

MINUTES OF THE MEETING OF THE SHROPSHIRE BUSINESS BOARD

HELD ON
MONDAY 18TH SEPTEMBER 2017
4.00 pm – 6.30 pm

Present:

Mandy Thorn MBE (Chair)	Marches Care Ltd, Shrewsbury
Paul Bennett (Vice Chair)	Shropshire Business Partnership
Catherine Baxter	Harper Adams University (Agri-technology sector rep)
James Staniforth	CEO and Principle of Shrewsbury Colleges Group
Arthur Hill	CH Hill & Sons, Much Wenlock
Gill Hamer	Director Marches LEP
Beth Heath	Shropshire Festivals
Simon MacVicker	Shropshire Chamber/Bridgnorth Aluminium
Matt Bulley	Caterpillar Reman
Tim Downes	JR & MC Downes
Simon Thornley	Midcounties Cooperative
John Pitchford	Barclays Bank, Local Banking Representative
Cllr Nic Laurens	Portfolio Holder for Enterprise and Growth

In Attendance

Professor Tim Dafforn	Chief Entrepreneurial Advisor – BEIS
Rebecca Cooper	Entrepreneurship Review Team – BEIS
Deborah Matthews	Entrepreneurship Review Team – BEIS
Michelle Kynaston	Cities and Local Growth Unit – BEIS
Dr David Llewellyn	Vice-Chancellor, Harper Adams University
Maisy Owen	MO Management Consultancy
Rizvan Khalid	Euro Quality Lambs
Sean McCarthy	Armed Forces Covenant Coordinator, Shropshire Council
Cllr Gwilym Butler	Chair of Places Overview Scrutiny Committee

Shropshire Council Officers

George Candler	Director of Place and Enterprise
Lisa Ashby	Economic Growth Coordinator

36 Welcome, Apologies and Introductions

- 36.1 The meeting commenced with a tour at 4.15pm around the Agri-Epi Centre led by Rob Merrall, Regional Co-Director and his team.
- 36.2 The Chair welcomed all to the meeting and thanked Dr David Llewellyn and Catherine Baxter for kindly hosting the meeting at Harper Adams and for also giving the Board and guests from BEIS the chance to see

the new Agri-Epi Centre. The Chair handed over to Dr David Llewellyn for a welcome presentation. David gave a detailed introduction to the University, including an interesting overview of the developments and new opportunities at Harper Adams, which included an update on the Hands Free Hectare project. Dr David Llewellyn's presentation to be circulated with the minutes.

LA

36.3 The Chair thanked David, noting that some Board members were past students of Harper and had benefitted from the excellent education and services the University provides.

36.4 The Chair advised the Board that due to travel arrangements the agenda would need to be changed slightly to hold the roundtable session ahead of the main meeting.

37 BEIS Business Engagement Roundtable

37.1 The Chair welcomed Professor Tim Dafforn who is the Chief Entrepreneurial Advisor at BEIS and also his colleagues Rebecca Cooper and Deborah Matthews. The Chair also welcomed Rizvan Khalid from Euro Quality Lambs and Maisy Owen from MO Management Consultancy Ltd for attending to give an additional perspective on behalf of SME's. There was a round table introduction from the Board members.

37.2 Professor Tim Dafforn thanked the Chair and gave a brief introduction to himself as Chief Entrepreneurial Advisor and background having previously been the Chief Scientific Advisor at the Department for Business, Innovation and Skills, as well as being an entrepreneur in residence. He is also the founder of two scientific based businesses, along with being the Former Director of Knowledge Transfer, Life and Environmental Sciences at the University of Birmingham.

37.3 Professor Dafforn explained that the purpose of the session was part of a programme of direct engagement he was undertaking on behalf of BEIS to provide a picture of what is happening across England in terms of SME activity and the issues businesses are facing, particularly in light of Brexit and other challenges. Tim explained that they are gathering feedback from businesses on what government can do to help. The information will then be fed back to Whitehall to and Business Growth department who have been tasked to look at SME policy and how SME's can grow effectively within the current climate. Tim confirmed that there would be a white paper on this due October/November time. Tim confirmed that he was really pleased to see such a diverse range of businesses represented around the table and confirmed that the Marches were the first engagement session they were undertaking.

37.4 Tim started the discussion by saying that BEIS were interested in four key areas, which included;

- Markets and customs
- Supply chains
- Access to talent
- Regulatory changes – opportunities/changes

- Brexit was noted as a fifth area but this was overarching across the four key areas identified above.

A number of key issues were raised around the table which included;

- Tariff rate quotas – ensuring correct tariff is key.
- Inspections on products for export what will be the impact?
- Transition agreement will be key
- Access to labour – 75% non UK residents in one business and this isn't seasonal
- Low unemployment level in the Marches but access to the right people is a problem particularly those with low level skills - not graduate level
- Business starting to scale back growth plans
- Logistics – particularly around transport costs and customs.
- What will be the impact on the tourist offer?
- Ensuring plans are rural proof for businesses and communities
- Ensuring capacity in the UK supply chain
- Tariffs – potential to be a barrier to trade.
- Public transport – to enable staff to access jobs. The FE sector also experiences difficulties with transport for apprentices and work experience students to access placements and jobs.
- There should be a parity with all government departments, particularly from a regulatory point of view.
- Apprenticeships – levy being seen as a tax for businesses.
- Banking perspective – businesses are tending to be risk averse opting for a wait and see approach at the moment.
- The benefits of scenario planning.
- Trade agreements – felt that the cuts in funding for Department for International Trade has had a knock on effect for businesses.
- Ensuring right trade agreements are in place is key
- General Data Protection Regulation (GDPR) was raised as a potential regulatory issue as this is due for enforcement on the 25th May 2018.

