

LLEP BOARD

3pm, Tuesday 1 October 2019

G.02, City Hall
115 Charles Street
Leicester
LE1 1FZ



AGENDA

TIME		ITEM	REPORT	DECISION / INFORMATION	LEAD
15:00	1.	Welcome and Apologies			Chair
	2.	Declarations of Interest			All
15:05	3.	Minutes and Actions – LLEP Board 6 August 2019	Paper A	Decision	Chair
15:15	4.	Feedback from Mid-Year Review - 19 September 2019	Verbal	Discussion	Helen Mitchell Mandip Rai
15:30	5.	Draft Local Industrial Strategy	Paper B Presentation	Information	Fiona Baker
16:00	6.	Growing Places Fund NOT FOR PUBLICATION By virtue of paragraph 3 as defined at Annex 7 of the Local Assurance Framework	Paper C	Decision	Andy Rose
16:15	7.	LLEP AGM Agenda 1 October 2019	Paper D	Information	
16:20	8.	Board meeting Dates 2020-2021	Paper E	Decision	
16:25	9.	Any Other Business			All

Paper A

NB: In line with our Local Assurance Framework (LAF) these minutes are published as a draft record until formal ratification at the subsequent Board of Directors meeting.



LLEP BOARD OF DIRECTORS

Minutes of the Meeting

6 August 2019

Attendance and Apologies:

Directors		Representing	
Kevin Harris	KH	Private Sector	LLEP Chair
Emma Anderson	EA	Private Sector	
Chas Bishop	CB	Private Sector	
Verity Hancock	VH	Further Education	
Neil McGhee	NM	Private Sector	
Jaspal Minhas	JM	Private Sector	
Andy Reed OBE	AR	Private Sector	
Cllr Terry Richardson	TR	Leicestershire District Councils	
Karen Smart	KS	Private Sector	
Sir Peter Soulsby	PS	Leicester City Council	
In Attendance			
Mike Durban	MD	LLEP	
Scott Knowles	SK	Chamber of Commerce	
Tom Purnell	TP	Leicestershire County Council	
Mandip Rai	MR	LLEP Chief Executive	
Colin Sharpe	CS	Leicester City Council – Accountable Body	
Apologies			
Prof Robert Allison		Universities	
Dr Nik Kotecha OBE		Private Sector	
Anil Majithia		Voluntary Sector	
Helen Mitchell		BEIS (Cities and Local Growth Unit)	
Cllr Jonathan Morgan		Leicestershire District Councils	
Nick Rushton		Leicestershire County Council	

Minute**Action**

<p>1.</p> <p>1.1</p> <p>1.2</p>	<p>Welcome and Apologies</p> <p>KH welcomed those present.</p> <p>Apologies for absence were noted as above.</p>	
<p>2.</p> <p>2.1</p>	<p>Declarations of Interest</p> <p>There were no Declarations of Interest.</p>	
<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p> <p>3.6</p> <p>3.7</p> <p>3.8</p> <p>3.9</p>	<p>Minutes of Previous Meetings</p> <p>a) 2 April 2019</p> <p>The Minutes of the Board Meeting held on 2 April 2019 were agreed as a correct record.</p> <p>MR provided the following updates on the EZ agreements (Minute 3.4 refers)</p> <p><u>MIRA Technology Park EZ</u></p> <p>It was reported that meetings had been convened with the new leader and the Chief Executive of Hinckley and Bosworth Borough Council (HBBC). It was expected that the Memorandum of Understanding for the EZ agreement would be progressed in time for submitting to the meeting of the Board of Directors on 1 October 2019. It was noted that this was dependent on the matter being submitted to and agreed by a full Council meeting of HBBC in the interim.</p> <p><u>Loughborough and Leicester EZ</u></p> <p>It was reported that following further communication between partners, the Loughborough and Leicester EZ Memorandum of Understanding had been progressed, with a view to it also being submitted to the meeting of the Board of Directors on 1 October 2019. It was also reported that work would be commissioned to review the original business case and establish an accurate forecast of business rates and a future funding mechanism.</p> <p>b) 22 May 2019 (Special Meeting – Leicester and Leicestershire LIS)</p> <p>The Minutes of the Special Meeting held on 2 April 2019 were agreed as a correct record, subject to noting that since the incorporation of the Limited Company, references to the Board Members required updating to Directors.</p>	
<p>4.0</p> <p>4.1</p> <p>4.2</p>	<p>LLEP Governance</p> <p>MR referred to the intended meeting of LLEP Members prior to this Board of Directors meeting. It was clarified that the paper issued for consideration by Members could not be considered as unfortunately, due to a number of apologies for absence, the required 75% of Members were not present.</p> <p>As a definition of class of Members could only be changed by 75% of Members in writing, or by passing a special resolution at such a meeting, the paper would now be re-issued with requests for consideration of the recommendations by email.</p>	

