

**BOARD MEETING**

**Minutes of the Cheshire and Warrington Local Enterprise Partnership Board Meeting**

**held on 17th January 2018, Wyvern House, The Drumber, Winsford CW7 IAH**

**Present:**

Christine Gaskell (Chair) Cllr Rachel Bailey Cllr Brian Clarke

John Downes Meredydd David Stephen Kinsey

Pete Waterman Graeme Bristow Ged Barlow

Robert Mee Gary Steen

**Apologies:**

Cllr Terry O’Neill Cllr Samantha Dixon Prof Tim Wheeler

Clare Hayward Chris Hindley

**Attending / Observing:**

Philip Cox (LEP Chief Executive) Mark Livesey Frank Jordon

Lisa Harris Roy Newton Pat Jackson

Ruth Wojtan

**Agenda Item 1: Apologies and Introductions**

1.1 Christine Gaskell welcomed Board Members. Apologies were received from Cllr Terry O’Neil, Cllr Samantha Dixon, Prof Tim Wheeler, Claire Hayward and Chris Hindley.

**Agenda Item 2: Conflicts of Interest**

2.1 No conflicts of interest were declared in relation to Agenda Items on the open section of the meeting.

**Agenda Item 3: Public Presentation**

3.1 No members of the public were in attendance.

**Agenda Item 4: Minutes of the Meeting held on 6th September 2017**

4.1 The minutes were agreed as a true and accurate record. The Skills Delivery Plan had been published since the last Board meeting and Jodrell Bank had received welcome support in the Budget to deliver its development plans.

**Agenda Item 5: Chief Executive's report**

5.1 The Board noted the report and additional comments from the Chief Executive and:

* Welcomed the latest GVA data and agreed that it was notable that we had the second highest rate of growth in the whole of the UK. It was noted that if the growth rates observed in 2016 continued in 2017 then Cheshire and Warrington would become the second largest economy in the North West by Easter this year. It was important a core narrative was built around this and used more extensively.
* Noted the appointments detailed in the Report and that, in addition, the Leader of the Opposition had also recently appointed both Chris Matheson MP and Laura Smith MP as Shadow Ministers for the Cabinet office.
* Welcomed the positive “Annual Conversation” process and further welcomed the greater emphasis on governance and transparency, as a result of both the Mary Ney Review and ongoing Ministerial Review of LEPs. The LEP would continue to ensure the highest degree of probity and transparency was in place.
* Noted the Major Route Network consultation and that we had until mid-March to respond to it. The draft response will be discussed with the Local Transport Body.
* Recognised that in the absence of confirmation of funding, it was not possible to make further progress with the design and delivery of the new Growth Hub.
* Recognised that Ministers’ thinking about long term levels of core funding for LEPs will not be decided until after the end of the LEP Review and that, as a result, it was not possible to propose a medium-term budget at this point.
* Welcomed progress on the appointment of consultants to assist in the practical development of bids for European Structural Investment Funds (ESIF) by the Summer.
* Welcomed the appointment of Jane Wilson to support the Growth Director and Head of PR and Public Affairs in the delivery of events.
* Noted that the next MPs briefing session would be held on 7th March and Board Members were asked to confirm attendance with Alison Harkness.

**Agenda Item 6: Draft Budget**

6.1 The Deputy Chief Executive introduced this agenda item and explained that the intention had been to bring a medium-term budget to the Board which captured the key priorities identified at the LEP Awayday. In the absence of the confirmation of core funding, and given the fluctuations in the level of Enterprise Zone (EZ) income, it was not possible to do that with any level of certainty, so the Budget before the Board was essentially a place holder, until these issues became clearer. In discussion it was noted that:

* The Budget assumed the same level of core funding as in previous years, though the executive hoped that given the increased requirements imposed by Government, core funding may increase in future years.
* The Budget assumed the same shape of match funding as in the current financial year, ie 50% match contributions from Local Authorities and 50% from EZ income.
* The £216,000 draw down from the Growing Places revenue pot was the last tranche of funding from that pot, though it was noted that £216,000 remained in the LGF 3 management pot.
* The increase in the remuneration budget was the result of switching the cost of the Transport Director from the consultancy to remuneration budgets, and the appointment of an Inward Investment officer was fully funded by BEIS.
* As previously agreed by the Board, £100,000 would be used to fund the ESIF team to draw down the remaining £57m of ESIF funding. This would be funded by drawing £100,000 from the £1m of EZ revenue already received.
* The use of £100,000 general reserves, would ensure the reserves were reduced to the agreed level.
* The EZ income was becoming increasingly complex, due to the interaction between existing and new businesses on the sites, the application of discounts and reliefs. Cushmans were helping drill into this to assist with the longer term financial planning.
* Even after EZ costs to date had been settled, the EZ income balance was around £0.5m at the close of the current financial year. Current projections for EZ income this year suggested the receipt of approximately £750,000.

