

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

Present:

Mandy Thorn MBE	MT	Chair, Marches LEP Board
Paul Hinkins	PH	Deputy Chair, Marches LEP Board; Telford Business Board Chair
Frank Myers MBE	FM	Herefordshire Business Board Chair
Paul Bennett	PB	Shropshire Business Board Chair (for part of the meeting)
Dr David Llewellyn	DL	Agri-Tech Food Champion; Vice-Chancellor, Harper Adams University
Andrew Manning-Cox	AMC	Hereford Enterprise Zone Chair
Cllr David Hitchiner	DH	Leader, Herefordshire Council (for part of the meeting)
Cllr Peter Nutting	PN	Leader, Shropshire Council
Cllr Shaun Davies	SD	Leader, Telford & Wrekin Council
Cllr John Harrington	JH	Cabinet Member for Infrastructure & Transport (for part of the meeting)
Sonia Roberts	SR	Social Inclusion Champion; Charity Manager, Landau Limited
Ruth Shepherd	RS	Director, Results Communications
Sara Williams	SW	Marketing Manager, Protolabs

In Attendance:

Gareth Wilson	GWilson	Area Lead Cities and Local Growth, Department for Business, Energy and Industrial Strategy
Richard Ball	RB	Acting Director for Economy and Place, Herefordshire Council
Mark Barrow	MB	Director of Place, Shropshire Council (for part of the meeting)
Katherine Kynaston	KK	Assistant Director Business, Development & Employment, Telford & Wrekin Council
David Sidaway	DS	Chief Executive, Telford & Wrekin Council
Amy Bould	AB	Be Bold Media
Gill Hamer	GH	Director, Marches LEP
Nick Alamanos	NA	Programme Manager, Marches LEP
Ennis Vingoe	EV	LEP Team Support Officer

ITEM		ACTION
1.	<p>Welcome & Apologies</p> <p>PH thanked everyone for attending the meeting. Apologies were received from James Staniforth and Paul Kalinauckas.</p>	
2.	<p>Appointment of Directors</p> <p>Resolution: Appointment of M Thorn as a Director of Marches LEP Ltd</p> <p>The resolution was proposed by PN and seconded by PB.</p> <p>The Board confirmed (unanimous) the appointment of M Thorn as a Director</p> <p>Relevant documentation would be submitted to Companies House.</p> <p><i>PH stood down as interim Chair of the Marches LEP and handed over to MT as Chair</i></p> <p>The Board confirmed that they were content that a resolution to note the resignation of Cllr T Marsh, Herefordshire Council as Alternate for Cllr D Hitchiner; and to confirm the appointment of Cllr J Harrington (JH) as the new Alternate, be tabled at the meeting without prior notice.</p> <p>Resolution: to note the resignation of Cllr T Marsh, Herefordshire Council as Alternate</p>	EV

	<p>for Cllr D Hitchiner; and to confirm the appointment of Cllr J Harrington (JH) as the new Alternate.</p> <p>The Board confirmed the appointment of Cllr Harrington as an Alternate Director for Cllr Hitchiner.</p>	EV
3.	<p>Board Member Attendance and Declarations of Interest</p> <p>Register of Attendance</p> <p>MT reminded members that an action from the LEP mid-Year Review was to hold and publish a Register of Attendance of directors at LEP Ltd Board Meetings.</p> <p>Members confirmed that they were content that this was undertaken and that the register would be updated and republished following each Board meeting.</p> <p>Conflicts of Interest</p> <p>MT said that updated guidance on conflicts of interest from Sharpe Pritchard Solicitors had been circulated to members prior to the meeting. She noted that there could always be potential, or actual, conflicts of interest on a Board such as this with elected members representing their areas, as well as Board members who had their position as a result of chairing or representing other cohorts of business or education interests.</p> <p>She re-iterated that it was the responsibility of individual members to ensure that any such conflicts were declared and that in the case of non-pecuniary conflicts, members were responsible for making the decision whether it was appropriate to remain in the room; to participate in the discussion; and whether to be counted as part of the quorum to vote. She said that in all aspects of this it was the clear responsibility of the individual director to ensure they took into account their directorial duties towards the Company, Marches LEP Ltd and their duty to exercise independent judgement. Directors of Marches LEP Ltd were duty-bound to ensure they acted in the best interests of the company.</p> <p>The Board confirmed that they were content to adopt the ‘decision tool’ within the guidance provided by Sharpe Pritchard Solicitors.</p> <p>Declarations of Interest</p> <p>Members made the following Declarations of Interest:</p> <p>DL – Item 8a - non-pecuniary. Employee of HEI in Marches area</p> <p>MT – Item 7 & 8c – pecuniary. Business affected by route of Oxon Link Road</p> <p>AMC – Item 8a – non-pecuniary. Chair of Hereford Enterprise Zone</p> <p>DH – Item 5 & 8a – non-pecuniary. Director of Hereford Enterprise Zone</p> <p>Item 6 & 8b – pecuniary. Property interest near route of Southern Relief Road.</p> <p>Confidentiality</p> <p>MT reminded members that Marches LEP Ltd business could often be commercially or organisationally sensitive and that everyone had a duty to ensure that where papers were marked ‘confidential’, these were not shared with anyone outside the Marches LEP Ltd Board, unless expressly asked to do so by the Chair or by delegation to the Director of Marches LEP Ltd. When Board meeting business had been transacted papers would be reviewed by the Board to assess if appropriate to release for publication on the Marches LEP website.</p> <p>The Team would look at ways to ensure Board members were made aware of the Confidential status of specific papers.</p>	<p>EV</p> <p>All</p> <p>All</p> <p>GH</p>
4.	Minutes of Previous Meeting held on 24 September 2019 and Matters Arising	

