

GREATER LINCOLNSHIRE

Local Enterprise Partnership

Present: Ursula Lidbetter – Chair, David Dexter - Deputy Chair, Neil Corner, Mark Tinsley, Herman Kok, Cllr Doreen Stephenson, Chris Baron, Andy Baxendale, Cllr Liz Redfern, Richard Wills, Winston Phillips, Professor Mary Stuart, Dr Tony Hill, Marc Cole, Marcus Walker, Ruth Carver (LEP Secretariat) Carolyn Tuscher (LEP Secretariat).

Friday 11th November 2011

<p>1.</p>	<p><u>Apologies, Declarations, Minutes and Matters Arising.</u></p> <p>Apologies were received from Cllr Eddy Poll and Cllr Mick Burnett.</p> <p>Dick Herzberg has tendered his resignation. The Chair asked the Board to consider if they had any thoughts on a replacement before recruitment began.</p> <p>There were no declarations of interest given at this point and the minutes from the board meeting of 30th September were agreed.</p> <p>Matters arising: Business Support Cllr Doreen Stephenson commented that Business Support should be discussed by ED Teams in the districts to help to build up a complete picture and ensure that there are no capacity issues. Herman Kok who is leading on this agenda item confirmed their involvement.</p>	<p>ACTION</p>
<p>2</p>	<p><u>Operational Brief</u></p> <p><u>Item 1 Feedback on the visit to Holbeach</u> The Chair thanked Professor Stuart for the visit to the University of Lincoln, Holbeach Campus. Professor Stuart explained that the University was now working on Promotion for the Centre of Excellence and that she would update the LEP Board once the consultation was complete. Marc Cole expressed that he would like to attend at some point in the future and it was agreed that inviting Private Sector leads to visit would be beneficial.</p> <p><u>Item 2 Growing Places Fund</u> Richard Wills gave a presentation to the Board, on the newly emerging growing places fund.</p> <p>The GLLEP have been allocated £6.4 million through the Fund. There has been a strong steer from Government that this is a revolving fund and that money should be used as cash flow to unlock developments that have stalled, however the money needs to be returned to fund future projects.</p> <p>BIS and DfT may watch how LEPs use the money and those who manage it well could possibly get some more in the future. It may be that the money has to be loaned on a more commercial basis. The Local Authorities need to look at S106 and CIL obligations and advise the LEP Board.</p> <p>The money needs to be invested quickly once it is confirmed, therefore it may well be that the LEP would invest the Fund in projects that already have planning permissions and are at advanced stages initially to get the Fund invested quickly and get some fast wins. It would be better to look at 2-4 projects rather than spread the money too thinly. However, there needs to be employment growth, and the fund is not really intended as a safety net. Success may well be growth that is not actually visible immediately, and therefore Government may well measure success</p>	<p>Prof Stuart</p> <p>Richard Wills</p>

on how quickly the funds were used initially.

There must also be robust mechanisms for getting the money returned.

Hesitant to seek guidance from Government, as we should be advising Government what will work best for the Greater Lincolnshire Economy and take control from the beginning. There needs to be a proper business plan and businesslike approach to the money.

We do need to engage with the entire area so that projects and businesses are aware that this fund exists, so that everyone has the same opportunity to bid for funding. The District Authorities already have infrastructure plans in place and should be consulted to avoid duplication of effort.

The Government will want to announce successes quickly therefore we need to be very astute in the projects that are picked. Therefore it is crucial that we manage expectations around the Greater Lincolnshire area.

It may be that LEP's working together will have further success. It is important that the fund is used for Lincolnshire people not for people from outside the area, who are in Lincolnshire now and then, disappear.

There are similarities with RGF; with this the ratio was 1 job per £20K with 5:1 private sector leverage. The Board needs to determine the criteria and explain what it is not. This will cut out floods of applications that are not viable from the start.

It was agreed by the LEP Board that the Chair would lead a Growing Places Fund Board. The Board agreed that authority to sign off expenditure would be delegated to the task and finish Group and the Board would be updated as appropriate. Proposals for the fund would be circulated in early December for comment and approval

Item 3 – Regional Growth Fund 2

The Board was updated on bids in North East Lincolnshire and one for North Lincolnshire.

Item 4 – BDUK Update

Justin Brown updated the Board on the BDUK Project.

Since the allocation of the £14.3 million to Lincolnshire and £8.45million to Humberside the Government have asked for match funding, which has resulted in a £2.7-£4 million pound gap.

The role for the LEP; Support is required for lobbying Government and a proposal will be drawn up as to how the LEP can help with Market Testing in our area. The Private sector led Board with Private Sector suppliers, with the possibility of providing workshops. The Lincolnshire Plan will be submitted in December for approval for the next Financial Year.

Item 5 – Update of Brussels Visit

Mark Tinsley updated the Board on his meeting with Lincolnshire MEPs. On the whole MEP's do want to engage with LEPs and Emma McClarkin would like to visit. EU Funding is still available but it is very difficult to access, and we therefore need to be aware of all of the opportunities.

