

<b>THE MARCHES LOCAL ENTERPRISE PARTNERSHIP LIMITED</b>					
<b>BOARD MEETING</b>					
Tuesday 26 May 2020			4.00pm – 6.30pm		
Remote access via Zoom					
<b>AGENDA</b>					
<b>Item</b>	<b>Time</b>		<b>Lead</b>	<b>Discussion/ Decision</b>	<b>Paper</b>
1.	4.00pm	<b>Welcome, Apologies and Declarations of Interest</b>	MT		
2.	4.00pm	<b>Re-election of Board Members</b> P Hinkins and P Kalinauckas	MT	Resolution	x
3.	4.05pm	<b>Minutes of Last Meeting of Marches LEP Ltd Board on 24 March 2020 and Matters Arising</b> <ul style="list-style-type: none"> <li>Management Meeting TORs</li> <li>Board Member Expenses</li> </ul>	MT/GH	Discussion	x x x
4.	4.10pm	<b>Economic Recovery Planning</b> <ul style="list-style-type: none"> <li>Introduction</li> <li>Data showing impact of the lockdown on the Marches economy</li> <li>Feedback from 3 x Business Boards/LA – place-based business recovery</li> </ul>	MT P White  TBC	Information	
5.	4.40pm	<b>Facilitated discussion on the key issues to be considered to support the recovery</b> N.B Board members will be asked to start discussions e.g. engagement with and training for young people, digitalisation/new ways of working to improve productivity, supporting companies to be more agile/ enter new supply chains/reshoring, community and voluntary sector help to support the recovery  <b>Next steps /priorities for action</b>	P White  P White/MT	Discussion  Decision	
6.	6.10pm	<b>Local Growth Fund (LGF)</b> <ul style="list-style-type: none"> <li>Changes to the way LGF is paid in 2020/21</li> <li>Impact on contracts/progress in contracting uncommitted funds</li> </ul>	MT/GH  NA	Discussion  Discussion	To follow
7.	6.20pm	<b>LEP Chair /CEO report</b>	MT/GH	Information	x
8.	6.30pm	<b>Any Other Business</b>	MT		
<b>Date of next planned Marches LEP Ltd Board meeting - 21 July 2020</b>					

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## **Marches Local Enterprise Partnership Ltd Board Meeting – Tuesday 26 May 2020**

### **Item 2**

#### **Resolution: Re-election of Board Members**

a. Re-election of Paul Hinkins

Paul Hinkins' standard term of office on the Marches LEP Board is due to be completed in May 2020. Paul joined the LEP Board in May 2014 as he took over the Chairmanship of the Telford Business Board; he was re-elected as the Deputy Chair of the LEP Board in April 2019. He is the current Chair of the Telford Business Board until at least May 2021.

In accordance with the Articles of Association section 21.3.2, the LEP Board is able to extend Paul Hinkins' term of office, and it is recommended that his term of office on the LEP Board (as Chair of the Telford Business Board) be extended for a year, as his term of office as the Business Board Chair will be due for re-election at that time. He has indicated that he wishes to continue as a LEP Board Member.

**The Board is asked to confirm the re-election of Paul Hinkins**

b. Re-election of Paul Kalinauckas

Paul Kalinauckas has served as a Member of the Marches LEP Board for a term of 2 years. In accordance with the Articles of Association sections 21.1 and 21.2, he is eligible for re-election for a further 2 years and has indicated that he wishes to continue as a LEP Board member.

**The Board is asked to confirm the re-election of Paul Kalinauckas for a further 2-year term of office**

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Item 3

Draft Minutes of the Marches LEP Ltd Board Meeting 24 March 2020 at 4.00pm Meeting held using Microsoft Teams due to Government Guidance on Social Distancing (Company Number: 11822614)		
<b>Present:</b>		
<b>Mandy Thorn MBE</b>	MT	Chair, Marches LEP Board
<b>Paul Hinkins</b>	PH	Telford Business Board Chair; Deputy Chair, Marches LEP Board
<b>Frank Myers MBE</b>	FM	Herefordshire Business Board Chair
<b>Paul Bennett</b>	PB	Shropshire Business Board Chair
<b>Andrew Manning Cox</b>	AMC	Hereford Enterprise Zone Chair
<b>Cllr David Hitchiner</b>	DH	Leader, Herefordshire Council
<b>Cllr Peter Nutting</b>	PN	Leader, Shropshire Council
<b>Cllr David Wright</b>	DW	Cabinet Member for Economy, Housing, Transport and Infrastructure, Telford & Wrekin Council
<b>Paul Kalinauckas</b>	PK	Access to Finance Champion
<b>James Staniforth</b>	JS	Skills Advisory Panel Chair; Principal and CEO of the Shrewsbury Colleges Group
<b>Sonia Roberts</b>	SR	Social Inclusion Champion; Charity Manager, Landau Limited
<b>Ruth Shepherd</b>	RS	Director, Results Communications
<b>Dr Catherine Baxter</b>	CB	Higher Education Champion; University Secretary, Harper Adams University (for part of the meeting)
<b>Christine Snell</b>	CS	Business Partner, AJ & CI Snell
<b>In Attendance:</b>		
<b>James Walton</b>	JW	Section 151 Officer, Shropshire Council
<b>Mark Barrow</b>	MB	Director of Place, Shropshire Council
<b>Katherine Kynaston</b>	KK	Programme Executive Lead? Director: Prosperity & Investment (interim), Telford & Wrekin Council??
<b>Ollie Hindle</b>	OH	Assistant Director, West Midlands & South West, Cities & Local Growth Unit, Department for Business, Energy and Industrial Strategy
<b>Gill Hamer</b>	GH	Chief Executive, Marches LEP
<b>Kathryn Jones</b>	KJ	Partnership Manager, Marches LEP
<b>Nick Alamanos</b>	NA	Programme Manager, Marches LEP
<b>Ennis Vingoe</b>	EV	LEP Team Support Officer
<b>Amy Bould</b>	AB	Be Bold Media Ltd
<b>ITEM</b>		<b>ACTION</b>
<b>1.</b>	<p><b>1. Welcome, Apologies and Declarations of Interest</b> MT welcomed everyone and thanked them for accessing the meeting electronically in these very extraordinary circumstances. She also welcomed C Baxter and C Snell to their first meeting. Apologies were received from Cllr S Davies and S Williams. Cllr D Wright attended the meeting on behalf of Cllr S Davies. MT reminded members that a new version of the agenda had been circulated. Items 2 &amp; 3, the briefings on the progress in delivering the European Structural and Investment Fund Programme and the implementation of the Marches Energy Strategy were postponed to a later Board meeting.</p> <p><b>2. Declarations of Interest</b> Members made the following Declarations of Interest: CB – Item 4b - employee of institution that had submitted a proposal for funding.</p>	

