



## Minutes CWLEP Board Meeting 26 November 2018 - Coventry University - The Tank

### Attendance:

Nick Abell: Vice Chair

John Latham

Karl Eddy

Zamurad Hussain

Maurice Howes obo Cllr Tony Jefferson

Sarah Windrum

Cllr Peter Butlin

Cllr Chris Cade

Cllr David Humphreys

Stuart Croft

Marion Plant

Parveen Rai

Wright Hassall

Coventry University

Grant Thornton

HBT Communications

Stratford District Council

Emerald Group

Warwickshire County Council

Rugby Borough Council

North Warwickshire Borough Council

University of Warwick

Nominated representative for the FE Principals

Rai Properties Ltd

### Executives in Attendance:

Martin Yardley

Paula Deas

Andy Williams

Nicola Cox

Bill Blincoe

Monica Fogarty

Kate Hughes

Craig Humphrey

Steve Maxey

Clive Winters

Louise Bennett

Alicia Law

Adam Dent

CWLEP

CWLEP

CWLEP

CWLEP

CWLEP Growth Hub

Warwickshire County Council

University of Warwick

CWLEP Growth Hub

North Warwickshire Borough Council

Coventry University

C&W Chamber of Commerce

BEIS and C&LoG Team

Advent Communications

### Director's Apologies:

Jonathan Browning (Chair)

Sean Farnell

Mike Crone

Cllr Ian Lloyd

Cllr Mike Hall

Cllr Andrew Mobbs

Cllr Jim O'Boyle

CWLEP

C&W Chamber of Commerce/FSB

Jaguar Land Rover

Nuneaton & Bedworth Borough Council

Hinckley & Bosworth Borough Council

Warwick District Council

Coventry City Council

### Apologies:

Iain Patrick

Lee Osborne

CWLEP

FSB

### Guests

Emma Squire

Warren Ralls

Mike Waters

Dave Maclean

Matthew Rhodes

Jane Furze

Anna Livesey

Shaun Hides

Yanguo Jing

Doreen Pack

DCMS

LEP Network

Transport for West Midlands

West Midlands Combined Authority

GBSLEP

University of Warwick

Coventry City Council

Coventry University

Coventry University

Coventry City Council

<p><b>1.</b></p> <p><b>2.</b></p> <p><b>3.</b></p> <p><b>4.</b></p>	<p><b><u>Welcome &amp; Apologies</u></b></p> <p>The meeting was chaired by Nick Abell (CWLEP Vice Chair) in the absence of Jonathan Browning (CWLEP Chair). Following a short presentation on the facilities of The Tank Studios, the Chair thanked John Latham and his team at Coventry University for use of the excellent facilities. Welcomes were extended to guests attending, Emma Squire (DCMS) West Midlands Combined Authority, and Warren Ralls (LEP Network) and a number of attendees from the WMCA and University of Warwick in support of agenda items. Apologies had been received from Jonathan Browning, Mike Crone, Sean Farnell, Cllr Jim O’Boyle, Councillor Andrew Mobbs, Councillor Ian Lloyd, and Councillor Mike Hall. Councillor Tony Jefferson was represented by Maurice Howes. Additional apologies from Lee Osbourne (FSB) and Iain Patrick (CWLEP).</p> <p><b><u>Call for Declarations of Interest and AoB</u></b></p> <p>The Board were asked to identify any declaration of interest throughout the meeting. Stuart Croft declared interest in Item 9 and item 10.</p> <p><b><u>Approval of Minutes and actions from previous meeting</u></b></p> <p>The minutes of the last meeting held on 15 October 2018 were accepted as a true record, and all actions have been completed. A short summary paper was tabled relating to an action on Apprenticeship models delayed from the July board. This was circulated at the meeting</p> <p><b><u>Board Matters &amp; Chair’s Briefing/Board Appointments</u></b></p> <p>On the make-up of the board, the Chair advised that we had received a letter of resignation from Oliver Nicholls, who had resigned for health reasons, which is a great loss to our board. The Chair explained that we are extending the number of Directors on the Board and with the replacement of Oliver are looking to recruit 4 private sector Directors to our Board.</p> <p>It has been a very busy period since the last board meeting which centered on submitting by the 31<sup>st</sup> October 2018 our completed response to the LEP review implementation plan which followed quickly on the heels of the LEP proposed geographical changes completed on the 28<sup>th</sup> September 2018. We are advised that we should hear back within the next couple of weeks on what the outcome may be. We do know that direction on the geography overlaps will be given shortly. Emma Squire was unable to comment on the latest position of government, but kindly offered to go back and see how the C&amp;W LEP proposals are doing. Warren Ralls, Director of the LEP Network pointed out there would be a meeting on the 27<sup>th</sup> November where more will be known around the geographic requirements and that a response on both the geography requirement and the implementation plan would be delivered shortly.</p> <p>It should be noted and we should remind ourselves of the great work that has been carried out to create and deliver our inputs to the LEP review. Following the Annual Performance Review meeting on the 19<sup>th</sup> December we hope to be able to share more news in this regard. Government have announced an allocation of £8.5m to major arts projects strengthening the commitment to the City of Culture 2021, the major reasons for this being the local support that would be delivering the requirements.</p> <p>The Chair was also pleased to report that the £7m Nuneaton Transformation Plan had also been signed and that work would be able to start.</p> <p>During October and November, we have seen the C&amp;W area host many high profile events. The 2018 Business Festival was kicked off by Jonathan attending the opening event at Warwick School and we are aware that this has been very successful.</p> <p>At the time of the board we are half way through the festival and we have had many visitors with an increase in ticket sales of 20% over last year. Quality has been key to our success encouraging the level of attendance and early signs are really positive. C&amp;W Chamber of Commerce have also been very supportive. Our recent C&amp;W Champions event</p>	
---	--	--

