

**LEP Company Executive Board Meeting
via MS Teams conference call
Thursday 17th March 2022
Draft Minutes**

Board Directors

Alun Rogers (Chair)	risual
Mohammed Ahmed	Ice Telecommunications
Hannah Ault	Valentine Clays
Caroline Brown	Caja Group
Emma Catterall	Camping & Caravanning Club
Prof. Martin Jones	Vice-Chancellor, University of Staffordshire
James Leavesley (Vice Chair)	Leavesley Group
Prof. Trevor McMillan	Vice-Chancellor, University of Keele
Sara Williams	Staffordshire Chambers of Commerce
CLlr Philip White	Deputy Leader, Staffordshire County Council

Advisory/Operational Team

Anne Boyd	SSLEP Chief Executive
Jo Kemp	SSLEP Business Engagement Officer

In Attendance

Mark Connell	Strategic and Partnerships Manager, Stoke-On-Trent City Council
Chris Greenhalgh	Growth Company
Clare Hannah	Area Lead, Cities and Local Growth Representative
Martin Hamilton	Chief Executive, Newcastle -under-Lyme Borough Council
Nicola Kent	Head of Funding Business & Enterprise, Growth Hub
Jon Rouse	City Director, Stoke-on-Trent City Council

Apologies

Simon Ablewhite	SSLEP Accountable Body
CLlr George Allen	Deputy Leader Regen & Planning, East Staffordshire Borough Council
CLlr Abi Brown	Leader, Stoke-on-Trent City Council
CLlr Janine Bridges	Portfolio Holder for Education & Economy, Stoke-on-Trent City Council
CLlr Patrick Farrington	Leader, Stafford Borough Council
CLlr Simon Tagg	Leader, Newcastle-under-Lyme Borough Council

1. Introductions

The Chair welcomed everyone to the meeting,

JK confirmed that the meeting was quorate, in SA's absence.

2. Apologies

These were noted, as above.

3. Declarations of Interest

None.

4. Notes of the previous meeting and matters arising

Minutes were agreed as an accurate record. JK duly posted final minutes to LEP website on 21/03/22.

5. Chair's Update and Delegated Decisions

- LEP Review is now officially over. Given that LEP futures are somewhat defined within the Levelling-Up White Paper, we don't anticipate any formal notification or report on conclusions. We can now plan what our next incarnation will be.
- West Midlands LEPs met - some of those southern LEPs within MCAs have some creative ideas for moving forward.
- Midlands Connect are moving towards visionary ideas again.
- Stakeholder engagement continues with District & Boroughs.
- A transcript of notes from a Parliamentary session about LEPs yesterday was sent by AB earlier today.
- Board Planning Day – Trevor McMillan kindly offered that Keele University would host (AB's e-mail of 24/02 refers), a date after the elections in May will be arranged.
- April's Board meeting – the rescheduled date (28/04) clashes with 'S-o-T Live Business Awards', therefore it was agreed to cancel it in lieu of meeting up F2F @ Keele in May.
N.B. The May Board meeting remains.

Actions:

JK to liaise with TM's Exec Asst. Done - 12/05/22 set & invites issued 22/03/22.

6. CEO's update

- Local LEP reform discussions - Conversations about our new framework have begun with our LAs, with discussions around adding strategic value to support them. Evolution of our location is also occurring. A detailed government blueprint may take time, but initial conversations have proved promising.
- The detailed economic SITREP should be issued in early April. This will prove useful to inform towards investment plans around UKSPF & in relation to policy & strategy.
- Midlands Engine contributions were previously £20k p/a from West Midlands LEPs. This has been flagged as a risk in respect of future funding we receive. The level of our contributions might change, but it has been factored into the Core Budget as agreed last month.
- Staffing: we will be reduced to 2 FTE (AB & JK) plus the temporary Exec Support body (KT) by May 2022; Recruitment will begin soon as 12-month fixed term contracts, via our

Accountable Body, or secondments. These will be for the Campaigns Officer (Mar/Comms) & Programme Manager roles.

There are demands on the team in respect of reports, engagement, support, etc. so please bear with us.

- The team will be vacating Judges' Chambers tomorrow, so will then be hot desking when not working from home. Thanks were expressed to SW/Chambers who have hosted the team in recent months & for the offers from our universities – we hope to see our stakeholders more in forthcoming months.

- Growth Hub
 - Policy & funding
 - Current leadership
 - Head of Growth Hub recruitment (20%ERDF/30%BEIS/50% LEP)
 - Local partner discussions
 - Growth Hub service costs (April-June)
 - Agreed Business Support Helpline - £10k

There is still no funding confirmed for GHs. NK has performed a great role over the past years but cannot extend her support beyond May, so we need to move forward without further delay. Slides have been issued detailing funding; NK having produced a paper to show where alignment for funding can sit. SSLEP would be accountable for funding of 50% moving forward & would underwrite BEIS 30% too. Local conversations have begun about the GH's future with Anthony Hodge & SW, to ensure business continuity. We need to be committed to the GH Helpline, so businesses can receive continued support. The request of Board is that up to £100k be allocated to this.