	AMC – Item 4b – Chair of Hereford Enterprise Zone. Vendor (through Herefordshire Council) of land at Skylon Park to NMiTE, subject to contract. The Shell Store and the Cyber Centre, the subject of grant allocations are being built on land at Hereford Enterprise Zone, Skylon Park	
2.	<p><b>Governance</b></p> <p><b>a) Appointments</b></p> <p><b>i) Appointment of 2 new Board members</b>  <b>Resolution:</b>  To confirm the appointment of Dr Catherine Baxter and Christine Snell as Directors of Marches LEP Ltd.  <b>The Board confirmed the appointment of Dr C Baxter and C Snell as Directors of Marches LEP Ltd – unanimous.</b></p> <p><b>ii) Appointment of Public Sector Alternate Director for Herefordshire Council</b>  To note the resignation of Cllr T Marsh, Herefordshire Council as the Alternate for Cllr D Hitchiner, and to confirm the appointment of Cllr E Chowns as the new Alternate.  <b>The Board confirmed the appointment of Cllr E Chowns as the Alternate Director for Cllr D Hitchiner - unanimous.</b></p> <p><b>b) Marches LEP Management Group Draft Terms of Reference for ratification by the Board</b>  The Board reviewed the document. It was suggested that a private sector member from Herefordshire join the group. Proposed changes to the Membership of the Group and its TORs would be brought to the next Board meeting for ratification.</p> <p><b>c) LEP policy on Board meetings and Board member expenses</b>  The Board discussed the paper and <b>agreed</b> (unanimous) that members of the public and press could attend future Board meetings for the non-confidential element of the meetings. It was suggested that this could be put in place for the when a meeting was held with members present. However, it was also <b>agreed</b> (unanimous) that ‘virtual’ meetings would not be open to the public.  The Board also <b>agreed</b> (unanimous) that the MLEP Secretariat would develop an expenses policy in line with the recommendations in the paper, which could be implemented from 1 April 2020.</p>	<p>EV</p> <p>EV</p> <p>GH</p> <p>GH</p> <p>GH</p>
3.	<p><b>Minutes of Previous Meeting held on 27 January 2020</b>  The Minutes of the previous meeting held on 27 January 2020 were approved and signed (electronically) by the Chair as a true and accurate record of the meeting.</p>	EV
4.	<p><b>Growth Deal Update</b></p> <p><b>a) Overall Project Update</b>  NA gave an update on the Growth Deal Programme and said that the Quarter 3 LGF Claim reflected the position outlined at the Annual Performance Review, providing confidence around spend. He explained the approach proposed by the Performance Risk and Monitoring Committee (PRMC) to defer the reimbursement of temporary virements for the Eastern Gateway and Shrewsbury Integrated Transport Package project from 2019/20 FY to 2020/21 FY, to enable the LEP to incur an additional value of £1,150,130 of expenditure.  <b>The Board noted the current performance of the Growth Deal Programme.</b></p> <p><b>The Board approved (unanimous) the temporary virement figures.</b>  NA also highlighted that during 2020/21 Financial Year (FY) the amounts would be re-allocated back to respective projects.</p>	NA

