

Paper A

Minutes of the Board Meeting  
held on 23<sup>rd</sup> November 2022 at 9.30 am  
At County Hall, Beverley

<p><b>Attendance</b></p> <p><b>Board Members</b></p> <p>James Newman OBE (Chair) Councillor Jonathan Owen Councillor Mike Ross Gill Alton David Hall Madge Moore Diana Taylor Professor Dave Petley</p>	<p><b>Observers</b></p> <p>Alan Menzies - East Riding of Yorkshire Council Peter Campey - BEIS</p> <p><b>Executive Team and Secretariat</b></p> <p>Teresa Chalmers Andrew Hewitt Karen Philipson</p> <p><b>Guests</b></p> <p>Kirsty Barr, HEY LEP Chris Howell, HEYLEP</p>
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<p><b>1</b></p>	<p><b>Welcome</b></p> <p>JHN welcomed board members to the meeting at County Hall, Beverley and thanked Councillor Jonathan Owen and Alan Menzies, for their warm hospitality.</p> <p><b>Apologies</b></p> <p>Apologies were received from Stephen Parnaby, Dafydd Williams, Jayne Adamson, Matt Jukes, Caroline Lacey, Helena Moss and Mark Jones. Alex Codd was welcomed to represent Mark Jones on this occasion.</p> <p><b>Declaration of Interests/hospitality and gifts reminder</b></p> <p>JHN asked all members to ensure their Declarations of Interest are considered and to raise any items on this agenda where they feel appropriate.</p>
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2	<p><b>Minutes of the meeting on 29<sup>th</sup> September 2022 &amp; Any Matters Arising</b></p> <p>JHN asked members to consider the minutes and raise any areas of correction; CB asked that the attendance be amended as Catherine did attend the meeting but left early due to business issues. DT raised that Jonathan Oxley’s title is Director Humber Cluster, working for the CBI.</p> <p><b>Item 7</b> - discussions with stakeholders are still ongoing in terms of the Creative Industries Bid and further updates will be present to the board in due course.</p> <p><b>Action AH/JB</b></p> <p><b>Item 9</b> - AH continues to input into the NPIER</p> <p><b>Item 10</b> – these slides had been circulated, and further work has taken place with discussions at the Humber Energy Board. TC had worked with colleagues to produce a discussion paper that looked at scenarios for legacy activity. <b>Action TC agreed to circulate this paper to the LEP board and for the HICP team to present at the January meeting to update on progress and potential ways forwards.</b></p> <p><b>Item 11</b> – CH has included the LSIP update within the Employment and Skills Paper on today’s agenda.</p>
3	<p><b>Chair’s Update</b></p> <p>JHN discusses the various ministerial changes that had taken place since the last board. The LEP Network is being proactive and is meeting with Rt Hon Michael Gove next week and Dehanna Davies to discuss the Levelling Up White Paper and consider where LEPs could add value to the ambition.</p> <p>JHN thanked DT for Marketing Humber’s work on the Humber 2030 Vision document and the House of Lords Reception launch that took place this month. Attendance had been very good with local MPs in attendance and a presentation by Rt Hon Ed Milliband, the Shadow Energy Minister. Senior national industrial leaders had also attended, and the overall event presented the Humber as a place to invest and do business. TC added that in addition to DT’s comments the LEP gained additional opportunities from stakeholders who had attended and wished to work with the team, particularly in regard of the skills agenda and finance for small businesses.</p> <p>JHN said he had attended the BEIS/HEY LEP Mid-Year Review which was very positive and recognised the significant amount of work taking place both at strategic and operational levels from the small team. JHN had made the point that the continued uncertainty in regards of future funding for this LEP was continuing to cause some challenges, with no reserves to draw on and staff retention being an increased issue.</p>