	<p>The minutes from the previous Marches LEP Board meeting on 24 September 2019 were approved and signed by the Chair as a true and accurate record of the meeting.</p> <p>Matters Arising</p> <p>Item 1 - GH informed the Board that former Chair Graham Wynn OBE would be hosting a private party to celebrate his 6 years in office.</p> <p>Item 2 - the Local Industrial Strategy (LIS) document would be brought to the next full Board Meeting on 26 November 2019. GH thanked everyone who had contributed to the consultation events.</p> <p>Item 4 - DH said that following circulation of the correspondence regarding NMiTE Funding from Tony Bray, Area Director Cities & Local Growth Unit and James Walton, Section 151 Officer, Shropshire Council, the Chief Executive of Herefordshire Council would write to the Chief Executive of Shropshire Council. SD asked that the item be brought back to the Board for further discussion at a future meeting.</p> <p>Item 5 - GH informed members that the advice from Pinsent Masons Solicitors regarding the operation of Marches LEP Ltd was still awaited. A paper setting out the operational implications regarding potential payment of VAT and corporation tax and other items would be submitted to the next full Board Meeting on 26 November 2019. SD suggested that the requirements for Accountable Body status be revisited as part of the review of Marches LEP Ltd operation.</p> <p>An update on Telford College would be provided at the next full Board Meeting on 26 November 2019.</p> <p>Item 6 - the Board noted that the call for skills capital funds had been launched, specifically for institutions affected by the post 16 Skills Review.</p> <p>Item 7 - GH informed the meeting that the PRMC Risk Register Report would be brought to the next Board Meeting on 26 November 2019.</p> <p>FM suggested that Matters Arising should be circulated formally on the Agenda prior to Board Meetings. MT said she would discuss this with LEP Team.</p>	<p>GH</p> <p>GH</p> <p>GH</p> <p>NA</p> <p>NA</p> <p>MT</p>
<p>5.</p>	<p><i>MB joined the meeting at 5.40pm</i></p> <p>New Model in Technology and Engineering (NMiTE) - Phase 2 Update Presentation</p> <p>MT welcomed Prof. Elena Rodriguez-Falcon (ERF), NMiTE CEO; Toby Kinnaird (TK), NMiTE Engineer in Residence and Tina Benson (TB), NMiTE Finance Director to the meeting. ERF outlined some of the current successes in Phase 1 of the NMiTE project supporting the delivery of an undergraduate programme, degree apprenticeships and CPD. She highlighted that Blackfriars Studio 1 and the workshop had been completed within 6 weeks of the funding agreement being signed and that the project was on track and within budget. She explained that 3 centres would be developed at the Hereford Enterprise Zone as part of Phase 2 of the project and that an independent valuation of the land to be bought had been received in order to move quickly. The presentation emphasised the urgency of the decision on funding by the LEP Board for Phase 2 in order to fulfil the proposed timetable of development.</p> <p>Members posed a number of questions to the NMiTE team around the match funding requirement; how much match funding had already been secured and how many bids for match funding were in the pipeline. Members also asked about student numbers and what market testing had been done. TB explained that a range of sensitivity testing had been undertaken on student numbers and that a split cohort in the first year would not affect the overall financial position in Year 1.</p> <p>ERF said that delivery of Phase 2 of the Project could be creative with elements being</p>	

