

**MINUTES OF THE MEETING OF THE
LEEDS CITY REGION ENTERPRISE PARTNERSHIP BOARD
HELD ON TUESDAY, 27 MARCH 2018 AT COMMITTEE ROOM A,
WELLINGTON HOUSE, 40-50 WELLINGTON STREET, LEEDS**

Present:

Roger Marsh OBE (Chair)	Leeds City Region Enterprise Partnership
Professor Bob Cryan CBE	University of Huddersfield
Councillor Denise Jeffery	Wakefield Council (to minute 77)
Councillor Susan Hinchcliffe	Bradford Council
Amir Hussain	Yeme Architects
Councillor Andrew Lee	North Yorkshire County Council
Councillor Shabir Pandor	Kirklees Council
Councillor Tim Swift	Calderdale Council (to minute 76)
Councillor Andrew Waller	City of York Council

In attendance:

Simon Pringle	Project Rome
Tom Riordan	Leeds City Council
Ben Still	West Yorkshire Combined Authority
Caroline Allen	West Yorkshire Combined Authority
Sue Cooke	West Yorkshire Combined Authority
Melanie Corcoran	West Yorkshire Combined Authority
Marc Eatough	West Yorkshire Combined Authority
Roger Baker	West Yorkshire Combined Authority
David Shepherd	West Yorkshire Combined Authority
Sarah Bowes	West Yorkshire Combined Authority
Noel Collings	West Yorkshire Combined Authority
Ruth Chaplin	West Yorkshire Combined Authority

69. Apologies for Absence

Apologies for absence were received from Adam Beaumont, Ian Cherry, Nicola Greenan, Rashik Parmar, Joanna Robinson, Andrew Wright and Councillors J Blake, P Box, R Cooper, C Les and D Sheard.

70. 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.

71. Chair's Comments

The Chair announced that the Leeds City Region Enterprise Partnership had been successful in its bid for £4 million to support the transformation of the former Bradford Odeon cinema following the bid selection process undertaken at the LEP Board. In response, Councillor Hinchcliffe thanked the LEP Board and the Bradford community for their support.

72. Minutes of the meeting held on 16 January 2018

Resolved: That the minutes of the meeting held on 16 January 2018 be approved and signed by the Chair.

73. Panel Chair Updates

The Panel and Group Chairs were thanked for the following reports which were presented to the Board for information and update:

- Business Communications Group
- Business Innovation and Growth Panel
- Employment and Skills Panel
- Green Economy Panel
- Land and Assets Panel

In discussing and noting the reports the following comments were made:

Business Innovation and Growth Panel - Members welcomed the confirmation of funding for the Growth Service for the next two years that will allow continuation of the of the 'hub and spoke' delivery model to support businesses.

Employment and Skills Panel - further information regarding the Futuregoals careers campaign would be reported to members.

Green Economy Panel – the draft Green and Blue Infrastructure Strategy and Delivery Plan was to be considered by the Panel in April prior to the LEP Board and Combined Authority.

Resolved: That the updates be noted.

74. Growth Deal Update

The Board considered a report of the Director of Delivery which provided an update on progress made on the implementation of the Growth Deal programme.

A summary of Growth Deal expenditure to the end of January 2018 was detailed in the submitted report and the Growth Deal and West Yorkshire plus Transport Fund (the Transport Fund) dashboards were attached at Appendices 1 and 2.

Members discussed the current forecast outturn for the programme and the contingencies which had been identified in order to address the predicted shortfall. It was noted that one of the contingencies was to have brought forward spend for the East Leeds Orbital Route Outer Ring Road Junctions but there were delays to the delivery of the scheme following Carillion going into liquidation. Members were advised that the Government would take this into consideration when reviewing performance as it was out of the Combined Authority and partners' control. Schemes will be encouraged to accelerate spend where possible and further over-programming opportunities explored. Officers were currently investigating loan facility options to identify how over-programming can best be funded and a report will be brought to a future meeting of the LEP Board and West Yorkshire Combined Authority for consideration.

The LEP Board asked that their thanks be passed on to all the teams and project sponsors across the City Region for the work being done to meet the Growth Deal targets.

Resolved:

- (i) That the progress towards the implementation of the Growth Deal be noted.
- (ii) That the work to identify how to fund and manage over-programming be endorsed.

75. Inclusive Growth Outcomes from the Business Growth Programme

The Board considered a report of the Executive Head of Economic Services proposing revised criteria and associated conditions for awarding grants to businesses from the Leeds City Region Enterprise Partnership (LEP)/West Yorkshire Combined Authority's (Combined Authority) Business Growth Programme (BGP).

It was reported that as part of the City Region's approach to a local inclusive industrial strategy, the LEP is proposing to revise the criteria and associated conditions for awarding grants to incentivise businesses to grow in a way that delivers inclusive growth. The report provided an overview of the consultation and the main findings to date were noted.