	<p>The Humber Energy Board had taken place on Monday 21<sup>st</sup> November with good attendance. Discussions included the NP11 work on decarbonisation and David Levene will be invited to the next meeting in January. The agenda is beginning to take shape with much work to do to help support and reassert the region's recognition as the UK's Energy Estuary. The HICP legacy issue is one that needs resolving at pace, with a suitable independent 'guardian' to ensure the recommendations and monitoring of the impact is in place.</p> <p>TC added there is much opportunity here, including research, further development of the supply chain, investment, and stakeholder engagement. To lead this legacy will require an accountable body key partner to help the region bid for any additional public money. Governance will be key and further discussions will be held with several partners over the next month or so.</p> <p>JHN said the HEB is also interested in 'green finance' and this will be on the January agenda too. JHN and Pat Doody are proud of both LEPs roles in getting the board up and running and are pleased that Richard Gwilliam from Drax is the chair with both LEP Chair's maintaining the vice chair roles.</p>
<p><b>4</b></p>	<p><b>Pan Humber issues</b></p> <p>SP had given his apologies, so AH updated on the Freeport; the working group is now meeting regularly with the LEP representation being AH or TC if a skills focus is needed. PC said that BEIS had now received the responses to the queries that arose from the full business case and that these are being reviewed. In terms of the stakeholders, ABLE are working with the Steering Group on the outputs and KPIs needed to provide assurance.</p> <p>AH also updated on the NP11 Evidence Network which is looking at a pan northern approach and AH is feeding in relevant HEY data. This group is working to fill evidence gaps at a Northern scale around what will drive future economic growth. If any partners have any insight into areas such as clean growth where additional work at this northern scale is required, please feed this into Andrew.</p>
<p><b>5</b></p>	<p><b>Local Authority Updates</b></p> <p><b>Cllr Jonathan Owen, Leader, East Riding of Yorkshire</b></p> <p>Cllr Jonathan Owen, ERYC, commented on the Autumn Statement saying for local authorities there was a mixed picture of outcomes. Whilst in ERYC the revenue budget is around £300M per year but with rising funding gap. As a result, ERYC are working through each directorate to look at savings. The government proposals on raising council tax, for example, would likely result in a further £10m resource but the increase costs in Adult Social Care are potentially between 3 – 5% of the budget so this would not fill the funding gap.</p> <p>Whilst the proposed delays in the social care assessments may provide extra time for local authorities to find necessary resources, this is not good for those residents who were expecting more support. Household support in general is increasing and will remain at around an additional £2M but government are leaving the local leaders</p>

to decide how and where to direct this money, and this is challenging in terms of geography and criteria. For example, in East Riding the rural communities are asking for assistance to purchase oil for heating and for families there is a need to provide free school meals. Some details are still expected in coming weeks with the final settlements not likely until 21<sup>st</sup> December. In general terms it could be considered that local authorities have been protected in recent cuts but in actuality there has been a 33% increase in overall spend to keep services running.

JO added that the local authorities are keen to progress devolution discussions and have written again to Simon Clarke to ask for support. The deals in the North East and Cornwall are taking precedence due to government capacity issues. Both local authorities are still looking at a County Deal proposal. JHN commented that in his opinion, if government started these conversations with a particular geography, then they needed to ensure they had capacity to conclude them. Further delays are frustrating for all involved, including the private sector that just want a deal so that the future is clear. Given our local picture with elections it is vital that discussions are concluded within one year so that there is little interference with local elections. This is all taking additional resources in terms of time and is not helpful, Hull and East Riding were announced as being within the 'first wave' in the Levelling Up White Paper and we do not want to be left behind.

Jo commented further that the will is still there from both LAs.

AM added that in relation to Melton the planning process for Smith and Nephew is progressing well, and hopefully would be dealt with January 2023 . Amazon facility on Plot D was now operational.

### **Cllr Michael Ross – Hull City Council**

Cllr Mike Ross said that many of JO's comments resonated with Hull City Council. Very similar issues with the budget challenges and these are being worked through with the teams. In terms of business issues, there are several challenges, but these differ by sector. For example, one hospitality business owner currently operates from three Hull sites but is looking to downscale to one business premise only. Energy is the main driver for these challenges and a gloomy outlook could see one in four businesses surviving in the longer term.

