

MINUTES OF WORCESTERSHIRE LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

**Thursday, 24th July 2014 3.00pm – 5.00pm
Coomber Electronics, Brindley Road, Worcester**

PRESENT:

Peter Pawsey (Chair)	(PP)	Chairman, Robert West and Director, Midland Heart
Cllr Simon Geraghty	(SG)	Deputy Leader, Worcestershire County Council (rep Southern DCs)
Stuart Laverick	(SL)	Principal & Chief Executive, Worcester College of Technology
Dean Attwell	(DA)	MD, Oakland International
Cllr David Hughes	(DH)	Leader, Malvern Hills District Council
Steve Borwell-Fox	(SBF)	MD, Borwell Ltd
Carl Arntzen	(CA)	MD Worcester Bosch Thermotechnology
Cllr Paul Middlebrough	(PS)	(representing Cllr Margaret Sherrey, Bromsgrove District Council – rep Northern DCs)
Alan White	(AW)	MD, Malvern Hills Science Park

IN ATTENDANCE:

Clare Marchant	(CM)	Chief Executive, Worcestershire County Council
Gary Woodman	(GW)	Worcestershire LEP
Wendy Stock	(WS)	Note taker, Worcestershire LEP
Phil Round	(PR)	Worcester Group Training Association
Duane Sanger	(DS)	Worcester Group Training Association

APOLOGIES:

Marcus Burton	(MB)	MD Yamazaki Mazak
Cllr Margaret Sherrey	(MS)	Leader, Bromsgrove District Council (rep Northern DCs)
David Crook	(DC)	BIS
Prof David Green	(DG)	Vice-Chancellor, University of Worcester

1.	<p><u>Welcome and Apologies</u></p> <p>Peter Pawsey (Chair) welcomed the Board and he noted that there were apologies from Marcus Burton, Cllr Margaret Sherry, David Crook and Prof David Green. He thanked the alternates for attending - Steve Borwell-Fox and Cllr Paul Middlebrough. He formally welcomed Stuart Laverick and Prof David Green (in absentia) as the newest Board Members to join the WLEP Board.</p>	
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2. Minutes from the Board Meeting 17th June 2014

The Minutes were signed off as a true record by the Board.

3. Matters Arising

The Action Points from the June Board meeting were reviewed:

- GW had confirmed the LEP contribution to the Magna Carta celebratory events in 2015.
- A process to identify 16/17 LGF projects to start after today's Board Meeting.
- Formal communication with stakeholders on outcomes of the Local Growth Deal – breakfast meeting is taking place next week at Sixways stadium with 120 people attending and is business orientated.
- GW to progress the assessment of signage boundary plates – 'Worcestershire Welcomes You' county boundary plates to be placed on order for (A456 near Halesowen), A44 (Fish Hill), and A38 (Stratford Bridge) with additional plate options for British Camp and Wyche Cutting. Highways Agency has been chased on an update for signs on motorways and trunk roads.
- GW to progress the due diligence of the Fund of Funds – this is being worked through.
- The Business Board to act as the WBC Advisory Board – a meeting is scheduled for next week to confirm arrangements.
- Terms of Reference to be developed for all sub groups – this is started with the agri sub-group having already been completed.
- Recommendations of shortlisted candidates for the WLEP Board to be given by the Appointments and Remuneration Committee – the interview process is one of the Agenda topics.
- Growing Places Fund – agenda item.
- Improvements on the presentation of Accounts – ongoing.
- GW confirmed that the extension of the Research and Administration Assistant within the LEP had been arranged.

