will take place in December. • An apparent alternative private sector energy proposal is being worked up and led by Arup. There are concerns about the need for a joined-up approach on this agenda and the two LEPs and LAs will

	<p>work to ensure that these proposals are brought together.</p> <ul style="list-style-type: none"> • The LEP team remains under pressure due to staff illnesses and several vacancies. In the interim, both local authorities are being supportive. • The Board were asked to reaffirm that Stephen Parnaby OBE would be the HEY LEP representative on the Humber Bridge Board as this was not recorded at the first LEP meeting. <p>The Board agreed that Stephen Parnaby OBE would be the HEY LEP representative on the Humber Bridge Board.</p>
<p>4.</p>	<p>Pan Humber</p> <p>DW declared an interest</p> <p>SP reported that there is significant work underway in support of the Freeport. The outline business case has now been submitted. There are still some matters that need to be clarified by Government. Net Zero and green energy are a big part of the bid and this therefore links into the Energy Board developments too. SP indicated that the Levelling Up Fund/Shared Prosperity Fund could be potential funding streams. The Freeport should generate £20 million income in 2023/24 but the issue outstanding is how the funding gap is managed.</p> <p>The Freeport Company needs to be established and agreed by the Humber Leadership Board. It is hoped that matters will become clearer once the final business case has been agreed, which is needed by Government by 31 Jan 2022. DW stated that the funding gap has emerged due to deadlines being moved into next year. ABP would like all parties to play a part in funding the Freeport.</p>
<p>5.</p>	<p>Local Authority Updates</p> <p><u>Councillor Jonathan Owen</u></p> <ul style="list-style-type: none"> • The social care sector remains in crisis in terms of staffing levels, particularly in domiciliary care and the next steps will be to increase pay to attract new staff to the sector. However, this will put pressure on local authority budgets, and could lead to Council Tax rises. The Yorkshire leaders are lobbying Government on this matter. The National Insurance levy will also impact local authority budgets. • JA commented on the work that Humber Coast and Vale (ICS) are undertaking in support of staff recruitment and support.

- On rail issues, the Yorkshire Leaders Board has written a cross party joint letter to Government, expressing disappointment with the lack of local transport investments. It was noted that the Transport for the North Partnerships Board meeting took place on 24/11/21 and that the LEP will continue to support this vital agenda via the Infrastructure Board.
- Goole has emerged as one of five sites shortlisted to host the UK's first nuclear fusion power station. A joint letter of support from the region's leaders has been submitted. JHN has written to all four LEP's in the region and will also write a letter of support on behalf of the private sector. Financial contributions are being sought by York University to support the project.
- A decision on devolution and Combined Authorities is still awaited.
- JO welcomed the forthcoming meeting with the Business Engagement Board.

Councillor Dean Kirk

- **DW declared an interest.**
- HCC is disappointed with the recent rail announcements and Councillor Daren Hale intends to make further representations to Government. JHN reported that the LEP is supportive of HCC's position. DW expressed concerned there is no mention of freight and suggested a discussion is needed to agree tactics and ensure the LEP's voice is heard. JHN stated that we need the MPs on board, and we need to market the region more effectively.
- Hull City Council agreed with the concerns outlined by Councillor Owen about the social care sector. **DK declared an interest.**
- Work on the Stoneferry Corridor is progressing well, and the Leads Road investment is planned next. This infrastructure and investment are much needed in Hull.
- The active travel programme will increase the number of cycle lanes in Hull. The aim is to have 10K more cyclists on the road, which will have a big impact on both health and the environment.
- The air quality report was positive for the area.
- Whitefriargate in Hull has been awarded £20million from the Levelling Up Fund.