	delivered in parallel if required following a potential review of outputs.	
6.	<p><i>DH stepped out of the meeting at 6.15pm. JH joined the meeting at 6.18pm.</i></p> <p>South Wye Transport Package Update Presentation MT welcomed R Ball and M Lane from Herefordshire Council and Cllr J Harrington (JH) as the Alternate Director for Herefordshire Council. RB and ML gave a presentation on the project and went through the existing objectives of the project, the current Growth Fund outputs and the proposed revised approach to delivery of the overall outputs as set out in the confidential paper later on the agenda: Phase 1 - Project costs to date and delivery of Active Travel Measures currently contained in the approved Package; Phase 2 - Delivery of remaining Package element(s) following conclusion of the review of the Southern Link Road.</p>	
7.	<p><i>MT re-iterated her Declaration of Interest in this item and handed over Chair to PH. MT stepped out of the meeting at 6.45pm.</i></p> <p><i>JH stepped out of the meeting at 6.45pm. DH re-joined the meeting.</i></p> <p>Oxon Link Road Project Update Presentation The Chair welcomed M Johnson (MJ), Shropshire Council to the meeting. MJ outlined the Shropshire Council proposal to combine the North West Relief Road (NWRR) project and the Oxon Link Road (OLR) project in order to benefit from wider strategic benefits including wider connectivity into the West Midlands. Combining the projects would de-risk the planning for the OLR and aid the progress of the NWRR through planning. The implications for combining the projects would be a 2-year delay in project delivery for the OLR to 2023. Combining the projects would necessitate the removal of a major roundabout (in the original OLR plan) and changes in infrastructure as the road would be a 60mph single carriageway road. The bridge across the River Severn would be designed to incorporate future flood defences downstream. Board members asked MJ about project spend and outputs. He said that there would be no change to the overall spend or outputs from the original contract. The spend would be defrayed by 2021. PH asked if there were any abortive costs relating to the proposed change. MJ said that there would be very few if any, and additional costs incurred on design would be covered by the NWRR. There had been agreement from the Department for Transport to do so. PB commented that the Shropshire Business Board felt that this was a fundamental project for economic growth in this part of the region. PH asked whether the outputs profiled for 2020/21, which had been approved by the Board at 21 May 2019 meeting, would be impacted by the proposed change. MJ said that Shropshire Council believed there would be no change that some outputs would accrue more quickly. PH also asked about the value of the match funding and MJ confirmed that Shropshire Council had agreed to bankroll the local match and reimburse at the point in which the commercial market builds out the houses. MJ confirmed that the proposal had been through the relevant governance structures in Shropshire Council, having gone to the relevant boards and to the Major Projects Board. If the proposal was approved by the LEP</p>	

