

**THE MARCHES LOCAL ENTERPRISE PARTNERSHIP LIMITED
BOARD MEETING**

Tuesday 24 November 2020

4.00pm – 6.00pm

Remote access via Zoom

AGENDA

Item	Time		Lead	Discussion/ Decision	Paper
1.	4.00 pm	Welcome, Apologies and Declarations of Interest	MT		
2.	4.00 pm	Minutes of Marches LEP Ltd Board meeting on 29 September 2020	MT	Decision	X
3.	4.10 pm	Board Membership – re-election and rotation	GH	Decision	X
4.	4.15 pm	Briefing on outline plans for Telford and Hereford Towns Fund projects	KK & IA	Discussion	
5.	4.45 pm	Performance Risk and Monitoring Committee (PRMC) – report from meeting on 22 October 2020	SR	Discussion	X
6.	5.00 pm	Progress report from 3 Local Authorities on investment of £1.58m MIF revenue funds to support SMEs impacted by flooding & COVID	GH, 3 LA reps	Decision	X
7.	5.15 pm	Progress report on project spend of Local Growth Fund (LGF) & project contracting using Getting Building Fund (GBF)	NA	Discussion	X
8.	5.30 pm	Skills activities update	JS	Discussion	X
9.	5.45 pm	LEP Chair and CEO Report	GH	Information	X
10.	5.50pm	Any Other Business	MT		

Date of next Marches LEP Ltd Board meeting – 26 January 2020

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Item 2

**Draft Minutes of the Marches LEP Ltd Board Meeting
29 September at 4.30pm
Meeting held via Zoom
(Company Number: 11822614)**

Present:		
Mandy Thorn MBE	MT	Chair, Marches LEP Board
Sonia Roberts	SR	Deputy Chair Marches LEP Board; Social Inclusion Champion; CEO Landau Limited
Paul Hinkins	PH	Telford Business Board Chair
Frank Myers MBE	FM	Herefordshire Business Board Chair
Paul Bennett	PB	Shropshire Business Board Chair
Andrew Manning Cox	AMC	Hereford Enterprise Zone Chair
Cllr David Hitchiner	DH	Leader, Herefordshire Council
Cllr Peter Nutting	PN	Leader, Shropshire Council
Cllr David Wright	DW	Cabinet Member for Economy, Housing, Transport and Infrastructure, Telford & Wrekin Council
Paul Kalinauckas	PK	Access to Finance Champion
James Staniforth	JS	Skills Advisory Panel Chair; Principal and CEO of the Shrewsbury Colleges Group
Ruth Shepherd	RS	Director, Results Communications
Sara Williams	SW	Marketing Manager - Northern Europe, Protolabs
Dr Catherine Baxter	CB	Higher Education Champion; University Secretary, Harper Adams University
In Attendance:		
James Walton	JW	Section 151 Officer, Shropshire Council
Hayley Owen	HO	Interim Assistant Director of Economic Growth, Shropshire Council
Richard Ball	RB	Director for Economy and Place, Herefordshire Council
Mark Barrow	MB	Executive Director for Place, Shropshire Council
Hayley Deighton	HD	Sustainable Growth Manager West Midlands, Environment Agency
David Throup	DT	Area Environment Manager Herefordshire, Environment Agency
Katherine Kynaston	KK	Director Housing Economy & Infrastructure, Telford & Wrekin Council
Michelle Egan	ME	Deputy Head, West Midlands & South West, Cities & Local Growth Unit, Department for Business, Energy and Industrial Strategy
Ollie Hindle	OH	Assistant Director, West Midlands & South West, Cities & Local Growth Unit, Department for Business, Energy and Industrial Strategy
Gill Hamer	GH	Chief Executive, Marches LEP
Ilia Bowles	IB	Director of Corporate Services Designate, Marches LEP
Kathryn Jones	KJ	Partnership Manager, Marches LEP
Nick Alamanos	NA	Programme Manager, Marches LEP
Ennis Vingoe	EV	Marches LEP Team Support Officer
Wayne Redge	WR	Marches LEP Office Administrator
Amy Bould	AB	Be Bold Media

ITEM		ACTION
1.	<p>1. Welcome, Apologies and Declarations of Interest MT welcomed everyone and thanked them for attending the meeting, including members of the public who were observing the meeting via Zoom. MT also welcomed Hayley Deighton and David Throup from the Environment Agency who would be providing a presentation with MB. Apologies were received from Christine Snell. MT noted that the meeting was being recorded to aid the production of the minutes.</p> <p>2. Declarations of Interest The Chair said that members of the Board declared their interests annually as part of the Register of Interests, but also reminded members to complete the form for any specific Declarations of Interest for this meeting and forward to EV if required. FM – declared an interest in Item 2 Matters Arising, Cross Border Growth Deal as an Independent Member of the Welsh Government Health and Social Services Audit and Risk Assurance Committee. PN – declared an interest in Item 7 as Leader of Shropshire Council regarding the South Wye Transport package. DH - declared an interest in Item 7 as Leader of Herefordshire Council regarding the South Wye Transport package.</p>	
2.	<p>1. Minutes of the Marches LEP Ltd Board meeting held on 21 July 2020 The Minutes of the previous meeting held on 21 July 2020 were approved and would be signed (electronically) by the Chair as a true and accurate record of the meeting.</p> <p>2. Minutes of the Marches LEP Ltd Emergency Board meeting held on 11 August 2020 The Minutes of the Emergency Board meeting held on 11 August 2020 were approved and would be signed (electronically) by the Chair as a true and accurate record of the meeting</p> <p>3. Matters Arising Minutes of MLEP Ltd Board Meeting 21 July 2020</p> <ul style="list-style-type: none"> • Item 2 - Transport Officers' Group update. NA gave an update from the Transport Officers Group. The slides can be found here: TOG slides.pdf • Item 4b – update on Shropshire Council staff resourcing JW gave an update. The Shropshire Council Finance Team had been subject to a restructure which has provided additional resilience and increased the capacity of elements of the team supporting the work for the Marches LEP, including a temporary dedicated resource to support the LEP work. Recruiting is taking place for the permanent role. The temporary solution has helped take forward due diligence checks on the Getting Building Fund funding agreements and three funding agreements are due to be finalised shortly. A shared Sharepoint site has been developed allowing visibility on how agreements are progressing to timescales. The Council is working through the schedules to the Service Level Agreement with the LEP and this is nearly complete. The timescales in the schedules will link with and be visible via the shared Sharepoint site. Overall, this was now a much stronger position. The resilience of the systems would be tested in a 'perfect storm' situation but as much resilience as possible has been built in. MT said that the Service Level Agreement was being developed with the assistance of the Marches LEP Board Incorporation Task and Finish Group. When the draft was ready it would be presented to the Board for approval. • Item 8 – update on the cross-border Growth Deal 	

