

**MINUTES OF THE MEETING OF THE
BUSINESS, ECONOMY AND INNOVATION COMMITTEE
HELD ON TUESDAY, 24 JANUARY 2023 AT COMMITTEE ROOM 1,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS, LS1 2DE**

Present:

Councillor Shabir Pandor (Chair)
Andrew Wright (Deputy Chair)
Councillor Lisa Martin
Councillor Jane Scullion
Simon Langdale
Asma Iqbal
Karl Oxford
Richard Paxman
Paul Price
Alan Williams
Philip Wilson
Sue Cooke

Dr Peter O'Brien

Palvinder Singh

Lee Viney
Neville Young

Dr Martin Stow

Kirklees Council
Private Sector Representative (LEP)
Leeds City Council
Calderdale Council
Private Sector (Representative)
Private Sector (Representative)
Private Sector (Representative)
Private Sector (Representative)
Private Sector (Representative)
Private Sector (Representative)
Private Sector (Representative)
Advisory Representative (LCR
Universities)
Advisory Representative (Yorkshire
Universities)
Advisory Representative (West Yorkshire
Consortium of Colleges)
Advisory Representative (Innovate UK)
Advisory Representative (Yorkshire &
Humber Academic Health Science
Network)
Observer (Nexus – University of Leeds)

In attendance:

Philip Witcherley (Interim Director)
Louise Allen (Officer)
Jo Barham (Officer)
Patrick Bowes (Officer)
Sarah Bowes (Officer)
Marianne Hewitt (Officer)
Thomas Hutchinson (Officer)
Myles Larrington (Officer)
Stephanie Oliver-Beech (Officer)
Joshua Rickayzen (Officer)
Henry Rigg (Officer)
Jennifer Robson (Officer)

[illegible]

1. Apologies for absence

Apologies for absence were received from Fara Butt, Martin Booth, Cllr Eric Firth, Deb Hetherington, Amir Hussain, Cllr Michael Graham, Cllr Ashley Mason, Simon Mellon, Professor Nick Plant, Mandy Ridyard, Cllr Alex Ross-Shaw, Bobby Thandi and Simon Wright.

2. Declarations of Disclosable Pecuniary Interests

There were no declarations of pecuniary interests at the meeting.

3. Exempt Information - Possible Exclusion of the Press and Public

There were no agenda items that required the exclusion of the public and press.

4. Minutes of the Meeting held on the 19 October

Resolved: That the minutes of the meeting of the Business, Economy and Innovation Committee held on 19 October 2022 be approved.

5. Chair's Update

The Chair opened the meeting by noting that the Convention of North was due to take place in Manchester on Wednesday 25 January 2023. The purpose of the convention was to celebrate the North, outline a number of unique value propositions and growth opportunities, and the investment potential of the North to the UK's global success. The Convention would be chaired by The Rt Hon Mayor Andy Burnham, the Mayor of Greater Manchester and would set out a series of propositions to the Government and opposition. Next year, the Convention was due to be hosted in West Yorkshire.

In addition, the Chair also referred to the publication of the LEP Integration paper by the Combined Authority. The paper provided clarity on the role of LEPs within a mayoral combined authority and would be considered at the Combined Authority meeting on 2 February 2023. Members would then consider the next steps, including the governance arrangements and the recruitment of a permanent LEP chair.

The Combined Authority continued to work with local authority partners within West Yorkshire to submit successful levelling up funding bids. The Chair observed that, while it was positive that Kirklees Council received £12 million pounds in approved funding, he offered his commiserations to the other four local authorities who did not have any of their funding bids approved. He indicated that he would continue to make the case that the gap should be narrowed in terms of improving investment opportunities within West Yorkshire.

6. Crisis in the Cost of Living and Doing Business

The Committee considered a report on the latest economic and business

intelligence, particularly relating to the cost of living and doing business.

The Chair introduced the report which provided an update on the regional activity to support businesses, households and recent Government announcements relating to this. Officers presented the report and explained that:

- Productivity in West Yorkshire was on the increase, but there remained a gap between the output per hour worked in West Yorkshire and nationally.
- The labour force had become better qualified over time in West Yorkshire although there was still ground to be made up with the national average.
- The transport and storage sector, and the accommodation and food service sector were growing fast in West Yorkshire compared to the national level.
- West Yorkshire's digital infrastructure was a key strength. The area outperformed the national average on key measures relating to the gigabit-capable and mobile 4G coverage.

The Combined Authority was also canvassing Government to commit to supporting energy-intensive and enhanced risk businesses, the hospitality sector and the wider supply chain businesses post-March 2023 - which was when the Energy Bill Relief Scheme would be replaced by the Energy Bill Discount Scheme.