The cost-of-living crisis is being demonstrated daily, with the VCSE organisations playing a tremendous role, working directly within communities using innovation and responsiveness to support families and individuals.

The recent announcements of changes to the proposed Investment Zones were disappointing, there will be some scaling back of plans and working closely with the University to create opportunities.

AC added that Siemens Gamesa's extension is welcomed within the city, bringing an additional £186m investment to double the original factory size. In terms of the site that Smith and Nephews will vacate, there are a number of options, again potentially working with the University to redevelop and rebadge the site.

	<p>Professor Dave Petley commented that the University will work with both local authorities, potentially on a package approach to the revised Investment Zone opportunity but that time was essential as it was very likely that any call would only provide a very short space of time to respond. Industrial clusters vary so the focus needs to align strategically with partner’s ambitions. The University of Hull has an ambition to grow its research capacity over the next five years and this needs careful thought. The University will meet with both local authorities to discuss proposals.</p> <p>AC said that the University’s recent bid for advancing wound care would be one option to consider which could be built upon. JHN asked a question on Reckitt’s – have they invested recently? AC responded by saying that Reckitt had invested £100Mc in its own Innovation Centre which is well used by many local organisations including the University.</p> <p>PC said that at this stage, it was unclear whether any bidding process would take place for Investment Zones, but ambitious proposals were essential. Each needed to focus on high potential and increasing knowledge, it would be useful for the HEY region to include a clean energy focus. It is likely that DHULUC and BEIS will jointly run the process.</p> <p>DP said the conversation included the larger business what about SMEs? Both LAs responded to say that this was a primary focus given the make up of the business community.</p> <p>CB revisited the household support discussion; many VSCEs are working in this space but recent correspondence has indicated that existing contracts are being reviewed and may go to larger national organisations which would lose the local knowledge, skills and established relationships which are so valuable. JO responded, ERYC is working with many VCSE organisations and is looking at appointing two new SEND professionals to add value to this work; there is further need to expand the ERYC team to support the VCSE organisations as geography service provision remains a challenge.</p> <p>JHN said that many financial organisations had recognised the need to support the work of the VCSE and were offering finance to sustain and/or grow these organisations. Request had greatly increased over the last six months, and many are now offering a revolving credit option to help support the energy crisis.</p> <p>JHN thanked both Councillors and other members for their updates and input.</p>
<p><b>6</b></p>	<p><b>Future LEP Considerations 22/23</b></p> <p>JHN asked board members to consider what they considered to be the vital LEP functions, activities and priorities given the uncertain future. There were clear ambitions within the Economic Growth and Workforce Wellbeing Strategy which the LEP would lead on, if resources were made available, working with key partners to drive the local economy. The small LEP Team had been able to continue the vast number of services to date but staff vacancies, lack of resources and capacity were now apparent despite good progress being recognised at the Mid-Year Review. The time is right to consider how the LEP will operate, its key strengths and abilities, and</p>

