

**Minutes of the Marches LEP Ltd Board Meeting
26 November 2019 at 5.15pm at The Clive, Bromfield, Ludlow, SY8 2JR
(Company Number: 11822614)**

Present:

Mandy Thorn MBE	MT	Chair, Marches LEP Board
Paul Hinkins	PH	Deputy Chair, Marches LEP Board; Telford Business Board Chair
Frank Myers MBE	FM	Herefordshire Business Board Chair
Paul Bennett	PB	Shropshire Business Board Chair
Dr David Llewellyn	DL	Agri-Tech Food Champion; Vice-Chancellor, Harper Adams University
Andrew Manning-Cox	AMC	Hereford Enterprise Zone Chair
Cllr David Hitchiner	DH	Leader, Herefordshire Council (for part of the meeting)
Cllr Lezley Picton	LP	Portfolio Holder for Culture, Leisure, Waste & Communications, Shropshire Council
Cllr Shaun Davies	SD	Leader, Telford & Wrekin Council
Paul Kalinauckas	PK	Access to Finance Champion, Chief Executive of BCRS Business Loans
Sonia Roberts	SR	Social Inclusion Champion; Charity Manager, Landau Limited
Ruth Shepherd	RS	Director, Results Communications

In Attendance:

James Walton	JW	Section 151 Officer, Shropshire Council (part of meeting only)
Richard Ball	RB	Acting Director for Economy and Place, Herefordshire Council
Matt Potts	MP	Business Growth and Investment Manager, Shropshire Council
Kathy Mulholland	KM	Inward Investment & Business Support Service Delivery Manager, Telford & Wrekin Council
Gill Hamer	GH	Director, Marches LEP
Nick Alamanos	NA	Programme Manager, Marches LEP
Kathryn Jones	KJ	Partnership Manager, Marches LEP
Ennis Vingoe	EV	LEP Team Support Officer

ITEM		ACTION
1.	<p>Welcome, Apologies and Declarations of Interest</p> <p>MT thanked everyone for attending the meeting. Apologies were received from J Staniforth, S Williams and Cllr P Nutting. Cllr L Picton attended the meeting on behalf of Cllr P Nutting.</p> <p>Declarations of Interest</p> <p>Members made the following Declarations of Interest:</p> <p>DL – Item 8.2 - Employee of HEI in Marches area.</p> <p>MT – Item 8.3 – Business property adjacent to Oxon Link Road route.</p> <p>AMC – Item 8.2 – Chair of Hereford Enterprise Zone. Vendor (through Herefordshire Council) of land at Skylon Park to NMITE, subject to contract.</p> <p>DH – Item 8.2 – Director of Hereford Enterprise Zone.</p> <p>Item 8.5 - Residence near route of Southern Relief Road.</p> <p>PH – Item 8.4 – Chair of Telford College Corporation.</p>	
2.	<p>Appointment of Public Sector Alternate Director</p> <p>Resolution:</p> <p>1. To note the resignation of Cllr J Harrington, Herefordshire Council as the Alternate for Cllr D Hitchiner, and to confirm the appointment of Cllr T Marsh as the new Alternate.</p>	