Minute		Action
4.3	MR submitted a report, and commented that the Board's agreement could be sought on the remaining governance aspects as follows:	
4.4	i. <u>Business Board</u>	
4.5	MR explained the proposal to establish a Business Gateway Board as a successor to the current Business Board as outlined in the report. The formalised governance structure of the Business Gateway Board and its future role to lead the development of the business support strategy was clarified. The draft Terms of Reference were submitted for approval.	
4.6	It was also clarified that other roles of the Business Board involving allocation of ERDF funding had become the overall responsibility of the ESIF Committee.	
4.7	It was proposed that should the recommendation be approved, NM would continue to Chair the Business Gateway Board, as successor to the Business Board that he already chaired. NM commented that he would be pleased to continue with the role.	
4.8	ii. <u>Place Board</u>	
4.9	MR explained the proposal to disband the Place Board, commenting on its inception and evolution from the former Housing, Planning and Infrastructure Group. It was reported that the Programme Board now had responsibility for managing all the LLEP's programmes with decisions made in accordance with the Local Assurance Framework.	
4.10	It was also noted that since the formation of the Members Advisory Group (MAG) and the Strategic Planning Group (SGP), the role of the Place Board had diminished significantly.	
4.11	It was proposed that as adequate representation existed on the SPG and the MAG to oversee the Strategic Growth Plan, and its alignment to the emerging Local Industrial Strategy (LIS), the Place Board be disbanded.	
4.12	KS commented on the emerging LIS and numerous previous references to the importance of 'place' during discussion on the drafting of the document. It was questioned whether the disbanding of the Place Board would lead to a loss of emphasis, having regard to this earlier intention to be ambitious about the 'Place'.	
4.13	MR provided assurance that the emphasis would not be lost during the ongoing consideration of the LIS and commented that the Board's role would be to continue to lead the importance of 'place'. To support this view it was reiterated that the SPG and MAG were well represented by local authority leads, however these groups were principally concerned with housing, infrastructure and planning. A wider definition of 'place' than the physical environment would be highlighted to promote culture and tourism, in accordance with the previously approved Strategic Economic Plan.	
4.14	In conclusion and in response to a question, it was confirmed that all key organisations and partners would retain their influence as part of the process.	
4.15	iii. <u>Local Assurance Framework (LAF)</u>	
	MR referred to recommended changes to the LAF concerning the revised Terms of Reference for the Programme Board and Executive, copies of which were appended to the report.	

Minute		Action
4.16	In respect of the Articles of Association allowing votes to be sent by email, should a Director be unable to attend, TR questioned whether such a vote would be acceptable if the debate on an item had altered a recommendation.	
4.17	It was noted that such decisions could only be allowed as long as they were unanimous. It was advised that the vote by email would only be allowed where the recommendation had not significantly or materially changed.	
4.18	In debating the proposed Terms of Reference of the Business Gateway Board, the following comments were noted:	
4.19	<ul style="list-style-type: none"> • Membership (Appendix 1 - para 2.1 refers) <p>Consideration should be given to the minimum membership being increased to include more than one District Council representative, and to include a Further Education representative, having regard to each of the three universities being represented.</p>	
4.20	<p>In debating the proposed Terms of Reference of the Programme Board, the following comments were noted:</p> <ul style="list-style-type: none"> • Funding Allocation (Appendix 2 – para 1 Objectives (x) refers) <p>There should be an identified timeframe to consider Project Change Requests so that repeated requests could not be submitted in a specific period.</p> <ul style="list-style-type: none"> • Format and Timing of Meetings (Appendix 2 – para 3.6 refers) <p>The reference concerning the quorum of Programme Board meetings should refer to Directors and not members. It was noted that the Terms of Reference for the Programme Board and all other related documents would be reviewed to ensure consistency.</p>	
4.21	<p>It was AGREED:</p> <ol style="list-style-type: none"> 1) That the Business Board becomes the LLEP Business Gateway Board and its Terms of Reference be approved, subject to the suggested review of membership at Minute 4.19 above. 2) That the Place Board be disbanded. 3) That the changes to the Local Assurance framework (LAF) including the revised Terms of Reference for the LLEP Programme Board and Executive be approved, subject to the comments at Minute 4.20 above 4) To note the revised process for extending the membership of the LLEP company, with requests for consideration of the special resolution being issued by email. 	
5.	Draft Finance Strategy	
5.1	CS submitted a report, which sought approval of the two-year finance strategy and provided details of the reserves and risks associated with finance.	

Minute		Action
5.2	In submitting the draft strategy document, copies of which were appended to the report, it was clarified that the two-year plan had been prepared on that timeframe due to the difficulties in predicting and forecasting the LLEP's financial situation in terms of operational project and programme funds over a longer period, due to national policy uncertainties.	
5.3	In terms of the situation concerning reserves, it was noted that these seemed considerable at approximately £1.4m. It was not considered that this would result in diminished future funding streams at this stage, however the situation was being monitored by the Chief Executive and Accountable Body.	
5.4	It was also confirmed that budget monitoring reports would be submitted to future meetings of the Board of Directors.	
5.5	The role of the Programme Board in budget monitoring was also referred to. It was emphasised that detailed quarterly updates were submitted to Programme Board meetings on the Local Growth Fund (LGF) and the Growing Places Fund (GPF), together with summaries of other spending profiles.	
5.6	TR commented on the extent of reserves, making particular reference to the high level of reserves identified for redundancies. It was reported in response that the redundancy reserves were high due to costs, which would be incurred should all employees be made redundant at any one time. The implications of continuous staff service were explained and noted.	
5.7	Although it was accepted that the reserves could be specifically accounted for leaving a suitable non-earmarked working balance, it was suggested that a reserves policy be developed and brought back to the Board.	
5.8	<p>It was AGREED to:</p> <ol style="list-style-type: none"> 1) Approve the Finance Strategy. 2) Request the Chief Executive and Accountable Body to prepare and present a reserves strategy to a future meeting. 3) Note the risks associated with the finance strategy. 	
6.	Draft Local Industrial Strategy (LIS)	
6.1	Prior to consideration of the item, the Chair referred to recent changes in Government including the new Prime Minister and Cabinet, including the appointment of Nicky Morgan MP as Secretary of State for Digital, Culture, Media and Sport.	
6.2	The recent positive progression of the Space Park development including further funding and planning approval was also noted.	
6.3	It was considered that these recent developments provided high profile opportunities for the LLEP to promote the LIS and that further meetings of the LIS Steering Group would be convened in due course.	
6.4	The Chair also commented that the recent accelerated progression of the LIS had been noted by Government colleagues. The importance and influence of regular attendance at the LIS Steering Group and separate input by colleagues was recognised.	

