

**LEP Company Executive Board Meeting
via MS Teams conference call
Thursday 19th May 2022
Final Minutes**

Board Directors

Alun Rogers (Chair)	risual
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
ClIr Abi Brown	Leader, Stoke-on-Trent City Council
ClIr Simon Tagg	Leader, Newcastle-under-Lyme Borough Council

Advisory/Operational Team

Anne Boyd	SSLEP Chief Executive
Jo Kemp	SSLEP Business Engagement Officer
Simon Ablewhite	SSLEP Accountable Body

In Attendance

Mark Connell	Strategic and Partnerships Manager, Stoke-On-Trent City Council
Clare Hannah	Area Lead, Cities and Local Growth Representative
Kirsten Trenell	Exec. Asst to the CEO
Aspa Evangelopoulou	SSLEP Campaigns Officer
Bev Dajani	SSLEP Programme Manager

Apologies

Mohammed Ahmed	Ice Telecommunications
Hannah Ault	Valentine Clays
Caroline Brown	Caja Group
ClIr Patrick Farrington	Leader, Stafford Borough Council
ClIr Jeremy Oates	Portfolio Holder Heritage & Growth, Tamworth Borough Council
ClIr Doug Pullen	Leader, Lichfield District Council
ClIr Alan White	Leader, Stafford County Council
ClIr Philip White	Deputy Leader, Staffordshire County Council

1. Introductions

The Chair welcomed everyone to the first face to face meeting since February 2020.

SA advised that the meeting was **NOT quorate**.

2. Apologies

These were noted, as above.

3. Declarations of Interest

JL in respect of Blythe Park.

4. Notes of the previous meeting and matters arising

CH pointed out that pages 4-7 reflect her initials rather than Chris Greenhalgh's (CG). Minutes otherwise agreed as an accurate record. JK duly corrected this error & posted final minutes to the LEP website on 23/05/22.

SW enquired about the timeline for her suggestions to the forward plan, as made last month, i.e.,

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 responded that these would be brought in in due course.

5. Chair's Update and Delegated Decisions

- Cabinet Ministers visited Stoke on 12th May, this was a coup for the area. (Cllr AB added that the quality of conversations showed high level engagement. This visit was a window of opportunity).
- Staffordshire University's Centre for Health Innovation saw its official opening event on 25th March. (MJ added that this has cemented some good partnership links with US companies).
- The Digital & Creative Hub at Stoke-on-Trent College had its launch event on 4th May.
- Smithfield Works business suites had its official opening on 24th April.
- A Growth Hub manager has now been found & should be onboard within the next few weeks.
- West Midlands LEP meetings continue.

6. SSLEP Evolution

AB provided a presentation to the Board asking that they contribute a steer to help inform conversations with LA CEOs & Leaders. The LUWP/end of the LEP review, set out expectations of 'even closer integration between LEPs and local democratic institutions.'

A 13-page guidance for LEPs has been unpicked & it is hoped that BEIS will support us on this journey.

Our Delivery Plan is needed by **30th June** for us to draw down this year's allocated funds

The broad expectation is that LEPs may continue to deliver Growth Hubs, Inward Investment, SAP, Careers Hubs & local digital skills, whilst continuing to use convening powers to help provide strategic economic planning, a local business voice & evidence base. There is the possibility of offering support to LAs under the devolution process, supporting applications for growth funds e.g., UKSPF & helping them align to the LUWP. Elected members will make decisions, with private sector influence.

SSLEP falls under 'Pathway 2'

Under Devolution the LEP overlap footprint will no longer exist. LEPs in the area will fold into the Combined Authority. Coventry & Warwick LEP is an example of a 'Pathway 3' LEP as they cannot neatly fold into the CA since Warwick does not fall under that authority.

From now on the LEP is all about moving forward.