	<p>2. To note the resignation of Cllr S Charmley, Shropshire Council as Alternate for Cllr P Nutting; and to confirm the appointment of Cllr L Picton (LP) as the new Alternate.</p> <p>The Board confirmed the appointment of Cllr T Marsh as the Alternate Director for Cllr D Hitchiner, and the appointment of Cllr L Picton as the Alternate Director for Cllr P Nutting.</p>	EV
3.	<p>Minutes of Previous Meeting held on 7 November 2019 and Matters Arising The redacted minutes and confidential minutes from the previous Marches LEP Board meeting on 7 November 2019 were approved and signed by the Chair as a true and accurate record of the meeting.</p> <p>Members discussed the confidential minutes and agreed that they would be reviewed following the general election as to whether some of the text remained confidential. It was confirmed that 'commercial in confidence' elements would remain redacted. The reviewed minutes would be approved for publication at the next Board meeting in January 2020.</p> <p>Matters Arising Item 4 – it was noted that the Chief Executive of Herefordshire Council had written to the Chief Executive of Shropshire Council regarding correspondence about NMiTE.</p>	EV
4.	<p>Local Industrial Strategy (LIS) Update KJ introduced the agenda item and confirmed progress made with the development of the LIS following the businesses events held in October 2019. The draft document and evidence base, as circulated with the agenda, had been made available to stakeholders for final comments before submission to government. The content of the draft document was discussed, the priorities within it and its sector focus. It was noted that a Marches-wide approach to tourism, although not a priority sector for the LIS, would be developed in line with the tourism strategy research funded by the LEP and this would be discussed at a meeting on 2 December 2019. Infrastructure challenges across the Marches, including energy availability, were also discussed.</p> <p>LP confirmed that the draft LIS had been approved by Shropshire Council Cabinet on 18 November 2019. SD and DH also confirmed that their respective local authorities endorsed the draft document.</p> <p>KJ confirmed that final stakeholder comments received, including those from NFU, were being reviewed and would, wherever possible, be reflected in the final version. This updated version of the LIS, and the evidence base, would then be submitted to government in December 2019. It was noted that feedback on the LIS would be delayed due to the general election.</p> <p>The Board noted:</p> <ol style="list-style-type: none"> 1. The progress made with LIS development and the next steps to be undertaken. 2. The draft document, its priorities and the associated evidence base. <p>The Board agreed (unanimously) to delegate authority to the Marches LEP Director, in consultation with the LEP Chair, to:</p> <ol style="list-style-type: none"> 1. Consider any final amendments suggested by the three Local Authorities and/or Business Board members and formally submit an updated document to government. 2. Liaise/negotiate with government departments to gain formal approval of the LIS. 	GH

5.	<p>Update Report for Transport Officers' Group (TOG)</p> <p>NA introduced the report, explaining that the group was currently chaired by a representative from Herefordshire Council.</p> <p>MT queried the statement in p3 of the report regarding the average length of journeys in the Marches area and asked that this be clarified at the next meeting with the TOG members.</p> <p>DL asked if the 'Critical Friend service' was for strategic matters. NA confirmed that this was the case.</p> <p>The Board noted:</p> <ol style="list-style-type: none"> 1. The achievements of the Transport Officers Group, as set out in section 2 of the report. 2. The work programme of the Transport Officers Group, as set out in section 3 of the report. <p><i>Post Meeting Note:</i> At the TOG Meeting on 27 November 2019 it was established the reference to numbers of short distance trips on the strategic network was in relation to settlements. Further information can be obtained from the TOG Chair J Callard at Jeremy.Callard@herefordshire.gov.uk</p>	NA
6.	<p>Amendments to Marches LEP Skills Advisory Panel (SAP) Terms of Reference</p> <p>KJ reminded members of the SAP's role as a formal sub-group of the Marches LEP Board to drive an evidence-based approach to the 'People' element of the LIS and demonstrate a clear understanding of local workforce and skills issues and inform investment decisions. PH reiterated the importance of the SAP working effectively with the Education & Skills Funding Agency (ESFA) and the Department for Business, Energy & Industrial Strategy (BEIS) in order to attract government funding for skills development to the Marches area.</p> <p>The SAP had been developed in line with government guidance and, following its establishment in September 2019, some minor amendments were required to the terms of reference that had been signed off by the Board at the meeting on 23 July 2019. A discussion was held about the SAP and its membership and it was agreed that efforts should be made to increase business representation. KJ thanked the Business Boards for each nominating a business representative and outlined how the team was engaging with business networks and sector groups, e.g. the November 2019 SAP meeting focussed on specific evidence on the construction sector. RS offered to support further engagement with the construction sector.</p> <p>SR suggested that as the SAP had only recently been formed it should be reviewed by the Board in summer 2020 to assess progress made. The Board agreed.</p> <p>The Board agreed (unanimously):</p> <ol style="list-style-type: none"> 1. To approve the minor amendments to the SAP Terms of Reference. 2. To confirm the term of membership for sector specific specialist groups' nominated representatives. 3. To confirm changes to membership and representation. 4. That authority was delegated to the LEP Director to make any further minor changes to TORs as the newly set up sub-group developed. 	<p>All</p> <p>RS</p> <p>KJ/JS</p>
7.	<p>Reports from Business Boards</p> <p>PB, FM and PH gave verbal updates on the activities of Shropshire, Herefordshire and Telford Business Boards respectively.</p> <p>Shropshire Business Board</p>	

