

THE MARCHES LOCAL ENTERPRISE PARTNERSHIP LIMITED					
BOARD MEETING					
Tuesday 23 January 2024			3.30 pm – 5.30 pm		
Plymouth Rooms, Ludlow Racecourse, Bromfield, SY8 2BT					
AGENDA					
Item	Time		Lead	Purpose	Paper
1.	3.30 pm	Welcome, Apologies and Declarations of Interest	SR		
2.	3.30 pm 10 mins	Minutes of The Marches LEP Ltd Board meeting on 28 November 2023 and the Extraordinary Board meeting on 7 December 2023, and any Matters Arising	SR		X
3.	3.40 pm 10 mins	Oxon Link Road Correspondence	SR	Discussion	X
4.	3.50 pm 10 mins	LEP Chair and CEO Report	SR/RL	Information & Discussion	X
5.	4.00 pm 10 mins	Confirmation of item approved by correspondence: <ul style="list-style-type: none"> Funding from the Marches LEP Capital Funding Project Call 2023 of £612,793 to 6 applicants, subject to due diligence and formal contracting. 	SR	Information	Verbal
6.	4.10 pm 15 mins	Performance Risk & Monitoring Committee (PRMC) decision and minutes of the meeting held on 14 December 2023.	SR	Information & Discussion	X
7.	4.25 pm 50 mins	LEP Wind Up Update <ul style="list-style-type: none"> Progress Staffing – redundancy, terms & conditions Appointment of Liquidator Key milestones Legacy Funds Celebration event 	SR/RL	Information & Discussion	X
8.	5.15pm	Any Other Business	SR		
Future Meetings					
Feb 24	20 February 2024 3:30pm – 5:30pm Board Meeting at Ludlow Racecourse				
Mar 24	12 March 2023 3.30pm – 6.15pm Board Meeting at Ludlow Racecourse followed by celebration of Marches LEP				

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**Draft Minutes of the Marches LEP Ltd Board Meeting
28 November 2023 at Ludlow Racecourse
(Company Number: 11822614)**

Present:

Sonia Roberts MBE	SR	Chair, Marches LEP
Will Westley	WW	Deputy Chair, Marches LEP & Telford Business Board Chair
Frank Myers MBE	FM	Herefordshire Business Board Chair
Cllr Jonathan Lester	JL	Leader, Herefordshire Council
Cllr Lezley Picton	LP	Leader, Shropshire Council (online) (part of meeting)
Cllr Lee Carter	LC	Cabinet Member for Place (The Economy & Neighbourhood Services), Telford & Wrekin Council
Dave Courteen	DC	Marches Business Support Steering Group Chair
Graham Guest	GG	Skills Champion; Chief Executive and Principal of Telford College
Clare Fenton	CF	Director, Fenton Partners & Veritherm
Sara Williams	SW	Marketing Manager - Northern Europe, Protolabs (online)
Alex Green	AG	Director, Radfield Homecare
Paul Kalinauckas	PK	Access to Finance Champion
Simone Clarke	SC	Higher Education Champion, Pro-Vice-Chancellor Education & Students, Harper Adams University
Gordon Coppock	GC	Energy and Net Zero Champion

In Attendance:

Sally Edgington	SE	Area Director SW and W Midlands, Cities & Local Growth Unit (online)
Govin Aujla	GA	Area Lead, Cities & Local Growth Unit
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit (online)
James Walton	JW	Section 151 Officer, Shropshire Council (online)
Ross Cook	RW	Director for Economy and Environment, Herefordshire Council
Mark Barrow	MB	Executive Director for Place, Shropshire Council
Katherine Kynaston	KK	Director Housing, Economy & Infrastructure, Telford & Wrekin Council
Rachel Laver	RL	Chief Executive, Marches LEP
Kathryn Jones	KJ	Head of Partnerships & Strategy, Marches LEP (part of meeting)
Mark Schneider	MS	Head of Business Development & Delivery (part of meeting)
Tim Travers	TT	Marches LEP in-house Legal Support
Ennis Vingoe	EV	Executive Assistant, Marches LEP
Gary Blackburn	GB	Project Officer, Marches LEP (part of meeting)

Observers:

Mike Streetly		Part A only
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Part A – Public Session

ITEM		ACTION
1.	<p>Welcome</p> <p>1. Welcome, Apologies and Declarations of Interest</p> <p>SR thanked everyone for attending the meeting. SR welcomed SE and TT to the meeting and said that Mike Streetly, Better Shrewsbury Transport was attending Part A of the meeting as an observer.</p> <p>SR noted that the meeting was being recorded to aid the production of the minutes.</p> <p>2. Declarations of Interest</p>	

	<p>The Chair asked for any conflicts of interest and reminded members to complete the form that had been distributed for any specific Declarations of Interest for every meeting.</p> <p>The following declarations of interest were made:</p> <p>From Cllr L Picton:</p> <p>Item 7 - Grant Application relates to a project within my Authority's control.</p> <p>Item 9 - Oxon Link Road - relates to a project within my Authority's control.</p> <p>From W Westley, F Myers MBE, Cllrs Lester, Picton & Carter, G Guest and S Clarke:</p> <p>Item 8 – Business Board Funding</p> <p>FM said that he was now Chair of Community First in Herefordshire & Worcestershire and would update his register of interest.</p>	
2.	<p>Governance</p> <ul style="list-style-type: none"> • Re-election of G Guest as a Director of Marches LEP Ltd and member of the Board. <p><i>The Board confirmed the re-election of Graham Guest as a director and member of the Board for a further period of 1 year (unanimous).</i></p> <ul style="list-style-type: none"> • Confirmation of items approved by correspondence. <p><i>The Board noted that the recent item by correspondence to approve the Marches LEP capital funding project call 2023 was approved on 25 November 2023.</i></p>	
3.	<p>Minutes of The Marches LEP Ltd Board meeting on 19 September 2023</p> <p>The Minutes of the meeting held on 19 September 2023 were approved by those members present at the meeting and would be signed by the Chair as a true and accurate record of the meeting.</p>	
4.	<p>LEP Chair and CEO Report</p> <p>SR introduced the report. A number of the matters would be covered during later agenda items. The Performance, Risk and Monitoring Committee (PRMC) had continued to receive updates from projects and a number were potentially in a position where they were unable to reach their stated outputs and/or match spend. It was recommended that the Board delegate responsibility to PRMC to initiate clawback procedures on projects where appropriate, where the value of the outstanding match is below £1m.</p> <p>During discussion, LC and JL expressed some concern and suggested that decisions on clawback could be approved by the full LEP Board via written procedure.</p> <p><i>The Board approved the recommendation that responsibility to initiate clawback procedures on projects where appropriate, where the value of the outstanding match is below £1m, be delegated to PRMC. (6 For; 4 Against; 1 Abstention)</i></p>	
5.	<p>Minutes of the Performance Risk & Monitoring Committee (PRMC) meeting – 26 October 2023 (including risk registers)</p> <p>SR said that an interim meeting of the PRMC had also been held on Friday 25 November 2023 to provide further clarity on any projects potentially at risk. The minutes of that meeting would be available in due course.</p>	

	Board members noted the content of the PRMC minutes.	
6.	<p>Marches Careers Hub update presentation</p> <p>SR welcomed Andriané Usherwood-Brown (AUB), the Strategic Careers Hub Lead who presented an update on the Marches Careers Hub</p> <p>The following points were covered in the presentation:</p> <ul style="list-style-type: none"> • Careers education performance is measured nationally against the 8 Gatsby Benchmarks of Good Career Guidance. • The Marches Careers Hub drives improvement in careers education in 66 secondary schools, colleges and alternative providers. • The Hub has consistently been making excellent progress and is now one of the top 3 performing hubs in the West Midlands. • LA partners were thanked for their support for the programme. • The current priorities were to: Improve careers provision; drive more high-quality employer experiences for students and teachers; amplify apprenticeships, technical and vocational routes; focus on disadvantage; connect careers provision to the needs of local economies. <p>AUB asked LEP Board members to:</p> <ul style="list-style-type: none"> • Promote the importance of employers supporting careers education across their networks. Employer standards would support employers to develop and enhance early careers programmes. • Follow the Marches Careers Hub on LinkedIn and share any posts. <p>SR thanked AUB for the informative presentation and congratulated the team on the excellent work they are doing.</p>	All
7.	<p>Funding recommendations following appraisal.</p> <p><i>LP declared an interest in this item.</i></p> <ul style="list-style-type: none"> • Transport Strategic Outline Business Case The call opened on 2nd October 2023 and closed on 3rd November 2023. Two applications were received for funding, with only one fulfilling the minimum criteria. This is for a feasibility study for the development of an active travel corridor from Meole Brace to Coleham Head in Shrewsbury. The Board approved a grant of £75k to Shropshire Council for the development of a transport business case for an active travel corridor in Shrewsbury (Unanimous). • Low Carbon Innovative Land Use Fund This £100k fund was launched at the Marches Land Use event on 28 September 2023 and closed on 17 November 2023 (following an extension of two weeks to encourage further applications). Three applications were received and following an appraisal process, it is proposed that one application is supported with funding of £31k. The Board approved a grant of £31k to Bentley Growers Ltd from the Low Carbon Innovative Land Use Fund to fund a study looking at the potential use and benefits of bio-char in chicken farming. This would be subject to clarification of outputs and outcomes with the applicant (Unanimous). 	
8.	<p>Business Board Funding</p> <p><i>A number of Board members declared an interest in this item (see list at 1.2).</i></p>	

	<p>Board members discussed the proposal to provide funding to the Herefordshire and Telford Business Boards for up to five years to help ensure that the private sector continues to be engaged and heard effectively. Previously there were three Business Boards operating across the region representing each of the local authority areas. The Marches LEP provided funding for the administration of these boards to help ensure that the business voice was heard and that we had a clear channel to communicate with private businesses. Representatives of the business boards (usually the Chair) attended the Marches Growth Hub Business Support Steering Group and other LEP subgroups and fed back issues facing businesses as well as taking away information to share with their relevant boards. These relationships have enabled LEP and Growth Hub work to be shaped to meet businesses' needs. The Shropshire Business Board wound up last year with the private sector now represented at the Shropshire Enterprise Partnership Board.</p> <p>During discussion the 3 LAs confirmed their in-principle support for the proposal. MB clarified that the Shropshire Enterprise Partnership Board has 40 businesses involved and is chaired by a private sector member and is viewed as an external partnership board.</p> <p>The Chair requested further details be provided for the Shropshire Enterprise Partnership Board including the terms of reference, in order to take a view on eligibility for this proposed funding.</p> <p><i>The Board approved, in principle, that funding be provided to Herefordshire and Telford Business Boards for up to five years to help ensure that the private sector continues to be engaged and heard effectively. Further details of the exact amount of funding and whether Shropshire Enterprise Partnership should receive funding to be taken to next LEP Board meeting. (Unanimous – vote by the 6 eligible members who did not have a conflict of interest).</i></p>	<p>MB</p> <p>RL</p>
<p>9.</p>	<p>Oxon Link Road update <i>LP declared an interest in this item.</i></p> <p>SR informed the Board that a further paper had been received this morning from Shropshire Council and distributed to members this afternoon, which had not left enough time for Board members to read the paper in detail. In order to give members time to read and digest the information, it was proposed that Shropshire Council provide an update on the project at this meeting, and a further extraordinary LEP Board meeting be held as soon as possible to discuss this item.</p> <p>MB confirmed that on 31 October 2023, the planning committee resolved to approve the planning application with some conditions, and it is expected that these will be fully discharged very early in New Year. The LEP Board had also asked for reassurances that the business case that underpins the original award given is still valid and the traffic modelling is still strong. The Council team provided the information to the LEP that had been put forward to the planning committee, but the LEP required more detailed and updated information which has been provided by external agencies. It is felt that the business case still holds up and even with inflation, continues to provide value for money.</p> <p>The intent of award was to unlock growth and development in the area. In parallel to the planning application process the Council has been active in the market</p>	

