

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

**HELD ON
MONDAY 23rd MAY 2016
4.30 pm – 6.45 pm**

SHREWSBURY/OSWESTRY ROOM, SHIREHALL, SHREWSBURY

Present:

Mandy Thorn MBE (Chair)	Marches Care Ltd, Shrewsbury
Paul Bennett	Shropshire Business Partnership
Catherine Baxter	Harper Adams University (Agri-technology sector rep)
Stuart Lawrence	Representing Tudor Griffiths
Tony Bywater MBE	Salop Leisure Ltd, Shrewsbury
Matthew Snelson	Grainger & Worrall Ltd (Vice Chair)
Shaun Carvill	Clickingmad Ltd, Bridgnorth
Graham Margetts	Agilent Technologies
Cllr Steve Charmley	Deputy Leader, Shropshire Council
Cllr Steve Davenport	Chair of Shropshire Council's Enterprise and Growth Scrutiny Committee
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)
Gill Hamer	Director Marches LEP

Shropshire Council Officers

George Candler	Director of Commissioning
Andrew Stirling	Regeneration Manager
Lisa Ashby	Economic Growth Coordinator

In Attendance

Glynn Jones	Bank of England
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43 Welcome, Apologies and Introductions

- 43.1 The Chair welcomed both Business Board and Ambassadors to the meeting together with Glynn Jones from the Bank of England. The Chair also noted that Lisa Ashby would be taking the minutes for forthcoming meetings in place of Julie Fildes who is currently away from the Council on sick leave. On behalf of the Board and Ambassadors the Chair sent

best wishes to Julie Fildes.

43.2 Apologies for absence were received from Keith Winter [Dyke Yaxley], Owen Gahan [Kerry Ingredients and Flavours], Tudor Griffiths [Tudor Griffiths Group Ltd, Ellesmere], William Morris [Utilities Representative – Managing Director of SSE Retail], Fay Easton [Shropshire Enterprise Partnership], Matt Sandford [Pure Telecom], Steve Wain [Shropshire Learning Network], Kully Chahal [DWP], Lindsay Barton [Golden Kite Solutions Ltd], Robin Morris [Morris & Company Limited] and Elwyn Griffiths [Oaklands Farm Eggs]

43.3 Stuart Lawrence attended as a substitute for Tudor Griffiths, Tudor Griffiths Group Ltd.

44 Declarations of Interest

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

44.2 One declaration of interest was received from Arthur Hill who declared that he was working as a consultant for Tudor Griffiths.

45 Minutes and Matters Arising

45.1 The minutes of the meeting held on the 7th March 2016 were confirmed as a correct record and that actions had been followed up.

45.2 Matt Snelson (Vice Chair) tendered his resignation citing that unfortunately he was currently unable to give the role the time and commitment it needed but thanking the board for their continued support. He noted that this would be a good opportunity for another sector to have representation in the Vice Chair role. The Chair thanked Matt for all his work and noted that it was sad to have to accept his resignation but understandable. The Chair asked for nominations for the Vice Chair position by email or telephone and that a vote would be taken at the next meeting in July. Members agreed with action.

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46 Economic Update – Glynn Jones, Bank of England

46.1 The Chair introduced Glynn Jones, Deputy Agent for the Bank of England. Glynn gave an informative presentation on the Economic outlook for the UK.

46.2 The Chair confirmed with Glynn that he was happy for the slides to be circulated to the board. Lisa Ashby confirmed that she would circulate them with the minutes.

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46.3 Glynn pointed to a lot of uncertainty in the report, with the growth outlook weaker than the projection in January/February 2016. Glynn reported that global growth remained subdued with a slight improvement in market stabilisation and commodity prices. Discussion was had on the effects of

the referendum and whether the statistics presented took this into consideration. Glynn confirmed that the Bank of England had to assume Government Policy in the report and therefore the projection is based on remaining in the EU, though he did say that there were reports being done by other forecasting houses which showed growth stats for both remaining in the EU and exit. Concern was expressed for the economy and the banking system following the referendum, however Gynn confirmed that regular stress tests on UK banks are used to evaluate a downturn.

46.4 The Chair thanked Glynn Jones for attending the meeting and presenting. Glynn Jones thanked the board and left business cards.

47 Round Table Update from Business Board Members and Ambassadors

47.1 The chair asked each member to give an overview of general business conditions and any issues affecting business or the sector in general.

47.2 General themes emerged from the round table update which included the forthcoming referendum and the likely effects to business, particularly on those who export. Skills, the minimum wage and the difficulty to recruit and retain skilled employees were also highlighted as a particular issues for Shropshire businesses.

