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Minutes of the Greater Lincolnshire LEP Board

24th May 2019

Lincolnshire Chamber of Commerce,
Commerce House, Carlton Boulevard,
Lincoln, LN2 4WJ

Draft Minutes

Present: Board Directors: Ursula Lidbetter (Chair) (Lincs Co-op), David Dexter (Vice Chair FSB), Cllr Philip Jackson (NELC), Cllr Colin Davie (LCC), Cllr Rob Waltham (NLC), Cllr Ric Metcalfe (CoL), Cllr Craig Leyland (ELDC), Dean Fathers (Health), Pat Doody (Nat West), Debbie Barnes (LCC), Gary Headland (IoD & Chamber), Nick Worboys (Longhurst Group), Zoe Easey (Epix Media), Andrew Crookham (S151 Officer & AB)

Apologies: Herman Kok (Lindum Group), Professor Mary Stuart (UoL), Chris Baron (Butlins) Sarah Louise Fairburn (L J Fairburn & Sons Ltd)

LEP Executive: Ruth Carver, Sue Groves (Note Taker)

Observers: Pete Holmes (CLOG),

For Agenda Items: Andy Brooks (LEP), Halina Davies (LEP), James Baty (LEP), Sukhy Johal (UoL), Tom Fleming (Consultant)

Apologies and Declarations of Interest -

Apologies were noted from Herman Kok, Professor Mary Stuart, Chris Baron and Sarah Louise Fairburn. Full declarations of interest can be found at:
https://www.greaterlincolnshirelep.co.uk/assets/documents/LEP_Rols_LIVE_list_March_2018_.pdf

The LEP Board were reminded that declarations of interest are required as part of LEP governance and must be updated at least annually, and if anything changes to the LEP office at the earliest convenience. Ursula Lidbetter and Dean Fathers to update their Declarations of Interest as a result of verbal declarations.

The Chair welcomed Councillor Philip Jackson and Andrew Crookham to their first Board meeting.

Cllr Waltham gave an update on the issues with British Steel after it had been announced that they were in receivership and that a buyer is still being sought.

Minutes and Matters Arising (Paper 1)

The minutes of the 20th March 2019 were accepted as a true record.

Matters Arising:

- Forward agenda: Employment & Skills Board to attend the September Board meeting and the final version of the LIS will be brought to this meeting.
- There are now two vacancies on the Board following the resignation of Steve Middlebrough, also Herman Kok is to resign and wishes to leave as soon as possible. These vacancies will be held pending resolving the LEP Geography issue.
- Articles of Association were approved at the EGM on the 29th April.
- Board Members for the new Health & Care Enterprise Board currently being advertised for.
- New member of the Finance & Audit Committee being sought.
- New member of Business Lincolnshire Board being sought.
- Nominations from Board members for the above new posts would be welcomed.

LEP Directors Report (Paper 2) - Ruth Carver

- **LEP Geography** - This is still unresolved. Councillor Jackson and Councillor Waltham have written to the Secretary of State asking to keep the overlaps as this is their preferred option. A meeting is to be held to discuss the options.
- **Rutland LEP** - GLLEP is progressing with asking Rutland County Council to become part of the Greater Lincolnshire LEP as they have a similar economy, ie, visitor economy and

manufacturing, they also have similar ambitions with regarding to housing. Rutland also has a number of FDIs and Defence companies, which could be included in the statistics for the LIS. Board agreed that GLLEP should offer one seat on the Board (private or public).

- **Collaboration** - Once the overlap has been resolved, GLLEP has been encouraged to formalise collaboration, not just with Humber LEP, but also with surrounding LEPs, ie, D2N2, LLEP. The Humber LEP has requested that GLLEP take the lead on AgriFood, robotics and digital while they take the lead on decarbonisation. Meeting to take place with Leaders to discuss collaboration regarding Ports and Logistics, which need to be resolved, along with funding.

Comments

PH commented that the current policy on overlaps is still wanted by the Minister, who would also prefer to keep Humber LEP as it is.

