

Meeting Minutes

Meeting title	GFirst LEP Board Meeting
Date/time/venue	12/12/2017 @ 08:30 to 10:30. Tewkesbury Park Hotel, Lincoln Green Lane, Tewkesbury GL20 7DN
Attendees	<p><u>Members:</u> Diane Savory (DS) (Chair), Adam Starkey (AS), David Owen (DO), Neill Ricketts (NR), Roman Cooper (RC), Stephen Marston (SM), Mark Hawthorne (MH), Rob Loveday (RL), Stephen Jordan (SJ), Russell Marchant (RM), & Jenny Raymond (JR)</p> <p><u>In attendance:</u> Lynn Stacey (Minutes), Katie Jenkins (KJ), Claire Edwards (CE), Neil Hopwood (NH) for items 5ii-5iv & Barry Bodin-Jones (BBJ) for item 5v</p>
Apologies	Mike Warner , Steve Lydon, Nigel Riglar, Deborah Potts, Dev Chakraborty, Mally Findlater, Martin Revill, Ben Watts & Matt Smith

No.	Item	Action	By
1)	<p><u>Welcome & introduction</u></p> <p>DS welcomed all Board Members including an introduction to new Board Member, Jenny Raymond. Apologies as noted above were given.</p> <p>A quick update on the following was given by DO:</p> <p><u>LEP Review</u> – The national LEP review is very positive, which will give the Gov’t confidence in LEP’s as an effective mechanism for the delivery of economic impact at regional level.</p> <p><u>Mary Ney Report</u> – Nationally, a lot of work is being done on this report on how the LEP’s conduct themselves, particularly Governance arrangements. An agreement from the whole network is progressing well. DO confirmed that GFirst LEP will be implementing the recommendations of the report in full.</p> <p><u>Industrial Strategy</u> - The expected deadline for the submission of the local industrial strategy is March 2019. The LEP team will be drafting some ideas earlier next year.</p> <p><u>Annual conversation</u> – DS reported that the session went well with a special mention on how effectively the LEP interacts with its Accountable Body. DS gave thanks to Claire and her team.</p>		
2)	<p><u>Minutes of Last Meeting 10 October 2017 & Matters Arising (minutes attached)</u></p> <p>The minutes were approved as a true and accurate record of the meeting on 10th October 2017, with the following exceptions/points:</p> <p>Page 3, Item 5, v) – BBJ action still ongoing to formalise KPIs</p> <p>Page 3, Item 6, i) – NH action is progressing with final agreement hopefully by Christmas.</p>		

	<p>Page 4, item 7 - SM questioned the statement: 'The Advanced Renewable Research Centre proposal to proceed to full Due Diligence, in order to be presented to the Investment Panel meeting due 28-11-17 and LEP Board meeting due 12-12-17 for consideration for full funding approval. Note: if the supporting ESIF revenue funding is not approved, the University has indicated the scheme will not go ahead The text of the minutes will change to 'Note: if the supporting ESIF revenue funding is not approved, the University has indicated the scheme may not go ahead'</p> <p>Page 5, Item 10 – Great South West. MH informed all of the outcome of a meeting he had with DO, DS and Pete Bungard on the issue of regional identity in relationship to Gloucestershire. Further conversations will take place on how we can all work collaboratively. KJ stated that Sajid Javid is keen to listen to one voice instead of 38 LEP's. This is not covered in any Govn't reviews but they will be looking at any crossover LEP's boundaries. The local Industrial Strategy response will include proposals for the most effective and appropriate collaborations for Gloucestershire</p>		
3)	<p><u>Declarations of Interest (standard record attached).</u></p> <p>Any pecuniary or personal interests relating to specific matters on the agenda must be declared. LS is waiting Declaration of Conflicts of Interest / Related Party Transactions form from two Board Members and reminders will be given.</p> <p>The following declarations of interests were declared: SJ –Cheltenham Spa Project and Gloucester Airport SM - Advance Renewable Energy Research Centre Project RM - Reallocation of Funds</p>	Done	LS
4)	<p><u>Governance</u></p> <p>The first term of office for Mike Warner as a private sector board member has now ended. Mike has expressed an interest in continuing for a second three year term as a representative of the private sector.</p> <p>The Board was asked to approve the re-selection of Mike Warner for a second term of three years as a full LEP Board member.</p> <p>Decision: The Board approved to Mike's second term as Board Member</p> <p>DO agreed to give a presentation on the process of recruiting and re-selection of LEP Board Members in the next Gloucestershire Economic Growth Joint Committee.</p>	14.3.18	DO DO
5)	<p><u>Programme Management</u></p> <p><u>5.1 Advance Renewable Energy Research Centre Project</u> - SM declared a conflict of interest and left the meeting whilst the discussion took place.</p> <p><u>Conflict of Interest Management</u></p> <p>Before considering the project detail, members were reminded that they had been asked, prior to this meeting, to disregard an email they received from SM on the project as such contact is deemed a conflict of interest, with a Board Member using their privileged position to pre-empt a Board discussion. This is an important issue as GFirst has just passed an audit on good governance,</p>		

