

**MINUTES OF THE MEETING OF THE
SHROPSHIRE BUSINESS BOARD**

**HELD ON
MONDAY 7th MARCH 2016
4.30 pm – 6.15 pm**

WILFRED OWEN ROOM, SHIREHALL, SHREWSBURY

Present:

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| Mandy Thorn MBE (Chair) | Marches Care Ltd, Shrewsbury |
| Lindsay Barton | Federation of Small Businesses |
| Catherine Baxter | Harper Adams University (Agri-technology sector rep) |
| Matt Bulley | Caterpillar Shrewsbury Ltd |
| Tony Bywater MBE | Salop Leisure Ltd, Shrewsbury |
| Jacqui Casey | Marches LEP |
| Shaun Carvill | Clickingmad Ltd, Bridgnorth |
| Kully Chahal | DWP |
| Steve Charmley | Deputy Leader, Shropshire Council |
| Fay Easton | Shropshire Enterprise Partnership |
| Arthur Hill | CH Hill & Sons, Much Wenlock |
| Richard Lumby | Carillion, Wolverhampton. Defence and Construction industry Representative |
| Paul Kirkbright | University Centre Shrewsbury |
| Simon MacVicker | Shropshire Chamber of Commerce & Enterprise Ltd |
| Mandy Stoker | E4environment Ltd, Shrewsbury (Chair of Metnet) |
| Steve Wain | Shropshire Learning Network |

Shropshire Council Officers

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| George Candler | Director of Commissioning |
| Claire Cox | Business Relationship Officer |
| Julie Fildes | Committee Officer |
| Emma Smith | Economic Growth Specialist |
| Janine Vernon | 14 -19 Improvement Advisor |

In Attendance

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| Lauren Newby | Regeneris Consulting |
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37 Welcome, Apologies and Introductions

37.1 The Chairman reminded Members of the importance of sensitive discussions held at Board meetings remaining confidential. She continued that it had been brought to her attention that confidential information disclosed by Shropshire Council's Chief Executive at the previous meeting had been shared with the media immediately afterwards. She stated that this was unacceptable and seriously undermined the work of the Board and her position as Chairman. She had apologised on behalf of the Board to the Chief Executive for the breach of trust. She requested that Board Members consider whether

she still had their support and confidence and tendered her resignation as Chairman. This was not accepted by the Board. Members agreed that this breach was unacceptable and must not happen again. She confirmed that a written apology had been sent to the Chief Executive on the Board's behalf.

37.2 Apologies for absence were received from Paul Bennett [Shropshire Business Partnership], Steve Davenport [Chair of Shropshire Council's Enterprise and Growth Scrutiny Committee], Owen Gahan [Kerry Ingredients and Flavours], Tudor Griffiths [Tudor Griffiths Group Ltd, Ellesmere], Gill Hamer [Director Marches LEP], William Morris [Utilities Representative – Managing Director of SSE Retail], Matthew Snelson (Vice Chair) [Grainger & Worrall Ltd, Bridgnorth] and Andy Evans [Head of Economic Growth and Prosperity, Shropshire Council].

37.3 Jacqui Casey attended as substitute for Gill Hamer, Director Marches LEP.

38 Declarations of Interest

38.1 Members were reminded to declare any interests either at this point or if they became apparent during the meeting.

39 Minutes and Matters Arising

39.1 The minutes of the meeting held on 18th January 2016 were confirmed as a correct record.

39.2 Fay Easton reported that following the previous meeting she had contacted the Council's Chief Executive offering to work on innovative ways of increasing the Council's income. She had not received a response. It was agreed that George Candler would pursue this.

GC

39.3 Catherine Baxter updated Members that further to the presentation given on the Agri-Tech Strategy, contracts had now been entered into. It was anticipated that a press release would be made by Harper Adams University during the following week which would also be distributed to Board Members.

CB

39.4 George Candler commented that Central Government had announced one-off additional funding of £5m for the next financial year and £3.5m for 2017/18. He continued that although this funding was welcome it was not sufficient to alleviate pressures caused by the additional demands of Adult Social Care which was expected to grow by £14m in 2016/17. The Chairman asked that information be provided to allow the comparison of Government pro capita funding between Shropshire and the London Boroughs.

CC/GC

39.5 The Chairman asked for Members' views on the establishment of an Appointments Committee following the Board's identification of unrepresented business sectors in the Board's membership. She

All

confirmed that the Appointments Committee would report to the Board and would include the Chairman and Vice-Chairman of the Business Board. She added that this was common practice for other Business Boards and private sector boards.