at Stoneleigh, under the Festival banner, resulted in 180 businesses attending, it was a great success and a sterling turn out. Thanks to Nic Erskine, Adam Dent and Sophie Davies who all deserve praise.

Other activity included the launch of the C&W Young Pro Awards, with the Apprenticeship category being sponsored by the CWLEP so if you have any nominations within your respective organisations, please put them forward. Following on from the C&W Automotive dinner hosted by Jonathan at Coombe Abbey, the introduction of a Smart Mobility Centre at the Wellesbourne Campus was announced. During the following week at the University of Warwick Chancellors Dinner, the NAIC (National Automotive Innovation Centre) building and the road on which it stands were formally named after Lord Bhattacharyya which would be unveiled on 5<sup>th</sup> December 2018.

Marion attended the launch of the WMCA Skills Board at the NEC which was an excellent event and a very important board going forward for C&W to benefit from the Skills Deal.

Finally, Jonathan led the Economic Panel at a very successful C&W Chamber Conference on 16<sup>th</sup> November where over 150 delegates heard from Jeremy Wright.

## **5. Regional Energy Strategy**

Anna Livesey and Matthew Rhodes introduced themselves and shared their presentation to the team.

Between 2018 and 2030, more than £15bn will be invested in local energy projects across the three LEPs of the West Midlands, and £74bn will be spent on products and services (like cars and homes) where the quality of local energy systems will make the difference between global competitiveness and economic failure for our local industries.

A further £80bn will be spent on fuel and power to drive our industry.

This strategy is about influencing these financial flows to deliver a vision for energy across the region by 2030 which includes:

- reducing energy costs for our strategic industrial sectors to at least matching international competitors;
- reducing the incidence of fuel poverty across our region
- delivering the West Midlands' share of national and global carbon budgets
- creating a regional energy infrastructure that adds £1bn to GVA by 2025

This strategy has been developed against the backdrop of a fundamental transition in global energy systems which is widely recognised and is creating challenges and opportunities at both global and national level. Four pilot EIZs have been identified and preliminary investment cases developed for this strategy. These EIZs will act as a focus for energy systems investment of between £270M and £490M over the next 15 years and deliver the first £200M of the £1bn GVA target.

The immediate priorities are:

1. To establish an initial Energy Capital executive team within the WMCA to support the Board and funding commitments made by partners. This will be done in two stages: an interim development team will be put in place for 2018-19, and permanent resource will be recruited into the WMCA from 2019-20 onwards.

2. To follow through on the recommendations of the Regional Energy Policy Commission, particularly around working with government and regulators to detail the legal implications and requirements for EIZs.

