

**LEP Company Executive Board Meeting  
via MS Teams conference call  
Thursday 19 November 2020  
Agreed Minutes**

**Board Directors**

Alun Rogers (Chair)	risual
James Leavesley (Vice Chair)	Leavesley Group
Mohammed Ahmed	Homeserve
Hannah Ault	Valentine Clays
Prof Liz Barnes	Vice-Chancellor, University of Staffordshire
Caroline Brown	Caja Group
Cllr Abi Brown	Leader, Stoke-on-Trent City Council
Sinead Butters	Aspire Housing Ltd
Emma Catterall	former Divisional Director of Alton Towers Resort
Cllr Patrick Farrington	Leader, Stafford Borough Council
Prof Trevor McMillan	Vice-Chancellor, University of Keele
Cllr Jeremy Oates	Portfolio Holder Heritage & Growth, Tamworth Borough Council
Cllr Simon Tagg	Leader, Newcastle-under-Lyme Borough Council
Cllr Alan White	Leader, Staffordshire County Council
Sara Williams	Staffordshire Chambers of Commerce

**Advisory/Secretariat**

Simon Ablewhite	SSLEP S151 Officer
Mark Parkinson	SSLEP Chief Executive
Jo Kemp	SSLEP Secretariat/Business Engagement Officer
Sam Hicks	SSLEP Strategy & Research/LIS Lead
Lucy Sefton	SSLEP Secretariat/Governance and Project

**In Attendance**

Clare Abbotts	Senior Campaigns Officer, Staffordshire County Council
Ewa Bloch	Innovate UK
Andrew Briggs	Strategic Manager for Energy, Stoke-on-Trent City Council
Mark Connell	Strategic and Partnerships Manager, Stoke-On-Trent City Council
Tim Clegg	CEO, Stafford Borough Council
Phil Creswell	Director of Place Growth and Prosperity, Stoke-on-Trent City Council
Cllr Brian Edwards	Leader, South Staffordshire District Council
Martin Hamilton	CEO, Newcastle-under-Lyme Borough Council
Jon Rouse	City Director, Stoke-on-Trent City Council

Rob Salmon  
Andrea Whitworth

S151 Officer County Treasurer, Staffordshire County Council  
Assistant Director, Cities & Local Growth Unit

### **Apologies**

Cllr George Allen

Deputy Leader, East Staffordshire Borough Council

Karen Gosden (invited guest)

DWP

### **1. Introductions**

The Chair welcomed everyone to the meeting.

SA (S151 Officer) confirmed that the meeting was quorate.

### **2. Apologies**

These were noted, above.

### **3. Declarations of Interest**

None declared.

### **4. Notes of the previous meeting and matters arising**

Minutes were agreed as an accurate record.

### **5. Chair's Update and Delegated Decisions**

The Chair informed the Board of his activity with the following this month:

- Karen Gosden, DWP Area Director, Central England/Head of Place, West Midlands
- Steven Jones, CLGU
- Stafford Chamber Local Area Advisory Board
- Silicon Stoke
- District & Borough CEO & Leader one-to-ones have continued
- Commonwealth games CEO, who is to attend the December Board meeting
- Midlands Engine Roundtable
- Ministerial Roundtable with Nadhim Zahawi
- CEO recruitment

The CEO provided an update on activity since the last meeting and upcoming, in particular attendance at a variety of networking and consultation events at local, regional and national levels, including:

- Engagement in the Business Crime Strategy refresh, with JCB & JLR
- Countywide Redundancy Task Force
- Economy & Prosperity Recovery Meeting
- Growth Deal and Economic Growth District Directors
- Staffordshire's Future Economy and Enterprise - All Party Working Group listening session (c/o SCC)

- West Midlands Cluster group - Coventry lead, working at pace with BEIS nationally
- DIT really active in past month – proposed to bring deep dive session to Board in December
- MHCLG Planning White Paper, Ministerial Roundtable c/o LEP Network

## **6. Emerging Implementation Plan incorporating Local Industrial Strategy, Covid-19 & International Trade.**

AR advised that the Covid-19 Taskforce still meets, providing an overview of partnership activity;

- The Growth Hub is increasing capacity, via further advisors being recruited. AW added that £2.4m to be shared across Growth Hubs has been increased to £6.4m to cope with the increased demand.
- A Civil Contingency Group/Staffordshire Prepared is mobilising.

## **7. Skills advisory Panel (SAP) Update:**

### (i) Institute of Technology

LB provided an update on the IoT Phase 2. No LEP input is needed at this stage.