AB has been meeting with CEOs of Stoke-on-Trent City Council & Staffordshire County Council & various Economic Development Officers. Local discussions have included how the LEP can help;

- find common ground
- add value to 'strategic collective'
- drive a progressive economy
- be financially viable
- agility

These recent developments suggest that some changes are needed. e.g., The LIS is no longer recognised by Govt, but could roll forward with some ideas if refreshed.

Funding awards have been:-

- 3 years for CEC
- LEP @ 75% (LEPs will not be managing capital investments moving forward).
- GH @ 50%, (but this is essentially a return to pre-Covid levels now that additional grants & loans have ended).

AB thanked the Board for the mandate to recruit, which has helped the staffing issue.

2 new members, Aspa Evangelopoulou (Campaigns Officer) & Bev Dajan (Change Manager) are appointed & in attendance at this meeting to meet the Board. Whilst some LEPs have lost staff we are now ready to move forward. Lucy Sefton's governance role has not been replaced, so a Board steer will be requested about that once business decisions have been made.

Hatch's review reminds us that new Board members are still needed. We need to recruit 3 – 4 to ensure quoracy & flexibility moving forward.

Under Pathway 2 – 'no change' is not an option as the landscape around us is changing (e.g., the new Leaders Board). We need to consider whether we 'patch' for an interim solution or design with the future in mind ('2+'/'pre-integration' model). A governance review is needed either way re: board members.

Do we agree to look to the future & move at pace, or seek an interim option accordingly?

By 2030 the ambition is that all LEPs should be under a Devolved Govt. & may act as economic boards. An Enterprise Strategy is due to be released this summer.

There is likely to be a different dynamic with the new Leaders Board between Staffordshire CC & the eight D&Bs.

How does the Board see how we fit, add value & at what pace?

AR invited **CH** to add BEIS perspective.

CH therefore added that there are recognised concerns about what a 1-year funding settlement means, particularly for the GHs & would encourage LEPs to observe the content of the Enterprise Strategy when published. A 1-year settlement does not mean 1 year & no more – the Govt. is in a state of flux about this.

AR sees this time as an opportunity, but our Delivery Plan might be later contradicted by the Enterprise Strategy.

SW added that several conversations about the future for business are needed & suggested not getting entangled in the here & now. Consider instead what more far-reaching ideas we might create to move towards for the economy of Stoke/Staffordshire moving forward to 2030 & beyond. Now is the time to help steer all of this. What might that future look like & how can we steer it? As we have reserves, we can afford to do this. For example, why not suggest massive schemes for this area, to make us look different (e.g., a 'green' F1 car racing at 300mph!) Other areas will look at bread & butter matters. Perhaps choose an energy direction which we are good at. Let's do something original & powerful.

EC agreed that we clearly need to think differently & we are in a unique position for business support, & learning. Not many other organisations can do this.

TM added that we need to keep moving forward, being in a good position already, as our projects are all reaching fruition. Agreed with perhaps picking a winning area, rather than try to cover everything & spread ideas thinly. We could be bold, whilst still looking at the rest of the landscape.

AR suggested caution about involving other businesspeople at this stage, hence recruitment of new Board members should be a considered move, whilst still considering governance. SSLEP has been coasting since mid-2020 due to the LEP review, but with clarity about the future role we can now move forward to build momentum by bringing on private members who understand that we can make a difference.

JL reminded colleagues that many worked on the creation of the LIS & engaged in it. Therefore, this might be the time to re-engage & discover who wants to work in specific sectors, ensuring future strong engagement. He pointed out that lockdown changed the LIS strategy.

Cllr ST advised that N-U-L BC have begun working with our 2 Tier councils, in order to bid for devolution & to work with the City. The LEP has a role to play in this process. This is best worked out as a single subject, not amidst a Board meeting.

MJ agreed with **TM** that we should focus on a couple of areas around county level, particularly skills. Also agreed **JL**'s comments in terms of re-engaging as opposed to starting from scratch.

AR supported the need for our powerful reinvention, to identify bold areas & choose what we want to look like as our next steps, asking for Board commitment.

