

**MINUTES OF THE MEETING OF THE
LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD
HELD ON THURSDAY, 20 SEPTEMBER 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Roger Marsh OBE (Chair)	Leeds City Region Enterprise Partnership
Councillor Tim Swift MBE (Deputy Chair)	Calderdale Council
Professor Adam Beaumont	Aql
Ian Cherry	Nexus Vehicle Management
Nicola Greenan	East Street Arts
Amir Hussain	Yeme Architects
Rashik Parmar MBE	IBM Academy of Technology
Joanna Robinson	Mansfield Pollard
Andrew Wright	Reliance Precision
Councillor Judith Blake CBE	Leeds City Council
Councillor Richard Cooper	Harrogate Borough Council
Councillor Susan Hinchcliffe	Bradford Council
Councillor Andrew Lee (Substitute)	North Yorkshire County Council
Councillor David Sheard (Substitute)	Kirklees Council
Councillor Andrew Waller	City of York Council

In attendance:

Professor Simon Pringle	Project Rome
Tom Riordan	Leeds City Council
Ben Still	West Yorkshire Combined Authority
Angela Taylor	West Yorkshire Combined Authority
Sue Cooke	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
David Shepherd	West Yorkshire Combined Authority
Patrick Bowes	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

25. Apologies for Absence

Apologies for absence were received from Bob Cryan and Councillors Peter Box, Carl Les and Shabir Pandor.

26. Declarations of Interest

In accordance with the requirements of the LEP Board Members' Code of Conduct, Members were reminded of their obligation to review their individual register of interests before each LEP Board meeting and to declare any

interests.

27. Exclusion of the Press and Public

Resolved: That in accordance with paragraph 3 of Part 1 Section B of the Access to Information Annex to the LEP Board Procedure Rules, the public be excluded from the meeting during consideration of Appendix 1 to Agenda Item 10 on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information and for the reasons set out in the report that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

28. Minutes of the meeting held on 13 June 2018

Resolved: That the minutes of the meeting held on 13 June 2018 be approved and signed by the Chair.

29. Panel and Committee Updates

The Panel, Group and Committee Chairs were thanked for their updates which were presented to the Board for information and, in discussing and noting the reports, the following comments were made:

Members were advised that at a recent meeting, the Business Communications Group had supported the role of the LEP and for a merged geography covering West and North Yorkshire. It was considered that the meeting, which had been attended by the LEP Chair, had been positive and the Group had welcomed the engagement and discussion. The Board recognised the value of the Group's contributions and views and it was suggested that opportunities for further engagement with small businesses through the Group should be considered.

In respect of the Business Innovation and Growth Panel update, Andrew Wright thanked those who had contributed to the digital consultation which had recently closed. He highlighted the launch of the productivity pilot, ring-fencing part of the Business Growth Programme (BGP) funds to focus on increased quality rather than quantity of jobs, measured by productivity improvement. The research on international trade from Leeds City Region had shown the pre-eminence of pharmaceuticals and med-tech exports as major strengths to build on.

Members commented on the success of the Business Growth Programme in securing investment leverage of 1:10 and the contribution of the Northern Powerhouse Investment Fund in contributing £11.5m of its funds to businesses in our region in its first 18 months. Members also suggested tapping more fully into the business networks of companies with strong reach into SMEs to promote uptake of technological innovation. The issue of uninsured businesses in York and Leeds affected following the Boxing Days floods was highlighted,

with a request for the LEP to help address this issue as it affects businesses across the City Region.

The Board noted the Growth Deal summary dashboard for quarter 4 of 2017/18 which was attached at Appendix 3 to the Investment Committee update which had been submitted to CLoG by the July deadline. It was reported that due to the schedule of meetings it had not been possible to bring it to the LEP Board for endorsement prior to submission and it had therefore been signed off, as required, by the Combined Authority's Section 73 officer and LEP Chair.

Resolved: That the updates be noted.

30. Strengthened Local Enterprise Partnerships

The Board considered a report of the Managing Director on the proposed geographical footprint of the LEP, the position on leadership, capacity, accountability and performance in order to respond to the issues raised in the Government's 'Strengthened Local Enterprise Partnerships' document.

A review of LEPs was announced in the Industrial Strategy White Paper in November 2017 and its findings published in July 2018. Engagement had been carried out with local authorities, business groups and others and the Chair thanked Councillor Blake who had been involved in that process. A summary of the review's recommendations was attached at Appendix 1 to the submitted report.