	<p>GH said that two meetings had been held so far which included the Wales Office and the Ministry of Housing, Communities and Local Government (MHCLG), supported by OH and Growing Mid-Wales partners. Outline ideas for priorities for submission to the Comprehensive Spending Review (CSR) had been discussed. The cross-border freight strategy action plan and support for digital and energy strategies had been submitted. The Wales Office, MHCLG and the Welsh Government have been putting together ideas on what they think could form a joint CSR submission. If any funding is awarded, a joint project team would be formed to build the business case.</p>	
<p>3.</p>	<p>2020/21 LEP Annual Delivery Plan report and Feedback from LEP Mid-Year Performance Review by MHCLG</p> <p>GH referred to the paper explaining the rationale for the Delivery Plan required by MHCLG, and the timeline this year. A discussion took place regarding the content of the Delivery Plan. GH confirmed that following the Marches LEP mid-year Performance Review with MHCLG the previous day that recovery planning, net zero and skills support initiatives would be key and would be included in the Marches LEP recovery action plan. The Local Industrial Strategy would also be re-purposed to better reflect the impact of these issues.</p> <p>MT said that she would be meeting with most Marches MPs in the next few weeks and would discuss the LEP's priorities. Members suggested that the title of the plan wasn't helpful as the LEP is the facilitator rather than the deliverer of initiatives, which are carried out by LEP partners. GH said that the title was set by MHCLG. PK asked about access to finance and GH updated members on the Marches Investment Fund and the Midlands Engine Investment Fund and would check how much had been drawn down for this latter fund. GH and PK would meet to further discuss access to finance.</p> <p>The Board approved the draft 2020/21 LEP Team Delivery Plan (unanimous)</p> <p>GH updated the Board on the Marches LEP mid-year Performance Review that had taken place with MHCLG on 28 September 2020. The outcome had been generally positive and there were no specific issues to report. The LEP had actions related to implementing a recovery plan; the top slicing of Growth Deal funds to cover costs in relation to Growth Deal and Getting Building Fund work; and the alignment of Business Board Terms of Reference to those of the LEP. The deadline for these latter two actions to be completed is 31 October 2020. MT thanked OH, ME and JW for attending the review meeting.</p>	<p>GH, KJ</p> <p>GH</p>
<p>4.</p>	<p>Overview of the LEP strategic and programme risk registers</p> <p>SR updated members on the review of the risk registers and how the recent updating of the registers ensured that they complied with best practice. The registers had been externally audited and been given a 'good' rating. There were comprehensive review processes and reporting procedures in place. A full review of the risk registers had been undertaken at the last Performance Risk and Monitoring Committee (PRMC) meeting held on 17 July 2020. SR invited Board members to attend PRMC meetings should they wish to.</p> <p>The Board noted the feedback from the Accountable Body Risk Management team on the format and management of the Risk Registers, as set out in section 1 of the paper.</p> <p>The Board discussed the proposed changes and approach to the Risk Registers in line with feedback from the Accountable Body, as set out in section 2 of the paper.</p> <p>SR informed members that in the Board paper, the colour coding had not been included in the Strategic Risk Register in error, but that the arrows indicating</p>	

	<p>direction of travel were correct. In the Programme Risk Register the colour code on 2.10 was incorrect but the direction of travel was correct. The errors would be amended.</p> <p>The Board noted the addition of new risks and a change of risk rating agreed by PRMC on 17th July 2020, as set out in section 3 of the paper</p> <p>SR said that new Director of Corporate Services would be leading the management of the risk registers going forward. The Board noted a change in LEP secretariat lead support for PRMC and management of the Risk Registers, as set out in section 4 of the paper.</p> <p>PB thanked SR for the update and said that it was reassuring that the PRMC looked at risk in detail. SR confirmed that recent changes and anticipated changes were now covered in the residual risk rating and target risk rating; and that individual risks were reviewed in detail at PRMC meetings. MT said that risk management would continue to be a standing item on the Board agenda. CB thanked SR and NA for the significant amount of work done on this.</p>	NA
5.	<p>Briefing on the River Severn Partnership action plan</p> <p>MT introduced MB, Chair of the River Severn Partnership (RSP) and HD and DT from the Environment Agency.</p> <p>MB gave the background to the RSP and said that the only sustainable way of managing the water challenges in the catchment area was to address it as a whole system. The partnership consists of 10 local authorities; the Environment Agency and other government bodies; water companies; industry groups and a range of other stakeholders and was formed in September 2019.</p> <p>The slides from the presentation can be found here: River-Severn-Partnership-Presentation.pdf</p> <p>The main points covered by DT were: Catchment Plan – how to harness a natural asset which is also a challenging system; how to move from risk management to look at asset management. Addressing flood risk and water resource nationally are huge challenges in terms of climate change. There are significant local challenges with flood and water quality, in the Wye and Lugg in particular. Integrated approach across the whole ‘geography’ – a ‘systems-thinking’ approach had been adopted looking at wider environmental gain and resilience, moving away from reactive risk management and looking more at the long-term. Vision – a programme of innovation moving beyond environmental mitigation and pushing forward environmental betterment. We will have to change our approaches because climate challenges are significant. DT covered: Ecological status –the ecological status of the catchment is not good across the whole geography. In Herefordshire there are issues of treated sewage effluent in rivers and an agricultural runoff issue. However, the River Teme and parts of the Wye and Lugg are in a good condition. Water abstraction – this is becoming an issue due to lower water levels. Climate change - issues with low water levels in summer and high-water levels in winter. Even minor droughts impact on the bottom line of a number of sectors. Economic impact of flooding – sophisticated climate change modelling is being done down to postcode level. In the next 30-40 years river levels are expected to rise significantly leading to more frequent significant floods.</p>	

	<p>HD explained the work done to date and the current work programme, the long-term strategy, accelerated infrastructure delivery and community engagement. There are 46 MPs across the geography and a ministerial debate had already taken place and conversations had been held with the Cabinet Office. £40million funding had been awarded to the partnership as one of 4 national pilots to produce a long-term adaptive pathway plan. RSP was working with Severn Trent Water and others around green recovery. Eden in Cornwall are interested in joining the partnership and RSP is having conversations with Midlands Connect around road and rail infrastructure; Homes England about housing infrastructure, and Higher Education institutions around water management. PN commented that he was fully behind the partnership and more public consultation was required. Shropshire Council was working on this. MT asked how businesses were getting involved and said that the public and business voices need to be heard. MB said that RSP had been talking with the Environment Agency and Shropshire Council colleagues this week and engagement would be taking place with North Shropshire communities. In terms of businesses, sector representative bodies were already involved but the next stage would be to open up consultation to all businesses. DH said that in Herefordshire pollution of rivers, which is different to climate change and flooding, was the issue. There was a significant issue with the River Lugg. MB said that RSP had a very balanced agenda and water resource and water management in terms of pollution was as important as flooding. RS noted that there was an opportunity with the partnership for collaboration across the public and private sectors, and communities. MT thanked MB, HD and DT for the presentation. GH attends the RSP meetings and MT suggested that the LEP Board monitor communications with the business community. PB left the meeting at 5.50pm JS left the meeting at 6.00pm RS left the meeting at 6.10pm</p>	
<p>6.</p>	<p>Business Board Chair Updates</p> <p>Herefordshire</p> <p>FM reported that the following issues were priorities for the Herefordshire Business Board members:</p> <ul style="list-style-type: none"> • COVID - the expected redundancies; the likelihood of more lockdowns and the reported inadequacies of the test and trace capacity remained concerns. The Business Board (BB) continues to lobby for a fiscal stimulus and to increase support for the hardest hit sectors. • BREXIT – the BB feels completely unsighted on what to expect from BREXIT. More information and support were required. • The BB and Herefordshire Council are discussing the need to better understand the business dimension of climate change and how to better integrate activities. • The LEP-funded tourism initiative and Stronger Towns Fund are being discussed across the county. • Cultural and creative industries – it is felt that not enough attention is currently being given to this as a LEP. <p>Telford</p> <p>Due to technical difficulties, MT read out the Telford Business Board report provided by PH. The main points covered were:</p> <ul style="list-style-type: none"> • Supply Chains - businesses are seeking production supply chains closer to home which will help guard against future disruptions and could result in cost savings due to reduced transportation expenses. Regionalized production and sourcing will present new opportunities for entrepreneurs to start manufacturing facilities, warehouses, and online sourcing. 	