In conclusion from this conversation:-

- Those Board members present agreed that AB has instruction to work with partners on a progressive model.
- This delivery plan/strategy will be a single item for the next Board meeting (16th June).
- The time will be extended to 3 hours (3-6pm) & this will probably be at Staffordshire University (as the Chair & CEO will be there already). JK had already contacted MJ's E.A. to set wheels in motion to host.
- Plan to work on 3-4- ideas. Proposals will be required before that in the context of the new remit.
- The Delivery Plans deadline will be 2 weeks after that – 30th June

Post meeting

AB issued an e-mail to the Board, Friday 20th May @ 07:47hrs, requesting approval from those not present that the Board agreed the direction of travel, to ensure a quorate decision. Responses since received make the decision quorate.

9. SPMG

This Item was B/F on the Agenda by the Chair as JL needed to leave early. JL updated the Board as follows;

GBF - 100% of monies were allocated by Q4, thanks to help from SA, our S151 Officer making pledges to BEIS.

85% spend was achieved by 31/03/22.

£2.8m underspend is C/F, most of that (£1.8m) was due to IC7 at Keele having delays with badger sets & Covid. Also, Shire Hall £580k & Powering-Up <£200k.

However, the spend is now going well, so this should be complete by Q2 of 2022/23.

Drakelow is still delayed, but D2N2 have our allocated funds, so this is less of a concern for SSLEP. There is now an issue over an agreed (3rd) design between the contractor & Stafford Highways. The programme is still delayed but should happen. The bridge is very much needed for East Staffordshire. This project is overseen by the Delegated Authority Sub-Group of AR, JL & MA.

Local Growth Fund (LGF) - 33 projects; 11 completed with outputs reported; 13 complete, but not all outputs delivered. 7 are in active progress. 2 were funded only for preliminary work & are being continued outside of LGF.

Blythe Park - JL declared a Conflict of Interest, therefore he must step back from any decision delegated to himself, AR & MA. Support has been given to the contractor to date, but we need to protect how we could clawback money, until planning is approved (an alternate design was rejected by the LA). There is already approval to one plan.

AB reiterated that legal paperwork is in place to make funds reclaimable should the worst happen.

7. SAP Grant

MJ advised that this matter overlaps with Item 8 too & declared that he has only chaired one SAP board meeting thus far.

Metro Dynamics' Skills/business growth survey should be finished soon & the panel is looking forward to this. This should show what we do & do not know, with granular detail. SAP may need to consider some additional drill down work. This report is due in June 2022.

Funds are required for 3 particular items;

- £5k to renew EMSI licenses
- £15k match to fund the Economy & Skills Analyst post.
- £35k to support the development of the LSIP

Therefore £55k funding is needed. Board Approval is sought, per pre-Board paper.

MC asked if match fund from County & city is pre-agreed. MJ & AR assume it is a continuation of the same.

Actions

AR confirmed that we need this decision via e-mail as we are not quorate.

SA - suggests the Delegated Authority group could decide due to lack of quoracy but MJ wished for it to go through full Board.

Post meeting

AB issued an e-mail to the Board, Friday 20th May @ 07:47hrs, requesting approval from those not present to ensure a quorate decision. Responses since received make the decision quorate.

8. Local Skills Improvement Partnership (LSIP)

SW explained to the Board that LSIPs arrived via DfE's Skills for Jobs White Paper in January 2021, as an improvement plan around skills. An Employer Representative Body (ERB) must lead employers into the development of a delivery plan. Key elements are the changing needs of business. (Slides issued by JK, post meeting, on 23/05/22).

The LSIP Board will comprise of businesses, providers and other key stakeholders who will provide oversight of the project, the planning stages of which will be:

- Stage A: Considering the broader economic context
- Stage B: Articulating employers' needs
- Stage C: Translating employer demands
- Stage D: Addressing learner demand and employer engagement

Eight trailblazers have been allocated ERB status, all of whom have been Chambers & now the LSIP is being rolled out to all 38 areas, these are not necessarily the same geography as the current 38 LEPs. These trailblazers have been a mixture of easy & complex ideas.