6.2 The Board agreed the Budget and welcomed the ‘steady state’ approach that had been taken until key funding elements had been clarified and noted that the executive would return with a medium term budget when funding levels were confirmed.

**Agenda Item 7: Institute of Technology Update**

7.1 The Deputy Chief Executive introduced this agenda item, setting the context to the work that had already been developed through the Employers Skills and Education Board. In discussion, the following points were made:

* The SEP had identified the key issues we were trying to tackle; namely the mismatch between skills and the local economy and the crowded and confused skills landscape in the sub-region.
* The Institute of Technology (IoT) model, as first proposed by Government, appeared to provide a good fit with Cheshire and Warrington’s ambitions: strong employer engagement, focussed toward STEM/technical subjects at the higher level, local focus to meet local needs and collaborative working between existing providers.
* The most recent announcements from DfE and publication of detailed guidance on December 15th had demonstrated that the Government’s thinking had shifted, with the emphasis now being on an institution with a distinct identity, distinct from current provision.
* Given the capacity that already remained in local providers, it was agreed that yet another institution would lead to potential displacement and concerns were expressed around the financial viability of an institution of around 1,000 students, as being described by Government.

7.2 The Board confirmed its support for the position that had been reached following those discussions ie that the Employers Skills and Education Board should continue to develop the Cheshire and Warrington IoT model, with a view to drawing down European Social Funds to establish that provision. A submission should not be worked up for the first phase of the governments scheme, as this would distract from current work, but a further decision should be taken if a second phase is announced.

**Agenda Item 8: Rail Update**

8.1 Roy Newton took the Board through the draft Strategic Transport Plan consultation launched by Transport for the North on 16th January. This draft plan set out a 30 year vision for transport investment across the north of England. The focus of the Plan is on strategic transport networks which include rail, the strategic road network (managed by Highways England) and the major road network (comprising the more important A roads managed by local authorities). The Plan does not include a list of infrastructure priorities. That will be developed separately and be influenced by studies commissioned by TfN related to the Strategic Development Corridors identified by TfN in the document. The West and Wales SDC is the corridor relevant to Cheshire & Warrington. The closing date for the consultation is 17 April. A response will be developed via the LTB.

8.2 Roy Newton went on to introduce the West and Wales Strategic Rail Prospectus which builds upon the work of Growth Track 360, Constellation Partnership and Warrington New City. This work would look to bring together the various voices around a single common script, which will enable a more consistent and focussed voice with government around the regions longer term aspirations. Ruth Wojtan explained that the West and Wales prospectus would be launched in Westminster on 26th February. The Secretary of State for Transport would speak at the event and other key note speakers would be confirmed shortly. The event would look to secure a good cross section of policy makers, business and opinion formers.

8.3 Following a general discussion it was agreed that the introduction in the prospectus should be strengthened to make it clear that this is a long-term strategy and that the short-term priority is to land the right outcome for Crewe Hub as most of the future improvements within the prospectus would be dependent upon having capacity available at Crewe Hub for increased regional services.

**Agenda Item 9: Board Sub-Committee Reports**

9.1 The Board noted the minutes as tabled.

**Item 10: Any other business**

10.1 The Regional Schools Commissioner for Lancashire and West Yorkshire had been in touch to say that they were looking to recruit a Headteacher Board member with business experience. The time commitment would be 1.5 days per fortnight. If Board members were interested further information could be provided.

10.2 Pete Waterman informed the Board that he would be appearing on Any Questions on Friday 26th January.

**Date and Time of Next Meeting:**

Wednesday March 21st 5.00pm.

**Action points:**

**Action**: LEP Executive to bring the Quality of Place plan to the next meeting.