

Hull & East Yorkshire LEP Board Meeting

Held on Wednesday 20th March 2024
9.30 am – County Hall, Cross Street, Beverley

- JHN welcomed members and thanked guest Tracy Parker, HCC who is the Accountable Body's Deputy S151 Officer, Andrew Finch, DIT and with Graeme Smith, the LEP's Financial Business Partner for attending.
- Apologies were received from Cllr Mike Ross, Cllr Anne Handley, Stephen Parnaby, Catherine Bishop, David Hall, Professor Petley, Peter Campey (DBT) and Jon Brunton.
- Declaration of Interests were received from:

Stephen Parnaby re The Business Day sponsorship covered in Paper B (via email)

Diana Taylor re the Humber Narrative covered in Paper B and the Freeport

Minutes of the meeting held on 24th January 2024 by Teams were accepted as a true record

- Any Matters Arising:
- No further suggestions for use of LEP reserves were received prior to the meeting today.
- JHN had provided a collaborative response to the Devolution Consultation on behalf of the LEP Board as agreed at the last meeting.

JHN provided the Chair's update including:

LEP Integration – the Government's required Integration Plan had been signed off in time by the LEP and the two Local Authorities to ensure it could be considered for integration financial support. This Plan made provision for the current LEP team, led by TC, to remain as a single unit, reporting to the Joint Unitary Leaders Board with TC reporting to the two LA CEOs. The unit would be known as the HEY Business, Growth and Skills Hub and would continue the current activities of the HEY LEP until new CA arrangements were in place.

Governance arrangements for the interim period pre the proposed CA have been built into the Plan and refer to the Hull and East Riding Unitary Leaders Board, which will include both elected Leaders and may need to include further members to reflect the make-up of a Mayoral Combined Authority, if confirmed. Both the HEY and GL LEP proposed deals also include arrangements for some Pan Humber governance structure, which will include both HEY/GL Business Board Chairs, the two Universities, the Police and Crime Commissioner and eventually both Mayors, if the deals progress.

DT updated on the progress of the '**Humber Narrative**' piece of work which was progressing well. Over 1000 people had participated in the research to date including attending events and one to one sessions. This work is now being collated and will eventually help form the values and behaviours approach and help set expectations on Humber activities. Following this there will be an intensive roll-out period to embed and engage stakeholders. The work will be launched at the beginning of Humber Business Week. DT thanked the Board for the financial support given to this piece of work.

JHN had attended and presented at the Convention of the North as part of the Net Zero Panel. The event was well attended on both days. MM added that the theme this year was young people and that many young people had attended and contributed positively to the discussions. JHN said that in the Net Zero session there were questions regarding how young people can access information pertaining to future jobs in the various clean energy and Net Zero developments, JHN was able to point to the work of the Careers Hubs and their support to schools on this aspect.

JHN commented that this was a busy week; it was the final meeting of the European Programme Board this week and reports were positive in regard of the use of ERDF funding in particular with most targets achieved. ESF had not been fully invested with approx. £30M shortfall, noting all UK targets for ESF had been achieved. The Programme Board reflected on 'lessons learnt' and made recommendations for any future investments which may come from other funding sources. A significant positive was the use of funds distributed at a regional level and the match funding element was very good.

The new NPIF fund will be launched this week - [Homepage - Northern Powerhouse Investment Fund \(npif.co.uk\)](http://npif.co.uk) .

The last Humber Energy Board meeting was held on 11 March with excellent attendance. The Board are now looking at structures and areas of cluster development, including clean energy and decarbonisation, noting an offshore wind cluster is already well established. The DESNZ representative was unable to attend the meeting but had been in conversation with the Chair. A presentation was given by the Crown Estate looking at use of land and support mechanisms.

Pan Humber Update:

JHN provided a brief update on behalf of SP; pan Humber relationships with GLLEP remain strong with regular meetings; TC and Ruth Carver (CEX) will continue to work together on a number of various activities including the proposed Net Zero Careers Hub and both are members of the Joint Strategic Unit, along with each Humber LA and the HEB Chair, Richard Gwilliam.

AC provided an update on the Freeport Board, who had met to discuss and approve the use of the £25M seed capital investments. The first project would help provide some useful outcomes for all stakeholders. Two of the three tax sites are moving forward with investment activity, these being the East Hull and Goole sites. It had also been agreed that the Freeport would employ a small number of additional staff to support the CEO.

