

2.0 MINUTES OF WLEP BOARD MEETING

Monday 16th May 2016, 2.00 pm - 5.00 pm

Yamazaki Mazak, Badgeworth Drive, Worcester, WR4 9NF

PRESENT:

Mark Stansfeld	(MSt)	Non-Executive Chair
Carl Arntzen	(KA)	Managing Director, Worcester Bosch Group
Chris Walklett	(CW)	Partner, Bishop Fleming
Prof David Green	(DG)	CEO & Vice Chancellor of the University of Worcester
Cllr Linda Robinson	(LR)	Leader, Wychavon District Council (rep Southern DCs)
Cllr Margaret Sherrey	(MSh)	Leader, Bromsgrove DC (rep Northern DCs)
Dr Simon Murphy	(SM)	Non-Executive Chair, Sandwell Local Improvement Finance Trust
Nick Baldwin	(NB)	Chairman, Office for Nuclear Regulation
Cllr Simon Geraghty	(SG)	Leader, Worcestershire County Council
Mark Martin	(MM)	Chair of WLEP Business Board

IN ATTENDANCE:

Gary Woodman	(GW)	Worcestershire LEP
Claire Bridges	(CB)	Worcestershire LEP
Diane Dwyers	(DD)	Worcestershire LEP (Note Taker)
Kevin Dicks	(KD)	Chief Executive, Bromsgrove District & Redditch BC
Graham Pendlebury	(GP)	DFT, LEP Senior Sponsor
Chris Brooks	(CB)	Regeneration Manager, Wychavon DC
Nigel Hudson	(NH)	Head of Strategic Infrastructure & Economy, WCC
John Berry	(JB)	Director, Yolsum LLP

APOLOGIES:

Stuart Laverick	(SL)	Principal & Chief Executive, Heart of Worcestershire College
-----------------	------	--

1.	<u>Welcome and Apologies</u>	ACTION
1.1	Mark Stansfeld (Chair) welcomed the Board, Kevin Dicks and Graham Pendlebury, apologies noted from Stuart Laverick.	
1.2	In reviewing the meeting's agenda Mark asked if anyone had any other business or if there was any conflict of interest, it was noted there was a conflict of interest with Item 6, Southern Link Road, for Graham Pendlebury and Item 5.2, Growth Deal Proposal, for David Green.	
2.	<u>Minutes from WLEP Board Meeting on 25th January 2016</u>	
2.1	The minutes were approved and signed off as a true record by the Board.	

<p>3.</p> <p>3.1</p> <p>3.1.1</p> <p>3.1.2</p> <p>3.1.3</p> <p>3.1.4</p> <p>3.1.5</p> <p>3.2</p> <p>3.2.1</p> <p>3.2.1.1</p> <p>3.2.1.2</p> <p>3.2.1.3</p>	<p><u>Matters Arising</u></p> <p>Action List</p> <p>Mark Stansfeld to re-send the Board Objectives again for feedback from the Board.</p> <p>Mark read out the Vision Statement and he commented that we should make sure we are not building things that do not take us to that vision.</p> <p>It was noted that Godwin Austin has an office in Stourport and Dubai.</p> <p>The Budget item to be dealt with electronically in the coming week. Agreed that if the Board need to discuss anything with the Budget paper a special meeting would be called.</p> <p>All other identified actions were contained within the agenda items.</p> <p>Correspondence</p> <p>Letter from the Rt Hon Greg Clark MP, Department for Communities & Local Government dated 12th April 2016 re Competing for Growth – Further Growth Deals.</p> <p>NB asked if the key clause in the letter about Combined Authorities/Mayors and the need for stronger local partnerships, does this mean we are at a disadvantage?</p> <p>SG commented that in his experience the letter contains 6 bullet points which form the criteria as to how ministers are going to allocate the Growth Deal money. In relation to this point it depends on the weight given to being part of a Combined Authority.</p> <p>The Board concluded that although this clearly puts the WLEP at a disadvantage to other areas our story, since signing up to the Strategic Economic Plan, was one of improvement and growth and the approach was paying dividends.</p> <p>It was agreed that although multiple interpretations could be made of the letter, we need to ensure we make the best case possible with a small number of transformational projects which fit the strategy and new vision.</p>	<p>ALL</p>
<p>4</p> <p>4.1</p> <p>4.2</p>	<p><u>Growth Deal 2015-2016 Performance and 2016-2021 Forecast</u></p> <p>GW confirmed that we achieved a target expenditure of £13.4m for 2015/16. This was to be confirmed in writing by the accountable body. As this is our only current measure of success by Government, this is positive and shows the strength of the partnership.</p> <p>Our forecast for 2016/17 is to spend £24.1m with a programme of £24.9m. This programme includes some significant risks on Parkway Station, Centre of Vocational Excellence and Kidderminster Station. These will be monitored at the next Board Meeting.</p>	