	<ul style="list-style-type: none"> • Digital - opportunities for entrepreneurs to supply work-at-home employees who need powerful, reliable equipment. Curb-side pickup and delivery services have expanded which will continue post COVID. New digital platforms will be required to support this in the tracking of the product. • The crisis has brought greater emphasis on personal wellbeing and mental health and companies will also be looking to re-evaluate their maternity and paternity leave policies. • The digital classroom will be of paramount importance going forward. The education sector should recognize the cost-savings associated with digital classrooms and move part of their formal curriculum online. The Marches must focus on the emergence of a high digital demand market which includes VR and AR. This will help us retain our youngsters whilst making the Marches an attractive place to invest. • Many TBB members believe that there is no longer a requirement to travel for work and that business can be carried out remotely. There are opportunities for the professional services sector as business and personal financial planning are more important than ever. Unemployment will cause many former employees to seek remote self-employed work which will likely result in skills and knowledge being lost from existing businesses. <p>PB had left the meeting early due to unforeseen circumstances. PB would provide an update to MT via email which would be circulated to members. MT thanked the BB Chairs. FM left the meeting at 6.20pm</p>	PB
7.	<p>Growth Deal Programme update and Getting Building Fund update NA said that the agenda item was for information only and that members had been asked to note a number of elements.</p> <p>The Board noted the current position relating to Local Growth Fund performance, as set out in section 1 of the paper.</p> <p>The Board noted the current position in respect to the Phase 2 Local Growth Fund review, as set out in section 2 of the paper.</p> <p>MT said that if there were any questions from members specifically on section 3 of the report regarding SWTP, that PN and DH (and council officers) would be asked to leave the meeting following their declarations of interest. There were no questions.</p> <p>The Board noted the update on the clawback of the £3.8m for the South Wye Project (SWTP), as set out in section 3 of the paper.</p> <p>The Board noted the current position relating to the Getting Building Fund, as set out in section 4 of the paper. As an update, NA confirmed that the LEP had received the offer letter from government for £14million for the Getting Building Fund. MT commented that the LEP and partners had submitted the project bids by the deadline of 16 July 2020, but that it had taken until now to get confirmation of the funding. However, in the meantime the LEP and partners had been actively working on due diligence and funding agreements would be ready to issue shortly.</p> <p>The Board noted the Delegated Authority decision taken in relation to the Integrated Construction Wetlands project, as set out in section 4.1 of the paper.</p>	

	There were no questions raised on the content of the paper.	
8.	LEP Chair/CEO report MT introduced the information report. DH asked about the progress of the BB TORs. GH said that an action from MHCLG at the Marches LEP Mid-year Review was to complete the work by the end of October 2020.	BB Chairs
9.	Any Other Business OH confirmed that the recommendation to government from MHCLG for the final tranche of the Marches LEP Local Growth Fund funding was that it be paid, and the outcome should be received sometime next week.	
10.	Close The meeting closed at 6.32pm.	
	Next Meeting of the Board of The Marches LEP Limited: Tuesday 24 November 2020	

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Meeting date:	24 November 2020			
Agenda Item:	3			
Item Subject:	Board Members			
For:	Discussion		Decision	X
Purpose:	<ul style="list-style-type: none"> To seek approval for a one-year extension to James Staniforth's membership of the LEP Board to enable him to continue to Chair the Skills Advisory Panel. To seek approval to defer the decision on Frank Myers membership of the LEP Board until the 26 January 2021 meeting. 			
Recommendations:	<ul style="list-style-type: none"> To approve a one-year Board membership extension for James Staniforth until October 2021 To defer a decision on Frank Myer's membership on the LEP Board until the 26 January 2021 Board meeting which enables the Herefordshire Business Board to hold an election for the Chair in the coming month 			
Summary:	<p>1. James Staniforth joined the LEP Board in May 2018 on the basis that he would undertake the role of Chair of the Skills Advisory panel for two years and then it would rotate to another College Principal. James has chaired the Skills Advisory Panel (SAP) since its establishment in 2019, having been Chair of the previous Skills Board since 2018. To provide stability to the SAP during a time of increasing unemployment due to Covid 19, the Marches LEP Board is asked to approve an extension to James Staniforth's membership of the LEP Board and as a consequence enable him to Chair the SAP through to November 2021. It is proposed that the role will then rotate to another College Principal.</p> <p>2. Frank Myers joined the LEP Board on 11 November 2014 and has been re-elected by his Business Board in December 2016 and December 2018. His next Business Board meeting is not until 30 November 2020. It is proposed that the LEP Board review his membership of the LEP Board in line with the Articles of Association at the meeting on 26 January 2021, which will enable the Herefordshire Business Board to hold an election for the Chair. The Board have made it clear previously that it is the decision of the individual Business Boards as to who they elect as Chair. Under the LEP Articles (see below) Business Board Chairs are members of the LEP Board until a maximum of six years has been served however, the LEP Board can then agree to extend the term of office in the best interests of the Board; a decision already made in reference to Paul Hinkins earlier this year.</p> <p>To remind the Board the Articles of Association state the following in respect of the terms of office of Business Board Chairs:</p> <p>Extract from Marches LEP Ltd Articles of Association</p> <p>RETIREMENT OF DIRECTORS</p> <p><i>21.1. Private Sector Directors who are not Business Board Directors or Enterprise Zone Directors shall retire from office from the end of the second anniversary of their appointment. Subject to articles 21.2 and 21.4, such retiring Private Sector Director shall be eligible for re-election by the Members at the next general meeting.</i></p>			

21.2. A retiring Private Sector Director who is not a Business Board Director or an Enterprise Zone Director shall, subject to article 21.4, be eligible for re-election for further periods of two years.

21.3. Business Board Directors and Enterprise Zone directors shall retire from office on the earlier of:

21.3.1. the date on which the relevant director ceases to be a Business Board Director or Enterprise Zone Director (as the case may be).

and 21.3.2. the sixth anniversary of their appointment unless the Members resolve to extend the terms by such further period as they shall determine following a review of the ongoing requirements of the company.

21.4. Subject to clause 21.3 any Private Sector Director (including the Chair and Deputy Chair) who shall have served for a total term of six years shall not be entitled to be re-elected.