	<p>PB outlined the 8 strategic objectives that the Business Board had adopted. M Barrow had been invited to the next Business Board meeting to discuss local authority economic targets. PB said that energy, transport and broadband remained perennial challenges in the area and that 6 new members had been recruited to the Business Board this year.</p> <p>Herefordshire Business Board</p> <p>FM reported that the meetings continued to be well attended. He thanked the LEP Team for assistance in recruiting to the new Administrator role for Herefordshire Business Board. A volunteer was also working with the new Administrator and assisting with the Business Board work with young entrepreneurs in the area. The main areas of focus for the Business Board were the new university and the South West Transport package; and skills would be a work stream in the coming year. FM said that the local authority gave an update at each meeting.</p> <p>Telford Business Board</p> <p>PH reported that membership remained consistent at 29 members and that tenure was staggered to preserve skill sets. Four new members had recently been recruited. Meetings were held in different locations and outside speakers regularly contributed to the meetings. PH indicated that more resource/capacity was needed in order to deliver the objectives of the Business Board.</p> <p>MT said that she would be meeting with the Business Board Chairs in the coming weeks to discuss Business Board representation on the LEP Board and resource requirements.</p>	<p>MT</p>
<p>8.</p>	<p>Growth Deal Update – confidential item Quarter 2 Spend position 2019/20</p> <p>NA introduced the item and outlined the Quarter 2 spend position, which was lower than anticipated this year. An overview of project risks was outlined with assurances provided that the Performance, Risk and Monitoring Committee (PRMC) would continue to monitor the spend position and associated risks at the 17 December 2019 PRMC meeting. MT said that there continued to be vacancies for Board members on PRMC and encouraged members to volunteer for this role. NA would circulate the Terms of Reference for the PRMC and a note requesting volunteers to join the Committee. MT said that project promoters would be pressed to claim their grant funds as an underspend could impact on the LEP’s performance rating at the forthcoming Annual Performance Review.</p> <p>The Board noted the current Growth Deal Programme spend position, including potential risks in achieving the 2019/20 spend profile as set out in section 1 of the report.</p> <p><i>MT welcomed JW who joined the meeting at 6.25pm</i></p> <p>Oxon Link Road</p> <p>Following discussion regarding additional detail required from Shropshire Council on certain elements of the project the Board agreed (unanimously) that: Shropshire Council should provide detailed financial and output information by Friday 6 December 2019 in relation to the proposed Oxon Link Road with the Shrewsbury North West Relief Road project, as set out in section 3 of the paper.</p> <p>Telford College</p> <p>PH reiterated his interest in the item on Telford College. <i>PH stepped out of the meeting at 6.33pm</i></p>	<p>All/NA</p> <p>All</p> <p>NA</p>