AR added that Minster O'Brien confirmed LEP funding yesterday, via a Letter of Comfort.

TM offered his support of this motion if we have sufficient funds but declared an interest as being on the Board of Midlands Engine, considering the review that they are undertaking.

Decision No objections. Therefore, approval carried to allocate LEP reserve funds for GH. This had also been approved by A&F last week.

CIlr PW departed the meeting.

7. National Growth Hub lead update

Chris Greenhalgh introduced himself as the Head of Strategy & Development at Growth Company Business Manchester. He supports BEIS nationally with the GH network & is responsible for the Peer Networks programme too. They are developing some long-term objectives across Greater Manchester & for GHs nationwide. providing insights & liaising across government.

CG provided a brief evolution of GHs; They initially developed as a response to the post-financial crisis & 2010's new government, to look at significant business support changes.

Abolition of the Business Link network in 2011 & a shift to looking at high growth potential & international trade created the need for a manufacturers' advisory service. However, it was realised that other businesses, which were not necessarily 'high growth' sectors, needed to grow too. Therefore, following discussions were held in the Greater Manchester region & a model was developed for the North-West. Using ERDF money for this model, 5 advisory services were set up in

the region, sparking interest from BEIS to develop nationwide. Support was given for the GM LEP & Chamber to ensure local priorities, encourage B2B inspiration, achieve growth & build a strong partner network. They invested in a partner network of 100+. BEIS looked at this model & chose to focus on:

1. Awareness & coordination from a local to national level,
2. Diagnostics for finding support,
3. Improving impact & value for money.

BEIS core funding began circa. 2013. How this was used was down local GHs interpretation of the remit, i.e., some in-house delivery was by LEPs; some with bespoke systems outside of LEPs; others outsourced, where LEPs worked with partners to deliver. The past few years have seen a move for GHs to be brought in-house, this shift being based around control & responsiveness.

As GHs have matured core funding has grown, from £12m (nationwide) at the outset, to £22m. However, in recent Covid/Brexit times this has been £50m+. It is not possible to guess at future funding, but they are pushing for clarity on how this will look. 38 GHs exist; there may be a move to group them into GH clusters (10 across England) led by which was the best performing in each region, in BEIS' view.

AR enquired who this might be in our patch. **CH** advised most likely Coventry & Warwickshire

AR asked about a possible national business support helpline scenario.

CH explained that this idea was developed alongside the GH Network, but with some tensions, as GHs wish to run their own capability & attract local businesses without national intervention. There are also issues around data sharing. BEIS are keen to ensure that agreements are in place if a national helpline is created.

AR asked if funding could be used for a more specialised service & leave the national helpline to be the main contact point. Should we consider this? What are the risks?

CH confirmed that some GHs have gone down that route. From GM experience businesses prefer local contacts & a GH who understand the locale. BEIS have not ruled on this yet.

AR suggested that a more personalised service does feel right for businesses.

CH mentioned the issue of branding. 38 GHs have developed slightly different models & priorities, so there is not an overarching commonality of brand, i.e., which umbrella they sit under & which network (e.g., BIC has common recognition). Some move towards this common branding, tying in with HM treasury as the funder. 'Help to Grow Management' is a clear brand & therefore easier to fund. Clarity is certainly needed for the core product of the network.

AR wondered if it is cheaper to build a national brand & then we can work on our own area's style.

CH agreed that capability at place level needs building to meet specific needs & then private/public sector tie in with this.

AR asked about how funding is calculated?

CH indicated that core funding is likely to be allocated from the £22m based on a region's business base. The uplift funding over last 2 years was a more complicated formula, which he was not privy to - DHLUC helped build the additional funds in these past years. The GM model is trying to develop by

building rafts of funding around the core, with integration. This model varies across England. GH is BEIS money but thinking only this way is limiting.

AR asked what headline measures for performance might be.

CH explained that there is a metrics & evaluation framework. Each GH provide bi-annual or annual reports with common measures directly to BEIS. These are based on BEIS requirements, but not target driven. BEIS allow each GH to take common metrics & declare at the start of year what they expect to deliver within their region.

AR asked to clarify that there is therefore a benchmark to monitor our own performance. Our GH partner has supplied some good metrics.

CH advised that he is happy to liaise with BEIS, who are geared around data & might supply these if asked about comparisons. These are not necessarily compared between GHs due to how each might interpret metrics used. There are grey areas.

AR asked if a Technopolis evaluation report is coming out & if so can the LEP Board consider this to compare.