Gill Hamer
LEP Chief Executive

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Meeting date:	24 November 2020					
Agenda Item:	5					
Item Subject:	PRMC and Risk Registers					
For:	Discussion	X	Decision	X	Information	X

Purpose: To update Board Members on the Strategic and Programme Risk Registers and the work of the PRMC Group.
Recommendations: To note the attached report and the current position relating to both risk registers.
Summary: Please see report below.
Financial implications: The LEP needs to accurately monitor risks to the programme ensuring these do not impact negatively on performance.
Legal implications: None
Risks, opportunities and impacts: None
Consultation: Not applicable
Additional information: None
Appendices: 1. Strategic Risk Register MLEP Strategic Risk Register 2. Programme Risk Register MLEP Programme Risk Register 3. PRMC draft minutes of the meeting on 22 October 2020 - PRMC Minutes
Background papers: None

Responsible Officer: Ilia Bowles, Director of Corporate Services

Purpose of Report: Performance Monitoring and Risk Register Update

PRMC continues to meet every two months to review the risk register, identify any new risks and ensure mitigation is reflective of operational/quality assurance framework practice. This is a strategic group with delegated responsibility from the LEP Board and its reports form part of the governance reporting for the Board of Directors. The tables below highlight new risks and changes to existing risks, allowing an auditable trail of change and developments.

Board Action required in the short term:

- PRMC Deputy Chair Nominations, in relation to risk S2.1
- Business Board TOR's aligned with Nolan Principles, in relation to risk S1.2

- Sign Off SLA with Shropshire Council, in relation to risk S1.1
- Capitalising Growth Deal Funds, in relation to risk S2.4

Meeting Summary 22 October 2020

- Ilia Bowles, Marches LEP new Director of Corporate Services, was introduced.
- A detailed summary of projects for each funding stream, broken down by local authority area, will be shared with the Board on a regular basis and could be used for new Board members' induction.
- Sonia Roberts has been appointed as new Deputy Chair of the Board and Sara Williams as a new member of the PRMC group.
- The Comprehensive Spending Review will take place on the 25th November; it will be a one-year review, setting resource and capital budgets for 2021-22 only. Certainty on future funding is required beyond the 12-month horizon proposed.
- Workload for the LEP staff in the past 12-18 months has trebled. With the £27m reallocated Growth Deal and £14m Getting Building Fund contracts, the team now has 25 live projects exceeding capacity and additional resources are required and have been approved to support the team. The Accountable Body is increasing the number of staff within the finance department trained on LEP activities to provide flexible resources and more capacity.
- The LEP Team are checking with MHCLG whether freedoms and flexibilities could be used for both Local Growth Fund and Getting Build Fund which would help local authorities to manage their spend between the two funding programmes to ensure all funds are spent by 31st March 2021.
- Local Growth Fund final third payment (£4.2m) and relevant grant offer letter have been received.
- An additional £50k for administration costs to support the £14m Getting Building Fund contracts has been received. Grant offer letter and guidance on how the funds can be spent are awaited.
- Since becoming a company limited by guarantee, the LEP has been charged VAT for services and recharged costs by the Accountable Body. Clarification is being sought from HRMC on whether any VAT can be recovered.

New Risks added to the Strategic Risk register (S) and Programme Risk register (P):

- S4.7 Use of unlicensed images
- P1.12 Government deadlines make it difficult to follow processes outlined in the Assurance and Accountability Framework
- P2.12 Insufficient capacity in the LEP team

Reviewed Risks:

- S2.1 Knowledge lost from the LEP Board and PRMC
- S1.2 Governance structure not clearly set out
- S1.1 Changes to government policy regarding LEPs
- S2.4 Government requirement for LEPs to become financially resilient

Risks to be reviewed at the next Board meeting:

- S2.12 Major disaster affect the LEP's ability to carry out its functions
- P1.12 Government deadlines make it difficult to follow processes outlined in the Assurance and Accountability Framework
- P5.1 Delays in contracting with project delivery partners

Table score key based on likelihood and impact

Low		Medium		High	
1	2	3	4	5	6

Reviewed Risks

Risk No	S2.1	Target Date	17th Dec 2020
Risk Description	Knowledge lost from the LEP Board and PRMC due to rotation of members.		
Res. Risk Rating	4	Target Score	2
Risk/Mitigation	Appoint PRMC Deputy Chair and implement a Business Continuity Plan (BCP).		
Progress Update	Deputy Chair Nominations. BCP being finalised.		
Cost			

Risk No	S1.2	Target Date	30th Oct 2020
Risk Description	Governance structure is not clearly set out for board members and officers to follow. Not meeting compliance for DCLG.		
Res. Risk Rating	3	Target Score	2
Risk/Mitigation	Business Board TORs aligned with Nolan Principles. Accountability and Assurance Framework aligned to National Local Growth Assurance Framework.		
Progress Update	Draft TORs with BB Chairs. Accountability and Assurance Framework being revised.		
Cost			

Risk No	S1.1	Target Date	26th Jan 2021
Risk Description	Changes to government policy regarding LEPs.		
Res. Risk Rating	6	Target Score	4
Risk/Mitigation	Board to sign off SLA with Shropshire Council (SC).		
Progress Update	Meeting with SC to finalise details on SLA on 23 Nov. Legal independent review of the document being commissioned and due back by 20 Nov. Finalised document to be presented to the Incorporation & Finish Task Group on 9 Dec.		
Cost			

Risk No	S2.4	Target Date	24th Oct 2020
Risk Description	Government requirement for LEPs to become financially resilient.		
Res. Risk Rating	6	Target Score	6
Risk/Mitigation	Capitalising Growth Deal Funds to support LEP management costs.		
Progress Update	Review completed, those considered appropriate criteria for eligibility from other LEPs adopted. Stronger project pipeline and agreed process to set-up pipeline to react.		
Cost			

New Risks

Risk No	S4.7	Target Date	17th Dec 2020
Risk Description	Use of unlicensed images on LEP websites and owned media channels		
Res. Risk Rating	2	Target Score	1
Risk/Mitigation	PR and Marketing all outsourced to third party (BeBold). Need sufficient Indemnity insurance by PR & Marketing Agency.		
Progress Update	Gill to confirm cover with BeBold.		
Cost			

Risk No	P1.12	Target Date	17th Dec 2020
Risk Description	Government sets call deadlines which may not allow time for the LEP to follow processes set out in the Assurance and Accountability Framework.		
Res. Risk Rating	6	Target Score	TBC
Risk/Mitigation	The LEP always adheres to the AAF working with the S151 Officer, PRMC and the LEP Board to ensure processes are followed.		
Progress Update			
Cost			

Risk No	P2.12	Target Date	17th Dec 2020
Risk Description	Insufficient capacity in LEP team due to increased workload associated with the additional £14m Getting Building Fund.		
Res. Risk Rating	6	Target Score	TBC
Risk/Mitigation	Additional resources have been provided by Shropshire Council to support the team. LEP staff are training with members of the Council's finance department to provide a flexible resource and more capacity. Adoption of existing processes and template funding agreements.		
Progress Update	LEP resource planning exercise scheduled on 2 Dec. Consideration being given to student placements.		
Cost			

The Risk Register:

Supports and identifies risk which in turn assists the Board in delivering in line with strategic and operational intent the aims of the Marches LEP.

Promotes the importance of what we do and its importance to the economic development of the Marches.

Promotes the integrity of the company in meeting our obligations to the Law and stakeholders and instilling honesty and strong moral principle.

Encourages and promotes innovation crucial to the economic development of the Marches.

