

LLEP BOARD OF DIRECTORS

3pm, 8 August 2023



Pitch Room, SportPark Loughborough University SportPark, 3 Oakwood Dr,
Loughborough LE11 3QF

AGENDA

TIME		ITEM	REPORT	DECISION /DISCUSSION INFORMATION	LEAD
15:00	1.	Welcome and Apologies			Co-Chairs
	2.	Declarations of Interest			All
15:05	3.	Minutes and actions – LLEP Board Meeting 13 June 2023	Paper A	Decision	Co-Chairs
STRATEGIC AND OPERATIONAL PERFORMANCE					
15:15	4.	CEO LLEP Update		Verbal	Phoebe Dawson
15:25	5.	LLEP Transitions Board		Verbal	Phoebe Dawson
15:30	6.	Transition Group Terms of Reference	Paper B	MEMBER Decision	Phoebe Dawson
15:50	7.	LLEP Delivery Plan 23/24		Presentation	Phoebe Dawson
16:10	8.	Careers Hub – 5 year impact report and opportunities	Presentation	Presentation and discussion	Gerarde Manley
16:40	9.	AGM	Paper C	Decision	Phoebe Dawson
AOB					
16:45	10.	Any Other Business			Co-Chairs

Future meetings:

10 October 2023

12 December 2023



LLEP Board of Directors

3pm, Tuesday, 13 June 2023

Face to face: City Hall, Leicester

Organiser: Sharif Chowdhury

Co-Chair: Anil Majithia (AM)

Directors present: Emma Anderson (EA), Sonia Baigent (SB), Peter Bedford (PB), Chas Bishop (CB), Lorraine Boorman (LB), Cllr Adam Clarke (AC), Verity Hancock (VH), Dr Gosia Khrais (GK), Neil McGhee (NM), Dr Nik Kotecha OBE (NK), Anne-Marie Hunt (AH), Cllr Terry Richardson (TR), Jo Tallack (JT).

In Attendance: Elizabeth Botmeh (EB), Phoebe Dawson (PD), Jo Dexter (JD), Amy Oliver (AO), Colin Sharpe (CS).

Apologies: Nishan Canagarajah (NC), Anne-Marie Hunt (AMH) Rani Mahal (RM), Andy Reed OBE (AR), Glynis Wright (GW).

Minutes Taken By: Elizabeth Botmeh

CC To: All

MINUTES

1.	<u>Welcome and Apologies</u>	
1.1	AM welcomed those present to the meeting and provided an overview of the structure of the day.	
1.2	AM welcomed PD to the LLEP as the new CEO, and the Board introduced themselves.	
1.3	AM stated that since the last Board meeting, we have lost two of the public sector directors, and that he wanted to thank Cllrs Jonathan	

<u>Minute</u>		<u>Action</u>
1.4	<p>Morgan and Danny Myers for their contribution to the Board during their tenure, and he wished them well for the future.</p> <p>AM noted apologies from AR, AMH, NC, GW and RM.</p>	
2.	<p><u>Declarations of Interest</u></p>	
2.1	<p>There were no new declarations of interest.</p>	
3.	<p><u>Minutes and Actions LLEP Board of Directors Meeting held on 19 April 2023</u></p> <p>3.1 The Board agreed to record the minutes of the previous meeting on the 19th of April 2023 as a true and accurate record.</p> <p>3.2 AM commented on the Action Items, 3.6 AM stated that since original decision was made to seek an independent consultant, significant changes had taken places, and it was now thought a consultant was not required.</p> <p>3.3 AM referred to Action 5, regarding the opportunities available to the Board members to diversify ways of delivering the Growth Hub service by engaging more with the private sector. PD commented that that the recently submitted funding application stated our intention was to involve the private sector in delivery, but we have yet to formalise any relationship.</p> <p>3.4 AM stated that regarding Action 7, the Future Funding Questionnaire, had been submitted and we were awaiting an update from DBT. JD stated that DBT were hoping to have completed their review by the end of the month. However, it was worth noting that there had been over 200 submissions from LEPs, Accountable Bodies and other interested parties.</p>	
4.	<p><u>CEO Update</u></p> <p>4.1 PD thanked the Board for their lovely comments regards her first weeks in the role.</p> <p>4.2 PD gave a summary update on work undertaken since joining the LLEP on the 1st May including meeting with stakeholders and undertaking 1-2-1s with all the team members.</p> <p>4.3 PD highlighted that during the Board away day, the Board had decided to cease operations in its current form, due to the planned withdrawal of core funding and the government commitment to integrating LEP</p>	