	<p>bringing forward expressions of interest and we have a high level of confidence in the market appetite for development. Tender submissions are due in by 30 November, and we know from the level of interest that we are going to receive bids in excess of the budget amount. Hopefully there is reassurance to the LEP Board that the money that has been awarded is leveraging this development and the benefits are still really strong.</p> <p>In discussion the following points were raised:</p> <ul style="list-style-type: none"> • A sensible and open discussion in good faith should be had regarding how Marches LEP assets should be deployed in the present and future and agreed as part of any transition arrangements. All LEP debtors should be treated equitably. • It was unacceptable to table a paper on the morning of the Board meeting. There is still not enough evidence provided to make a decision including regarding updated traffic modelling. • The objectives and outcomes of the project remain the same. • Shropshire Council would review the paper again and share additional information with the LEP Board in good time before an extraordinary meeting. This information is commercially sensitive so will be confidential. • The extraordinary meeting should include a presentation to fully explain the data against the original targets and the paper showing where we have come on this journey including quantifiable information to give a full picture in order that the Board can make an informed decision. <p>An extraordinary LEP Board meeting would be convened for next week to discuss the item. <i>Post-meeting note: an online meeting is scheduled for 10am on Thursday 7 December</i></p> <p>Shropshire Council would review the paper and share additional information with the LEP Board in good time before the extraordinary meeting.</p>	<p>RL</p> <p>MB</p>
<p>Part B – Private Session Confidential</p>		
<p>10.</p>	<p>Confidential Marches LEP Future and Transition Arrangements The LEP Board, following extensive discussions over a number of months and options analysis, made the decision to wind down The Marches LEP Ltd, reflecting the withdrawal of support for LEPs by government. <u>Wind-down statement</u></p>	
<p>11.</p>	<p>Any Other Business Nil</p>	
<p>The meeting closed at 5:30 pm.</p>		
<p>Current Dates for Future Meetings:</p>		
<p>Jan 2024</p>	<p>23 January 2024 – Ludlow Racecourse</p>	
<p>Mar 2024</p>	<p>19 March 2024 – Ludlow Racecourse</p>	

**Draft Minutes of the Marches LEP Ltd Board Extraordinary Meeting
7 December 2023 online
(Company Number: 11822614)**

Present:

Sonia Roberts MBE	SR	Chair, Marches LEP
Will Westley	WW	Deputy Chair, Marches LEP & Telford Business Board Chair
Frank Myers MBE	FM	Herefordshire Business Board Chair
Cllr Graham Biggs	GB	Cabinet Member Economy and Growth, Herefordshire Council
Cllr Lee Carter	LC	Cabinet Member for Place (The Economy & Neighbourhood Services), Telford & Wrekin Council
Dave Courteen	DC	Marches Business Support Steering Group Chair
Graham Guest	GG	Skills Champion; Chief Executive and Principal of Telford College
Sara Williams	SW	Marketing Manager - Northern Europe, Protolabs
Alex Green	AG	Director, Radfield Homecare
Paul Kalinauckas	PK	Access to Finance Champion
Simone Clarke	SC	Higher Education Champion, Pro-Vice-Chancellor Education & Students, Harper Adams University

In Attendance:

Govin Aujla	GA	Area Lead, Cities & Local Growth Unit
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit
James Walton	JW	Section 151 Officer, Shropshire Council
Roger Allonby	RA	Director for Economy and Environment, Herefordshire Council
Mark Barrow	MB	Executive Director for Place, Shropshire Council
Katherine Kynaston	KK	Director Housing, Economy & Infrastructure, Telford & Wrekin Council
Matt Johnson	MJ	Executive Manager Strategic Projects, Shropshire Council
Rachel Laver	RL	Chief Executive, Marches LEP
Kathryn Jones	KJ	Head of Partnerships & Strategy, Marches LEP
Mark Schneider	MS	Head of Business Development & Delivery
Ennis Vingoe	EV	Executive Assistant, Marches LEP

ITEM		ACTION
1.	<p>Welcome</p> <p>1. Welcome, Apologies and Declarations of Interest SR thanked everyone for attending the meeting. Apologies were received from L Picton, C Fenton and G Coppock.</p> <p>SR noted that the meeting was being recorded to aid the production of the minutes.</p> <p>2. Declarations of Interest The Chair asked for any conflicts of interest and reminded members to complete the form that had been distributed for any specific Declarations of Interest for every meeting.</p> <p>No declarations of interest were received.</p>	
2.	<p>Oxon Link Road update SR said that the extraordinary meeting had been convened following the Marches LEP Board meeting on 28 November 2023 as further reassurance had been requested from Shropshire Council regarding the outputs of the Oxon Link Road (OLR) project and details of progress and validity of the business case. SR</p>	

introduced Mark Barrow (MB) from Shropshire Council who would provide an update to the meeting and MB introduced Matt Johnson (MJ) also from the Council who was also in attendance to respond to any specific queries.

The main points covered in the update were:

- A brief history of the project including the core objectives, including delivery of core strategy housing targets (835 new homes); opening additional employment land (1,090 jobs created/safeguarded); improve local road network resilience (2.05km resurfaced); reduce accidents (no target); to allow the form and function of Welshpool Road to be altered in favour of more sustainable modes of transport (1 km cycleway); to facilitate improvement of the existing local centre (no specific target); to enable delivery of a North-West Relief Road (NWRR) in the longer term (1.14km).
- The NWRR and OLR complete the ring road around Shrewsbury. Government has indicated that additional financial support will be available for the NWRR element. Planning has been approved with conditions, and it is hoped that these will have been agreed and approved by the end of January 2024.
- There are a number of environmental sensitivities along the length of the road including woodland and a water extraction point.
- The Sustainable Urban Extension (West) is a development providing significant growth in housing, employment opportunities, local highway improvements and creation of cycle lanes and a new local centre. The commitment to build the road and the planning status is contributing to unlocking the development of housing and retail, and some sites are already under construction including a health care campus.
- The construction cost has increased from the original figure of £12.93m to £17.2m due to inflation and the effects of the pandemic. The LEP grant is critical to securing other funding opportunities and some of the sites will only be unlocked with the construction of the road.
- 2885 jobs will be supported with a GVA impact of approx. £774m.
- OLR will remove a significant amount of traffic from Welshpool Road, reducing congestion and facilitating the use of active travel measures with a footway and cycleway connecting into a network around the town. Traffic flow and congestion around the inner ring road and in the town-centre will be improved.
- The overall rationale for OLR still stands and aligns with local, regional and national strategies and the benefit cost ratio (BCR) remains high for this project. The project is still on track to deliver the projected benefits.
- The Council remains committed to the NWRR and believes that it is crucial to the future development of Shrewsbury.
- It is hoped that the scheme will be open for use in March 2027.

Board members discussed the information presented in the update, and the following points were made:

- Of the £8.3m Section 106 funding required for the scheme, £5.3m is secured and £4.9m of capital receipts are required. Capital receipts will come from land disposals. In addition to the Section 106 funds, the community infrastructure levy of approx. £7400 per dwelling will be drawn down, therefore the Council is confident that it can deliver on the Section 106.
- The Section 106 funding is conditional on the construction of the road and the continuing delivery of outputs is dependent on the OLR being built.
- JW, Section 151 Officer confirmed that the funding is in place and is reported through the capital programme in the public meetings and built into cash flow

	<p>projections. There are no issues with this. Accounting for it is done as MB has demonstrated.</p> <ul style="list-style-type: none"> • It was confirmed that none of the funding mix for OLR is affected by the Council's revenue budget position. • A number of Board members commented on the benefits the project will bring to the local area, the town and businesses. <p>SR said that the LEP Board had required further reassurances around funding and planning permission. Shropshire Council had demonstrated that funding will be available to continue this project and that planning had been granted, with conditions, which should be discharged by the end of January 2024. The LEP Board had also been concerned about the time taken to get the project started. Shropshire Council have said that the road will be complete by 2027. This is 7 years later than intended but this timeline is now as secure as it can be, and there are many benefits to be had by unlocking development with the construction of the road.</p> <p>A query was raised regarding the potential for a judicial review of the project, and what impact that would have. MB responded that government has confirmed that there will not be 'call in' on planning and any appeal for a judicial review can only therefore be on the processes followed. Part of the delay (approx. 2 years) has been in reassuring the Environment Agency, Natural England and Severn Trent Water on the environmental impacts. Due to the processes undertaken and the external input into them, the Council feel that any risk around judicial review is minimal.</p> <p>SR requested that MB bring a risk assessment paper on the OLR to a future meeting of the LEP Board.</p> <p>SR said that the political commitment is not in question for the project, and it is hoped that any change in government will not alter this. SR thanked MB and the team for the information that had been presented to the Board and apologised to members for the late distribution of this.</p> <p><i>Members of the Marches LEP Board agreed that based on the information given around costs, benefits and timelines, the Board would continue to support the OLR project and would not initiate a clawback process for the £4.2m funding. (Unanimous)</i></p> <p>SR thanked Board members for taking time out of their busy week to attend the meeting.</p>	MB
3.	<p>Any Other Business Nil</p>	
	<p>The meeting closed at 10.46am.</p>	
Current Dates for Future Meetings:		
Jan 2024	23 January 2024 – Ludlow Racecourse	
Mar 2024	19 March 2024 – Ludlow Racecourse	

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Meeting date:	23 January 2024				
Agenda Item:	3				
Item Subject:	Oxon Link Road Project Correspondence				
For:	Discussion	x	Decision		Information x

