



Humber LEP Ltd - Board Meeting

Minutes of the Board meeting held on Friday 22nd January 2020 via Microsoft Teams

Attendance

Board Members

Directors

Stephen Parnaby OBE (Chair)
 Stephen Savage (Deputy Chair)
 Tim Rix CBE (Vice Chair)
 Isobel Mills CBE
 Councillor Richard Burton
 Professor Susan Lea
 Simon Bird
 Sallyann Garrard - Hughes
 Councillor Stephen Brady OBE
 Chris Haskins
 Councillor Philip Jackson
 Darren Cunningham
 David Kilburn

Observers

Peter Campey - BEIS
 Alan Menzies - East Riding of Yorkshire Council
 Mark Jones MBE - Hull City Council
 James Newman - Chair of Hull and East Yorkshire LEP

Secretariat

Kishor Tailor - Humber LEP
 Richard Kendall - Humber LEP
 Teresa Chalmers - Humber LEP
 Caroline Sansam - Humber LEP

In attendance

Graeme Smith (representing S151 officer) Hull CC

272 Introductions and Welcome to New Chair of Hull and East Yorkshire LEP

SP introduced James Newman (JN) to the Board as the new Chair of Hull and East Yorkshire LEP (HEY LEP) and welcomed him to the meeting. JN thanked the Board for inviting him to the meeting and outlined the main aims and the focus of HEY LEP in the coming months. JN also reported that SP had been appointed as the Deputy Chair of HEY LEP and he welcomed this appointment particularly in terms of transition and continuity. Going forward it was clear that a Humber wide issues will need to be dealt with through cross Humber collaboration, JN reported that he was meeting with the Chair of Greater Lincolnshire LEP to discuss this further. CH expressed the importance of maintaining the Humber agenda in order to ensure the strategic work of the Humber LEP was not lost. JN agreed with this sentiment and indicated that he would be considering these issues in detail as well as focusing on collaboration with Greater Lincolnshire LEP in order to strengthen activity across the estuary. The Board agreed that this was important and noted that some aspects are being taken forward by the Humber Leadership Board (HLB). Cllr Jackson agreed that collaboration between the two LEPs on mutually beneficial activities across the estuary should be prioritised. The Board discussed the lack of business representation on the HLB and the need for the voice of business to be included. JN reported that discussions were ongoing regarding private sector involvement and further information would be

available soon. A number of current projects were highlighted in terms of being pan Humber and being good examples of private and public collaboration.

Graeme Smith representing David Bell (Section 151 Officer) from Hull City Council was welcomed to the meeting to provide the scrutiny to ensure that the Humber LEP was in compliance with financial requirements.

273 Apologies

Brendan Conlan
Councillor Rob Waltham MBE
Jo Smedley
Ian Plunkett
Dr Paul Sewell OBE

274 Declarations of Interest

No declarations of interest were submitted by the Board.

275 Minutes of meeting held on 22nd January and Matters Arising

The minutes of the meeting held on the 22nd January 2020 were approved as accurate.

Matters arising:

KT referred Board members to Minute 256 and advised the Board that work to support the Able investment was ongoing as part of the remit of the LEP's Single Conversation Group and progress was being made. SB reported that ABLE had submitted a bid to Offshore Wind Manufacturing Investment Scheme (OWMIS) and a decision is expected at the end of February.

276 Chair's Report

SP reported that a significant amount of time had been spent supporting the Chief Executive in preparing and planning for the transition.

The Board discussed changes at Transport for the North (TfN) including the plans to appointment of a new CEO. There was a discussion about the need for government to resolve where the Humber fits into the TfN agenda. Steve Savage reported that he had raised this with PC in relation to employment and skills data which is currently issued on the Yorkshire and Humber footprint. JN reported he had met with Andrew Battarbee and Peter Campey and discussed this issue. PC reported that Hull and East Yorkshire LEP would remain a member of the Northern Powerhouse and would also represent pan Humber issues as appropriate and Greater Lincolnshire LEP would become a member of the Midlands Engine. Transport issues need to be resolved going forward as part of the transition arrangements.

The Board agreed to note the report.