Correspondence

Three letters were reviewed:

- Letter from Norman Price, Deputy Chair, Local Management Committee for the West Midlands ERDF programme to the LEP Chair on the importance of collaboration between the 6 West Midlands LEPs with other senior stakeholders such as the recent Green Bridge Supply Chain Programme, a locally

	<p>designed initiative. CA asked in respect of European projects, whether local committees would be making decisions on monies allocated and PP confirmed that a committee was in place in Worcestershire with a chairperson and is a devolved part of the LEP structure.</p> <ul style="list-style-type: none"> • Letter from Julia Sweeney, Director, European Programme and Local Growth Delivery, DCLG dated 27th June 2014 giving a partner updated on the 2014-2020 European Structural and Investment Funds plus an appendix showing the indicative Timetable of Activity. This is an Agenda item for further discussion. 	
<p>4.</p>	<p><u>Strategic Economic Plan – Local Growth Deal settlement (2015/16)</u></p> <p>The WLEP Board was asked to recommend:</p> <ol style="list-style-type: none"> 1. To note the Local Growth Fund announcement for Worcestershire set out in Appendix A (High-Level LGF Spend Profile Breakdown) and Appendix B – Central Government Commitments to WLEP Asks of Government. 2. Note the proposed allocations of spend to SEP priority projects. 3. Agree to receive a separate report at the September LEP Board meeting which will set out programme management and monitoring proposals for SEP projects, which will be developed over the next 2 months and to note requirement for LEP to begin development of 2016/17 and beyond project pipeline ahead of next LGF round. <p>The Board agreed these recommendations.</p> <p>PP welcomed Phil Round and Duane Sanger of Worcester Group Training Association and invited them to give a brief presentation on their Group.</p> <p>Worcestershire Group Training Association is an employer owned and controlled ‘not for profit’ provider of training and associated services and was established in 1967 by a group of employers who felt they could best address their training needs by working together. Their main customers are employers from the manufacturing, and engineering sectors and the service they offer is the provision of training and work-based qualifications appropriate to the needs of their customers including:</p> <ul style="list-style-type: none"> Engineering and Manufacturing Technology Business Administration including Customer Service, Accountancy Health & Safety, Management Development, 	

