

Item No. 4

MINUTES OF A MEETING OF THE GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP BOARD HELD ON MONDAY 16 MAY 2016 AT THE UNIVERSITY OF MANCHESTER

Board Members:

Mike Blackburn (in the Chair)

Councillor Sean Anstee, Sue Derbyshire, Keith Johnston, Nancy Rothwell, Lou Cordwell, Juergen Maier, David Birch, Richard Topliss and Michael Oglesby

Strategic Chairs:

Iwan Griffiths

Advisors:

Howard Bernstein & Andrew Lightfoot (GMCA), Mark Hughes (Manchester Growth Company), Eamonn Boylan (Stockport MBC), Alison Gordon & Mark Atherton (New Economy), Jon Lamonte (Transport for Greater Manchester), Tim Newns (MIDAS), James Stanley (Marketing Manchester), Rebecca Heron, David Rogerson and Allan Sparrow (GM Integrated Support Team)

Apologies:

Wayne Jones, Vanda Murray, Tony Lloyd and Simon Nokes

LEP/16/34 DECLARATIONS OF INTEREST

Keith Johnston declared an interest in the reports regarding the GM Housing Investment Fund as the fund may involve clients from Addleshaw Goddard LLP.

Nancy Rothwell declared an interest in the item concerning the Science and Innovation Audits as the University of Manchester was leading on this work.

Iwan Griffiths declared an interest in the items regarding the Manchester Growth Company as a director of the MGC Board. He also declared interests in the items concerning the GM Land & Property Update and the GM Housing Investment Fund as PriceWaterhouseCoopers provided or may provide services to the GMCA with respect to these items.

LEP/16/35 REPORT OF AN INQUORATE MEETING

AGREED

That the Report and recommendations of the inquorate meeting of the GM LEP Board held on 10 March 2016 be approved.

LEP/16/36 MATTERS ARISING

There were no matters arising.

LEP/16/37 HCA UPDATE PRESENTATION

Marie Hodgson provided the Board with a presentation setting out the role and responsibilities of the HCA and its progress in driving housing growth. The presentation highlighted recent HCA interventions in Greater Manchester and its emerging priorities for the region in the context national housing policy.

The Board discussed the presentation and highlighted a number of key issues.

A director queried how HCA's work contributes to the overall number of new homes required in GM. In response it was reported that GM needs to build around 11,000 new homes per annum to meet current demands and public interventions including those of the HCA support around one third of this requirement. However, the rate of development remains significantly below current requirements. Accelerating housing development is a key priority for GM..

The Board discussed how private developers could be encouraged to build more homes to meet this demand. It was agreed that finalising the forthcoming GM Strategic Framework will be important in setting the context for future development across GM. The Board also highlighted the contribution made by smaller developers, particularly in urban areas as well as the role of volume house builders.

However, it was felt that public intervention would remain important in unlocking potential sites to generate housing supply and that the new Land Commission (jointly chaired by Interim Mayor Tony Lloyd and the Minister for Housing and Planning) would strengthen GM's ability to deliver on this ambition.

The Board requested more detailed house building figures to be supplied including current and planned developments.

AGREED

1. That Marie Hodgson be thanked for her informative presentation.
2. That further information be provided to the LEP on house building figures.

LEP/16/38 CLIMATE CHANGE AND LOW EMISSIONS STRATEGIES' IMPLEMENTATION PLAN

A report was submitted that outlined how the responses received from the Climate Change and Low Emissions Strategies' Implementation Plan (2016-2020) (CCLES) consultation had been taken into account in the revised Plan. The report also presented the pre-publication plan for information and comment. This version of the Plan had been approved by GMCA at its meeting in April 2016.

The Board welcomed the plan and suggested that in future it could be taken further with more ambitious carbon reduction targets building on GM's existing achievements.

In response it was reported that the strategies were being developed to reflect the changing environment and to take advantage of any potential opportunities including working with the Environment Agency to refresh GM's flood plans and the development of the Northern Powerhouse Independent Economic Review which would explore the sustainability of renewable energy sources.

A director highlighted the fact that GM's innovative approach to tackling carbon emissions strengthened GM attractiveness as a place to live and work and that this could add value to GM's marketing activity.

AGREED

1. That the Draft Climate Change and Low Emissions Implementation Plan be noted.
2. To note the consultation feedback and how it has been incorporated into the format and content of the revised draft implementation plan.
3. To note that the Portfolio Holder for Planning, Housing and Environment and Chief Executive responsible for the Low Carbon Hub Board has been delegated responsibility for implementing final amendments arising from the GMCA and LEP Board meetings, and for agreeing the final design of the plan prior to publication.

LEP/16/39 SCIENCE & INNOVATION AUDITS

The Board received a presentation which set out the Science and Innovation Audit work currently taking place across GM and East Cheshire. The Audits will focus the area's core strengths and fast growth opportunities along with the regional innovation system and any constraints to its development.

The presentation included a number of key issues to be explored and a brief description of the role of Technopolis who have been selected by BIS to provide technical support to the Audits. The Board also noted the proposed SIA report structure, the role of the Strategic Advisory Group and the four stage timetable.

The Board noted that this project complements recent work carried out by the North West Business Leadership Team.

AGREED

That the presentation on the Manchester City Region and East Cheshire Science and Innovation Audits be noted.

LEP/16/40 MANCHESTER GROWTH COMPANY BUSINESS PLAN AND 2016-17 TARGETS

Consideration was given to a report that presented the third Manchester Growth Company's business plan for 2016-17. The Board was also informed that it would receive the latest MGC performance report at the next Board meeting.