277 Chief Executive's Report

KT reported on progress regarding Covid19 and the challenges for businesses and people in the Humber. The impact on the economy was discussed and the Board were briefed on the numbers of people on Furlough and other government support schemes including the Universal credit. It was noted that the numbers of businesses seeking business support had decreased.

KT referred the Board to the Covid19 Economic Impact assessment report by HATCH at Appendix 1 which is part of the ongoing employment and skills analysis. The conclusion was that the Humber region was more resilient to cope with the impact of Covid19 but there were challenges for the future. The Board noted that the GVA growth rate recovery suggests that it will be 2030 before GVA returns to the growth levels pre the pandemic. SL reported that the University of Hull would have an important role in responding to the challenges identified in the report and it would be helpful to share this with key people at the University of Hull, she registered the University's interest in taking part in the task groups and deep dive sessions.

The Board briefly discussed Brexit and it was noted that the immediate impact in the Humber had not been significant to date. It was noted that SMEs appeared to be less prepared for the changes. The numbers of businesses seeking assistance from the Growth Hub advisors remains low. The impact of Brexit on the economy is unclear at this point, and some concerns were being expressed by businesses in terms of understanding the paper work required for the new system. Although it was a challenging time the general feeling was that the situation should improve over time. CH was concerned about Country of Origin changes and the impact these changes were having on the local shellfish industry. RB reported that he was optimistic these issues would be resolved soon.

KT reported that the Humber LEP bid to the Industrial Decarbonisation Challenge Fund scheme was successful and £1.7m had been secured for the Humber Cluster Plan, a comprehensive plan for decarbonisation in the Humber region.

The Board agreed to note the report.

278 Financial Monitoring Q3

The Board were referred to the report which outlined the funding position from April - December. KT explained that David Bell the Section 151 Officer from Hull City Council was unable to attend the meeting so Graeme Smith was attending as his representative. KT reported that the LEP would be slightly under budget this year due to changes in working practices due to Covid19. DC suggested that any remaining funds post March 31st should be distributed equally between the four local authorities. MJ confirmed that this would be the case once the Humber LEP had been wound down and all residual matters had been resolved. It was noted that HCC would remain the Accountable Body of all LEP programmes including a number of current projects that will run until 2023. GS reported that a further report would be produced in April/May outlining the final funding position. CH suggested that any remaining funds should be distributed between the two LEPs rather than the local authorities.

The Board agreed to note the current funding position.

279 Pensana Investment in the Humber Presentation

Tim George (TG) the CEO of Pensana gave a presentation on the company's future investment plans in the Humber region. A unique investment that will support the growth and development of the off-shore wind sector. Pensana chose the Humber following an extensive consideration of a range of sites in the UK and Europe. TG commented on the support he had received from the Humber LEP and EYR council and felt welcomed to the region. A number of Board members were keen to learn more about the plans and TG agreed to follow that with individual meetings. SP thank TG and team for the presentation and welcomed their investment in the region.

280 Freeport

RK reported on the latest developments in Government's policy on Freeports and work to develop a Humber proposal. SB provided update of the progress and David Gwynne provided further details, including the proposals for Custom and Tax sites. The Board were asked to delegate authority for the Chair to endorse the proposal prior to submission. The Board were fully supportive of the bid and thanked all parties involved in getting the bid to this point. There was a consensus that financial support should also be considered for the next stage of work and the Board agreed to provide £20k from the LEP budget, it is expected that other partners will also contribute.

The LEP Board agreed:

- **to delegate authority to the Chair to endorse the Humber Freeport bid on behalf of the LEP prior to submission.**
- **to support further work on Freeport by allocating £20k from LEP budget and to urge other partners to provide contributions. KT to work with SB to develop a budget and agree a strategy for securing resources from other partners.**

281 Growth Deal Programme

RK reported that Quarter 3 claims were expected later this month, therefore the information provided in the dashboards was as at Q2. The majority of projects were still confident of delivering LGF spend in full before 31st March 2021, although a few were starting to highlight potential slippage of both overall delivery and some LGF. However, this currently still falls within the provision made for slippage within the programme and the Accountable Body has agreed to use capital switching freedoms and flexibilities to manage underspend. This was most recently confirmed in a delivery progress meeting with BEIS.

The Board agreed to note the progress report.

