

**LEP Executive Group Meeting
Broad Eye Building, Earl Street, Stafford, ST16 2QR
11th February 2016
Minutes**

Present

Group Members

David Frost (Chair)	
Kerry Diamond	Continental
Jonathan Dale	Denoviant
Richard Cotterell	Perkins Engines
CLlr Abi Brown	Deputy Leader, Stoke-on-Trent City Council
David Sidaway	Rep. CXO, Stoke-on-Trent City Council
Ken Stepney	JCB
CLlr Patrick Farrington	Stafford Borough Council
CLlr Philip Atkins Leader	Staffordshire County Council
CLlr George Adamson	Leader, Cannock Chase Council
Prof Trevor McMillan	Keele University

Advisory/Secretariat

Peter Davenport	Stoke-on-Trent & Staffordshire LEP
Julie Frost	Office Manager, Stoke-on-Trent & Staffordshire LEP
Alison Thomas	Communications Manager, Stoke-on-Trent & Staffordshire LEP
Kevin Postones	BIS West Midlands
Chris Gill	Interim Programme Consultant
Dr Cathryn Hickey	Stoke-on-Trent City Council
Jonathan Phipps	Stoke-on-Trent City Council

Apologies

John Henderson	Chief Executive, Staffordshire County Council
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1. Introductions

The Chair welcomed members to the meeting.

2. Apologies

Noted.

3. Declarations of Interest

A record of declarations of interests was present at the meeting and available for examination. No additional declarations were made.

4. Notes of the previous meeting and any matters arising

The minutes were accepted as a true and fair record, with the following amendments:

- 1) Steve Winterflood had represented South Staffordshire District Council, not Cannock Chase District Council.

2) Chair's Update – the process to recruit a new Board Member was underway

5. Chairs Delegated Decisions and Actions

No delegated decisions had been taken.

The Chair had participated in the launch of the Midlands Engine in December which had been successful. A lot of work would be required to bring the prospectus to life.

The Chair fed back on his recent visit to two schools in the City where he had been very impressed by the positive changes implemented by the Heads.

The Chair urged the Group to consider succession planning ahead of his departure in April 2017.

6. AMRICC Presentation – Jonathan Phipps & Dr Cathryn Hickey

A presentation was made by Jonathan Phipps and Cathryn Hickey which set out how the proposals for an Applied Materials Research, Innovation and Commercialisation Centre (AMRICC) were being developed. The project was being developed in line with the principles contained in the SEP and ESIF Strategy. The AMRICC would consist of applied research and development, a pilot plant, and a postgraduate school. The proposals were being developed in conjunction with Lucideon and work was in hand to identify private sector partners.

The group welcomed the report and looked forward to hearing further as to how the project was progressing.

7. Key Performance Indicators

The KPI was circulated. It was reported that the Business Helpline was out for tender and discussions were currently taking place with other LEPs concerning a the potential replacement for the Manufacturing Advisory Service

8. City and Growth Deal Programme Board Report

Meetings had taken place on 15th December and 2nd February. Feedback from December's Annual Conversation had been positive, with a recommendation being made to the Government allocate the LEP £33.4M from the Local Growth fund in 2016/17.

The Executive Group was approved the release of £1,105,700 of LGF funding in 2016/17 for the Advanced Manufacturing & Engineering (AME) Hub Phase 2. This allocation was based upon the business case, and would be subject to an agreement between SCC as the Accountable Body and the JCB Academy as project deliverer, which would cover deliverables, timescales, progress reporting and other appropriate requirements related to the LEP Investment.

The programme summary was circulated and discussed. Piling trials for Stafford Western Access (SWAR) which had been delayed due to flooding and would now commence on the 22nd February. It was planned to have an amended business case for the scheme ready by the end of March and it was noted that SWAR could have the most impact on LGF expenditure in 2016/17.

9. Confidential Item

10. Ceramic Valley Enterprise Zone

A paper was discussed which made proposals with regard to the

- Governance arrangements and reporting
- Terms of reference for the EZ Project Board and the EZ Project Group in line with the proposed structure.

- Use of business rates retained by Stoke-on-Trent City Council, Newcastle Borough Council and Staffordshire County Council

The Executive Group agreed the governance structure, delegated to the Chair and Vice Chair the approval of the Memorandum of Understanding, ;

It noted the outline principals set out in section 6 of the report and asked the Secretariat and LA to develop the appropriate agreements between the LEP and the Billing Authorities.

It was noted that Further discussions would be needed with Newcastle-under-Lyme Borough Council.

11. Confidential – Item

12. Northern Gateway Development Zone

Progress had been made in a number of areas including the allocation of £1.2m for the development of a HS2 Growth Strategy, the development of a prospectus and promotional materials which would be launched at MIPIM, and the need to allocate £14,000 initially from LEP funds as a contribution to programme management. The Group welcomed the progress and agreed the allocation of funding.

13. Midlands Engine - Update

It was reported that a Strategic Steering Group was now in place. A second summit would be taking place in the East Midlands. The secretariat were working to ensure effective communication. A discussion had been held on Skills and a further meeting would be taking place in the week commencing the 15th February.. The initiative had generated a lot of ministerial interest and had the backing of the Transport Minister.

14. Confidential Item

**15. Policy & Task Groups
Post 16 Area Review Update**

Ken Stepney gave an update on the review to date and feedback from the LEP Area Review Shadow Group meetings. A report commissioned by the Midlands Observatory had been presented to the Area Review team at its first meeting. Work was in hand to ensure governors' engagement.

Jonathan Dale gave an update on the Business Innovation and Growth Energy Working Group.