<p>MT questioned the ability of projects to be able to deliver within the stipulated timescales in the light of the current coronavirus restrictions and suggested that a request be made to the Cities &amp; Local Growth Unit (CLGU) for urgent consideration of an extension to the delivery timetable. OH said that this was being considered by Ministers. A pragmatic approach would be taken with guidance issued as soon as possible.</p> <p>NA gave a brief update on the current projects:</p> <p><b>i) NMITE Phase 2</b>        Following Board approval, the LEP accountable body (Shropshire Council) had issued a letter delegating responsibility for managing the GD grant and the relationship with the applicant (NMiTE), to Herefordshire Council. Following receipt of this letter Herefordshire Council was due to take an urgent decision on it becoming the accountable body for NMiTE phase 2 Growth Deal funds on 25 March 2020.</p> <p><b>ii) South Wye Transport Package</b>        The termination of the funding agreement for the South Wye Transport Package (SWTP) was agreed at the Board meeting on 27 January 2020. The Growth Deal value of the SWTP Funding Agreement was £27m and £3.8m having already been paid to Herefordshire Council to support the development of the project. Also agreed was that discussions would commence with Herefordshire Council on the claw back of the £3.8m already paid to Herefordshire Council to support the development of the SWTP project.        The LEP Team had instructed a Solicitor to work on its behalf in relation to the clawback of the £3.8m and would be preparing a letter to send to Herefordshire Council. It had been intended to table the letter at the Board meeting, but due to a delay with the Solicitor, members would have sight of the letter following despatch to Herefordshire Council.</p> <p><b>iii) Oxon Link Road</b>        The LEP had been informed that the proposal for the Oxon Link Road (OLR) project merger with the Shrewsbury North West Relief Road (SNWRR) had been agreed by Shropshire Council at its meeting on 27 February 2020. The LEP Team had received confirmation from the project lead that the Output profile and figures approved by the LEP Board (21 May 2019) were still relevant to the proposed OLR/SNWRR merged project.</p> <p><b>iv) Telford College</b>        Following the actions taken by the LEP reported at the previous Board meeting, including a comprehensive review and final position letter sent to the College, a letter had been received from Graham Guest, Principal &amp; Chief Executive of Telford College on 27 February 2020. This outlined the College's responses to the points raised in the letter from the LEP and agreed to the requested refund of £11,780. The LEP would monitor virtually over the coming weeks that the agreed actions were being undertaken.  <b>The Board noted the project updates.</b></p> <p><b>v) Skills Capital Call</b>        NA confirmed that the projects approved for funding at the previous Board meeting were now being contracted:        - Shrewsbury Colleges Group: Advanced Manufacturing Engineering and Automotive Expansion Project - £200,000        - Herefordshire, Ludlow &amp; North Shropshire College: Energy Training Centre; for micro-generated electricity and other sustainable technologies - £70,000  <b>The Board noted the update relating to the Skills Capital Call.</b></p> <p><b>b) Capital Projects to Utilise Underspend</b></p>	<p>OH</p> <p>NA</p>
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**Post meeting note:** The paper for this item (originally 6b) had, up until the meeting, been confidential. After the meeting the confidential marking would be removed from the paper

*CB left the meeting. AMC re-iterated his Declaration of Interest in the Item.*

NA introduced the paper and supporting appendices which provided an update from previous meetings regarding the project call.

**i) Project Call – Background**

11 expressions of interest had been submitted and approved. These projects were then invited to submit a Full Business Case. The process was overseen by a Commissioning Group as a sub-group of the Board. Hatch Regeneris, as the Independent Technical Evaluator conducted the project appraisal process.

**The Board noted the background to the Project Call.**

**ii) Growth Deal 3 – Top-up Existing Projects**

At the LEP Board meeting on 24 September 2019, members agreed that any underspend generated through the LEP programme should be awarded to those Growth Deal 3 projects which received a reduction in grant in 2017, which would allow them to operate within their originally asked for allocation. NA went through the additional values proposed for:

- Hereford Centre for Cyber Security;
- Newport Innovation & Enterprise Package;
- Shrewsbury Flaxmill;
- NMITE.

The LEP had received a request from the NMITE project team on 12 March 2020 to utilise £400,000 of Growth Deal funds towards the Phase 1 project, contributing to the effective delivery of agreed milestones and outputs. It was recommended that the LEP Board approve this request and agree to ringfence for the NMITE project the outstanding balance of ‘additional funds’ (£1,600,000) subject to:

- The government award the LEP future regeneration funding.
- NMITE develop a Business Plan for LEP Board approval - demonstrating funds can be spent in accordance with the grant conditions awarded to the LEP

Following some discussion regarding the NMITE request, **the Board approved (unanimous) the full list of Growth Deal 3 Additional Values.**

**Skills Capital** - a recent Project Call had been completed around utilising £270,000 of underspend against this funding programme. Whilst the Skills agenda continued to be a high priority for the Marches LEP, it was acknowledged that the process to administer any further funding rounds from this programme would not be achievable as the funds needed to be spent by 31 March 2021.

**Capitalisation of Programme Management Costs** - the PRMC, at its meeting on 12 March 2020, had put forward a proposal for the LEP Treasurer/Section 151 Officer to consider allowing approximately £300,000 of Growth Deal funds to cover the actual costs for the LEP’s Programme Management Team. This included additional activity specifically relating to the current Project Call process comprising the procurement of Solicitors, an Independent Technical Evaluator and additional staffing resources. The detail relating to the request would follow under Agenda Item 6b.

**iii) Growth Deal – available funds and recommended project list**

NA

NA explained that the total amount of Growth Deal funding available for projects through this Call was £25,055,692. This figure had been derived as follows:

Income	
South Wye Transport Package	£ 27,000,000.00
Telford College – Reimbursement of Growth Funds	£ 11,800.00
Growth Deal 3 - Uncommitted Funds	£ 39,892.00
<b>Total</b>	<b>£ 27,051,692.00</b>

Expenditure	
Capitalisation of Programme Management Costs Proposal	£ 300,000.00
Growth Deal 3 - Top up for existing projects	£ 1,696,000.00
<b>Total</b>	<b>£ 1,996,000.00</b>

<b>Total Growth Deal Funding Available</b>	<b>£ 25,055,692.00</b>
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JW explained that from a local government accounting perspective the £3.8m clawback claim against Herefordshire Council, although presently in dispute, should be counted as available for project spend. Therefore it should not be counted as part of the 10% overcommitment figure (as explained below).

