

## Minutes of the Marches LEP Performance, Risk & Monitoring Committee (PRMC) Monday 7 November 2022

### Present

Name	Initials	Role
<b>Sonia Roberts (Chair)</b>	<b>SR</b>	<b>Deputy Chair of the Marches LEP Board</b>
Frank Myers	FM	Marches LEP Board Member
Sara Williams	SW	Marches LEP Board Member
Alex Green	AG	Marches LEP Board Member
Clare Fenton	CF	Marches LEP Board Member
James Walton	JW	Section 151 Officer, Shropshire Council
Karen Morris	KM	Deputy nominated by Section 151 Officer, Herefordshire Council
Dainy Runton	KM	Deputy nominated by Section 151 Officer, Telford & Wrekin Council
Rachel Laver	RL	Marches LEP Chief Executive
Kathryn Jones	KJ	Marches LEP Head of Partnerships and Strategy
Jo Grivell	JG	Marches LEP Office Administrator
Glenn Barrowman	GB	Marches LEP Project Officer
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit
Hayley Owen	HO	Shropshire Council – Pride Hill Centre Project
Tim Pritchard	TP	
Christine Ogunkanmi	CO	Herefordshire Council – Herefordshire City Centre Transport Project
Nadine Kinsey	NK	
Laurence Butterworth	SW	
Katherine Kynaston	KK	Telford & Wrekin Council – Telford & Wrekin Council Project Updates/Station Quarter
James Dunn	JD	

ITEM	ACTION
<p><b>1 Welcome, apologies and introductions</b></p> <p>The Chair welcomed everyone to the meeting. Apologies received from Ken Clarke, Andrew Lovegrove, Rachael Hart, Mark Barrow, Matt Johnson, and Ben Jay.</p> <p>Alex Green and Clare Fenton were introduced as new LEP Board members and will attend these meetings from now on. Glenn Barrowman was introduced as the new Marches LEP Project Officer.</p> <p>Guest speakers from Herefordshire, Telford &amp; Wrekin and Shropshire Councils were welcomed ahead of their project updates further in the agenda.</p> <p><b>Declarations of interest</b></p> <p>There were no declarations of interest.</p>	
<p><b>2 Minutes of the last meeting and matters arising</b></p> <p>The minutes of the last meeting on 25 August 2022 were reviewed, checked for accuracy, and approved as an accurate record of the meeting. All actions were completed.</p>	
<p><b>3 Marches LEP Update</b></p> <p><b>a) Future of LEPS</b></p> <p>This is still to be determined and awaiting a statement from Government and details on future funding. At present it is business as usual. The understanding is that the LEP's will receive a funding decision for 23/24 before Christmas which will also include Growth Hub Funding outcome.</p> <p>There are changes to the West Midlands LEP landscape; 2 of the 6 LEP's will wind down in</p>	

	<p>March 23 and a third in March 24. This is due to devolution, and they will be merged into West Midlands Combined Authority.</p> <p>A concern for the remaining LEPs is having a voice with Government. This has been discussed with Mark Bretton (Chair of the LEP Network) and Mark Livesey (CEO, LEP Network). Marches LEP is still involved with the relevant LEP working groups. Mandy Thorn is the West Midlands LEP's Chair, so will need to be replaced when she steps down from her LEP Board Chair role in the coming months, but the LEP network is content for the West Midlands to still have a seat on the LEP Network Board.</p> <p><b>b) 2022/23 funding and staffing</b> As previously reported there has been a 50% reduction in Growth Hub funding and 25% to core funding. The LEP has had a further restructure to make best use of the limited resources. The changes have enabled the LEP to give an additional £5k each to the Local Authority Growth Hubs.</p> <p><b>c) Feedback on Marches LEP Annual General Meeting and 2021/22 Accounts</b> The Board signed off the accounts and approved the two new Board Members, Clare Fenton, and Alex Green. There was nothing of note raised on the accounts except the amount of money the LEP is holding has diminished significantly with the completion of the LGF and GBF programmes</p>	
<p>4.</p>	<p><b>Top 5 Risk Registers</b> The Top 5 risks were highlighted to ensure members can immediately focus on any critical issues. There will be an exercise to consolidate all the risks as there is a lot of duplication. <b>GB and RL will update the Risk Registers for the next PRMC.</b></p> <p><b>A) Corporate Risk Registers Corporate Risk Register.</b> The Top 5 corporate risks largely relate to the same topic regarding the uncertainty of LEP's. As a contingency the LEP has been through the exercise to understand what steps are required if the LEP does have to be wound up. AC advised he is regularly airing the frustrations back to Cities and Local Growth Unit to make Business, Energy, and Industrial Strategy (BEIS) and Department for Levelling Up, Housing and Communities (DLUHC) aware, and has been stressing the need for certainty on future funding. FM asked the Section 151 Officer to confirm he is satisfied that the LEP is handling its risks appropriately. JW confirmed that he is comfortable that the risks are being identified but is not comfortable that the risk are being completely mitigated because of the elements that are beyond the LEP's control. However, JW believes the LEP is doing whatever it can in terms of LEP funding, for example reducing the ongoing running costs of the LEP. <b>FM asked that in future the Section 151 gives a statement regarding the risk registers and management thereof, to give assurance to the Board.</b></p> <p>RL confirmed that the LEP has looked at arrangements for managing and transferring all the contracts and funding streams if the Government decides to discontinue LEPs.</p> <p>There is a letter going to the Board regarding the two LEP's that are being wound up where there is concern that directors are personally responsible for any ongoing liability. The Chairs have written to Government, and they want the same dispensation as Local Authorities. It is unacceptable to expect volunteers to be liable for any ongoing liability for the company after it is wound up. <b>RL agreed to produce an options paper for the Board should Government make the decision to wind up all LEPs, in the meantime RL will share the letter to Government regarding liability of directors from the two LEP's being wound up.</b></p>	<p>GB/RL</p> <p>JW</p> <p>RL</p>