<p>Purpose of the Paper: A cover note for the correspondence received on 15 January 2024 from the Better Shrewsbury Transport Group.</p>
<p>Summary of Recommendations: That the LEP Board review and discuss the attached correspondence.</p>
<p>Main points The MLEP has received the attached letter from Mike Streetly on behalf of the Better Shrewsbury Transport Group that is opposing the Northwest Relief Road (NWRR). He also included a copy of a letter from the Environment Agency to Shropshire Council sent on the 12th December 2023. This letter highlights the Agency’s concerns about the planning decision on the 31st October 2023 to approve the NWRR.</p> <p>The letter from the Better Shrewsbury Transport Group draws attention to the concerns of the Environment Agency that have not been addressed following the planning approval for the NWRR. The letter also raises concerns about the information that was provided to the LEP Board by the Council at the extraordinary board meeting on the 7th December 2023 to discuss the Oxon Link Road (OLR) project. As members may recall, following a presentation by the Council, the LEP Board agreed not to pursue clawback against OLR. Both letters have been included in the meeting papers to allow the LEP Board to review and discuss them.</p> <p>Shropshire Council officers have been asked if they wish to provide a response.</p>
<p>Additional information:</p>
<p>Report Author: Mark Schneider, Head of Business Development & Delivery, Marches LEP</p>
<p>Background papers/documents: Appendix 1 – Open Letter to Marches LEP Board from Better Shrewsbury Transport Appendix 2 – Environment Agency Comments</p>

OPEN LETTER TO MARCHES LEP BOARD

Concerns Over Inaccuracies in The Oxon Link Road (OLR) Business Case Refresh Presented by Shropshire Council on 7 December

15 January 2024

Dear Marches LEP Board members,

We are writing to you in order to highlight our concerns about the accuracy of the information you have received from Shropshire Council in the Oxon Link Road Business Case Refresh presented to the Board of Marches LEP on 7 December 2024.

Better Shrewsbury Transport (BeST) has identified a number of significant issues with the council's analysis, which we are bringing to your urgent attention.

We believe these issues need to be addressed before Marches LEP takes a final decision on committing £4.2m of public money to this long delayed, and highly controversial, project.

The Environment Agency recently accused Shropshire Council of [misrepresenting its views](#) about the risk to the drinking water borehole posed by the Oxon Link Road / North West Relief Road project at the meeting at which the planning application was approved. (EA letter attached to covering email).

Subsequently, two members of the Northern Planning Committee [publicly stated](#) that they believe the committee was misled and have called for the planning decision to be rescinded.

In light of these concerns over misrepresentation, Better Shrewsbury Transport has examined the OLR Business Case Refresh document presented to you last December.

We would like to flag up the following issues for your urgent attention:

1. Financial Costings Inaccuracies

The Business Case Refresh's claim that the scheme represents 'High' value for money is misleading. At the meeting, Shropshire Council told the LEP Board that the projected cost of the OLR has increased 38% since 2015. However, in autumn 2022, Shropshire Council reported to the Department for Transport that the cost of the NWR element of the scheme had doubled between 2017 and 2022. Numerous road schemes have reported similar levels of cost escalation over recent years. In light of this, and ongoing inflation in the construction sector, it is likely the cost of the OLR has risen by more than 100% since 2015. In addition, Shropshire Council have made some basic arithmetical errors in their assessment of the effect of inflation on the benefit:cost ratio. The combination of these errors means that the BCR value presented by Shropshire Council is, in our view, highly optimistic: our corrected assessment suggests that the scheme represents only 'Low' (or even 'Poor') Value for Money

This calls into question the business case for the project.

2. Risk of Judicial Review Misrepresented

The council informed Marches LEP that the risk of a judicial review is 'minimal'. We believe this is a misrepresentation. In October 2023, the owners of Oxon Touring Park submitted a 'formal letter before claim' in accordance with the pre-action protocol for judicial review. Shropshire Council did not disclose this to the Marches LEP board during the 7 December meeting. Since the meeting, the intervention of the Environment Agency over the risk to the drinking water borehole from the project suggests the further possibility of legal action.

This calls into question the risk assessment of the project

3. Inaccurate claims about traffic growth

Shropshire Council's claim that traffic is increasing in line with predictions in the business case is incorrect. The 2015 Business Case was based on a predicted increase in traffic to 2023 on Welshpool Road of 13%. However, we have actually seen an 8% *decrease* in traffic over this period according to figures from the Department for Transport. This suggests that the OLR Business Case Refresh's claim that "*2023 traffic levels and movements are within 3-5% of those predictions made within the OBC*", and that "*OBC predictions are still wholly valid*" are a misrepresentation. Sensitivity analysis shows that the financial benefits of the NWRR are highly dependent on future traffic growth.

This calls into question the predicted financial benefits of the scheme.

It is worth noting also that the difference between the observed and predicted traffic levels (21%) is larger than the amount of traffic that would be generated by the Shrewsbury West Sustainable Urban Extension (SWSUE) (approximately 10%). Furthermore, while the original plan was to close Welshpool road to through traffic, the NWRR scheme leaves it open so that traffic reductions of only 25% (rather than 70%) are now predicted.

This calls into question the claim that the OLR is essential to development of the SWSUE.

We also suggest that the impacts of the design changes that Shropshire Council has made to the scheme since embedding it into the NWRR mean that it is now focussed on supporting a bypass rather than the original aim of facilitating the development/supporting the design principles of the SWSUE. Indeed, the changes made mean that the NWRR will, in our view, actually degrade the value of the properties within the SWSUE.

In light of these apparent inaccuracies and misrepresentations, we urge members of the Marches LEP board to carry out a thorough investigation of the claims being made by Shropshire Council before committing public money to this project. We believe that failure to do this risks reputational damage to the excellent legacy of the LEP.

We have provided a more detailed analysis of our concerns [here](#) including a number of other inaccuracies/misleading statements that we have noted in our review.

Yours sincerely,

Mike Streetly
On behalf of Better Shrewsbury Transport
(by email)



Shropshire Council - Central Office
(Shrewsbury)
Planning / Development Services
Shirehall Abbey Foregate
Shrewsbury
Shropshire
SY2 6ND

Our ref: SV/2021/110934/06-L01
Your ref: 21/00924/EIA
Date: 12 December 2023

FAO: Mike Davies (via email)

Dear Sir

CONSTRUCTION OF 6.9KM SINGLE CARRIAGEWAY (7.3M WIDE) ROAD; SEVERANCE OF LOCAL ROADS AND FOOTPATHS; PROVISION OF COMBINED FOOTWAY/CYCLEWAY; ERECTION OF THREE BRIDGED STRUCTURES OVER CARRIAGEWAY; DIVERSION OF EXISTING BRIDLEWAY/FOOTPATH VIA AN UNDERPASS; CLIMBING LANE ON WESTBOUND APPROACH; 670M LONG VIADUCT; BRIDGE OVER RAILWAY; TWO FLOOD STORAGE AREAS; PROVISION OF TWO NEW ROUNDABOUT JUNCTIONS AND IMPROVEMENTS TO TWO EXISTING ROUNDABOUTS; ASSOCIATED TRAFFIC CALMING MEASURES, LANDSCAPING AND DRAINAGE SCHEMES - WELSHPOOL ROAD BICTON HEATH SHREWSBURY

Thank you for your email of 14 November 2023 formally consulting us on the draft suggested list of conditions that you are considering taking to committee.

This is following your committee meeting on 31 October 2023 where despite our concerns the committee were minded to grant approval in principle subject to agreement on conditions/other mechanisms.

Your latest email of 14 November 2023 suggests that -

The EA have previously indicated that they would only be prepared to discuss conditions with the LPA once such a resolution had been secured. We are now at that point and it is now imperative that we work together closely to formulate appropriate conditions that seek to address your outstanding concerns to your satisfaction.

We have comments to raise on the draft conditions based on information presented at this time. We also provide additional proposed conditions for you to consider and make other comments that we consider relevant to environmental protection.

Outstanding concerns and position

We would like to point out that we maintain our concerns based on the information that is submitted with the planning application.

There is a significant risk of impact upon the water supply at this location, based on the route and design the applicant has chosen to pursue. We acknowledge the submission of the '**Waterman report**'. This suggests *'the importance and impact on the quality of public water supply source should be revised upward'* from that presented.

We advised you as Local Planning Authority that we were not sufficiently reassured at the planning stage based on matters that need more detail, outlining that the Environmental Impact Assessment (EIA) needs to be robust, and risks/mitigation fully explored.

We said we would not advise you to grant planning permission, subject to planning conditions, at this time. We outlined that further information should be submitted to inform the EIA and subsequent potential planning conditions or other mechanisms, ensuring the planning is clearly and robustly identified around potential impacts to the water environment. Our comments were made with environmental protection in mind and to inform the appropriateness of the scheme.

We had previous discussions with you about our concerns and explained the need for further work to be carried out. We advised that if, as LPA, you were minded to override our concerns and were prepared to manage risk by way of conditions, with critical information missing/provided once permission had been granted, then that was your decision as determining authority but we did not support this approach.

Concerns on Environmental Impact Assessment

Our opinion/advice was, and is, that the EIA and some key parts of the assessment, including around water supply protection, was necessary to inform the planning application and could not reasonably be conditioned. We consider and have consistently advised that sufficient detail should be provided within the EIA, determined at planning stage and in some cases not deferred to a post determination planning condition. One of our joint meetings with you and the applicant/WSP covered this. An update to the Water Framework Directive (WFD) assessment is one example, and the issue of addressing if there was an impact; along with the need to implement any necessary mitigation measures.

Unfortunately, your committee report suggested that we were refusing to engage on matters until conditions were to be drafted. This is not the case.

Having raised an overarching concern on the planning submission due to there being an incomplete assessment of the risks, we consider (ed) it premature to be advising on what conditions and mitigations may be necessary. Appropriate mitigation is guided by and can only be determined once the complete picture is understood. This is covered further below. Having felt it necessary to clarify the above, we provide comments on conditions to help minimise the gaps and risks.

For information, our comments are made as statutory consultee on these relevant matters. In carrying out that duty we have a different role to that of other parties, such as Severn Trent Water Ltd.

CONDITIONS:

The following comments should not be taken as agreeing these conditions are robust or appropriate. But they are provided in the context of where you are at with your decision making.

Some elements of outstanding work and critical detail is not considered to have been covered. This is detailed below for your consideration.

We have also provided comments/suggestions on the conditions that you have presented, along with some conditions that appear to have been overlooked.

Water Framework Directive (WFD) assessment

One example of missing information is WFD assessment which isn't carried forward into any proposed condition. In our opinion, as discussed at our meeting on 13 June 2023, we do not think this can/should be conditioned. The assessment informs the scheme principles, process and mitigation and ultimately guides robust/transparent decision making.