Members discussed the revised approach which was set out in Appendix 1 to the submitted report. They welcomed the proposal and there was strong support for the inclusive growth agenda and its underpinning principles, including encouraging employers to invest in progression for their lower-paid staff, apprenticeships and other similar commitments. It was acknowledged, however, that there would be some challenges, particularly the aspiration to pay the 'real living wage' for new jobs created as a result of investment projects supported by grants. A two-tier approach was, therefore, agreed which would not exclude lower paid sectors but would incentivise higher awards to

firms creating higher skilled, better paid roles. Members were keen to ensure that the processes should be kept simple for businesses to implement and to this end, it was proposed that the scheme conditions be considered further by the Executive Head of Economic Services and tested with members of the LEP Board.

In addition, the Board recognised the ambition to identify an effective, robust and deliverable way to support businesses that are improving their productivity and competitiveness, with grant funding for capital investment projects, without necessarily creating new jobs. The productivity agenda is being considered at national policy level and it was proposed that a small working group be established with business representatives and progress reported to the Business Innovation and Growth Panel.

Resolved:

- (i) That the revised criteria and associated conditions for awarding grants from the Business Growth Programme (BGP) as set out in Appendix 1 of the submitted report be approved, and that implementation commence in the summer following adoption by the Combined Authority in May 2018.
- (ii) That a small working group be established to identify how improvements in business productivity can be incorporated within future approaches to appraising, awarding and monitoring BGP grants. Furthermore, that the findings of the group are used to inform the design and delivery of a pilot project on business productivity as set out in paragraph 2.16 of the submitted report.
- (iii) That the proposal to undertake further analysis on how the new approach will be applied to strategic inward investment projects be supported.

76. Trade and Investment Forward Plan

The Board considered a report of the Executive Head of Economic Services on the work of the Trade and Investment team and the 2018/19 Forward Plan.

Details of activities and developments for inward investment were outlined in the submitted report and an overview of the current trade performance and outlook was attached at Appendix 1.

In respect of the Trade and Investment Plan 2018/19, the Board considered a number of objectives which were being proposed in order to focus the work of the team and maximise the effectiveness of activities within available resources. It was noted that key performance indicators had been included in the Combined Authority's draft business plan which was to be finalised in April 2018.

The Board discussed the forward plan of activity for 2018/19 and were advised

of six major initiatives which the team was proposing to undertake across key sectors and markets. A breakdown of the anticipated spend for the events was included in the report and it was noted that these were the maximum projections which were subject to change and may come in at a lower cost. Business cases would be prepared for each trip to justify value for money and these would go through the Combined Authority's revised procurement process.

Members discussed the importance of attending the events alongside representatives from the private sector to promote the City Region. It was reported that economic development teams across the City Region had been contacted in order to ensure that businesses were aware of the proposed activities and Members were urged to inform their colleagues of the proposed programme and to contact the Trade and Investment team for any further information.

Feedback from the recent MIPIM event was provided in a separate report on the agenda.

Resolved:

- (i) That the update on Trade and Investment activity in 2017/18 be noted.
- (ii) That the Trade and Investment Business Plan for 2018/19 be approved.

77. Energy Accelerator

The Board considered a report of the Interim Director of Policy and Strategy which provided an update on the Energy Accelerator (Accelerator) including:

- The draft Contract for Funding between the EIB (European Investment Bank) and West Yorkshire Combined Authority (Combined Authority).
- Key corporate risks for the Combined Authority and project sponsors if the Combined Authority choose to sign the contract.
- Recommendations from the Green Economy Panel (GEP) to the LEP outlined in paragraph 2.26 of the submitted report.

The Board discussed the information provided in the report and it was noted that the Accelerator was dependent on the European Investment Bank (EIB) ELENA fund. This had now been confirmed and Members considered the draft Contract for Funding which had been received for review and signing. The key risks and their impact to the Combined Authority were discussed. It was noted that the Combined Authority should consider these risks in setting its future reserves strategy as summarised in the submitted report.

Resolved: That the LEP Board recommend to the Combined Authority that the EIB contract be signed.

78. Governance Update

The Board considered a report of the Director of Resources in order to:

- Report an urgent decision of the LEP Chair, taken in accordance with the LEP Constitution and relating to governance documents.
- Report minor technical amendments to LEP governance documents approved by the Head of Legal and Governance Services under delegated authority.
- Provide an update on the Assurance Framework considered by the Board at its meeting on 16 January 2018.
- Confirm LEP nominations to the Transport for the North (TfN) Board.

The Chair thanked Members for completing their Register of Interests and the Legal and Governance Services team for ensuring that the Government's deadline was met.

Resolved:

- (i) That the urgent decision of the LEP Chair on 27 February 2018 to approve a LEP whistleblowing policy and revised LEP Board Members' Code of Conduct attached at Appendices 2 and 3 of the submitted report be noted and endorsed.
- (ii) That the minor amendments made to the LEP governance documents as set out in Appendix 4 to the submitted report be noted.
- (iii) That it be noted that the Assurance Framework has now been finalised.
- (iv) That Roger Marsh be nominated as the LEP representative to the TfN Board and Ian Cherry as substitute for that position.