	<p><b>B) Programme Risk Register</b></p> <p>Oxon Link Road is presenting at the next PRMC. There has been a Freedom of Information request about the project which RL will respond to and has copied to JW.</p> <p>The Chair raised her concern that the project has deferred to give an update again. The project requested to defer on the basis that they would present a comprehensive Decision paper around the proposed delivery programme in December. They would like to complete their final supplementary planning submission, to be able to provide more certainty on their forward programme.</p> <p>The project has been separated out from the North West Relief Road, but the LEP is genuinely concerned that the project is not being delivered and awaits the comprehensive update at the next PRMC.</p> <p><b>GB to obtain update on the project as part of the contractual reporting requirements to answer the FOI request.</b></p>	<p><b>GB</b></p>
<p><b>5</b></p>	<p><b>Energy Fund Update</b></p> <p>The LEP is in the process of contracting the three projects. There is a slight delay due to clarifying what needs to be included regarding the subsidy control act. Expect the contracts to be sent out this week.</p> <p>Had an inception meeting with Hereford, Ludlow and North Shropshire about their scheme which is providing Green Skills.</p> <p>Launching the Marches Energy Grant (MEG) scheme at our Access to Finance intermediary event on 1 December, which is a timely replacement as the Business Energy Efficiency Programme is almost spent.</p> <p>The third scheme to install monitoring equipment on substations is progressing and a meeting with National Grid is due to take place this week.</p> <p><b>SR asked that the Energy Fund projects be added to the risk registers. RL stated will invite the projects to present at a future PRMC meeting. GB to add to the Forward plan for projects updates in 2023.</b></p> <p>FM asked what the intermediary event was. RL updated the committee on the intermediary breakfast event being run at Telford College on 1 December by the LEP. The Midlands Engine Investment Fund had been invited to present and it is targeted at intermediaries who have multiple business clients, who can then advise what funding is available to them through the LEP and Growth Hub. The ripple effect of communicating this way ensures more businesses get to know what support is on offer. Invite to the meeting, details of speakers and how to register can be found here: <a href="#">The Marches LEP Access to Finance Event - Marches Growth Hub</a> If the event is a success, it will be replicated in Herefordshire.</p> <p><b>FM asked that the Board be made aware of any future events.</b></p>	<p><b>GB</b></p> <p><b>RL</b></p>
<p><b>6</b></p>	<p><b>Hereford City Centre Transport Update</b></p> <p>Representing Herefordshire Council, Christine Ogunkanmi (CO) and Nadine Kinsey (NK) gave an informative update on Hereford City Centre Transport Hub and Match Funding. Details of the project and 3D images of the transport hub can be found here: <a href="#">Link to Hereford City Centre Transport Hub presentation.</a></p> <p>NK provided an update on the outputs which have or will be met/overachieved.</p> <p>Herefordshire Council are in the process of providing samples of invoices to Shropshire Council as the evidence trail for the figures. The costs to complete the Transport Hub will see all the match funding achieved.</p> <p>SR asked for clarification on what the LEP commissioned and contributed to, compared to what it is getting. NK confirmed none of the LEP money was spent on the Transport Hub itself, it was spent on the road a number of years ago. It is the match element that is funding the Transport Hub. The contract outputs are all based on the original road build.</p>	