We note that the **Waterman report** appears to agree with a number of our concerns, highlighting areas for further assessment/ work including WFD. For instance, Section 3.12 states – *Waterman... " ...agree with the requirement for a WFD assessment to fully consider piling works or road pollution spills, especially relating to public water supply sources and high groundwater conditions. In relation to it informing/being part of the EIA application, it also confirms that "spatial planning is therefore not clearly and robustly identified which may notably impact the scheme design principles".*

We are not satisfied that the potential impact and deterioration risk to the water environment and public water supply has been adequately assessed (see previous letters for detailed explanation). As such, we do not consider that the LPA has demonstrated compliance with Regulation 33 of the Water Environment Regulations 2017 (WFD) and we would question whether you have complied with Regulation 19.

We note the Waterman review suggests a way forward was agreed at a meeting with Shropshire Council on 17 October 2023 for this matter "to be conditioned" and that 'WSP would discuss with the EA to agree the way forward'.

We are not aware of this meeting (but appreciate that you were minded to take this application to committee). The current conditions do not include for such, and we would question what was meant to be conditioned? Whilst it may not be procedurally correct to condition a WFD assessment, if you are minded to approve in the absence of such, you could impose a condition along with any subsequent amendments, avoidance/mitigation, from any review.

Dispersivity modelling - No condition or further information on this aspect has been submitted to inform potential significant impact, avoidance, and mitigation options.

The Waterman review states that – *"Further consideration of the surface water- groundwater interaction is required and whether additional potential pollutant pathways (PPL) need to be included in the DQRA/dispersivity modelling".*

We question how this is intended to be appropriately secured?

We are not advocating such an approach but maybe a pre-commencement condition could include -

No development shall take place until a scheme for dispersivity modelling including reporting, and any mitigation measures, has been submitted to and agreed in writing by the LPA. Any subsequent changes to mitigation shall be implemented.

Annex B – **Confidential SEI Documents**. It is unclear how our ‘confidential’ comments were addressed and communicated to the Planning Committee on the DQRA, Dispersivity Modelling and Groundwater Surface water Interaction and Bedrock Connectivity. No specific planning conditions within the draft document reference these other than the suggested 10m standoff in condition 21.

Detailed Quantitative Risk Assessment (DQRA) -There are no conditions relating to furthering the outstanding DQRA aspects.

We previously saw, as the Waterman report refers to, the suggestion that the DQRA detailed comments are to be ‘*dealt with separately, subsequently & confidentially in due course in a full response to the EA’s comments*’.

We would point out Waterman comments which state – “*The DQRA should be updated in line with the latest consultation responses with the Environment Agency and Severn Trent Water Limited...*”.

We question how this information and any update to avoidance/protection measures is to be secured?

Some example wording to include a DQRA update:

No development shall commence until a scheme for an update to the Detailed Quantitative Risk Assessment (DQRA) is submitted to and approved in writing by the LPA. The scheme shall include, but may not be limited to – a review of technical comments provided by the EA and Severn Trent Water Ltd, further revised modelling, review of risk. Review strategy, any monitoring, and implementation of any necessary avoidance and mitigation measures. (To avoid impact and provide protection of the groundwater environment and associated sensitive public water supply sources).

Condition 46 on EIA detail to be secured.

Of relevance, one of the draft suggested conditions (condition no. 46) seeks to ensure that development will accord with the EIA, Environmental Statement (ES) mitigation (in compliance with the mitigation measures identified and set out in the supporting ES). However, as the EIA is inadequate/incomplete in some key areas, we would not consider this to be a robust condition particularly if other conditions are necessary which could amend the overall ES conclusion/mitigation.

Comments on other conditions which you have drafted.

Condition no. 20, 21, and 22– piling/standoff – the detail should be about avoiding impact on, not solely managing the risk, and should focus on protection of the water environment (including public water supply).

We refer you to our previous letters but make some key points for context.

There is a level of uncertainty around the potential impacts or efficacy of current proposed mitigation.

We previously outlined to you that - It is also plausible that at the point any potential impacts are observed there may already be short to long term (some years of impact/loss), or potentially

irreversible impact, particularly in relation to any water supply abstraction/intake feature. Such mitigation options, including corrective action, have not been fully explored within the EIA, but for impacts to public water supplies it could include provision of alternative supplies potentially including alternative mains water supply provision, at someone's cost. The feasibility of any such options would have to be investigated with Severn Trent Water Ltd.

These elements have not been considered further as part of the application and do not appear to be picked up sufficiently within the conditions.

We are advising as part of the EIA for the applicant to assess and consider necessary measures and as developer to make a commitment to provide financial reparation options for any foreseen and unforeseen impact arising from the construction and future operation of the proposed application.

Waterman report states (5.1) – ‘Appropriate mitigation measures to the construction through monitoring and reporting, design through containment and control, and operation through funding and management agreements of the road by the Highways Agency and emergency services, should be evidenced’.

How are these important outstanding points being comprehensively controlled?

With regard to **piling works**, we note that Conditions 20, 21, 22, and 23 (trial test piling) are related to this and identify the requirement for development of a written Turbidity Protocol and monitoring plan which would be key to informing any piling methodology, monitoring protocols, trigger criteria. This is covered in essence by condition 20.

However, the condition doesn't address the need for action plans (financial, replacement sources, impact/remedial actions, investigation/monitoring of) if adverse impact arises. Possible impacts? What solutions are to be delivered? Feasibility and timeframes? How would they be implemented? This is a key element as monitoring, triggers and control of construction/methods are only part of the required mitigation.

No further work was forthcoming as part of the EIA and the applicant did not wish to undertake further work. At the June 2023 meeting, the applicant/WSP disagreed on the need to further consider an impact from their piling works, or a pollution incident from the road, in this regard.

In relation to impact and commitment to providing appropriate financial reparation to fund /implement any necessary corrective actions/alternative supplies. How would this be identified and secured? We have previously suggested that another mechanism, such as legal agreement, could secure such, including monitoring and the feedback. We have previously advised on the inclusion of appropriate mechanisms to react appropriately/timely to any impact or concern that may be encountered.

There remains a degree of uncertainty for decision makers and, ultimately, a liability with the developer/another.

Details of any contingency and mitigation proposals should a trigger level be breached and an impact apparent at the public water supply are not included within condition 20.

A separate condition should be imposed to secure – ‘If the turbidity/monitoring scheme approved under *‘condition 20 above’* shows any adverse risk of deterioration to water features (groundwater and surface water quality) including public water supply boreholes/abstraction, proposals:

1. to investigate the cause of deterioration
2. to remediate any such risks and secure alternative water supplies.
3. to monitor and amend any failures of the remediation undertaken, shall be submitted to the

Local Planning Authority for approval...'

We would also recommend you add in some points to refer to the Piling Works Risk Assessment (PWRA) aspects into Bullet Point 3 (of condition 20) as follows - 'Agreed Piling methodology including a Piling Works Risk Assessment and standoff limits between toe of piling and bedrock'. (PWRA refinements are still required).

Reasoning of conditions (21-23) – main focus should be 'to avoid impact and provide protection of the groundwater environment and associated sensitive public water supply sources'.

Note: Cost recovery/Review - In terms of future potential review work and noting the absence of a legal agreement or ability to sign one with yourselves as Shropshire Council, we would recommend a commitment to cover costs involved in any subsequent review of monitoring plans and actions – this would be subject to cost recovery work, not as a direct requirement through a planning condition. If a legal agreement is not possible, maybe a statement of intent would address this for future security and understanding?

Condition 23 (test piling) - details the approach to the test piling and needs to include reference to these works being undertaken to inform the agreed turbidity protocol and PWRA. Your condition should include for this.

It is understood that the piling test location will be selected to minimise risk so that 'most appropriate location of' could be part of your condition.

We suggested this work should have been submitted as part of the EIA, to inform the risk assessment.

Condition 24 – Bank (River Severn) protection works (Bank stability /geomorphology)

Draft condition 24 doesn't cover the extent and nature of the bank protection (Right Bank) and how it transitions to natural bank (which is very important), including any habitat improvement.

We would question if the SEI January 2023 Appendix 1P is the most up to date drawing/plans and shows this. You could also reference to the most recent Geomorphological Assessment - SEI App 6.F?

Also, we previously discussed and reviewed drawings for light touch bank treatments on the opposite side (Left Bank) principally relying on coppicing willows, managing vegetation etc which also needs to be accommodated into the design, and secured here.

In addition to 'construction of...' the condition should also include for a 'longer term vegetation/bank protection management strategy', to ensure good structural vegetation is maintained appropriately (important for habitat and structural resilience) thereafter. And including – 'maintenance of the 8 metre buffer zone (from the top of bank) within the boundary of the site'.

We previously advised that additional bankside habitat enhancement as well as the mitigated length should be provided for in the plans. Your condition could add – 'including consideration of additional bankside habitat enhancement as well as the mitigated length'. This could link to condition no. 19 regarding similar enhancements.

Of relevance here, a Flood Risk Activity Permit (prior to any works commencing) is also likely to be required for such works. You could cross reference to this within the condition as you appear to have for condition no.19 regards ordinary watercourse consenting or include as an informative.

Condition 25 - Outline Construction Environmental Management Plan (CEMP) –

The CEMP condition has been written in the context of protecting residents and properties. The introductory text refers to ‘including means for protecting the nearby receptors from noise and vibration’. The reason for the condition is stated as being ‘In the interest of the amenity of the occupants of surrounding sensitive properties and the safe operation of the highway network’. However, the CEMP is also a key document for securing protection of the water environment. The ES originally referred to this. The introductory text should be amended to ‘including means for protecting the nearby receptors from **pollution**, noise and vibration’ and the reason amended to include specific reference to ‘protect the water environment’.

Notwithstanding the above, many of our previous comments on the CEMP are covered by condition 25. Provision has been made to acknowledge *Sensitive working practices and robust pollution prevention control measures in proximity to sensitive locations, including (but not limited to) the Severn Trent Water surface water intake on the River Severn, Groundwater Source Protection Zones (SPZ) and other sensitive surface water receptors such as Hencott Pool and Oxon Pool.*

However, we do think it necessary to include these additional points as raised in our letter of 3rd May 2023, and previous replies.