<p>including the renewed focus on conflicts of interest management. DO has consulted with his colleagues in BEIS for some advice on this specific issue and discussed this with DS.</p> <p>DS/DO will meet with SM after this meeting to highlight the conflict of interest and give an update on the Board discussion.</p> <p>DO stated that we need to revisit the company Conflict of Interest policy to highlight such risks which apply to all Board members (both Private and Public Sector)</p> <p>DO confirmed that the processes for working with the project promoters is well managed and compliant with our Local Assurance Framework. The LEP executive and programme management team will review the issues that have occurred in this particular case, to ensure that lessons can be learnt, and if necessary, changes made to the process. The Board will receive an update in a future Board meeting.</p> <p><u>Project Matters</u></p> <p>DO reminded the Board that the Due Diligence assessment should not be seen as an exercise to assess the viability of a project on behalf of the Board. The recommendations by the assessor concentrate on the ability of the organisation to deliver the project, to advise on value for money and to highlight any significant risks. Consequently, proceeding to due diligence whilst there are deliverability questions to be considered, is inappropriate, at this stage.</p> <p>MH stated there is a perception nationally, that we do look after the HFE and KJ stated this is a reputation risk to us. DO replied that this issue is a reminder of the scrutiny / transparency challenge and that we should all be conscious of this.</p> <p>It was agreed that agenda item 5.1 would be considered in the first 2 weeks of next year by a Board sub-group. The full Board delegated responsibility to the sub group to review all the current project information, including the latest submission in the Board paper and make a final decision to recommend to the Board. The full Board will receive the recommendation to be processed by written procedure. The sub group will be chaired by DS and supported by JR and either SJ or RL, depending on availability (DO also to be included).</p> <p>LS to arrange a separate meeting for JR before the 4 January and to ensure she has relevant paperwork.</p> <p>Decision: The Board agreed to:</p> <ol style="list-style-type: none"> 1. withdraw agenda item 5.1 from today's meeting as a direct result of the conflict of interest issue and to ensure that due process is followed. 2. the delegation of responsibility by the full Board to the sub-group to review the current project information and Board paper 5.1 and then to give a clear recommendation to the Board for decision by email 	<p>Done</p> <p>ASAP</p> <p>ASAP</p>	<p>DS/DO</p> <p>DO/MF</p> <p>DO/MF</p> <p>LS</p> <p>MF</p>
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5.2 Cheltenham Spa project approval

SJ stated a non-commercial interest.

It was highlighted that the Full Business Case & Due Diligence Assessment Report states the 'Cinderford Spine Road' in error on the first page.

Great Western Railway (GWR) are seeking a £ 1.497m Growth Fund contribution to their £5.48m Cheltenham Spa Phase 1 scheme which consists of a decked car park, improvements to the station forecourt, a shared use access ramp to the station from Lansdown road and the provision of accessible lifts within the station itself.

One of the factors that establishes the scheme as 'good value for money' is that it generates additional revenue from the increased number of parking spaces available.

A discussion took place on whether this makes a profit for GWR and it was confirmed they will not make any money from this and under the train operator franchise arrangements it provides a net benefit to the taxpayer. The Gloucestershire Investment Panel had previously considered this issue in detail and were satisfied in order to recommend for funding approval. It was also noted that at present the car park is generally full by 7 am on weekdays. RC stated the parking issue in the county was also raised in recent Business Membership Group meeting and MH confirmed he is aware of the issue.

Decision: The Board approved the offer of a formal funding award, of £1.497m, post due diligence and business case assessment, for the Cheltenham Spa Station Phase 1 project. **Note:** SJ abstained.

The Board authorised GCC as the Accountable Body to prepare the final Heads of Terms for the release of the funding, in line with the Delegated Scheme Agreement between the LEP and GCC and noting the conditions and recommendations indicated in point 4 in the supporting paper and in the executive summary of the due diligence and business case assessment report.

5.3 Reallocation of Funds Update

RM left the meeting whilst the discussion took place.