	<p>In 2001 WGTA, on behalf of local engineering employers, initiated and led an investigation into the lack of appropriate engineering training facilities in Worcestershire and formed a steering group made up of the leading engineering employers. The investigation identified the acute need for Level 3 and above engineering skills essential for competitiveness and the then lack of suitable learning provision in Worcestershire.</p> <p>The conclusion was that existing training facilities were inadequate to meet the needs of Worcestershire’s world-class manufacturing employers and WGTA should lead a project to establish a Centre of Vocational Excellence (CoVE) putting employers at the heart of the initiative. In 2004, a new Centre of Vocational Excellence for Engineering Design, Manufacture and Maintenance was established and led by WGTA. During that time, apprentice numbers have grown over 800% with the majority of leading employers engaged.</p> <p>Findings from the 2013 Economic Profile and Baseline Statistics Research Report on the Manufacturing Sector in the Worcestershire LEP area showed that:</p> <ul style="list-style-type: none">- ‘the largest proportion of skills gaps are in relation to skilled trade occupations’ ‘82%’- The most common specific skills that are lacking amongst the workforce are precision engineering and machine operating, which one-third of companies reported were lacking. 16% also felt that tool making skills were lacking’- ‘Overwhelmingly, it was felt that apprentices were helpful to the business and are a useful way to train up inexperienced staff’- ‘Companies whose turnover has increased over the last 12 months tend to employ the most apprentices’- ‘companies should have a ‘greater understanding of what apprenticeships entail’- ‘Small businesses cannot afford to deal with apprenticeships’- ‘The education system is not encouraging students into apprenticeships’- It was also felt that skills were a concern which was limiting some businesses. It was also creating a ‘lost generation’ which could not get jobs’. <p>The past success and anticipated growth required to address the issues from the Research Report has resulted in the employer Board of WGTA concluding that the current CoVE building is inadequate for the future and larger premises are a priority otherwise a lack of engineering skills will blight Worcestershire manufacturing growth.</p> <p>A search for new premises is being investigated with a view to</p>	
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	<p>opening a new training centre for September 2015 for the first round of Apprenticeship intake.</p> <p>Phil Round and Duane Sanger concluded their presentation by thanking the LEP Board for their support and left the meeting.</p> <p>PP gave a review of the SEP to date saying that the announcement had come on 7th July with an indicative figure of £13m and a further £47m over the next five year period to include Broadband of £2.4m, which had come in at the last minute. £3.7m was committed to Local Transport and £3m via Birmingham to the Hoobrook Link Road into Worcester. In addition, a number of 'asks' had also been given.</p> <p>GW said that there were a number of issues to clarify and resolve to ensure a smooth transition into developing an effective programme to ensure delivery of the objectives on a project by project basis. The latest information from BIS Local is that central government intend to make further information announcements by the end of July 2014, and as there are no further Board Meetings until September, the WLEP Board should delegate authority to agree any variations to the Local Growth Deal during this period. GW confirmed that delivery is now 'king' and CM/SG said it was important to set the pace and resources on delivery.</p> <p>GW said that monitoring and evaluation embedded processes were being worked on by the LEP and it was of key importance to report back to central government on delivery of projects. It is also now important to consider projects pitching for LGF monies in 2016/17 as soon as possible.</p> <p>SL said that it was key that game changer sites were ready rather than being dropped in and CM said that this needs to be put in context as other city areas like Manchester have been looking at this for over 30 years.</p> <p>GW reviewed the central government commitments in response to WLEP Asks of Government.</p> <ul style="list-style-type: none"> - Improve connectivity and resilience across the County – GW confirmed that the Department for Transport is committed to working to develop the business case for Worcestershire Parkway and improving the journey times between Worcester and London. - The Highways Agency is committed to developing more proactive and collaborative approaches to promoting national and local growth and to continue to build strong relationships/working arrangements with the LEP and LEP network. - Enable employment and housing sites – The Government Property Unit to engage with the LEP to look at the potential to release Government land and property to promote 	
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	<p>economic growth as well as The Homes and Communities Agency to work with the LEP on the development of a strategic housing investment plan and support of the Worcestershire Game Changer Programme.</p> <ul style="list-style-type: none"> - Enhance business growth – recognising WLEP’s interests in deep geothermal and district heating through engagement with the Department of Energy and Climate Change, Heat Network Delivery Unit. - Enhance skills provision – government commitment through the Skills Funding Agency to ensure that provision meets local priorities. <p>GW concluded by saying that the Board needs to look at the ‘asks’ and overall, whilst we would always want more LGF allocation, both he and PP said that it was important to hold on to ‘delivery’ and that undoubtedly that there would be underspends in other areas and the Board needed to remember this. SBF asked about asking for extra items above those expected and GW/PP confirmed that this might be possible.</p>	
<p>5.</p>	<p><u>Final Governance Proposals</u></p> <p>CM asked that following the Leaders’ Board on 7th July, the Board need to note the LA Leaders response to the WLEP government proposals and to implement their views into the final government arrangements. This was duly noted by the Board and broken down as follows:</p> <ol style="list-style-type: none"> 1. Increase from 9 to 11 Board members – Leaders agreed but would look to change the current ‘alternates’ model where the other five Leaders were substituted as appropriate and one Chief Executive as an observer who would circulate brief notes to the Local Authority family. 2. Co-opt 2 extra business members as appropriate – yes, on the basis that additional business members to the 11 would be non-voting. 3. Alternates to the Board – as per item 1. 4. Agree the process of appointing the FE representative to the Board. 5. Confirm agreements to extending the appointment of the Chair for a further year until May 2015 – Yes, content that process starts for recruitment of Chair in September but would envisage transitioning in of new Chair by January 2015. 6. Confirm role and remit of sub groups – broadly content but sub groups will need relooking at as the SEP begins to take shape. 7. Agree to the remodeling of the FAR&A Committee and consider the Board position of the FAR Chair on the LEP Board – yes. 8. Agree to changes to Leaders Board to create a Part B 	