### (ii) Careers Education, Information, Advice and Guidance (CEIAG)

Each year the SAP will conduct a survey to support the LEP. At present this is being carried out on 'careers' with talks being held with education & work placement providers, to ascertain the current position around progression in these areas. A deep dive into the following topics is ongoing;

- What education providers perceive as barriers
- Placement suppliers - What placements are sought
- Working with employers to ascertain what they want
- Talking to young adults to ascertain their aspirations

The next agenda item for surveying is to be 'place'.

### (iii) Kickstart

Plenty of applications have been made but there is a lack of information coming back from DWP. LB has written to the DWP to attempt to learn this information, with no response to date.

The Chair & CEO are developing a relationship with Karen Gosden (DWP), who might be a useful contact to escalate this issue.

SW added that Chambers now have clusters of willing companies secured, but as the smaller ones are not all fiscally secure this might cause problems. There is no contract from these SMEs with the DWP, as Chambers are a conduit. Chambers have been working with Stoke MPs & established potential risks at present.

JL advised that Kate Griffiths MP (Burton-on-Trent) is presenting a Kickstart webinar to promote this in the East Staffordshire area.

LB reported rumours of some companies trying to use the scheme for Christmas staff, which is clearly not what was intended.

## 8. Innovate UK

TM introduced Ewa Bloch (EB) of Innovate UK., which forms part of UK Research & Innovation (UKRI) working on the R&D roadmap & Levelling-Up agenda.

EB shared presentation on screen in which she highlighted;

Innovate UK is the UK's national innovation agency, their remit being to connect businesses in order to promote innovation. Budget of £7bn to spend per annum. They:-

- provide funding to business; non-monetary support to ensure collaborative working; promote demand led innovation through competition; support & encourage nationwide knowledge transfer - B2B networks via Knowledge Transfer Network (KTN) & Enterprise Europe Network (EEN), which is busy helping business to pivot & future plan.
- are at the heart of delivering implementation of Industrial Strategy which considers; Ageing Society; AI & Data Economy; Future of Mobility and Clean Growth.
- Provide a Covid response to help innovative companies. e.g. for cashflow & project extensions as swift reaction to challenges.

A £750m package was announced in April 2020, for Fast Start, Sustainable Innovation Fund, Continuity Grants & Innovation Loans, so there is scope to help Staffordshire businesses.

EW shared some statistics via slides, with the caveat that they require internal verification prior to publishing. Information, as follows:-

- With a 10,000 business population, Stoke & Staffordshire are 35/39 in LEPs, so improvement is needed.
- 67 projects led by Oxfordshire vs. 7 here
- At fundable rates (if money was no object) projects of high quality sees just 50% of ours being at that threshold.
- Funding for LEP area 2014/15 - £14m for us, which is also low.
- LEP participants since 2014/15 for companies of any size who seek funding:- Stoke & Staffs = 101 vs. Coventry @ 559 & Greater Birmingham @ 519.
- Lucideon, MedPlay, Cobra Biologics, Wells Plastic & Health2Works are in our area. Innovate are happy to nurture more.

MA observed that this links in with the British Business Bank & it's funding streams trying to interest businesses to work with Universities, questioning what is happening elsewhere differently.

EB explained that other places have a stronger enterprise base, collaborative supply chains & infrastructure is also in place. However, we have Staffordshire & Keele universities, so improvement can happen.

TM stated that the Innovation sub-group have had similar discussions. A meeting to consider where we can look & learn from successes inside & outside of our area is needed. A request for information on the successful grants was made. EB will provide this/arrange a meeting with TM.

AR advised that risual, used Innovate UK recently & he can praise it.

## 9. European structural & Investment Funds (ESIF) Committee:

JL, as the new Chair of the ESIF Committee, introduced the topic by explaining he would like to push for impetus on what will replace ESIF & establish what the Shared Prosperity Fund will look like.

MC updated the Board on the current position of the ESIF Programme. A brief background to the programme was given, for the benefit of new Directors, confirming that ESIF is made up of three streams of funding

1. European Regional Development Fund (ERDF),
2. European Social Fund (ESF) and
3. European Agriculture Fund for Rural Development (EAFRD), each with its own allocation

The main programme, ERDF, aims to invest over £80M into the LEP area, covering innovation, business support, carbon reduction, flooding & biodiversity.

It was confirmed that in comparison to other Transition Areas funding allocations & spend were very good and exceeded other LEP's performance across all funding priorities.

Similarly, in terms of outputs the ERDF Programme was in a healthy position in being able to meet its contracted outputs. In addition, it was confirmed that MHCLG are now taking a more rounded approach to accessing the impact of a project look at a more outcome-based assessment.

The ESF programme (circa £70M) was also performing well, since its establishment the programme has delivered 3,176 job outcome, 275 apprenticeships & aided 27,515 learners. In addition, the ESF programme had been key to the ability to create a redundancy service within the LEP area.