Minute		Action
6.5	It was noted that other recently published LIS documents from other LEPs had been circulated. It was considered that these followed a similar format and style and that the draft Leicester and Leicestershire LIS was stronger in terms of language and interpretation. It was confirmed that the draft document as circulated with the agenda pack had been updated since publication and that further updates on technical issues and expertise were expected.	
6.6	MD gave a presentation on the current position with the LIS and the next steps.	
6.7	<p>During the presentation, the following points were noted:</p> <ul style="list-style-type: none"> • The co-authoring of the document meant that some wording and emphasis would need to be tested with Government. In this regard the separate nature of the generic and specific statements was clarified. It was noted that the LIS would not include actual proposals or fiscal 'asks' but would demonstrate and refer to previous successful bids to justify further investment. • The approach to identify a 'Healthy Climate for Growth' required greater emphasis and explanation. The initiative to promote an Employers' Charter was reiterated. • References to 'Market' Towns should be removed, as the importance of other towns in the County could be diminished by misinterpretation of the definition. • Links to the Midlands Connect strategy should be re-examined as major transport schemes and their links to proposed housing growth were currently uncertain. Stronger links and references to the approved Strategic Growth Plan could be included. 	
6.8	In terms of the next steps, it was noted that the development of the LIS would continue over a two month period. It was expected that conversations and meetings with Government would influence further drafts of the strategy, together with the further expert input from Directors and partners as previously referenced.	
6.9	Board members were asked to send any feedback or comments on the draft document to MD by Friday 16 August 2019.	
7.	Other Business	
7.1	a) Head of Strategy - Mike Durban	
7.2	It was confirmed that Mike Durban was to leave the LLEP on 30 August 2019 to take up a position at the University of Nottingham.	
7.3	Mike was thanked for his work undertaken as the LLEP's Head of Strategy, particularly in regard to the considerable effort involved in progressing the Local Industrial Strategy.	
7.4	b) Smart Cities	
7.5	It was AGREED that 'Smart Cities' be included as a future agenda item.	

Paper B



LLEP

1 October 2019

Information Paper

LOCAL INDUSTRIAL STRATEGY

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update the LLEP Board on the development of the Leicester and Leicestershire Local Industrial Strategy (LIS).

2. RECOMMENDATION

- 2.1 The LLEP Board is recommended to:
- a) Note the contents of the report.

3. BACKGROUND INFORMATION

- 3.1 A LIS sub-group, formed to lead the development of the LIS, has met fortnightly throughout June and July to consider the conclusions of the evidence base and to develop a series of priorities under each of the foundations – place, business environment, ideas, people and infrastructure. A first draft LIS was presented to the board on 6 August which outlined these emerging priorities.
- 3.2 The priorities were refined incorporating the board's comments. There was a workshop with the LIS lead analyst on 9 August to discuss the emerging policy focus and priorities and we were requested to develop and submit a series of logic chains for each of the foundations of productivity ahead of a LIS Analysts panel on 3 September. The final logic chains developed in cooperation with the lead analyst are attached at Appendix 1.
- 3.3 Feedback from the LIS Analyst Panel was provided by the CLGU Area Lead and a copy of the feedback notes are attached at Appendix 2. Overall, the logic chains were well received by the LIS Analyst Panel no significant re-writes were required.
- 3.4 Given the national uncertainties regarding the process and timetable for developing the LIS the following message was sent to all Board and Executive members by the CLGU Area Lead.

"I understand that there was a discussion at Board relating to the absence of a timetable for LIS progression and I wanted this opportunity to provide a steer to Board Members directly. As you will know, we are now a few weeks into a new

Government with a clear change of approach to EU Exit. That change has meant that Ministerial time (and that of officials) has been principally engaged in ensuring that the UK leaves the EU on 31 October. As a result of this being the driving commitment of Government, the Cities and Local Growth Unit has had little time to adequately test the policy of Local Industrial Strategies with Ministers. In this situation, we are (as I have) advised LEPs to carry on drafting and build their vital evidence bases, as Government will always need to understand the strengths and opportunities within each of our places. Until the position changes, I will continue to advise this.

However, within the ambiguity comes a degree of working clarity. Ben Smith, the LEPs Senior Sponsor and Department for Transport Director for the Regions has committed to working with the LLEP on their infrastructure chapter and I have already spoken to your DfT rep to move this work forward. In addition, I will be catching up with the UK Space Agency on how to co-author the elements on space and I am in the throws of doing the same with Dept. for Culture, Media and Sport on sport. I am confident that Mandip is also following up the request from Ben to let him know about his contacts in Whitehall in which to move conversations with officials forward whilst in this difficult space, as I've outlined.

I do hope that Board Members will treat this level of honesty in the way it is intended – to provide a steer on the reality of the situation that we are all in and to ease potential frustrations. To that end, I can't offer a timetable (as much as I would really like to do!) as I would be raising expectations with Board members (something I really don't want to do!). Instead, we continue to do what we have been doing for some time – sharing ideas, testing them where we can and waiting for those important steers to arrive”.

- 3.5 The LLEP will continue to work towards finalisation of the draft Local Industrial Strategy through discussions with the relevant Government departments, subject to the circumstances described in paragraph 3.4. A copy of a slide presentation summarising the logic chains is attached at Appendix 3.

For further information please contact

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Leicester & Leicestershire Enterprise Partnership

Local Industrial Strategy Logic Chains

Business Environment

Problem	<ul style="list-style-type: none"> • There are a high proportion of businesses in low value-added sectors with low productivity, particularly in manufacturing sectors such as textiles and food and drink and engineering supply chains. This is a result of a lack of investment in upskilling the workforce and the adoption of new technologies and processes by SMEs, which is impacting on their ability to develop globally competitive products and services and resulting in low exports. • There is a lack of high-quality office space, particularly in the city centre, commercial space and employment land across Leicester and Leicestershire. This is impeding business expansion in high value-added sectors, the attraction of new inward investment and is resulting in business relocation outside of the LLEP area.
Inputs	<ul style="list-style-type: none"> • An enhanced Growth Hub offer supporting SME businesses with a focus on high-growth and high-potential businesses and those with lower productivity looking to improve their performance. • Investment in the four Leicester and Leicestershire Enterprise Zone sites to attract and grow high value sectors. • Development of new office and commercial space. • Delivery of new programmes to improve skills, management training to increase the adoption of new technologies and processes in SMEs.
Actions	<ul style="list-style-type: none"> • Deliver the enhanced Growth Hub offer, working in collaboration with the government, the three Leicester and Leicestershire universities, Innovate UK, DIT and local intermediaries, to provide support to firms to adopt IT, new technologies to improve their productivity, develop innovative business models and access to management skills, creating a robust ecosystem that supports business from start-up to scale-up. • Work with DIT to maximise investment and trade opportunities linked to the two Leicester and Leicestershire Enterprise Zones, key sectors and global locations using our international links. • Work with British Business Bank and the Midlands Engine Investment Fund to help SMEs access finance to grow their businesses. • Establish an angel network for early start-up businesses. • Improve the supply of employment land and commercial premises for businesses to meet the needs of our growth sectors, including food and drink production and advanced manufacturing. • Create new high-value employment space within the two Leicester and Leicestershire Enterprise Zones to create business clusters in advanced engineering, life sciences, space technologies, digital and low carbon.

