

**SOUTH EAST ENGLAND PARTNERSHIP BOARD
ECONOMIC DEVELOPMENT AND SKILLS BOARD**



**MINUTES OF THE MEETING ON
17 NOVEMBER 2009**

SEEDA, GUILDFORD

Present:	
<u>Board Members</u>	
Alex Pratt (Chairman)	SEEDA
Cllr Jeremy Birch	SEEDA
Cllr George Beckett	South East England Leaders' Board
Cllr David Tutt	South East England Leaders' Board
Cllr. Mike Appleyard	South East England Leaders' Board
Sonja Rewhorn	GOSE
Ian Christie	Environmental Sector
Jill Farrell	Learning & Skills Council
Laurie Heselden	Social Sector
Mark Pearson	Economic Partnerships
Martin Pryor	JobCentre Plus
Dolores Byrne	SESETAC
Malcolm Hyde	Business Representative Organisations/CBI
David Seall	Business Representative Organisations/EEF
<u>Officers</u>	
Pam Alexander	SEEDA
Oona Muirhead	SEEDA
Paul Lovejoy	SEEDA
Martin Tugwell	SEEDA
<u>In Attendance</u>	
Simon Worsfold	South East England Partnership Board
Ameeta Rowland	South East England Partnership Board
Scott Swinton	SEEDA

1. Appointment of Chairman

- 1.1. Cllr Jeremy Birch nominated Alex Pratt as Chairman; this was endorsed by the remainder of the Board. Alex Pratt was therefore duly elected Chairman of the Economic Development and Skills Board.

2. Introductions and Apologies

- 2.1. The Chairman thanked colleagues for their support and outlined his view that the Economic Development and Skills Board offered the regional partners an opportunity to 'up the game' in terms of our ability to align the investment made in these two vital areas; not just in terms of alignment with one another but with other areas of investment.
- 2.2. He apologised for the relatively short notice at which the meeting had been convened, however a forward diary of dates was being established for Board members.

- 2.3. Apologies were received from Pam Charlwood; Cllr Kevin Lynes, Ian Coates (substitute Sonjay Rewhorn) Jan Edrich; Marinos Paphitis (substitute Jill Farrell); Megan Dobney (substitute Laurie Heselden); Paul Williams (substitute Martin Pryor) and Terry Watts.

3. Terms of Reference

- 3.1. The paper before the Board outlined the process by which the Terms of Reference had been arrived at. Martin Tugwell reminded the meeting that the Partnership Board had agreed that they would be reviewed at an initial 12 month period in order to assess whether there was a need to amend in the light of experience. He also reported that progress was being made with the appointment of a manager to support the Board's work.
- 3.2. Points raised in the ensuing discussion included the need to ensure that the Board:
- Considers the needs of those who are currently excluded from the workforce, as well as the need to ensure that individuals have access to means of continuing to maintain/update their skills;
 - Has access to the right kinds of monitoring information if it is to be able to assess its impact;
 - Focuses on both the skills and economic development agendas;
 - Gives priority to supporting and encouraging innovation as part of its core activity.
- 3.3. **The Board NOTED the Terms of Reference as agreed by the South East England Partnership Board.** It was noted that nominations to the Board would be made in the July of each calendar year and would be made for a 12 month period.

4. Regional Funding Advice

- 4.1. The covering paper set out how the Regional Funding Advice submission is prepared every 2-3 years. It sets out the region's advice to Government on investment priorities over an indicative 10 year period across transport, economic development and housing and regeneration.
- 4.2. Points raised in the ensuing discussion included:
- There must be a strong connection with the business community and make sure that the incentives for businesses engaging are clear;
 - We need to use the local authorities to feed in information/intelligence as to the opportunities and potential for businesses in the local economy;
 - We must work with the other delivery boards to identify the key investment priorities for the region, focusing on those investments that are going to have the biggest benefits;
 - We must look to the future as well as supporting our existing businesses adapt and evolve; the need to move towards a low carbon society creates huge challenges but also major opportunities – we cannot ignore the fact that we are going to have to work within well defined carbon budgets;
 - Identifying business critical infrastructure – e.g. access to super-fast broadband – will help this Board engage with the other delivery boards and with key delivery agencies in the region.

