

Minutes of the Marches LEP Performance, Risk & Monitoring Committee (PRMC) Thursday 24 August 2023

Present

	SR	Chair of the Marches LEP Board
Alex Green	AG	Marches LEP Board Member
Sara Williams	SW	Marches LEP Board Member
Frank Myers	FM	Marches LEP Board Member
Dainy Runton	DR	Deputy Section 151 Officer, Telford & Wrekin Council
Ben Jay	BJ	Shropshire Council AD Finance & ICT
Rachael Hart	RH	Deputy Section 151 Officer, Herefordshire Council
Rachel Laver	RL	Marches LEP Chief Executive
Mark Schneider	MS	Marches LEP Head of Business Development and Delivery
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
Tim Yair	TY	Principal Net Zero Project Officer
Joe Bubb	JB	Shropshire Council, Economic Growth Project Development Manager

ITEM		ACTION
1	<p>Welcome, apologies and introductions</p> <p>The Chair welcomed everyone to the meeting and introduced Principal Net Zero Project Officer, Tim Yair, who was presenting an update on the Marches Energy Grant, and also Economic Growth Project Development Manager, Joe Bubb, from Shropshire Council presenting an update on Oswestry Innovation Park Project.</p> <p>Apologies were received from Ken Clarke, Andrew Lovegrove, Karen Morris, and James Walton.</p> <p>There were no declarations of interest.</p>	
2	<p>Minutes of the last meeting and matters arising</p> <p>The minutes of the last meeting on 22 June 2023 were reviewed, checked for accuracy, and approved as an accurate record of the meeting.</p> <p>Carried Forward: The LEP Board has held an initial meeting to discuss options for the future of the LEP, including continuing with a revised focus or having an orderly wind down. A paper will be presented to the LEP Board in June, and further discussions will take place. Update 22 June 2023: The June Board Meeting was cancelled therefore the paper outlining the proposal for the LEP's future will now be presented at the July Board Meeting. Update 24 August 2023: Paper was presented at the Board meeting on 3 August. Action Closed.</p> <p>Carried Forward: SW asked for a list of the manufacturing companies that NMITE is currently working with and what the scope is to reach out wider. SW works for one of the largest manufacturing companies, Protolabs, in Shropshire and wider area. Action: A list of partners can be found on the NMITE Partners NMITE website but JN agreed he would send the list to JG to circulate to the group. Update 22 June 2023: No list had been sent by JN, JG would follow up and circulate to the committee. Update 24 August 2023: List obtained and distributed to the committee on 10 July by JG. Action Closed.</p> <p>Herefordshire Council's request for a three month extension to the Shop front improvement grant scheme was approved. Action: MS to register the 3-month extension</p>	<p>RL</p> <p>JG</p>

	<p>on project documents. Update 24 August 2023: Confirmed extension has been done. Action Closed.</p> <p>Rachael Hart from Herefordshire Council apologised for the missing information from the Wetlands Project. Action: RH advised she would personally follow up to ensure the evidence is sent to the LEP including quality assuring the information first, and that includes the detail being asked for i.e. evidence for the £1m spent and the £1m match. Update 24 August 2023: Confirmation that evidence has been received and signed off. FM asked to see the evidence. Action: MS to circulate the evidence to the committee. RL asked that MS also visit the sites and obtain photographic evidence of work carried out. RH advised she would help facilitate the visit.</p>	<p>MS</p> <p>MS/RH</p>
<p>3</p>	<p>Marches LEP Update</p> <p>a) Future role of LEPs update</p> <p>SR gave the following update: Nothing further to report. The LEP has tried to set up three transition meetings with the Local Authorities, however no one from any Authority has attended the meetings which is disappointing. The LEP is trying to find a way forward that works for all parties.</p> <p>b) Transport Consultation by AECOM</p> <p>MS gave the following update: Working with Transport Officers Group (TOG), AECOM has identified 5 key areas and they have developed Pre-Strategic Outline Business Cases which has been reviewed by the TOG. The 5 strategically important transport themes are as follows:</p> <ol style="list-style-type: none"> 1. Bus Service Improvement schemes that create a coherent regional approach 2. Local Cycling and Walking Infrastructure that creates coherent regional approaches. 3. Freight Route Network (FRN) improvements that enable better access, reduce unnecessary movements, and help support clean, inclusive growth in the Marches and Mid Wales. 4. Rail Connectivity improvement schemes that accelerate the delivery of strategic upgrades 5. Electric Vehicle Charging Infrastructure in communities across the Marches to serve growing demand increasing the number of strategic and local hubs near main transport routes. <p>More details of the process that AECOM went through and next steps can be found in the Transport Consultancy overview presentation given by MS.</p> <p>c) Land Use Study</p> <p>KJ provided the following update: The LEP has funded a study into current land use across the Marches. The data is being finalised by the consultants and they will set out the opportunities in a detailed report which will include investment prospectus.</p> <p>The report will be presented at the LEP's New Economic Opportunities for Local Land Use and Management event on 28 September 2023.</p> <p>The LEP will also launch its £100,000 call for innovative low carbon land-based projects at the event.</p>	