Matthew and Anna were asked to share their presentation with the whole team.

### **Overview Next Steps:**

- Formal approval of the strategy
- Recognition of the proposed Coventry and Warwickshire EIZ
- Initial views and feedback on how the region should approach the structuring and regional energy infrastructure strategic planning and commission

**Questions:**

Smaller energy businesses are investing in their own business and it was pointed out that we are targeting those businesses in the first instance.

DH asked about the mapping area. Are we only going to be concentrating on what has been shared?

It was confirmed that the project and proposals will cover the whole of the LEP area and that the map shared was only the initial view.

DH was concerned that we did not show enough power station sites.

It was stated that the Map will be changed to reflect these.

JL questioned if there was a piece of work that needs to be done by the LEP to see what could be reinforced. Perhaps we should connect all three proposals to bring Energy, electric vehicles and 5G together?

KE asked about the baseline position and what is the current challenge we face?

AL responded by stating more work needs to be done on this and so we can determine the critical points as we progress.

MY said we have seen an increase in land value and now it appeared that sorting power out had now become more expensive than buying the land. He explained that we have been talking to JLR and that there are huge amounts of power required going forward to support their developments and how they have been talking with National Grid to determine the feasibility of how this will work.

PB view was that Energy Capital seems like a level of bureaucracy which stops actual progress taking place.

NA confirmed that Anna/Matthew were seeking approval from the Board for the 4 proposals they presented.

NA asked the board if they were happy with the proposals being presented. The team confirmed yes in that the proposed C&W EIZ must cover the whole geography of the CW LEP.

It was agreed that Anna Livesey would connect with Steve Maxey to work on energy opportunities in the North Warwickshire area in response to concerns raised by DH

**AL and SM**

**6. 5G – Urban Connected Communities**

SW/DM/MW shared their presentation on 5G Urban Connected Communities with the Board. SW further confirmed that they had won the Urban Bid in the summer. SW thanked all the team for all the assistance that was given to help them achieve this success.

SW asked that whilst sharing the presentation the Board should bear in the mind the benefits for the whole of the region. The most important and exciting thing about this project is that it will be life changing for some areas in particular those areas that currently struggle with connectivity.

DM stated that he believed that this is such an exciting project that he is personally investing in this project.

The implementation of 5G will impact on 4 key areas going forward.

- 1) Making is easier and cheaper to deploy mobile infrastructure
- 2) Supporting infrastructure models that promote competition and investment in network densification & extension.
- 3) Stimulating demand and new use cases through the 5G Testbeds and Trials programme.
- 4) Securing a diverse set of innovation 5G services through flexible future spectrum policy.

The vision is to build the business case and create the conditions to deploy 5G efficiently, foster the development of the UK's 5G ecosystem, and lead the way in 5G R&D to deliver and drive UK 5G Leadership. We need to deliver by 2021.

**The WM5G Objectives:**

- Increase the rate of deployment of new technologies to support higher productivity growth
- Act as a large-scale prototype for the UK, in the deployment of 5G
- Enable digital inclusion to accelerate better public and commercial services.

The main areas of focus will be, Industrial Products/Service Development Platform together with Mobility Systems Improvements. This will give rise to improvements across Auto & CAV, Gaming & Media, Safety, Customer Experience and Accessibility, Efficient Systems.

SW outlined several areas where the benefits could be clearly anticipated.

The target end users would come from local major employers, the student economy, local citizens and visitors to major events and attractions.

This would be a capital funded project and sits outside of DCMS. It is made up of initially a joint venture of two shareholders and these will be WMCA & DCMS. It will then move on to a WM5G Board with the Private Sector which will allow more commercialisation.

**Conclusions:**

The WM5G project seeks to build on the success of the region whilst adding to and improving productivity and prospects for businesses in the region and beyond, and to develop a 5G eco-system leading to inward investment which in turn will help support the creation of employment opportunities and generally improve the lives of the local population

We would ask Coventry and Warwickshire LEP to co-fund alongside the two other LEP's.

**Questions:**

NA thanked the WM5G team for the presentation and pointed out that there was another Board meeting in January and no decision on funding would be made prior to this. Whilst we would be looking for all three LEP's to fund £250K each, NA explained that we currently do not have that level of funding at present, but would take this through PDB to appraise off line.