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Meeting date:	24 November 2020			
Agenda Item:	6			
Item Subject:	Progress Report from 3 Local Authorities on investment of £1.58m Marches Investment Funds to support SMEs impacted by flooding & COVID			
For:	Discussion	X	Decision	X
Information				
Purpose:				
To provide Board members with copies of the progress reports from each of the three local authorities outlining how the £1.58m (revenue) of Marches investment Funds (MIF) is being utilised to support SMEs severely impacted by flooding and subsequently COVID.				
Recommendations:				
<ol style="list-style-type: none"> 1. To note, in the attached three reports, that good progress is being made in delivering a range of business grants and innovative tourism initiatives to support market towns and businesses facing economic challenges as a consequence of the flooding last February and subsequently the COVID lockdowns. 2. To agree that all three local authorities are given an extension until the end of March 2021 to submit their final report and statement confirming the use of the funds in line with the grant agreements issued in July 2020. 				
Summary:				
The Marches LEP Board agreed on 20 April 2020 via a written resolution to release £1.58m in revenue grant from the MIF funds for the following purposes:				
<ul style="list-style-type: none"> • The payment of £1,586,500 of MIF funds to Herefordshire, Shropshire and Telford and Wrekin Councils to use as grants to support strategic tourism and business initiatives over the next 6 months. • To agree to the repayment of £236k from MIF to Telford and Wrekin Council, this sum is included in the above referenced £1.586 m. • That the three Councils produce businesses cases setting out their detailed plans for how they will invest the funds in supporting strategic tourism and business initiatives and submit these to the LEP Chair and CEO for Review by 24 April 2020. • The LEP Chair and CEO and another private sector Board Member be given delegated authority to review and approve the business cases. 				
The business cases were submitted by Herefordshire Council, Shropshire Council and Telford and Wrekin Councils in partnership with their respective Business Boards and were approved by the LEP Chair; Ruth Shepherd, Board member and the LEP CEO on the 27 th May 2020.				
The three Councils received the following sums of revenue funding in grant offer letters in July 2020: Herefordshire £444,220; Shropshire £737,722; Telford & Wrekin £404,557.				
It was a condition of the grant offer letter that they each provide written reports on progress by the end of September 2020 and November 2020. Clearly COVID has restricted how the funds can be best utilised and all three Councils have asked to extend the period to report on the use and impact of the funds until the end of March 2021. The three reports can be accessed via the links below:				
Appendix 1. Herefordshire Council MIF update report				
Appendix 2. Shropshire Council MIF update report				
Appendix 3. Telford & Wrekin Council MIF update report				
The Local Authority officers present at the meeting will be able to answer any questions Board members have regarding the respective progress reports.				

Gill Hamer, LEP CEO

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Meeting Date:	24 November 2020				
Agenda Item:	Item 7				
Item Subject:	Growth Deal and Getting Building Fund updates				
For:	Discussion		Decision	X	Information
Purpose:					
1) To update Board Members on progress delivering both Growth Deal and Getting Building Fund projects.					
Recommendations:					
1) To note the Quarter 2 position relating to Local Growth Fund performance, as set out in section 1.					
2) To note the receipt of the final one third payment of The Marches LEP 2020/21 Local Growth Fund allocation, as set out in section 2 and appendix 1.					
3) To note confirmation received from the Ministry of Housing Communities and Local Government (MHCLG) in relation to the £14,000,000 Getting Building Funds award, as set out in section 3.1 and appendix 2.					
4) To note the current position relating to the issuing of Getting Building Fund Agreements, as set out in section 3.2.					
5) To set a deadline of Friday 4 December 2020 for all Getting Building Fund Agreements to be signed off, as set out in section 3.3.					
6) To approve reducing the Integrated Construction Wetlands Match Funding value from £2,000,000 back to its original value of £1,000,000, as set out in section 3.4.					
7) To note the update on the clawback of the £3.8m for the South Wye Project, as set out in section 4.					
1. Local Growth Fund – Quarter 2 Performance Update					
<p>Quarter 2 2020/21 has been quiet in terms of expenditure with £1,601,123 of Local Growth Fund (LGF) defrayed within the period 1 July 2020 to 30 September 2020. This takes the LEP's 2020/21 cumulative LGF spend to £7,829,609 against a profile of £37,390,262 – representing 21% of our yearly forecast.</p> <p>This level of spend was anticipated due to delays experienced as a result of Covid-19 and the practicalities of contracting £23m of new LGF projects - signed off during the end of Quarter 2. Whilst this level of spend represents a significant risk to the LGF programme, during the month of October 2020 the LEP paid out £5,942,363 in claims – to be reflected in the Quarter 3 LGF Data return. To mitigate risk the LEP team continues to conduct regular monitoring visits with all projects, understanding the reasons behind the current spend position, receiving assurances that spend allocations for 2020/21 will be met.</p> <p>In terms of Match Funding £7,542,413 has been verified during this period with additional values expected in Quarters 3 & 4. Similar to the expenditure position, the number of outputs reported has been lower than anticipated due to the impact of Covid-19 with the following outputs generated:</p> <ul style="list-style-type: none"> • 1 Job Created, • 121 Homes Built, • 442 Apprentices, • 3,707 Number of Learners, • 3,024 homes with access to new or improved fibre optic provision, • 174 Commercial Broadband Access, • 1 work placement all reported. 					

2. Local Growth Fund Review – 2020/21 Allocation

During May 2020 LEP Chief Executives received a letter from Stephen Jones (Co-Director, Cities & Local Growth Unit) setting out the approach from Government in respect to paying LEPs their 2020/21 Growth Deal allocations. This saw all LEPs receive 2/3^{rds} of their LGF allocations for the Financial Year (FY) 2020/21 with a review undertaken over the Summer to unlock Ministerial confirmation on the final 1/3rd allocation.

On 9 November 2020 the Marches LEP Chief Executive received correspondence from Steven Greenwood (Deputy Director - Funding Delivery, Cities and Local Growth Unit) confirming release of the final one third payment from the Marches 2020/21 Local Growth Fund allocation (see appendix 1). The outstanding value of £4,208,731 has now been received by the LEP/Accountable Body.

3. Getting Building Fund

3.1 Confirmation of Funding Award

In August 2020 the Government announced £900 million was available through the new Getting Building Fund (GBF) – investing in local, shovel-ready infrastructure projects to stimulate jobs and support economic recovery.

On 18 September 2020 the LEP received confirmation from the Ministry of Housing Communities and Local Government (MHCLG) of the £14,000,000 Getting Building Funds award (see appendix 2). This confirms the GBF allocations will be split into £7,000,000 for FY 2020/21 with an indicative profile of £7,000,000 in FY 2021/22.

3.2 Funding Agreement Update

To progress the development of Funding Agreements the LEP procured the services of Bevan Brittan Solicitors. Whilst the LEP continues to work closely with projects promoters, to date no Funding Agreements have been signed off. In the majority of instances, delays have been experienced in receiving Due Diligence information from projects, impacting on the anticipated timescales for finalising Funding Agreements. Examples of these queries include detailed information relating to sites (including planning approval, boundaries, confirmation of ownership), governance matters and associated deliverability queries.