	<p>the need to make potentially difficult decisions if any further funding reductions occurred.</p> <p>Previously, it had been hoped that the two local authorities and government would have reached a devolution deal with the LEP being integrated within to provide clarity and security of functions and staff, however the likely delays will mean a further year of uncertainty with a likely resolution being achieved in 23/24. This means the board needs to consider the priority functions of the LEP and await funding allocations outcomes to confirm what can be delivered. Current funding indicates there will need to be decisions taken by March 23 at latest. Any further reductions, for example, in Growth Hub funding will reduce capacity and support for SMEs. The LEP team and Chair are currently working with both LAs on one scenario that includes skills and employment, working in a different way to maximise opportunities, it is too early to speak to the board members in detail at this time, but further conversations will happen and come to the board, likely in January 23 for discussion. JHN added that each board member needs to consider this, and further discussion will take place in January.</p> <p><b>Action – all board members to consider LEP priority actions and raise either before or at the January board.</b></p>
7	<p><b>LEP Delivery Plan</b></p> <p>AH presented the draft Delivery Plan which had been previously requested by BEIS for submission on the 25<sup>th</sup> November; however following the Mid-Year Review, the position in terms of submission was not clear. The Plan focusses purely on the activities the LEP team and boards can commit to given the resource issues, it details the operational aspects of performance but much more could be done to deliver the strategy ambitions if more resources were available. The whole team has contributed to this piece of work so this is use of scant resources at a time of pressure.</p> <p>JHN commented that in addition to HEY LEP priorities and programme delivery the team were also continuing to engage and support Humber priorities which take up considerable time. AH said that both HEY and GL LEPs have met to agree a paragraph which has gone into both Delivery Plans that demonstrates we could do more working together to support Humber priorities if the previous levels of funding were allocated, these would focus on clean growth and digital.</p> <p>MM said she broadly agreed with the Plan but wondered if we could do more work with York and North Yorkshire LEP. JHN said we are happy to have these conversations but given the clean growth agenda and where government's interest was apparent, the two LEPs had to continue to deliver, this would be where the most likely investment would happen and the greater creation of new jobs.</p> <p>DP commented that he was disappointed not to see more on innovation in the Plan given the government's recent assertion that innovation drives growth; in the region innovation should be seen as the main driver and highlighted within the document. AH explained that the LEP's strategy has innovation as a theme through every chapter but in reality, from a delivery perspective, we have only included in the Plan those areas the LEP can actually deliver with the resource envelope which is likely to</p>

	<p>be available. However, consideration of partnership approaches to deliver the aspirations in the strategy would be welcomed.</p> <p>JHN spoke about the LEP Board's previous plans to work with the University on the setting up of a separate Innovation/transformation sub-board that Professor Susan Lea had led on; this involved the larger and smaller business organisations. However, the proposal needed resourcing with LEP staff helping with recruitment, administration etc and once the funding reductions were apparent and with staff leaving the organisation the decision was taken not to proceed. The LEP would be happy to revisit with the board and conversations would then need to consider how the work could be accommodated.</p> <p>PC added that innovation is vital in the region but that the Freeport also has a Humber wide Innovation Group and the LEP could provide input/challenge here.</p> <p>JHN suggested that as PC was not yet clear on whether the Delivery Plan was needed by BEIS by the 25<sup>th</sup> the LEP would write a letter stating it had been to the board and was available if needed. PC said that there may be more information to come, in terms of scope/outputs and if so this can be embedded in the Plan.</p> <p><b>Actions agreed – TC to send DP the previous board paper discussions and further conversations can take place between the university and the LEP team, prior to consideration at the board.</b></p> <p><b>LEP to send letter to BEIS stating the Plan is available if needed.</b></p>
8	<p><b>UKSPF/Levelling Up Fund Updates</b></p> <p>AC updated the board; applications for Hull City Council's allocation had closed on Monday 21<sup>st</sup> November with 53 bids received. All are now in assessment prior to recommendations being taken to the Partnership Board for discussion and approval. The outcomes will be shared with the applicants mid-December as the delivery needed to commence immediately and conclude by March 23. Both local authorities have proceeded at risk as they have not received any feedback on the UKSPF Investment Plans from government to date. Hull City Council will the open applications for years 2 and 3 from next Jan/February and give more time for considerations and outputs to be achieved.</p> <p>AM gave an update on behalf of ERYC as Helena Moss had given her apologies. The local authority has adopted a similar model to Hull City Council with a total of £880k needing to be spent by March as no funds can be carried over to the next year(s). ERYC will proceed and spend at risk to ensure delivery can take place and outputs achieved. Multiply, which is the national maths programme, is being rolled out and will continue delivery in future years.</p> <p>PC commented that guidance allows for retrospective spend from April 22 if needed. AH added that the LEP had put in an Export bid to deliver a range of specialist workshops led by DIT Export colleague, Andrew Finch with support from a range of partners. This would be the beginning of hopefully a three-year programme that will deliver the outcomes described in the LEP economic strategy.</p>