47.3 Tony Bywater reported that their industry was benefiting from the rise in the number of people staying in the UK to holiday. He also reported having particular success with apprenticeships.

47.4 Richard Lumby reported that the Defence and Security sector was moving more towards cyber and hi tech and that the MOD were currently outsourcing a lot of this work so lots of potential opportunity within the industry. The chair questioned whether the move towards cyber technologies and outsourcing would lead to any opportunities for smaller companies in view of the fact that defence and security are a key LEP sector. Richard thought there could be long term opportunities, however he did also highlight that the accreditation involved in the industry is expensive to attain.

47.5 Graham Margetts from Agilent Technologies also pointed to recruitment in his industry being a particular issue given the scientific background required. The chair clarified that this was a difficulty in finding recruits with the right skills which Graham confirmed and it was agreed around the table that it was a particular struggle in Shropshire to attract and retain those with the right skills.

47.6 Paul Kirkbright gave an overview of the University Centre Shrewsbury and reported that the market place for universities at the moment is tough, however applications are up for the university and they are looking at expanding the post grad offer. Paul also confirmed that they are looking at increasing their engagement with businesses to ascertain their difficulties in recruiting a future workforce. Paul also confirmed that they were keen to start engaging outside of Shrewsbury and throughout the

county.

- 47.7 Matthew Snelson also pointed to the skills base being a particular issue for the manufacturing sector in Shropshire, reporting that there are also incidents of poaching skilled recruits. In response to this Matthew has been working on the provision of a manufacturing training school in Bridgnorth and developing links with both Secondary and Primary schools in the county. The Chair noted that there has been an ongoing frustration that more links could be developed with schools and Matthew confirmed that with the training school this should be possible, reaching both primary and secondary school children. The chair thanked Matthew for all his work in bringing together a number of manufacturers to address the problem and for the ongoing development of the training school.
- 47.8 Simon MacVicker highlighted the potential problems to exporting businesses if the UK were to exit from Europe.
- 47.9 Mandy Stoker also pointed to uncertainty around the referendum as being a key issue at the moment in the Environmental Technologies sector. Mandy also highlighted that the Environment Agency were making redundancies.
- 47.10 Shaun Carvill also highlighted the skills shortage in the creative and digital sector and that more applications were being received from Europe.
- 47.11 Catherine Baxter reported that demand for graduates from Harper is still strong and that they had recently won an award for industry connections. Harper continues to be as competitive as it can be and they are currently in the process of raising funds for the investment into their laboratories to maintain the number of Phd students.
- 47.12 Stuart Lawrence attended the meeting on behalf of Tudor Griffiths and reported that planning and European legislation was a particular frustration for them. He also pointed to the difficulty in attracting a skilled workforce and wages being a particular issue.
- 47.13 Arthur Hill noted that it is not a good picture in the agricultural sector at the moment with high borrowings and world commodity prices responding global pressures. He also reported that there was a potential issues with a surplus of milk in the market. Arthur also cited the late payments of RPA monies being another concern in the sector.
- 47.14 Paul Bennett reported seeing good growth in the last 12 months, though it did seem that the pause button had been pressed at the moment. Paul also reported that the banks are extremely willing to lend at the moment.
- 47.15 The Chair gave an overview of the care sector and reminded the board that whilst many of the issues were around the forthcoming referendum the meeting could not be used for political debate.