This is not just another layer of fact finding - there has been a meeting with Darren Farmer & Dave Poole today @ Staffordshire CC today to discuss details & plans, as the LSIP needs to have linked local actions.

Chambers make an obvious ERB because they cover such a variety of activity i.e., skills, growth, start-up & mature business. Staffordshire Chambers run 11 business forums & 17% of their members have specific involvement in these. A manifesto has been devised from these over the past 12 month.

EOI's close in June 2022, with the first tranche of ERBs being designated. In 2024 & 2025 annual reviews will be held to ensure LSIPs are still relevant.

Endorsement was requested from the Board for the Chambers to be the region's ERB. They have met with all regional colleges, universities & are presenting to SPES tomorrow, whilst working with Greater Birmingham Chambers, as a partner (they do not consider themselves active, do not want to take this over in the south Staffordshire geographical area, but they would like a part in delivery). There may be other ERBs in the areas, as FSB & CBI may also bid.

If selected, Chambers will start to pull together sector groups. East Midlands have developed an app for businesses to answer a key question a day, so they may utilise this model. Similarly East Midlands falls into our Burton area but are not looking to usurp.

There are gaps in education, but we have good relationships in the education sector & the LSIP should help pull together these gaps.

(**AB** clarified that GBS LEP are still engaging in our southern area at least until 31/03/23, by which time the overlap will be removed.)

MJ added that with effect from 2024 the Post-16 Skills Bill means development of careers from FE & HE, with a regionalisation of the skills & labour market. If we are not seen as a trailblazer quickly, we may lose out on later discussions. The Skills Development Fund is here already, other funds are not arriving until 2024. NSCG are onboard & the cities 16-25 strategy seems to align too.

TM liked the concept but emphasised that Board are being asked to approve something about which they had not seen any papers & for which they do not know which others are bidding. He wishes to ensure Board have seen the full picture.

AR – suggested that Board endorsement is not needed immediately. EOI is by 6th June, so people can check which, if any, other organisations are bidding before we approve.

ACTION

A summary paper about what the board are being asked to approve was requested, so there is an official paper for governance.

(SW forwarded this to JK on 23/05/22 & this was duly forwarded to Board.)

Cllr AB departed at 17:23hrs.

JL departed at 17:25hrs

10. A&F Committee

EC provided an update.

The was last A&F meeting was 11th May when the risk & issue log was updated.

Risks:

- recruitment now complete
- legal action taken to recover debt on defaulted loan.
- LGF Blythe Park remains.
- Drakelow already mentioned by JL.
- Qtr 4 programme performance roles were scrutinised. Y/E decisions are to be signed off electronically.
- The future of limited company entity & VAT implications had been discussed; the group will return to these issues.

AB explained that D2N2 have issues with the developer regarding clawback. We have insisted this remains in the contract (& have secure legal agreements to ensure that we are protected). D2N2 are pushing back to their developer & will update us in June. We have alternative pipeline projects if we need to clawback the money. All assurances are in place & we should have a firmer understanding by next Board.

SA added that the worst-case scenario is that we have £5m back & no specific time limits on when we need to spend.

TM suggested we might create these for clarity if needs be.

MC commented that with private sector there is this level of handholding. Some are keen on definitions of limitations i.e., if we get to end of project with one job unfinished will we want all £5m back?

AB apologised for a late paper issued on 18th May.

We are seeking approval for funds to provide additional capacity grant to LA partners currently bidding for investment (£100k proposed in total). UKSPF replaces European funding & we would welcome the capacity to provide fast turnaround for applications to be checked & rendered. **AB** proposed the concept of support of this nature at SPMG in April. District Directors are also now seeking support proactively, so we know that it is required. i.e., expert advice from consultants to support bids. £100k would buy in expertise in writing bids, as some LAs have capacity, some do not. This intervention could help bring in up to £230k in successful bids. This fits with the remit in Pathway 2 for LEPs & is affordable in terms of reserves & policy.