<u>Minute</u>		<u>Action</u>
	<p>functions into local democratic institutions. PD reiterated that since this decision was taken outside of the normal governance process the decision would now need to be ratified formally by the Board.</p>	
4.4	<p>PD explained that a transition group, comprising of Board members and officers, would be established to plan a smooth transition. A Terms of Reference for the Transition group would be brought before a future Board meeting for approval.</p>	
4.5	<p>There was a general consensus amongst the board members that the date has to be fixed for cessation of current LLEP Activities as there has to be clarity on when the Board Members role and obligations end and the decision is 31/03/2024. Beyond that Transition Group will need to agree ongoing governance processes.</p>	
4.6	<p>JD reiterated that whilst the DBT funding may end in March 2024, there is no reason why the Board could not carry on for a further 6 months utilising reserves. EA commented that the Board would need clarity on their legal responsibilities. Following discussions, the majority of the Board members agreed that we need to fix an end date given that as directors we have legal duties and therefore need to be clear that our roles as Directors will end on 31/03/2024.</p>	
4.7	<p>AM thanked EA for her support in identifying legal and contractual obligations of the Directors. Process to move this forward is that EA will work with PD and Accountable Bodies to create a Checklist of Directors obligations and then Accountable Body will work with Legal experts to mitigate those obligations by 31/03/2024. PD will allocate one of her Team members to monitor and facilitate timely progress. EA & GW be engaged to provide Board with independent assurance of progress on this legal stream.</p>	
4.8	<p>Action: AM to talk to GW with reference to working with EA in relation to Board responsibilities to and performing the required oversight and providing appropriate assurances to the board that the Legal stream work is progressing in the right direction and at appropriate speed.</p>	<p>AM</p>
4.9	<p>PD highlighted that once the Board had formally ratified their decision the members of the company would be formally notified, and a press release would be issued.</p>	
4.10	<p>Majority of the Board members agreed that PR is necessary to ensure that the board decision was in public domain, and felt that this was a</p>	<p>PD</p>

Minute		Action
4.11	<p>good opportunity to share a positive message of the LLEP and the achievements it has helped deliver.</p> <p>The PR should emphasise the decision made by the board of the LLEP and emphasise its commitment to leave LLEP legacy demonstrated by the recent appointment of new CEO.</p>	AM/PD
4.12	<p>Decision: The Board agreed to formally ratify their decision to cease the LLEP and the Board in their present form by 31 March 2024 and approved the establishment of a transition group chaired by the CEO.</p>	
4.13	<p>PD gave a summary overview of the highly successful Careers Hub covering the concerns that had been expressed in the past on the amount of match funding provided by the LLEP. PD explained that any reduction in local match funding would mean a similar reduction in funding for CEC.</p>	
4.14	<p>By signing the contract this does not mean the team is not part of any review, funding is pro rata and any future decisions on the LLEP will be taken in a fair and transparent way.</p>	
4.15	<p>PD explained that she has consulted with partners from both the City, County and District councils and they support the proposal for the Board to authorise the Accountable Body to sign the contract to deliver the CEC programme until 31 August 2024.</p>	
4.16	<p>PD reminded the Board that by signing the contract this would pre-commit the LLEP reserves until contract completion.</p>	
4.17	<p>Decision: The Board authorised the Accountable body to sign the CEC Contract for 23/24 academic year delivery.</p>	
4.18	<p>Since starting in post as the new CEO, PD has undertaken 1-2-1s with all of the team, the report presented highlighted the impact that the uncertainty over funding and the lack of clarity around the role, both individually, and as a team had generated a lack of morale within the team.</p>	
4.19	<p>PD reported that she has since found a renewed sense of optimism from within the team and the next phase was to set each individual's objectives via their respective managers, which will help shape the delivery plan and be reported back to the Board via the CEO update.</p>	
4.20	<p>PD stated with anticipated increase in work as we approach the transition, and the CEO review only just beginning, it is clear there is going to be a</p>	