<p>4.3</p> <p>4.4</p> <p>4.5</p> <p>4.6</p>	<p>It was agreed that the Board would review the programme risks at July's Board meeting with any changes to be made then. However, in the short term the project, sponsored by Worcester University's Centre of Entrepreneurship requesting £250K, was approved for delivery in 2016/17 with the opportunity to scale the project up for Growth Deal 3.</p> <p>The Board had a discussion about skills project and the need for these to match the ambition of the strategy. It was agreed that the WLEP Executive Team will work with the FE Colleges to identify projects that would best fit the programme in 2016/17 and Growth Deal 3.</p> <p>CA reminded the Board that one of the skills projects is the development of a Worcestershire UTC (University Technical College). Funding for this project comes from Department of Education and not through the Local Growth Fund.</p> <p>The final stage interview for the UTC is on the 22nd June with a potential opening date of September 2018 should the WLEP be successful.</p>	<p>IE</p>
<p>5</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p> <p>5.5</p> <p>5.6</p>	<p><u>Further Growth Deals Approach</u></p> <p>GW introduced the paper on Growth Deal 3 which referenced Greg Clarks' letter and the potential for a challenge session with the ministerial team before the submission deadline of the 21st July.</p> <p>A long list of projects that could potentially make up our bid was presented to the Board. AMION, who had supported the WLEP to write the Strategic Economic Plan, had been commissioned to develop the business cases for each individual project.</p> <p>Initial conversations had already taken place with Greater Birmingham and Solihull LEP about projects in the north of the County. Discussions will continue up until the submission date.</p> <p>LR asked if we needed the Worcester Business Incubator, as across the County there were a number of small business centres. GW said that Business Incubator was different from a small works space unit as a wrap-around business support and advice service was also required.</p> <p>CW questioned the scale of the North Worcestershire Innovation Centre compared to the Worcester offer. In his experience of Cambridge these types of facilities needed to be located near a University and good public transport system. He continued to comment it was essential that the incubator fitted within an Eco System. DG commented that the Silverwoods site in Kidderminster was not central to the County. MS expressed the need for a network of incubator properties across the County.</p> <p>MS concluded the discussion stating the views of the Board are very useful to the prioritisation of projects and with potentially limited resources the WLEP Board will have choices to make.</p>	

<p>5.7</p> <p>5.8</p>	<p>SM was surprised that broadband was not included on the list. GW responded with the current programme, Worcestershire is due to be above 95% covered by 2017, therefore, it will only be the more expensive areas that are left with little return. Other funds within the European Programme are designed to fill these not spots.</p> <p>GP commented deliverability is an important factor in the projects that are brought forward as the funding envelope ends in 2020/21 and because of the election cycle you have to ensure you can deliver on time.</p>	
<p>6</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p>	<p><u>Southern Link Road Business Case</u></p> <p>Graham Pendlebury left the room for this item to ensure there was no conflict of interest.</p> <p>Nigel Hudson did his presentation on the Southern Link Road Phase 4 highlighting the approach taken by WCC to develop the business case for the local Majors Fund.</p> <p>The Board questioned balance between the story of the strategic case and the level of technical detail required. It was important that the Business Case sold the project to Government, explaining how the infrastructure will open the gateway to the West of the County creating homes, jobs and new communities plus the road is a critical piece of infrastructure in times of flooding.</p> <p>The Board was supportive of the bid and wished to be kept informed of progress of the stages of the project.</p>	
<p>7</p> <p>7.1</p> <p>7.2</p> <p>7.3</p> <p>7.4</p>	<p><u>FE Board Review</u></p> <p>GW presented the paper which described the outcome of the FE Review, this will be published next month with the next steps and recommendations being taken forward over the coming 12 months.</p> <p>The Board explains these recommendations, which were discussed at the ESB (Employment and Skills Board), and there is general agreement that these contribute to the delivery of the Strategic Economic Plan.</p> <p>The Board considered the Heart of Worcestershire College's proposal for the Apprenticeship Training Agency model. It was recognised that this will perform a specific role within the market place of apprenticeship provision.</p> <p>The WLEP Board agreed to financially support the set-up costs to a maximum of £117K of the Growing Places Fund.</p> <p>In order to support further provision within the skills sector with devolution of any skills budgets it was agreed that sector skills strategies should be produced under the supervision of the ESB.</p>	

