

## **North East Combined Authority**

### **Economic Development and Regeneration Advisory Board**

25 October 2016

Meeting held Committee Room, County Hall, Durham, DH1 5UQ

#### **Present:**

Councillor I Malcolm (Chair)

Councillors N Foster, G Haley, G Bell, B Pickard and H Trueman

Co-opted Members G Hall, B Farhat, S Glendinning and S Hanson

#### **35 APOLOGIES FOR ABSENCE**

Councillors A Hepple and P Watson and Mr J Walker.

#### **36 DECLARATIONS OF INTEREST**

None.

#### **37 MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 26 July 2016 were approved as a correct record and signed by the Chair.

#### **38 MINUTES OF THE MEETING HELD ON 31 MARCH 2016**

The minutes of the previous meeting held on 31 March 2016 were approved as a correct record and signed by the Chair.

#### **Matters Arising**

##### **(a) Perspectives on Inward Investment**

- The Advisory Board highlighted the importance of inviting UK Trade and Investment (UKTI) to a future meeting to provide an update on matters such as targets, current and future trade missions, ways for businesses to buy in, involvement of a dedicated officer for the North East and so on.
- The Advisory Board noted that UKTI had been replaced by the Department for International Trade, dividing further into (a) Export Services which linked with the Chamber of Commerce and (b) Inward Investment which linked with the Local Investment Team.
- A Member commented that it was the Local Investment Team in particular that the NECA needed to develop closer links with.

- A Member highlighted the importance of having the right systems in place to ensure enquiries were referred to the right places.
- In relation to the current level of enquires, which was low, a Member suggested that consideration should be given to inviting the Enquiries Specialists to a future meeting of the Advisory Board.
- It was noted that the North East Local Enterprise Partnership (North East LEP), the North East England Chamber of Commerce and partners were working to produce an initial assessment of the impact of Brexit and prepare the region's response to the government. Information on this work would be submitted to a future meeting.

### 39 **APPOINTMENT OF VICE-CHAIR FOR THE MUNICIPAL YEAR 2016/17**

Submitted: A report of the Monitoring Officer (previously circulated and copy attached to Official Minutes).

Members considered the report which invited them to appoint a Vice-Chair of the Advisory Board for the current municipal year 2016/17.

The Chair asked that consideration should be given to identifying whether provision could be made to allow appointment of a second Vice-Chair and whether the second Vice-Chair could be appointed from amongst the non-local government Members of the Advisory Board.

**RESOLVED** – That Councillor Neil Foster be appointed as Vice-Chair of the Advisory Board for the current municipal year 2016/17.

### 40 **ECONOMIC DEVELOPMENT AND REGENERATION – PROGRESS UPDATE**

Submitted: A report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on progress with regard to the key areas within the Economic Development and Regeneration theme.

#### **Devolution Update**

Members also received a brief verbal update from the Head of Paid Service on devolution. It was noted that following the Leadership Board decision not to proceed with the consultation on the Governance Review and Scheme pursuant to section 112 of the Local Democracy, Economic Development and Construction Act 2009, the government had withdrawn the legislation for a devolution deal to go ahead.

This is a summary of the matters raised during the ensuing discussion:

- The Chair commented on the importance of continuation of NECA and local authorities working together notwithstanding the entitlement of individual local authorities to hold negotiations with the government. It was also noted that

NECA was a statutory body and it would remain in existence until relevant legislation was issued to the contrary.

- A Member suggested that the government should review the governance model it had asked for as part of the original devolution deal, as it had been one of the key challenges of the deal.
- A suggestion also was made that, until the time an agreement could be reached with the constituent local authorities of NECA, the government should offer the devolution deal funding to the North East LEP, in accordance with the priorities set out in the existing Strategic Economic Plan (SEP).
- Members felt it was important that the dialogue with the government continued.

### **Economic Development and Regeneration Update**

During the consideration of the report, amongst the matters raised in discussion were the following:

- The Chair asked that the Director of Inward Investment should prepare a short briefing note for Members on (a) MIPIM UK and (b) Invest North East England Website, to be circulated before the next meeting.
- The Chair commented on the continuing frustration of the private sector over the apparent disconnect with local government. Although this position was understandable and work should continue to improve joint working, it had been explained to the private sector that it was not realistic to expect local authorities to relocate their economic function into one regional pot.
- Members discussed the position in relation to opportunities for funding. It was noted that:
  - In response to a query about whether there were alternative options being considered to secure sufficient funding to compensate for the lost devolution funding, it was confirmed that other options were being worked on. These were inclusive of a programme of projects that was being prepared for submission to the government for funding.
  - Further information on funding was awaited as part of the Autumn Statement.
  - A Member commented on various difficulties associated with grants, including the lack of permanency, and the need for a careful approach to ensure a collaborative regional solution, including in order to secure grants that were tied up to the area.

**RESOLVED** – That the report and Members' comments be noted.

Submitted: A report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes).

Members considered the report which provided information on the refresh of the North East Strategic Economic Plan and Local Growth Fund 3.

### **Local Growth Fund 3 (LGF)**

It was noted that the North East LEP Board would meet this Friday to prioritise projects for submission to the government as part of a smaller programme of projects, which was a consequence of the position with regard to the devolution deal.

The submission was inclusive of three mini-programmes which included skills, business growth and innovation and what had been previously known as the Transport Access Fund. A briefing note on this work would be circulated to Members for information in due course.

### **North East Strategic Economic Plan (SEP)**

In discussion on the work to refresh the SEP, it was noted that:

- There had been many opportunities for partners to get on board as part of the process to refresh the SEP;
- The updated document included deliverables;
- It was envisaged that the document would be finalised by the end of this calendar year;
- Provisions would be made to ensure the document was written in plain English; and
- The document was written to ensure that its parts could be extracted for use by different audiences.

**RESOLVED** – That the report be noted.

## **42 FUTURE TOPICS FOR DEEP-DIVES**

Submitted: A report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes).

Members considered the report which aimed to invite and facilitate a discussion regarding deep-dive topics for future meetings.

In discussion, Members suggested that the following topics should be considered at future meetings:

- Success stories, including of the North East LEP
- UKTI
- Impact of Brexit
- Transport
- Key challenges of the region for businesses
- The cost of developments

- Infrastructure, space and related challenges

A comment was also made about the need to ensure a strategic, effective and timely output in relation to the work of the Advisory Board, in line with its Terms of Reference.

**RESOLVED** – That the deep-dive topics set out above be discussed at future meetings.

#### 43 **DATE AND TIME OF THE NEXT MEETING**

It was agreed that the next scheduled meeting, the 3 January 2017, should be rearranged towards the end of January.

It was also agreed that the meeting should be held in a business location.

The Chair asked that consideration be given to holding future meetings at business locations, including where the North East LEP had been successful.