	<ul style="list-style-type: none"> • JA agreed that social care remains challenging. At a recent regional health meeting the discussions focused on what health could do to support the sector. A living wage was discussed, which could be potentially partly funded through the health sector as well as assisting with recruitment challenges and buddying up.
6.	<p>Section 151 Officer Introduction</p> <p>DB introduced himself to the Board and explained that the Section 151 Officer is a statutory role within the Council, which focuses on financial affairs and administration. The role gives assurance to Government on public sector financial management. Any concerns are flagged to government. HCC holds the LEP funding, as the Accountable Body, and delegates daily support responsibility to Graeme Smith.</p> <p>Two risks to note:</p> <ul style="list-style-type: none"> • Financial funding of LEPs going forward – the long-awaited outcome of the LEP Review and the Levelling Up White Paper • The continued delivery of programmes <p>The role focusses on protecting public funds. The Levelling Up White Paper is expected in January/February and important decisions will need to be made as a result. TC thanked Graeme Smith for his support and assistance to date.</p>
7.	<p>Audit, Finance and Governance Panel</p> <p>SS, the Chair of the AFG, joined the meeting and briefed the Board on the work of the Panel to date. SS explained that members of the Panel have either a legal or financial background. The AFG will ensure that the LEP has appropriate governance structures in place. To date, two meetings have taken place, and both have had excellent attendance. The Panel has previously considered and approved several policies and governance documents. The AFG will consider the Chair and Deputy Chair remuneration early next year.</p>
8.	<p>Investment Programmes</p> <p>KOS gave a summary of delivery progress of the Getting Building Fund to 30 September 2021 (Q2 reporting period), acknowledging the excellent work of LEP team members Kirsty Barr and Alison Lacey in managing the investment programmes.</p>

	<p>The investment programme continues to progress with all projects having submitted claims and output delivery starting to be seen, with impacts made in achieving jobs. It should be noted that delivery of outputs, such as new houses will be achieved over a period of several years, following investment and limited progress in this specific area will be seen over coming months.</p> <p>Four of the seven projects have now claimed all their GBF allocations in full. Although some projects have experienced slippage from their original business case position, the Accountable Body has been able to address slippage/reprofiling through use of capital switching freedoms and flexibilities. Just one project has experienced significant slippage, but no projects have flagged any serious cause for concern.</p> <p>The Board agreed to note the latest progress report.</p>
<p>9.</p>	<p>Business Support Board</p> <p>GA reported on the Business Support Board's inaugural meeting on the 1 November 2021. The Board discussed several items, including the Growth Hub review, the Business Loan strategic review and received presentations on the Hull and East Yorkshire economy and an update on the development of the Economic Growth and Workforce Wellbeing Strategy. The Board recognised the significant work of the Growth Hub and approved the proposals for the LEP Growth Hub review, as contained within the report.</p> <p>GA was pleased with the engagement from Board members and reported that the meeting went well. The Terms of Reference have not finally been agreed but will be reconsidered at the next meeting following presentations on exporting and foreign direct investment. Membership of a task and finish group has been agreed to consider the Growth Hub review. DH agreed that good progress has been made.</p>
<p>10.</p>	<p>Infrastructure Board</p> <p>SP reported on the first Infrastructure Board meeting held on Friday 12 November 2021. The focus of the discussion was on the Fusion Project and the Board agreed to support the project in principle. The LEP Board endorsed this approach re this project, recognising its potential to deliver a significant number of jobs and be a global model for the UK. The Board also agreed to approach other LEPs within Yorkshire and possibly wider, to secure support for the bid. The public consultation hasn't yet started, and some sensitivities are recognised in regard of other local economic developments.</p> <p>A presentation to the Board on the Enterprise Zones was well received. SP reported that the Board discussed the areas of focus for the future, recognising the breath of the topic and considered where Board members could add value given their extensive knowledge and experience.</p>

<p>11.</p>	<p>Employment and Skills Board</p> <p>JA reported on the inaugural HEY LEP Employment & Skills Board held on Thursday 21 October. The Board ratified its Terms of Reference and agreed on the supporting working group structure. JA thanked to Chris Howell for his support.</p> <p>DH declared an interest</p> <p>DH expressed concern about the lack of apprenticeships for the caravan/manufacturing sectors as specific training to support the sector is needed. The sector employs thousands of people. JHN agreed that the LEP needs to support this sector.</p> <p>GA advised that bespoke standards could be introduced if there was sufficient demand. DK agreed with DH and highlighted issues of recruiting staff into the sector and offered to work with others on this issue. CH reported that a working group has been set up with oversight of apprenticeships and they will need to find a solution. It was agreed to take this issue forward with the working group with input from DH, DK, and CB. It was noted that a minimum number of employers were needed to support this development, if a new Apprenticeship Standard was needed.</p> <p>The Board agreed to note the progress made by the Employment & Skills team and to review pathways into manufacturing as per DH comments.</p>
<p>12.</p>	<p>Humber Industrial Cluster Plan</p> <p>JO gave a presentation on the Humber Industrial Cluster Plan. After a slow start associated with recruitment and aligning procurement specifications, good progress is now being made and positive feedback was received from the principal funder, UKRI at the Q3 Review Meeting (15-Oct-21).</p> <p>Recruitment of the remaining team members is now complete (as of 15-Nov-21) with the addition of the Project Coordinator and Data Coordinator to the HICP team within the HEY LEP.</p> <p>An update on the HICP was well-received by the Humber Leadership Board, and there are now discussions about how the HICP is integrated into the new pan Humber Energy Board.</p> <p>Spending is behind schedule relative to original forecasts because of the delays to placing external contracts and delayed recruitment. This is acknowledged and accepted by UKRI.</p> <p>The LEP Board agreed to note this latest progress report</p>