CH responded that the timing of its release is not known, but two BEIS leads advise it is ready & he understands that the findings are positive. The Board should be able to see this.

AR asked for some clarification on risks, since we are funding from reserves now. Is there anything else to know?

CH added that the challenge is the shift of available funding, e.g., 32/38 LEPs utilise ERDF to the tune of £176m), so the loss of this will have significant impact. Replacement funds are UKSPF, but a detailed framework of how GHs can use this, is not due out until the end of this month. There seems to be a clear steer about business support already, so keep an eye on this. 3 x opportunities are expected to be:-

1. Net Zero - support for grants to utilise low carbon technology. Practical on the ground support about decision making to adopt clean technology & how businesses can make changes.
2. Digital Transformation - BEIS has launched their programme, suggesting similar challenges as above/practical support about technology adoption, what to buy & what's appropriate. BEIS are looking at how to build out services.
3. Equality, Diversity & Inclusion – Intention is to reach to all areas, urban & rural. This will gain priority in the coming years.

AR confirmed that our partners are already strong at 1 & 2 (universities) & that the initial SITREP findings detailed that our area had a higher desire than GM for digital transformation. Part of our LIS routed for this. 80% of our area is rural.

CH added thanks to LEP for supporting our GH for delivery of the Peer Networks programme, which had the highest customer satisfaction in the West Midlands.

AR asked about potential areas for improvement.

CH advised simply that he would encourage us to reach out & learn what other areas are doing about Equality, Diversity & Inclusion. Also, when the new metrics framework is out, speak to other

areas to check if we can improve on transformation & digital, just to ensure we are geared up correctly to make an impact.

Questions & comments were invited from the Board:

JL advised that the conversation had been very interesting but felt that information was urban centric not rural in pushing for growth, yet we are 80% rural here. We need to make farming modernisations.

CH – evolution of UKSPF maybe help here. We need to do more regarding the rural role of GHs (e.g., Cumbria). Northern Powerhouse papers have been clear about balance between rural & urban to address both, as clearly there are different focuses in different parts of the network.

JL asked for any further information pertaining to this

CH will look at what we have in rural areas & pass on details for potential conversations.

SW agreed that this has been helpful, but would like to raise several points:

- 1) With respect to use of core funding to bring in more structure, we have done well collectively, but information back from BEIS does not reflect this, i.e., we have levered-in other funding & used ERDF effectively to deliver a better structure. Can we reflect this business support back to BEIS to understand how support on the ground works?
- 2) How have the GC used private sector in all of this, to potentially fill the gaps? Staffordshire doesn't have the same volume of bigger companies to fill his gap, like urban areas. We therefore need to understand how these models might work for a future strategy.
- 3) Our metrics are now more data driven, but we have also been driven by ERDF metrics which are not reflected back to BEIS, so there have been numerous parallel ways of working, making it hard, as BEIS have not necessarily understood this. Covid & Brexit funding over the past 2 years have further complicated the picture. Thanks to NK & staff for making this look seamless, but we hope in doing so we haven't let ourselves down for future funding.

CH agreed that national reports highlight this difference. i.e., the belief that BEIS are only interested in what they get for their money, but the Network provides information based on ALL funding brought together. He will take this point back to BEIS to ensure they get this consistent message about bringing together strands of activity.

SW added that BEIS need to understand that match funding has also comes from private partners, to ensure BEIS understands the work/funds behind delivery. This wasn't the intention in the original contracts, so did not want commitment by numerous partners get lost in future conversations.

CH advised that HM Treasury visited in the past few years & were surprised by the different strands of monies used to fund GHs. They appear to have accepted this in thinking about UKSPF.

TM stated that he is looking forward to UKSPF & that the prime group of customers for GHs will be LAs. However, in Staffordshire there are 11 different organisations, so how is the model likely to change to accommodate this?

CH responded that they are trying to understand if there will be support or mechanisms to apply UKSPF over broader geographies. i.e., rather than GH applying for funding across various LA areas, can they apply for a shared one for ease, supported by LAs. BEIS will encourage broader geography considerations & support across LA boundaries but translating this into how it will happen hasn't been discussed.

AR confirmed that therefore the F/T GH manager role is vital to allow this necessary time & dedication to work with LAs.

MJ added that Staffordshire University hosted the West Midlands VC's, where Andy Street attended to talk. MJ questioned the issue of whether Innovation Accelerators/White Paper might be considered an urban model, whereas the diversity across rural & territorial boundaries is important for Staffordshire. The model offered is perhaps concentrated micro-urban & the question of how this could be governed across diverse spaces is key across Staffordshire.

AR - thanked CH for attending

CH is happy to take messages back to central government & happy for AB to share his details:-

chris.greenhalgh@growthco.uk

8. SPMG

JL provided an update.