It is recognised that some LEP areas are Transitional areas where there are areas within them that are poor enough to qualify for funding. Lincolnshire and Humberside would come into this category. It is very similar to the old Objective 2 Funding. There is a potential £50 million over 7 years.

There is a role for the LEP Board to lobby Government of how we would spend this money.

JB

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<p>3.</p>	<p><u>Rural Growth Fund</u></p> <p>DeFRA and the Treasury have been discussing the potential of a Rural Growth Fund and the outcome of those discussions will be seen on the Budget at the end of November. Lincolnshire has been chosen as one of the 4 Pilot areas who have been involved in initial consultations. It would be good for this LEP Board to be known for making Enterprise happen in rural areas. We need to work on good relationships with Government Departments. Central Government believes Cities will drive growth where as DeFRA sees the rural areas sympathetically. We already have hubs in the area – Market Towns which need to be revitalised. We must not spread ourselves too thinly.</p> <p>We need to see if this develops in the budget and then lobby hard. If it does not come off then it may be that GLLEP looks to do this anyway.</p>	
<p>4.</p>	<p><u>Government Finance.</u></p> <p>There will be winners and losers with the reforms to Government Finance. Lincolnshire would lose £40million, with the proposed changes to business rates. We currently receive more than we generate. North Lincolnshire is the opposite and currently generates more than it receives.</p> <p>Most schools have been taken out of the Local Authority through the introduction of Academies.</p> <p>District Finances will be even worse. Currently the City of Lincoln generates more revenue through its car parks than it does through Council Taxes.</p>	
<p>5.</p>	<p><u>Feed Back on Sector Task and Finish Groups</u></p> <p>Winston Phillips fed back on the task and finish group for renewables:</p> <p>Mike Braithwaite at the JPU is doing some very good work on various strands of the renewables sector.</p> <p>The market is very fragmented at the moment; there are lots of mature markets as well as new projects which are more difficult to understand.</p> <p>There are lots of opportunities for Lincolnshire, we must stay focused and ask constantly “What is in it for Lincolnshire” whether it be job creation or sustainability or engagement with the operators</p> <p>At present there is a huge focus on Wind Energy and although residents of Lincolnshire do not support wind farms there is not a great deal in it for Lincolnshire. The Consent to Wind Farms especially in Coastal Areas would have a negative impact on the Tourism Industry. In Lincolnshire we need to make more use of the other resources that Lincolnshire has such as Energy from Waste and Biomass.</p>	
<p>6.</p>	<p><u>Skills Agenda</u></p> <p>Herman Kok updated the Board on the role of the Employment and Skills Board. Initially set up to cover Lincolnshire and Rutland the Board is looking to expand to include North and North East Lincolnshire.</p> <p>The three economies have very similar issues in that the best and brightest leave. However it must not be forgotten that the low skills base of the Lincolnshire Economy has given us a resilience during the economic downturn. There is an issue of critical mass and how to achieve this. Basic skills are crucial for work</p>	

	<p>readiness.</p> <p>The Employment and Skills Board are asking for approval for the funding that was agreed in the Start Up Fund bid to be formally released so that work can begin on gathering the evidence required in relation to the findings of the recent task and finish groups.</p> <p>The Board agreed that the funding be transferred to the Employment and Skills Board under the authority of Clare Hughes Officer Support to the Employment and Skills Board</p>	Secretariat
7.	<p><u>Community Infrastructure Levy</u></p> <p>Alan Freeman from Lincolnshire County Council, provided the LEP Board with an overview of the Community Infrastructure Levy, (CIL).</p> <p>CIL is a chargeable levy on floor space and is to mitigate against any negative impact of a project. Both Districts and Unitary authorities can be charging authorities, and they must have up to date development plans in order to set a charge for CIL.</p> <p>CIL is one of a number of possible funding streams, which include Section 106 Agreements and New Housing Bonus. There can be no double charging and there can be only 5 request made in any one area. The new Housing Bonus is a new initiative from 2011 and is to encourage local authorities to deliver housing growth in their areas.</p> <p>Proposed changes to CIL came out in a consultation paper in October 2011, the main areas for consultation are:</p> <p>Neighbourhood Funds; which would allocate meaningful levels of funding to parish councils.</p> <p>Affordable housing; instead of requiring a % of affordable homes per site, a charge could be levied and the money used to provide homes in more appropriate places for local needs.</p> <p>It is hoped that these changes would lead to a more open and accountable system with a real time monitoring of expenditure.</p> <p>The LEP Board need to be a critical friend in this area and there are possible some very difficult and politically sensitive decisions to be made. The LEP will need to work closely with planners. Low returns from CIL for example could mean that the Growing Places Fund does not get replaced/repaid. There is a real danger that the policies will polarise affluent and non affluent areas.</p>	All
8.	<p><u>AOB</u></p> <p>There was no other business at this time</p>	LEP Secretariat
9.	<p><u>The Date of the next meeting</u></p> <p>The next meeting will be 12 January 2012 at the Enterprise@Lincoln Building at the University of Lincoln.</p>	LEP Secretariat