	<p>including LEP Chair focusing on economic growth. – LEP Board pre meets for Local Authority representation on Board to be re-instated.</p> <p>9. The democratic position prevailing in a scenario where WLEP pursue an initiative which flew in face of accountable body – Wording to be strengthened as it could be open to interpretation.</p> <p>10. Periodic review of the WLEP legal status – yes</p> <p>11. Formalise accountable body role through a Memorandum of Understanding – yes.</p> <p>CA asked if there could be a named person for the accountable delivery on each LGF project in Appendix A and GM/GW/SG agreed and that person would be reportable to the Board.</p>	<p>ACTION: CM/GW/SG</p>
<p>6.</p>	<p><u>EU Strategy Update – Timetable and Future Actions</u> <u>LEADER update</u></p> <p>GW asked the Board to note the National LEP Network update on the European Programme Timetable which he outlined month by month on Appendix A with appropriate WLEP actions. He stated that the first expected investments on the ground, including through Opt-ins is expected in March 2015 and it would be important for the Board to break this down for the September Board meeting in terms of the structure and objectives of early programme and projects that are likely to be commissioned. SG said that the liability was ‘fuzzy’ on whether this lay at National or with local LMCs. It was important to provide assurance on this with the necessary level of rigour, auditing and set outputs. GW said that if it was decided to ‘opt in’ then risk, procurement and liability lies nationally and it was better to start with the principle of what we can do regionally with better skills and provide rigour.</p> <p>DA commented that as a Business Leader, he did not feel qualified to contribute and felt that more work on the European programme should be done off-line rather than occupying a large part of the agenda. PP said that it was a collective responsibility of the Board to deal with this but more needed to be done to pre-brief Board members. GW confirmed that information on the European programme would be delivered in bite size chunks for the September Board.</p>	<p>ACTION: GW</p>
<p>7.</p>	<p>LEADER update</p> <p>The Board is recommended to write a letter of endorsement to DEFRA to accompany the submission of the Worcestershire LEADER Local Development Strategy on 5th September 2014 supporting that the Worcestershire Local Action Group remains within the WLEP area. It was confirmed that the LEADER Programme and its Local Development Strategy intends to align</p>	

with the WLEP SEP strategic objectives.

Subgroup Reports and Outputs

A report had been submitted from each sub-group as follows:

- a) ESB UTC Proposal – Carl Arntzen
 - The Board was asked to endorse the recommendation of the Employment & Skills Board (ESB) to develop a potential Worcestershire University Technical College (UTC) proposal focusing on Science, Technology, Engineering and Maths (STEM) subjects with the aim to have a live dated of September 2017. The was based on the Options Review exercise conducted by the ESB which recommended that the UTC provided a closest fit to reverse the shortage of trained engineers in Worcestershire. The rationale for this was that STEM sectors account for c20% of Worcestershire’s economy and is the lynchpin of value added, high skilled jobs located within the County. CA asked for the Board to delegate responsibility to the Chair of the ESB to form a Project Board to develop the proposal and also to allocate up to £50k from LEP funds to be matched by partners to prepare a submission to relevant funding bodes including the Baker Dearing Trust, Local Growth Fund and Higher Education Funding Council during later 2014 and early 2015.
 - CA asked for the Board to delegate responsibility to the Chair of the ESB to form a Project Board to develop the proposal and also to allocate up to £50k from LEP funds to be matched by partners to prepare a submission to relevant funding bodes including the Baker Dearing Trust, Local Growth Fund and Higher Education Funding Council during later 2014 and early 2015.
 - PM stated that independent schools as well as local secondary schools would wish to be involved. SL said it was important to add a cautionary note that, in his experience other UTCs that had been set up had struggled to secure sufficient intake on the basis of competition seen by the school end. SB suggested a virtual network could be set up to form a collaborative level/approach. CM asked CA what Local Authority contribution was being looked for in respect of this proposal and CA confirmed it would be £50k match to the LEP funding and other LEP partners.