John Latham pointed out that we have a wonderful inward investment opportunity for 5G capability.

The ability to have 5G enabled in Coventry alone could mean 70K people could be part of a test bed. If you put all three test beds together it would give you half a million, which would give an impressive test capability.

It was noted by the board that there are some health issues with 5G and asked if these had been considered. It was confirmed that the 5G team are currently working with Public Health England for reassurance of any potential health issues.

WR asked what connection they have made with other 5G enterprise bodies e.g. Guilford/Worcester. It was confirmed that this part of the project is within Phase 2 at the moment.

KE raised three points that required consideration, data governance, data ethics, products around health and he requested a business case is put to this board which is fully framed.

MH stated that other countries appeared to be much further forward with this project.

It was confirmed that it is global race and we needed to be involved in this. Within the UK we do not have handset manufacturers, we did not have any in the last generation either and that we do not have relationships with say Ericsson. What we are good at is our technical technology ability and creativity, for example we have great capability at creating games, which is a unique selling point within Coventry & Warwickshire.

NA pointed out to the Board that in order give the commitment to support this project in

	<p>terms of funding we need to have a full and proper business case that the Board can review. However, we would still then have to find the funds to support the project, so the business case needs to be a very strong one.</p> <p>Karl Eddy suggested, and the board resolved to agree that the WM5G team provide a business case for the funding request from CWLEP and that it is assessed against the Assurance Framework with recommendations brought to the CWLEP Board from the CWLEP Programme Delivery Board on next steps.</p> <p><b>7. <u>China Business Investment Visit</u></b>          Andy Williams shared his presentation of their recent China Trip that Martin Yardley/Craig Humphrey and Andy Williams, were a part of.  <u>Key Outcomes:</u></p> <ul style="list-style-type: none"> <li>• 20 companies directly engaged</li> <li>• Basis for “Geely Club” Agreement in place to train and develop Engineers in place with Coventry University</li> <li>• New Investments planned between China and Coventry</li> <li>• Opportunity to bring Advanced Manufacturing Investment from Dalian to Coventry &amp; Warwickshire</li> <li>• BYD (Build Your Dream) a Chinese automobile manufacturer now engaged on multiple fronts around investing and locating in the UK</li> <li>• Develop the economic and tourism opportunities between Stratford on Avon and Fuzhou in the Jingxi Province.</li> </ul> <p>This is a huge opportunity for investment into the City. Craig Humphrey has been invited to speak in China in the New Year and this shows how we have built great relationships. Zamurad Hussain asked if there was any concern about Brexit with the Chinese Delegate they met. Martin Yardley confirmed that there was no discussion on Brexit. The Chinese delegation were more interested in building strong relationships with the UK team.</p> <p><b>8. <u>CWLEP response to the WMCA Local Industrial Strategy Consultation</u></b>          PD directed the attention of the team to the LIS consultation paper. This gives visibility of to the response that was generated on the back of the CWLEP involvement in the WMLIS. An overview of the process of engagement was given by Paula of the consultation version. It was specifically noted that the CWLEP were very proactive in our response and we encouraged other local business to reply as part of our contribution. All the regions LA’s were involved in the response to WMCA Local Industrial Strategy and it was a real collaborative piece of work that helped deliver our final submission due for approval at the WMCA 11<sup>th</sup> January 2019 Board Meeting. NA said the covering letter in the CWLEP response really sums up our commitment to ensuring CW is well represented in the WMLIS.</p> <p><b>9. <u>Programme Delivery Board Report</u></b>          Coventry Station Master Plan was high on the agenda sharing the complication of the project and the potential risks. To date the issues were largely around tender timing and had been resolved within the budget. Subsequent reprofiling of expected spend had assisted the project to continue to deliver in light of the challenges. The project would present a detailed progress report to the next PDB. Andy Williams gave the team an overview of progress to date across the remaining projects and the strategies followed to enable continued delivery. Reprofiling of some projects expected spend would be required.</p> <p><b>10. <u>Finance &amp; Governance Board Report</u></b>          NA had considered and approved the 2017/18 final accounts for both C&amp;W Growth Hub Limited and the CWLEP Limited. NA asked that the Board are in agreement for these to be approved. Nick said he will have</p>	
--	---	--