Members discussed the review and the Leeds City Region LEP's proposed response to the recommendations with particular emphasis on the Government's questions in respect of the geographic footprint of LEPs. It was reported that the views of businesses via the Business Communications Group, advisory panels and through a public engagement exercise had been sought and discussions had been held with partners including the Confederation of British Industry (CBI).

The Board was advised that several LEPs may put forward proposals to retain their current footprint. In this respect, Councillor Lee advised the Board that this had been discussed in York, North Yorkshire and East Riding and, recognising the current successful ways of working, they were going to propose that they retained their status quo (ie. with overlaps).

After debate the Board supported the recommendations and agreed that to retain the status quo was not an option at the present time. The Chair advised the Board that Bob Cryan had sent his apologies for the meeting but was fully supportive of the proposal for a wider geography as he believed it has the best interests of the region at heart.

It was considered important to put forward a strong proposal that complies with the Government's requirements as a preferred option and to continue discussions with North Yorkshire regarding their concerns for the wider

geography. It was however recognised that the Leeds City Region LEP did work well within its current geography and it was suggested that a caveat be included in the response to Government indicating a willingness to reconsider the geographical footprint if retaining the status quo become an option in the future.

The following recommendations were agreed unanimously, although North Yorkshire wished to note their preference towards a status quo option.

Resolved:

- (i) That the 'Strengthened Local Enterprise Partnerships', the culmination of Government's LEP Review and its links with activity on local industrial strategies and the emerging UK Shared Prosperity Fund be noted.
- (ii) That the City Region's position on matters of leadership, capacity, accountability and performance as set out in Appendix 2 of the submitted report be endorsed.
- (iii) That the LEP Board agrees its preferred option on geography, as set out in paragraph 2.10 of the submitted report, but with a caveat that the Leeds City Region LEP would wish to review the position if the rules in respect of overlapping geography change and delegates authority to the LEP Chair to respond to the Government by 28 September 2018.
- (iv) That the LEP Board delegates authority to the LEP Chair to respond to Government, including on the full implementation plan for a new LEP by 31 October 2018.

31. Growing Places Fund Reinvestment

The Board considered a report of the Interim Director of Policy and Strategy which sought agreement to the future use of receipts from the Growing Places Fund (GPF) in order to drive improved productivity and inclusive growth in the City Region.

Members discussed and noted the details of the Growing Places Fund, including its role and purpose, performance, context and principles which were outlined in the submitted report. It was recognised that economic and social conditions and priorities have changed since the GPF was launched in 2011/12 and the City Region has put in place a broader policy framework to deliver inclusive growth. Other public grant and loan funding streams have also become available including the Revolving Investment Fund, European Structural and Regeneration Funds and Growth Deal and an overview which provided a fuller account of public loans and grants for business was attached at Appendix 1.

The future use of the funds was discussed and the proposals and guiding principles outlined in the report were considered. It was agreed to pursue returnable investment and a further report setting out how this will be delivered

would be brought to a future meeting.

Resolved:

- (i) That the performance and position of the Growing Places Fund be noted.
- (ii) That the LEP Board agree to use the receipts from the Growing Places Fund to support significant ongoing returnable investment and grant funding for inclusive growth projects as detailed in paragraph 2.17 of the submitted report.
- (iii) That a further report be prepared for a future meeting.

32. Skills System Review

The Board considered a report of the Executive Head of Economic Services which provided an update on plans to undertake a review of the education and skills system.

It was recognised that the Leeds City Region faces a skills deficit and in order to respond to the challenge it was proposed to undertake a review of the education and skills system. It was proposed that the primary focus of the review would be on the vocational and education and skills system but also considering the way the system interacts with other key policy areas. Members discussed the brief for the review which was attached at Appendix 1 and outlined the roles of the Combined Authority, LEP Board and the Employment and Skills Panel in respect of input, challenge and sign-off of review outputs.

The Board welcomed the review and considered that degree level apprenticeships were important and should be included. It was reported that Councillor Blake was involved with two national skills teams and would be happy to provide input into the review.

It was proposed that the findings of the review be used to inform the national policy debate and to develop thinking around the powers and responsibilities that can best be exercised at local level in a reformed skills system. It was anticipated that the period of the review should be undertaken over a minimum of one year, culminating in a conference style event.

Resolved: That the proposals for a review of the education and skills system be noted.

33. Regional Entrepreneurship Acceleration Program - Links to the Industrial Strategy

The Board considered a report of the Interim Director of Policy and Strategy which:

- Provided an update on the outcome of the application by the University of Leeds into the Massachusetts Institute of Technology - Regional Entrepreneurship Acceleration Program (MIT REAP).
- Confirmed the participation of the LEP in the Leeds City Region delegation to support the development of the City Region's Local Inclusive Industrial Strategy (LIIS).