- Mobile storage such as fuel bowsers should not be left in Source Protection Zone 1 and 2 overnight and should be in locked compounds.
- Details of any facilities for the storage of oils, fuels or chemicals
- All temporary drainage must be designed to the same principles as detailed in the Drainage Strategy (*see our latest reiteration of comments on*) to ensure that there are no inappropriate discharges to ground within Source Protection Zone 1 and 2.
- Use of materials (aggregate) with recycled content would have to be subject to stringent quality protocol. The use of secondary materials in Source Protection Zone 1 and 2 would only be supported based on rigorous testing and characterisation regime. It is not clear as to how Pulverised Fuel Ash is to be used onsite and further details should be provided.
- Construction related incident response plans will be required to deal with potential incidents. These are key to ensuring rapid action is instigated and minimising subsequent risk.
- Mitigation for impacts of noise, vibration, lighting and water flow changes during construction and operation have been included in the design and draft Construction Environmental Management Plan (CEMP) to ensure that there are no residual adverse effects on the fish populations in the River Severn at Shrewsbury which are integral to the Severn Estuary SAC and Ramsar sites. The critical fish spawning and migration periods is 1st May to 15th July inclusive and 15th September to 31st December inclusive to include critical timing for shad as well as salmon. This should be listed in the condition.
- Recommend you add – including any such works within the floodplain (as indicated within the Flood Risk Assessment) at the end of your bullet point ‘construction compounds including the storage of plant and materials...’

Note – Other Permits or consents may be necessary such as abstraction licences e.g. construction dewatering, Environmental Permits e.g. surface water discharges.

Condition no. 27 - Waste management plans. Noted.

Condition 36 – road drainage management plan.

We note the applicant/WSP originally proposed to progress matters as a *“Planning Condition which will cover both (i) maintenance of road drainage system and (ii) the setting up of appropriate and specific emergency response mechanisms for incidents within the SPZ (Source Protection Zone) under the umbrella of the MARP (Multi Agency Response Plan)”*. Condition 36 attempts to address the (i) maintenance of road drainage system. However, there is currently no provision within the draft condition to address point (ii) concerning appropriate and specific emergency response mechanisms for incidents within the Source Protection Zones under the umbrella of the Multi Agency Response Plan.

Confirmation is required on the following aspects.

What are the third-party management responsibility, responses, or actions?

How would the monitoring, proactive preventative maintenance and corrective actions of the road drainage system be secured? (not just a ‘schedule’).

How will remedial mitigation options (not solely limited to the immediate emergency services response) and associated financial provision (i.e. an emergency contingency remedial fund made available) be secured?

The above actions need to work effectively and in a timely fashion. We have previously commented about other planning mechanisms to secure matters such as these.

There is currently no provision within the draft condition to address our concerns about appropriate and specific emergency response mechanisms for incidents within the Source Protection Zones under the umbrella of the bespoke Plan.

We need to reiterate our previous comments and concern that... ‘Given the sensitivity and potential risk to receptors defined by the source protection zones (SPZ) and Detailed Quantitative Risk Assessment modelling at Shelton, we would seek a commitment to an immediate and timely remediation clean up strategy for any pollutant spill within the SPZ and specifically highly sensitive SPZ 1 and 2 as part of the emergency response. Taking into consideration the proximity to the sensitive receptors, an emergency contingency fund must be made available to expedite the rapid deployment of remedial measures and/or corrective actions’.

We would also seek reassurances that appropriate mechanisms are put in place to fund the maintenance plan of the road carriageway drainage and attenuation system, for the life span of the roads use. Long-term integrity of the construction/build is fundamental to the success of the mitigation measures.

There remains a degree of uncertainty for decision makers and, ultimately, a liability with the developer/another.

Your draft condition wording also suggests – the plan will be ‘developed in consultation with Severn Trent and the EA...’ We may comment on the plan but not develop/produce it, as this could be seen as directing a third party action to deliver something.

Other matters not covered by the current conditions:

These are points that we have previously raised that have not been addressed within the draft suggested conditions.

Proposed Road Drainage Strategy - Sheets 1 to 5 (January 23), Drainage Layout Sheets 1 to 30 & Drainage Strategy (Report no. 70056211-wsp-hdg-as-rp-cd-00001 p02) dated July 2021 – The applicant has acknowledged the error of having included non-sealed road drainage systems in SPZ 1 and 2, contrary with their intended Drainage Strategy for the Proposed Scheme, and have provided assurances that these errors will be rectified and updated. We have not seen updated plans since drawing this to your attention in May 2023. We had requested that these were updated prior to the Planning Committee as part of any approved plans/any scheme for final drainage approvals.

As Waterman point out – *“the road drainage and water environment proposals does not clearly demonstrate that flood risk, water management, water quality, and pollution control is being suitably considered in terms of Environmental Statement (ES) assessment given the design proposals are not wholly complete and/or suitably detailed”*.

In the absence of such reassurances, we expected you might include the provision for **amended ‘drainage plans’ within the SPZ to be included as a pre commencement condition** to ensure this error is rectified and not carried through to final design/construction. The **design, construction and future maintenance** of an effective sealed road drainage system is fundamental to providing groundwater protection to the highly sensitive nature of the underlying source protection zones.

Note – You should cross reference to – Drainage Strategy 70056211-WSP-HDG-AS-RP-CD-00001 P02 July 2021.

Suggested Condition wording - **No development shall commence until a surface water drainage scheme for all road systems and infrastructure within the Shelton Source Protection Zone has been submitted to and approved in writing by the LPA. The scheme shall include design, construction, pollution control, and future maintenance of an effective sealed road drainage system.**

(to ensure a satisfactory drainage scheme and protect the water environment including Public water supply).

Condition 45 Highways – Linked to the above, we note this condition mentions a wider signing strategy on Local and Strategic Highway network in the interests of highway safety. This should be expanded (or a separate condition added) to request implementation of/consideration of providing bespoke signage denoting groundwater vulnerability at the point the road sections enter and pass through source protection zone 1 and 2 for the Shelton Water Supply sources protection area. This should include details of what to do in the event of a spillage occurring.

No reference is made to requirements/consideration of lower speed limits through the Shelton water protection area section area, which could be considered/included for here, as previously suggested.

Viaduct Barrier System – No further comment has been provided here regarding our request for more details and assurances on the mitigation and robustness of the design proposed for the viaduct barrier system over the River Severn. In WSP’s response dated 21 June 2023 this was limited to *‘A viaduct parapet consisting of containment level H2 steel structure, for vehicle restraints, and solid in-fill panels, for runoff and spill containment’*.

We reiterate our view that this is quite a basic commentary and provides no further reassurance on the robustness of the consideration for this critical design feature, linked to the potential pollution

issue, mitigation, and remedial options. We advised you seek assurance that sufficient containment of vehicles on the road deck has been incorporated in the design to provide mitigation and deter the risk of vehicles (including HGVs) and pollutants from entering the river immediately downstream of the water supply river intake. The design, construction and future maintenance of an effective containment barrier system is fundamental to providing protection to the highly sensitive nature of the Shelton river water intake.

A pre-commencement condition may secure detail on a scheme for final barrier design such as.

Suggested condition - No development shall commence until a scheme for the viaduct barrier design is submitted to and agreed in writing by the LPA. Details shall include, but may not be limited to, design, including pollution control measures, construction and future maintenance of an effective containment barrier system. Thereafter it shall be maintained for the lifetime of the road.

(to protect the water environment including Public water supply).

Baseline Water Quality and water quality construction monitoring strategy including Borehole decommissioning- No condition has been included to secure this requirement.

We refer you to previous comments on this. In terms of general Water Quality monitoring (**for parameters outside of the suggested bespoke turbidity protocol**), we have provided comment on existing / proposed boreholes (monitoring wells) and surface water bodies to monitor the potential effects on water quality pre, during and post construction of the proposed road. This includes details of the proposed on-going groundwater and surface water monitoring strategy, the proposed monitoring network, monitoring frequency and analytical testing suites. The retained network of groundwater monitoring points tabulated in table 2-2 proposed by WSP would appear to provide an adequate coverage of monitoring points and aligns with the borehole decommissioning plan. The proposal to adopt a sampling frequency of once every two months during construction should represent the bare minimum frequency. As proposed, we would expect to see this frequency maintained throughout the defined construction period, at least until the road is formally open to the public.

Suggested condition –

No development shall commence until a scheme for groundwater and surface water monitoring is submitted to and approved in writing by the LPA. The scheme shall include, but may not be limited to – details of the proposed groundwater and surface water monitoring strategy, the proposed monitoring network, monitoring frequency/duration and analytical testing suites.

- Assessment criteria including screening levels and reporting mechanisms (standard and in response to screening exceedances).

- Review and implementation of any necessary mitigation measures should screening levels be exceeded.

- Once the monitoring scheme has been fully completed to the satisfaction of the LPA, a borehole decommissioning methodology shall be submitted.

The monitoring and borehole decommissioning shall be carried out in accordance with the approved scheme, including any components of the above.

The scheme shall be carried out in accordance with the approved plans.

(to protect the water environment, including public and private water supplies).

Note – As in correspondence (letter dated 1 September 2023) and accepted by WSP, a modification to the screening targets contained within the SEI baseline water quality understanding and proposed water quality construction monitoring strategy is required.

Protection of Private water Supplies – No survey, monitoring, impact, or mitigation related condition has been provided.

We previously commented that... ‘the location and presence of non-licensed small volume private groundwater sources (springs, wells and boreholes nominally supplying potable water to farms and rural isolated residential properties) is not commented upon or risk assessed. These sources will be afforded protected rights against any derogation impact (quantity or quality) arising directly from the development’.

As advised previously, this information should be detailed within the EIA and used to inform the proposals and any subsequent conditions. How is this information, any monitoring requirements and protection/mitigation measures to be secured?

We are not advocating the use of a pre-commencement condition; however this would need to include -

Suggested condition - A water feature survey shall be submitted to include the precise location of both licensed and un-licensed private groundwater sources (springs, wells and boreholes nominally supplying potable water).

- A Site Investigation / impact assessment upon those features identified that may be affected.
- Proposals for monitoring, having regard to the Water Features Survey. The nature of sampling/monitoring scheme shall include: frequency and location of monitoring; method and nature of sampling including analysis suite (determinands). Thereafter monitoring shall be carried out and reviewed in accordance with the approved scheme.
- Options to remediate any impact, details of the measures required and how they are to be undertaken. A verification plan providing details of the data that will be collected in order to demonstrate that the works set out are complete and identifying any requirements for longer-term monitoring of pollutant linkages, maintenance and arrangements for contingency action.

Other matters:

Flood Risk

Fluvial flood risk compensation, and related matters, do not appear in your draft conditions.

As outlined in the Flood Risk Assessment (FRA - PROJECT NO. 70056211, February 2021), the proposed scheme encroaches into the existing floodplain of Alkmund Park Stream and the River Severn.

Compensatory floodplain storage was suggested at two locations: immediately to the north of the highway embankment within the Alkmund Park Stream floodplain and adjacent to the Shelton Rough River Severn Viaduct on the eastern bank. The FRA concludes that the proposed flood storage is likely to fulfil the ‘level for level’ requirements for floodplain compensation and provides betterment from the existing situation.

The FRA conclusion (7.1.10) outlines ongoing engagement with local landowners to agree appropriate compensation for the increased flooding of the scheme.

The FRA confirmed floodplain compensation works will be completed prior to the construction of the Shelton Rough River Severn Viaduct.