48 Economic Growth Update – George Candler and Andrew Stirling

- 48.1 George Candler updated members on the work developing an economic vision for Shropshire and confirmed that the Council, in conjunction with the University Centre Shrewsbury has commissioned IPPR (North) to develop a new economic vision for Shropshire, which links in with the refresh of the Local Plan and the LEP SEP refresh. The work will be led by Ed Cox, IPPR, who has worked on projects nationally but was attracted by the rural locality of Shropshire and Sarah Langlands, IPPR.
- 48.2 George outlined that the ownership of the Vision by the Business Board, other partners and the Council would be key. George stressed that it was important that the Vision is owned by the business community and associated stakeholders and proposed that four engagement workshops would take place in June and July around this work. George proposed that a specific workshop for the business board, ambassadors and other invitees should take place on the 11th July which is the scheduled date of the next business board meeting. The workshop will be led by Ed Cox with the focus on the specific development of a Shropshire Economic Vision and Strategy. The Chair and members all agreed with this proposal.
- 48.3 George also updated board members on the case for Devolution and driving economic growth for the Marches. George confirmed that the government has a clear desire for the devolution of powers to combined authorities to take the strategic lead on economic growth and transport. He confirmed that the three local authorities in the LEP are developing a proposal and that the proposal being put together for the Marches favours the existing joint working and partnership approach as opposed to the combined authority and elected mayor approach.
- 48.4 George also outlined the key 'asks' within the devolution proposal all of which are detailed in the presentation and that the authority was hoping to sign off the proposal by the end of June.
- 48.5 The Chair thanked George for the update and noted, in response to questions raised, that it would be useful if a short briefing paper on devolution could be produced for the board members and circulated, once the proposals had been signed off.
- 48.6 Andrew Stirling gave an overview of Growth Deal 3 to the board, following a further round of Growth deal funding being announced in April. The projects include Oswestry Innovation Park, Craven Arms Employment Land, University Centre Shrewsbury Innovation Centre and the Shrewsbury Flaxmill Maltings. The projects identified should enable growth, improve employment, improve infrastructure, support higher education and improve the retention and improvement of skills within the county. Andrew also noted that one of the key criteria for selecting these projects was that they were ready to proceed once funding was available.
- 48.7 Arthur Hill raised concerns relating to planning and broadband in relation to the proposed projects. The chair confirmed that in regards to broadband a lot of work had been undertaken by Chris Taylor at

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Shropshire Council.

48.8 Andrew Stirling also gave the board an update on the Local Transport Majors Funding which is a government launched £475m fund to enable large scale transport infrastructure projects. Andrew confirmed that the Council has made a bid for funding through the Marches LEP to undertake a refresh of the outline business case for the North West Relief Road, the Oxon Link road having being previously funded and completed under Growth Deal 1. Tony Bywater asked if this was funding for the scheme itself. Andrew clarified that this would be for the business case only which would cover the remainder of the route from Shelton to Ellesmere road. The chair also noted that LTM funding is a limited pot and work on the outline business case represented the best economic opportunity for county. If the funding were approved the work on the outline business case would commence in 2017. The proposed route being highlighted in the presentation.

48.9 Andrew Stirling also updated the board on the proposals at Clive Barracks, Tern Hill, which is currently surplus to MOD requirements and is due for disposal by 2020. The site has potential for a large number of homes. Discussions are ongoing around the future of the site and the timetable for its closure. Andrew confirmed that the council and the DIO will be working on a full consultation and engagement with a range of stakeholders. Andrew outlined what benefits the site could offer and asked the board for their feedback on what opportunities they could see for this site. He also added that it would be a good opportunity for the Business Board and Ambassadors to be involved in shaping the vision. Andrew confirmed that slides would be send out together contact details.

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49 Marches LEP Update – Gill Hamer, Director Marches LEP

49.1 Gill Hamer circulated copies of the Marches LEP 2016 Annual Report which was launched at the recent conference.

49.2 Gill also confirmed that they would be looking to submit the Growth Deal in July which would include priority projects from across the Marches. Gill also confirmed that they had commissioned KPMG to assess the projects on likely jobs created, value for money, GVA etc.

49.3 Gill updated the board on the SEP refresh and confirmed that the work was currently ongoing with the target to complete the work on the refresh by the end of the year.

49.4 Gill also confirmed that as part of the post 16 review North Shropshire College would be merging with Reaseheath College. Although Reaseheath is in Cheshire it was felt that the Oswestry model on its own would not be sustainable without the merger. Gill also confirmed that Shrewsbury College of Arts and Technology (SCAT) would also be merging with Shrewsbury 6th form college.

50 AOB/Future Agenda Items

- 50.1 The Chair confirmed that both herself and the vice chair would be meeting interested parties as part of the board's commitment to identify under represented business sectors in the board's membership. Vacancies identified include retail and construction.
- 50.2 The Chair brought to the board's attention a request she had received from West Mercia Police to join the board and attend meetings. The chair identified that in view of the increasing threat of cyber-attacks the attendance from the police would be beneficial. All members agreed that this request be accepted by the Chair.
- 50.3 The issue of attendance was raised by the board and the chair confirmed that this would be reviewed.
- 50.4 The chair closed the meeting, thanking all attendees.

51 Dates of Next Meetings

- 51.1 The next meeting of the Business Board to be held at 4.30pm on Monday 11th July 2016, at the University Centre, Guildhall, Frankwell, Shrewsbury, SY3 8HQ

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Future Meetings:

12th September 2016

21st November 2016

Tudor Griffiths, Wood Lane, Ellesmere
Shirehall, Shrewsbury