

From: Mandy Thorn

Sent: 27 August 2020 11:46

To: Andrew Manning Cox ; Christine Snell; Cllr David Wright ; David Hitchiner ; Dr Catherine Baxter; Frank Myers; James Staniforth; Paul Bennett ; Paul Hinkins; Paul Kalinauckas ; Peter Nutting; Ruth Shepherd ; Sara Williams ; Sonia Roberts

Cc: Shaun Davies ; Gill Hamer; Mandy Thorn; Nicholas Alamanos; Kathryn Jones; James Walton; 'Cheryl Sedgley'; Katherine Kynaston; Richard Ball; Mark Barrow; Ollie Hindle

Subject: Marches LEP Board - update

Dear Board Members,

At the end of the Emergency Board meeting held on 11 August I undertook to provide you with an update by the end of August on the actions being taken following your agreement that the Accountable Body and Herefordshire Council be asked to enter into positive and meaningful dialogue concerning the Notice of Termination of the South Wye Funding Agreement and the grant clawback of the £3.8m.

Following the Board meeting the LEP's Chief Executive discussed the Board's position with the LEP and Accountable Body's legal advisors and the appropriate way forward was agreed with instructions issued to the Accountable Body.

I can confirm that the Accountable Body wrote to Herefordshire Council on behalf of the LEP on 20 August.

The correspondence addressed the fact that Herefordshire Council's response to the letter from the LEP's Accountable Body was not helpful in progressing the matter because of the lack of detail as to why Herefordshire Council rejected the Accountable Body's right to terminate and clawback the monies under the Agreement, nor did it substantiate their views as to why they do not agree that progress towards delivery and completion of the South Wye Transport Package (SWTP) was unsatisfactory.

As a consequence the Accountable Body has restated that in its view it still has the right to terminate the funding agreement and has set a deadline for the repayment of the £3.8m by 3 September 2020. Equally it is open to Herefordshire to respond to provide further information in respect of its case and substantiate its current position so that the LEP can understand and consider Herefordshire's position.

As requested by the LEP Board, the opportunity to enter into discussions to find a resolution has been considered and remains an option, however to enable meaningful dialogue there is a need for both positions to be set out so that each party fully understands the other's position and can clearly identify the areas of disagreement that would be discussed. The Accountable Body has set its position out in full in its previous correspondence and it is hoped that Herefordshire Council respond positively to address the issues raised

In addition whilst writing, may I thank those of you who have given up some of your time over the past few days to chat to me one to one providing your insights into the performance of the LEP Board. I look forward to catching up with all members of the Board over the next week or so. I have found the conversations to date incredibly insightful and useful.

I wish you all a relaxing Bank Holiday weekend.

Kind regards

Mandy

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