The table below provides an overview of the status of each Funding Agreement at the date of writing this report:

Table 2 – Getting Building Funding Agreement Progress Update

Getting Building Fund	
Project	Funding Agreement Progress Update
Integrated Construction Wetlands	Additional milestone information relating to Rewilding element received on 13/11/2020. Bevan Brittan redrafting Funding Agreement using milestones to inform specific clauses.
Pride Hill Remodelling	On 23 October 2020 a Draft Agreement was emailed across from the Marches LEP to Shropshire Council. Partial information has been received, Legal comments from Shropshire Council on specific clauses received on 18/11/2020. A meeting has been scheduled for WC 23 November 2020 between Marches LEP, Bevan Brittan and Shropshire Council to progress the Agreement.
Tackling Fuel Poverty Through Zero Carbon Innovation	Draft Funding Agreement issued to project.
Hereford City Centre Improvements	Awaiting information from Herefordshire Council on specifics relating to: <ul style="list-style-type: none"> • Grant element of the project; • Outcome of discussions with relevant Councillor/Portfolio Holder.
New Model Institute for Engineering and Technology (NMiTE) Skylon Park Campus Development	The LEP is currently awaiting confirmation from Herefordshire Council of acceptance of GBF funds for the NMITE project.
Stronger Communities - New College, Wellington and surrounding sites	Draft Funding Agreement issued to project.

3.3 Funding Agreement – Proposed Deadline

Due to the timescales involved in spending £7,000,000 of Getting Building Funds (GBF) by 31 March 2021 (as set out in appendix 2), it is recommended the LEP Board set a deadline of Friday 4 December 2020 for all GBF Funding Agreements to be signed off, mitigating risk to the programme. Should Funding Agreements not be signed by this date, members should consider convening an Emergency LEP Board meeting to discuss next steps around delivering the GBF programme.

To aid the risk mitigation process clarity is being sought from MHCLG on the principle of allocating any unspent GBF funds to alternative projects – options include projects not selected under the recent GBF Call and the approved LGF reserve list.

3.4 Integrated Construction Wetlands

At the 29 September 2020 LEP Board Meeting an update was provided on the Integrated Construction Wetlands project. This included the notification of a Delegated Authority decision taken on 16 September 2020 to contain both the Wetlands and Rewilding elements within the project. The rationale behind this request was:

- To 'de-risk' the project in relation to timescales – specifically planning permissions.
- Increase Match Funding Value from £1,000,000 to £2,000,000 – resulting in a better Value for Money.
- Maintain the same level of Outputs.

Following a review of the Match Funding information for the Rewilding element it was found that the majority of the additional Match Funding was ineligible due to it being classed as revenue as well as sitting outside of the reporting timescales of the GBF programme.

Therefore, the LEP Board are requested to approve reducing the Integrated Construction Wetlands Match Funding back to its original value of £1,000,000.

4. South Wye – Clawback of £3.8m

This item is necessarily brief because of its contentious nature and the need to ensure that members of the Board are not placed in a position where they have a conflict of interest. Members should be reassured, however, that both the Chair and Chief Executive are involved in this matter as it progresses and will seek approval from the Board as appropriate.

At the Emergency Board meeting on 11 August 2020 it was agreed that Board Members would receive an update on actions taken by the end of August 2020 and the LEP Chair provided this update to Board members on 27 August 2020. On 3 September 2020, the deadline set for a response from Herefordshire Council, the Accountable Body received a letter from a senior solicitor at Herefordshire Council stating that the Council's Legal Services needed to discuss the contents of the letter from the Accountable Body and take instruction from both the s151 Officer and the Monitoring Officer of Herefordshire Council, and also needed to consult with Herefordshire Council officers who have knowledge of the South Wye Transport Package project. The solicitor advised that as a consequence Herefordshire Council required at least 6 weeks before it was in a position to respond to Shropshire Council's letter. The Accountable Body issued a further letter to Herefordshire Council on 15 September 2020 expressing disappointment with its reply and asked for a full response by 2 October 2020.

Herefordshire Council issued its response to the Accountable body on 2 October 2020. In the opinion of the Accountable Body, this response failed to address the points raised by it in its letter of 10 July 2020. The Accountable body sent another letter on 11 November 2020 to Herefordshire Council requesting a further response. Herefordshire Council has been given until 25 November 2020 to respond.

Financial implications:

- The LEP needs to accurately monitor spend and outputs, ensuring these do not impact negatively on performance. Should this happen it may result in the loss of grant to the Marches through future Growth Deal allocations.
- Should the £3.8m clawback relating to the South Wye Transport package not be received within the 2020/21FY this would cause the LGF Programme to be overspent.

Legal Implications:

- None

Risks, opportunities and impacts:

- Timescales of project development and delivery need to be carefully managed, including ensuring that adequate resources are in place within the LEP and its accountable body to achieve these.

Appendices:

Appendix 1 - [Local Growth Fund 2020-21 Final Payment Letter](#)

Appendix 2 - [Getting Building Fund Letter](#)

Author: Nicholas Alamanos, Marches LEP Programme Manager

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Meeting Date:	24 November 2020				
Agenda Item:	8				
Item Subject:	Marches LEP Skills Advisory Panel – Report on Activity				
For:	Discussion	X	Decision		Information
Purpose:					
<ul style="list-style-type: none"> To update Board Members on the work of the Skills Advisory Panel (SAP). 					
Recommendations:					
<ul style="list-style-type: none"> That Board Members note activities undertaken by the Skills Advisory Panel and its priorities for the coming period. 					
Background:					
<p>The Marches LEP Skills Advisory Panel (SAP) has an advisory role in providing strong leadership in the skills agenda in the local area, engaging with employers and providers and providing skills advice to the Marches LEP Board to create the conditions for growth across the Marches. The SAP brings together local employers, government departments including the Department for Education (DfE) and the Department for Work and Pensions (DWP) and skills providers to understand and address key local skills and labour market challenges through the development of a clear evidence base. It aims to support understanding of the local skills and labour market position and, through discussion, seek agreement on how local needs can be met.</p> <p>Meetings are focussed on sharing information on skills issues and opportunities for intervention, employer engagement and raising awareness of apprenticeships and workforce development opportunities. The SAP meets quarterly and, since March 2020, has met virtually through Microsoft Teams. James Staniforth has chaired the SAP since its establishment in 2019, having been Chair of the previous Skills Board since 2018. To provide stability to the SAP during a time of increasing unemployment due to Covid 19, the Marches LEP Board is being asked under an earlier agenda item to agree to J Staniforth remaining as a LEP Board Member until November 2021.</p>					
SAP achievements to date:					
<p>The SAP is funded by DfE to establish an Analytical Toolkit evidence base, a copy may be found here. To date, the labour market intelligence within this has supported the following activities:</p>					
<ol style="list-style-type: none"> Skills data and intelligence to influence investment and strategic decisions for addressing local skills challenges and ultimately drive change for the Marches region. This is openly available to support project development and may be found at https://www.marcheslep.org.uk/about/data-research. The SAP has produced evidence-based skills and labour market analysis into the LEP's priority sectors as identified in the Strategic Economic Plan. These clearly demonstrate local skills and employment challenges and key areas of future needs relating to projected local employment growth areas. Through these, the SAP has also developed a clear understanding of current and future local skills needs and labour market as well as present skills and employment support provision in the area. The Executive Summary can be found here. <p>The Marches LEP has signed a second Memorandum of Understanding (MoU) with the DfE and accessed funding of £75,000 to increase the research and analysis capability of the SAP by end of March 2021. This will include the purchase a data licenses as a pilot to support the three Colleges, Marches Skills Provide Network (training provider network) and the three local authorities to enhance their data capabilities.</p>					
<ol style="list-style-type: none"> Higher Education (HE) Sub Group (chaired by Dr Catherine Baxter) considers opportunities for collaboration on research and innovation activities, e.g. a recent submission in response to a UK Space Agency call for proposals. Comprising senior representatives from Harper Adams University, the University of Wolverhampton, University 					

Centre Shrewsbury and NMITE, this group has also contributed to the updating of skills data and analysis. Their input has included the role of HE institutions in economic development, their contribution to business innovation through research and development and new opportunities for curriculum development. The focus now is on recovery post Covid-19 including graduate retention/employment opportunities.