	<ul style="list-style-type: none"> • Increase targeted foreign direct investment in high value-added sectors, with respect to the two Leicester and Leicestershire Enterprise Zones, Space Park Leicester High Performance Opportunity (HPO), Life Sciences Opportunities Zone and MIRA Technology Park, working with DIT to maximise investment and trade opportunities linked to these and other key sectors. • Support businesses to move towards carbon neutrality and deliver business efficiencies and a move to the circular economy. • Develop a freeport centred on East Midlands Airport to further maximise on our geographic location and sector strengths in manufacturing and logistics.
Outputs	<ul style="list-style-type: none"> • Increased R&D investment resulting in improved knowledge exchange and commercialisation of new ideas. • Increased employment and commercial space. • Increased Foreign Direct Investment. • Reduced business carbon emissions and improved resource efficiency. • Increased number of start-up, high growth and scale-up businesses. • Increased numbers of businesses exporting. • Creation of a new freeport.
Outcomes	<ul style="list-style-type: none"> • The creation of a business support ecosystem supporting high growth and high potential businesses to start-up and scale-up. • The creation of vibrant new businesses within the two Leicester and Leicestershire Enterprise Zones and their resultant supply chains. • Enhanced productivity within existing firms. • Improved business investment in capital, training and innovation. • Improved availability of Grade A office, commercial and employment space. • An increased share of SME lending and access to finance.
Impacts	<ul style="list-style-type: none"> • A greater proportion of businesses in high value-added sectors. • Improved provision of high-quality office space in the city centre and commercial space and employment land across Leicester and Leicestershire. • Increased investment in skills, new technologies and processes by SMEs. • Increased business productivity. • The creation of new employment opportunities in emerging sectors and enhanced ways of working.

Leicester & Leicestershire Enterprise Partnership

Local Industrial Strategy Logic Chains

Ideas

Problem	<ul style="list-style-type: none"> • R&D expenditure is below the government’s target of reaching 2.4 per cent of GDP investment in R&D by 2027 and 3 per cent of GDP in the longer term. This has resulted in a lack of commercialisation of new ideas, technology and processes due to underutilisation of the R&D assets in the LLEP area, particularly the capabilities and expertise in the three universities. • There is relative immaturity of local innovation infrastructure and clusters with no effective networks to support the convergence of technologies across sectors and allow knowledge transfer between universities and local businesses, particularly SMEs.
Inputs	<ul style="list-style-type: none"> • Facilitate dedicated technology transfer and R&D support through stronger collaboration between De Montfort University, Loughborough University, the University of Leicester, Innovate UK, catapult centres and the Leicester and Leicestershire Growth Hub. • Facilitate and increase engagement between De Montfort University, Loughborough University, the University of Leicester and local businesses. • Develop sector clusters centred on the Leicester and Leicestershire Enterprise Zone sites Space and Life Sciences and Sport. • Embedded working with the Midlands Engine to capitalise on International trade and investment.
Actions	<ul style="list-style-type: none"> • Deliver Space Park Leicester as the centre of excellence for earth observation and satellite technology. • Deliver the Space Park Leicester Manufacturing Zone pilot. • Enhance Leicester and Leicestershire’s autonomous and electric vehicle assets through the further development and expansion of test facilities at the MIRA Technology Park and Bruntingthorpe Proving Ground and links to the Space park opportunity with satellite applications, big data and earth observations. • Support the development of SportPark Loughborough as the global centre of excellence in sport and science technology. • Develop the life sciences cluster at the Charnwood Campus Life Sciences Opportunities Zone to develop clusters linked to NHS data centre and sports science. • Embed innovation and agri-tech in food and drink production. • Deliver the Melton Mowbray Food and Drink Manufacturing Zone pilot. • Enhance the Leicester and Leicestershire Growth Hub offer to support SMEs to adopt new technology and processes.

	<ul style="list-style-type: none"> • Drive local R&D investment and growth in the areas breakthrough sectors and technologies. • Broker partnerships to connect to Enterprise Zones, innovative and ambitious businesses to global opportunities and ecosystems to raise the profile of Leicester and Leicestershire.
Outputs	<ul style="list-style-type: none"> • The construction of Phases Two and Three of Space Park Leicester. • Increased capacity and access to autonomous and electric vehicle test facilities at MIRA Technology Park and Bruntingthorpe Proving Ground. • Increased number of national and international sporting bodies locating at Sport Park Loughborough. • Increased number of life science business locating in and around Charnwood Campus. • The creation of two new Manufacturing Zones at Space Park Leicester and Melton Mowbray. • Increased R&D investment and increased knowledge exchange and commercialisation. • The generation of more university spin out companies.
Outcomes	<ul style="list-style-type: none"> • Increased levels of R&D investment. • Increased connectivity and collaboration between higher education and local businesses. • Increased commercialisation of R&D. • Increased numbers of patents. • Increased number of businesses adopting new technologies and processes. • Increased amount of FDI and knowledge-based jobs. • Improved formal and informal business networks. • Increased productivity across all sectors • Raised profile of local science and innovation capabilities both nationally and internationally.
Impacts	<ul style="list-style-type: none"> • Increased amounts of expenditure on R&D activities, reaching the government's target of 2.4 per cent of GDP investment by 2027 and growing beyond to 3 per cent in the longer term. • Greater collaboration and knowledge exchange between the three Leicester and Leicestershire universities and local businesses, resulting in improved productivity. • Increased productivity, particularly within lower value added sectors, reducing Leicester and Leicestershire's gap to the UK productivity average. • Enhanced profile of Leicester and Leicestershire being a centre of innovation.

