

Minutes of the Marches LEP Performance, Risk & Monitoring Committee (PRMC) Monday 15 December 2022

Present

Sonia Roberts (Chair)	SR	Deputy Chair of the Marches LEP Board
Frank Myers	FM	Marches LEP Board Member
Sara Williams	SW	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
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit
Matt Johnson	MJ	Shropshire Council – Oxon Link Road
Neil Macdonald	NM	AECOM – Transport Consultancy
Jodie Robins	JR	

ITEM		ACTION
1	<p>Welcome, apologies and introductions The Chair welcomed everyone to the meeting. Apologies received from Ken Clarke, Andrew Lovegrove, Mark Barrow, Alex Green, and Clare Fenton.</p> <p>Declarations of interest There were no declarations of interest.</p>	
2	<p>Minutes of the last meeting and matters arising The minutes of the last meeting on 7 November 2022 were reviewed, checked for accuracy, and approved as an accurate record of the meeting.</p> <p>Action from last meeting from FM, asking that the Section 151 officer provides assurance on LEP risks. A new process has been put in place where the risk registers will be sent to the Section 151 Officer to be signed off, in advance of the papers being distributed.</p> <p>All other actions were completed with exception of the Energy Fund projects being added to the Risk Registers. RL took action to complete this in the Project Officer's absence.</p>	RL
3	<p>Marches LEP Update</p> <p>a) Future of LEP The LEP is developing its SEP and updating the Energy strategy. Still waiting for clarity from Government on funding and mandate for LEPs. Had hoped to receive this before the Christmas break but AC advised it was unlikely.</p> <p>b) Funding and staffing Staff are on contract until March 2023, with exception of staff involved with the Careers Enterprise Company funded project, who are contracted until August 2023. RL proposed to take a paper to the January 2023 Board meeting on extending the contracts.</p> <p>Marches LEP continues to trade at a loss but at a smaller loss than previously due to savings made on staffing and other operational costs. Planned expenditure and use of reserves remains within the budget shared with LEP Board members.</p>	RL

	<p>Glenn Barrowman the Project Officer has resigned. As he was still on probation, he was only required to give a week's notice. An advert has now gone out to fill the vacancy. As a result, the team will be short staffed again in project management until the post is filled.</p> <p>The new Head of Business Development and Delivery, Mark Schneider will be joining the LEP team on 3 January 2023, he will be able to cover some of the project management work.</p>	
<p>4.</p>	<p>Top 5 Risk Registers</p> <p>As per the action from last PRMC, an exercise was done to consolidate all the risks as there is so much duplication. This has reduced the risk registers from 80+ to fewer than twenty. It still needs to be further refined which will be completed before the next meeting.</p> <p>FM asked that in addition to the Top 5 Risks, that RL shares with the PRMC any risks that have changed either up or down even if not in Top 5.</p> <p>A) Corporate Risk Register</p> <p>No change to the Top 5 corporate risks as they mainly relate to the same topic regarding the uncertainty of LEPs.</p> <p>B) Programme Risk Register</p> <p>The biggest risks relate to delivery of projects such as Oxon Link Road, where the funding has been spent but the project not completed, hence the update being provided later on the agenda on this project. RL advised that despite staffing issues the LEP has good systems in place to monitor the programmes and the LEP is aware of its contractual obligations and need for transparency. To further support this the LEP has just received another draft clean audit report. A copy will be circulated to PRMC and the LEP Board once finalised.</p> <p>SR queried that Station Quarter project was not listed on the programme risk register, nor the Energy Projects. RL confirmed she would ensure that they are added to the latest version of the risk register for the next meeting.</p>	<p>RL</p> <p>RL/JG</p> <p>RL</p> <p>RL</p>
<p>5</p>	<p>Oxon Link Road Update</p> <p>Matt Johnson gave an informative presentation and general overview of the Oxon Link Road project and the contracted outputs and how it fits into the wider scheme for the North West Relief Road. There is a joint planning application for the two schemes but only the Oxon Link Road portion is funded by the Marches LEP money. The Local Authority has also determined to appoint a single contractor for both roads to take advantage of economies of scale in delivery costs.</p> <p>RL asked questions on Shropshire Council's match funding and how much of it is already secured including the status of the Section 106 monies. MJ advised the Council is confident it will receive the £8.1m which is expected through the Section 106 agreements.</p> <p>MJ advised that build costs have risen by between 15-30% but assured the LEP, that the Local Authority is contracted to cover any uplift in costs.</p> <p>A number of factors have impacted the planning determination date, mostly with the Environment Agency, Severn Trent, and Natural England objections to the planning. Final statement of environmental information is due to be submitted on 19 January 2023 which will satisfy their objections. It is hoped that planning determination will be complete in March 2023. Procurement is now underway with an open tender.</p> <p>SR asked if there are any concerns/risks that could derail the Oxon Link Road being delivered. MJ advised they have been careful around the environmental position and compliance which might impact planning approval and subsequently any judicial review if planning permission</p>	