TC added that the proposed Net Zero Careers Hub had been discussed at a presentation pre the HEB with the Careers and Enterprise CEO, Ollie De Botton, giving his overview of the opportunity. Some very positive feedback had been received re potential further investment in this activity which both LEPs are working on together.

Local Authority Updates

East Riding of Yorkshire – Alan Menzies

AM presented the update on behalf of Cllr Anne Handley, Leader, who had sent apologies.

The Devolution Consultation had received nearly 5k responses with over 1000 people attending a range of public events. On the 27th March both Leaders will meet to agree next steps in any formal submission to Government. The response was particularly pleasing given that in other regions a much smaller participation rate was noted, e.g., South Yorkshire proposals received 645 responses and York, North Yorkshire received 2,460 returns.

The return rate was the second highest in England to date. It was pleasing to see the business voice support with letters received. In terms of residents and communities' responses to those issues which the proposed Mayor should prioritise in order these were:

- Transport – particularly in regard of public transport when none existed and improvements to transport times e.g., train times where it did. There were comments on the potential re-instatement of the Beverley to York railway.
- Business support – continued and focus support for businesses in the region including SMEs
- Skills – more and greater ability to influence the skills system

Next steps will take 4/5 weeks after the 27th meeting conclusion and then government will formally respond. If all parties agree a formal order will be placed. If a general election was then announced the order remains placed and will be further discussed in the period between the new election. There would be an issue if an election were called for the beginning of May as this would delay activity. There are Police and Crime Commissioner elections also on 2nd May and the Government would need to announce the 2nd May date by 26 March (next week).

Twenty-four hours following the approval of the order by Parliament the Combined Authority is formally in place with interim arrangements needed pre the proposed May 25 elections. The office of the Mayor will then need to be established and staffed accordingly until such time as the proposed Mayor considers their proposed resource needs. There is no need to go back to the elected Leaders once the order is laid.

Other updates from AM included two large investments which when coming to fruition will need over 1000 new employees.

Re **Freeport activity**, two international companies are developing plans to invest in the region, including a potential £450M investment in Goole which if successful will demand a site of over two hundred acres.

Hull City Council – Alex Codd

AC updated on behalf of Cllr Mike Ross who had given his apologies, to add to AM's update HCC Scrutiny Committee are meeting on Friday 22nd to review the public response to consultation on the Devolution Deal; over 380 pages of text are being scrutinised. There is the expectation for mixed opinions from elected members which is expected on such a significant issue.

In regard of the Reserve Paper proposal to invest up to £40k in the Humber Energy Board, it is brought to the Board's attention that there is also Levelling Up Partnership funding that may be accessible for investment, in the Humber Energy Board, this resource would need defraying in a shorter timescale so this should be considered when the paper is discussed. JHN commented that the resource needed to support the development of the HEB Exec structure, would be ongoing so perhaps the LEP reserve could be considered to be ring-fenced for future years with the new Business Board and TC ensuring this will happen.

AC added that one-third of elected places would be considered in the local May elections, and this included Cllr Mike Ross seat.

LEP Reserves

JHN discussed the paper and its recommendations for the use of both Humber LEP and HEY LEP reserves. The recommendations both in the paper and summarised under 12.1 were supported, with remaining funds ring-fenced to contracted activity appropriately.

The £40k proposal for the HEB discussed under the LA updates was approved in the manner presented and JHN proposed that any remaining resources are invested within the existing priorities of the Humber and HEY LEP and confirmed via TC, working with the Accountable Body and the new Boards when launched.

Due to the apologies received today from board members the decision could not be taken without electronic processes carried out so JHN suggested that this would be the next steps in agreeing use of the Reserves. Board members present agreed this would ensure transparency and a clear decision record. JHN asked TP if this would suffice for AB purposes, and this was confirmed.

Action – Decision to be taken by electronic means with final outcome being signed by both Chairs and the AB.