	<p>Board it would then be presented to the full Council meeting on 19 December 2109.</p> <p>PB gave apologies and left the meeting at 7pm.</p>	
<p>8.</p>	<p>PH stated that item 8c on the Agenda (Oxon Link Road Project) would be discussed first whilst MT remained out of the room.</p> <p>Growth Deal Programme</p> <p>a. Oxon Link Road Project - Confidential Item</p> <p>NA explained that the information “not yet provided” within the Board paper had been confirmed by MJ in the responses to questions posed by Board Members following the presentation. FM suggested it would be prudent to get the confirmation provided in writing.</p> <p>NA advised that any decision made by the Marches LEP Board on the OLR/NWRR today would need to be subject to Shropshire Council making a decision. PN said that the proposal would be an agenda item at the full Council meeting on 19 December 2019.</p> <p>The Board approved (1 abstention (PN); 9 For) the proposed merger of the existing OLR scheme with the Shrewsbury North West Relief Road (SNWRR) subject to the following:</p> <ul style="list-style-type: none"> a. Decision at Shropshire Council Meeting on 19 December 2019 to approve the merger of the OLR and NWRR projects. b. Satisfactory financial information and assurances being provided to the Marches LEP by Shropshire Council in writing. c. Revised funding agreement being produced. <p>MT re-joined the meeting at 7.10pm. PH handed over Chair to MT.</p> <p>G Wilson asked whether the project sponsors of the Growth Deal projects being discussed should step out of the room during voting. The Board discussed this at length referring to the legal guidance provided by Sharpe Pritchard Solicitors on conflicts of interest that had been circulated to members prior to the meeting. MT reminded members that decisions should be made in the best interests of Marches LEP Ltd. The Board agreed (unanimously) that Public Sector Directors/Public Sector Alternate Directors should not be required to step out of the room during discussion or voting. It should be at the discretion of all directors whether they take part in discussions; vote; abstain from a vote or step out of the room.</p> <p>b. NMiTE - Confidential Item</p> <p>DL re-iterated his Declaration of Interest in this item</p> <p>Board members conducted a detailed discussion on the options given in the Board paper regarding funding for Phase 2 of the NMiTE project.</p> <p>AMC proposed that a sub-group of the Marches LEP be formed who were given authority to progress work between Board meetings. The Board agreed this proposal. FM, RS and AMC volunteered to be members of this group. MT and NA would also attend. The group would convene as soon as possible.</p>	<p>NA</p> <p>NA</p> <p>All</p> <p>NA</p>

<p>Following the detailed discussions by members the Board agreed that Option A be approved (1 abstention (DL); 9 For; 1 Against) - to fully fund the project at £5.660m having considered the risks identified in the paper.</p> <p>Subject to the following:</p> <ul style="list-style-type: none"> a. The Marches LEP seek external legal advice to support the drawing up of the funding agreement including checking conflicts of interest relating to purchasing of land from Herefordshire Council. b. Clauses are included within the Funding Agreement which sufficiently protect the LEP from potential underperformance – including Growth Deal expenditure, the drawing down of Match Funding and achievement of outputs. c. Sub-group of Board formed to oversee the contracting processes. <p><i>DH stepped out of the meeting at 7.55pm. JH re-joined the meeting.</i></p>	NA
<p>c. South Wye Transport Package - Confidential Item</p> <p>Board members discussed the proposal to agree a revision of the funding agreement for the South Wye Transport Package project with Herefordshire Council, for an amended delivery profile adopting a two-phased approach, as outlined in the Board paper.</p> <p>Following the detailed discussions by members the Board did not agree that the 2-phased approach for the South Wye Transport Package should be approved (2 abstentions (FM, AMC); 1 For; 8 Against).</p> <p>GH said that the follow up on the next steps for the SWTP project would to be discussed at the next Board Meeting on 26 November 2019.</p> <p><i>JH left the meeting at 8.10pm. DH re-joined meeting.</i></p>	NA
<p>d. Project Call Process</p> <p>GH introduced the Board paper and went through the recommendations which were that the Board should approve:</p> <ul style="list-style-type: none"> a. A two-stage process for an Open Funding Call as outlined in paper. b. Timescales which would help to mitigate risks around underspend and underachievement of deliverables. c. Commissioning Group representatives <p>and additionally suggested:</p> <ul style="list-style-type: none"> d. That LEP reserves be used to fund additional resources, including independent assessor and external legal support c.£140k <p>SR concurred that that the process should be via Expressions of Interest only and should be completed as soon as possible. PN suggested that MT and GH should be able to approve budgets for the funding of additional resources such as in this Project Call without having to seek approval from the Board. MT suggested that the Scheme of Delegation could be discussed at a future Board Meeting, with a view to reviewing it in this context.</p>	GH
<p>The Board approved (unanimous) the recommendations set out in the Board paper and the additional recommendation regarding funding additional resources (as set out in a. to d. above).</p>	NA/GH

	NA informed the Board that an additional private sector member (potentially from Herefordshire) was required for the Commissioning Group for the Project Call process and asked any interested members to contact him as soon as possible.	All
9.	Any Other Business GH asked the Board to note the letter previously circulated from Minister Berry and Minister Zahawi. Duly noted.	
10.	Close The meeting closed at 8.20pm.	
	Next Meeting of the Board of The Marches LEP Limited: 26 November 2019, The Clive Arms, Bromfield, Ludlow	