Leicester & Leicestershire Enterprise Partnership

Local Industrial Strategy Logic Chains

Infrastructure

Problem	<ul style="list-style-type: none"> Leicester and Leicestershire has a strategic central location, but inadequate connectivity (particularly east-west road and rail connectivity to Birmingham, Coventry and the east coast ports) is impacting on the productivity of the logistics and manufacturing sectors due to inefficient movement of people and goods. As a self-contained economy with over 80% of people living and working in the area, there is poor transport connectivity between the city, towns and major employment areas such as East Midlands Enterprise Gateway, resulting in high car dependency, congestion and pollution. There is a need to future proof and promote digital connectivity particularly for application by SMEs and facilitate remote working, particularly in rural areas. There is a high concentration of growing energy intensive sectors such as logistics and manufacturing and increasing housing needs that is creating an urgent need to generate sustainable, low carbon energy.
Inputs	<ul style="list-style-type: none"> Existing public investments, such as the Transforming Cities Fund and Local Growth Fund, including transport infrastructure and superfast broadband projects. Support to deliver the Midlands Connect Strategy Support to deliver the East Midlands Development Corporation. Support to deliver the infrastructure projects included in the Leicester and Leicestershire Strategic Growth Plan. Deliver the Leicester and Leicestershire Energy Infrastructure Strategy.
Actions	<ul style="list-style-type: none"> Deliver the strategically important road and rail projects included in the Midlands Connect Strategy. Deliver efficient and affordable public transport provision to improve connectivity between the city, towns and key employment and housing sites. Deliver a network of transport infrastructure to promote cycling and walking and encourage modal shift in travel options. Deliver facilities for electric vehicles and hydrogen fuel stations for cars, buses and HGVs, targeting vehicle fleet operators (haulage, bus companies and local authorities). Implement the recommendations of the Energy Infrastructure Strategy. Improve and promote digital connectivity across urban and rural areas and establish 5G as an enabler of transformation in the logistics and space technologies sectors.

Outputs	<ul style="list-style-type: none"> • Completion of strategically important road and rail projects. • Improved public transport provision between the city, towns and major employment areas and housing sites. • Creation of a network of accessible cycling and walking infrastructure. • Development of an integrated network of electric and hydrogen fuelling points. • Delivery of exemplar Energy Infrastructure Strategy projects. • Superfast and 5G digital connectivity and promotion across urban and rural areas.
Outcomes	<ul style="list-style-type: none"> • Reduced car usage, congestion and journey times encourage and promote switch to electric hybrid cars and vans. • Increased adoption of hydrogen fuel use by HGVs and buses. • Increased number of journeys by public transport, cycling and walking. • Improved and easy movement of goods and people by road and rail. • Improved digital connectivity and its take-up across urban and rural areas. • Reduced carbon emissions and dependency on fossil fuels.
Impacts	<ul style="list-style-type: none"> • Efficient transport connectivity between the city, towns and employment sites resulting in increased public transport usage, improved journey times and a reduction in pollution and transport carbon emissions. • Improved east-west road and rail connectivity to the West Midlands and east coast ports. • Superfast and universal digital connectivity. • Increased generation of sustainable and low carbon electricity from local renewable sources. • Significant movement towards carbon neutrality. • Ease of travel and model shifts resulting in higher productivity and a healthier population.

Leicester & Leicestershire Enterprise Partnership

Local Industrial Strategy Logic Chains

People

Problem	<ul style="list-style-type: none"> Population growth is slowing. At present the proportion of low qualified, entry level jobs is higher than the national average. High volume, low value-added industries have a requirement for labour, rather than skills and also impacts on underutilisation (34% of LLEP area employers reported having under-utilised staff, that is staff with qualifications and skills beyond those required for the role).¹ Conversely, there is a corresponding shortage of qualified technicians to service the increasing demand from the high-performance, high value-added sectors of advanced engineering, life sciences, space technologies, digital and low carbon and to address the high levels of replacement demand, particularly for qualified engineers. Requirement to harness the significant strengths of the FE and HE provision within the LLEP area to meet the skills needs of high value-added sectors and enable further growth opportunities for our large SME base. Enabling a shift in the dynamic from a low-skilled to a high-skilled base as the working age population of the area reduces and the impact of automation on low-skilled jobs starts to take effect. Leicester is ranked as the 21st most deprived local authority area (out of 327) and those who live in disadvantaged circumstances have a wide range of health issues that impact on life expectancy and economic inactivity.
Inputs	<ul style="list-style-type: none"> Invest in FE and HE facilities to improve the learning environment. Greater collaboration between FE, HE and employers in the design of provision and supply of qualifications which meet the needs of advanced engineering, life sciences, space technologies, digital and low carbon. Promotion of STEM based provision at all levels, including apprenticeships and retraining opportunities, to increase uptake across a diverse range of participants. Expand the Careers Hub and Enterprise Adviser Network programmes to include all schools and colleges within Leicester and Leicestershire. Health, sport and natural assets to promote healthy living.
Actions	<ul style="list-style-type: none"> Support the development of an integrated FE and HE employer led skills system to upskill the workforce and provide clear local skills progression pathways in high value industries from school through to HE.