3. The Careers and Enterprise Company contract is held by the Marches LEP. Delivered through the three local authorities, Enterprise Coordinators (ECs) work with business people (Enterprise Advisers) and the strategic leadership teams in schools and colleges to influence curriculum design and careers guidance. This strives to inspire and prepare young people for work by connecting schools, colleges, employers and careers programme providers.

- A labour market intelligence toolkit has been developed for use by the ECs with schools and colleges to highlight the range of quality careers and opportunities available locally, including the emerging sector of environmental technologies.
- Additional funding has been secured by the Marches LEP for the development of a Careers Hub which includes a post of a Careers Hub Lead to increase resource within the LEP team. The Careers Hub Lead will increase business engagement as part of the government's Careers Strategy and establish a community of Cornerstone Employers. During this period of economic recovery, having the right people with the right skills, behaviours and attitudes is key to rebuilding businesses across the Marches. Cornerstone Employers will make a significant contribution to supporting and developing future talent in the area, benefitting not only the young people themselves but also businesses and the wider community. Keir Highways and CapGemini are two of the first businesses to sign up to the Careers Hub.

4. Apprenticeship Promotion - the Marches LEP has been actively supporting the Government's policy of increasing awareness and take up of apprenticeship opportunities. The SAP has been working with the three Business Boards, FSB and the Chambers of Commerce across the Marches region to engage with local employers, discuss the skills issues that they are facing and identify potential solutions, including the role of Apprenticeships to attract new staff and upskill/reskill existing employees.

In addition, Local Growth Fund and other LEP investment has contributed to the **development of new apprenticeship opportunities**:

- In 2020, Shrewsbury Colleges Group secured £200k from the Local Growth Fund to expand and enhance training capacity in automotive engineering and advanced manufacturing engineering subjects. The project, including the construction of a bespoke training centre, expansion of existing workshops and the purchase of specialist equipment will deliver apprenticeships, Level 3 and Level 4 qualifications and 1,000m² of new and improved training space.
- The Marches Centre of Excellence in Health, Allied Health and Social Care is a £5m project, including £3.5m of Local Growth Funds, to create technologically advanced learning facilities at the University of Wolverhampton's Telford campus. This investment will support the development of two new apprenticeship programmes, attracting over 1,000 new learners, and recruiting new apprentices into the sector by 2025.
- LEP project development funding was awarded to support Shropshire Chamber's development of a virtual careers advice service using 3D and video technology.

European Social Fund (ESF) - the Marches LEP area was allocated £42m for 2014-2020 to increase labour market participation, promote social inclusion and develop the skills of the potential and existing workforce. More information may be found here <https://www.marcheslep.org.uk/esf-current-projects>. Whilst contract holders may have changed over this period of time, the Marches LEP's priorities continue to be:

- Helping jobseekers and those who are disadvantaged overcome barriers to work and find lasting employment. This project is delivered by Landau.
- Ensuring young people can make the transition from school to work as smoothly as possible and have access to vital training and developmental opportunities. This project is delivered by Landau.
- Helping those at risk of social exclusion because they are in disadvantaged groups or face multiple barriers to getting into the workforce. This project is delivered by Landau.
- Improving the skills of individuals to meet both their goals and the needs of the local economy through training, advice and support. This project is delivered by Dimensions Training Solutions (DTS).
- Ensuring training and education meets the needs of the local economy and involves the business community. Training under this programme since the beginning of the pandemic has included supporting businesses to be Covid secure through risk assessment and health and safety training. This programme is delivered by DTS.

The Marches LEP has set up working groups with the ESF contract holders, DWP and the three local authorities in response to the increase in unemployment across the Marches as a result of Covid 19. This enables local intelligence to be shared at an early stage to support businesses and employees.

A new online tool to help people across the Marches update their skills, make the most of their potential and find work has been developed by the Marches LEP. The new micro-website – The Marches Work and Training Tool at <https://www.marcheslep.org.uk/trainingtool/> – guides visitors through a series of simple diagnostic questions to tell them what training or skills provision is available which is best suited to them or their business needs.

In addition, the SAP also works with **Shropshire and Wrekin Association of Colleges (SWAOC)**. These colleges, together with Derwen College, meet to receive updates from the LEP's Skills Project Manager and Local Authority Skills Leads. There is a close working relationship between all partners to address identified skills gaps and to shape the curriculum in line with employer needs.

Future Priorities

The Marches LEP will review its SAP membership and terms of reference to ensure that it meets the SAP Programme Team (DfE) requirements and that it supports economic recovery effectively.

The Marches LEP has signed an MoU for £75k to finalise its evidence base and data set for use by partners and is required to produce a Local Skills Report by DfE by the end of March 2021. Funding will be used to update analysis of skills needs and demand, potential growth areas, labour market challenges and sector specific opportunities and to evidence the impact of the SAP. To support this, in agreement with the SAP Programme Team (DfE), the LEP will procure the services of a data specialist to support the SAP and provide additional data support for the Local Skills Report and economic recovery planning. In addition to this, the LEP will procure the services of an independent facilitator to work with the SAP to review membership, identify impact and produce the Local Skills Report.

The Marches LEP will continue to facilitate research into key issues using the SAP funding and other resources. In light of the forthcoming FE White Paper and to encourage collaboration between colleges across the Marches, it is proposed that a curriculum planning exercise is undertaken. This would identify specialisms, understand gaps in provision and look at opportunities associated with digital learning. Funding from a historic allocation awarded to Hereford Enterprise Zone has been identified as a potential source of funding to support this. In addition, an allocation to carry out research into local graduate employment is to be considered by the HE Group.

<p>Financial Implications: The Marches LEP has signed a Memorandum of Understanding (MoU) with the DfE in order to access funding of £75,000 to grow the research and analysis capability of the SAP and produce the Local Skills Report. The deadline for expenditure is 31 March 2021.</p>
<p>Legal Implications: There are no legal implications as the funding will be used in accordance with the Memorandum of Understanding.</p>
<p>Risks, Opportunities and Impacts: Raising skills levels is a driver for productivity growth across the Marches and skills interventions provide opportunities to raise and retain skills in the area in line with business need. A clear understanding of skills and labour market issues will enable the LEP to make a case to government which supports economic recovery and opportunities for skills development</p>
<p>Consultation: The LEP team have consulted widely with the Skills Advisory Panel members including the Marches LEP Business Board Chairs, Chambers of Commerce, FSB, training providers and other partners to further develop the Skills Advisory Panel and required governance documentation. Discussions have also been held with other LEPs and the SAP Programme Team (DfE).</p>
<p>Appendices: None</p>

Report Author: Aggie Caesar-Homden, Marches LEP Skills Project Manager;

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Item 9

Marches LEP Chair and Chief Executive's Report

Marches LEP Ltd Board meeting on 24 November 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. **Marches Growth Hub (MGH) activity report**

a) Business Support Reform Programme

BEIS is reviewing business support delivery to move to a more uniform offer in England and a stronger national brand to underpin delivery of future business support services. This will be informed by the findings of the National Audit Office review into business support schemes (January 2020) <https://www.nao.org.uk/report/business-support-schemes/> Consultation with stakeholders is ongoing but some changes will be introduced from April 2021. Concern about the timescales involved and the need for any changes to be predicated on a longer-term funding settlement for the LEP/Growth Hub networks have been fed back to BEIS and to our MHCLG Area Lead.

b) Management of the Growth Hub service

The advert for the new Chair of the Marches Growth Hub (to replace Paul Hinkins) is live on <https://www.marcheslep.org.uk/about/tenders-vacancies/> (closes 18 November 2020) and has been widely promoted on social media.