	<p>FM stated that he feels that the PRMC never sees the details on the projects in respect of what was contracted and how much it would cost. He would like to see what was originally agreed, what is being delivered now and how the two compares.</p> <p><b>RL agreed to work with Herefordshire to produce an overview of what was contracted, and how much it cost to bring to the next PRMC.</b></p>	RL/CO/NK
7	<p><b>Pride Hill Variation Update</b> Representing Shropshire Council; Hayley Owen provided a further update to the previous PRMC meeting where they shared the overall plan for the Riverside area, which includes the Pride Hill shopping centre.</p> <p>As requested the project provided a paper to reflect the revised programme and delivery including <a href="#">details of the funding and the request for variation</a>. Within the document is a table showing current and proposed variation to outputs.</p> <p>FM queried again that there is significant change in the fact the Pride Hill Centre is not being refurbished but is being demolished. HO confirmed that the contract output was for the commercial floor space. Fundamentally there is a building going back on the site which delivers the contracted outputs in terms of commercial floor space.</p> <p>RL confirmed she is comfortable in Shropshire Council’s management of this project. The timescales may have slipped which is understandable given COVID and the change in retail landscape. <b>RL agreed that this should be submitted for a contract variation, which was endorsed by the Chair SR.</b></p>	GB
8	<p><b>Telford &amp; Wrekin Council – Project Updates</b> Representing Telford and Wrekin Council; James Dunn (JD) and Katherine Kynaston (KK). The paper submitted to the PRMC <a href="#">provided details of the various projects</a> being funded by the LEP and to formally request a change to the contracted outputs.</p> <p>JD gave an informative update on progress from the various projects and an update on additional grants that are necessary to deliver the projects due to inflation etc., in addition to policy changes that need to be complied with.</p> <p>It is essential that the projects can access the funding from both Homes England and West Midlands Combined Authority. The output requirements for the different funding streams are predicated on “Housing Units Delivered” and therefore the ask is to amend the LEP outputs to Units Unlocked rather than Housing Units delivered.</p> <p>It should be noted the LEP funding plus the other funding streams will create a bigger impact i.e., maximising the number of units being delivered by maximising the amount of grant funding and it has transformed what the project has been able to deliver. There is a recognition at Government level that we need to be able to blend the funding pots going forward.</p> <p>RL stated it is potentially a worrying precedent being set to change the outputs but accepted the need to approve the change so Telford &amp; Wrekin can secure the extra funding to achieve the original scheme and that there had been extenuating circumstances which has seen costs escalate significantly.</p> <p><b>RL requested details of the total value of the scheme and for JD to look at all the outputs to ensure the LEP is getting everything it can.</b> The justification for approval needs to be that in exchange for the reduction in Housing Units delivered, the LEP can claim, for example, all the match funding to still receive a high value for money (Benefit-Cost Ratio) as when the scheme was originally approved.</p> <p>AC clarified that there would need to be a contract variation. It is also essential to ensure there is no duplication of outputs and to demonstrate the value for money. JD confirmed</p>	JD

	<p>there is not duplication of outputs.</p> <p><b>RL to meet with project team to discuss outputs, and evidence the value for money which includes the social value in terms of developing mixed communities and affordable housing.</b></p> <p><b>RL to speak with BEIS to confirm that this type of change would be acceptable if there is no duplication of outputs and if so, will submit the change proposal to the Board for a decision.</b></p>	<p>RL/JD</p> <p>RL</p>
9	<p><b>Performance monitoring - Exceptions</b></p> <p><b>a) Growth Hub Update</b> As previous mentioned due to the reduction in funding, the Growth Hub programme manager role has been made redundant and the costs savings have been redistributed to direct business support. The Growth Hub Bi-Annual report was completed and signed off by Ben Jay (Deputy Section 151 Officer) and the Quarter 3 Core Grant Claim has been submitted. The Growth Hub is running well, there is a high-level of enquiries being received. The team has improved the Net Zero pages on the website in recognition that businesses need this type of support. The Growth Hubs will commence reporting Protected Characteristics data from Q3 onwards. RL asked that thanks for all Yasmin Sulaman's work on the Growth Hub was noted.</p> <p><b>b) Key Account Management</b> Department for International Trade (DIT) funded Key Account Management (KAM) project – funding agreement for additional 6 months in place with DIT and the SLA with Mountain Perspective has been extended. Meeting with DIT, Mountain Perspective and the three local authorities being held on 7 November to enable effective communication, joint working, and clarity of reporting.</p> <p><b>c) Skills Support (SAP/Marches Careers Hub)</b> Department for Education (DfE) funded Skills Advisory Panel (SAP) project – DfE funding has now been received and a contract awarded to Black Country Consortium for the provision of data and intelligence services to meet DfE requirements.</p> <p>Careers &amp; Enterprise Company (CEC) funded Marches Careers Hub project – agreements with all three local authorities are now in place to confirm funding, resourcing, and project responsibilities for the contract term to August 2023. <a href="#">Information on performance in academic year 21/22</a> was circulated with papers to demonstrate project outcomes for the year and the improvements made in performance against targets.</p>	
10	<p><b>Any other business</b> Calendar dates for the <a href="#">PRMC meetings in 2023</a> were shared in the meeting papers. <b>JG to issue the invites to the committee members.</b></p>	JG
	<b>Next Meeting of the Marches LEP PRMC: 15 December 2022 14:00-15:30</b>	