MC confirmed that all the underspend from the programme went into a National Reserve Fund, which has subsequently been used to help our Cities and towns with Opening Up the High Streets Funding & with a small grant programme for businesses & the tourism sector specifically which has been operating through the SSLEP's Growth Hub

MC emphasised that the key message was the current scale and scope of the programme which will be ending gradually up to 2023. It had been anticipated that the United Kingdom Shared Prosperity Fund would have been clarified by now, but no Government announcement has yet been made on its establishment.

LB – raised the issue under ESF around impact. At present the data provided to the LEP is not granular enough to enable policy decisions to be made and there is a need to understand providers who are performing & where people progress to in terms of jobs, so we can select the good providers.

MC confirmed that City and County officers have good relationship with DWP & that this was a long running issue in that DWP have been cautious in releasing any granular information which in turn hampers our knowledge of what is happening on the ground.

JL thanked MC for presentation, adding that he was aware that farmers don't yet know new rules around biodiversity Post-Brexit & that they require further clarification.

SW commented that UKSPF ought to be more outcome based, more holistic, rather than being output driven.

AW commented that we may only have 1 year of funding for UKSPF won't know for sure for a while.

**ACTION - AW confirmed that a meeting was in her diary for early December and that the data sharing issue would be addressed within this meeting if MC and LB could forward more detail around the data being sought.**

## 10. Transforming Cities Programme Group

Jon Rouse & Andrew Briggs presented an update to the board of the City Deal District Heat Network (DHN)

DHN was a long-term programme conceived in approximately 2011 & coming to more tangible fruition by 2016 under a Section 31 Grant for a pilot project. Conceptually it is an interesting project & remains a young concept in the UK for energy from natural gas.

There are 3 parts to programme:

1. Sustainable generation of fuel
2. Distribution
3. Supply to consumers

This is being delivered in an uncertain market context at present, with reliance on the price point of natural gas, which has decreased significantly at present. The decarbonisation agenda will probably increase this so CHN may then move forward again.

AB explained the simplicity of the DHN process - moving heat around via hot water in pipes, with an interface unit at the target buildings to heat the building. Traditional boilers will be replaced with heat interface units. These are smaller, simplified systems, requiring less maintenance.

DHN is challenging. Up to 90% of central heating in Sweden Denmark & Germany is via this type of source vs. only 2% here at present. Our aim is 20% in the next few years.

1900GWh of heat is consumed in the City, 95% of which is from burning gas. This is imported at great cost. Heat demand has been scrutinised in 120 targeted buildings; The Public Sector demand is high, as they operate large buildings in the City & can keep an eye on figures for this purpose.

Delivery has not been easy. Over 300 years of Industry in Stoke has thrown up 'surprises' when digging up roads. Continuation & improvement of pipe laying is planned, with a view to using the opportunity to install other infrastructure, like fibre networks, at the same time. The DHN pipework has an expected life of 100 years at present.

Options considered for the heat source are:

- Geothermal – high capital investment, but provides investment opportunity for private sector, once volume of demand is reached.
- Heat from waste plant is an alternative. 2024-25 is timescale at present.
- Combined Heat & Power units (CHP)

DHN is planned for the University Quarter area first, the latest phase has been delivered under both budget & timescale, during this Covid crisis. Budget resources are presently OK but might change. Most jobs to date have been under development & construction. The next 12 months should see decent heat outcomes, with growth opportunities for the domestic area.

Overview of issues to date:

- Deep geothermal still an option - hoping for multiple heat options
- University Quarter not yet ready
- Heat tariff costs are not currently attractive to customers
- Lockdown slowed things
- Construction price increases
- Supply chain from EU may be an issue - hope sourced in the UK
- Shortage of skills & operators around the system at present
- Cost of infrastructure conversion

SB observed it had been an interesting and complex project, enquiring what has been learned, if we would do it again, and if technology has moved in a different direction now.

JR confirmed that he had asked the same question as incoming City Director. On balance yes, being good for decarbonisation, as the rest of Europe can't be wrong. Patience is needed for realisation of benefits.

AB added that Stoke-on-Trent has higher energy requirements due to type/age of buildings existing in the area. It is a great project but clearly looks into the future.

SW agreed that low carbon will drive investment If we can lead it will attract other benefits, Chambers have worked well with AB over year & DHN could be a fundamental game changer for Stoke-on-Trent.

## **11. LEP Annual Conference:**

HA reported that personal invites have now been issued to Board members & introduced Clare Abbotts, who has worked hard preparing the conference.

CA appraised the Board of this being our 1st virtual conference & we are hoping for attendance of 800 - 1000 over the 2 days. The conference will be possible to view online for up to 6 months afterwards too. An overview on screen was shown of how the system will work, navigating via left hand icons on the screen once logged in.