¹ Department for Employment, Employer Skills Survey, 2017

	<ul style="list-style-type: none"> • Create new high value employment opportunities at the two Leicester and Leicestershire Enterprise Zones in advanced engineering, life sciences, space technologies, digital and low carbon. • Enhance the Leicester and Leicestershire Enterprise Adviser network and Careers Hub to inspire young people and prepare them for the world of work. • Improve leadership and management skills in entrepreneurs and SMEs. • Develop a strategy to harness the knowledge of skilled retirees within the locality, utilising their strengths to tutor/mentor young people in FE. • Develop a digital skills strategy to ensure that employees have the skills required to adapt to new technology. • Utilise health, sport and natural assets to promote healthy living.
Outputs	<ul style="list-style-type: none"> • Increased provision and uptake of apprenticeships, particularly in STEM related roles, Level 4/5 higher technical qualifications and STEM subjects at all levels. • Improved FE and HE facilities and an enhanced industry-standard learning environment. • All Leicester and Leicestershire schools and colleges enrolled on the Careers Hub and Enterprise Adviser Network programmes. • Deliver a strategy to harness the knowledge of skilled retirees. • Deliver a digital skills strategy. • Identifiable learning pathways from school to higher education which meet the needs of our key sectors.
Outcomes	<ul style="list-style-type: none"> • Improved educational attainment of residents. • Increased STEM related provision and take up. • Increased provision of workplace training and learning opportunities for those currently employed, including opportunities for retraining. • Improved leadership and management skills in SMEs. • A reduction in working days lost due to ill health and economic inactivity.
Impacts	<ul style="list-style-type: none"> • A higher wage, higher skilled economy. • Improved educational attainment and an increase in the supply of skills needed by employers in high technology and value-added sectors. • Improved alignment of skills supply and demand across the advanced engineering, life sciences, space technologies, digital and low carbon sectors. • Increased life expectancy.

Leicester & Leicestershire Enterprise Partnership

Local Industrial Strategy Logic Chains

Places

Problem	<ul style="list-style-type: none"> • Balancing economic growth whilst protecting natural capital and addressing the climate change challenge. • Declining economic activity in the city centre and town centres. • Pockets of tenacious deprivation, particularly within urban areas, and the need to improve economic inclusion. • A lack of available housing supply and decreasing affordability. • A lack of awareness of Leicester and Leicestershire as desirable destination to live, work and visit. • The need to address the current and future challenges facing farming and the agricultural economy.
Inputs	<ul style="list-style-type: none"> • The regeneration of the city centre and town centres through existing public funding programmes such as the Local Growth Fund. • Development of coordinated Local Plans and the construction of affordable and sustainable housing. • Development of a new tourism and place marketing strategy for Leicester and Leicestershire. • Delivery of the Leicester Smart City programme.
Actions	<ul style="list-style-type: none"> • Enhance Leicester city centre and create a great place to live, work, study and visit. • Support the regeneration and development of town centres to create attractive and productive places that people want to live, work, study and invest in. • Deliver key programmes to improve employability to reduce deprivation and economic exclusion. • Develop a natural capital plan. • Deliver planned and sustainable housing growth. • Support the development of the cultural, leisure and tourism offer. • Better understand the farming and agricultural economy and how it can be better supported, and local supply chains strengthened.
Outputs	<ul style="list-style-type: none"> • Increased footfall in city and town centres. • Reduced number of vacant retail units.

	<ul style="list-style-type: none"> • Increased construction of affordable housing meeting targets. • Increased numbers of visitors and overnight stays. • Reduced pockets of deprivation and economic exclusion.
Outcomes	<ul style="list-style-type: none"> • An improved visitor economy and cultural offer, including high-quality events and attractions. • Increased support to independent retailers and their on-line visibility. • Converted retail stock (to housing). • Increased work and learning opportunities for those in hard to reach areas and communities. • Increased access to public and other services. • Improved transport systems. • Increased access to social housing. • Increased access to sustainable housing. • Increased awareness of the area as place to live and work and to visit. • Reduced pollution. • Increased use of public transport. • Increased and improved green infrastructure assets. • Increased knowledge of local key industries production methods and their impact on the environment.
Impacts	<ul style="list-style-type: none"> • The creation of vibrant and prosperous city and town centres. • Improved supply of available and affordable housing. • Improved awareness of Leicester and Leicestershire as desirable destination to live, work and visit. • Reduced carbon emissions and creation of a circular economy. • Improved biodiversity and food supply chains. • Improved economic inclusion and social mobility.

Appendix 2

LIS Analyst Panel feedback note from Helen Mitchell, CLGU Area Lead

You'll know that I attended the LISA panel last Monday. The panel consists of analytical colleagues across Whitehall but DfE, DIT, DEFRA, Cabinet Office, DfT, BEIS were there this time. The headline from me is that the meeting was overwhelmingly positive, tweaks needed, but no re-writes required.

DEFRA

Some concerns about natural capital. Not referenced positively enough in the current draft – came across a challenge and not a strength/opportunity.

They want to see an understanding of the prevalence of certain sectors in our market towns.

Want to see a stronger connection between the food & drink sector, the town of Melton Mowbray and the Manufacturing Zone.

DfE

Welcomed aspiration but very concerned about the size, scale and deliverability of all the interventions within the people chapter.

Wanted more narrative on higher apprenticeship starts.

BEIS

SPG is a fantastic document but doesn't come to life through the LIS – feels tucked away in a footnote.

The stand-alone narrative on sectors is 'very strong'.

People Logic Chain – interventions proposed don't reference the sectors that will employ people in future.

Ideas Logic Chain – not a huge amount of detail on life sciences and its distinctiveness.

DIT

They were expecting to see more reference to the construction sector.

Leicester & Leicestershire Local Industrial Strategy

LLEP Board Meeting
1 October 2019

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Requirements

- Co-designed with government as a framework
- Set out a robust and open evidence base
- Map out specific challenges and opportunities
- Work in partnership with stakeholders
- Prioritise specific, achievable and long-term actions
- Set out clear plans to evaluate progress



A Healthy Climate for Growth

Healthy Growth

Healthy People

Healthy Business

Ideas

People

Infrastructure

Business
Environment

Places

creating economic prosperity



Ideas



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Ideas - Challenges

• **R&D expenditure is below the government's target of reaching 2.4 per cent of GDP investment in R&D by 2027 and 3 per cent of GDP in the longer term.** This has resulted in a lack of commercialisation of new ideas, technology and processes due to underutilisation of the R&D assets in the LLEP area, particularly the capabilities and expertise in the three universities.