<u>Minute</u>		<u>Action</u>
	requirement for greater flexibility across the organisation, and resources may well need to be repurposed as work increases.	
4.21	In addition, by extending staff contracts this does not in itself preclude activity changing and transferring ahead of 31 March 2024 as part of the transition process.	
4.22	Decision: The Board approved contract extensions for LLEP staff on fixed term and temporary contracts to 31 March 2024.	
4.23	Following on from recent budget reports presented to the Board, CS highlighted the need for the Board to formally approve the 2023/24 budget for rest of the financial year. AM stated that at the previous Board meeting, the Board had agreed to approve the 2023/24 budget up to June 2023. Board now needs to approve the budget for the rest of the financial year. Revised budget forecasted a deficit of £625k, on income of £2.3m and Board was asked to approve the budget.	
4.24	Notable differences since the last forecast at the previous Board meeting is the lack of local match. This is no longer a requirement by DBT to enable the drawdown of the Core funding. CS confirmed that local authorities were not prepared to offer match funding based on reserves and the forthcoming transitions process.	
4.25	CS confirmed that the deficit could be accommodated from within the reserves as will be highlight in outrun report of 2022/2023 (Section 5).	
4.26	NK queried whether the reserves were truly un-ringfenced, CS confirmed this and stated that there was at least £2m after allowing for the CEC contract to August 2024 and that this could be utilised to keep activities going within the transition period and beyond, as well as meet any transition costs	
4.27	AM and other board members expressed concern at approving £625k deficit in an annual income of £2.3m However, Board recognised that PD needs time to work through with partners the activities and staffing going forward. Board strongly urged PD to continue her focus on mitigating the deficit size.	
4.28	PD commented that there was currently a recruitment freeze, and whilst she was undertaking a review of LLEP activities she would not be rushed into a restructure until this activity had completed.	PD
4.29	It was noted that another local authority had approached PD to enquire about a possible staff secondment for up to 2 years.	

Minute		Action
4.30	<p>Decision: The Board approved the full year 2023/24 budget that has an indicative operating deficit of £625k in 2023/24.</p>	
5.	<p>Operational Budget 2022/23 -Outturn</p>	
5.1	<p>CS presented the final operating outturn position for 2022/23, this is largely in line with what had been presented to the Board previously.</p>	
5.2	<p>Notable variances include income from GPF loans, not previously budgeted for and increased interest generated on LLEP funds. In addition to the successful application to the Create Growth Programme ran by DCMS.</p>	
5.3	<p>A query was raised with regards to the remaining GPF funds of £10m, and what should happen in the event of the LLEP Ltd being put into liquidation.</p>	
5.4	<p>NK clarified that as the funds have now been used for their original purpose (having been a Government grant to the AB) and recycled, they could now be used free of the original restrictions (although recognising the AB now holds the funds as capital receipts, from the repayment of the earlier loans). The Board concluded that the monies (£10m) were held by the accountable body but controlled by the LLEP. CS and AO were in agreement with that conclusion. However, it was noted that there could be some dictate from Government in term of these funds, so the Board needs to be mindful of that. Board members expressed its strong desire to ensure that these monies are used to continue to deliver business support and critical LLEP activities beyond 31/3/2024. Any proposals for grants from this fund would follow the standard process of initialling reviewed by the Investment Panel and come to the Board subject to Investment Panel recommendations to the Board.</p>	
5.5	<p>At the February Board meeting, the Board approved in principle utilising the funds to develop a hybrid grant / loan programme aimed at Improving Productivity, EB stated she was now working on a scheme delivery plan for utilising the GPF, and this would be presented to the Investment Panel before signing off by the Board. NM & CB had made representations to EB to feed into the scheme.</p>	
5.6	<p>AO stated that the Board need to be mindful when approving GPF spend that would go beyond the lifetime of the LLEP, as this would be tying the AB into contractual obligations.</p>	

Minute		Action
5.7	Board also agreed that the previously agreed ring fenced amount of £2m from the GPF £10m as contingency to cover the operational budget is no longer necessary given, we already have £2m in reserves, therefore the full £10m is available to LLEP for consideration of grants and loans for support of businesses in the LLEP region.	
5.8	It was suggested that the transition group should look at this in parallel with the Board.	
5.9	A query was raised as to what would happen in the event of the Board not spending the remaining GPF funds. In line with the Articles of Association LLEB board could decide to transfer to another body with objects similar to those of the LLEP. The LLEP Board and AB would however need to be mindful of any guidance issued by the Government and of the obligations on the AB regards the proper use of public funds	
5.10	CS suggested that some of the fund could be utilised for a legacy organisation to take on LLEP staff, in the event that funds remained should the board agree to that.	
6.	LLEP Ltd Company Accounts	
6.1	Paper D was presented which seeks the Board approval of the Leicester and Leicestershire Partnership Ltd Company accounts for 2022/23 and the submission to companies house.	
6.2	Decision: The Board AGREED for the LLEP to submit the Company accounts for 2022/23to companies house and present to company members at the Annual General Meeting.	
6.3	There's was discussion around dissolution of the dormant company, and it was agreed this will be considered as part of the legal stream.	
7.	Any other business	
7.1	NK stated that Innovation Festival raised £32k and the innovation board has recommended that to continue to capitalise on this year's success, we should engage Geoff Rowe at the potential cost of £3k- £5k. The festival date for 2024 is 5 th Feb -16h Feb 2024. There was also an agreement from Innovation Board for approval of £1.5k-£2k to update of the website, NK requested, LLEP board approval for these spends.	
7.2	Decision: Board members acknowledged the success of the Innovation Board under leadership of NK and:	

