

## East of England Regional Economic Forum

13 January 2009, 9.00am-10.30am

Location – T-Mobile, Hatfield, Hertfordshire.

### Minutes

#### Attendees

<b>Name</b>	<b>Position</b>
Barbara Follett MP	Regional Minister (co-chair)
Richard Ellis	EEDA, Chair (co-chair)
Chris Mole MP	Parliamentary Assistant to Regional Minister
Cllr Robert Gordon	Hertfordshire County Council, Leader
Deborah Cadman	EEDA, Chief Executive
Jamie Merrick	EEDA
Cllr John Reynolds	EERA, Chair
Brian Stewart	EERA, Chief Executive
Paul Pugh	GO, Regional Director
Terence Illott	GO-East, Director of Economy and Environment
Caroline Neville	LSC, Regional Director
Laurie Kay	LSC, Regional Director of Skills
Lynda Russell	Jobcentre Plus, Regional Director
Sir Neil McKay	NHS East of England, Chief Executive
Terry Fuller	Homes and Communities Agency, Regional Director
Caroline Tapster	Hertfordshire County Council, Chief Executive
Michael Large	Chairman, East of England Business Group
Richard Tunnicliffe	East of England CBI
Jerry Golland	Chairman Institute of Directors East of England Region
Tim Hutchings	Regional Chambers of Commerce & Industry Representative
Megan Dobney	Regional TUC
Mike Todman	GO-East (Notes)

#### Apologies

Richard Howitt	MEP, East of England
Mark Ereira-Guyer	COVER
David Burch	Federation of Small Businesses
Gwyn Drake	Highways Agency, Regional Director

#### Welcome and Introductions

Barbara Follett expressed her thanks to T-Mobile for hosting the meeting.

Barbara Follett outlined plans to make the REF a more focussed group, with a greater emphasis on gathering information between meetings and focussing meetings on themed discussions. Key areas to be covered in this meeting

include the regional response to redundancies, support to businesses and impacts of the economic downturn on the housing market.

## **Item 1 - Economic Update**

- **Regional Economic Overview (Jamie Merrick, EEDA)**

Jamie Merrick provided an overview of the current state of the regional economy, including an analysis of key measures of regional economic performance.

- **Local Overview – (Cllr Robert Gordon, Leader, Hertfordshire County Council)**

Councillor Robert Gordon provided an overview of the impacts of the economic downturn in Hertfordshire, reporting a mixed picture across the county, with considerable variation across business sectors and geographically.

Barbara Follett praised the response to the downturn within the county, particularly from the County Council.

The Forum discussed how best to measure the impacts of local initiatives in response to the economic downturn. Barbara Follett acknowledged the difficulties in quantifying the impact of initiatives and asked REF members to ensure that they keep providing feedback from their perspectives on the economy.

The Forum discussed the increase in unemployment claims within the region, reduced production in the automotive industry within the region and loss of jobs and skills plant closures might bring. Barbara Follett reported that work was underway nationally with regard to this sector and agreed to report back to the Forum on developments.

**Action – Barbara Follett to report back to REF on ongoing national work to support the automotive sector.**

- **National Feedback – Barbara Follett, Chris Mole and Richard Ellis feed back from CRM on 17/12/08 and REC 05/01/09.**

Barbara Follett and Richard Ellis provided an update on the Regional Economic Council Meeting held on 05/01/09, where the Prime Minister announced £40bn in investment.

Key issues for the region included:

- Increased benefit claims and increasing vacancy numbers as evidence of the regional skills gap.
- Apprenticeships & graduate schemes.
- The launch of the New Opportunities White Paper on 13/01/09.
- Impacts of the downturn on venture capital.

## **Item 2 - Policy Discussions**

- **Employment: economic downturn and redundancies, joint regional plan. (Laurie Kay, LSC)**

Laurie Kay explained the origins of the joint regional plan and thanked EEDA and JobCentre Plus, who collaborated in the production of the plan. It was noted that the work outlined in the plan is supported by £12m of ESF funding made available in the Pre Budget Report.

Laurie emphasised that the plan did not duplicate services already provided by JobCentre Plus Rapid Response Service or EEDA's Response to Redundancy. This plan builds on this existing work.

The Forum commented on the plan and discussed how best to publicise it and engage with the work outlined within it. Forum members suggested that REF members should sign Skills Pledge and Local Employment Partnerships and think about how to push themselves to exceed the minimum level 2 skills commitments outlined in the document to deliver level 3 and 4 skills for their employees.

The Forum agreed that clear agreed communication messages where needed in order to publicise the plan.

**Action – LSC, EEDA and JobCentre Plus to draft an overview document (1 side of A4 max) for use by REF members in publicising the joint regional redundancies plan.**

- **Business Support: what EEDA does for business - a response to the economic downturn (Deborah Cadman, EEDA), Banks update (Richard Ellis)**

Deborah Cadman outlined the support available to regional businesses and new sources of funding currently coming online. EEDA are writing to 200,000 businesses around the region to outline the support available to them.

**Action – GO-East to add a link to EEDA's letter to businesses and business support website from Barbara Follett's webpages.**

Richard Ellis provided an update on recent meetings EEDA have held with banks across the region. Meetings to date have proved productive and EEDA plan to meet again with banks again in February. Banks could be a useful mechanism to pass on messages about business support and advice.

The Forum discussed how best to support the prompt payment initiative and ensure that the principle of prompt payment was passed on, down the supply chain by contractors. The Forum agreed to share case studies where prompt payment was not being passed on and noted that forthcoming surveys by Chambers of Commerce may be a useful barometer for this. The Forum also

noted that delays in approving invoices for payment could also cause hardship to suppliers.

**Action – REF members to share case studies of where delays in payment or approval from public bodies are causing hardship to businesses.**

Richard Ellis advised REF members that a new loan scheme for small businesses would be launched on 14/01/08 and requested that REF members provide feedback on the early impacts of this scheme at the next REF.

**Action – REF members to feedback to EEDA on impacts of business support and any anecdotal examples of high interest rates or problematic banking behaviour to feed into future meetings with banks.**

- Housing Paper (Chairs)

The Forum discussed the state of the regional housing market and identified several issues around repossessions, which Barbara Follett agreed to raise with Council of Regional Ministers on 15/01/09.

**Action – GO-East to draft a note on repossession issues for Margaret Beckett.**

**Action – GO-East to explore ‘Homesaver’ proposals promoted by Coastal Housing Action Group.**

- Other themes for future work (Chairs)

The Forum agreed to continue to consider work under Employment and Business Support and agreed that future meetings should also cover the following subjects:

- Infrastructure and Investment.
- Impacts on communities.
- Preparing for the upturn.

### **Item 3 - REF Actions**

- Update on REF Actions (Secretariat)

All actions identified in previous meetings are either completed or in progress.

- Issues to feedback at national meetings (Chairs)

Additional issues to feedback to national meetings were identified elsewhere.

### **Item 4 - Communications activity and Forward Look**

- CRM Forward Look

Barbara Follett advised the Forum of the dates of forthcoming CRM meetings and proposed agenda items for forthcoming meetings.

- February REF

The Forum agreed that the February REF would discuss papers on Infrastructure and Investment and Impacts on Communities.

**AOB**

None.