Councillor Jackson stated that if the status quo is not possible, NELC would prefer the merger option.

- **Midlands Connect** - Looking at infrastructure and the importance of the A46 which runs from Bristol to Grimsby as an economic corridor. Midlands Connect is seeking approval for delegation in between meetings to consider the LEP pledging support for a proposition to lobby national government for enhancement on and alongside the A46 - Board agreed.
- **Government Sponsor** - Senior Sponsor Graham Pendlebury is retiring during the summer and his replacement has been named as Stephen Fidler, Director of Local Growth at the Department for Transport. The Chief Executive and the BEIS Area Lead have had an introductory meeting with him. Board agreed that a "Thank you" letter be sent.

Actions:

- **Agreed that one Board member from Rutland be invited.**
- **Thank You letter to be sent to Graham Pendlebury.**

Year End Finances 2018/19 (Paper 3) - David Dexter

The Finance & Audit Committee met in May to review the year end finances for the year 2018/19 and the Board was asked to approve the recommendations made by the Committee:

- Approve and recommend the Financial Report for sign-off and incorporating into the Annual Report.
- Delegate authority for approval and sign-off of the final version of the Annual Report to the LEP Chair, Chief Executive and one other board member to coincide with the AGM and annual conference in July.
- Approve the payment of Accountable Body costs from cash balance interest to the sum of £67,791.
- Approve the £49,170 gained on the Invest & Grow fund to be placed back in the loan fund for future use as per the Cash Balance and Reserve policy.
- Approve that the remaining interest of £33,595 gained within the 18/19 period on cash balances be utilised to increase the Commissioned Feasibility Fund to a total value of £203,474.
- Approve the submission of the Q4 Growth Deal Dashboard to government as per the reporting requirements.

Actions:

- **The Financial Statement is to be electronically approved by 2 Board members**
- **The above recommendations are to be circulated to all Board members.**

LEP Governance Review - Policies & ToRs (Paper 4) - Ruth Carver

As the policies and Terms of Reference were not circulated, these are to be circulated for electronic approval.

The Board approved the Freedom of Information policy as the LCC policy has been adopted for this.

GLLEP Annual Delivery Plan (Paper 5) - Ruth Carver

The Government's Strengthened Local Enterprise Partnerships policy paper, published in July 2018, set out the expectation that Local Enterprise Partnerships would produce an Annual Delivery Plan and end of year report. These would be published and shared with Government and would include:

- A set of headline outcome indicators based on local priorities to benefit people and communities, and a detailed and well developed understanding of the local economic evidence base across their area.
- How Local Enterprise Partnerships are investing existing Local Growth Fund awards, and delivering other local growth programmes such as Enterprise Zones and Growth Hubs.
- How Local Enterprise Partnerships will work with local authorities to make the most of their existing levers to drive economic growth and ensure that the planning system is responsive to commercial development.
- Details on the allocation of any other national and local funds, alongside approaches to monitoring and evaluation.
- How the Local Enterprise Partnership plans for consultation and engagement with public, private and voluntary and community based bodies.

The Annual Delivery Plan will be designed by Optima. This will include an Executive Summary, Strategy, Delivery and Governance and will link into the LIS.

PH stated that the Annual Delivery Plan should be published by 31st May.

PD asked where the KPIs came from; these are currently applied to from the Growth Deal and will be amalgamated to the SEP/Growth Deal and LIS.

DD asked about the target for Business Lincolnshire Growth Hub as these do not appear to have altered from the previous year. Agreed that a representative from the Growth Hub would attend the next meeting.

Cllr Leyland believes that Carbon Footprint and Climate will be an important issue in the near future.

DF stated that China is a key market place for Health and that India is in the process of developing trading relationships.

Cllr Davie stated that LCC already has a good working relationship with China, particularly with Hunan Province.

The Annual Delivery Plan is a live document and will be updated on a regular basis.

ESIF Update (Paper 6) - Pat Doody

The last call for outline applications to come forward to take up remaining ERDF funds closed on 23rd November 2018. The successful projects were asked to come to full application by 20th May 2019 - these were mainly Innovation projects.