	<p>AC said that Hull City Council had received bids from national organisations too and that criteria is being reviewed to assess local key priorities to maximise local knowledge and experience. AM added that ERYC are looking to use their Social Values Calculator in assessment which looks at added geographical values.</p> <p>CB said that this national approach is being experienced by the VCSE sector, and that the Tigers Trust are now competing with much larger national players for local specialist delivery that has taken place successfully for many years. Worryingly some of these contracts begin on 1<sup>st</sup> January so the Trust is not yet sure of what will be needed to deliver and therefore the impact on the team. These national organisations have no footprint in local communities.</p>
<p><b>9</b></p>	<p><b>Chief Operating Officer Report</b></p> <p>TC presented the report which includes the latest staff changes for the board's attention.</p> <p>The Mid-Year Review had provided an opportunity to review the various programme strands the LEP is leading on and to help illustrate this, a slide pack was prepared for BEIS colleagues to view at that meeting. This slide pack contains many of the details outlined in various board reports and as such, the board were invited to see an edited version of what had been achieved since last year's annual review, noting some outputs are cumulative. KB, AH and CH presented on various aspects of LEP activity including capital investments, Growth Hub outputs, FDI and skills.</p> <p><b>Action – both the full power point presentation and the shorter edited version to be distributed to board members – TC/AH</b></p> <p>JHN then invited each of the sub-board representative to add any other relevant information that needed the board's attention.</p> <p>CH updated on the latest development of the Local Skills Improvement Plans, led by the Hull and Humber Chamber of Commerce. The steering group had met for the first time with the framework discussed but as yet no actual plan of delivery had been seen by members as this was still in negotiation with the Chamber and the DfE. The LEP and Chamber have agreed on the final SAP research funding which will include an updating of the Local Skills Report Core Indicators, a new employers survey focussing on skills demands, a refresh of the Skills Dashboard (add link), the regional use of the Adult Education Budget, Apprenticeships, Digital Skills analysis, and a refresh of the Economic Impact analysis. These outputs will be shared with the board in due course.</p> <p>AH spoke on behalf of the Infrastructure Board, National Highways attended the last meeting and flagged up that they about to commence consultation leading the development of their next Investment programme. NH had stated they would like specific local intelligence on research or direct projects to feed in this process.</p>



10	<p><b>Employment &amp; Skills Board Report</b></p> <p>Noted</p>
11	<p><b>Business Support Board</b></p> <p>Noted</p>
12	<p><b>Infrastructure Board</b></p> <p>Noted</p>
13	<p><b>Investment Programmes</b></p> <p>Noted</p>
14	<p><b>Horizon Scan Report</b></p>
15	<p><b>Any Other Business</b></p> <p>JHN thanked Gill Alton for her considerable contribution to the LEP Board, the work of the Business Support Board who, with Gill as chair had led on the development of the Growth Hub and which the board had recognised as a significant success at the meeting today. JHN said that Gill had not only contributed to the HEY LEP board, but as previous leader of the Tech Partnership, had enabled the wider Humber region to gain national success in education and training. Board members thanked GA and wished her well in her future.</p> <p><b>Action - JHN added that the chair role of the BSB will be considered, and any interested board member should contact him for an informal discussion by Thursday 1<sup>st</sup> December.</b></p> <p>JHN said that Chair of the Greater Lincolnshire LEP, Pat Doody, will be stepping down from his role at the end of December. On behalf of the HEY LEP board, JHN thanked Pat for all his support and work on pan-Humber and partnership issues.</p> <p>TC said that the LEP had received notification of the Convention of the North that would take place on 25<sup>th</sup> January 2023; the LEP is invited to put forward a list of names from the public, private and VSCE sector who will then receive their own invites to the event which will take place in Manchester.</p> <p><b>Action - Any interested board member please contact TC by Friday 2<sup>nd</sup> December.</b></p>

**Signed:**

James Newman  
Chair

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