<p>MT explained that Telford College had not yet had a meeting with the LEP. The Board expressed their disappointment that a date for a meeting had not been agreed and asked for this to take place with immediate effect.</p> <p>Members discussed the next steps, and all agreed (1 abstention (SD)) that:</p> <ol style="list-style-type: none"> 1. The LEP Director would make immediate contact with the Principal of Telford College to arrange a meeting. 2. Should the meeting not take place the Board required legal steps to be taken and an invoice issued for the amount approved at the Board Meeting on 24 September 2019, to be recovered from Telford College. <p><i>PH re-joined the meeting at 6.40pm.</i></p> <p>Project Calls Update</p> <p>NA updated the Board on the Project Calls. He confirmed that the Skills Capital Call closed at 5pm on Friday 22 November 2019. The bids were being reviewed and scored by an independent assessor, with representatives from the Education Skills Authority supporting the process.</p> <p>MT notified the Board that there was a vacancy on the Skills Capital Call Authorisation Group. PB volunteered to join the Group along with DH.</p> <p>The Growth Deal Project Call was discussed with the timeframe for the submission of Expressions of Interests outlined. MT acknowledged suggestions for different call options and said that funding for additional resources for the Project Call process had been agreed at the previous Board Meeting.</p> <p>The Board noted that:</p> <ol style="list-style-type: none"> 1. The Growth Deal Capital Funding Project Call remained open until 6 December 2019. 2. The Skills Capital Project Call had closed on 22 November 2020. <p>South Wye Transport Package</p> <p>Herefordshire Council were asked when the 'pause and review' process on the Southern Link Road project would be complete but were unable to provide a date. Following discussion, the Board agreed (unanimously) that the date previously agreed for Herefordshire Council to confirm in writing to the LEP Director and Chair, their decision in relation to the delivery of the Southern Link Road, would be moved from 10 January 2020, to 17 January 2020.</p> <p>The LEP Board would then take a decision at the 27 January 2020 meeting on the future of the project, with a recommendation of cancelling the Funding Agreement if:</p> <ol style="list-style-type: none"> 1. Herefordshire Council do not complete the Pause and Review on the Southern Link Road, <p>Or</p> <ol style="list-style-type: none"> 2. Herefordshire Council confirm their decision not to build the Southern Link Road, after undertaking the Pause and Review exercise. <p>The Board noted that it was necessary take a decision in January 2020 to mitigate any risk relating to underspend within the Growth Deal Programme.</p>	<p>GH</p> <p>NA</p> <p>PB/DH/ NA</p> <p>NA/DH</p>
---	---

	<p>The Board also noted that due to the confirmation date being moved to 17 January 2020, the Board papers for this item may not be circulated until 22/23 January 2020.</p> <p>NMiTE (Phase 2) Funding Agreement Development NA updated the Board on progress since the last Board Meeting on 7 November 2019 with regard to the NMiTE (Phase 2) Funding Agreement. The LEP had procured Pinsent Masons to begin drafting the Funding Agreement and provide legal advice on the underwriting options put forward by NMiTE in their submission, and the subsequent offer by Herefordshire Council to underwrite the project. In order to progress a decision to underwrite the project Herefordshire Council confirmed that it required a formal request from either the LEP or NMiTE. An additional legal advice note had been circulated to Board Members prior to the meeting setting out the lawyers' advice on the underwriting options. Members reviewed and considered the legal advice provided. DL suggested that should the Board approve the proposal as set out in section 2 (b) of the legal advice:</p> <ol style="list-style-type: none"> 1. A set of alternative outputs should to be agreed with Herefordshire Council prior to conclusion of the funding agreement negotiations. 2. Wording of what would constitute project failure should be agreed and included in the agreement, in the unfortunate event that the NMiTE project should fail. <p>DL also suggested the LEP should write to T Bray outlining the progress made in Phase 1 and noting Herefordshire Council's 'in principle' commitment to underwriting Phase 2.</p> <p>The Board endorsed this approach.</p> <p>AMC said that it was a substantial and welcome concession to have the 'in principle' agreement from Herefordshire Council to underwrite Phase 2 of the NMiTE project, and he thanked DH for that.</p> <p>Following the discussion, MT proposed that: The LEP Board agree to support the proposal (as set out in section 2 (b) in the legal advice provided from Pinsent Masons), that the Marches LEP request Herefordshire Council underwrite Phase 2 of the NMiTE project, subject to the following conditions:</p> <ol style="list-style-type: none"> 1. That an equivalent range of outputs be agreed with Herefordshire Council prior to the Funding Agreement being agreed. 2. Agreement would be sought as to what constituted failure of Phase 2 of the NMiTE project. 3. A letter would be sent to T Bray outlining the progress made in Phase 1 and noting Herefordshire Council's 'in principle' commitment to underwriting Phase 2, which would be taken to Cabinet for approval on 19 December 2019, to ensure the project was a success. <p>The Board approved this proposal (9 For; 3 abstentions (DH, AMC, PH)).</p> <p>DH indicated that he was prepared to move forward with the request to Cabinet on 19 December 2019 to underwrite Phase 2 of the NMiTE project and would need supporting information from NMiTE in order to do so.</p> <p>AMC updated the LEP Board on the NMiTE Sub-group discussions and recommendations.</p>	<p>NA</p> <p>NA</p> <p>NA/DH</p>
--	--	----------------------------------