<u>Minute</u>		<u>Action</u>
	<ul style="list-style-type: none">• Approved Commissioning of Geoff Rowe, formerly of Leicester Comedy Festival, to develop a commercialisation plan for the Innovation Festival. At potential costs of £3k-£5K and update of website at cost of £1.5-£2k• Noted the date of the festival as Monday 5 February through to Friday 16 February 2024 and the date of the Innovation Awards as Thursday 15 February 2024• NK Agreed on behalf of the LLEP, to invite a minister to deliver the keynote speech.	

DRAFT



LLEP Transition Board Terms of Reference

1. Purpose

The LLEP Transition Board role is to support and provide advice to the LLEP Board, CEO and partners to:

- (i) Identify and agree LLEP functions for transition that maximise outcomes for Leicester and Leicestershire.
- (ii) Ensure an orderly transition to locally democratically led authorities, or an orderly ending.
- (iii) Ensure that actions through to the end of March 2024 are compatible with an orderly transition.
- (iv) Take such decisions as may be delegated by LLEP Board from time to time.

In so doing, the Board will have regard to any guidance issued by HM Government.

2. Objectives

- (i) To provide advice to the LLEP Board on the strategic direction and scrutiny of current LLEP activity, including consideration of funding and current contractual obligations.
- (ii) Identify key LLEP functions for transition and ensure the Board is aware of the requirements to allow adequate allocation of resources to support the transition.
- (iii) Identify any functions that are to come to an end and provide advice to the Board on how this can be achieved in an orderly manner.
- (iv) To oversee the development and delivery of the Transition Delivery Plan – aligned to current Local Assurance Framework and any national guidance and direction that may become available.
- (v) Provide the Board with advice to ensure that necessary consideration is given to the transition of LLEP assets and investments, including Enterprise Zones, LLEP Reserves and Growing Places Fund.
- (vi) Ensure that the interests of LLEP staff are properly considered and represented, and to work with the accountable body as employer to ensure the relevant obligations are met.





- (vii) Develop arrangements for the continuation of effective business engagement, enabling a strategic business voice with the councils and other key stakeholders.
- (viii) To ensure that LLEP Ltd (a company limited by guarantee) and its directors continue to discharge their legal responsibilities and meet the company’s aims and objectives, in advance of transition. Support the LLEP Board to understand any personal liabilities that may arise and mitigation of associated risk.
- (ix) Make recommendations to the LLEP Board, councils and other stakeholders in relation to the above.
- (x) Take such decisions as may be delegated by the LLEP Board.

3. Membership

3.1 The LLEP Transition Board shall consist as a minimum of the following members:

Category	Organisation
LLEP Executive	LLEP CEO (Chair of LLEP Transition)
LLEP Chair	Andy Reed
LLEP Board member /Business representative	Sonia Baigent
LLEP Board member / Business representative	Chas Bishop
LLEP Board member / EZ Rep	Gosia Malgorzata
University /HE	(TBC)
Local Authority senior officer	Leicester City Council
Local Authority senior officer	Leicestershire County Council
Local Authority senior officer	A district council, representing the districts

- (i) All members will initially serve for a period of one year.
- (ii) The Board may extend the membership or invite other directors and officers for specific items.
- (iii) Membership may flex to ensure that it reflects the requirements for the development and delivery of the transition plan.
- (iv) The Chair of the Board will be the LLEP CEO.
- (v) Deputies may occasionally attend meetings if members are unable to attend. This will be subject to agreement of the Chair.
- (vi) The Chair will present reports to the LLEP Board on its proceedings and on all matters relating to its duties and responsibilities.





- (vii) The quorum shall be a LLEP Co-chair, two non-public sector Board members and two local authority senior officers.
- (viii) All members have equal voting rights.
- (ix) The Accountable Body will be represented by an officer who will attend the meeting but will not have voting / decision making rights.