The new scheme represented a reduction in support to businesses of around 66%, as smaller businesses that do not operate in Energy and Trade Intensive Industries would receive the least amount of support, which was likely to mean culture and night time economies would be particularly exposed to high energy costs. The Combined Authority proposed to make a further submission to the Government in advance of the Spring Budget, about the need for further support for businesses to help with the cost of energy.

Members made the following observations:

- The continuing disruption to transport services was having an incremental effect on retail footfall. Members expressed an interest in receiving specific data on the impact on GDP and the Head of Research and Intelligence indicated that this would be collated accordingly and brought to the committee for discussion at a future date.
- It was agreed that the Combined Authority continue to work to encourage businesses in West Yorkshire to invest in new sustainable technologies to ensure the region had greater energy security in the future.
- Members indicated that while the Mayor's Fares Bus initiative was very welcomed, it would be helpful to have some data on the impact the scheme was having. The Head of Research and Intelligence indicated that an assessment was currently being undertaken and outcomes would be presented to the next Transport Committee.

Resolved:

- i. The Committee noted the evidence presented in the submitted report and considered it as part of the decision-making process.
- ii. Members provided their comments on the additional asks that should be made of Government in order to help support businesses with rising energy costs.

7. Healthtech - Year One Update

The Committee considered a report on the progress of the West Yorkshire Healthtech Strategy.

The Chair introduced the report which provided an update on activity and progress following creation of the Healthtech Regional Lead role, leading to approval of the Healthtech Strategy. It also provided an overview on key areas of focus for the coming year. The Regional Healthtech Lead then presented the report and explained that:

- Healthtech provided a broad range of products, services and solutions to improve and save lives, from prevention to diagnosis and cure. Healthtech products ranged from commonplace objects such as surgical masks and wheelchairs, through to non-invasive diagnostic tests like lateral flow tests, implantable devices such as heart valves and replacement joints, and to medical applications and healthcare IT systems.
- West Yorkshire has a significant Healthtech sector as the region is consistently identified as one of the UK's leading Healthtech locations by business number and employment. For example, 22% of all UK digital health jobs were based within the region.
- The role of Healthtech Regional Lead was created to provide a focus in the Combined Authority to drive forward the region's approach to this sector.
- The main aim of this was to seek approval of the region's first Healthtech Strategy, with strong buy-in across from partners to the vision that the region would be the number one place for Healthtech entrepreneurs, innovators and industry.

Members made the following observations:

- As the European Union (EU) was potentially more complex to operate in following Brexit, it was essential to examine the US market which could represent an easier landing space for this initiative.
- In terms of deploying this initiative in the NHS, it was important to recognise that the NHS was always keen to test products but there were often barriers to products purchases, especially within the regulatory framework. Members took the view that health science networks, in particular, could help to support the aims of the Healthtech Strategy.

- A key part of the strategy must be the aim of inclusive growth. Members expressed a desire that the notion of inclusive growth must form part of the core design of the Healthtech Strategy in order to enable disadvantaged minority groups to contribute at this strategic level by seeking out creative contributions and strong talents to help achieve its main aims.
- Members expressed a desire that the Healthtech Strategy should focus on rewarding companies that seek to drive down health inequalities and have good employment practises such as those who pay the living wage.

Resolved: The Committee noted the progress made over the first year of this sector-focus approach to innovation and endorsed the areas identified for future work, including pipeline development.

8. **West Yorkshire Plan and Economic Strategy**

The Committee considered a report which provided an update on the progress and development of a West Yorkshire Plan and the Economic Strategy.

The Chair introduced the report and then invited officers to present the West Yorkshire Plan and the Sector Manager on Healthcare and Life Sciences to present the Economic Strategy.

Officers noted that work had been ongoing on the development of a West Yorkshire Plan to provide an overarching narrative for the region. The plan would:

- Explain who West Yorkshire was and what we wanted to do;
- Set the trajectory for the longer-term up to 2040;
- Ensure that government and wider local and national stakeholders were clear on the priorities and ambitions of the region and how these would align with the new Government's plans for economic growth;
- Ensure that all regional partners would speak with one strong voice;
- Continue to develop shared endeavour between the Combined Authority and the local authorities.

The Sector Manager on Healthcare and Life Sciences explained that the Economic Strategy would provide a vision for the future of the West Yorkshire Economy to support the development of investment priorities to meet these aims and objectives.

