

**Green Port Growth Programme Management Board –14 June 2017  
STRAND UPDATE REPORT**

**Employment & Skills Strand**

**Strand Progress**

**Apprenticeship Wage Subsidies** - The 2017-18 target for apprenticeship starts is 200. Since 1st April 2017, 59 applications have been approved.

**Up-Skilling Training Subsidies** - The 2017-18 target for upskilling is 200. Since 1st April 2016, 83 applications have been approved.

**Wage Subsidies – Disadvantaged Groups** - Take-up on the wage subsidies for disadvantaged groups continues to be slow with 14 companies engaged and 29 individuals in receipt of the subsidy, since the start of the programme.

**Pathway to Employment** - Cohort Six (13 candidates) have completed the 10 week programme. 6 candidates have found employment. Cohort B (10 candidates) started their programme on 18th April. 9 candidates started their work placement element on 22nd May 2017. As at the end of Cohort 6, 109 people have completed the programme with 67 moving into employment – a job outcome rate of 61%.

**Business Support Strand**

**Strand Progress**

**The project has (to date – see table below):**

- 509 Enquiries
- 318 Enrolled
- 186 Businesses Supported
- 48 financial assistance applications have been awarded
- 108.56 f/t equivalent Jobs created

|                          | <b>Enquiries</b> | <b>Enrolled</b> | <b>Business Supported</b> |
|--------------------------|------------------|-----------------|---------------------------|
| East Riding of Yorkshire | 140              | 95              | 57                        |
| Kingston Upon Hull       | 253              | 172             | 117                       |
| Outside H&ER             | 116              | 51              | 12                        |
| <b>Total</b>             | 509              | 318             | 186                       |

**Financial Assistance (to date)**

- Financial assistance paid = £563K
- Financial assistance committed = £277K
- Percentage of spend with local businesses = 40.1% Hull and East Riding, 6.5% rest of Yorkshire & Humber, 53.4% Out of Yorkshire and Humber.

**Events / Workshop**

- **Workshop - Preparing Business for Growth** – The fourth round of the business growth workshops continued this month, these small hands on workshops give companies the opportunity to reflect and discuss their present business set up and management styles. Clear action plans completed by all attendees identifying actions they need to consider in producing a clear ‘Business Blueprint’. Two growth workshops sessions were conducted this month on ‘Building Effective Management Control Systems’ and ‘Creating Demand in the Renewables Energies Sector.’

- **Workshop – Successful Marketing in Renewable Energy** – A repeat workshop presented by BVG Associates gave 22 delegates from 21 companies an understanding on the skills and knowledge on how to optimise their marketing materials for targeting renewable energy customers, specifically focusing in the offshore wind sector.
- **Offshore Wind Connections (OWC)** - The Business Support team with help from the wider Green Port team, assisted THMA with the planning and organisation of this year's Offshore Wind Connections event. This event presented Green Port with a fantastic marketing opportunity; it also gave us the opportunity to meet up with many of our existing companies and key players within the sector to support our work of linking local businesses into supply chain opportunities. In addition we gained 5 direct new enquiries at the event which we are currently following up to determine what support we can offer them going forward and had numerous entries added onto the directory and continue to do so. The event saw 170 attendees at the Renewable UK networking evening on 3 May and 260 attendees for the main conference on 4 May.

### **Supply Chain Opportunities**

13 requests for suppliers from 4 Prime contractors. 64 companies from the Humber region were matched directly and put forward for consideration. From the 13 requests, 5 companies have been awarded contracts. 7 Prime contractors outlined contract or subcontract opportunities at supply chain events.

- Overall total of awards identified either to companies in this region or from companies within the region = £165.4m approximately.
- Total value of contracts in the Yorkshire and Humber region = £76m approximately with contracts ranging between £1k and £30m.
- Total value of offshore wind contracts won by companies based in the Humber and East Riding region = £35.4m approximately.

### **Events**

OWC – Connections were made with JDR and Clugston and there was substantial interest in the directory with subsequent registrations following the conference. Also through networking, a number of our registered businesses updated us on successful tenders / contracts they have won and these have been fed into our record of successful contracts for the region.

All Energy - At the All Energy Conference in Glasgow, meetings were held with a number of OEM and Tier 1 suppliers. Details of the supplier directory were supplied and meetings offered to further discuss likely opportunities for local companies and assist in matching suitable companies upon receiving any specific requests.

### **Wider Renewables Activity**

Additional activity as reported in the Business Support Monthly News Round Up.

### **Key Observations**

Gathering pace is the information flow on the successes of our local businesses winning contracts throughout the renewables sector as well as information on their local supply chain and use of local sub-contractors. Discussions are on-going with the Green Port Impact Assessment team at the University to support us in the best way of presenting this success.

### **Inward Investment Strand**

#### **Strand Progress**

**Visit to Denmark** - A prospecting visit to Denmark took place on 27 and 28 April, 2017. Primarily, the objective of the visit was to meet face to face with companies that the team had been in dialogue with since the first meetings at Wind Energy Hamburg last November, and to evaluate them as potential serious investors in GPH. All expect one company are expected to be visiting Green Port Hull during the coming months.

Specific interest include:

- Tower manufacturer
- Offshore convertors and substations
- Foundation and transition piece manufacturer

The Chamber has established an excellent working relationship at a senior level with the above mentioned companies. The first potential investor will visit Hull week-commencing 19 June and a programme of meetings is being organised.