3.2 Role of LLEP Transition Board Members:

- (i) Understand and work with other Board members and partners to ensure that the Objectives are achieved in a timely and effective manner.
- (ii) Act as a bridge between the Transition Board and their respective organisations (LLEP Board, Local Authority or other entity), to ensure timely approval and orderly transition where necessary.
- (iii) Keep the Terms of Reference under review and recommend any changes to the LLEP Board.
- (iv) Provide progress reports to the LLEP Board and refer any significant issues to the LLEP Board for consideration and resolution.

3.3 In carrying out these expectations, Board members will:

- (i) Make recommendations to the LLEP Board, councils and any other stakeholders regarding the allocation of resources and the approval of funding proposals. The Board should aim to reach a unanimous view on such recommendations.
- (ii) Consider any other business matters which are specifically referred to the Board by the the LLEP Board and Executive or any other relevant body.
- (iii) Take any decisions as delegated by LLEP Board

4. Format and Timings of Meetings

- 4.1 The LLEP Transition Board will meet monthly.
- 4.2 The secretariat will be provided by the LLEP executive team.
- 4.3 The meetings and papers will be in the same format as the LLEP Board meetings and papers. Due to the predominantly confidential and sensitive content, they will not be published or made available to a wider audience.
- 4.4 In accordance with standard practice:





- (i) Meeting agendas and papers will be sent 3 clear working days before the meeting takes place.
- (ii) Minutes of the previous meeting will be circulated prior to the next meeting and agreed as a true and accurate record at the meeting.
- (iii) Any declarations of interest made at the meeting will be included in the minutes of the meeting. Members will be expected to consider their participation in respect of specific items where a clear conflict of interest could arise.

5. Reporting Responsibilities

- 5.1 The Board shall make whatever recommendations to the LLEP Board, councils and other stakeholders it deems appropriate on any area within its remit and subject to compliance with any relevant polices, regulations, guidance, etc.
- 5.2 To support a smooth transition, both Boards should seek to agree and sign-off decisions. This may on occasions require further discussion.





LLEP BOARD OF DIRECTORS

8 August 2023

Decision Paper

ANNUAL GENERAL MEETING

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- i. Highlight the requirements of the Annual General Meeting (AGM); and
- ii. Agree the Confirmation date of 10 October 2023.

2. EXECUTIVE SUMMARY

2.1 The LLEP Board, incorporated as a private company in 2019, is obliged to hold an AGM annually within the LLEP area. The AGM is intended to update members on the company's status, vote on resolutions, and renew the terms of office for specific private sector board members, such as Anne-Marie Hunt, Ajmer Kaur Mahal, and Sonia Baigent. The Board is advised to acknowledge the report's contents and finalise the AGM date.

3. RECOMMENDATION

3.1 The LLEP Board is recommended to:

- i. Note the contents of the report; and
- ii. Agree the date for the AGM.

4. BACKGROUND INFORMATION

4.1 Following the Strengthening LEPs policy paper and the recommendation that all LEPs become incorporated, the Board members of Leicester and Leicestershire Enterprise Partnership incorporated as a private company limited by guarantee without share capital on 8th of April 2019.

- 4.2 In line with our Articles of Association and Companies Act 2006 we are required to hold an Annual General Meeting (AGM). The purpose of the AGM is for the directors to update the members on the status of the company and vote on any resolutions.
- 4.3 The AGM must be held once every calendar year and be located within the LLEP area.
- 4.4 Members of the company must be given 14 days' notice and the meeting must be open to the public, administratively organising the meeting can take several weeks.
- 4.5 The Members of LLEP Ltd comprise of
- 12 Private Sector Members
 - 6 Education Sector Members
 - 9 Local authorities Sector Members
 - 4 Business Organisations
- 4.6 The members responsibilities include changing the Articles of Association and the recruitment of Board Directors, in addition to receiving and annual report.
- 4.7 In line with the Articles of Association, Board Directors terms of office are only held for three years, unless re appointed by the members, directors step down at the AGM, following their three-year anniversary.
- 4.8 At the 2023 AGM three private sector board members terms of office will require renewing.
- Anne-Marie Hunt
 - Ajmer Kaur Mahal
 - Sonia Baigent
- 4.9 It is anticipated that the AGM, would be held before the Board meeting on the 10th of October and cover company law and national assurance framework requirements only.
- Directors Report Update (annual report)
 - Company accounts
 - Election of directors

For further information please contact:

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