

**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</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 LEP (LEP Board – 28.11.23).</p>	

	<p>b) 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 reporting 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>
<p>5</p>	<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>	