Following some discussion regarding the £3.8m clawback from Herefordshire Council **the Board noted the value of Growth Deal Funding available to projects.**

NA went through the list of projects that had submitted full business cases, outlined the methodology of the assessment process undertaken by Hatch Regeneris, and presented the final list of recommended projects as follows:

Primary Care Centre at the Tannery (Phase 2 Only) - Shropshire  
HEZ Infrastructure and Building Investment - Herefordshire  
Marches CoE in Health Allied H&S Care – Telford & Wrekin  
Oswestry Infrastructure Works - Shropshire  
Ross Enterprise Park – Phase 1 - Herefordshire  
Stronger Communities Regeneration Sites (Station Quarter, Donnington & Wellington) – Telford & Wrekin

### Overcommitment

These projects represented a total value of £27,496,133. The recommended programme therefore represented an over-allocation of £2,440,441 (10%). NA explained that it was recognised that with the constraints on timeframes for Growth Deal expenditure there was prudence in incorporating an over-allocation.

He suggested that consideration should be given to:

1. Utilising alternative LEP funding sources to cover this over-allocation, examples included Growing Places Funds (Marches Investment Funds).
2. Reducing allocations, ensuring project values balanced with the available Growth Deal funds.

GH said that overcommitment was prudent and standard practice and JW commented that there would always be a degree of slippage and the allocation could be reviewed in a few months.

	<p>Members discussed the over-commitment in some depth and <b>agreed that the Board would be updated on progress with projects at the next Board meeting in May 2020.</b></p> <p><b>The Board approved (unanimous) the Project Recommendation list.</b></p> <p><b>iv) Reserve list of projects</b> NA went through the reserve list of projects that could be funded retrospectively in the event of surplus Growth Deal funds becoming available. The projects on the list were: Rural Enterprise (Bishop's Castle only) - Shropshire Harper and Keele Veterinary School – Telford &amp; Wrekin The Shell Store – Herefordshire Members discussed the reasons for projects being on the reserve list. NA commented that it had been determined that in each case, the capital investment and economic benefit to the Marches region would occur without Growth Deal Funds. However, given that they were highly deliverable projects, this would satisfy the remaining Local Growth Fund requirements.</p> <p><b>The Board approved (unanimous) the Project Reserve list, in the event of surplus Growth Deal funds becoming available</b></p> <p>MT proposed that the reserve list could be revisited by the Board if any projects on the main list were unable to utilise their funding <b>This was agreed (unanimous) by the Board.</b></p> <p><b>vi) Potential utilisation of Marches Investment Funds</b> NA said that any overcommitment that required funding could be met by utilising Growing Places funds. GH commented that the Marches Investment Funds, of which this was a part were loan funds rather than grant funds. <b>The Board noted that consideration could be given to utilising Growing Places Funds (Marches Investment Funds) if allowed under accounting rules, to cover the over-allocation of grant.</b></p> <p><i>CB re-joined the meeting.</i></p>	<p>NA</p> <p>NA</p>
<p><b>5</b></p>	<p><b>Implications of becoming a legal entity</b> GH went through the content of the paper including the key actions resulting from the advice note from the solicitors on the implications of becoming a legal entity. Members discussed the implications of the recommendations. AMC repeated the concerns he had previously expressed that, following the incorporation of the LEP in April 2019, the legal status of the LEP as compared to its previous unincorporated entity must be clarified and resolved as a matter of urgency. MT noted that Shropshire Council had done an outstanding job in supporting the LEP as the accountable body but the demands of the LEP were now very different and it needed to review best value and what was right for the organisation now, as an incorporated body.</p> <p><b>The Board approved (unanimous) the actions recommended in relation to drafting a new Service Level Agreement (SLA) between the LEP and its Accountable Body.</b></p> <p>The Board noted that LEP Chief Executive was currently seeking the views of the CEOs at Telford and Wrekin Council and Herefordshire Council on whether they</p>	

	<p>were content for Shropshire Council to continue to act as the Accountable Body for the LEP. If they confirmed that they were content, the new SLA would be drawn up between the LEP CLG and Shropshire Council acting as the accountable body. If they were not content, a tender for the work would be issued to all three local authorities.</p> <p><b>The Board agreed (unanimous) that the results of a best value exercise on the costs of services provided by the accountable body be produced for the next LEP Board meeting.</b></p> <p><b>The Board agreed (unanimous) that a new SLA between the LEP and Shropshire Council be drafted in the first instance for the Board to review.</b></p> <p><b>The Board noted Item 6b</b> where the PRMC was proposing that the LEP use a small percentage of Growth Deal funds to cover the cost of managing the Growth Deal Programme. This in turn would help increase the LEP income and off-set some of the additional costs the LEP is incurring on VAT and Corporation Tax.</p>	<p><b>D Sidaway A Neill</b></p> <p><b>GH</b></p> <p><b>GH</b></p>
<p><b>6.</b></p>	<p><b>Performance Risk &amp; Monitoring Committee of 12 March 2020</b></p> <p><b>a) Update and Risk Register Review</b> SR referred Members to the PRMC paper and highlighted the Risk Registers, explaining that new archived sections had been introduced to improve clarity. The LEP Team would be undertaking specific training on risk as soon as this was possible.</p> <p><b>The Board noted the revised content and format of the Strategic Risk Register and the full LEP Programme Risk Register and the narrative provided in relation to the key risks discussed at PRMC.</b></p> <p><b>The Board approved (unanimous) the revised format and ongoing approach to reviewing the Risk Registers.</b> A request was made to change the presentation of the risk registers to make them easier to read. SR acknowledged the request.</p> <p>SR drew members' attention the Final Internal Audit Report. Due to the hard work of the LEP Team in conjunction with the Board, the assurance level had improved by two assurance levels, from 'requires improvement' to 'good'.</p> <p><b>The Board noted the improved assurance level to 'Good' in the Final Internal Audit Report.</b></p> <p>SR said that the Committee lacked representation from Herefordshire and that members from the area were encouraged to consider joining. FM volunteered to join the PRMC. Remote access for members would be available for future PRMC meetings.</p> <p><b>b) Capitalisation of Growth Deal Funds</b> GH went through the paper which explained that over the past 5 years the LEP had maintained funds in a general reserve of approximately £0.8m to £0.9m, to ensure it could meet its liabilities into the next Financial Year. However, as a consequence of the LEP becoming a Company Limited by Guarantee from 1 April 2019 it was estimated that the LEP would incur additional annual costs:</p> <ul style="list-style-type: none"> <li>• VAT at 20% for LEP and Growth Hub services - circa £0.1m per annum</li> <li>• Corporation Tax at 19% on interest earned on reserves - circa £0.03m per annum</li> <li>• Preparation of external accounts and external audit - circa £0.03m per annum</li> </ul>	<p><b>NA</b></p> <p><b>FM, SR NA</b></p>