MJ queried this; Although supportive of the money, there may be duplication of projects & therefore governance/coordination/oversight is needed too.

AR agreed this is a concern nationally. Particularly in the southern counties.

AB advised that District leaders are meeting & discussing this & will ensure that strategic themes are identified.

TM was cautious that LUF does not fall into same trap as ERDF previously, although happy to give the £100k to the Leaders Board to work with together.

MJ agreed.

SA/AB confirmed that the Leaders Board first meeting is scheduled for 21st June but Stoke are not involved.

SW also agreed with the principal of giving these funds to the Leader's Board to show support so they can then make decisions themselves. Or if we have named D&B's who need specific help why not just give it to them?

AR agreed that we could allocate to the City & Leader's Board, however they do have their own budgets, so we could just allocate to those D&Bs who specifically need it.

AB re-iterated that given the need to move at pace, this could be allocated via District Director Forum by our Accountable Body. District Directors feed into the Leader's Board.

SA added that the timing may not work for Leader's Board, but it is a good idea.

Cllr ST suggested speaking to Cllr AW as head of that Board to consult with them a.s.a.p. It could be a way for LEP to feed into it.

ACTION

Electronic decision needed. Happy for the Accountable Body to distribute via the District Director Forum.

Post meeting

AB issued an e-mail to the Board, Friday 20th May @ 07:47hrs, requesting approval from those not present to ensure a quorate decision. Responses since received make the decision quorate.

SA raised the final A&F issue of the budget (Item 10, App 3). The 'basic budget' was approved back in February, when we did not know what our allocation was going to be.

Based now on:-

- 75% allocation
- County Councils & Chambers being happy to continue with their contribution
- AB's capacity grant is in the budget
- salaries are in the budget
- rent of offices are out, having relinquished the offices @ Judges' Chamber by 31/03/22

AR asked if the funding has gone down.

CH advised that the GH allocation is the same as pre-covid. So, it is back to the same size, notwithstanding inflation.

AB clarified that employer contributions & VAT on recharged salaries both increase the salary costs, plus our LEP budget has gone down from £500k to £375k.

TM enquired whether we would budget for pay rises.

SA explained that any pay increases will be built on 3% based on the 2022/23 budget.

ACTION

The ask is that the Board approve the revised budget so spending can commence accordingly. Formal approval is sought. This was to be sent out as electronic decision, but any queries please e-mail SA.

Post meeting

AB issued an e-mail to the Board, Friday 20th May @ 07:47hrs, requesting approval from those not present to ensure a quorate decision. Responses since received make the decision quorate.

11. Forward Plan

Next month's meeting will be extended but is for delivery planning only therefore all of these Forward Plan items will roll over into July & beyond:-

Levelling Up White Paper briefing by Localis (AB request)
Delivery & Transition Plan 22/23 - To be worked on at June's meeting
Staffordshire County Deal collaboration
Skills & Post-16 Education Bill
Strategic priorities: Midlands Engine and Midlands Connect (SW request)
An International Trade strategy for Staffordshire (DIT) (SW request)
Local transformation: programme updates: District Heat Network, FHSF, Town Deals etc
ESIF – JULY (AB request)
Midlands Net Zero Hub update from Serena Bacuzzi (AB request)
Inward Investment plans -planning/greenbelt areas (SW request)
Integrated Care Systems (TM request – September)

12. AOB

SW advised that a record number of applications for the Staffordshire Business Awards have been received & that the standard is amazing.

SA advised that if the Board agree the accounts paper, they are agreeing de facto to the additional budget allocation of £100k.

Meeting ended @ 18:00 hours

Date of Next Meeting: Thursday 16th June 2022 @ 3pm.

Location: Meeting Room: CA105/106, The Catalyst Building, Staffordshire University.