
Green Port Growth Programme Management Board – 11th May 2016
STRAND UPDATE REPORT

Employment & Skills Strand

Strand Progress

Apprenticeship Wage Subsidies - The 2016-17 target for engineering apprenticeship starts is 200. Since 1st April 2016 25 applications have been approved with a further 20 pending.

Up-Skilling Training Subsidies - The 2016-17 target for upskilling is 200. Since 1st April 2016 25 applications have been approved with a further 30 pending.

Key considerations for the board

Pathway to Employment

Participants from the first Pathway to Employment programme continue to move into employment with 11 of the 20 participants now employed with manufacturing companies. The second cohort is now approaching the end of their 5 weeks training period and will start their work experience placements on 9th May.

Linking Lower Level Training Packages to Advanced Apprenticeships

To date, 14 trainees from the 40 who started the Lower Level Training Packages to Advanced Apprenticeships project on 25th January have moved into employment and a Level 3 engineering framework. A further 4 have provisional offers of employment. 20 South Humber Bank trainees joined the project on 28th March. Of that group, 2 have secured employment and a Level 3 engineering framework.

Representatives from Siemens, Airco, the Swift group and Green Port met recently to start planning a 'Women into Engineering and Manufacturing' event, aimed at tackling inequalities in the labour market and encouraging better gender balance in specific sectors. Outline ideas include hosting a recruitment event as the companies involved all have current opportunities, and also potentially developing a Humber-wide campaign to attract more women into engineering and manufacturing. The timing of the campaign may be linked to the Race for Life, and could be hosted via the Green Port Skills strand, although this is still subject to formal discussion and agreement. A supporting event targeted at Careers Advisors, female-orientated organisations and women's business and networking groups is also being considered.

Siemens recruitment continues, and data is being analysed to identify any specific sectors or individual employers locally who may be experiencing displacement of staff. Early indications are that successful applicants have come from a wide number and variety of different companies, and also not just predominantly from the mainstream manufacturing sector.

Plans are being considered to develop the infrastructure and improve the Grovehill and Swinemoor Industrial estates in Beverley, potentially to attract renewables supply chain businesses. A number of potential funding sources have been identified, and expressions of interest currently being worked up.

The construction industry locally is showing signs of skills shortages, and anecdotally is having difficulty attracting apprentices, even though renewables and other developments are creating many opportunities. Recent discussions with business leaders in the building trade also identified an ageing workforce and a lack of succession planning. Research has now begun into what the underlying problems are within construction in general, and with companies locally, and what projects and initiatives could be developed to combat the current labour supply problems and take advantage of ongoing inward investment.

Business Support Strand

Strand Progress

The project has (to date);

- 383 Enquiries
- 236 Enrolled
- 132 Businesses Supported
- 38 financial assistance applications have been awarded
- 72.43 f/t equivalent Jobs created

Financial Assistance (to date)

- Financial assistance paid = £256k
- Financial assistance committed = £124k
- Percentage of spend with local businesses, 60% Hull and East Riding, 13% rest of Yorkshire & Humber, 27% outside Yorkshire and Humber.

Events/Workshops –taken place this month have resulted in:

Understanding Offshore Wind: an Introduction to Meteorology - 9 individuals attending from 8 companies of which there were no new enrolments on to the programme.

Resourcing for Profitable and Sustainable Growth – 3 individuals attending from 3 companies of which there were no new enrolments on to the programme.

An Introduction to Health and Safety OHSAS 18001– 10 individuals attending from 9 companies of which there were 2 new enrolments on to the programme. In addition this workshop has resulted in re-engaging with 4 businesses that we are now looking at supporting with additional intensive business support to help them increase their supply chain opportunities.

Work by the **Supply Chain Coordinator** continues apace this month and who is working closely with several large organisations on potential supply chain opportunities that local businesses could access.

Following a request from Hull City Council, the team have set up a spreadsheet and are further developing Evolutive records aiming to capture local businesses success in gaining contracts within the sector (all tiers).

Danish Inward Mission – DH gave an overview presentation on the Green Port Growth Programme, the present opportunities in the UK wind energy market, the companies involved and the components and services required.

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Business Support Framework of Consultants – Currently working with ERYC procurement to extend existing framework to June 2018 due to the present agreement finishing in June 2016.