	<p>There had been an increase in staff resource in the LEP Team this year in order to provide additional capacity. Any additional potential redundancy and pension liabilities would need to be covered by the LEP, therefore these costs would also need to be taken into account. JW and GH had had detailed discussions regarding managing the reserve including that some other LEPs had taken a percentage from Growth Deal funding to meet the costs of operating programme teams.</p> <p>JW said that there were some costs that were not currently capitalised which could potentially be. He said that some costs held more risk and that he would be happy to review them but would need assurance from government that there were no issues in capitalising them.</p> <p>The LEP Team were asked to provide actual operational costs and legal etc costs to JW.</p> <p><b>The Board agreed (unanimous) to support the proposal that the Accountable Body Section 151 Officer be asked to utilise Growth Deal Funds to cover the Growth Deal Programme costs in the next Financial Year, to help maintain the financial viability of the LEP and to enable the LEP reserves to be maintained at an acceptable level.</b></p>	<p><b>GH, NA</b></p>
<p><b>7.</b></p>	<p><b>Any Other Business</b> <b>Targeted support for strategically important enterprises in the Marches area affected by recent crises</b></p> <p>PH noted that the advice that the Growth Hub website was delivering was superb and a lot of businesses were going to it for guidance. There had been a 135% increase in hits recently. He thanked everyone involved in this.</p> <p>PH suggested that the Board provide some support to strategically important enterprises in the Marches affected by the recent flooding in particular, e.g. Ironbridge Gorge Museum Trust. After some discussion it was noted it would be useful to explore whether Marches Investment Fund (MIF) could be used to provide grants to support strategic initiatives. GH said that the LEP was currently investigating options with MHCLG and JW, but that MIF could currently only be used for capital loan funding. It was agreed if the change of use for some of the MIF could be approved, discussions would take place with local authority leaders and Business Board Chairs on the types of strategic projects it could support.</p> <p><b>The Board agreed this approach.</b></p>	<p><b>GH</b></p>
<p><b>8.</b></p>	<p><b>Close</b> The meeting closed at 6.33 pm.</p>	
	<p><b>Next Meeting of the Board of The Marches LEP Limited: Tuesday 26 May 2020, to be held virtually</b></p>	

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## Item 3 - Matters Arising

### The Marches LEP Management Team Terms of Reference

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#### Purpose of the LEP Management Team

- The LEP Management Team is responsible for supporting delivery of the programme of work of the Marches LEP Board in areas such as: strategy development, co-ordinating the management of the Strategic Economic Plan and the day to day administration of the Partnership including internal and external communications.

#### Roles and responsibilities

- Undertake day to day management of LEP business, working within the agreed Scheme of Delegation, and oversee the operational management arrangements put in place by the Marches LEP Board.
- Develop proposals for the LEP operating structure and any required reviews to put forward to the Marches LEP Board for agreement.
- Control all matters regarding the day to day administration of the LEP service, including taking and implementing decisions concerned with maintaining operational effectiveness or matters which fall within a policy decision taken by the LEP Board.
- Develop strategy proposals for consideration by the Marches LEP Board, including responsibility to ensure the wider engagement of businesses and stakeholders in the development process.
- Put in place arrangements to implement the overarching economic strategy and work programme (including The Marches Strategic Economic Plan, Local Industrial Strategy, Skills Plan, ESIF Strategy, Growth Deal Programmes and other required strategies produced by the LEP), any required Delivery, Monitoring and Evaluation Plans and Annual Reports and to update the LEP Board on the work of task-specific Project Groups, outlining progress and raising key issues.
- Day to day oversight of the delivery programme management arrangements put in place by the Marches LEP Board (includes provision of secretariat for the Performance, Risk & Monitoring Committee (LEP Team)). Working to the approved Scheme of Delegation, to undertake programme management of the Growth Deal, ESIF, Marches Investment Fund, Growth Hub and other relevant programmes and reporting regularly to the Marches LEP Board, including:
  - Ensuring projects are suitably managed within the accountability and assurance framework agreed by the Marches LEP Board and S151 Officer,

- Agreeing targets against which programmes will be managed,
  - Holding delivery agents to account,
  - Monitoring the ability to deliver the objectives,
  - Identifying and actioning solutions to problems related to delivery of the programme.
- To oversee work to progress pipeline development projects.
  - Determining strategic communications for all LEP programmes.
  - To develop and submit formal responses on behalf of the Partnership to Government, EU or other relevant partners on policy documents, within deadline, working within the agreed Scheme of Delegation.
  - Identifying opportunities and planning to work in partnership with neighbouring LEPs where priorities are shared and could be best implemented jointly.
  - To oversee delivery of the Annual LEP delivery plan, reporting to the Marches LEP Board, Performance Risk and Monitoring Committee, Ministry of Housing, Communities & Local Government, Department for Business, Energy & Industrial Strategy and other bodies as required on exceptions and key performance indicators agreed by the LEP Board and funders.

