



Humber LEP Ltd - Investment and Regulation Board

Minutes of the Investment and Regulation Board held on Friday, 6 November 2020 commencing at 10.00am, the Board met by remote meeting.

Attendance

Board Members

Simon Bird (Chairman) - Private Sector (AB Ports)
Chris Haskins - Private Sector (Humber LEP)
Councillor J Fenty - North East Lincolnshire Council
David Garness - Private Sector (Garness Jones)
Mark Jones - Hull City Council (for Councillor Hale)
Paul Duncan - Natural England
Lucy Marshall - Environment Agency (for Philip Winn)
Stephen Parnaby OBE - Private Sector
Antony Firth - Highways England
Tony Kirby - Private Sector (Local Transport Projects)

Secretariat

Kishor Tailor - Chief Executive, Humber LEP
Andrew Hewitt - Humber LEP
Karen Oliver-Spry - Humber LEP
Jon Whyley - East Riding of Yorkshire Council (Clerk)

549 Apologies - Councillor R Burton - East Riding of Yorkshire Council, Councillor D Hale - Hull City Council, Richard Beal – Private Sector (Beal Homes) and Jo Barnes – Private Sector (Shared Agenda)

550 Declarations of interest - The following member declared an interest:-

Agency Updates - Environment Agency
Simon Bird declared an interest in Minute 558(i) insofar as it referenced work on the Humber Estuary which related to AB Ports.

551 Minutes of the meeting held on 4 September 2020 - Agreed - That the minutes be approved as a correct record and signed by the Chairman.

552 Matters arising - No issues were raised.

553 Humber LEP Chair's Update - Stephen Parnaby OBE reported that the main current issue had been discussion of the new arrangements and collaborations for the Humber area post April 2021. To date those debates had been progressing well. The local authorities had all signed up to a Humber Freeport bid and a Humber approach and consequentially a plan was being developed to reflect this. Across the board the new arrangements had been embraced. A meeting of the Hull and East Riding Engagement Board was to be held to develop plans for

supporting the creation of the Hull and East Riding LEP. This body would oversee the recruitment of the chair and deputy chair, with the positions being offered by open invitation. Work was also ongoing to realign the current LEP structure to support a Hull and East Riding LEP.

Agreed - That the report be noted.

554 Growth Deal Programme - Update - The Quarter 2 dashboards were showing an improved RAG status across projects still in delivery. All projects were continuing to make progress towards completion, although as previously reported, some schemes would not be complete until 2021 - 22. With the exception of a couple of schemes, the majority of projects were confident of delivering LGF spend in full before 31 March 2021, although robust programme management would continue to make contingency for additional slippage in the event of issues such as bad weather or a second pandemic spike and there were plans in place for the Accountable Body to use capital switching freedoms and flexibilities to manage underspend. This had been agreed with BEIS but could be reversed should the Government prefer to recall unclaimed LGF spend. Capital switching by the Accountable Body would only be considered as a last resort and would also need to be agreed in advance. Projects would still need to demonstrate that they were making significant progress over the coming months and meeting delivery milestones. Any concerns about progress could result in funding being clawed back by the Government, therefore the programme delivery team would be keeping the programme under constant review over the remainder of the year.

Output delivery over the longer term was still being monitored in terms of Covid impact. Projects would continue to be monitored against their contracted output delivery profiles until sufficient evidence was presented to warrant consideration of adjustment and there was a strong message to sponsors that they should continue to manage their projects to ensure full scheme delivery. A project summary was submitted outlining the position to the end of Quarter 2 (30 September). Additional commentary in relation to specific projects was also provided. Overall on a national and a regional basis this LEP compared favourably in terms of its financial project management and that this success overall should be celebrated and if at all possible be part of a feature on the Humber.

The Board was also given an update on the following schemes:-

- (i) **Priory Park** - No new risks had been identified.
- (ii) **Stoneferry Road, Hull** - The project was causing a degree of concern as its Quarter 2 spend had not been met. The completion date had slipped to July 2021 as a result of the inclusion of additional works within the scheme.
- (iii) **Stallingbrough Strategic Employment Site (Phase 1b)** - Land assembly talks were progressing.
- (iv) **Central Cleethorpes** - It was anticipated this scheme would slip into the next financial year but the Accountable Body could manage this spend.
- (v) **Lincolnshire Lakes - Flood Alleviation Scheme** - The scheme was complete but the outputs had not yet been realised however the latest position appeared more optimistic.

Agreed - (a) That the report be noted, and

(b) that Karen Oliver-Spry and her team be congratulated on their ongoing work in what are particularly difficult times.