LEP Recent Events:

- **HEY LEP and CIPD Symposium** – TC updated on this successful event which was attended by c100 delegates drawn from HR and Talent Leaders, employers, and agencies. JHN had opened the event with keynote speaker, Lutfer Ali discussing inclusion and its many opportunities and challenges. Following feedback from the day a further event will be designed to consider improvements in workplace processes.
- **Mini-AI Conference** - CH updated on behalf of himself and JB who had given apologies for the meeting. The event was designed by the LEP in partnership with the University of Hull and Hull College demand for places was high with 75 as the limit due to venue restrictions. Good input from all speakers ensured a pacy and informative event with thanks to David Hall, Board member, for the event welcome and sharing of his own business journey.
- **HEB Pre-meet Net Zero Careers Hub meeting** – TC reported this under Pan Humber activity.
- **HEY Careers Hub Student Voice event** - CH thanked AC for his input at the event which was engaging and informative; students shared their own insights into how schools and colleges could

improve their careers activities, being honest and open. This feedback will be discussed at the Careers Hub Employer Cornerstone group at their next meeting; there were some surprises re feedback on topics such as engineering which will need careful assessment considering future job growth.

- **Create Growth Programme planned launch** – TC said that the Grant Offer Letter had not yet been received and this has been chased several times. However, considering the programme is proposed as a one year only pilot from April plans were going ahead to launch on 11 April with David Hall acting as Board representative. A soft launch will be also asking place using the existing responders to the original press coverage to ensure targets are achieved. The delay in the grant offer letter and accompanying schedules was a risk as these would require legal scrutiny and AB sign off so TC asked the Board to note this risk.

Further note: the proposals have now been received and are with the AB legal team for consideration and review.

Items for Information and/or decision

Chief Operating Officer and Team Report

TC said that existing requirements for website and transparency of investments would need to continue, and this is being discussed and will be actioned under the organisation name of the **HEY Business, Growth and Skills Hub** which is the umbrella name for the LEP teams ongoing activities. All existing contracts will continue to be delivered after reaching agreement with both LAs. The team will continue to work as one unit until such time as the Mayoral arrangements are in place.

TC updated board members on a range of continuing activity including the two NET Net Zero two funding bids which will be considered by the NEY Net Zero Board in due course. This funding will be allocated on a competitive basis and both bids had been developed in partnership with the two LA Clean Energy/Decarbonisation teams.

The LEP Network had received some interim funding from government and were continuing to support LEPs/CAs in the transition period, sharing advice and good practice where appropriate. JHN reported that he would be attending a Network Chair's meeting next week where integration would be further discussed.

Growth Hub Update

TC updated on behalf of JB who had given his apologies due to annual leave. The Growth Hub has continued to deliver on target and had achieved good outputs to date, working in close partnership with both LA Business Advisory Teams.

No funding letters had yet been received following the Yorkshire Growth Hub call on 21st February, but these were expected very shortly. The budget settlement is expected to be the same in the HEY region. As such it is anticipated that the Hub's delivery model continues as per this financial year.

The Growth Hub's Workforce Development Business Advisor continues to support a range of business clients and has been successful in assisting with the transfer of unallocated Apprenticeship Levy funds to

smaller businesses, thus creating new jobs.

Made Smarter targets are on track for achievement with three HEY businesses participating in the 'Leading Digital Transformational' strand of the programme. JB and the Digital Transformational Specialist had recently attended the Insider Magazine Made in Yorkshire Awards event where four HEY manufacturers were nominated for the Made Smarter Award. Detech Europe Ltd., based in Atwick were the successful winners.

Investment Programme Update

JN presented to the Board the latest outputs of the Local Growth Fund, noting all LGF funding has now been defrayed. As proposed completion dates include periods of up to and beyond 2025 the new Business Board will continue to receive this data.

The Getting Building Fund again has some outputs that run past 2025; JN included the latest figures which illustrated some variance which will need close monitoring and reporting.

The Growing Places Fund had invested to date a value of £1.89M which was allocated to successful applicants in Hull (27) and East Yorkshire (16). The progress of all grant awards is closely monitored by the Programme Delivery Team.

Further promotional activities are planned to ensure businesses are aware of the investment opportunities.

Levelling Up Partnership –Investment Panel/LEP Board Involvement

JN asked Board members to consider the proposal for the LEP's current Investment Panel to continue and to take on additional responsibilities to help the Levelling Up Partnership investment bids to be considered. This would ensure suitable scrutiny by external and independent specialist as provided in addition to the processes adopted by the AB.