Members of the Committee made the following observations:

- West Yorkshire would be a region where diverse groups would form the majority by 2050, according to current projections. Members expressed a desire to see this referenced in the report and to have more extensive measures relating to EDI, so that the future economy was based on greater diversity to unlock the potential within the region.
- Productivity needed to be better defined within the report, so that members had some way of quantifying the outcomes of the West

Yorkshire Plan and the Economic Strategy.

- As Huddersfield was the home of precision technologies, members wished to see this referenced in the regional plan.

Resolved:

- i. The Committee considered the draft West Yorkshire Plan and provided feedback on how the content should be shaped moving forward.
- ii. The Committee considered the draft Economic Strategy and provided feedback on how the content should be shaped moving forward.

9. Innovate UK West Yorkshire Action Plan

The Committee considered a report which sought input on the Innovate UK Action Plan for West Yorkshire.

The Chair invited officers to present the report and it was noted that:

- The plan had been developed with Innovate UK in partnership with the region, which would lead to increased investment for businesses and additional profile for the region.
- It was proposed to have targeted activities to support local innovation as UK transparency data showed that businesses in West Yorkshire received significantly fewer grants than the UK national average.
- The Action Plan would be launched at an invite only event in February 2023 at NEXUS, where there would be a significant opportunity to secure increased regional and national profile.
- Innovate UK was working closely with the Department for Business, Energy and Industrial Strategy to identify clusters within the region.

Resolved: The Committee noted the contents of the action plan and provided feedback.

10. Business and Innovation Activity

The Committee considered a report which provided an overview of the progress of current and future activity across Business and Innovation.

The Chair introduced the report and then invited officers to present the report. Members noted that:

- The 2023 Convention of the North would be held in Manchester on 25 January 2023. As this was the region's major annual gathering, both the Mayor and the Chair of the LEP Board would be in attendance.
- The Combined Authority meeting on 2 February 2023 would consider a paper on the LEP Integration Plan that set out the steps that were required to fully integrate the LEP into the Combined Authority, including further governance changes required and the impact on the recruitment of the new LEP Chair and board members.
- Following the work of the Manufacturing Task Force and the

subsequent recommendations report, a Manufacturing Advisory Board had been set up, with the first meeting taking place in December 2022. The Board would continue to work to identify gaps in provision and seek to identify opportunities to ensure manufacturers in the region were supported to become more resilient.

- The Combined Authority continued to help to support the Advanced Machinery Productivity Institute (APMI) to drive innovation in West Yorkshire's advanced machinery sector.
- The Mayor's Innovation Prize was currently in delivery as a pilot challenge competition. Applications for the project would close on 22 January 2023 and participants would be shortlisted for a series of bootcamps to further develop their ideas.
- Planning was underway for this year's West Yorkshire Innovation Festival which would be held during the week commencing 13 November 2023.

Members expressed an interest in how small and medium-sized enterprises (SMEs) placed graduates to help advance skills, drive productivity and innovation across the region. They indicated that this information should be reflected in the report.

It was also observed by Members that business-to-consumer (B2C) businesses should be included in resource planning, with consideration as to whether representatives from these sectors should be invited to sit on the committee.

Resolved:

- i. The Committee noted the activity currently underway.
- ii. Members provided feedback on the approach to more targeted business support in the new wave of programmes.
- iii. Members endorsed the recommendation to offer a financial contribution of £2.5k to further the Strength in Places Fund (SIPF) programme and industrial engagements across West Yorkshire.

11. Digital Update

The Committee considered a report which provided an update on the recent activity relating to digital across the region.

The Chair introduced the item and invited officers to present the report. Members noted that:

- A refresh of the Digital Framework was being instigated. To support this work, mapping of the digital tech sector in West Yorkshire had been commissioned.
- Additional work was underway to map the entire West Yorkshire regional economy with granular analysis of digital sector employment.
- To further support the refresh of the Digital Framework, on the 12

December 2022 the Chair of the LEP Board hosted a LEP Deep Dive session on digital for private sector members of the Board.

- The Local Digital Skills Partnership (LDSP) was in its third and final year of Department for Digital, Culture, Media and Sport (DCMS) funding. In creating the Digital Skills Plan (DSP), the LDSP had accomplished their core targets. The DSP was launched on 28 November 2022 and had been received with enthusiasm across private, public and third sector partners across West Yorkshire.

Members sought to clarify where digital and cyber security fit into the report. It was clarified that the report made a distinction between digital first businesses and digital enabled businesses, as the definition of a digital business needed to be part of the wider conversation.

Resolved: Members noted the report and provided feedback on the next steps.

12. Date of the Next Meeting

It was noted that the next meeting of the Business, Economy and Innovation Committee would be held on 29 March 2023.