37.5 Two major themes arose from the discussions and feedback from around the table;

- Tariffs – with the right transition agreement being key
- Access to talent

37.6 Maisy Owen referred the Board to the executive summary from the Chambers quarterly economic update report which gives a Shropshire perspective from their Q2 business survey which was undertaken in May/June 2017.

37.7 The discussion around the table highlighted that businesses in the region were scaling back on their growth plans due to uncertainty and also access to the right labour. Tim Dafforn did point to a potential political risk that this could be perceived by government that businesses were buoyant with reserves of money therefore it was important to raise that this is not the case and that any reserves are due to the uncertainty SME's are facing and are therefore wary of making big capital

investments.

- 37.8 Tim Dafforn asked Board members how they would prefer to see the transition arrangements, so whether decisions should be taken now with interim arrangements put in place or are businesses happy to wait for further clarity? The general feedback from manufacturers and exporters in particular was to maintain the status quo, but perhaps have a five year plan in place for the transition so as to be ready to implement changes.
- 37.9 Tim thanked the Board for all their input and confirmed that he would take the feedback straight back to Whitehall and Margot James MP who is the Parliamentary Under Secretary of State and Minister for Small Business, Consumers and Corporate Responsibility. The Chair thanked Professor Dafforn and his team for attending and extended an invitation to Margot. Board members asked through the Chair whether it would be possible to see a thematic summary of the feedback from the engagement being carried out across England. Tim agreed that they could share this once all the engagement sessions had been undertaken.
- 37.10 Professor Tim Dafforn and his colleagues from BEIS left the meeting.

38 Declarations of Interest

- 38.1 The Chair gave a reminder to the board to declare any interests. No declarations of interest recorded.

39 Minutes and Matters Arising

- 39.1 The minutes of the meeting taken on the 7th July 2017 were checked for accuracy. No matters arising were recorded and the minutes of the meeting were confirmed as a correct record and that actions had been followed up.
- 39.2 Apologies for absence were received from, Gemma Davies [Head of Economic Growth, Shropshire Council], Tony Bywater [Salop Leisure], Gareth Niblett [DWP], Mandy Stoker [E4Environment], William Morris [Utilities representative SSE], Richard Sheehan [Shropshire Chamber of Commerce], Anna Wilde [PerfectArc Ltd], Lindsay Barton [FSB], Chris Lewis [Cyber Representative], Tudor Griffiths [Tudor Griffiths Ltd], Richard Lumby [Carillion PLC]

40 Armed Forces Covenant

- 41.1 The Chair introduced Sean McCarthy from Shropshire Council. Sean gave an overview of the Covenant, covering what it is and what the covenant means for businesses in Shropshire. Sean highlighted the benefits that signing up to the Covenant can have for businesses and the support that the armed forces community can offer. The Chair thanked Sean for his update and encouraged Board members to sign

up and pledge support for the Covenant. Sean McCarthy to send Lisa Ashby information to circulate to the Board along with contact details. LA

41 AOB

41.1 George Candler gave an update on the proposed new business rate discretionary relief scheme, highlighting the principles of the scheme. The relief scheme was announced within the spring budget statement with the aim of alleviating the increased financial burdens created by the 2017 rate revaluation. George passed a handout to the Board summarising the proposed scheme and public consultation dates – 13th September to the 27th September. George urged members if they did have a view on the proposals to email comments back via the online portal or directly via email. George explained that the short timescale for consultation was due to the design and detail of the relief schemes being down to the Local Authorities and that Business Rates were keen to move forward with a relief scheme as soon as possible. In addition to the proposed scheme George also updated the Board on two further relief schemes which are currently available to businesses which include supporting small businesses / rural rate relief and a public house relief. George confirmed that applications for these reliefs have been issued.

41.2 Cllr Butler highlighted that the uptake on the applications for the relief measures had been very poor to date and asked if a joint press release could be put together to send out to businesses to act as a prompt. Lisa Ashby to liaise with Shropshire Council Communications team on the production of a joint press release. LA

41.3 There was discussion around the table regarding the proposals, particularly around the amount allocations diminishing with the amounts being heavily weighted within the first year. Catherine Baxter asked if charity rate relief would be affected and if it would continue? It was thought that principles would continue but this would be checked. LA/GC

41.4 **Addendum** – Phil Weir, Revenues and Benefits Service Manager at Shropshire Council confirmed that all existing reliefs, including charitable relief will continue despite the introduction of the additional scheme.

41.5 The Chair thanked Maisy and Rizvan for attending the meeting to contribute their views to the BEIS roundtable session and extended a welcome to join the Business Board.

41.6 Gill Hamer echoed her thanks to the Board for their feedback to BEIS and how valuable this will be.

41.7 The Chair congratulated vice chair Paul Bennett on his recent achievement with a sponsored cycle ride for Asthma UK and that if anyone would like to donate then there was a just giving page.

41.8 The Chair also reminded the Board about the Economic Growth Strategy Launch on Tuesday 26th September.

42 Next Meeting Dates 2017

Monday 27th November 2017 Shirehall, Shrewsbury