AGREED

1. That the Manchester Growth Company Business Plan and 2016-17 targets be noted.
2. That the latest MGC performance figures be submitted to the next meeting of the Board.

LEP/16/41 ATLANTIC GATEWAY INFRASTRUCTURE PRIORITIES

The LEP was informed that the Atlantic Gateway Board is currently updating its infrastructure priorities and that this includes the development of an agreed set of criteria to identify LEP area priorities relevant to the Atlantic Gateway.

The report provided the LEP with the criteria for the selection of GM infrastructure priorities in relation to the Atlantic Gateway as well as the identification of a small number of GM priorities within the context of Atlantic Gateway. These will be reflected in the draft Atlantic Gateway Infrastructure Priorities that will be agreed by the Atlantic Gateway Board subject to LEP and Combined Authority agreement.

The Board discussed the role of the Atlantic Gateway and its contribution to the Greater Manchester Strategy and wider regional/northern strategies.

The Board agreed that the appropriate Greater Manchester Strategy priorities had been correctly identified in the context of the Atlantic Gateway and that these will be reflected in the draft Atlantic Gateway Infrastructure Priorities.

AGREED

That as the GMS priorities identified in the context of the Atlantic Gateway were appropriately reflected in the draft Atlantic Gateway Infrastructure Priorities that these priorities be recommended to the next meeting of the GMCA.

LEP/16/42 GM LAND & PROPERTY UPDATE

A report was submitted that updated the Board on progress to develop a strategic approach to publicly owned land and property across GM. The Board was informed that further updates on progress would be reported back to the LEP.

The Board recognised that this work would benefit from private sector participation and officers will explore how the private sector can best be represented.

AGREED

That the range of specific delivery arrangements as outlined in the report be endorsed.

LEP/16/43 THE NORTH WEST EVERGREEN FUND: POTENTIAL LOAN BOOK DISPOSAL

Consideration was given to a report that provided an update to the LEP in relation to the continuity of the North West Evergreen Fund.

It was reported that the North West Evergreen Fund had witnessed significant transaction flow in the last few years and achieved considerable success. Evergreen was now substantively committed (over £70m) and there was c.£11.2m of headroom remaining to invest. Of that £11.2m, c.£5.7m was notionally committed to a Stage 1 scheme at Cutacre, with a pipeline of over £40m of investments that would be additive to the economy of the region.

It was noted that discussions around the establishment of the Greater Manchester Fund of Funds were ongoing but progress was slow and it was likely there would be an investment gap before the new funds were established. As such, the report set out a proposal that would enable Greater Manchester to continue to have some investment capacity whilst the new fund was being established.

AGREED

That the contents of the report on the North West Evergreen Fund be noted and the approach being taken to ensure continuity of investment capacity throughout 2016 be endorsed.

LEP/16/44 GM HOUSING INVESTMENT FUND: INVESTMENT APPROVAL

A paper was submitted that set out a GM Housing Fund loan of £3.577.000 to First Step (Ancoats) Limited, which was approved by the GMCA on 29 April 2016. The Board was informed that a further report would come back to the LEP on the performance of the fund and housing challenges going forward.

AGREED

1. That the report on the GM Housing Investment Fund be noted.
2. To note that a further report would be submitted to a future meeting of the Board on the performance of the fund and housing challenges going forward.

LEP/16/45 ANY OTHER BUSINESS

Manufacturing Champions Network

The Board received a presentation from David Birch on the Manufacturing Champions Network. The Board was informed that the events held to date had been well received and that the future focus will be on strengthening SME participation.

AGREED

That the presentation on the Manufacturing Champions Network be noted.

LEP/16/46 PROGRAMME OF FUTURE MEETINGS

Thursday 14 July 2016
Monday 19 September 2016
Thursday 10 November 2016

The following items contain matters relating to the financial and business affairs of particular persons or organisations. It is therefore agreed that discussions on these items is not held in public.

LEP/16/47 LOCAL GROWTH DEALS: ROUND 3 SCOPING DOCUMENT

Greater Manchester's first Growth Deal was secured in July 2014 on the basis of the Growth and Reform Plan, which presented a coherent, holistic investment programme, complemented by a strong commitment to public service reforms designed to enhance efficiencies and benefits across the programme. As well as securing a number of freedoms and flexibilities as a precursor to the Devolution Agreement, it also brought a funding allocation from the Local Growth Fund.

In February 2015 Greater Manchester secured a second Growth Deal and was allocated additional Local Growth Funding.

The Board was informed that the Government had recently invited proposals for a third round of Growth Deals, and the purpose of this report was to outline the proposed approach to the development of Greater Manchester's submission, for comment and endorsement by LEP members.

AGREED

That the proposed approach to the development of Greater Manchester's submission for a third round of Growth Deal funding be endorsed.

LEP/16/48 GM HOUSING INVESTMENT FUND: INVESTMENT APPROVAL

A report was submitted that provided the LEP with further detail on the GM Housing Fund loan to First Step (Ancoats) Limited for the Edinburgh Castle development.

AGREED

That the report be noted.

LEP/16/49 THE NORTH WEST EVERGREEN FUND: POTENTIAL LOAN BOOK DISPOSAL

A report was submitted that provided a further update to the LEP in relation to the continuity of the North West Evergreen Fund.

AGREED

That the report be noted and the approach being taken to ensure continuity of investment capacity throughout 2016 be endorsed.

LEP/16/50 MANCHESTER GROWTH COMPANY BUSINESS PLAN AND 2016-17 TARGETS

Consideration was given to a report that presented further information on the Manchester Growth Company's business plan for 2016-17.

AGREED

That the MGC Business Plan be endorsed and the targets for 2016-17 be noted.