There is relative immaturity of local innovation infrastructure and clusters with no effective networks to support the convergence of technologies across sectors and allow knowledge transfer between universities and local businesses, particularly SMEs.





Ideas – Actions

- Deliver Space Park Leicester as the centre of excellence for earth observation and satellite technology.

- Enhance autonomous and electric vehicle assets through the development and expansion of test facilities at the MIRA Technology Park and Bruntingthorpe Proving Ground.

- Support the development of SportPark Loughborough as the global centre of excellence in sport and science technology.

- Develop the Charnwood Campus Life Sciences Opportunities Zone to create clusters linked to NHS data centre and sports science.





Ideas - Actions

- Embed innovation and agri-tech in food and drink production.

- Deliver the Melton Mowbray Food and Drink Manufacturing Zone pilot.

- Enhance the Leicester and Leicestershire Growth Hub offer to support SMEs to adopt new technology and processes.

- Drive local R&D investment and growth in the areas breakthrough sectors and technologies.

- Broker partnerships to connect innovative and ambitious businesses to Enterprise Zones, global opportunities and ecosystems.



People



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People - Challenges

Population growth is slowing. At present the proportion of low qualified, entry level jobs is higher than the national average.

High volume, low value-added industries have a requirement for labour, rather than skills and also impacts on underutilisation (34% of LLEP area employers reported having under-utilised staff, that is staff with qualifications and skills beyond those required for the role).

-
- Conversely, there is a **corresponding shortage of qualified technicians to service the increasing demand from high value-added sectors** of advanced engineering, life sciences, space technologies, digital and low carbon and to address the high levels of replacement demand, particularly for qualified engineers.





People - Challenges



Requirement to harness the significant strengths of the FE and HE provision within the LLEP area to meet the skills needs of high value-added sectors and enable further growth opportunities for our large SME base. Enabling a shift in the dynamic from a low-skilled to a high-skilled base as the working age population of the area reduces and the impact of automation on low-skilled jobs starts to take effect.

Leicester is ranked as the 21st most deprived local authority area (out of 327) and **those who live in disadvantaged circumstances have a wide range of health issues that impact on life expectancy and economic inactivity.**

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People - Actions

- Support the development of an integrated FE and HE employer led skills system to upskill the workforce and provide clear local skills progression pathways in high value industries from school through to HE.

- Create new high value employment opportunities at the two Leicester and Leicestershire Enterprise Zones in advanced engineering, life sciences, space technologies, digital and low carbon.

- Enhance the Leicester and Leicestershire Enterprise Adviser network and Careers Hub to inspire young people and prepare them for the world of work.





People - Actions

• Improve leadership and management skills in entrepreneurs and SMEs.

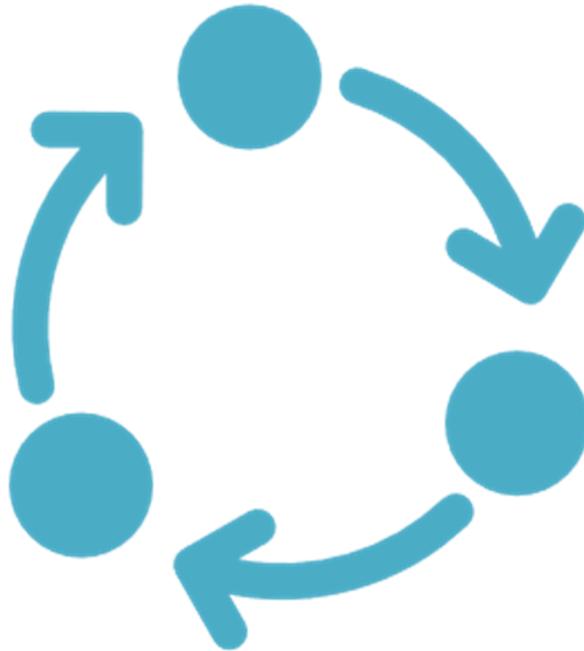
• Develop a strategy to harness the knowledge of skilled retirees within the locality, utilising their strengths to tutor/mentor young people in FE.

• Develop a digital skills strategy to ensure that employees have the skills required to adapt to new technology.

Utilise health, sport and natural assets to promote healthy living.

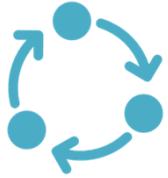


Infrastructure



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Infrastructure - Challenges

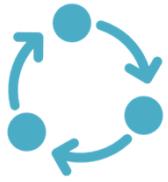


Leicester and Leicestershire has **a strategic central location, but inadequate connectivity** (particularly east-west road and rail connectivity to Birmingham, Coventry and the east coast ports) is impacting on the productivity of the logistics and manufacturing sectors due to inefficient movement of people and goods.

As a self-contained economy with over 80% of people living and working in the area, there is **poor transport connectivity between the city, towns and major employment areas** such as East Midlands Enterprise Gateway, resulting in high car dependency, congestion and pollution.

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Infrastructure - Challenges

There is a **need to future proof and promote digital connectivity** particularly for application by SMEs and facilitate remote working, particularly in rural areas.

There is a high concentration of growing energy intensive sectors such as logistics and manufacturing and increasing housing needs that is creating an **urgent need to generate sustainable, low carbon energy.**

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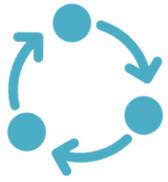
Infrastructure - Actions

- Deliver the strategically important road and rail projects included in the Midlands Connect Strategy.

- Deliver efficient and affordable public transport provision to improve connectivity between the city, towns and key employment and housing sites.

- Deliver a network of transport infrastructure to promote cycling and walking and encourage modal shift in travel options.





Infrastructure – Actions

• Deliver facilities for electric vehicles and hydrogen fuel stations for cars, buses and HGVs, targeting vehicle fleet operators (haulage, bus companies and local authorities).

• Implement the recommendations of the Energy Infrastructure Strategy.

Improve and promote digital connectivity across urban and rural areas and establish 5G as an enabler of transformation in the logistics and space technologies sectors.