Successful in spending funding deadline of 2020 by ensuring continuity and supporting the right projects.

European Social Fund - There will be a direct bid call in July regarding social inclusion, education and social housing, but there will be a requirement for full match funding.

Energy (Paper 7) - Andy Brooks

As part of the introduction to this particular paper, AB summarised the background work that had been carried out, that had led to this particular paper, which started with the Utility study 2½ years ago, using the LEP Feasibility Fund as a catalyst.

It showed:

- Problems of flexibility of availability and operators.
- 25 strategic sites were looked at, which showed an abnormal cost burden of up to £125m at that time.
- There was a lost economic opportunity cost associated with a lack of utility infrastructure, not in the right place at the right time.

Following on from this initial work, was that of the Energy Strategy for Greater Lincolnshire, which was endorsed by the Board in December 2018.

There is also current work within the Local Industrial Strategy to strengthen proposal for Greater Lincolnshire to act as a test bed for rural energy and water projects.

Comments

- Further discussions on the paper itself, outlined that energy needs to be more efficient, and the ability to access it to become far less problematic. It was apparent that Greater Lincolnshire does not have a robust network in place to support the projected numbers of electric cars that will be purchased, now how the logistics industry will adopt alternative fuels for their fleet, into the future.
- Siemens as a stakeholder in energy and power in the LEP area would be a good lead in this arena.
- Cllr Leyland said that the GLLEP should lead on this, and that the Government should assist with legislation to help in this area, particularly around planning applications, ie, that policy support for applications to be carbon neutral would be welcome.
- Cllr Davie added that LCC aims to be carbon neutral by 2050, through its Carbon Management Plan proposals, and this would link very well into any future work that the LEP undertakes with energy.
- Dean Fathers stated that energy in rural areas was featured in their recent elections in India and it would be a great opportunity to work/collaborate with this LEP area.
- Cllr Jackson added that in North East Lincolnshire, they have access to renewable energy therefore there is a need to feature renewables and to encourage new and existing businesses to produce their own energy.
- Nick Warboys added that new housing builds would be ideal opportunities to encourage developers to assist with the energy dilemma facing Greater Lincolnshire.
- Ruth Carver introduced the notion that following all of the discussions, it might be beneficial to hold an Energy Summit, elicit wider support for the work of the LEP in this area. Cllr Jackson stated that a summit had been held for the last two years by the Humber LEP and asked whether this could be a joint venture.

AB then asked the Board if they were in agreement with the proposal for the Enabling Framework model for Energy in Greater Lincolnshire. The Board agreed that it was the right approach.

RC then summarised the papers request of the Board and then asked for support:

- The progression around Enabling Framework approach outlined;
- A LEP Board Energy Lead;
- For the draft Terms of Reference for the Energy/Expert Council model attached to the paper.

Actions

- **RC would source the Board Energy Lead**
- **AB would progress the Enabling Framework model, and instigate the Energy Expert/Energy Council panel.**
- **Energy Summit proposals would be developed and brought back to a future meeting to get more partners and businesses involved.**

Creative Lincolnshire (Paper 8) - Halina Davies/ Sukhy Johal/Tom Fleming

A presentation was given on Lincoln Shire Culture and Creativity. The presentation gave a baseline position on the cultural and creative industries in Lincolnshire and assessed key opportunities for growth. This included a focus on boosting GDP through sector development and generative positive spill-over effects to other priority sectors and agendas, ie, tourism, inward investment and place-making.

It also identified the key priorities for sector investment and support. This included the priority investment of a new creative hub in Lincoln and a set of support, networking and hub interventions across the County. A new creative hub forms part of a wider GLLEP Pipeline project submitted by the University of Lincoln (Programme for Business Productivity, Growth and Innovation).

This will support partners in shaping a new plan for the cultural and creative industries in Lincolnshire, which supports inclusive growth, connects the diverse geography of the County, and helps other sectors to innovate.