555 Getting Building Fund - The spend dashboard for Quarter 2 represented the delivery baseline and projections set out in the appraised business cases. Most projects had not yet completed their quarterly financial forecast for the next financial year and therefore spend was currently shown as heavily back loaded to Quarter 4. This would be redressed in the next round of reporting. Of the seven projects in the programme, four now had full funding commitments and were in delivery. The remaining three projects (all business support schemes) would be considered at the next LEP Board, at which point the programme would be fully committed.

All projects had started some delivery or preparatory activity in order to be completed within the programme timescales and none of them were causing any serious concern. A project summary was provided outlining the position for the end of Quarter 2 (30 September).

At this stage there was some uncertainty about whether further funding would become available and would probably not be known until the spring spending review but it warranted the need to maintain a strong pipeline of projects.

Agreed - That the report be noted.

556 Humber Freeport - Progress had been continuing with the Freeport bid and a briefing paper would be circulated in due course. The case for the Humber was still considered to be a strong one with good support being elicited both politically and from the business sector.

The process would be a competitive one with the Government awarding the status to ten of the bids. There were still a number of challenges to address such as the issue of a single or a number of linked sites, the size of the Freeport proposal and the customs area arrangements. The bidding guidance, when issued, would assist in refining some of these issues.

In the event of Freeport status being awarded, it would need its own governance arrangements and the Humber Leaders' Board had recently proposed that it should be a private sector led vehicle, although this was to be the subject of further discussion.

The next steps required a prospectus for the bid, a draft of which would be circulated to colleagues shortly. At the technical development stage, thought would need to be given to identifying how the port would engender economic growth. Any bid submitted would have to articulate the case persuasively for what could be the biggest Freeport in the country.

Agreed - That the report be noted.

557 Covid 19 Impact - A number of worrying trends were evidencing themselves in the Humber area with the level of positive cases of infection rising rapidly and at

concerning levels. Data analysed by the Local Resilience Forum suggested that the majority of infections were from a community setting although some had arisen via the factory environment. Hospitals were currently coping even though numbers had risen significantly and the latest advice was that they had the capacity to cope but the pressure was increasing on this resource.

It was recognised that the latest lockdown measures would hit the hospitality sector particularly badly and that the food sector was also experiencing difficulties as there was the potential for the pandemic to impact on food production levels. The negative economic impact of the reintroduction of lockdown would, to some extent however be softened by confirmation that the furlough scheme would continue at 80% support levels until March 2021. The self-employment scheme had also been extended along with a relaxation in its implementation, as had the loan scheme. There would also be local authority grant schemes available. A key concern was what would happen once the various schemes finished as this was considered to have the potential to lead to higher levels of redundancy.

Agreed - That the report be noted.

558 Agency Updates - The following updates were received:-

- (i) **Environment Agency** - Work on the Humber Tidal Management Strategy was continuing. There had also been a review of the Humber 2100 Partnership and its governance arrangements which had been refreshed. In terms of the strategy, the Agency had been working with partners to develop scenarios on the management of flood risk. These would be developed for the public consultation exercise and would include the proposal of the implementation of a Humber flood barrier.
- (ii) **English Nature** - No issues to report.
- (iii) **Highways England** - The Agency had commenced its second investment period in April 2020 with funding of £27.96b across the five year period. Maintenance and renewals had continued throughout lockdown with most schemes being on schedule. The need for maintenance work to Myton Bridge had been identified and attempts were being made to ensure that this work would have as little impact as possible by linking it to current schemes. At the Highways UK Forum it had been announced that the Agency was to adopt a new approach to route strategy which was to be finalised and adopted for use as part of road period 3. The main emphasis of the Agency's work in the Humber would be the completion of the Castle Street scheme. The completion of the A63 pedestrian bridge would be in the next year as a result of supply issues.

Agreed - That the reports and updates be noted.

559 Single Conversation Group - The Board received updates on the following issues:-

- (i) **Northern Powergrid - A guide for local government representatives** - A final draft of the engagement document had been circulated to Board members for information. Its aim was to provide both the public and private

sectors with key contact details. The next step was to produce similar documents for the other utilities. It was intended that the utilities would take ownership of the document so that it remained up to date and relevant. The draft would be circulated to developers so that they could road test it. Colleagues were asked to review its content and submit any comments to Andrew Hewitt. **Action DG/All**

- (ii) **ABLE** - Support provided by the SCG to the developments at ABLE was a good example of how the Group could draw together key agencies to address cross-agency matters. This collaboration had assisted in addressing the issue of the pumping station at Killingholme Marsh as well as compensatory land provision.

Agreed - That the report be noted.

560 Any other business - No issues were raised.

561 Date of next meeting - It was confirmed that the next meeting of the Board would be held on Friday, 8 January 2021. Details of the arrangements for the meeting would be confirmed in due course. **Action - All**

562 Timetable - The following timetable for 2020-21 was noted:-

Friday, 5 March 2021.

To commence at 10am. **Action - All.**

Signed: