

## Midlands Engine Executive Board Reports Pack

21 APRIL 2021

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## Midlands Engine Executive Board Agenda

**Date:** 21 April 2021 13.00 – 15.00 **Venue:** Microsoft Teams

<b>Membership:</b>	Sir John Peace (SJP), Chairman, Midlands Engine, Cllr Alan White (AL) Leader, Staffordshire County Council, Prof. Trevor McMillan, Vice Chancellor, Keele University, Cllr David Mellen (DM) Leader Nottingham City Council, Cllr Simon Geraghty (SG) Leader Worcestershire County Council, Cllr Martin Hill (MH) Leader Lincolnshire Council, Cllr Barry Lewis (BL) Leader Derbyshire Council, Anthony May (AM) Chairman, Operating Board, Prof Kathryn Mitchell (KM) Vice Chancellor University of Derby, Kevin Harris (KH) Chair Leicester & Leicestershire LEP, Cllr Chris Poulter (CP), Derby City Council, Mark Stansfeld (MS) Chair Worcestershire LEP, Andy Street (AS) Mayor West Midlands Combined Authority
<b>Observers:</b>	Marian Sudbury, DIT Director for UK Regions, John Henderson, Chief Executive, Staffordshire County Council Accountable Body, Rowena Limb (RL) Area Director Cities and Local Growth Unit
<b>Apologies:</b>	Andy Street (Alt. Cllr Bob Sleight, Deputy Mayor WMCA).
<b>In attendance:</b>	Rachael Greenwood (RG) Midlands Engine Executive Director, Maria Machancoses (MM), Director Midlands Connect
<b>Guests:</b>	Prof. Delma Dwight, (DD) Midlands Engine Observatory, Grant Pegg, (GP) Director, British Business Bank, Dean Fathers, (DF) Chair, National Centre for Organisational Resilience
<b>Chair:</b>	Sir John Peace

Item	Timing	Topic	Paper No.	Lead
<b>1.</b>		<b>Business items</b>		
1.1	13.00 -13.10	<b>Chairman's welcome</b>		Chair
1.2	13.10 – 13.15	<b>Declarations of Interest and Minutes of last meeting</b>	Paper: EB21.04.1	RG
1.3	13.15 -13.30	<b>Executive Directors Report – Governance</b>	Paper: EB21.04.2	RG
<b>2.</b>		<b>Items for discussion</b>		
2.1	13.30- 14.45	<b>Executive Directors Report – Delivery</b>  Presentations: <ul style="list-style-type: none"> <li>Midlands Engine Access to Finance</li> <li>Midlands Engine Health</li> <li>Supply Chain</li> <li>Midlands Digital</li> <li>Midlands Connect</li> </ul>	Paper: EB21.04.3	RG  GP DF DD MS MM
<b>3.</b>	14.45 -15.00	<b>Any Other Business</b>		
Date of next meeting: 1 July 2021 – via Teams				

**=Draft=** Minutes of the Midlands Engine Executive Board 29 January 2021

**Attendance:**

Name	Position
Sir John Peace (SJP)	Chairman of the Board
Anthony May (AM)	Chair, Midlands Engine Operating Board, Chief Executive, Nottinghamshire County Council
Cllr Bob Sleigh (BS)	West Midlands Combined Authority. Deputy Mayor WMCA
Cllr Alan White (AW)	West Midlands Councils. Leader, Staffordshire County Council
Cllr Barry Lewis (BL)	East Midlands Councils. Leader, Derbyshire County Council
Cllr Chris Poulter (CP)	East Midlands Councils. Leader, Derby City Council
Cllr David Mellen (DM)	East Midland Councils. Leader, Nottingham City Council
Cllr Martin Hill (MH)	East Midlands Councils. Leader, Lincolnshire County Council
Kevin Harris (KH)	East Midlands LEPS. Chair, Leicester and Leicestershire LEP
Mark Stansfield (MS)	West Midlands LEPS. Chair, Worcestershire LEP
Prof. Alec Cameron (AC)	Chair, Midlands Innovation Universities. Vice Chancellor Aston University
Prof. Kathryn Mitchell (KM)	Chair, Midlands Enterprise Universities. Vice Chancellor, University of Derby
Rachael Greenwood (RG)	Executive Director, Midlands Engine
Maria Machancoses (MM)	Programme Director, Midlands Connect
Rowena Limb (RL)	Area Director, HMG Cities and Local Growth Unit
Shehzad Chaudhry (SC)	Deputy Director DIT, for Marion Sudbury
Delma Dwight (DD)	Midlands Engine
Paula Mullin (PM)	Midlands Engine
Nick King (NK)	Midlands Engine Consultant
Simon Ablewhite (SA)	Deputy Section 151 Officer, Staffordshire County Council

**Apologies:**

Cllr Simon Geraghty (SG)	West Midlands Councils. Leader, Worcestershire County Council
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Item	Narrative
<b>1</b>	<b>Introduction &amp; apologies</b>
	<p>The Chairman welcomed members to the meeting and updated the Board on recent activities including the formation of the Midlands Engine Business Council, co-chaired by Sir John Peace and the Rt. Hon Robert Jenrick MP. Full memberships and further information can be located here and <u><a href="#">Midlands Engine Business Council</a></u></p> <p>1.1 Declarations of Interest</p> <p>No declarations of interest recorded.</p> <p>1.2 Apologies received as above.</p>
<b>2</b>	<b>Approval of minutes EB21.1.1</b>
	<p>2.1 Approval of the Minutes on the 14 October 2020.</p> <p>The Board approved the minutes from the meeting held 14 October 2020 without amendment.</p> <p>2.3 Matters arising</p> <p>None recorded.</p>
<b>3</b>	<b>Governance Matters EB21.1.2</b>
	<p>3.1 The Chairman invited RG to present to the Board a paper setting out the process refreshing Board membership as the current term of office concludes for existing Board members, noting the need for re-nomination / new nominations to the Board ahead of the April 2021 meeting.</p> <p><b>Action:</b> RG to write to all Members ahead of the April Board meeting setting out the expectations for Board membership and for Board membership to be further discussed at the next meeting of this Board.</p>
<b>4</b>	<b>Directors Report - Delivery EB21.1.3</b>
	<p>4.1 The Chairman invited RG to present members with an overview of activity and to introduce updates including presentations from DD on the latest economic forecast and MM to present an update on the Integrated Rail Plan.</p> <p><b>End of year partnership video</b> - was shared with members featuring many leading voices from across our region which featured highlights and achievements of our partnership in 2020, a copy of the video can be accessed through the following this link - <u><a href="#">Midlands Engine   The Heartbeat of Britain's Economy</a></u> Members welcomed the showcase and reflected on the excellent progress made over 2020 noting the in-year shift from partnership planning to partnership delivery.</p> <p><b>Midlands Engine Voice</b> - Members acknowledged the enthusiasm and continued commitment from Parliamentarians to the work of the Midlands Engine. Members commented on the opportunity for themselves to help amplify attendance from their local MPs to the Midlands Engine APPG.</p> <p><b>Action:</b> RG to alert Board Members to the proposed APPG meeting schedule so that they might engage with local MP's with view to participation</p> <p><b>Midlands Engine Observatory</b> – DD presented the Midlands Engine Q4 2020 economic performance latest data. RG noted we are the only pan-region body with an Observatory of this type, underpinning regional decision making with contemporary and comprehensive evidence.</p>

	<p><b>Green Growth</b> - Members welcomed the updates and agreed to receive sight of draft Green Growth Action plan in due course. RG raised the importance of local authorities input into the development of the Midlands Engine Green Growth agenda was noted by Members.</p> <p><b>Action:</b> An update on the Green Growth action plan to be brought back to a subsequent meeting of this Board.</p> <p><b>Action:</b> BL to meet with RG to discuss how local authorities could be further involved in the development of the Green Growth agenda.</p> <p><b>Midlands Engine Digital</b> – MS provided an updated to Members on the accelerated progress being made and informed Members on the refresh of the Midlands Engine Digital Board to take this agenda forward with the next meeting scheduled for March 2021.</p> <p><b>Development Corporation</b> – AM confirmed the Development Corporation Oversight Board unanimously approved the programme business case. In lieu of a response on the business case from Government the five local authorities within the territorial scope of the business case have agreed to create a company limited by guarantee to continue the momentum of the work.</p> <p><b>Midlands Connect</b> – MM presented an update on HS2 Phase 1 and 2a and confirmed work continues with partners on case making activities to government to deliver HS2 in full – with a particular emphasis on Eastern leg via Toton and to invest in Midlands Engine Rail.</p>
<b>5</b>	<b>Midlands Engine Focus 2021 -2022</b>
	<p>The Chairman invited RG to provide Members with an overview of the priorities for 2021 -2022.</p> <p>AM confirmed the priorities contained within the Midlands Engine Focus 2021 -2022 have been fully endorsed by the Midlands Engine Operating Board.</p> <p>Members approved the outlined areas of focus and for the Operating Board to work up further details and to receive a more detailed report in the April meeting of this Board.</p> <p><b>Action:</b> RG to update Board Members at the April meeting on plans and proposed budget</p>
<b>6</b>	<b>AOB</b>
	<p>The Chairman thanked Members for their attendance and presenters for the updates and noted the continued good progress being made.</p>
<p><b>Date of next meeting:</b></p> <p>The next meeting of this Board is scheduled for 21 April 2021.</p>	

Actions	
Item	Action:
<b>3</b>	Board membership to be discussed at the April meeting of this Board.
<b>4</b>	RG to alert Board Members to the proposed APPG meeting schedule so that they might engage with local MP's with view to participation.
<b>4</b>	An update on the Green Growth Action plan to be brought back to this Board.
<b>4</b>	BL to meet with RG to discuss how local authorities could be further involved in the development of the Green Growth agenda.
<b>5</b>	RG to update Board Members at the April meeting on in-year plans and proposed budget.

<b>Security Level:</b>	Confidential	Restricted	Unclassified <input type="checkbox"/>	Commercially Sensitive
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<b>Meeting &amp; Date:</b>	Midlands Engine Executive Board – 21 April 2021			
<b>Subject:</b>	Executive Directors Report - Governance			
<b>Attachments:</b>				
<b>Author:</b>	Executive Director, Midlands Engine	<b>Total no of sheets:</b> (incl. cover sheet)	7	
<b>Papers are provided for:</b>	Approval <input type="checkbox"/>	Discussion	Information <input type="checkbox"/>	

<b>Summary &amp; Recommendation:</b>
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### Summary

This report by the Executive Director provides an update on matters of governance including the budget outturn for 2020 – 2021 and budget proposals for 2021 – 2022. This report also provides Members with an update on partner contributions and nominations to Executive Board Membership.

### Recommendations

To receive updates, note summaries and actions required, including:

1. Executive Board membership nominations and vacancies
2. The outcome from the Annual Performance Review
3. Update on partner contributions
4. Budget proposals as presented for 2021 - 2022 – for consideration and approval
5. Resourcing update

**Board Membership** - At the January 2021 meeting of this Board, it was agreed that the Executive would write to Executive Board Members seeking confirmation of representation at this Board for seats as discussed, including seeking nominations to vacant seats. Detailed in **Appendix 1** of this report is the Board nominations received to date from partner groupings with membership and term of office (12 months) to be confirmed formally at the April 2021 meeting of this Board.

Members are advised that we currently have vacancies for 3 West Midlands Councils, 2 East Midlands Council vacancies and 2 Business Council members.

In light of both the current vacancies and ongoing local authority and combined authority elections, the recruitment to Office for the position of Vice Chair has been postponed to the July meeting of this Board. Two nominations for the Office of Vice Chair have been received to date.

The Board meeting will proceed following confirmation of Board Membership as per nominations received.

**Midlands Engine Annual Performance Review** – In preparation for the Annual Performance Review, the Midlands Engine is subject to an annual Audit undertaken by our Accountable Body. This was completed and demonstrated that the Midlands Engine Partnership has in place, the appropriate processes and mechanisms to ensure the proper administration of its financial affairs. Board Members will be pleased to note that on 3 February 2021 we had a positive Annual Performance Review, supported by and attended by Anthony May, Rachael Greenwood, the Accountable Body and led by representatives from MHCLG, Cities and Local Growth Unit. This review confirmed compliance with the assurance standards required by Government in respect of our grant funding, and the compliant operation of the partnership overall.

**Partner Contributions** – Members will receive an update on the latest position in respect partner contributions. Where indicated, the Midlands Engine Executive will continue to work with each individual funding partner to secure their contribution. Thanks, must be noted to the Accountable Body and Members of the Midlands Engine Operating Board Members for their support in enabling us to secure a significantly improved position in respect of partner contributions.

### **Budget 2021 -2022**

In line with the Midlands Engine Scheme of Delegation (Section 1.5 Annual Budget Setting) – spending proposals for the year ahead, for annual budget setting purposes have been submitted to the Midlands Engine Operating Board for review and scrutiny. Members of this Boards are asked to approve, the 2021 - 2022 budget for onward ratification by the Accountable Body Section 151 Officer.

In the preparation of the annual budget setting for 2021 -2022, the Midlands Engine Executive has worked closely with the Finance team within the Accountable Body and would like to thank the Accountable Body for their input.

In summary the figures are as follows (as of March 2021). Full financial details are shown at **Appendix 2**

**Budget 2020/2021** – The income for 2020 – 2021 was **£3,247,230** against an expenditure of **£1,778,010** and commitments of **£1,070,850**. The uncommitted partner contributions of **£398,370** will be carried forward into 2021 – 2022 as business continuity reserved funds to ensure we have some underwriting for core staff costs beyond the MHCLG Grant one year funding period.

**Budget 2021/2022** – The anticipated income for 2021 – 2022 consists of MHCLG grant of **£2,500,000** and (anticipated) partner contributions of **£660,000** and a carry forward of partner contributions **£398,370** plus project commitments against ongoing programme expenditure from 2020 -2021 of **£1,070,850**. Together this provides a budget envelope of **£4,629,220**, against which commitments are already recorded in part, as noted here.

Of the MHCLG grant the following will be allocated against the agreed priority areas:



Core Costs and Overheads	£1,200,000
ME Voice (communications)	£190,000
Midlands Engine Observatory	£350,000
Green Growth (& Energy)	£350,000
Strategic Economic Corridors	£300,000
International and Trade	£110,000
<b>Total</b>	<b>£2,500,000</b>

## Resourcing

With early confirmation of MHCLG Grant funding for 2021/22, and a step change in partner contributions, it has been possible to make offers of employment to fill 3 Director roles within the Executive Team, who will bring essential leadership support and capacity and ensure the accelerated delivery of Midlands Engine work programmes in the year ahead. This additional new capacity will also release capacity for the Executive Director to continue strategic partnership and business development areas, alongside relationship development and advocacy work.

The three roles – commencing between April and June 2021 are:

Director – External Affairs  
 Director – International Relations  
 Director – Delivery

These posts will complement the already filled role of Director, Midlands Engine Observatory, within the Executive Team.

## Appendix 1 - Board Membership nominations

### Midlands Universities

1. Prof Kathryn Mitchell, Vice Chancellor University of Derby University for **Midlands Enterprise Universities**
2. Prof. Trevor McMillan, Vice Chancellor, Keele University for **Midlands Innovation Universities**

### Midlands Local Enterprise Partnerships

1. Mark Stansfeld Chair, Worcestershire LEP for **West Midlands LEPs**
2. Kevin Harris Chair, Leicester, and Leicestershire LEP for **East Midlands LEPs**

### West Midlands Combined Authority and Accountable Body

1. Andy Street Mayor, West Midlands Combined Authority for **West Midlands Combined Authority Seat**  
(*Alternate, Cllr Bob Sleigh, Deputy Mayor, West Midlands Combined Authority*)
2. Cllr. Alan White, Leader, Staffordshire County Council, **Accountable Body Seat**

### East Midlands – Balancing seats to West Midlands Combined Authority and Accountable Body

1. East Midlands Councils - West Midlands Combined Authority Balancing Seat- **Vacant**
2. East Midlands Councils - Accountable Body Balancing Seat – **Vacant**

### West Midlands Councils

1. Cllr. Simon Geraghty Leader, Worcestershire County Council for **West Midlands Councils**
2. West Midlands Councils - **Vacant**
3. West Midlands Councils - **Vacant**
4. West Midlands Councils - **Vacant**

### East Midlands Councils

1. Cllr. Chris Poulter Leader, Derby City Council for **East Midlands Councils**
2. Cllr. Martin Hill Leader, Lincolnshire County Council for **East Midlands Councils**
3. Cllr. Barry Lewis Leader, Derbyshire County Council for **East Midlands Councils**
4. Cllr. David Mellen Leader, Nottingham City Council for **East Midlands Councils**

### Midlands Engine Business Council

1. **Vacancy**
2. **Vacancy**

### Midlands Engine Operating Board Chairman

1. Anthony May, Leader Nottinghamshire County Council, Operating Board Chairman

## Appendix 2

**Table 1a – Budget outturn 2020 – 2021**

### Expenditure 2020/2021

Description	BUDGET 20/21	Forecast Spend up to 31 March 2021	20/21 Committed spend areas ongoing in year/into 21/22
	£	£	£
<b>Central Programme Costs</b>	930,000	953,640	0
<b>Marketing &amp; Communications</b>	473,448	249,090	57,000
<b>Regional Economic Observatory</b>	542,900	367,260	315,400
<b>Regional Leaders Summit</b>	100,000	2,590	190,300
<b>Delivery Programme 20/21</b>	522,000	205,430	508,150
<b>In year contingency</b>	51,652		
<b>TOTAL EXPENDITURE</b>	<b>2,620,000</b>	<b>1,778,010</b>	<b>1,070,850</b>

### Income 2020/2021

Description	BUDGET ESTIMATE 20/21	Actual income 2020/21
	£	£
MHCLG Grant	-2,000,000	-2,000,000
C/FWD 19/20 (against staff costs)	0	-836,680
Interest Received	0	-24,560
Partner Contributions (Arrears) Received	0	-40,000
Partner Contributions 20/21	-620,000	-256,670
Refund MIPIM Event		-89,320
<b>TOTAL INCOME</b>	<b>-2,620,000</b>	<b>-3,247,230</b>
<b>GRAND TOTAL</b>	<b>0</b>	<b>-1,469,220</b>

### Commitments against Income 2020/2021

Active spend areas 2020/21		-1,469,220
20/21 Committed spend to be incurred 20/21 or 21/22		1,070,850
<b>UNCOMMITTED INCOME (Partner/other contributions)</b>		<b>-398,370</b>

#### Notes to Table 1a:

2021/2021 active and committed spend areas, values and year end position have been shaped by:

- Priorities for 2020/21 not finalised until May 2020
- Major increase in staff resources to deliver the priorities implemented fully during November 2020 – later than expected (in full)
- Covid-19 impact which led to increased expenditure / change in planned profile for Midlands Engine Observatory – and

generated business lag in other matters (not quantified)

- actual budget was higher than anticipated through own-hand income – an additional £627,000

Commitments have balanced these pressures and influences both in-year and into 2021/22 with programmes of work instigated and commission (committed in full)

A balance of £398,370 will be carried forward as uncommitted. This is less than expected at the November meeting of this Board, due to ongoing programmes and pressures, but will be the amount held as own-hand income to underwrite staffing costs beyond the Government funding envelope as previously planned, providing some ability for the Executive team to continue beyond March 2022 and therefore plan work delivery over a longer, strategic timeframe.

**Table 1b – Budget 2021 – 2022**

DESCRIPTION	STAFFING £	COMMITTED ACTIVITY 20/21 £	NEW COMMITMENTS £	TOTAL BUDGET 21/22 £
Central Programme Costs	1,209,790	0	438,000	1,647,790
Marketing & Communications	170,000	57,000	20,000	247,000
Regional Economic Observatory	201,280	315,400	80,000	596,680
Regional Leaders Summit	0	190,300	0	190,300
Delivery Programme	428,550	508,150	20,000	956,700
ME Areas of Focus to be confirmed 21/22: (Digital, Green Growth, Internationalisation, Observatory, Regional Voice, Strategic Corridors, Innovation, Productivity of Skills, Health, Finance)			990,750	990,750
<b>TOTAL EXPENDITURE</b>	<b>2,009,620.00</b>	<b>1,070,850.00</b>	<b>1,548,750.00</b>	<b>4,629,220</b>
<b>Income</b>				
MHCLG GRANT 21/22				-2,500,000
PARTNER CONTRIBS 21/22 assumption of 33 partners				-660,000
20/21 Committed Activity				-1,070,850
C/FWD 20/21 (non MHCLG)				-398,370
<b>TOTAL INCOME</b>				<b>-4,629,220</b>
<b>GRAND TOTAL</b>				<b>0</b>

**Notes to Table 1b:**

2021/2022 budget will be determined in part by partner contributions and work is planned to secure a greater proportion of partner contributions than has been successfully secured previously.

Other income areas such as Department for Transport funding for strategic corridors work (via Midlands Connect) and DCMS investment in digital activities may be advised subsequently.

DIT investment is being sought to support international trade focused activity within the partnership and subsequently a budget for this area may be further advised.

## OTHER (GRANT) INCOME

### MENTAL HEALTH AND PRODUCTIVITY PILOT GRANT

#### BUDGET 21/22

MENTAL HEALTH & PRODUCTIVITY PILOT GRANT PROGRAMME				4,230,999
UNALLOCATED				7,996
<b>TOTAL EXPENDITURE</b>				<b>4,238,995</b>

GRANT INCOME BALANCE C/FWD				-1,730,999
<b>BALANCE OF GRANT TO BE RECEIVED 21/22</b>				<b>-2,500,000</b>
INTEREST ON BALANCE				-7,996

<b>TOTAL INCOME</b>				<b>-4,238,995</b>
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<b>GRAND TOTAL</b>				<b>0</b>
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<b>Security Level:</b>	Confidential	Restricted	Unclassified <input checked="" type="checkbox"/>	Commercially Sensitive
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<b>Meeting &amp; Date:</b>	Midlands Engine Executive Board – 21 April 2021			
<b>Subject:</b>	Executive Directors Report - Delivery			
<b>Attachments:</b>				
<b>Author:</b>	Executive Director, Midlands Engine	<b>Total no of sheets:</b> (incl. cover sheet)	7	
<b>Papers are provided for:</b>	Approval	Discussion	Information <input checked="" type="checkbox"/>	
<b>Summary &amp; Recommendation:</b>				
<p><b>Summary</b></p> <p>This report sets out an update on implementation of the Midlands Engine Business Plan 2020/21 and demonstrates significant progress made across the Partnership, led by partners from across Midlands Engine over the course of the year. This paper will be complemented by a number of short presentations which will be given at the Board meeting.</p> <p><b>Recommendations</b></p> <p>To note summary and actions required, including:</p> <ol style="list-style-type: none"> <li>1. To note the progress on Partnership Voice – Raising the Profile of the Midlands Engine and the associated update on communications.</li> <li>2. To note the Executive Director’s updates providing evidence on progress against the Midlands Engine Business Plan 2020/21.</li> </ol>				

## **Partnership Voice – Raising the Profile of the Midlands Engine**

### **Communications and Public Affairs**

Ensuring strong awareness of the work of our partnership and the Midlands Engine as a region, enabled by consistent and appropriate communications and engagement, is a key focus of work, on behalf of partners.

Across all Midlands Engine communications platforms - including the Midlands Engine website, social media accounts, email marketing platform and Google Search Console - the number of people viewing Midlands Engine content increased in 20/21 by 85% when compared to 19/20. The number of people subsequently engaging with Midlands Engine content has increased by over 198%.

In November 2020 the Executive Team began tracking key metrics from Midlands Engine digital communication channels to benchmark performance and adopt an evidence-based decision making process regarding communication improvements and planning.

**Newsletters, Features and Economic Impact Monitors** - In February 2020, Midlands Engine began publishing the Midlands Matters newsletter in a new format; a roundup of news stories and featured content from across our Partnership has been sent to a dedicated audience of stakeholders including Local Authorities, universities, LEPs, parliamentarians and Government. A bespoke social media campaign has recently seen the number of subscribers grow to over 1000. Since launch in February, continual refinements to the content and style of the newsletter have been undertaken in order to maximise audience engagement. Beginning in autumn 2020 newsletters have included a special feature on a key area of our operations. Recent editions of the newsletter have included features on Midlands Engine Health, the Midlands UK Forum for Growth, Enabling Enterprise and the Mental Health & Productivity Pilot.

In early 2020 the Midlands Engine Regional Economic Impact Monitors (formerly the Covid Economic Impact Monitor) have been distributed via an email marketing platform to a dedicated audience of over 200 people which continues to grow. Many partners have openly contributed considerable data-sets (and continue to do so). These contributions have strengthened the Monitor immeasurably and partner support here is hugely valued.

### **Public Affairs**

**Engaging with Ministers** - We have been working closely with the Midlands Engine Champion, Secretary of State the Rt Hon Robert Jenrick MP, and his team in developing the new 'Midlands Parliamentary Champions' (who met for the first time on 2 February 2021) and the new Midlands Engine Business Council (which met for the first time on 9th February) both these initiatives are covered in more depth in the Chairman's Engagement Update.

We have sent on the 'Midlands Engine Focus' document to the Secretary of State the Rt Hon Robert Jenrick MP and other key stakeholders within Government as well as writing in support of the two Midlands Engine Freeport proposals to the Secretary of State the Rt Hon Robert Jenrick MP, the Chancellor of the Exchequer, and other relevant Ministers. We were therefore delighted when, in Budget 2021, the Chancellor confirmed that both of the bids we supported – at East Midlands Airport and around the Humber Ports, were successful.

**Engaging with MPs** - We also highlighted the Freeport proposals to Midlands Engine MPs and, in particular, through the APPG. The APPG, along with our Parliamentary Champions, remains our main conduit for discussions with parliamentarians, though we continue to engage in one on one dialogue where appropriate. They were particularly influential in securing the success of the Freeport bids in our region.

Since our last update, the Midlands Engine APPG has had its initial session for 2021, with both Sir John and the Secretary of State the Rt Hon Robert Jenrick MP in attendance and fielding questions, which was then followed up with a sub-group on transport and the Integrated Rail Plan in particular.

The APPG has also met to consider the Government's plans for rail infrastructure, featuring Minister Chris

Heaton-Harris MP, and to discuss the importance of recovery of the Midlands Engine Visitor Economy Chaired by Lord Taylor as we emerge from the pandemic.

**Chairman's Engagements** - In February, Sir John and Secretary of State the Rt Hon Robert Jenrick MP also co-convened the first meeting of the Midlands Engine Business Council, bringing together over 25 of the region's most senior business leaders to discuss the key issues facing the Midlands in 2021 and beyond. This group will continue to meet on a six-monthly basis. In March an extraordinary Business Council was called featuring reflections on Budget 2021 from the Chancellor of the Exchequer, Rt Hon Rishi Sunak MP.

**Party Conferences** – Plans are under development for in person events for this year's Party Conference season. The Midlands Engine with the support of partners will aim to attend the Conservative and Labour Conferences (there are currently no Liberal Democrat MP's in our region) providing a high visibility presence throughout the conferences to further promote our regions priorities.

### Progress Updates to April 2021- Business Plan Implementation

The Midlands Engine Business Plan 2020/21 sets out the work programme of the partnership in-year. We continue to report progress to and seek guidance from the Midlands Engine Operating Board on partnership activity.

The Midlands Engine Executive Director will be ready to provide a verbal update on any areas sought by the Board.

### Summary of Work Streams

Business Plan Ref	Midlands Engine Work Stream	Partners active (dynamic groups) All supported by the Executive Team and Observatory
A1	Midlands Engine Observatory	Black Country Economic Intelligence Unit, Nottingham Trent University, CityREDI, MEU and MIU university partners (14), LEPs
B1/B6	Midlands Engine Energy Partnership/ Environment strategy – Now combined within a Green Growth work stream	LEPs, Midlands Energy Hub, Midlands Engine Dev Co, Energy Capital, WMCA, NGO (enviro) consortia, industry, Midlands Connect
B2	Midlands Engine Supply Chains	MIU, MIU, LEPs
B3	Access to Finance in Midlands Engine	British Business Bank, LEPs
B4	Midlands Engine Business Mentoring and Leadership	Be the Business, LEPs, Industry, Midlands Engine Business Forum partners
B5	Accelerating Science and Innovation	Cross-partnership engagement
C1	Midlands Digital	MEU, WM5G, WMCU, Midlands Connect, LEPs, DCMS
C2	Midlands Engine – International Trade and Investment	Trade and Investment group – (sub group of), DIT, Midlands Engine Exec
C3	Midlands Engine Health	Industry, MEU, MIU, Midlands Innovation Health, Midlands Health Alliance plus Midlands Engine Exec

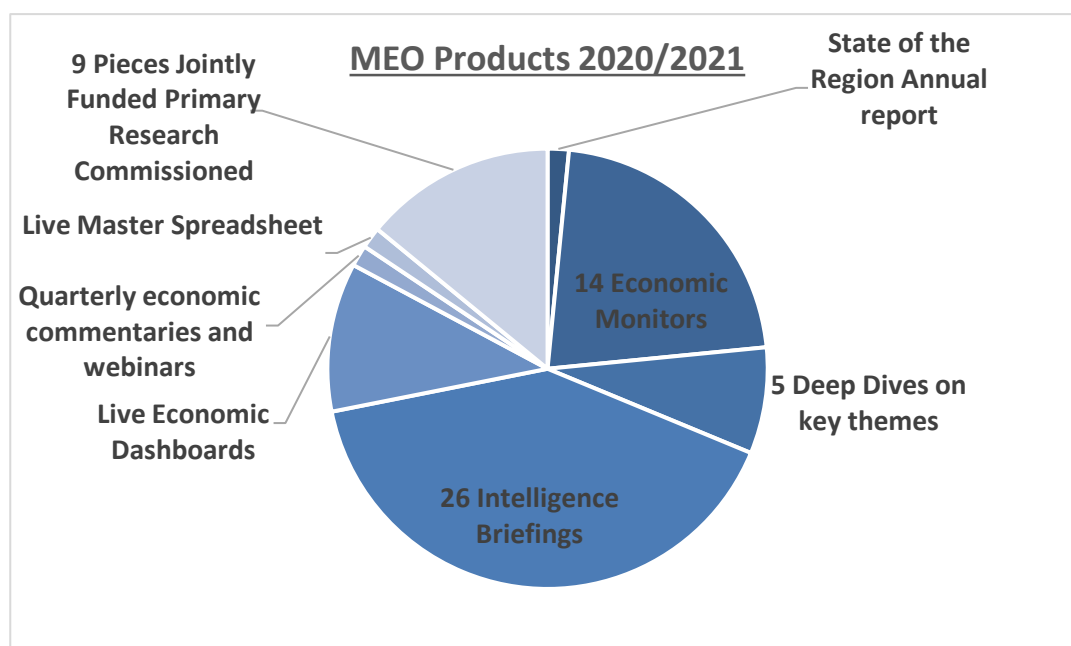


**(A1) Midlands Engine Observatory and (B2) Supply Chains** – The Midlands is the only region in England to have a pan regional Observatory to gather data, create intelligence to help shape policy insights to target investments for recovery and growth of our region. Over this year the Midlands Observatory has secured over quarter million pounds of co-investment from University and other academic partners, against 9 areas of primary research. This includes commissioning 5 pieces of primary research to deepen our understanding of supply chains in order to understand firstly how they operate and secondly what blockages or barriers might exist. In particular, work has considered a number of issues heightened by Covid -19 and Brexit to ultimately develop a range of possible interventions that can strengthen and de-risk Midlands Engine supply chains and proactively support acceleration of growth.

**Prof. Delma Dwight**, Director, Midlands Engine Observatory will be in attendance and provide Members of the Board with and update on the Supply Chain work.

In addition to the above, 14 Midlands Engine Economic Impact Reports including deep dives on skills, energy and low carbon, trade, place and business and over 25 regular intelligence briefings providing real time intelligence have been produced. These have been used to inform a number of Roundtable discussions, policy and strategic debates.

The illustration below subdivides the number of pieces of work over the past year undertaken by the Midlands Engine Observatory :



**B1/B6 Midlands Engine Green Growth** – Midlands Engine is the first pan regional partnership in the UK to set out how stakeholders from right across our region will come together to deliver the Government’s Ten Point Plan for a Green Industrial Revolution. Our own Ten Point Plan for Green Growth in the Midlands Engine, which will be published in June 2021. We will continue to work to identify lead partners or partner-led taskforces to drive forward initiatives and capitalise on new opportunities to attract investment and accelerate transformational Green Growth.

**B3 Access to Finance in Midlands Engine** –Work led by the British Business Bank, in collaboration with our Observatory and connecting in HMT, has continued to progress actively since the last meeting of this Board. In March 2021 the Midlands Engine Investment Fund had provided over £100m of investment to business in our region.

**Grant Peggie**, Director, British Business Bank, will be in attendance at this meeting and provide Members of the Board an update and share insights from the in-depth investigation into SME access to finance in the Midlands Engine.

**B4 Midlands Engine Business Mentoring and Leadership** – Midlands Engine is working on a joint project with Be the Business with the goal of improving productivity in SMEs across the Midlands Engine geography. The first phase of work is involving data assessment, supported by the Midlands Engine Observatory. Recruitment for a Steering Group to guide the programme is ongoing.



**B5 Accelerating Science and Innovation** – Throughout the course of the year to date, this work stream has actively underpinned key delivery areas, notably our Energy Conversation / Environmental Strategy / Green Growth and Supply Chains work streams. Additionally, research undertaken has provided a comprehensive review of gaps and opportunities and highlights the underinvestment in our innovation infrastructure. The newly established Innovation and Enterprise `panel` with partners from industry, academia and the public sector will drive forward a focused work stream into 2021 – 2022 linked to opportunities to build capacity and accelerate recovery and growth.

**C1 Midlands Digital** – The Midlands Engine Digital work stream has gathered significant pace over the year and completion of a pan-regional digital asset map – highlighting connectivity and gaps, is now nearing completion. Once completed, the Midlands will be the first region in the England with a digital map of connectivity. Research on how digital must underpin future regional competitiveness is also underway and will complete early summer – led by the Digital Steering Group. The re-start of the Midlands Engine Digital Board marks a further milestone in progressing strategic connectivity issues for the Midlands Engine.

**Mark Stansfeld**, Midlands Engine Digital Board Chairman, will provide Members of the Board with an overview of planned next steps.

**(C2) Midlands Engine – International Trade and Investment** – The Midlands UK Forum for Growth provided the first ever global inward investment of its kind in the UK - showcasing £17.6 billion worth of investment opportunities for our region. A partner-led event evaluation of the Midlands UK Forum for Growth has now concluded, led by the Midlands UK Steering Group. A significant conclusion of the evaluation was the appetite from partners to continue to join forces to create further opportunities to enhance and share a compelling proposition of Midlands strengths and prospects (broader than real estate) for investment. Plans for 2021 – 2022 include working with the newly formed Office for Investment, participation in the Global Investor Summit/COP26 and ensuring we harness the opportunities presented by the Commonwealth Games and Coventry City of Culture.

**C3 Midlands Engine Health** – Health and Life Sciences continues to be a priority area of focus for partners. Across the Midlands Engine, learning from Covid-19 is being reflected on. The successful Industry Leaders event held in February and attended by over 50 firms, highlighted huge appetite from business to have continued support from Midlands Engine to build networks and support growth for this £25bn sector. Work within this programme has the overall aim of increasing the regional economic impact of this sector. The Midlands Engine Health Board, now established, with oversight from the Midlands Engine Operating Board, has developed a workplan into 2021/22 to continue to drive forward work with partners from industry, clinical and academic sectors to accelerate growth in this sector.

**Prof Dean Fathers**, Chair, National Centre for Organisational Resilience and Midlands Engine Health Board member will be in attendance to provide an overview to the Board on the activities so far and plans for Midlands Engine Health.



### Midlands Engine Health Board Members



**Midlands Engine Development Corporation** – Following the submission of the business case to Government, the five local authorities within the territorial scope of the business case continue with their plans to create a company limited by guarantee to continue the momentum of the work.

**Midlands Connect** – with partnership support work continues with partners on case making activities to government to deliver HS2 in full – with a particular emphasis on Eastern leg via Toton and to secure investment in Midlands Engine Rail.

**Maria Machancoses**, Midlands Connect Programme Director, will be in attendance to provide Board members with an update.



**MIDLANDS  
ENGINE**