Condition: No development approved by this permission shall be commenced until a scheme for the provision and implementation of compensatory flood storage works has been submitted to and approved in writing by the Local Planning Authority. The scheme shall be implemented in accordance with Annex B and Annex C of Supplementary Appendix 17.2: Flood Risk Assessment Addendum (PROJECT NO. 70056211, REF. NO. 70056211-WSP-EGN-AS-RP-LE-00013), including storage works immediately to the north of the highway embankment within the Alkmund Park Stream floodplain and adjacent to the Shelton Rough River Severn Viaduct on the eastern bank. The scheme shall be designed to allow for fish passage back to the river channel; include for maintenance arrangements and provide fluvial flood risk betterment in events up to and including the design 1% with climate change floodplain. Thereafter the scheme shall be implemented and maintained in accordance with the approved plans.

Reason: To reduce fluvial flood risk and provide flood risk betterment.

Condition: There shall be no storage of any materials, including soil, or raising of ground levels (other than those on approved plans), within the design 1% with climate change floodplain, as indicated within the Flood Risk Assessment, unless otherwise agreed in writing by the LPA.

REASON: To ensure that there will be no increased risk of fluvial flooding, impedance of flood flows and/or reduction of flood storage capacity.

Condition: There must be no new buildings, structures (including gates, walls and fences) or raised ground levels within 8 metres of the top of any bank of the River Severn, inside or along the boundary of the site, unless otherwise approved in writing by the LPA.

REASON: To maintain access to the watercourse for maintenance or improvements and provide for overland flood flows.

Flood Risk Activity Permit - Environmental Permit (informative to above)

The Environmental Permitting (England and Wales) Regulations 2016 require a flood risk activity permit to be obtained for any activities which will take place:

- on or within 8 metres of a main river (16 metres if tidal)
- on or within 8 metres of a flood defence structure or culverted main river (16 metres if tidal)
- on or within 16 metres of a sea defence
- involving quarrying or excavation within 16 metres of any main river, flood defence (including a remote defence) or culvert
- in the floodplain of a main river if the activity could affect flood flow or storage and potential impacts are not controlled by a planning permission

We recommend the applicant contact our National Permitting and Support Centre on tel. 03708 506 506 for further discussions around this.

The applicant should not assume that a permit will automatically be forthcoming once planning permission has been granted, and we advise them to consult with us at the earliest opportunity. For further advice please see: <https://www.gov.uk/guidance/flood-risk-activities-environmental->

[permits](#)

Biodiversity

We note the suggested conditions you have presented.

Condition 13 - There is no mention of otters which we have previously raised in connection with mammal passage. We note some reference to badger tunnels in condition 13 and plans to be submitted regarding a mammal ledge at Willow Pool Culvert. We would recommend you expand this condition to secure/include for details to be provided of all mammal passages within each part of the route/phasing plan.

I trust that the above clarifies our position.

Yours faithfully

Mark Davies
Planning Specialist

West Midlands Sustainable Places team

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Meeting date:	23 January 2024					
Agenda Item:	4					
Item Subject:	Marches LEP Chair and Chief Executive Officer's Report					
For:	Discussion	X	Decision		Information	X

Purpose of the Paper: To provide Board Members with a brief overview of the LEP's activities not reported elsewhere.

Summary of Recommendations: That Board Members note the content of the Report.

1. Executive Summary

Since the last board meeting when the decision was taken to wind down the LEP, the LEP executive along with officers from the three LAs have been working on the different elements required to shut down the company and transfer the assets and obligations.

An insolvency practitioner has now been appointed and will be working with the CEO and lawyer on pre-liquidation tasks before they take over. The timing of this will be agreed with the board, and we have asked that the liquidator comes to the February board meeting to give an overview of process and suggested timescales.

The transfer agreement which covers the transfer of all the LEP obligations and funds is progressing well, with the first set of comments received from the LAs and benefiting from the learning of the closure of another LEP that was recently closed as a result of a devolution deal a year ahead of the Marches. We will share a copy of the draft transfer agreement with the board following comments from the LAs so that it is in a less draft form.

The company remains a going concern, but operating funds are now quite limited as we move towards closure. We have given notice to reduce costs on as many things as can as we move to closure.

Following an open call process, we have contracted the remaining Marches Investment Fund monies. Details are included later in the report.

Delivery of the programmes has continued in earnest. The Growth Hub continues to get a good level of enquiries and we're currently on a new PR campaign promoting the different initiatives currently running and have commissioned some additional case studies which are more impactful.

The Marches Careers Hub is experiencing some staffing difficulties within the LAs. It may be difficult to recruit to replace those co-ordinators that have resigned due to only being able to let contracts until the end of August 2024 when the current Careers and Enterprise Company contract ends. We're looking at engaging support on a consultancy basis instead to help increase capacity and we are using LEP staff to support the Strategic Hub Lead, to free up her time so she can help plug the gaps in provision.

We continue to monitor all the capital programmes and highlight issues to PRMC for further detailed performance management.

2. Staffing and resources

Rachel Laver, CEO, has resigned and will finish on 14 March 2024. Given the timings, it's felt there isn't need to bring in any extra resource to cover this role until the company is handed over to an insolvency practice.

Redundancy consultation has commenced with members of the LEP Team, and it is anticipated that this process will be completed by 23 February 2024 enabling staff to have a clearer view of their future employment. The team continues to demonstrate flexibility in working across different programmes to help manage current delivery and support transition arrangements. They have acted with incredible professionalism and dedication through a prolonged difficult transition period and should be applauded and are thanked for all the flexibility they have shown as the team has reduced.

3. Joint Committee

The Joint Committee (JC) has met and delegates authority for decisions to LA directors. Like the LEP Board the JC would like to see the transfer agreement too. The Committee is due to meet again during January. Funding of £240k has been agreed by Government for each JC or similar area. This funding will be used to deliver the functions previously delivered by LEPs and importantly will be used to continue to monitor the LEP projects with outputs outstanding. A separate paper detailing progress with transition and closure work is provided.

4. Finances

As we move towards year end

Funding:

- **Marches Careers Hub** - Confirmation that the Marches LEP will withdraw from the Marches Careers Hub project on 31 March 2024 with a view to Shropshire Council acting as contract holder, subject to Careers & Enterprise Company (CEC) approval from 1 April 2024 to the end of the (current) funding (31 August 2024).
- **Department for Business and Trade (DBT) funded Key Account Management (KAM)** project – clarification of funding post 31 March 2024 is still awaited. It will be for the LAs to submit the application/business case for next year's funding.
- **Growth Hub funding** – no clarity yet from government over the amount, only confirmation that Growth Hub funding will continue. The LAs intend to continue to use the Marches Growth Hub website and brand in the first instance, so that provides good continuity for business support. There is currently a predicted underspend of £6k which is being discussed with the LAs.
- **Local Growth Fund (LGF) and Getting Building Fund (GBF)** - A person has been identified at Shropshire Council who will continue to manage these projects. We are looking at doing a handover before the end of March so that they have time to get up to speed and monitoring of the projects continues seamlessly.

4.1. Capital funding call

The LEP issued a capital funding call which had a tremendous response. 6 projects were awarded funding, leaving an uncommitted balance in the Marches Investment Fund (MIF) of just £229 i.e. all the available funding has been contracted which has enabled the LEP to maximise the impact and use of these funds.

Initial inception meetings have been held with each of the successful applicants in order to progress contracting arrangements. A list of the projects is provided below for

ease of reference. Further details will be provided once grant funding agreements are in place. Some promotion of the aims of each of these projects will also be undertaken to acknowledge the LEP funding:

- AceON Global Net Zero Centre
 - Fownhope Parish Council Community Car Club EV Charging Pilot
 - Harper Adams University Food Industry Testing Equipment
 - O3T Ltd Innovation in Poultry Management Systems
 - Shrewsbury Colleges Group Training Tomorrow's Workforce Today
 - Telford College HEV & EV Skills Centre
- **Transport call** - Shropshire Council Active Travel Corridor awarded £75k towards £110k costs of work.
 - **Low Carbon Innovative Land Use Fund** – the research project into biochar is being contracted with Bentley Growers Ltd.

4.2. Cashflow

As we move toward closure of the LEP and with no more core funding, as to be expected the revenue funding we have remaining is greatly diminished after we've made provision for all redundancy and pension costs.

The balances across our different funding streams is shown below:

	January 2024	February 2024	March 2024
Areas	£	£	£
Core	456,217	372,871	294,901
Growth Hub	64,288	100,694	125,545
Skills	37,247	24,964	56,919
GBF/LGF	114,575	114,575	0
Land Deal	909,534	909,534	909,534
MIF revenue Grant	7,872	7,872	0
MIF Capital Grant	3,442,454	1,741,096	11,728
Closure costs	617,880	617,880	343,580
	<u>5,650,067</u>	<u>3,889,484</u>	<u>1,742,207</u>

The MIF Grant is fully committed but there will be a lag in claiming the funding as the projects are delivered. The 'closure costs' is the balance after some redundancy costs are paid in March, with the remaining costs payable in the main by the end of May.

The LEP should continue to receive a total of £200k per year from the Herefordshire Enterprise Zone and Shell Store Loan repayments which will more than cover the costs of director run off insurance and business board support for the next 5 years. A verbal update will be given on the budget for 24/25 following a review of the tenders for insolvency services and following a finance meeting to refine the budgets. There is likely to be a small amount of revenue funding remaining which could be contracted but which should be subject to an open and transparent

process. There is also the £910k of Telford Land Deal money which could be contracted, along with any returns expected this year. This has to be treated as capital funding. If it's not spent by March 2025 it is returned to Telford Council.

5. Delivery

5.1. Local Growth Fund and Getting Building Fund

- **LGF:** 3 projects (NMITE, Newport IEP, Flaxmill) have had their end dates extended to allow the delivery of outputs from March 2024 to March 2025. The Cyber Centre has now completed its match spend, thereby reducing risk of non-delivery. Of the £23 million of match outstanding, £19.8 million is linked to 3 projects. Two of these (HCCTP £6.9 million & OLR £7.23 million) are due to finish in 2031. The third (Stronger Communities £5.7 million) will finish in March 2025 and is making progress with the generation of match.
- **GBF:** The PRMC has recommended that clawback be pursued against HCCTP, due to a projected match underspend of £250k. The ICW project is due to finish in March 2024. Due to outstanding housing and jobs created outputs, the project will be applying for an extension at the next PRMC meeting in February. The deed of variation for the Pride Hill Remodelling project is in the process of being sealed.

5.2. Marches Growth Hub

Due to an underspend in events and research, an additional £5k has been allocated to each Growth Hub. Another £5k has been allocated to BeBold to undertake a publicity campaign in February and March to promote the activities of the Growth Hubs. There is projected to be an additional underspend of £5,200; the plan will be to give a further £4.5k to the Growth Hubs for business support activities.