Steve Kenny has been appointed on a temporary contract to support Yasmin Sulaman, the LEP Business Support lead in managing additional funding and reporting requirements.

c) New Covid business grants

The MGH website is linked to relevant local authorities' webpages to promote the new range of business grants – see overview of schemes here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/932977/ECONOMIC_SUPPORT_FACTSHEET_5_November.pdf. Once details have been confirmed, the grants will be promoted to the business community.

d) Potential EU Exit funding for Marches Growth Hub

An additional £54k has been allocated by BEIS for additional adviser support (delivered through the Marches Growth Hub local teams) before the end of March 2021. We await more guidance from BEIS on how we can use the funds.

e) European Regional Development Fund (ERDF) Small Business Recovery grants

Delivery is going well through Telford & Wrekin Council (who are the lead applicant for the ERDF funds for the MGH) and demand has been high. MHCLG has advised that additional funding is unlikely. Applications are closed for general applications but are still open for tourism-related businesses to apply. Further details are available here <https://marches-sbrg.co.uk/application-guidance/>

f) Marches wide Peer Networks business support service

BEIS has asked each LEP to put in place this new service alongside its Growth Hub services. Procurement of providers for this new service is underway with interviews to be held on 17 November 2020. The shortlisting exercise has been supported by Shropshire and Telford & Wrekin Growth Hub partners and P. Kalinauckas from the LEP Board is supporting the interviews. It is proposed that more than one provider be appointed to manage delivery risk and concerns regarding capacity to meet the targets, as there is only funding for the service from BEIS until 31 March 2021.

g) International Trade/Export advisor staffing

David Caine has been appointed as an International Trade Food and Drink Cluster Specialist until the end of March 2021. He is a Marches LEP resource employed by Shropshire Chamber to align with the rest of the Department for International Trade (DIT) export team based at the Chamber. A Service Level Agreement is in place with DIT and Shropshire Chamber to confirm the activities to be undertaken. A food and drink action plan for the Marches will be produced and **cluster events arranged to promote export opportunities** for the sector. **The first of these is on 2 December 2020** and businesses can register here:

<https://www.events.great.gov.uk/ehome/index.php?eventid=200215246&>

2. Comprehensive Spending Review (CSR)

The CSR is still expected to take place **on 25 November 2020** and will look to set departmental resource budgets for the financial year 2021/22. The Permanent Secretary of the Treasury has confirmed that it will include some multi-year elements (we expect this refers to NHS, DfE etc.) but unfortunately not for LEPs and the Growth Hub. Please see a letter in the link from Ministers Zahawi and Hall thanking the LEP network for their CSR submission: [CSR Reply from Ministers](#) It was announced in the House of Commons recently that the **next budget will take place in March 2021**.

3. Devolution and Local Recovery White Paper

The LEP CEO has been advised by MHCLG officials that the White Paper on “devolution and local recovery” will now be published in the spring of 2021.

4. “Refresh and reinvigoration” of the national Industrial Strategy

Below is an extract from the text of the BEIS Secretary of State’s speech at the CBI Annual Conference on 2 November 2020 which sets out his plans for the refresh:

“And we will build back better through levelling up across the country. Because for all the success of our economy, that success has long been poorly spread. No other city coming close to the economic heft of London, which outstrips Manchester six times over. An imbalance that was intolerable before coronavirus but which takes on a fresh urgency, with our already fragile cities and towns taking the greatest hit from the pandemic. So, we will turbocharge our regions, to enable them to become global hubs in their own right. The North East of England could become the home of choice for companies delivering carbon capture and storage. Making hydrogen power a part of daily life. And designing, building and maintaining offshore wind turbines.

Our brilliant life sciences sector will be propelled to even greater heights from Oxford, Cambridge and Edinburgh. The factories of the Midlands will roar back into life, producing the advanced technologies of tomorrow. As we broaden the geography of our economy, we will help you widen and deepen the range of businesses that comprise it. With a more strategic approach to supporting research and innovation in areas where the UK has the potential to both lead and change the world. We are doubling our investment in R&D. Putting rocket boosters under technologies in clean energy, life sciences, AI and advanced manufacturing. We will support businesses to scale up – securing a thriving hive of mid-sized businesses.

And I want to work with you to develop our new strategy for growth. A refreshed and reinvigorated industrial strategy, putting the UK at the forefront of economic opportunity as we build back better.”

5. Skylon Park Newsletter

Please see the recently issued Hereford Enterprise Zone newsletter here:

<https://mailchi.mp/skylonpark/offices-available-and-cyber-festival>

6. Paul Kalinauckas to become the Marches LEP representative on the Midlands Engine Investment Fund (MEIF) Strategic Oversight Board

The six West Midlands LEP Chairs have agreed to nominate 3 new LEP representatives to represent the West Midlands LEPs on the Strategic Oversight Board of the MEIF which is managed by the

British Business Bank. Following lobbying by both Gill and Mandy we have secured a place on the Oversight Board for Paul Kalinauckas which will give the Marches LEP a full-time seat this Board for the first time. The following is a summary of investments to date by the MEIF including those made to businesses in the Marches:

Marches contribution of £3m to MEIF (from EU funds) when the fund opened.

Marches return as of 31 August 2020 = £2.5m invested and loaned in 24 investments/loans in 20 SMEs

Current MEIF Fund of Funds position at the end of August 2020;

£81.3m invested and loaned in 403 investments/loans in 301 SMEs

Of which the following was in The Marches;

£2.5m invested and loaned in 24 investments/loans in 20 SMEs

MEIF Fund of Funds position for the financial year (1st April 2020 – 31st August 2020);

£16.57m invested and loaned in 84 investments/loans in 44 SMEs

Of which the following was in The Marches;

£715k invested and loaned in 5 investments/loans in 3 SMEs

7. National LEP Peer Review exercise 2019/20 findings

Please find in the link [LEP Peer Reviews Report](#) a copy of a report by the Centre for Governance and Scrutiny (formerly the Centre for Public Scrutiny). This reports on the findings from the first LEP Peer to Peer review exercise and captures the key messages, as well as proposing the shape of the next cycle of review. The Marches LEP Chair and senior members of the LEP secretariat carried out its Peer Review exercise with the Chair of D2N2 LEP (Derbyshire and Nottinghamshire) and senior members of their team in February 2020.

The report presents a fair summary of the process, its limitations and the feelings of those who participated. It also highlights common issues, which we are all aware of e.g. core funding, capacity and resource constraints. Again, not unhelpful messaging for MHCLG to see. As you will see, the report also reaffirms the progress made around governance and contrasts its findings with those reported previously by the National Audit Office and the Public Accounts Committee. In short, no concerns were identified.

Mandy Thorn MBE DL, Chair
Gill Hamer, Chief Executive

End