### Membership of the Management Team

	Name	Title	Organisation
<b>LEP Management Team</b>	Mandy Thorn MBE DL	LEP Chair	Marches Care Ltd
	Paul Hinkins	LEP Deputy Chair	Business Watch Guarding Ltd
	Gill Hamer	LEP CEO	Marches LEP
	James Walton	Finance (S151) Officer	Shropshire Council
<b>LEP Board</b>	Frank Myers MBE	Hereford Business Board Chair; LEP Board member	MCP Systems Consultants Ltd

<b>LEP Team</b>		LEP Secretariat	Marches LEP
<b>EU Technical Assistant</b>	Gary Spence	EU Technical Assistant	Marches LEP
<b>PR &amp; Communications</b>	Amy Bould	PR & Communications Lead	Be Bold Media Ltd
<b>Hereford Enterprise Zone</b>	Mark Pearce	Managing Director	Hereford Enterprise Zone
<b>Council Directors/Heads of Service</b>	Roger Allonby	Head of Economic Development	Herefordshire Council
	Gemma Davies	Assistant Director Economic Growth	Shropshire Council
	Katherine Kynaston	Director Housing Economy & Infrastructure	Telford & Wrekin Council

### Management Team Meetings

- In the event of absence, a named deputy may attend.
- Members and their nominated deputies will comply with the LEP Code of Conduct included in this document.
- Meetings will take place every month if there is sufficient business.
- A draft agenda will be circulated three days in advance and papers within two working days of the meeting.
- Papers are circulated electronically by email and actions shared with the Marches LEP Board.

*These Terms of Reference were last updated on 12 May 2020.*

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# Marches Local Enterprise Partnership Limited

## Board Member Travel and Expenses Policy

## **1. INTRODUCTION**

1.1 The general principle accepted by the LEP Board is that the role of Board member is non-remunerated, with the expectation that private and public-sector organisations will have their travel expenses met by their employing organisation.

1.2 However, the Board has recognised that this general principle could place unreasonable expenditure expectations on those with significant external visit expectations (e.g. the Chair), sole traders or SME's. Additionally, that it is unreasonable to expect that more generally, private sector business members will automatically pay any overnight expenses or larger rail travel costs, when incurred on Board approved travel.

1.3 This policy therefore aims to address these issues.

## **2. ELIGIBILITY**

2.1 All private sector Board members undertaking significant Board related activity (e.g. Chair) or operating as a sole trader or running an SME (employing less than 250 people) will be eligible to claim legitimate travel expenses for any travel undertaken on approved LEP business. Any LEP Board member, who feels that they meet this eligibility criterion, should confirm this with the Chief Executive, as senior responsible officer.

2.2 In addition to payment of legitimate travel and subsistence expenses to eligible Board members (i.e. Chair, sole traders or SMEs), it is recognised that it might be appropriate to pay any private sector Board member expenses, when these are considered excessive for example rail travel to London or an overnight stay. These costs will be considered for refund, subject to the individual Board member advising the Executive of this in advance and ensuring that the costs incurred are in keeping with best value considerations.

## **3. RATES**

3.1 In implementing a travel and subsistence policy for an organisation, predominantly funded by the public sector, it is essential that all payments are in line with standard public-sector reimbursement rates. This policy therefore adopts rates paid to elected members in Local Authorities.

3.2 Rates will be reviewed on an annual basis and updated, when necessary, in line with standard public-sector elected member rates.

3.3 Payments will be made in accordance with Annex A.

## **4. PERIOD OF OPERATION**

4.1 This policy applies from April 2020 and will remain in force until amended or revoked by the Board.

## **5. PAYMENT ARRANGEMENTS**

5.1 Board Members who wish to claim expenses will need to be set up as a supplier on the Accounts System that the LEP Secretariat use. This means the Board Member will need to complete

a Supplier Creation Form. Please contact Wayne Redge on [wayne.redge@marcheslep.org.uk](mailto:wayne.redge@marcheslep.org.uk) to request a copy of the form.

5.2 Claims should be submitted to the LEP Chief Executive within 10 working days of the end of the month on which the expenses were incurred, using the form provided at Annex B.

5.3 On receipt of the claim the Executive will authorise this, prior to submitting to the Accountable Body, for processing and payment.

## **6. OVERNIGHT ACCOMMODATION**

6.1 It is accepted that there may be occasions when an overnight stay in the course of business is unavoidable, however, all requests for accommodation must be authorised in advance by the Chief Executive. Upon approving a request for accommodation, the Chief Executive must be confident that permission is only granted for the most cost-effective accommodation available and their decision will stand independent scrutiny.