<p>7.5</p> <p>7.6</p>	<p>The purpose of the sector skills strategies are to enable intelligent commissioning either with the Skills Funding Agency or devolve to a local level. This would only apply to the adult skills budget in current government advice. The WLEP Board agreed this approach.</p> <p>The WLEP Board agreed that any investment in Skills Capital and Growth Deal 3 should be in line with the FE Review conclusion and sector based skills strategies.</p>	
<p>8</p> <p>8.1</p> <p>8.1.1</p> <p>8.1.2</p> <p>8.1.3</p> <p>8.1.4</p> <p>8.1.5</p> <p>8.2</p> <p>8.2.1</p> <p>8.2.2</p> <p>8.2.3</p>	<p><u>Agri Tech Sector Developments</u></p> <p>Geothermal Feasibility</p> <p>Chris Brooks did a presentation and he explained that there is an element of heat deep underground in the South of the County. They have been working with Wychavon DC and have found some key sites and they are now looking for funding for a pre-feasibility study in Offenham.</p> <p>There were lots of concerns expressed from the Board and the level of priority the Board should give to this project. NB commented that it didn't look attractive to him. It was noted that other parts of the world do better than the UK at this type of project and the initial cost is very expensive but once up and running the cost is relatively low. The key to any successful project is having an identified end user.</p> <p>SG outlined his support for the project if a range of partners including the private sector could support the next stage costs of £60K, he thought this was unique and could provide Government with something different to consider.</p> <p>CA thought it would be an interesting project and he said we should explore the project fully because if an end user can be identified this could be a very successful project.</p> <p>LR commented that this is very green and would help put Worcester on the map which would be good for the County.</p> <p>MSt summarised that if a private sector provider could part fund the next stage of the project the WLEP should consider funding the stage of the feasibility. This was agreed by the Board.</p> <p>Innovation in Horticulture</p> <p>John Berry presented an innovative project in horticulture which set the scene for an opportunity which both he and Claire from the WLEP had been working on.</p> <p>GW said this is the sort of project which could make Worcestershire one of the leaders in the sector and John was building a partnership of knowledge, commercial providers and markets.</p> <p>SG thought this was very viable, it was a very interesting pitch and the LEP should develop it further.</p>	

<p>8.2.4</p> <p>8.2.5</p> <p>8.2.6</p> <p>8.2.7</p>	<p>MSt commented that the presentation was very interesting but why this and not another technology? JB confirmed that in working with the industry this was a proven technology on a small scale. The next stage and success of this technology would be growing at a commercial scale.</p> <p>SM asked where in the County is this being considered, MM asked about planning issues but also said it is easy to put up sheds on greenbelt in Agricultural areas.</p> <p>John Berry said the best locations are Geothermal areas, next to solar farms and next door to incinerators.</p> <p>LR commented that Greg Clarks' letter invited new proposals for the next round of Growth Deals so this could be a good opportunity for Agri Tech. The Board encouraged the WLEP Executive to work these two projects up further with private sector support.</p>	<p>CB</p>
<p>9</p> <p>9.1</p>	<p><u>2015/16 End of Year Budget and Growing Places</u></p> <p>This item was dealt with electronically after the WLEP Board meeting:</p> <p>The following recommendations were agreed:</p> <ul style="list-style-type: none"> - 15/16 end of year accounts were noted - Underspends within the budget and carry forward was noted by the Board. Encouragement to reduce the brought forward budget in line with the previous Audit Committee recommendation. - The Select Research loan was approved, recognising the reduction conditions, increase in risk and increase in interest rate. - The University grant of £50,000 to develop the business case for Centre for Inclusive Sport was agreed 	
<p>10.</p> <p>10.1</p>	<p><u>Any Other Business</u></p> <p>None</p>	
<p>11</p>	<p><u>Dates of WLEP Board Meetings in 2016</u></p> <p>18th July 2016 19th September 2016 21st November 2016</p>	