282 Getting Building Funding

RK explained that the Quarter 3 claims were expected later this month, therefore the information provided in the dashboard is as at Q2. Of the seven projects in the programme, all projects now have full funding commitments and are in delivery. The Board noted that the programme is now fully committed.

The Board agreed to note the progress report.

283 Employment and Skills Board

SS provided the Board with a brief update on the following:

- The proposals for the CEC contract continuation and potential developments for the new Hull and East Yorkshire LEP
- The new migration workforce arrangements
- The Mid-life MOT

The Board discussed the new migration workforce arrangements and the negative impact on businesses and recruitment. SL stated that it was important to keep this on the agenda. It was noted that many migrants had left the UK prior due to Covid19 and under the new rules they would be unable to return. SGH reported that her organisation (ECTIB) was taking part in a survey on this issue and its likely impact.

The LEP board agreed to acknowledge the work of the Employment and Skills Board and to endorse the recommendations regarding the Careers and Enterprise Partnership.

284 Business Development Board

RK gave an overview of activities under the Business Development Board's remit and reported that the intelligence was in line with what members were picking up elsewhere, Covid19 enquiries were increasing meanwhile Brexit enquiries remained fairly low at this time.

The Board agreed to note the report.

285 European Structural Investment Funds

IM gave a progress update regarding the utilisation of European Union Structural and Investment Funds (ESIF) in the Humber LEP area. Confirmation had been received that the ESIF Committee would continue to manage the funds until the end of the programme. It was noted that the programme continued to deliver successfully and a number of bids to the National Reserve Funds were successful. PC agreed that this was a success story that the LEP should learn from. PC indicated that the prospectus on Shared Prosperity Fund and Levelling Up Fund may be out soon. IM suggested that it was important to continue to develop a pipeline of projects to ensure successful delivery could be maintained.

The Board agreed to note the report.

286 Investment and Regulation Board

The Investment & Regulation Board met on 8th of January to scrutinise the current position of the Growth Deal Programme and the Getting Building Fund. It also considered infrastructure implications of Covid19 and Brexit, as well as receiving updates on the progress on the development of the Humber Freeport Bid.

The Board agreed to note the report.

Due to the nature of some staffing issues the Board agreed to consider the next item in private.

287 Transition Plan

KT briefed the Board on a number of issues that would need to be put in place post 31st March 2021 to ensure an effective closure of Humber LEP Ltd. It was noted that programme management was in now hand as there was agreement between the two LEPs on the way forward. The Board noted that there was a need to maintain cross estuarial work to support future collaboration between HEY LEP and GLLEP. It was noted that some of these cross estuarial work was built in as part of the Transitional Plan. KT asked the Board consider retaining a small group of the Board to be the reference point beyond March 21, to deal with any residual Humber LEP matters.

KT then briefed the Board on the implications of the recent staffing restructure in preparation for the new Humber and East Yorkshire LEP (HEY LEP). The work was led by Hull City Council as employer of Humber LEP staff as well as future employer of Hull and East Yorkshire LEP. MJ stated that the restructure was developed on the basis of a reduced budget for the HEY LEP. KT indicated that as a result the Chief Executive's post would not exist in the new LEP and instead a Chief Operating Officer (COO) post had been created, the two Executive Directors Posts in the current structure had been replaced by two senior officers, but at a lower grade, and the PA function had been incorporated within another post. He also reported that Teresa Chalmers had been appointed into the COO role.

He stated that the incumbent PA was on secondment to another temporary post which will continue to be resourced through reserves for further six months from April 1st 2021, following which the normal redundancy and redeployment process would be triggered.

KT left the meeting to allow the Board to discuss his role post March 21.

SP provided the Board with an update on the plans for KT to continue in the role on a part time basis from 1st April to support the smooth transition and the wind down of Humber LEP and to pick up some of the cross estuarial work. He asked the Board for a delegated authority to himself, deputy chair and vice-chairs to negotiate and agree a package with KT, to be financed from LEP reserves.

The Board agreed:

- To delegate SP in consultation with SS and TR to resolve KT's package.
- That SP/SS/TR would continue to provide support to KT to deal with any residual Humber LEP matters post March 21.

288 Date of next meeting: 9am on Friday 19th March 2020 via Microsoft Teams

Signed:

Stephen Parnaby OBE
Chair

DRAFT