As the board were not quorate, JHN suggested that this decision would need to be taken by electronic process with sign off by the two Chairs in due course – **Action TC/JHN/SP**

Export Update

Andrew Finch provided an update on the work of DBT and the further opportunities for the region to access an enhanced service if the proposed Combined Authority comes to fruition.

There are some good examples in other CAs re international trade work, including in South Yorkshire who have now achieved their fourth devolution deal and have developed a trade and export plan linked to their key sectors. This work is being led by the MCA with support from DBT and Mayor Coppard has appeared on many an international platform to promote the area. As Doncaster is twinned with Pittsburgh, USA there is a visit planned with representatives from the AMRC in attendance - [The University of Sheffield Advanced Manufacturing Research Centre \(amrc.co.uk\)](https://www.amrc.co.uk) .

For the HEY region the compelling opportunities are in clean energy and decarbonisation. There have been eight MOUs signed with USA states to date which provide an excellent platform for business.

Developing the region's Place Based Strategy and including international trade makes good sense.

AF thanked the Board, the Chamber of Commerce and the two LAs for their support in addition to LEP team members for supporting this work.

Minutes of the Business Support Board – held on 16th March 2024

TC presented on behalf of DW and DH who had kindly chaired the meeting. The Board had received the data updates from the Growth Hub and Investment Programme.

AI and its opportunities remains a key topic for most SMEs who are trying to understand how best to use the technology prior to organisational investment.

Going forward it is essential the business voice is heard and recognised in any future governance arrangements. Several members were interested in understanding more of the proposed new Business Board so they might consider if they would be interested in applying. TC confirmed that any future opportunities would be shared with this and other LEP sub-boards. **Action – TC/KP**

DH thanked all members for their input and knowledge over the last three years.

Minutes of the Infrastructure Board held on 8th March 2024

TC updated on behalf of SP on the last formal meeting of this board. Updates had been received from the LEP team, including a conversation on investment enquiries and their reduction in numbers.

AM commented that whilst this was the case, the scale of investments had grown substantially, and this was the main point. TC said that there was some surprise over the drop off particularly in the Logistics Sector. It was agreed that the data should be revisited to include approx. financial investments size alongside number of enquiries – **Action – TC and Phil Glover.**

Reflecting on highlights & achievements of the HEY LEP

TC presented a high-level summary of LEP achievements over the last three years, thanking board members and the local authority for their input and support. TC referred to the Annual Review report which had been produced early in the year to ensure the Board could revisit some of this year's successes.

Presentation attached

Any Other Business

MM gave thanks on behalf of the Board members to JHN and SP, recognising their strength of leadership over the past three years. MM said the range of expertise around this board had resulted in excellent

outcomes and good relationships which were mutually beneficial. MM said the setting up of the Humber Energy Board, led by JHN is a prime example of this thinking and leadership. Similarly, SP's role in championing and supporting the Freeport development, sometimes over challenging issues was excellent. MM concluded by thanking the LEP team for their resilience and hard work, each team member had contributed to the success of the strategy delivery and MM was sure this would continue under the new arrangements.

Regarding three areas of work that needed decisions today it was agreed to circulate the reserves paper, the Behavioural Insights/CIPD proposal and the Investment Panel/LUF responsibility proposal to board members to ensure that decisions were quorate and could be recorded for governance purposes – **Action – KP/TC**

Note: Board members subsequently approved all remaining decisions.

Thank you to Board Members

JHN gave thanks on behalf of himself, SP and the LEP team. Recognising that The LEP was always a vehicle for public and private sector partnerships. During JHN's time, as Chair, he had worked with six Leaders and had good relationships with each; he thanked these Leaders for their support of the LEP.

JHN stated it is vital that there is a continuity of strategic thought to ensure the good work continues. The Board had ensured good representation of the region, with rural, VCSE, manufacturing, SME, health, business, and logistics representation. It was this diversity of the Board which had resulted in the strategy being reflective of the assets and opportunity HEY holds.

The Business Engagement Board had been a valuable advisory and support mechanism for this Board to reflect views and opportunities. The BEB will now consider their role in the devolution process.

JHN said that in the Infrastructure Board's case, members had made the decision to continue meeting informal, feeling they had much to offer which would benefit any future CA if established.

JHN concluded by thanking everyone for their efforts and personal support to him and SP, wishing everyone success and particularly in the next steps toward devolution.