A virtual brochure is on LEP website. Delegates can network virtually in advance of conference. 'Contributors' tab showcases individual panellists/hosts & their involvement during the conference. There are 2 x guest speakers (Carol Shanahan & Jenny Campbell). We have Board member, Growth Hub, Skills Hub, Staffordshire Chambers of Commerce, Councillor & local SME owners' involvement. Approximately 100 delegates signed up within a few days of the invite going live.

Information will be provided in Friday 20<sup>th</sup>'s Advocacy briefing – a request was made for Board members to support this by sharing amongst their peers & networks.

## **12. Strategic Programme Management Group (SPMG) update:**

JL provided an overview of the SPMG. Projects are progressing well; the only complex issue being Drakelow, but a developer should be announced shortly. The Tamworth project had successfully secured alternative private sector funding so there is an opportunity to use the funding on contingency projects. A geographic spread of where money is being spent was shown to the Board. Clusters are in Stoke-on-Trent & Stafford.

LGF projects all moving ahead, with three still working through the process; in particular a £1.2m flood mitigation project delivered by the Environment Agency in Stoke-on-Trent which had consumed the SPMG's time at the last meeting. The Environment Agency are reworking the scheme based on a better understanding of the data, but this has meant the spending profile is concentrated into the final spending quarter. The implication being that the funding might have to be withdrawn and redirected into its contingency scheme rather than lost to the LEP area if it cannot deliver on time. SPMG will consider latest position again in January 2021. The other projects that are at risk, but making reasonable progress to take mitigation action are:

1. £1.25m Blythe Park
2. £100k Stoke station power upgrade

## **13. Audit & Finance Committee:**

MA showed slides of extracts from the SSLEP Outputs Dashboard, which had been summarised for ease.

LGF targets will be exceeded, but after the due date. CVEZ has £90m & Growing Places Fund has £79m private sector investment making good news stories. ERDF was covered earlier by MC.

How we deliver on time moving forward is something which will be discussed, but most projects are performing on target.

An overview of the Risk & Issues Log was provided; Over October & November high & medium risks decreased; Skills KPIs are also delivering. e.g Hilton hotel opening in Hanley.

An issue is if LGF money might not get spent. The A&F committee have been asked for assurances from the S151 Officer (SA) that we can spend this elsewhere. This will therefore come off next month's Risk & Issues.

[The matter of the mitigation action around the Stoke-on-Trent Eastern Link Road was raised by MA under AOB].

## **14. Growing Places Fund:**

Deferred to December's meeting due to time constraints.

## **15. Scrutiny Committee Arrangements for 2020/21: Update**

The LEP annual Scrutiny Committee meeting is scheduled for Monday 23<sup>rd</sup> November, with approximately 20 Cllrs on panel (including a representative invite to all eight District & Borough Councils). The arrangement was that AR will front questions from the committee, and will have the S151 Officer and Chief Executive also in attendance to assist with any governance type

questions if necessary. The papers are now published. MP requested to the LA Executive Board Members (and alternates) that if their Local Authority has not yet confirmed representation, please try to contact the committee clerk at Stoke-on-Trent City Council to ensure that a delegate is added. However, further opportunities to appoint to the scrutiny committee will come around next year and also to refresh the terms of reference through the Board / update the Assurance Framework as appropriate.

**16. Resourcing the LEP Secretariat:**

Deferred to December's meeting due to time constraints.

**17. Forward Plan**

MP advised of a full agenda for the next meeting, to now include the two items brought forward from this one. Key items include:-

December

- Scrutiny Committee will have met, so outcomes will be reported
- 5G update scheduled.
- Equality & Diversity Champion to provide an annual report (per section 2.3.4.4 of the AF).
- Growing Places updates due (B/F from November).
- Resourcing the LEP Secretariat (B/F from November).

January

No meeting

**18. AOB**

Cllr AB appraised the Board of;

- a. Powering Up The City Strategy having been passed on Tuesday at a Stoke-on-Trent City Council cabinet meeting.
- b. Stoke-on-Trent City Council's 'Assistant Director Investment, Planning & Regeneration' post is to be filled. The interview panel is scheduled for Wednesday 9th December - AR is to sit on this panel.

MA – Stoke-on-Trent City East Link Road project awaiting spending forecast, requested that JR assist in expediting this from a mitigation perspective [relevant to Item 13 A&F Committee Update].

Cllr ST detailed that;

- a. Kidsgrove's Town Deal bid has been submitted. He will issue a link to the Board.
- b. Newcastle Borough Council are pleased to learn of the LEP Scrutiny Committee, but the invite wasn't sent via their Democratic Services, so he didn't know about it until this week.

**Date of Next Meeting: Thursday 17<sup>th</sup> December 2020 @ 4pm**

**Location: Via MS Teams.**