It was reported that the University of Leeds had been successful in their application and Members welcomed the two year programme which will commence in October 2018. It was noted that participation in the programme by the Leeds City Region LEP will provide an opportunity to access international best practice and learning to support the development of the Local Inclusive Industrial Strategy. It was acknowledged that the LEP's international work was increasing and a report on the aspirations for wider inward investment would be prepared for a future meeting. It was noted that an update on trade and investment (including inward investment) was included in the Business Innovation and Growth Panel report on a regular basis.

Resolved:

- (i) That the LEP Board supports participation in the programme.
- (ii) That the LEP Board be provided with regular reports on the potential application of thought leadership insights, gained from both MIT and other global delegations, to the Leeds City Region and in particular the development of the Local Inclusive Industrial Strategy.

34. Channel 4

The Board considered a report of the Executive Head of Economic Services which provided an update on a significant inward investment opportunity and sought support for the proposal to attract Channel 4's national HQ to Leeds City Region.

It was noted that following a strong collaborative bid and site visit, Leeds had been shortlisted by Channel 4, alongside Birmingham and Manchester, for the location of their new National HQ. Negotiations were now at an advanced stage to clarify and confirm the details within the proposals made by Leeds City Region partners and Members endorsed the summary which was provided in the exempt appendix.

The Board thanked all involved in the preparation of the bid and it was anticipated that an announcement would be made by Channel 4 in October 2018.

Resolved: That the Leeds City Region bid to attract the Channel 4 National HQ including the proposed support set out in the exempt Appendix 1 be endorsed.

35. Northern Powerhouse (NP) 11

The Board considered a report of the Interim Director of Policy and Strategy which provided an update on the emerging priorities of the Northern Powerhouse (NP) 11 and the outcomes of the first meeting of the body held on 4 September 2018.

It was noted that NP11 had been established to support Government's ambitions for the Northern Powerhouse, providing 'one voice' representing each of the Northern regions with Roger Marsh appointed as the Chair. NP11 will focus on a small number of areas where joint activity across the North can improve economic performance, working with and advising the Government on issues such as how to increase productivity and overcome regional disparities. The Group will meet monthly and the three main priority areas for activity would be supply chains, energy and growth hubs and Members noted the details of the proposed project activity together with opportunities for joint working on innovation and place which were set out in the submitted report.

Resolved: That the LEP Board notes the remit of the NP11 and progress made to date and supports the Leeds City Region Enterprise Partnership's engagement.

36. Economic Reporting

The Board considered a report of the Interim Director of Policy and Strategy which provided an update on the latest economic and business intelligence.

The report and appendices covered the main local, national and international economic developments and included a dedicated commentary on the health of the Leeds City Region and wider economy as the UK moves towards its formal exit from the European Union.

It was acknowledged that in light of a complex and changing environment, there is a need for regular and more detailed intelligence on how businesses and people were being affected. Members were advised that in order to support wider policy work such as on inclusive growth corridors, the organisation's primary survey work was being updated and expanded and details were outlined in the submitted report.

Resolved:

- (i) That the analysis presented in the economic update and dashboard be noted.
- (ii) That the planned approach to surveys to ensure timely and relevant intelligence be noted.

37. Strategic Partnership with Digital Catapult

The Board considered a report of the Interim Director of Policy and Strategy on the opportunity to enter into a strategic partnership with Digital Catapult (DC).

It was noted that until March 2018 the Leeds City Region LEP had taken a place on the Partnership Board of DigiCat Yorks. This was a Yorkshire consortium established as one of 4 nodes across the country who worked alongside the Digital Catapult based in Kings Cross, London (DC Central).

Members were advised that there was now a timely opportunity to reconsider the relationship that the LEP has with DC Central, particularly in respect of the emerging Digital Framework. The benefits of signing a Memorandum of Understanding with Digital Catapult were considered and it was reported that this had also been discussed with the original Partnership Board in Digital Health Enterprise Zone (DHEZ) and partners were content that a more strategic relationship be developed.

Resolved: That the LEP Board supports the principle of a joint MoU with Digital Catapult and sign off be delegated to the LEP Chair.

38. Any Other Business

The Board was provided with a verbal update on the work being carried out by the Arts & Culture Major Events Steering Group on culture, tourism and sport which was being led by Mary Weastell, Chief Executive of York City Council. It was agreed that a report would be prepared for the next meeting.

The next meeting of the LEP Board will be held at 2 pm on Thursday 22 November 2018.