4.3. In summing up the Chairman noted that the Board:

- Must ensure it uses the membership around the table to engage effectively with the business community;
- Needs to focus on addressing the challenges the region faces, in particular that arising from the move to a low carbon society, that enables it to develop a sustainable competitive advantage;
- Should see the low carbon agenda represents a clear and present opportunity for the region, one it must seek to seize;
- Must ensure it gets effective engagement with the higher education community, potentially through the linkage with SESETAC.

4.4. **The Board agreed to:**

- a) Note the content of the Government's response to the region's Regional Funding Advice submission;**
- b) Instruct the secretariat to undertake the work necessary to assess the implications and potential risks to delivery arising from the pressures on public sector investment, with a view to considering an initial report at its next meeting.**

5. **Regional Economic Strategy**

5.1. Claire Hann (SEEDA's Research and Intelligence team) gave a presentation of the headline messages in respect of progress to date with delivering the RES targets. Copies of the summary report were handed out to the Board members. She focussed on identifying where we are not on track to deliver the RES targets and highlighted some of the reasons why. She also touched on some of the work that SEEDA brings to the work of the Board.

5.2. Points raised in the ensuing discussion included:

- The RES targets were set in very different economic conditions; in seeking to 'make up ground' we need to identify the key areas where public sector investment will make a difference;
- The RES targets provide a direction of travel even if we don't achieve them; they provide a framework within which we can develop our priorities;
- We need to ensure that our targets are ambitious in what we seek to achieve through sustainable prosperity; economic prosperity should be seen as a mechanism for achieving sustainable prosperity;
- We cannot underestimate the enormity of the challenge we face; surveys suggest that the best place to live have the highest ecological footprint, whereas the lowest ecological footprint is to be found in the least favourable places to live;
- We must make sure we don't assume that it is 'business as usual'; the challenges we face for the future mean that our focus for economic development and skills need to adapt and evolve so that we remain a competitive region;
- Our comparators are not other parts of the Country but the global business environment;
- The importance of investment in skills must not be underestimated; we must seek to achieve a change in culture so that we match that of our competitors when it comes to investing in training and education;
- The investment made by the private sector in training needs to be acknowledged;

- We must ensure that the desire to increase the participation of small and medium sized enterprises in public sector procurement is not undermined by a move towards larger contracts that seek to realise economies of scale.

5.3. In summing up the Chairman noted that:

- The challenges facing the region (and hence the Board) derive from the global economy;
- There was support for the focus on supporting the evolution/development of businesses that are required to provide competitive advantage in a low carbon society;
- The targets should not be an end in themselves but rather used as a means of measuring our progress in the direction of travel;
- In that respect the Board shouldn't overly focus on specific targets.

6. Regional Skills Strategy

6.1. Oona Muirhead updated on the Board on recent developments and set these into context:

- Whilst the level of skills is increasing we are dropping down the league table in comparison with our European competitors;
- There is a strong linkage between the investment in Higher Education and the availability of skills that support economic development – the Higher Education framework published recently makes this linkage very clearly;
- Publication of the National Skills Investment Strategy (following on from the National Skills Strategy) provides the national context; SEEDA is working with the other RDAs to establish a template for the work to be undertaken on a Regional Skills Strategy.

6.2. She identified a number of themes/opportunities that she put to the Board as issues they might consider further:

- i) the needs of the economy must be seen as a key driver in terms of driving skills provision in a more explicit way than has previously been the case;
- ii) there is a need to drive up business demand and to drive up the business contribution;
- iii) in the environment of reduced public sector funding the need to focus investment in high growth and high employment sectors becomes all the more important;
- iv) there is a need to consider where the appropriate balance lies in terms of investment in adult skills compared with investment in (advanced) apprenticeships;
- v) there is a need to monitor using a wider basket of measures; this will not be easy but there may be opportunities to pilot approaches in the regions.