	<p>granted.</p> <p>MJ agreed to come back to the PRMC in June 2023 to provide general update on planning permission outcome and give an update on the main works programme dates once the procurement is complete. The 2027 date for completion is worst case scenario. JG to confirm date on the Forward Plan for next presentation to PRMC.</p>	<p>JG</p>
<p>6</p>	<p>Performance monitoring – Exceptions</p> <p>a) Growth Deal Update and b) Getting Building Fund update RL advised it has been a challenge to get some of the returns from projects.</p> <p>RL reminded the three local authorities that the LEP requires quarterly reporting to get the monitoring information required by Government. The LEP should not need to chase missing information as it makes it difficult for the LEP to complete its reporting on time.</p> <p>RL will task the new Project Officer with visiting each of the projects to see that the projects are physically complete and to capture all their output and match information.</p> <p>FM requested that the Wetlands project is invited back to provide details of spend. The Wetlands is listed for the next PRMC in February 2023 to give an update on progress and confirm how the funding has been spent in line with the contract.</p> <p>There was a general discussion regarding the projects that are still to deliver. SR asked if there is a deadline when the money has to be spent, as the delivery dates were several years away (2027). RL confirmed they have spent the LEP’s money and have until 2025 to capture the outputs. It is not stated in the contract when the LEP expects the match funding to be spent. RL to confirm.</p> <p>AC confirmed that LGF is assessed at programme level and as long as the LEP delivers the finances and outputs within the programme, they are not particular where the outputs come from at a project level. As the Oxon Link Road extends past 2025, AC to confirm if there is going to be any counting of outputs past the programme deadline.</p> <p>FM stated he was uncomfortable that late projects have spent the LEP money first but not their own match funds. RL confirmed there is provision in the contract for intervention rates and there is a clause whereby if the project comes in having spent less money than planned, the LEP can claw back money pro rata based on the intervention rate in the contract.</p> <p>JW confirmed that the first target of government for these programmes is that the LEP funding is spent. There was a strong push to get the LEP money spent, and if it is spent before any match funding that is fine because the projects are contractually obliged to deliver the match funding and the projects as described in their contracts.</p> <p>a) i. Hereford City Centre Transport Hub Action from previous meeting for Hereford City Centre Transport Hub to provide a high-level overview of the project, what was originally contracted and to include what the LEP’s funding has been spent on and the contracted output position. The overview document was sent out with the meeting papers and can also be found here.</p> <p>c) Growth Hub Update Have held a session with PR & Marketing partners, Be Bold, to look at how to promote the Growth Hub in 2023 and to be more proactive in promoting support programmes. The Intermediary event was held on 1 December and was very well attended and was oversubscribed. Looking to run the same event in Herefordshire in March 2023. RL to take options paper to the LEP Board in January if the Growth Hub does not get central Government funding.</p> <p>d) Key Account Management</p>	<p>All LA’s</p> <p>RL</p> <p>JG</p> <p>RL</p> <p>AC</p> <p>RL</p>

	<p>A formal review took place with Department for International Trade (DIT). They are satisfied with the revised delivery model for KAM. Funding for next year is still not determined.</p> <p>e) Skills Support (SAP/Marches Careers Hub) The LEP continues to support the Local Skills Improvement Plan (LSIP) and will be seeking guidance and approval from the LSIP on the use of the remaining Skills Advisory Panel funding.</p> <p>Careers & Enterprise Company (CEC) funded Marches Careers Hub project. There is a deadline of the end of December to collate information and will get an update on performance mid-January of how the Marches Career Hub Team directly influences schools and colleges performance around their career's education programme. There is no update on funding after August 2023.</p>	
7	<p>Transport Project Consultancy Update NM/JR gave an informative overview of what they have been tasked to do by the Marches LEP. AECOM responded to a tender opportunity to support the LEP with the preparation of a transport narrative, which runs alongside the SEP.</p> <p>AECOM will help guide and support the existing Transport Officers Group with their strategic and local scheme pipeline. They shared their high-level mobilisation plan to help maximise any investment and deliver the desired outcomes in terms of transport and connectivity across the Marches.</p>	
8	<p>PRMC Forward Plan RL advised that all the projects that have been of concern in terms of delivery have now been to the PRMC or delivered i.e., Flaxmill, NMiTE. A new Forward Plan has been drafted for 2023.</p> <p>SR asked if anyone has any nervousness on a project that they request it be brought to the PRMC. For example, the Wetlands has been brought forward to the February meeting.</p>	ALL
9	<p>Any other business None.</p>	
	Next Meeting of the Marches LEP PRMC: 16 February 2023 14:00-15:30	