Overall the SSLEP engagement in the ESIF programme, through the first two ERDF bidding calls and progress and the ESF Opt In programmes, had been strong with DCLG commenting that Stoke on Trent & Staffordshire along with D2N2 is significantly ahead in terms of partner engagement, bidding values and committing it's indicative allocations.

DCLG had issued confirmation of the £138m SSLEP ESIF allocation, the spread across ERDF priority axis themes, and a mid-term financial target of £36m for ERDF/ESF, as part of a strategy refresh exercise for all LEP ESIF strategies. Although the overall funding allocation for Stoke and Staffordshire remained relatively unchanged, there had been some redistribution of funding across the ERDF priority axis themes with funding for Sustainable Transport previously allocated, no longer being available to the SSLEP area(only available to the Cornwall & Isles of Scilly LEP.

DCLG had issued revised programme outputs, covering a wide range of business support measures for the SSLEP area which had been apportioned from the National ERDF and ESF programmes. Over the lifetime of the ESIF programme (2014-2020) nearly 3,700 businesses will have received either financial or development support.

There had been 3 ERDF bidding calls for the SSLEP area. Rounds 1 and 2 were open bidding calls and had since closed and Round 3 was a limited call closing at the end of January specifically to allow the resubmission of bids from Keele University.

'Official' programme management information is awaited from DCLG, which would provide the reporting basis for ESIF to the LEP ESIF Committee. Table 2 summarised the 'local' understanding of ERDF bids progressing through the ERDF application process covering the SSLEP area under Rounds 1 to 3. These bids were a combination of local partner and cross LEP proposals, (especially from Greater Birmingham and Solihull LEP) and represents nearly £53m ERDF or 63% of the indicative ERDF allocation for the SSLEP area. Of particular note are the ERDF bids led by Keele University, SEND & CEESR, R&D Global Gateway, Medical R&D Centre and the Keele Institute for Entrepreneurship, Innovation and Leadership (IC6&7) which together are seeking £27.7m ERDF.

The first ERDF funding agreements were expected to be issued early 2016. A fourth open bidding call for all ERDF themes is planned towards April 2016.

A separate Financial Engineering Instrument ERDF call was expected by Spring 2016, under the SME Competitiveness theme, which will include a proposal for a £250m Midlands area 'Fund of Funds' utilising the EU JEREMIE model. Here LEPs were being asked to contribute a proportion of their ESIF allocation to an investment pool which will provide a range of investment products, such as loans, investment equity and mezzanine, which will be available to help businesses accelerate their growth plans is invited to participate. In return LEPs are guaranteed at least double the level of their ESIF investment for their area. The SSLEP proposed stake in the Fund of Funds is £10m.

The Skills Funding Agency Opt In had commenced with the NEET call opening in December. However, with the uncertainty of the SFA long term, the delivery period is being confined to 2 years from April 2016 rather than 3 years which could challenge delivery and achievement of spend and output targets planned. Further SFA calls are planned early 2016 for other themes/programmes but will be under the same time constraint.

The first call under the Big Lottery Building Better Opportunities programme call yielded 16 bids over 3 sub geographies (North Staffs, Central/South Staffs and South East Staffs. from a range of local partner consortia, West Midlands and national providers. Just one bid will be selected for each of the 3 SSLEP geographies.

For the DWP Opt In, a full application was presented and approved at the 21st January ESIF Committee and an Invitation to Tender will be advertised in February. Due to delays and contracting procedures it may mean that some of these programmes won't get underway until Summer 2016 at the earliest.

The first two themed calls for Stoke on Trent & Staffordshire area under the EAFRD programme were launched on the 9th October and closed on 9th January. The Business Development theme will provide capital grants of between £35,000 and £155,000 to a range of SME and micro Agri and non agri-businesses. A number of Staffordshire Rural businesses are known to have registered their intent to bid with DEFRA under this EAFRD theme. Further details are awaited from DEFRA

The Tourism Co-operation theme would provide revenue support to support the work of the Staffordshire Destination Management partnership to for a wide range of initiatives to support rural tourism businesses. 5 bid have been submitted including Faith Tourism, Food and Drink Hub and Staffordshire Waterways. The outcome of these bids will be known in the Spring.

These EAFRD themes and others are planned to be repeated towards in 2016.

The first bidding call under the new Staffordshire LEADER programme closed at the end of December 2015 and yielded 18 bids from rural businesses covering the farming, manufacturing, tourism and food and drink sectors. These bids are now being appraised under strict DEFRA guidelines and the first approvals are expected following the Staffordshire Local Action Group session at the end of January.

The MOD curry night had been well received and the next steps were being progressed.

16. Any other Business

- The Executive Group were asked to recognise the contribution made by Mark Kerrigan during his time as a Board member
Action: Peter Davenport to draft letter to Mark Kerrigan on behalf of the LEP
- The Executive Group agreed on the recommendation to hold the LEP Annual Conference on Friday 21st October at Yarnfield Conference Centre.
- The Apprenticeship Awards would be taking place at the County Showground on 13th July.
- Cllr Atkins announced a group, including university representatives, would be visiting China between 14th-18th March. The visit was being funded by the Royal City Programme for British Week.
- China Chamber of Commerce had recently been in discussions with the Chairman.
DF to send details to Cllr Atkins
- The Executive agreed with the Chair's recommendation to hold a working dinner, within the next 6-8 weeks, to discuss the LEP's aims and progress
Action: Peter Davenport/Julie Frost to organise

Date of Next Meeting:

Partnership Board Thursday 10th March, Broad Eye Building, Earl Street,
Stafford, ST16 2QR

Executive Group Meeting Thursday 21st April, , Broad Eye Building, Earl Street,
Stafford, ST16 2QR