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Offshore Wind Connections 2016 – 11th & 12th May, The Spa, Bridlington

The Business Support team are supporting Team Humber Marine Alliance once again at their annual Offshore Wind Connections event. GPH are a partner for the event where we will be having a stand, producing the events attendance brochure (giving GP major marketing opportunities, adverts), directly supporting a pre-conference networking supper with Renewable UK on 11 May. A separate VIP invitation has been circulated to board members for the networking event on the 11th.

Wider Renewables Activity

Biomass Market - To support the work of the Business Support team an analysis / report of the bioenergy sector has been commissioned to help identify the supply chain sectors that are likely to provide growth opportunities for companies already in or entering the bioenergy supply chain in Hull and the East Riding.

The Report will briefly explain what the bio-economy is how the bioenergy sector is now connected to other sectors in our economy and give the results of the market analysis to help the business support team to identify areas in which they focus.

Key consideration for the Board

- Due to the cuts in incentives to the solar market it is reported that over 12,000 job losses have occurred throughout the industry as well as direct businesses folding. NOTE: To date even though it has affected a number of our companies they were not solely dependent on just this market.
- Siemens has selected Great Yarmouth as its turbine assembly base for the 336MW Galloper offshore wind farm off the Suffolk coast. The delivery of 56 6MW turbines will commence next spring once enabling works at the Peel Port Group's facility are completed. The upgrade work to prepare Great Yarmouth is to start immediately.

Site Assembly Strand

Strand Progress

Funding options for ERGO project (specialist managed workspace centre targeted at Renewables Sector) on the Humber Bridgehead Sites at Hessle are being explored. £3.2m is already secured (£1.9m ERYC, £1m LGF, £300k University of Hull). There is a shortfall of £700k has developed due to strong market demand at the site pushing up land prices in addition to increased building costs.

Interest from potential occupiers in the Danish House concept continues to be strong and working with the Business Grants strand on the most appropriate form of intervention. Numerous properties on Hedon Road have been viewed.

Tender documents for Goole Intermodal Terminal site investigation works are being prepared. BVG Associates are doing an initial feasibility and scoping report on the Bridlington Helipad to test the market for this product.

Inward Investment Strand

Strand Progress

Green Port Hull – Internationalisation

Grenaa, Denmark

15 Danes representing 13 companies participated in an inward trade visit to Green Port Hull on the 18th and 19th April. Two of the participating companies were on their second visit and are engaged with the Inward Investment teams and a third is in direct discussions with a potential partner.

Esbjerg, Denmark

An invitation has been received from Esbjerg Energi Metropol for a Green Port Hull presentation in Esbjerg in the near future. This is in the planning stage.

SUN-Air, Denmark

The inaugural SUN-Air/BA flights connecting Denmark into Humberside with twice weekly direct flights took place on the 15th April. 15 VIP guests were on the inbound flight including the CEO of Siemens Wind. A programme of visits was organised by the Green Port Hull Inward Investment team, which included a meeting with the Lord Lieutenant of the East Riding of Yorkshire and lunch with the Lord Mayor of Hull.

Cultural Workshops

The cultural workshop programme continues and appears to be well received judging by the response received from Siemens and the evaluation forms completed by the employees. Workshops are now being planned and offered to the Danish inbound operatives temporarily working in Hull.

Germany

Responses to the Request for Quotations for the delivery of Green Port Hull events in Germany have now been evaluated and scrutinised by the procurement team from Hull City Council. Bidders have been informed of the results.

Siemens recruitment

From the latest data received from Siemens, 331 roles are appointed or under offer. The postcode areas break down to:

260 from HU1 – HU17 (78.6%)

58 from DN/YO/LN (17.5%)

13 from the rest of the UK (3.9%)

Green Port Hull – Communications and Marketing Tender and Exhibition Design Tender

Following the PQQ process 9 companies have been invited to the ITT stage. The closing date for submissions is end of May 2016.

Project Blyth - Greenpower Educational Trust

Provisional date for the project launch is 18th May.

This is Green Port Hull – Mercure Grange Park Hotel, Willerby – 7th June 16

As part of the BIZ Week programme – A full day event providing an opportunity for businesses to find about the Green Port Growth Programme and how they can benefit from the programme activity, and meet with the strand leads. An exhibition area where private sector partners will provide updates on respective projects: Energy Works, Siemens, Real Ventures, Greenpower etc. A series of topical workshops/presentations will also take place throughout the day. All strand leads are currently working on a detailed programme of activities.
<http://greenporthull.co.uk/events/exhibitions/this-is-green-port-hull>