As ABP has recently undertaken some restructuring within the Humber new relationships are being developed which will ultimately strengthen the programme. The Chamber has met with David Morriss, ABP to share information regarding the visits and will work together to develop a coherent and comprehensive offer for Green Port Hull; and continue with the Ambassador role.

### **Intelligence**

Each of the companies expressed concern regarding:

- The pressure on developers to get well below the Round 3 cap of £105/MWh, through cost reduction by better integration of the supply chain; and
- The pressure on suppliers by the developers to reduce costs driving some to look to China for suppliers. It was said, that the quality of Chinese manufacturing had greatly improved and considered to be equal if not better quality than those produced in Europe, and more competitive on price. For instance rolled steel sheets from China were considered by one manufacturer to be of better quality than British or European steel, most likely reason being that the Chinese had invested in new equipment. (This is information gathered and not technically substantiated). The Chinese are setting up subsidiary companies in Europe and may find the UK attractive if the Government is putting pressure on developers for higher UK input. One Danish company visited said that the majority of their shareholding and source of investment was Chinese.

### **Offshore Wind Europe, London 6-8<sup>th</sup> June, 2017.**

The Chamber will be attending the offshore wind exhibition and a number of meetings are in place with companies during the course of the exhibition.

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

#### **Strand Progress**

A full audit of all businesses engaged with RDI Strand has been undertaken, to identify the most appropriate way forward for all, given the changes in the RDI Strand personnel and strategy.

A range of meetings has been held to establish a strong working relationship with the ERDF funded Spark Fund Team.

OREC O&M Workshop - Aura and GPGP RDI Strand delivered a presentation to the audience at the very well attended one day workshop held to promote the region as a centre of excellence for O&M.

SPOWTT – Work now underway with 2nd project team meeting in Amsterdam on 19 June.

PhD placements update - five possible projects have been identified by UoH / Aura for OSW PhD projects, four will be progressed with recruitment being the most difficult issue. Now on track to have these starting in September / October 2017.

Visiting appointments update - two applications are underway and look promising, two more organisations have been identified to provide VA's, further discussions are taking place. Appointments will be initiated on an on-going basis from September 2017.

O&M Hub - extensive discussions have taken place between the RDI Strand, UoH and OREC for the development of structured O&M innovation programmes. This activity will be initiated within the operations phase of GPGP and continue beyond, creating a lasting legacy.

Regional Innovation Audit - tender specification is written and distributed to a number of potential respondents to deliver an in-depth 'state of play' and 'innovation potential' overview for the Humber by September 2017.

### **Wider Renewables Activity**

David Wells attended Wind Farm lifecycle management conference – Berlin 30-31 May 2017. Lessons learnt from the onshore wind sector, particularly in Germany, shows that repowering a wind farm as it nears the end of its design life is an economically and technically appropriate option. Whilst the offshore wind sector can learn from some of the experience and knowledge in repowering onshore sites, there are significant challenges unique to the offshore environment. Identifying and fully assessing these issues and their potential solutions will be key to the success of offshore repowering. As the industry currently focusses on the initial build-out phase, there is a unique opportunity for the development of an offshore wind repowering decision models. Successful offshore wind repowering decision models would need to be multidisciplinary, taking into account engineering, environmental, logistical and economic challenges.

### **Key Observations**

The new GPGP RDI Strand management structure is in place and the wider team is being identified and recruited. During this transition period, the response to requests and engagement with business is central to activity and an efficient, expedient service is being delivered.

### **Site Assembly Strand**

#### **Strand progress**

**ERGO Centre** – PDR Construction have started on site with groundwork's. Construction board with relevant Green Port supporting logos will be erected soon. Ground breaking ceremony to be arranged once branding exercise for the Centre has been agreed. This has taken longer than expected as partners have yet to reach a consensus on the concept.

**Beverley Grovehill** - Capita have completed the master planning exercise and partners are reviewing how the take the project forward.

**Melton Rail Feasibility Study** - Aecom have presented final report findings to partners and Omya (site owners) are taking forward recommendations.

**Sugarbeet Feasibility Work** - Future Food Solutions are well on with the report and have developed tangible leads in the bio renewables sector based on this work.

**Brough Phase 3 Link Road** - Early stage design work being undertaken to get project to an oven ready stage in order to attract potential underspend from Local Growth Fund projects. Previous concept designs are being amended to provide an access for the EZ site as current arrangements are constraining growth.

**Freightliner Road, Hull** - Site remediation proposal being developed for the former Cavaghan and Gray site off Freightliner Road is being developed. Site will appeal to much needed energy storage requirements as it is immediately opposite the primary substation serving west Hull.

### **Business Grants Strand**

#### **Strand progress**

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### **Danish House applications**

Applications have been received from two companies this month (*up to £2k towards rental and associated costs*):

- Company 1 - supply technicians to wind farms and were a start-up company to the area, they now employ approximately 60 people worldwide and have aspirations to continue to grow.
- Company 2 - are a Danish company that have recently established a small office at a managed workspace centre in East Hull, they have aspirations to grow the business locally and have a framework agreement with Siemens. The company have aspirations to grow the business in the UK, with a view to employing around 50 people.

### **Programme wide update**

Work has started on planning for the wind down of the Programme during 2018 and in to 2019 to ensure robust plans and systems are in place across all strands to ensure all expenditure, output and outcome targets are met and to avoid any over commitment of the remaining Green Port funds.

**Sarah Clark**  
**Programmes Manager**  
**7 June 2017**