5.3. Energy Projects

- Within the **Marches Network Monitoring to support Community Decarbonisation** project, there are still some issues with the National Grid being able to raise an invoice for the grant funding as they're not set up to receive funding. They have been informed that if it's not claimed by the end of February 2024, it will be de-committed.
- The **Low Carbon Technology Centre** is continuing to progress well, and the first grant payment is expected to be made this month.
- There have now been four rounds of **Marches Energy Grant** scheme awards. 96 energy audits have been completed and 38 businesses have received grant offers totalling £400k towards £1.5m of expenditure. The expected carbon savings are calculated at ~ 350t. The grant scheme is now back open to businesses. Worcester Council has said it will be unable to take any additional funding due to being awarded £2m from WMCA.

5.4. Department for Business & Trade (DBT) Key Account Management (KAM) Programme

Progress remains positive under this project, and we are on target to achieve the contracted outputs by the end of the financial year. Companies being actively account managed have been reviewed and 'churned' as required by DBT. Communication with local authority partners continues to ensure that our delivery partner resource is focussed on identifying and engaging with new foreign-owned businesses. The first project win, against our target of 6, has been formally evidenced and verified by DBT. This relates to a £1.7million investment within Herefordshire by an Austrian owned company which has resulted in the creation of 20 new jobs.

5.5. Marches Careers Hub

The Strategic Planning Group met on 10 January 2024 to review current performance and determine priorities for the remainder of the contract term (to 31 August 2024).

The Strategic Hub Lead, Andriané Usherwood-Brown, outlined tailored support available to local schools and colleges under the new triage approach being operated and confirmed that three additional institutions had joined the Hub. She highlighted that a new Teachers Encounters programme, funded by the Marches LEP, was being developed to enable teachers to spend time with employers and learn more about skills needs and job opportunities within the local labour market.

Staff changes within the Enterprise Co-ordinator roles in both Shropshire and Herefordshire Councils means that recruitment to these posts is a priority for partners.

The Marches Careers Hub was invited to participate in elements of the consultation to support the development of the LSIP and this has been repeated recently as part of the stage 2 research. It was disappointing that the role of the Marches Careers Hub as a key strategic partner was not emphasised as clearly as it could have been in the LSIP stage 1 report. We remain keen to highlight the positive work that the Hub is currently undertaking, including providing various opportunities for businesses to engage effectively with schools and colleges. These are examples of good practice that could be further expanded.

The Marches Careers Hub Steering Group will meet on 30 January 2024 to facilitate engagement with wider partners.

Financial implications: None

Legal implications: None

Risks, opportunities and impacts: None

Equality implications: None

Report Authors:

Sonia Roberts, Marches LEP Chair

Rachel Laver, Marches LEP CEO

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Minutes of the Marches LEP Performance, Risk & Monitoring Committee (PRMC)
Thursday 14 December 2023

Present		
Sonia Roberts	SR	Chair of the Marches LEP Board
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
Frank Myers	FM	Board Member
Alex Green	AG	Board Member
Judith Tranmer	JT	Chief Accountant, Herefordshire Council
Karen Morris	KM	Deputy nominated by Section 151 Officer, Herefordshire Council
Ben Jay	BJ	Deputy nominated by Section 151 Officer, Shropshire Council
Alex Collins	AC	Deputy Area Lead, Cities & Local Growth Unit
Mandy Powney	MP	Marches LEP Office Administrator

ITEM		ACTION
1	<p>Welcome, apologies and introductions.</p> <p>The Chair welcomed everyone to the meeting.</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> • Andrew Lovegrove • Dainy Runton • James Walton • Rachel Hart • Sara Williams <p>MS noted that the meeting was being recorded to aid the production of the minutes.</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 24.11.2023 were reviewed, checked for accuracy, and approved as an accurate record of the meeting.</p> <p>Any actions from the previous minutes were either completed or would be discussed under agenda items at this meeting.</p>	
3	<p>Top Risk Registers</p> <p>Update from recent LEP Board meetings</p> <p>The LEP Board 28.11.23 delegated PRMC authority to trigger clawback up to £1m of either match funding and/or grant. The Extraordinary Board Meeting of the LEP Board 07.12.23 the Board agreed to support the continuation of funding for Oxon Link Road.</p> <p>a) Corporate Risk Register Corporate Risk Register</p> <p>Breach of GDPR is a rising risk. This is due to the LEP closing and the transition of functions to the accountable body. Risks that were previously high around the lack of decision on the future of the LEP are now reducing, following the decision to close the</p>	

	<p>LEP (LEP Board – 28.11.23).</p> <p>b) Programme Risk Register Programme Risk Register No significant change, but there is a new risk at the bottom which is a relatively low risk. Key Account Management (KAM) inability to deliver contractual requirements around reporting and finance for 23/24 programme which fall beyond 31 Mar 24.</p>	
<p>4</p>	<p>Performance Monitoring exceptions</p> <p>As agreed at the PRMC meeting on 24.11.23, RL and MS have met with most of the project leads for projects on today’s agenda and the following is a summary of those updates and recommendations.</p> <p>A discussion took place around the need for there to be confidence in how outputs will be monitored and managed beyond the LEP to ensure the LEP legacy continues. Joint Committees are awaiting guidance from Central Government and Local Authorities have not yet received next year’s settlement. This is hindering the transition process and staff consultation process. The Government line is that it will be the S151 officer’s responsibility to ensure outputs of projects are delivered and value for money is achieved. Action AC will feedback the LEP concerns to Government.</p> <p>a) Cyber Quarter – Midlands Centre for Cyber Security The underspend of £1m has now been accounted for. Outputs that are listed as a concern can be mitigated by over performance in other areas. The LEP officers are confident that this project is no longer an issue and that they will meet their outputs by March 2025. The committee approved the recommendation not to pursue clawback because the underspent match has now been accounted for.</p> <p>b) NMiTE 1&2</p> <ul style="list-style-type: none"> • NMiTE1 is managed by NMITE and progress is reported to the Marches LEP on a biannual basis. In terms of match funding, they highlighted that they have received £2.1m Stronger Towns Funding for the development of the Blackfriars Skills Hub. This will help generate the match shortfall on this project. The LEP team has discussed this with them and advised that they should review their targets to include other outputs that will mitigate those not achieved. They are achieving a lot of valuable outputs that they are not reporting to us currently such as learners on shorter course, businesses engaged and schools engaged. They also have a £7.5m loan they don’t have to pay back until 2026/27 which is positive. The project will now report on a quarterly basis and regular meetings will take place, starting in January 2024 to monitor progress closely. • NMiTE2 is managed by NMITE, progress is monitored by Herefordshire Council and a self-certificating report is provided to the Marches LEP by Herefordshire Council on an annual basis. This has a large amount of match outstanding. There is an agreement in place between Shropshire Council and Herefordshire Council that states no clawback can be applied to the project. Recommendation is to monitor the project very closely and help them to achieve their targets. They also have received funding through Getting Building Fund. <p>The committee approved the recommendation to extend both NMiTE 1 & 2 to March 2025 with quarterly reporting³⁶ and regular meetings.</p>	<p>AC</p>

	<p>c) Newport Innovation & Enterprise Package This project is working closely with Harper Adams who will be moving onto site next year. They will have additional outputs on learners and additional outputs on unlocking land. They will review their outputs and add in other targets that they could include. They have built new roads and cycle paths. There will be achievements that will add value through other things. This is a very positive project. Action : MS to present updated report at next PRMC after receiving updated data from the project. The committee approved the recommendation to extend the end date of the project to 31st March 2025</p> <p>d) Integrated Construction Wetlands RL/MS are waiting to meet with Ben Boswell from Herefordshire Council to better understand the outputs of this this project. Number of housing units unlocking will increase. 182 houses have been unlocked which is evidenced by planning permission. It is unlikely ICGW will achieve their outputs by March 2024 so a meeting with Ben is needed, firstly to ascertain if there is a strong enough case to extend this project to March 2025. Action MS will present updated data at next PRMC where a decision can then be taken whether to extend this project by a year.</p> <p>e) Shrewsbury Flaxmill Maltings The main issue with the Flaxmill is around the delay in getting the housing units onto the site. The project team is talking to the Council and hoping to get planning permission in May or June 2024. On the basis of our meeting the LEP are happy to extend the project and that outputs will be achieved. The committee approved the recommendation to extend the end date of the project to 31st March 2025.</p> <p>f) Herefordshire City Centre Improvements The project is not expecting to spend all of the business grant for Shop Front Improvements resulting in an estimated underspend on business grants of £250k by June next year. KM asked if the underspend could be offset by other Council spending which is not specific to the funding contract. The committee recommended initiating clawback pending a review of the contract. Action : MS to take advice from Tim Travers on the contract.</p> <p>g) Pride Hill This is for information. Still waiting for deed of variation to be agreed. Project is concerned it will not complete its expenditure of match and deliver outputs by end date of March 25. PRMC approved changes a year ago. Action : MS to write back and state that if the Board does not see a signed deed of variation, then it will be signed on behalf of the Board and it will remain with original contract information.</p>	<p>MS</p> <p>MS</p> <p>MS</p> <p>MS</p>
5	<p>Any Other Business KJ updated the committee on the recent Capital Funding Call approved by the Board. There was an overwhelming response with a total of 37 applications received, totalling over £3m. Following appraisal and scoring, a proposal will be sent to the Board members to approve the funding of 6 applications. If approved, contacts will start in the New Year. RL thanked the staff who had worked through the applications and updated the meeting that if this money is allocated, there will be a remaining balance of £229 in the LEP's Marches Investment Fund, meaning all money has been allocated in order that maximum impact achieved in line with the Board wishes. SR congratulated the team on their great work.</p>	

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Meeting date:	23rd January 2024				
Agenda Item:	6 i				
Item Subject:	PRMC Decision to Extend the end date of LGF Projects				
For:	Discussion		Decision		Information X

Purpose of the paper: Confirmation of decision to clawback part of the grant from HCCI

Summary of Recommendations:

Main Points End date of the project 30th June 2024.

At the PRMC meeting on the 14th December 2023 the committee agreed to extend the end date of 4 LGF projects from March 2024 to March 2025. The changes to end dates will be noted in a deed of variation for each for project.