- The Creative, Cultural and Digital Sector has grown twice as fast as other sectors;
- They account for more than 5% of the UK's GVA;
- Worth over £100 billion to the UK economy, more than the automotive, life sciences, aerospace, oil and gas sectors combined;
- Employment in this sector has grown 28.6% since 2011.

This is a small but growing sector:

- 3,000 creative, cultural and digital businesses;
- Employment in the sectors estimated at 10,710;
- Creative, cultural and digital sector employment 2.4% of overall employment;
- Creative, cultural and digital sector employment has grown by 7% between 2015 and 2017.

In Lincolnshire, there are 3 districts that predominate: Lincoln, North Kesteven (part of wider Lincoln) and South Kesteven (Stamford, Grantham and The Deepings).

Challenges for sector growth:

- Geography - fragmentation and isolation;
- Fragility of local cultural and community hubs;
- The broadband challenge for rural businesses;
- Lack of agglomeration and pull;
- Few convergent creatives spaces - for R&D production and consumption;
- Talent retention/attraction;
- Access to markets;
- The brand narrative.

With the University of Lincoln being a key driver for the economic success of Lincolnshire and a vital enabler of cultural activity, tourism, inward investment and talent retention/attraction, it is vital to build on this success by establishing Lincoln as a nationally significant hub and cluster for the creative economy. The first and very important step is to develop a new type of creative hub which connects the University to the City, the City to the County and the County to the world.

TF shared some initial thoughts in terms of potential locations for the Hub with the Board, having now completed the research element of the project, which the LEP directly contributed to alongside UoL and LCC, however the wider scheme has also had scheme development funding and support from Arts Council England to date.

Comments

- ❖ Cllr Jackson said that there is a creative cluster in Grimsby and Cleethorpes and that £2.2m had been received from the Cultural Development Fund
- ❖ DD asked whether the statistics they have received include non-registered businesses. SJ/TF to make enquiries and will do their best to reach these businesses.
- ❖ DF said that from a mental health perspective, this was a good opportunity to improve health, and that it could be attractive to the older generation, ie, getting them involved in a creative industry.

Actions:

- DF and ZE expressed an interest in being more involved in the Creative Hub's development going forward, and ZE offered to help by acting as a conduit between the emerging Digital Hub, the Board and this scheme as it evolves, being directly involved in the sector itself.
- UoL to keep the LEP informed on progress with the pipeline project and any feasibility work that may be required to support its delivery.
- The LEP will ensure that the findings of the research are incorporated into the Local Industrial Strategy work currently being progressed.

Local Industrial Strategy (Paper 9) - James Baty

JB gave an update about the development of the Local Industrial Strategy and explained that the proposed use of an Independent Expert Panel.

Additional external support to the LIS development process has been procured, as agreed at the last Board meeting. The contract has been awarded to Metro Dynamics and will provide the following:

- Preparing the LIS evidence base, drawing upon existing analytical work and developing this further.
- Developing the LIS: consultation and engagement: check and challenge of analysis (including setting up an Independent Expert Panel; development of interventions; and drafting).
- Providing additional strategic and project support, as required on a call-off basis.
- Refresh of the Strategic Economic Plan (SEP).

An inception meeting took place on the 14th May and it is intended that Metro Dynamics will present a pre-publication summary of the draft to the Board t July's meeting.

The creation of the Independent Expert Panel is to help us to build relationships with experts who have national standing and who can be advocates for our area in the future beyond the LIS. Expert Panels are distinctive in response to local priorities and they invite experts from different fields to assess the opportunities and challenges in the local economy, to consider evidence and insights, and to check and challenge the process and logic chains developed. Using an Independent Panel in

this way will demonstrate to Government that we have built checks and balances into our process and that we have a thorough process for reviewing the evidence and developing our priorities. We will be seeking experts, potentially external to Greater Lincolnshire, that have in-depth knowledge and expertise in relation to economic development and particular sectors, who will be able to help as we start identifying interventions. This panel would sit approximately 3 times a year and would feedback to the Board.

The Board endorsed the use of an Independent Expert Panel.

Any Other Business

None.

The meeting was closed.

DRAFT