- b) Inward Investment -
 - The Board was asked to note the progress and next steps related to the Inward Investment Strategy and to recognize that inward investment enquiries come through different sources and to agree the WLEP should be the primary contact vehicle i.e. first point of contact under the umbrella of Invest in Worcestershire. This has included under the

	<p>brand, World Class Worcestershire, including the twitter hash tag and marketing materials, including a film and brochure to be launched on 30th July at the SEP event.</p> <p>c) Incubator scoping work</p> <ul style="list-style-type: none"> - The Board was asked to recommend the approval of £10,000 towards a scoping study regarding a potential Innovation/Incubator Hub in Worcestershire. GW said that <p>d) Geothermal - Gary Woodman</p> <ul style="list-style-type: none"> - The Board was recommended to make note of the progress to date in implementing Ask 11 from the Strategic Economic Plan and to committing £33,000 from the Growing Places budget to match the grant bid of £67,000. The Board agreed to this. 	
<p>8.</p>	<p><u>LEP Business Recruitment Process</u></p> <p>PP updated the Board on progress of the LEP Business Recruitment Process. He confirmed that just over 40 applications had been received from recently placed advertisements in local newspapers with 15/16 shortlisted and seen by the Appointment and Remunerations Committee who are: Peter Pawsey (Chair), Cllr David Hughes (LEP Board Member), Carl Arntzen (LEP Board Member) and Paul Richards (LEP sub-group member and HR consultant). PP said that 5 more shortlisted candidates were to be seen shortly. The Committee had been encouraged that there are some good potential additions to the Board and Business Board across the different parameters of gender, ethnicity as well as geography.</p> <p>PP confirmed that there were no conclusions as yet and recommendations from the Committee would be given to the Board for agreement via email before the September Board.</p>	
<p>9.</p>	<p><u>Budget - Gary Woodman</u></p> <p>The Board was asked to note the position of spend on the LEP budget. GW confirmed that the final 13/14 year end accounts were reviewed by the Finance Audit & Risk Committee and they were satisfied with the process and accuracy of the figures. A process of sign off has been agreed and will be prepared for the Annual Report. A Board report will be presented at the next Board Meeting in September 2014.</p>	
<p>10.</p>	<p><u>Growing Places Fund Update – Gary Woodman</u></p> <p>The Board was asked to note the current financial statements</p>	

	<p>supporting the continued activity under the Growing Places Fund and that investigations on alignment of remaining growing places fund to SEP strategic projects would take place with recommendations to a future Board Meeting.</p> <p>CA requested an 'idiot's guide' of overview of the different funding pots and their related projects along with a total figure (if possible). PP confirmed that this would be actioned.</p>	<p>Action: GW</p>
<p>11.</p>	<p><u>Chair's Report (inc WM LEP Chairs and LEP Network)</u></p> <p>PP gave a verbal Chair's report update. He said that the West Midlands LEP Chairs meeting had recently taken place and that the LEP network needs a clear role. He confirmed that a close relationship had formed between the LGA and LEPs which was encouraging.</p>	
<p>12.</p>	<p><u>Any Other Business</u></p> <p>DA requested an 'idiot's guide' to Local Authority Plans for all Worcestershire districts in respect of economic development from. CM/SG/DH agreed.</p> <p>SL asked about with links with other LEPs such as Gloucestershire and PP said that the 6 West Midlands LEPs meet on a regular basis and beyond that the LEP Network operates on a national basis and is developing. PP said that the Worcestershire LEP is starting to talk with other like-minded LEPs to make sure the balance is right.</p>	<p>Action: CM/SG/DH</p>
<p>13.</p>	<p><u>Dates of Meetings in 2014/15</u></p> <p><u>LEP BOARD:</u></p> <p>25th September (LEP Board Away Day) - Worcestershire County Cricket Club 20th November – Mazak</p> <p><u>2015</u></p> <p>22nd January – Coomers 2nd April – Coomers 21st May – Coomers 23rd July – Worcester Bosch 24th September – Worcester Bosch 19th November – Worcester Bosch</p>	