**BOARD MEMBER EXPENSES CLAIM FORM**

Date	Reason for Travel / Expense	Miles* / Item	Amount
<b>Total amount</b>			

\* Please refer to the mileage rates below

**Please return this completed claim with relevant receipts by 10<sup>th</sup> of the month following the month after which the expenditure was incurred to:  
Chief Executive, Marches Local Enterprise Partnership, Cameron House, Knights Court, Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA**

**Once approved, the LEP Chief Executive will ask you to provide an invoice for the total of the claim.**

## TRAVEL AND SUBSISTENCE RATES

### ***Mileage rates***

Travel allowances are payable to all Board members (as described in the policy). The mileage rates are the prevailing HM Revenue and Customs limits for tax allowance purposes. Currently these are as follows:

<b>All users</b>	<b>First 10,000 miles Per Mile</b>	<b>Above 10,000 miles per Mile</b>	<b>Allowance per passenger (up to a maximum of 4 passengers)</b>
Car	45p	25p	5p
Motorcycle	24p	24p	
Cycle	20p	20p	

### ***Rail Fares***

Standard rail fare reimbursed at cost on producing of a valid ticket or receipt.

### ***Subsistence rates***

<b>Meal</b>	<b>Condition</b>	<b>Maximum Value Payable</b>
Breakfast	This will be reimbursed when the individual has stayed away from home overnight and breakfast has not been included in the room rate or following unplanned, unforeseen and exceptional circumstances.	£4.92
Lunch	This will be only reimbursed following unplanned, unforeseen and exceptional circumstances.	£6.65
Dinner	This will be reimbursed when the individual has stayed away from home overnight or following unplanned, unforeseen and exceptional circumstances.	£11.83

Overnight accommodation is to be approved in advance by the LEP Chief Executive and agreed in line with item 6 of the Board Member's Travel and Expenses Policy. The LEP Chief Executive will only grant permission for the most cost-effective accommodation available.

Subsistence claims must be accompanied by receipts and recorded on the Travel and Subsistence Claim Form to enable reimbursement.

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**Item 6**

**Local Growth Fund – paper to follow**

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## **Item 7 - Marches LEP Chair and Chief Executive's Report**

### **Marches LEP Ltd Board meeting 26 May 2020**

This report provides updates on issues that do not require a Board decision. The LEP Chair and CEO will take questions on any of the below items at the Board meeting.

#### **1. Covid -19 – Gathering of intelligence on the impact on the Marches Economy**

Since 6 April 2020 the LEP Chair has hosted virtual meetings once every 2 weeks with local partners including the NFU, FSB, British Business Bank and two Chambers of Commerce, Business Board Chairs and Private Sector Board members to hear about the support their respective business groupings were seeking from the government and whether the government business support is right and reaching the businesses. More recently the feedback has been about how businesses are responding to the government's recovery and social distancing guidance. The LEP Chair has fed this information up every 2 weeks into the West Midlands Group of LEP Chairs which then informs the 2 weekly LEP network meetings held with Ministers and senior civil servants from MHCLG and BEIS. The LEP Chair has also been providing regular written reports on the issues impacting on the economy to the Marches MPs including the outcome of the below mentioned survey.

#### **2. Marches LEP Covid-19 Business Survey – Level of response and results**

The Marches Local Enterprise Partnership (LEP) survey into the impact of the COVID-19 pandemic on our business base and local economy, launched on 6 April 2020. The survey closed at the end of April 2020 with over 500 individual businesses having responded. A report containing the overall outcomes of the survey plus information broken down by sector and local authority area can be found [here](#). Many businesses reported that they were not eligible for Small Business Rates Relief or Rural Rates Relief and were therefore not eligible for the Small Business Grant Fund. There was however some praise from businesses who were eligible for grants for the ease and speed with which they received them.

#### **3. Incorporation Action Plan and draft Balance Sheet for 19/20 FY**

Since the last Board meeting an action plan has been drawn up which sets out the range of issues to be addressed including the new SLA between the LEP and the accountable body, the appointment of an external accountant/auditor and drawing up of the secondment agreements for the LEP staff. The LEP Chair has agreed that in order to complete all of the tasks in the next 2-3 months an experienced governance interim consultant should be appointed. This interim consultant will start on 22 May 2020 and will be managed by the CEO but will report to a Board level Task and Finish Group. The LEP Chair has asked the following Board members to join the Task and Finish Group – Cllr D Hitchiner, Dr C Baxter, J Staniforth, P Bennett and the LEP Chair. The Task and Finish Group will report on progress at the July 20 Board meeting.

The draft 2019/20 Balance sheet for the LEP is being prepared by finance colleagues. A copy will be issued to the Board in advance of the Board meeting on 26 May 2020.

#### **4. £1.58m of Marches Investment Fund (MIF) awarded to support strategic tourism and other business initiatives affected by the floods and Covid-19 virus**

The LEP Board unanimously agreed a written resolution on 20 April 2020 to release £1.58m from the Marches Investment Fund to the three local authorities – the amounts are Herefordshire Council £444,220, Shropshire Council £737,722 and Telford and Wrekin Council £404,557. After the Board agreeing, again unanimously, on 29 April 2020 that the funds be distributed as a revenue grant, the LEP CEO issued the guidance note and business case template for the three Councils to complete in consultation with their Business Board Chair on 30 April 2020. The three Councils have been given until 21 May to submit their

business cases. The LEP Chair, R Shepherd and the LEP CEO were given delegated authority by the Board in the 20 April resolution to review and approve the businesses cases.