- GH subject was covered earlier with the decision at Item 6.
- Strategic update - Andrew Briggs gave an informative presentation on DHN. This network should prove prominent going forward. The engineering expertise is a positive for the city of Stoke-on-Trent. SPMG had previously visited Keele regrading Net Zero & the link between the 2 means we have a lot of expertise which needs exploiting as a positive.
- GBF - 2 projects had costs going up, a bid of £34k for one to help mitigate costs was allowed, so there is now only £17+k left & can be utilised with ease by SA within the budget.

9. A&F Committee

MA provided an update.

- Cllr Simon Tagg joined us for the first time as a new Committee member, which was great.
- The head of GH post issue has already been discussed.
- A Code of Conduct form for staff has been agreed, for an audit perspective.
- The future of LEP as a Company is to be considered. SA & MA will expand on this together. We may incur less VAT due to the way certain transactions are charged to the LEP from partners. There is the possibility of saving up to £100k from funding without VAT.
- Risk register – the geographical/political aspect is still an issue
- Project costs are rising due to inflation, war & energy prices
- GPF - London House, we are pushing back hard to recover money. Chances have been given, so options for money recovery have now begun.

JL - another risk for the region is the supply chain issues around agricultural produce, due to Ukraine being a food basin. Grain & fertiliser nitrate prices are rising. Food cycles vary, e.g., wheat is a 14–16-month cycle, but 28 if there is too much rain. This creates issues for our breweries, plus food manufacturers who rely on arable inputs. He raised this at the Covid Committee meeting already but has done more research since. It could have a massive effect on our food industry & we need to establish some mitigation. Grain prices tripled recently & although they dropped again bread prices will rise. Supermarket supplies will be an issue again.

SW - supports JL's comments, adding that there are hardship issues in Stoke & Staffordshire. Stoke-on-Trent CC has a Hardship commission.

In addition, thanks were expressed to the Board for the reserves to help with GH but asked about an actual reserves policy, should these issues become problematic.

AB confirmed that there was one designed last Autumn that went to A&F and Board. She will recirculate.

Action:

AB to recirculate the reserves policy.

10. Forward Plan

AB has invited Jonathan Werran, MD of Localis to provide a perspective about the Levelling-Up White Paper, at the May meeting. They have info on City Deals, County Deals. Our planned F2F meeting/strategy session in early May will be key to reflect on local & national issues.

TM reminded all about his suggestion last month for Integrated Care Systems to the forward plan. This will come into being circa 01/07/2022, with Health & Social Care Act, so can be brought to Board after the summer break (September).

Action:

JK added a reminder to her & AB's Outlook calendars for early July, to add to July's Forward Plan.

SW suggested the following 3 topics for discussion:

1. As the DiT contract has been taken back in house, there is a lack of clarity about international trade support.
2. Issues around planning, the release of greenbelt, plans across the county, plus land availability for inward investment purposes (as hopefully highlighted this week by our colleagues at MIPIM).
3. Understanding what local transport & energy strategies are to be. Chambers will be asking Midlands Connect to pull together our transport asks for Staffordshire, so hopefully this can be done with the LEP, to consider the gaps together. An energy strategy needs to be developed, building on what CH said about the low carbon support we already have - to put an over overarching plan in place.

AB agreed with all these. There is a LEP energy strategy which was begun before her tenure & can be refreshed. She confirmed that DiT is already on the forward plan. Midlands Connect Strategic Transport Plan is due for release on 04/04. It will be good to amplify our voice by standing shoulder to shoulder with Chambers.

AR added that a draft report from Midlands Connect can be shared if urgent.

TM agreed with SW's transport comments. These ideas are central to the A50/500 corridor. When Board has worked its way round to this by Autumn there should be more information.

CHannah on chat stated:-

There was a report published on 28th Feb on the corridors work - but probably not yet at a point to discuss local opportunities. Anne/Jo, will share with you.

JK e-mailed this to Board 25/03. [Midlands Connect | Levelling up the A50/500: The Road to Success](#)

Forward Plan items as shown on the Agenda were:-

Levelling Up White Paper briefing
Delivery & Transition Plan 22/23
Staffordshire County Deal collaboration
Skills & Post-16 Education Bill
Strategic priorities: Midlands Engine and Midlands Connect
An International Trade strategy for Staffordshire (DIT)
Local transformation: programme updates: District Heat Network, FHSF, Town Deals etc

11. AOB

JL asked that for future metrics the no. of houses/jobs created should move away from where LEP have actually allocated money, but look beyond this, across county too. e.g., Branston Villages have also built houses, but these are not a direct number from LEP sites. These will however increase numbers & reflect value. Also, the value of skills provided by Board private sector could be acknowledged by BEIS.

Meeting ended @ 17:40 hours

Date of Next Meeting: Thursday 19th May 2022 @ 4pm.

Location: Via MS Teams.