6.3. The challenges the Board faces in moving forward on this agenda include:

- i) ensuring that the need to develop a Regional Skills Strategy is seen as the opportunity to develop a joined up approach to investment in learning and skills;
- ii) using the structural changes following the demise of the Learning and Skills Council as an opportunity to develop effective partnership working;

- iii) ensuring that investment achieves the best impact for the business community by identifying the key sectors

6.4. Points raised in the ensuing discussion included:

- Notwithstanding the region's desire to support additional investment in Level 3 and 4 skills, there are targets set at a national level that need to be taken into account when identifying investment priorities;
- Concern exists in the business community that the lack of higher level skills in sufficient numbers will mean that vacancies go unfilled;
- There is a need to consider what linkages can be made with work underway as part of the Future Jobs Fund;
- Our approach to skills needs to facilitate/encourage investment in re-skilling during an individual's career; this may be particularly important when thinking about how the region might respond to the challenge of moving to a low carbon society;
- In the short term the amount of funding available to target to the new agenda will be limited (given existing commitments) and hence we must be really clear in terms of identifying the key areas for investment;
- There is a need to recognise the importance of investing in skills that are required by all the sectors; for example investment in 'soft skills' such as negotiations, communications, etc;
- We must use the evidence base that exists to underpin our arguments; use the focus provided by the New Industries New Jobs agenda and apply that to the region;
- We must work with the other delivery boards to ensure that the investment in learning and skills will result in a workforce that supports their objectives – e.g. the skills required to deliver high standard homes in the future.

6.5. In summing up the Chairman noted that:

- The fact that the region was being asked to produce a Regional Skills Strategy was a huge step forward; the region has asked for such a role in each of its Regional Funding Advice submissions;
- The Economic Development and Skills Board gives the region a forum that can act as a sounding board in its development, while the Partnership Board provides the mechanism for gaining the agreement of SEEDA and the Local Authority Leaders';
- The Board looks to the LSC (and future structures) to listen to and understand the region's needs and to take those into the debate within Whitehall;
- The Regional Skills Strategy has to be the mechanism for joining up the learning and skills agenda and to make sure that it is targeted on future needs.

6.6. **The Board AGREED to:**

- i) **Advise the Learning and Skills Council/Skills Funding Agency that in letting contracts for 2010 priority is given to investing in the provision of skills within the sectors identified in paragraph 2.7 of the covering paper;**
- ii) **Advise the Learning and Skills Council that greater consideration is given to using the funding available to invest in the provision of skills at level 3 and 4 within the priority sectors;**

- iii) **Instruct the secretariat to bring a proposition to the next meeting of the Board that sets out the programme of work required to develop the Regional Skills Strategy, in particular highlighting how that work aligns with work underway on the Regional Strategy.**

7. Forward Programme of Work

- 7.1. The covering paper set out the proposition that the work programme should be focused around key issues, specifically:
- Business Critical Infrastructure – going beyond the work of the transport and housing/regeneration boards to consider the broader infrastructure remit;
 - Learning and Skills – going beyond the need to produce a Regional Skills Strategy to consider issues relating to productivity and workforce development;
 - Business Support – identifying those elements of the business support where there is added value in a regional approach, to potentially include the innovation and growth agenda and science based R&D.
- 7.2. Points raised in the ensuing discussion included:
- Broad support for the focus suggested in the covering paper;
 - There is a need to consider the linkages with the technology sector;
 - High-speed Broadband must be viewed as a piece of business critical infrastructure (the Board sought a discussion on this issue at its next meeting).
- 7.3. In summing up the Chairman outlined his aspiration for Board members to take responsibility for particular parts of the work programme and then work with the key partners to ensure that the identified activities are taken forward.

8. Any Other Business

- 8.1. There was none. A number of Board members congratulated the secretariat on the papers for this meeting which seen as being succinct, short and to the point.

9. Date of Future Meetings

2 February 2010	Morning meeting, Guildford venue
25 May 2010	Time and venue to be confirmed

Two further dates for 2010 to be agreed and circulated as soon as possible.

There being no other business, the meeting closed at 16.00 hrs