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**Report to:** Leeds City Region Enterprise Partnership Board (LEP Board)

**Date:** 20 September 2018

**Subject:** **Northern Powerhouse (NP) 11**

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## **1. Purpose of this report**

- 1.1 To update the LEP Board on the emerging priorities of the Northern Powerhouse (NP)11 and the outcomes of the first meeting of the group (4 September, 2018).

## **2. Information**

- 2.1 NP11 is an influential new body to support the Government's ambitions for the Northern Powerhouse. NP11 will provide 'one voice' representing each of the Northern regions acting as a modern day 'Council for the North' as articulated by Northern Powerhouse Minister Jake Berry MP on its launch. The body will work with and advise the Government on issues such as how to increase productivity and overcome regional disparities in economic growth and creating an economy that works for all. Roger Marsh OBE, has been appointed as Chair.
- 2.2 The NP11 will focus on a small number of areas where joint activity across the North can improve economic performance. The Department for Communities and Local Government has provided funding of £500,000 to be spent by the body over two years. Principles for budget allocation to be considered include projects with the greatest scope for policy impact and added value, activity being most appropriate for delivery at a pan-northern level, and projects avoiding duplication of existing groups and bodies.
- 2.3 Three areas of activity for NP11 were prioritised following a discussion with Northern Powerhouse Minister Jake Berry MP:
- Supply Chains
  - Energy
  - Growth Hubs

2.4 The group has also agreed to look at opportunities for joint working on innovation and place.

2.5 Officers of the LEPs have been drafting proposals which were presented to LEP Chairs at the first meeting of the NP11. Further details of project activity are set out in the table below:

Area for Collaboration	Lead LEP	Project Details
Supply Chains	Leeds City Region	<p>The ambition for the supply chains project is for lower tier suppliers based in the North to successfully bid to supply Northern Original Equipment Manufacturers (OEMs). The work will incorporate the following areas:</p> <ul style="list-style-type: none"> <li>• Detailed supply chain intelligence, including using data analytics to map the supply chains of 30 OEMs, with analysis of Brexit implications (e.g. rules of origin).</li> <li>• Bold policy leadership to understand and influence the factors that will affect how supply chains develop, including improving innovation and productivity and encouraging more effective diffusion of best practice</li> <li>• A programme of partnering and engagement to test emerging proposals and support partners to supply growth through supply chains.</li> </ul>
Energy	Tees Valley	<p>This work will build upon ongoing development activity being undertaken through the BEIS funded Energy Hubs. The Energy Hubs aim to enable LEPs to play a leading role in delivering low-carbon economic growth by supporting the capacity to deliver energy projects. There are two Energy Hubs in the North - the North East, Yorkshire and the Humber Energy Hub, and the North West Energy Hub. Building on this work, there is significant potential at a pan-Northern level for collaboration which will:</p> <ul style="list-style-type: none"> <li>• Open up economic benefits for Clean Growth</li> <li>• Unlock the so-called 'energy trilemma' for the UK (ensuring security of supply, managing cost of access, while decarbonising the energy system)</li> <li>• Support the development of a whole systems approach</li> <li>• To realise scale and attract private investment and Government support for innovation.</li> </ul> <p>Further scoping work is required to establish where activity at a pan-northern level will add value to the Energy Hubs along with other activity being undertaken at a regional and local level. A work plan will be established setting out the case to drive pan- Northern opportunities in a range of areas. Opportunities for</p>

		development (including crossover with other NP11 work streams) include: <ul style="list-style-type: none"> <li>• Grid capacity</li> <li>• Hydrogen</li> <li>• Supply Chains</li> <li>• Innovation</li> <li>• The Circular Economy.</li> </ul>
Growth Hubs	North East	This work will build on and deepen the work of the Northern Powerhouse (NP) Growth Hub network. This will be achieved through the creation of a Growth Hub Centre of Excellence which will include: <ul style="list-style-type: none"> <li>• A development programme for frontline deliverers</li> <li>• A digital platform designed to share best practice</li> <li>• Coordinated communications and promotional activity</li> <li>• A Growth Hub Toolkit will be developed and made available on the digital platform</li> <li>• An annual Northern Powerhouse growth conference</li> </ul>

2.6 In addition to the areas set out above, NP11 also discussed opportunities for collaboration on the following areas:

- **Innovation:** An outline of activities to be pursued through the innovation strand of activity has been developed. This would build upon ongoing collaboration between Northern LEP Innovation leads in a well-established network.
- **Place:** A strand of activity to develop Place will also be undertaken by the NP11 promoting the offer of the North to an international audience.

2.7 Following discussion by the NP11, it was agreed that business cases will be developed setting out the rationale for investment, links between project areas and added value of the projects for discussion at future meetings.

2.8 There are a number of Northern Powerhouse and pan-northern organisations, interest groups and networks where some form of engagement and coordination would be beneficial for the NP11. This includes Transport for the North, the Northern Powerhouse Partnership and the Convention of the North.

2.9 Aligning with the various Government departments, sector bodies and strategies associated with the Northern Powerhouse provides an opportunity for the NP11 to be the strong collective voice on Northern issues as well as to lobby and influence Government.

### 3. Financial Implications

3.1 There are no direct financial implications from this report. It is intended that Cheshire and Warrington LEP will be responsible for allocation of approved

funding. Leeds City Region may be asked to manage funding for delivery of the supply chains project activity.

#### **4. Legal Implications**

4.1 There are no direct legal implications from this report.

#### **5. Staffing Implications**

5.1 There are no direct staffing implications arising from this report. While officers from all 11 LEPs will provide support as appropriate, administrative, communications and policy support for the Chair will be provided by the LEP, in partnership with the West Yorkshire Combined Authority.

#### **6. External Consultees**

6.1 There has been significant engagement across a variety of partners.

#### **7. Recommendations**

7.1 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.

#### **8. Background Documents**

8.1 There are no background documents.