<p>4.</p>	<p>Top 5 Risk Registers MS gave an update on the Top Risks and any new or changed risks.</p> <p>A) Corporate Risk Register Several of the top corporate risks relate to the uncertainty of LEP.</p> <p>The government released a letter on 4 August stating their wishes that the LEP functions be transferred to local authorities. The uncertainty has created a lack of consensus between the private and Local Authority Board members, and there is a risk around the potential loss of staff and open vacancies. A new risk has been added related to GDPR as LEP contracts are transferred.</p> <p>FM asked if any thought has been given to the corporate risk to Directors if they do not responsibly deal with the LEP monies. SR clarified it is not the same risk which related to Directors liability insurance; the LEP has put in place run off insurance to cover 7 years liability for Directors. The new risk relates to company liability and directors' obligations to Companies House. RL advised the LEP is taking legal advice regarding funding held by the LEP. Action: MS to add a new risk to be added relating to Company and Directors liability.</p> <p>FM raised another risk that he felt Shropshire Council are breaching the Service Level Agreement and breaking contract and company law. The deteriorating relationships with the Local Authorities and conflicts of interests is jeopardising the operation of the LEP. SR added there are issues around the professionalism of certain bodies that are supposed to be supporting the LEP. AG seconded FM's statement that there is evidence of the Local Authorities not doing what they have been asked to do, and believes that is a risk that should be recorded. Action: MS to add risk.</p> <p>B) Programme Risk Register Similarly the programme risks have been outstanding for some time, for example inability of the LEP team to deliver the various programmes due to staff leaving or lack of funding.</p> <p>Oxon Link Road remains a high risk and will be covered under the project updates.</p> <p>A new risk has been included relating to each Local Authority adopting a different approach to delivery of the UKSPF programme which is causing inconsistency across the 3 Growth Hubs which will impact negatively on businesses. The support available to a business across the Marches is different dependent on the postcode of the business.</p> <p>Another new risk relates to incomplete record keeping including unsigned and undated and missing contracts which has come to light as LEP staff have had to review agreements which go back a number of years.</p> <p>RL asked that the risk rating for Marches Energy Grant (MEG) being oversubscribed, be raised and expanded to also cover non-delivery of the programme. No grants have been officially allocated yet, despite very strong interest. Worcestershire are delivering slowly but are expected to pick up pace as they bring on more assessors. Action: MS to update the MEG risk.</p> <p>SR asked that there be a new risk added relating to how projects will be overseen when or if the LEP closes. RL raised that there was a Civil Service job advertised which included being responsible for LGF/GBF evaluation. The job opportunity has now been closed. AC and GA to investigate further guidance on how BDT expects projects to be governed as there is some conflict of interest if for example Shropshire Council oversees its own projects</p>	<p>MS</p> <p>MS</p> <p>MS</p>
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	in particular Oxon Link Road which is seriously delayed. Action: MS to add a new risk.	MS
5	<p>Marches Energy Grant Update Tim Yair, Principal Net Zero Project Officer gave a very informative overview of the Marches Energy Grant (MEG) project. He provided some background of the previous schemes which had created a lot of value to local businesses.</p> <ul style="list-style-type: none"> • The MEG project builds on the success of previous programmes such as MarRE fund, Low Carbon Opportunities (LoCOP) fund and the BEEP grant scheme. • As it is funded by the LEP and the Local Authorities SPF allocations, MEG is designed to be less restrictive as to where its funding can be spent. • It is intended that the project will also complement the Cool Shropshire & Telford platform and Herefordshire's 30 for 2030 • Grants worth up to £20,000 are available for eligible businesses after an assessment has been completed. • Sectors not eligible for support include Primary agriculture, Schools, and Public sector funded organisations (except parish or town councils). <p>The first grant has now been committed, and 14 applications will be assessed by panel in the coming weeks. One area of concern is that the assessments are delay due to bandwidth. Worcestershire has recently run a tender to increase the support provision across The Marches but unfortunately there was only one response who did not meet the criteria. The tender will be re-opened with a slightly revised tender request.</p> <p>FM asked for details of the tender so that the committee could also promote. Update from TY after the meeting. Interested suppliers need to be registered on the portal system that Worcestershire Local Authority use, called "in-tend" by Friday 15 September. Action: TY will provide the link to "in-tend" when it goes live.</p> <p>RL asked TY if he is confident that Worcestershire are now able to deliver the programme at pace as there is a considerable amount of money still not committed. TY advised when the assessment support is increased it will make an enormous difference. TY does not believe there will be an issue with spending the capital funding. RL asked for an update in a month and to get a programme plan from Worcestershire on their delivery milestones. Action: TY to discuss this with Worcestershire.</p>	<p>TY</p> <p>TY</p>
6	<p>Oswestry Innovation Park Project Update Joe Bubb, Economic Growth Project Development Manager for Shropshire Council gave an informative presentation on the Oswestry Innovation Park project.</p> <p>There has been a lack of growth in the area due to a number of reasons, largely related to the road network infrastructure which has hindered being able to unlock development sites. The project involved Mile End Road Junction improvements and enabling works to bring forward employment land in Oswestry.</p> <p>The project secured the following funding:</p> <ul style="list-style-type: none"> • £9.3m Marginal Housing Infrastructure Fund to undertake improvements to strategic road network • £5,711,200 Growth Deal awarded through three contracts to enhance the planned Mile End junction improvements and footbridge and to bring forward the Oswestry Innovation Park infrastructure works. • Council approval 2022 for the development of infrastructure to support town wide housing development and the development and disposal of the Oswestry Innovation Park. 	