## 5. Growth Hub activity report

The impact of flooding and Covid-19 has led to a surge in businesses seeking help from the Marches Growth Hub (MGH). This is evidenced by an increase in demand for business support through the three physical growth hubs, National Business Support Helpline (NBSH) and the MGH website. Business engagement through the three physical growth hubs increased by 767% when we compare the number of enquiries received in March 2019 versus March 2020 (325 in March 2019 versus 2,818 in March 2020). The NBSH received a 464% increase in calls with 36 calls being received in March 2019 compared to 203 in March 2020. The MGH Website saw a 133% increase in visitors to its business support pages in March 2020, compared to March 2019. For general business support and advice guidance pages on the MGH website, demand was up 85% in March compared to the pre-pandemic month. 2,941 visited the dedicated COVID 19 information resource page on the MGH website in March 2020. The MGH teams have also played a key role for the local authority partners in distributing grant funding awarded by central government.

The website [www.marchesgrowthhub.co.uk](http://www.marchesgrowthhub.co.uk) has been reconfigured and is updated regularly to provide accurate information on Covid-19 related support available, including government advice and guidance <https://www.marchesgrowthhub.co.uk/advice-and-support/coronavirus-information-for-businesses/>

Events and business engagement activity has been shifted on line to ensure that businesses are able to access advice, support and information and a varied 'virtual' event programme with inputs from a range of partners may be found at <https://www.marchesgrowthhub.co.uk/calendar/>

MGH is playing a critical role in feeding back business intelligence to BEIS, MHCLG, DFE and Midlands Engine through a weekly data and intelligence return.

To close off 2019/20, the MGH year-end report will be submitted to BEIS by 30 June 2020. Activity plans within the £205k core allocation have been approved by BEIS and the LEP is waiting for guidance on a proposed additional allocation of £257k to support the delivery of an enhanced service.

## 6. 2019/20 LEP Annual Delivery Plan Review and Future Planning for 2020/21

Please find [here](#) a progress report on the 2019/20 LEP Delivery Plan. It outlines the progress in delivering against the three themes of strategy, governance and delivery of activities and investment programmes. A draft 2020/21 Delivery Plan was in production, but it came to a halt in April due to the various changes taking place as a result of Covid-19. A shortened 2020/21 Delivery Plan covering governance and delivery of programmes will be presented to the Board for consideration at the July 20 Board meeting.

It is not clear at this stage whether or how the draft Marches Local Industrial Strategy, submitted to BEIS in Dec 2019, will now be repurposed to support recovery planning as a result of the impact of the Covid-19 pandemic on the Marches Economy. The LEP CEO was advised on 4 May 2020 that the Government will be issuing, in the second half of the year, a Devolution White Paper and will be undertaking a Comprehensive Spending Review (CSR), which will inform the budget autumn statement. It is thought that the CSR will determine future investments to support the economy including the proposed UK Shared Prosperity Fund, the potential successor for the Local Growth Fund.

## 7. European Structural and Investment Fund (ESIF) – commitment and spend

To date, the delivery of ESIF within the Marches has been successful with a high commitment rate over the three funds, leading towards a projected total spend of £120m over the programme's lifetime. Please see the detailed report on the three funds [here](#). There were clear benefits to LEP areas receiving individual funding allocations, compared to previous "regional" programmes, because it helped to stimulate discussion between LEP partners and regional organisations, such as universities and other West Midlands local authorities. This led to a diverse range of projects in the Marches spread across several delivery partners.

The Marches Growth Hub has been an important conduit for ensuring that the ESIF-funded activity relating to business support and grants has been accessed by local businesses. The Marches LEP needs to ensure that Government recognises its achievements in delivering the programme in respect of the development of the proposed UK Shared Prosperity Fund.

## 8. Energy Action Plan delivery

The Midlands Energy Hub continues to develop its pipeline of projects within the Marches in line with the Energy Strategy. There are currently eight projects on the "shortlist" with a combined estimated investment value of £14M, generating over 63MW of renewable energy and saving 4,000t of CO2 emissions. The table in the Project Pipeline document [here](#) also includes details of the other programmes and projects that contribute to the delivery of each of the Energy Strategy Priority areas.

The Marches Renewable Energy (MarRE) grant scheme has now awarded nine grants worth over £150,000 to projects that will deliver nearly 500kWp of renewable energy. Over £1.5M of funding is still available to a range of organisations including SMEs towards the cost of installing renewable energy technologies. For more information about MarRE see the electronic copy of the new MarRE leaflet [here](#) and the Case Studies ([CS 1](#), [CS 2](#), [CS 3](#)) which have been written to encourage more applications.

**The Board is asked to note the Energy Strategy Group Terms of Reference [here](#)**

## 9. LEP Risk Register Update to PRMC 7 May 2020

The LEP secretariat have been seeking formal guidance and training on the reformatting of the risk registers from specialist officers at Shropshire Council. Unfortunately, this has not yet been possible as the officers have been redeployed on to other duties for the time being. As soon as the Officers have capacity the LEP will look to arrange this training. In the meantime, some changes to the risk registers have been made. These include the addition of two new risks in the Strategic register which focus on tax implications now the LEP is a Company Limited by Guarantee and also business continuity in light of the global pandemic. The LEP secretariat deemed it prudent to include these but did stress to PRMC that going forward it would be the committee's role to shape new risks. The two new risks can be found in the Strategic register section resources (2.12) and also section Finance and Legal (5.5) [here](#).

The Programme register has also been updated [see link](#). Project risks are now grouped together, and the updates mostly relate to the impact of Covid-19. The LEP secretariat do expect some impact on spend and deliverables due to sites closing and works being suspended, and this is reflected in the risk register updates. The LEP secretariat are keeping in contact with all the Growth Deal projects through their ongoing monitoring activity and keeping the LEP's MHCLG/BEIS lead fully briefed.

**Mandy Thorn MBE DL, Chair**  
**Gill Hamer, Chief Executive**  
**19 May 2020**

# End