NMITE1

Position Q2 2023/24	Contract	Actual	Position
Match	3,133,750	2,207,416	-926,334
Jobs created/safeguarded	37	37	0
Area of new/improved learning/training floorspace	3205	3462	257
New learners assisted	270	142	-128
Enterprises receiving non-financial support	75	106	31
GVA (£)	6,480,000	6,979,582	499,582
Number of undergraduates	250	110	-140

NMITE2

Position Q2 2023/24	Contract	Actual	Position
Match	7,766,250	5,660,000	-2,106,250
Jobs created/safeguarded	195	0	-195
Area of new/improved learning/training floorspace	3695	221	-3474
New learners assisted	810	110	-700
Enterprises receiving non-financial support	375	0	-375
GVA (£)	27,520,000	0	-27,520,000
Number of undergraduates	750	0	-750

Flaxmill

Position Q2 2023/24	Contract	Actual	Position
Match	428,265	483,265	55,000
Housing units completed	120	0	-120
Length of road resurfaced (km)	0.08	0.308	0.228
Length of newly built road (km)	0.2	0.20	0
New cycle ways (km)	0.205	0.205	0
Work placement reprofile	60	50	-10
Reclaimed land (hectares)	1.7	1.7	0
GVA (£)	5,934,904	0	-5,934,904

Newport IEP			
Position Q2 2023/24	Contract	Actual	Position
Match	2,986,000	2,986,000	0
Jobs created/safeguarded	954	132	-822
Housing units completed	960	692	-268
Commercial floorspace completed	50,000	11493	-38507
Employment land created (ha)	10	10	0
GVA (£m)	42,000,000	5,788,925	-36,211,075
Financial implications:			
Legal implications:			
<ul style="list-style-type: none"> The changes to end dates will be noted in a deed of variation for each for project. 			
Risks, opportunities and impacts:			
<ul style="list-style-type: none"> Extending the end date of the projects will not necessarily mean outputs and match will be delivered. LEPs were awarded LGF to administer those funds on behalf of the government. LEPs are assessed annually on delivery and governance processes. Government and in particular NAO may raise questions about the LEP's governance processes if it cannot be demonstrated that this allocation of funds has been managed appropriately. 			
Opportunity:			
<ul style="list-style-type: none"> The extension will allow outputs to be completed, increasing the overall impact of the projects. 			
Report Author: Mark Schneider, Head of Business Development & Delivery, Marches LEP			
Background papers/documents:			

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Meeting date:	23 rd January 2023					
Agenda Item:	7					
Item Subject:	Transition update report					
For:	Discussion		Decision	x	Information	x

Purpose of the Paper:

To update the board on the progress with transition arrangements.

Summary of Recommendations:

The Board is asked to note the contents of the report and highlight any areas that it is felt are not covered or not in enough depth.

Main points:

1. Staff

1.1. Posts to be retained

Following a review of funding, existing posts and future requirements, the Local Authorities have indicated at the transition meetings that they only intend to carry one post forward. We are waiting for this in writing so we can give LEP staff clarity about whether their posts are being made redundant. The post being carried forward is the Marches Careers Hub Strategic Careers Hub Lead as this is fully funded until August.

1.2. Redundancy Process

Redundancy consultation has started with the remaining staff that are not finishing under other arrangements. The consultation will end on the 23rd February. Subject to the results of the consultation, staff will be given notice to make their posts redundant. The staff are on notice period ranging from 1-3 months. This means that there may be a member of staff left until the end of May. We are looking at what is required to complete all the contractual requirements for the LEP and whether we ask this member of staff or a number of staff to report to Mark Barrow (he's agreed to this in principle) as Mark will be able to manage their records on the Shropshire Council ERP system, which we currently use for managing HR matters.

1.3. Pension strain

The legislation is that over 55 and made redundant, access to LGPS is mandatory. If, however, a redundancy isn't made and someone moves jobs, the new employer will take all the assets and liabilities built up against the employee and include that within their LGPS fund. This would mean any decision to make a redundancy and incur pension strain would be with the new employer. If they moved to a non-LGPS employer, their assets and liabilities would remain, deferred, in the existing employers scheme; ostensibly accessed when they reach retirement age.

So, if an employee resigns (to take a new job) there's no liability. If the current employer makes them redundant, and they're over 55, their pension/lump sum becomes payable as part of their existing t&cs, and the Pension Fund is compensated for having to pay this at 55 rather than say, 67, by a pension strain payment from the employer to LGPS (not touching the employee).

The pension strain is currently very high as a couple of members of staff have not that long turned 55, so the strain is almost the maximum it can be. The LEP has ringfenced a budget for overall pension strain which is currently £496k based on the calculations from Shropshire Council. These costs may not be realised in which case, at present they will be transferred to the Local Authority. The LEP board could potentially specify as part of the wind up that any residual funds are ring fenced for economic activity across the Marches, which is already reflected in the Joint Committee Terms of Reference.

1.4. IT equipment

As the laptops, screens and phones have either a nil residual value or very minimal (less than £10), it has been agreed that if the staff want to keep these they may, subject to all equipment being cleared of any data. We are in discussions with local charities about where any remaining equipment and stationery can be donated to them.

2. Programmes

It has now been confirmed that Shropshire Council will receive up to £240k per year from government to manage activity previously undertaken by the LEP and to continue economic development work under plans for further devolution.

2.1. LGF and GBF

An officer has been identified within Shropshire Council who will be responsible for the continued monitoring of the projects and programmes. As with all the programme work the LEP staff are involved with, they are producing detailed handover notes. The LEP staff will continue to monitor the programmes until the end of March.

2.2. Marches Careers Hub

Initial discussions have been held with the Careers and Enterprise Company (CEC) about novating the current Marches CEC contract to Shropshire Council from 1st April. The LEP are supporting this process.

2.3. Energy Projects

It is suggested that Tim Yair from Midlands Net Zero Hub continues to monitor these projects and report into Shropshire Council working under guidance from the Joint Committee. Tim is happy to do this, and it provides some continuity. Tim's time is already paid for by the Hub.

2.4. New projects

These are all in the process of being contracted and will be monitored by Shropshire Council staff in due course. A majority of the funding contracted is expected to be drawn in 24/25.

2.5. Marches KAM

This year's contract ends at the end of March. There is a requirement to complete an audit and monthly report in April which either remaining LEP staff could do, or they can complete as much as they can before the end of March and then handover to Shropshire Council to complete and submit in April. The LAs will need to submit a business case for funding for KAM for 24/25 and may need to re-procure consultancy support if they decide to use this delivery method again.

2.6. Growth Hub

The Growth Hub contract will also end at the end of March. An end of year audit will need completing by the end of April and the end of year report. LEP staff can complete as much of the end of year report as they can before the end of March with figures dropped into the report when LAs complete their return. Shropshire Council will complete the audit as they do every year. Funding has been ringfenced for this.

The Local Authorities continue to wait guidance from Government on future of Growth Hubs and any further investment. This will shape approach to Growth Hub going forward. All three Local Authorities have business support teams who will continue to work to support economic growth in their areas and to engage with partners through respective business board structures.

The LAs have stated that they'd like to keep the Marches Growth Hub website for now. All other licences associated with running the Growth Hub such as Beauhurst will need to be renewed by the LAs if they want to continue to use them. The LEP has given notice to end all licences at the end of their current terms.

2.7. Telford Land Deal

The LEP currently has over £900k of Land Deal funding in its accounts. If this funding isn't contracted by the end of March '25 it will be paid to Telford Council plus any of the returns payable this year under the Deal. The investment of this profit share must be approved by the Land Deal Board so will continue to be used to support economic growth and the delivery of new homes/commercial floorspace/jobs. The agreement is covered by the Transfer Agreement which is being drafted to cover all LEP contracts. The LEP Chair is currently one of the Land Deal Board members and will be expected to step down from this board when the LEP closes, or earlier by agreement.

3. Transfer Agreement

Rather than novate all the contracts, a transfer agreement has been drafted which covers all the different contracts the LEP has. A draft has been shared with LAs and will be shared with the board once it is in a more ready state. We're looking to have a final draft by the end of February, and we have Tim Travers assisting the LEP one day a week on the agreement, and any other legal matters as they arise.

4. Finances

At present all the wind-up costs have been estimated and ringfenced from within the LEP's revenue reserves. Any funding left over following liquidation of the company is according to government "expected to be used by the public sector". Currently it is anticipated that any residual funds are paid to Shropshire Council for use by the Joint Committee. This will be reflected in the Transfer Agreement. The Section 151 officer has confirmed that there won't be any possibility that any funding will be used to prop up ailing council budgets.

The Shell store loan repayments will continue to be made in the LEPs absence. This income of £100k per year will be paid to Shropshire Council under the terms of the loan agreement. We are currently looking at the Herefordshire Enterprise Zone payments.

5. Service Level Agreement (SLA)

The current SLA with Shropshire Council is due to expire at the end of March. The SLA covers the provision of the following services: IT, HR, payroll, legal and finance. The Council has confirmed they're happy to continue to provide these services for a limited time

until all the LEP staff have either moved to new posts in the council or been made redundant.

6. Offices

We have now given notice to the landlord for all the LEP office space. We are in the process of clearing the office, either throwing away, archiving or donating the contents of the offices.

If staff remain in post beyond end of March, they will be able to use Shropshire Council offices for meetings and hotdesking should they wish to.

7. Data management and websites

We are waiting for GDPR advice from Shropshire Council but we're currently working on tidying up all the Sharepoint files and will look at transferring everything to Shropshire Council in due course. We have bought archive boxes and are packing up and labelling any files which we need to keep such as hard copy contracts but expect this to be minimal as most documentation is held in digital form.

The Marches Growth Hub website will be transferred to Shropshire Council to manage as will the Marches Careers Hub website.

We've asked for clarity on requirements for the LEP website post March when the Local Assurance framework requirements should fall away. The LEP Network has suggested that they could potentially be a repository for the records of all LEPs which are closing.

8. Insolvency

We have tendered for an insolvency practitioner and following assessment of the tenders will be holding an inception meeting with the preferred bidder to work out the most appropriate timescales and steps for the LEP. The insolvency practitioner will be invited to present to the board at the meeting in February.

The liquidators will deal with the final accounts. They may still need to set up a bank account to manage this process.

9. Board membership

The members of the Marches LEP Board will need to resign in due course. We'll discuss the timing of this with the board and liquidators. Shropshire Council will be tasked with arranging the annual run-off insurance for the board members as this can only be done annually. Board members will be expected to step down from any boards where they represent the LEP after they resign as a directors or agree to stay on in a different capacity. In most cases this should be before the end of March subject to agreement.

10. Local Assurance Framework (LAF)

We are no longer required to comply with the LAF after the end of March.

11. Timescales

We will work with the insolvency practitioner to agree a more detailed timeline. Key dates that we currently know are:

Activity	Date
Redundancy consultation started	8 th January
Appointment of insolvency practitioner	19 th January

Transfer agreement draft shared with board	End of January
Presentation from insolvency practitioner to Board	Mid February
End of redundancy consultation	23 rd February
Finalise transfer agreement	End of February
LEP CEO finishes	13 th March
Close LEP office	27 th March
Company formally closed by Liquidators	Approximately December 24.

Report Author: Rachel Laver, Marches LEP CEO

Background papers/documents:

End