The Board was informed of the outcome of the sub group review (23.11.17) of project submissions for funding consideration against the reallocation funds (£5.043m).

A sub-group (DS, AS & RL) reviewed the bids and agreed a prioritised list of projects for potential funding. The bids were assessed using a range of criteria reflecting the LEP's strategic priorities and the potential outputs and outcomes of the project and the impact on economic growth.

12 bids were received, 7 refreshed Growth Deal 3 bids and 5 submitted as 'exceptional' new bids. Of the 5 new bids, 3 were assessed as not meeting the criteria for consideration as 'exceptional'. This was either on the basis of not

<p>being a new opportunity or not meeting the ‘economic impact’ test. All 12 bids were still scored using the standard template and guidelines.</p> <p>The 9 projects selected for potential additional Growth Fund capital for re-allocation were as follow (in alphabetical order only):-</p> <ol style="list-style-type: none"> 1. A419/J13 Improvements for Eco-Park 2. Brimscombe Port 3. Cinderford Northern Quarter Site Preparation works 4. Cirencester Enterprise Quarter Enabling Works 5. Gloucestershire Engineering Training (GET) expansion of Engineering Technician training 6. Gloucester Railway Station Improvements 7. Gloucestershire Airport – Meteor Park Development 8. Hartpury College ‘Tech to Plate’ Agri-Tech Centre 9. Merrywalks Centre Re-development, Stroud <p>The subgroup decided that insufficient information was available to make a final decision on the priority ranking of the schemes without further input from the scheme promoters.</p> <p>It is therefore proposed to hold a ‘Dragon’s Den’ event on the 4 January 2018 to give the 9 projects the opportunity to make their case for Growth Fund investment and to enable targeted questions from the sub-group to be answered.</p> <p>This will be hosted by the nominated sub-group (DS, AS, RL) and supported by the LEP and PMG teams (DO, DC, NH, MF, & CE).</p> <p>JR/DP have been invited to the ‘Dragon’s Den’ to participate as observers. Neither have declarable interests in any of the shortlisted projects.</p> <p>The Board noted that although the 9 projects invited to the Dragon’s Den represented significantly more money than the available funds, the process also supported the need to keep a strong pipeline of bids in preparation for any other potential funds being available.</p> <p>The sub group will agree their recommended priority order for the 9 projects, using a robust scoring system. This will be presented to the February Board, seeking full Board approval.</p> <p>Decision: The Board approved the selection of the 9 projects listed above to be included on the pipeline for funding.</p> <p>The Board approved the proposal to hold a ‘Dragon’s Den’ event on 4 January 2018. They delegated responsibility to the Re-allocation sub-group to attend and participate in this process and then to decide on their recommended priority order for the 9 projects. This will inform the reallocation of the funds that are available due to projects being withdrawn. Note: SJ abstained.</p>	<p>ASAP</p>	<p>LS</p>
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6)	<p><u>Business Engagement</u></p> <p>RC explained the rationale of the Business Membership Group, where the LEP engages with the business community. RC raised the issue of having the right stakeholders involved in this group and how we can work more collaboratively with various groups/chambers representatives to ensure we have more joint up events in the future. RC stated we will continue with this group and measure the drive to The Growth Hub. RC would welcome any advice and guidance on this.</p>		ALL
7)	<p><u>Strategy</u></p> <p>Due to bad weather the presenters were not available to attend this Board Meeting. Gloucestershire Connects and Digital Technology presentations to take place if possible in February's Board Meeting.</p>		LS
8)	<p><u>AOB</u></p> <p><u>Industrial Strategy & LEP Review</u> – KJ stated feedback will be given in February/March. Evidence from the Vision 2050 work will be useful for the development of the local industrial strategy in due course</p> <p><u>The Gloucestershire 2050 – The Big Launch</u> is being held on Thursday 1 February 2018 in The Centaur, Cheltenham and SM stated all are welcome.</p> <p><u>A417</u> – MH gave an update, which was very positive and stated a commitment has been made for consultation on the Air Balloon options in February.</p> <p><u>Topping out ceremony for the New University Business and Growth Hub</u> – SM thanked for those who attended this event last week and stated the building project is on track and within budget.</p>		

Dates of Next Meetings:

- Tuesday 20th February 2018 @ 8:30
- Tuesday 17th April 2018 @ 8:30
- Tuesday 5th June 2018 @ 8:30
- Tuesday 11th September 2018 @ 8:30
- Tuesday 4th December 2018 @ 8:30