	<p>More details including the programme delivery plan and forecasted outputs can be found in the Oswestry Innovation Park Update presentation.</p>	
<p>7</p>	<p>Performance monitoring – Exceptions</p> <p>a) Growth Deal Update and b) Getting Building Fund update.</p> <p>i. Oxon Link Road (OLR) RL gave the following update: The LEP Board has agreed to give Shropshire Council until the end of October to come back with an updated business plan, updated traffic modelling and planning approval. This will be presented to the Board on 28 November with the clear understanding that if any of that information is not supplied or planning approval has not been granted then the LEP will look to claw back the money.</p> <p>ii. Review of Outputs MS provided an update on the LEP project outputs. Of particular interest is the match funding for both LGF and GBF projects. On LGF there are 6 projects that have outstanding match funding. Oxon Link Road has £8m, Hereford City Centre Transport has £6.9m, Stronger Communities regeneration sites has £8.2m, Cyber Centre £1m and NMITE projects have £3m of match still to generate.</p> <p>On GBF there are 3 projects that have match still to generate; Hereford City Centre Improvement has £2.5m, Pride Hill £10.2m and Stronger Communities Station Quarter has £17.2m. There is a substantial amount of match still outstanding to be processed and agreed. DR queried the amount for Station Quarter as she does not think there is any outstanding match there, it is scheduled to be delivered later in the project. MS to follow up. SR asked for more scrutiny across all the projects so that if the amount the LEP believes is outstanding differs from what the project managers, to understand why there is a difference. Action: MS to review the position with DR for Station Quarter and also to review all the projects to confirm the actual match outstanding versus when it is meant to be delivered. SR asked for the report on the match position at the next PRMC meeting.</p> <p>b) Growth Hub Update MS provided the following update:- The Growth Hub team has been working with the local authorities who are in the process of launching their Shared Prosperity Funds (SPF) schemes. Most of the programmes are out now.</p> <p>The LEP is delivering a series of events. There is an Innovation event on 6 November and a procurement bid writing event on 16 November, in addition to an investor readiness and apprenticeships. Action MS to provide details of the events to committee members as they are published.</p> <p>c) Energy Projects RL gave the following update: The detailed plans for Herefordshire Low Carbon Technology Centre have been drawn up and they are going out to tender. The project is expected to complete by June 2024. On the National Grid project the monitors are now deployed on substations and delivering data. It will be necessary to collect data for 12-months to be able to see peaks and analyse demand trends, but some data is available now as it come in.</p> <p>d) Key Account Management (KAM) KJ gave the following update: There is a funding agreement in place for FY23/24 from Department for Business and Trade, and, following a procurement exercise, has selected the delivery partner to work with the local authorities. A review meeting was held in July with DBT in July to understand how to best meet targets in this financial year.</p> <p>e) Skills Support (SAP/Marches Careers Hub)</p>	<p>MS/DR</p> <p>MS</p>

	<p>KJ gave the following update: Funding is being closed off for the last academic year which runs to August 2023. Performance has continued to improve. Held a stakeholder workshop at the end of June to help identify success and plan for the new academic year. The Careers Enterprise Company (CEC) has got the funding agreement in place with the LEP. KJ has confirmed an extension with local authority partners. Next steps the LEP needs to submit a strategic plan back to the CEC in September.</p>	
8	<p>Any other business</p> <p>DR asked if there could be a financial update of the project grants at the next meeting on 26 October 2023. Action: MS to pull together the financial overview. RL advised the audited accounts will also be available for the next meeting.</p>	MS
	Next Meeting of the Marches LEP PRMC: 26 October 2023 14:00-15:30	