Research, Development and Innovation (R,D&I) Strand

Strand Progress

- The Strand has provided indicative support to an EU DemoWind project. The project looks at innovations in the crew transfer vessel area. RDI Strand support would, subject to satisfying investment criteria, be targeted at supporting the University of Hull's contributions to the project. There exists the potential for healthy leverage from the programme, as well as long-term job creation. A full paper detailing the specifics is to be tabled at the June Board. In the meantime, due to tight time constraints, an expression of interest document is to be completed to register the consortium's interest in the project (deadline May 5th).
- The Strand has identified the opportunity to help a local business to augment its technical service offering in the area of computational fluid dynamics (CFD) – an area of increasing interest to the offshore renewable energy sector, and one which it currently outsources. A programme of support is currently being discussed which will trigger a formal application for support from the company. Of particular interest is the opportunity to access CFD (PhD) graduates from the University of Hull, thus retaining and nurturing high quality skills in the region and, at the same time, assisting in establishing the region as a centre of excellence for renewable energy R&D and technical expertise. Work is now underway to structure this opportunity appropriately.

The RDI Strand is to run the Innovation Workshop at the forthcoming Offshore Wind Connections event in Bridlington. The 75-minute session will comprise inputs from the RDI Strand, University of Hull (high-level introduction to Project Aura), the Offshore Renewable Energy Catapult and certification agency, DNV-GL.

Wider renewables activity

- Waste-to-energy is an emerging opportunity that the Greater Hull area is set to capitalise on. Growing the local skill sets to support this is a key area for consideration at all levels. This is to be discussed with the Skills Strand.
- The DONG Energy 'UK content' assessment offers an opportunity for those not currently engaged with the offshore wind sector to connect with the company to potentially add value. The company is actively seeking engagement.

Key observations

- Translation of University of Hull research outputs into business opportunities is a definite opportunity for the region and one ripe for GPGP support.
- Significant leverage and regional RDI impact can be achieved through support to structured programmes such as the DemoWind one discussed above. This will be a significant contributor to establishing the area as a centre of excellence for renewable energy RDI.
- The US (Eastern Seaboard)-Humber links continue to strengthen with the RDI Strand being designated 'manager' status in the Virginia Wind Coalition's on-line community, thus allowing it rights of posting.

Items for GPGP board consideration

Please note the strategic importance of the DemoWind submission, to be presented to the June Board.

Business Grants Strand

Update on the potential grant applications identified in the delivery plan.

To date, a number of applications are being developed that seek a total of £715k of grant that will create a total of 180 jobs.

Danish House - The Danish House project is a concept put forward by the Danish delegations we have received to co-locate Danish businesses together in one office environment. The requirements of the group are for small one to two man office suites enabling them to build a presence in the area. The delegation were uncertain as to the numbers of businesses that would be coming in and none of the delegates were willing to take a head lease on some offices for fear of being liable for other parties. From a practical point of view the most appropriate premises would appear to be serviced offices, e.g. the Deep as they provide flexibility for new businesses to enter/leave on 'easy in easy out' terms, providing a soft landing to potential beneficiaries in the group.

It is therefore proposed that a grant be offered of up to 30% of the first year's office costs for inward investors coming into the area, based on a 25 sq. m office in the Deep. This would equate to a grant of approximately £1,800.00 per business.

New Enquiries

A new enquiry has been received from a renewable energy company, providing ground source and air source heat pumps, as well as other renewable energy applications. The company are seeking a business grant of circa £80k-£100k, for the purchase of a larger industrial unit, to facilitate the creation of between 5-7 new jobs. It is anticipated that this application is likely to come forward in Q1.

A company manufacturing specialist timber frame buildings are seeking a grant towards the costs of upgrading existing buildings/ expanding the footprint and purchasing new plant and equipment. The cost of the project is £100-£150k, with the opportunity to create a further 3 to 4 jobs.

We have had an enquiry from a local business involved in the supply of components to the oil and gas industry, but have in the past supplied equipment of the offshore wind industry. The company are interested in purchasing a range of capital equipment; however this would be largely to secure existing employment.

Referrals from the LEP

The LEP have referred a potential new application for circa £15k for a company involved in the offshore wind industry supply chain.

Programme wide update

Feedback is awaited following the BIS healthcheck meetings with each Strand which took place mid April. A further meeting to discuss supplementary questions on the R,D&I strand has been arranged for 5th May.

The mid term evaluation of the Programme is drawing to a close with the Consultants scheduled to attend the May board meeting to provide an overview of their conclusions.

Sarah Clark
Programmes Manager
4th May 2016