40 LEP Strategic Economic Plan – Data Refresh

- 40.1 Jacqui Casey of the LEP introduced Lauren Newby of Regeneris Consulting. She explained that the LEP had determined that following the Comprehensive Spending Review and third Growth Deal, more work needed to be undertaken to ensure that the LEP had a strong Economic plan with a firm evidence base to support funding applications. The LEP had made the decision in November 2015 to refresh the evidence base and skills plan. Regeneris Consultancy had been commissioned in January 2016 to undertake this task, led by Lauren Newby.
- 40.2 Lauren Newby gave a presentation on the work undertaken and main findings for the Marches LEP area which would be included in the full report to be presented to the Marches LEP Board the following week. She confirmed that some of the findings contained in the report were drawn from nationally published data, others came from the analysis of raw data collected during the study. She confirmed that the full report contained information broken down into individual Local Authority Areas although her presentation gave an overview of the findings for the three Local Authorities in the LEP area.
- 40.3 Members noted a widening economic gap between the Marches LEP area and England. Although the area had seen growth of 6% it was still at a slower rate than the rest of the Country. Ms Newby confirmed that the GVA was calculated per head of the population and a large group of economically inactive people in the population would impact on the results.
- 40.4 Referring to the graph showing the Productivity Challenge, Ms Newby explained that there was an over representation of low GVA sectors with the five lowest productivity sectors accounting for 40% of GVA in the area, compared to 35% nationally. The report identified that the area had strengths in the areas of innovation and performance but the lack of highly skilled workers was a weakness.
- 40.5 The report had also identified that the area had lower than the national average unemployment with an employment rate of 87% but due to the higher proportion of lower value employment sectors the average earnings were also beneath the national average. This was linked to the Report's findings that there were too few higher level occupations which contributed to the productivity gap. Members asked if other comparable areas had been examined and the reasons for their better GVA identified.
- 40.6 Ms Lawley confirmed that the infrastructure challenges were shared across the three Local Authorities within the LEP area. The report had also identified a significantly higher proportion of older people, overall there had only been a 5% increase in the working age population but a

35% increase in the population over 65. Referring to the graph relating to growing employment demand, Members noted that the majority of the demand was due to churn with employees leaving the employment sector and being replaced (122,000) and only a small proportion was due to expansion (17,000).

- 40.7 Steve Wain queried the report's findings that only 53% of survey respondents were either 'very satisfied' or 'satisfied' with current training providers. He commented that this was not consistent with the findings of other surveys.
- 40.8 Shaun Carvill commented that the presentation contained a great deal of complex information which needed further consideration before comment could usefully be made. The Chairman explained that the Business Board was being asked for a 'sense check' and comment on whether the findings of the report captured the business community's experience and understanding. The report would be presented to the Marches LEP Board the following week and it would be useful if it could be accompanied by initial observations from the Shropshire Business Board. The Business Boards in the other LEP area would be given a similar opportunity. Once the LEP had received the Report it would then be distributed to Business Board Members.
- 40.9 Members observed that it would be useful to see more detailed analysis before comment was made. It was also observed that many of the ideas in the report were too simplistic. Agriculture was an important industry in Shropshire but did not appear prominently in the report. Salaries for the agri-tech sector were currently low but with the ongoing developments in this area they could be far higher in the future. This did not appear to be reflected in the findings of the report.
- 40.10 Fay Easton commented that the three areas of the Marches LEP had very different characteristics, and the amalgamation of findings did not reflect her experience of the Shropshire economy. Ms Newby reassured Members that the full report broke the findings down into individual Local Authority areas.
- 40.11 Members noted that the report did not reflect the predicted growth in self-employment, with 30 to 40% of the workforce expected to be self-employed by 2020. Members also observed that neither did the visitor economy appear to be represented adequately in the report.
- 40.12 Members expressed concern that Shropshire was being compared to Cumbria and Cornwall, when it was very differently located to those counties with Manchester and Birmingham within easy reach. Members also noted that an assumption had been made in the report that a more highly qualified workforce led to a better economy, whereas better jobs led to a better qualified workforce.
- 40.13 More information was requested on the engagement that was undertaken by the consultants. Members expressed concern that the sample sizes were too small to give reliable results. George Candler agreed that it was vital that the information data base used to support funding applications

was correct. It was suggested that more work should be undertaken to ensure that the data was accurate.

- 40.14 The Chairman thanked Ms Newby for her presentation and it was agreed that the Chair would convey the views of the Business Board to the Marches LEP when they considered the report.

MT

41 AOB/Future Agenda Items

- 41.1 Area Review Feedback for May. Steve Wain and Janine Vernon will feed the relevant information into the draft skills plan.

- 41.2 Members noted that the Marches Growth Hub would be launched that week.

42 Dates of Next Meetings

- 42.1 The next meeting of the Business Board to be held at 4.30pm on Monday 23rd May 2016, at the Shirehall, Shrewsbury.

42.2 Future Meetings:

11th July 2016

12th September 2016

21st November 2016

University Centre Shrewsbury

Tudor Griffiths, Wood Lane, Ellesmere

Shirehall, Shrewsbury