<p>13.</p>	<p>Economic Growth and Workforce Wellbeing Strategy</p> <p>LB gave an overview of progress to date. The consultation closed on Sunday 14 November with 34 individual and representative responses received representing well over 500 HEY residents and a substantial number of businesses and other regional stakeholders.</p> <p>Responses came from a diversity of organisations. LB reported that the majority of the responses have been considered in detail to date and where possible incorporated into final document. The final responses will be addressed next week. Overall, the comments are constructive, positive and supportive of the need for a strategy for the region.</p> <p>The Board was asked to delegate final responsibility for sign off to the Chair and Deputy Chair to enable publication in January 2022. This was agreed by the Board. The marketing fund will be used to ensure the final document is professionally presented.</p> <p>TC explained that the strategy will be used to negotiate with Government and used for an evidence base in any LEP or partner bidding opportunities. It will also enable the LEP develop a detailed delivery plan as per Government requirements and this will contain further details of LEP, and other partners related activity. DT thanked TC and LB for their work on the strategy. The final version will be circulated to the Board in due course.</p> <p>The Board discussed the use of the existing marketing budget to fund a professional final published document. The Board agreed to approve this expenditure.</p>
<p>14.</p>	<p>HEY LEP Mid - Year Review</p> <p>PC reported that there are two formal processes that cover the periods from January to March and from April to December. The outcome of the mid-year review should not come as a surprise as the LEP and BEIS are in constant communication about these matters. The review considered:</p> <ul style="list-style-type: none"> • Governance • Growth Programmes • Strategy <p>PC reported that as a newly established LEP with uncertainties around future funding, excellent progress has been made and the LEP has met all the requirements with strong delivery on its Growth Programmes. It was also positively noted that the strategy is emerging.</p>

	<p>There is lots of work ongoing via JHN, SP and other Board members giving up time on numerous agendas. All in all, a very positive mid-year conversation. The support of HCC as Accountable Body was recognised in the process. TC, KOS, and the investment team were recognised for their role in achieving a positive outcome for the LEP. JHN stated that the LEP must continue to build on this. SS congratulated the team and KOS for her work on the Investment Panel in particular.</p> <p>The HEY LEP annual conversation will take place in January. The annual conversation for all LEPs has serious impacts if required outputs are not met, and improvement notices can be issued, if necessary.</p>
<p>15.</p>	<p>Communications</p> <p>TC reported that Charis Scott-Holm has handed in her resignation and will leave the LEP on 14/12/21. The Board thanked CSH for her work and agreed that uncertainty around the LEP review was leading to staff seeking employment opportunities elsewhere.</p>
<p>16.</p>	<p>Chief Operating Officer</p> <p>TC reported that LEP officers have continued to work at pace over the past two months to ensure delivery outputs meet contractual requirements and that programmes continue to perform well. Many of these programmes are those transferred from the previous Humber LEP, which need monitoring and reporting.</p> <p>Unfortunately, over this period, several staffing absences have occurred and this, aligned with a few vacant posts, has left the team under pressure. Both local authorities are supporting the LEP currently.</p> <p>TC briefed the Board on activity in the following areas:</p> <ul style="list-style-type: none"> • Humber LEP Legacy Event • Visit by UAE delegation • Investment Enquiries - inward investment enquiries are up, which is very positive. <p>SL offered the support via the Global Engagement Office at the University of Hull with regards to ongoing work with Dubai Multi Commodities Centre (DMCC) and the UEA delegation.</p> <p>SL also noted the output of the team but stated that the LEP needs to ensure that support is given to those staff still at work to ensure their health and wellbeing is considered and managed.</p>

	<p>The Board acknowledged the volume of work being undertaken at this time and thanked the LEP team for their ongoing commitment.</p>
<p>17.</p>	<p>Any Other Business</p> <p>JHN reported that the Humber LEP legacy and HEY LEP introduction event is taking place on the 1 December at the Country Park Hotel in Hessle.</p> <p>Please note: The Legacy event and the planned ministerial launch of the Local Digital Skills Partnership have been postponed due to the rising Covid rates.</p>

Signed:

James Newman
Chair

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