79. Massachusetts Institute of Technology - Regional Entrepreneurship Acceleration Program (MIT REAP)

The Board considered a report of the Interim Director of Policy and Strategy to secure a mandate to progress an opportunity to take part in a University of Leeds led MIT REAP (Massachusetts Institute of Technology - Regional Entrepreneurship Acceleration Program) programme should their application on behalf of the City Region be successful.

Members welcomed the initiative but stressed that if successful, it was important that all institutions worked in partnership to ensure true representation across the region.

Resolved:

- (i) That the direction of travel be supported and a mandate be provided to engage in further discussions around a City Region approach.

- (ii) That if the application is successful, a report confirming the arrangements and implications be brought to a future meeting.

80. 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 since the last meeting and included new data available from the Quarterly Economic Survey with the Chambers of Commerce for Leeds City Region (for Q4/2017), the performance of the City Region labour market (for Q3/2017) and regional goods exports data from HMRC for the same period. Data from Banksearch and the latest updates from the Office for National Statistics were also included in the report together with updated global economic forecasts from the IMF.

Resolved: That the analysis and economic update be noted.

81. An Inclusive Growth Policy Framework and Local Inclusive Industrial Strategy

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

- Set out for discussion how inclusive growth will be embedded across the City Region's expanded policy framework in order to address the four key challenges agreed by the LEP Board at its awayday in September 2017.
- Illustrated that partner authorities are delivering prototype services which, subject to further investment, might be extended across the city region to delivery inclusive growth outcomes.
- Provided an update on emerging priorities for a focused local inclusive industrial strategy, to be developed at pace and collaboratively with partners.

A copy of the emerging policy framework was attached at Appendix 1 and a summary of the inclusive growth project's achievements was attached at Appendix 2

It was reported that a programme of engagement will be undertaken with a range of stakeholders over the coming months including partner councils, universities and business representative groups. An initial workshop was to be held in the near future followed by an extensive programme of consultation from May 2018. Updates would be provided at future meetings and it was proposed that this be considered at the LEP Board's away day in September 2018.

Resolved:

- (i) That the LEP Board agree that inclusive growth be embedded across the City Region's expanded policy framework as described in order to address the four key challenges agreed by the LEP Board at its away day in September 2017.
- (ii) That the LEP Board note that in addition to the core activity of partners to drive inclusive growth across all activity, there are particular prototype activities across all districts that can improve the lives of disadvantaged groups. Subject to results and further investment this activity might be extended across the City Region to delivery inclusive growth outcomes.
- (iii) That the LEP Board note the activity to deliver a focused, local inclusive industrial strategy at pace and developed collaboratively with partners.

82. Digital Framework

The Board considered a report of the Interim Director of Policy and Strategy which provided an update on work to develop the Leeds City Region Digital Framework and to seek feedback and comments.

Members discussed the work being undertaken to develop a Digital Framework which was being progressed alongside the development of the new Local Inclusive Industrial Strategy. Details of the proposed strands/outcomes to the emerging LCR Digital Framework were outlined in the submitted report and further information provided in Appendix 1. It was proposed that a workshop would be held for each of the strands/outcomes and a wider online consultation would then be undertaken to capture the views and opinions of stakeholders across the City Region.

It was reported that work on digital was already taking place within some authorities and the Digital Framework will need to recognise this, building on good practice and identifying new future activity, particularly aligned with inclusive growth outcomes.

Resolved: That the direction of travel and emerging outcomes be noted.

83. MIPIIM Feedback

The Board considered a report of the Executive Head of Economic Services which provided an overview of activity at MIPIIM 2018. Members were also given a verbal update of the MIPIIM event which had taken place between 12-15 March 2018.

It was reported that the Leeds City Region Enterprise Partnership (LEP) had raised record levels of private sector sponsorship which was used to fund the programme of events and activities throughout the recent conference. A copy of the MIPIIM 2018 programme was attached at Appendix 1 and had

showcased the potential across the Leeds City Region in a bid to secure investment, speculative development and occupier interest.

Feedback from those who had attended, which included representatives from Leeds, Bradford, York, Wakefield and Kirklees partner councils was that the event had been very successful in promoting the City Region.

Members were given an update on the positive feedback received in respect of the Leeds City Region stand and of the investor meetings held, and contacts made, with potential developers, investors and businesses. The importance of strengthening the Leeds City Region delegation and having as many public and private sector partners involved at future events was stressed to build on the success.

A review of this year's events would be undertaken and this would be presented alongside the business case and funding options for any proposed 2018/19 MIPIM programme. It was also suggested that early decisions on attendance would be beneficial to take advantage of better travel and accommodation deals. All funds spent by the Combined Authority would be subject to the Combined Authority's procurement process.

The LEP Board thanked the private sector for their continued support in promoting the City Region and also the team involved in the planning and preparation for the event.

Resolved: That the report be noted.

84. Date of the Next Meeting

The next meeting of the LEP Board will be held on 9 May 2018 at 2.30 pm in Wellington House, Leeds.