Business Environment



creating economic prosperity





Business Environment - Challenges



There are **a high proportion of businesses in low value-added sectors with low productivity**, particularly in manufacturing sectors such as textiles and food and drink and engineering supply chains. This is a result of a lack of investment in upskilling the workforce and the adoption of new technologies and processes by SMEs, which is impacting on their ability to develop globally competitive products and services and resulting in low exports.

There **is a lack of high-quality office space, particularly in the city centre, commercial space and employment land across Leicester and Leicestershire**. This is impeding business expansion in high value-added sectors, the attraction of new inward investment and is resulting in business relocation outside of the LLEP area.





Business Environment - Actions



• Deliver the enhanced Growth Hub offer to provide support to firms to adopt IT, new technologies to improve their productivity, develop innovative business models and access to management skills, creating robust ecosystem that supports business from start up to scale up

• Work with DIT to maximise investment and trade opportunities linked to the two Leicester and Leicestershire Enterprise Zones, key sectors and global locations using our international links.

• Work with British Business Bank and the Midlands Engine Investment Fund to help SMEs access finance to grow

Develop a freeport centred on East Midlands Airport to further maximise on our geographic location and sector strengths in manufacturing and logistics.

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Business Environment - Actions



- Improve the supply of employment land and commercial premises for businesses to meet the needs of our growth sectors.

- Create new high-value employment space within the two Enterprise Zones to create business clusters in advanced engineering, life sciences, space technologies, digital and low carbon.

- Increase targeted foreign direct investment in high value-added sectors, with respect to the two Leicester and Leicestershire Enterprise Zones

- Support businesses to move towards carbon neutrality and deliver business efficiencies and a move to the circular economy.

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Places



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Places - Challenges



Balancing economic growth whilst protecting natural capital and addressing the climate change challenge.

Declining economic activity in the city centre and town centres.

Pockets of tenacious deprivation, particularly within urban areas, and the need to improve economic inclusion.

A lack of available housing supply and decreasing affordability.

A lack of awareness of Leicester and Leicestershire as desirable destination to live, work and visit.

The need to address the current and future challenges facing farming and the agricultural economy.





Places - Actions

- Enhance Leicester city centre and create a great place to live, work, study and visit.

- Support the regeneration and development of town centres to create attractive and productive places that people want to live, work, study and invest in.

- Deliver key programmes to improve employability to reduce deprivation and economic exclusion.





Places - Actions

- Deliver planned and sustainable housing growth.

- Support the development of the cultural, leisure and tourism offer.

Better understand the farming and agricultural economy and how it can be better supported, and local supply chains strengthened.



Next steps

- LLEP to address feedback comments from LIS Analyst Panel within draft LIS
- LLEP to discuss draft priorities with government departments
- LLEP Board to review and approve final draft LIS
- Submission to government for departmental write round
- LLEP Board approval LIS



Paper D



LLEP Annual General Meeting

Venue: G01 and G02, City Hall, Charles Street, Leicester, LE1 1FZ

Date: 1st October 2019

Time: 16:45-19:00

AGENDA 2019

16:45	Arrival and Registration and refreshments	
17:30	Opening	Sir Peter Soulsby Leicester City Mayor
17:35	Introduction and Performance video Annual Report 2018/19	Kevin Harris, LLEP Chair
17:50	Case Studies	Compare: Kevin Harris
17:55	Market Harborough Grow on Space This £8.5m development is ready to support local businesses when the doors open to this brand-new facility.	Norman Proudfoot, Joint Chief Executive, Harborough District Council
18.05	LLEP Skills Team <ul style="list-style-type: none">• Skills Research and the Skills Advisory Panel• 'Building the Workforce of the Future' Employer Guide• Labour Market Snapshots• Case study film: Careers in Manufacturing and Engineering, filmed at JJ Churchill	Fiona Baker, LLEP Strategy Manager
18.20	Business Gateway Growth Hub <ul style="list-style-type: none">• Introduction to the new growth hub offer• New Business Growth Grants• Support for Investor Readiness and High Growth businesses	Helen Miller, LLEP Programme Manager
18.30	Enterprise Adviser Network (EAN) Cornerstone Employers are committed to education and to seeing the next generation of the local workforce thrive. Jacqui talks about how her business is solving the skills challenge.	Jacqui Stretton, HR Manager, Crown Packaging
18:40	Local Industrial Strategy Update	Kevin Harris, LLEP Chair

18:45	<p>Question and Answer – LLEP Panel</p> <p>Kevin Harris, LLEP Chair Sir Peter Soulsby, Leicester City Mayor Cllr Nick Rushton, Leader, Leicestershire County Council Bob Allison, VC, Loughborough University Verity Hancock, Principal, Leicester College Mandip Rai, LLEP Chief Executive</p>	Audience
19:00	Closing remarks	Kevin Harris, LLEP Chair
	Networking and Close	

Paper E

PAPER E

LLEP Board of Directors

1 October 2019



Decision

MEETING DATES 2020-2021

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the Board's agreement to the future meeting dates in 2020/2021.

2. RECOMMENDATION

- 2.1 The LLEP Board is recommended to approve the proposed dates as listed below.

3. BACKGROUND INFORMATION

- 3.1 The Local Assurance Framework (LAF) states that the Board of Directors shall meet at least six times in any financial year beginning on 1st April and ending on 31st March.

- 3.2 As the Board has previously met bi-monthly on the first Tuesday of each relevant month, the following dates have been provisionally booked:

<u>2020:</u>	<u>2021:</u>
4 February	2 February
7 April	6 April
2 June	
4 August	
6 October	
1 December	

- 3.3 It is proposed that meetings continue to be held in Room G.01, City Hall commencing at 3.00pm and concluding at approximately 5.00pm.

- 3.4 Subject to the above dates being approved, the Democratic Support Officer will send Outlook calendar invites to Board members and colleagues.

For further information please contact:

Jason Tyler - Democratic Support Officer
Leicester City Council (Accountable Body)
Tel: 0116 454 6359

