

NB: In line with our Local Assurance Framework (LAF) these minutes are published as a draft record until formal ratification at the subsequent meeting.



LLEP INVESTMENT PANEL

Minutes of the Meeting

3 June 2021

Attendance and Apologies:

Members		Representing	
Andy Reed OBE	AR	LLEP Board of Directors	Chair
Emma Anderson	EA	LLEP Board of Directors	
Dr Nik Kotecha	NK	LLEP Board of Directors	
Ajmer Kaur Mahal	AKM	LLEP Board of Directors	
Neil McGhee	NM	LLEP Board of Directors	
Cllr Terry Richardson	TR	LLEP Board of Directors	
Officers			
Fiona Baker	FB	LLEP	
Sharif Chowdhury	SC	LLEP	
Cheryl Maguire	ChM	LLEP	
Cathy Martin	CM	LLEP	
Stuart McAvoy	SM	Leicester City Council – Accountable Body	
Mandip Rai	MR	LLEP Chief Executive	
Stewart Smith	SS	LLEP	
Advisors			
Josephine Dexter	JD	Cities and Local Growth Unit (CLGU)	
Applicants			
Andy MacDonald	AM	Horiba MIRA	

Minute		Action
<p>1.</p> <p>1.1</p> <p>1.2</p>	<p>Welcome and Apologies</p> <p>AR welcomed those present to the meeting.</p> <p>There were no Apologies for Absence.</p>	
<p>2.</p> <p>2.1</p>	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>Actions of Last Meetings</p> <p>The Minutes of the meeting held on 11 March 2021 were confirmed as a true and accurate record.</p> <p>MR reported that the Panel made the recommendation and presented draft Heads of Terms for the Broadnook development GPF loan to the LLEP board on the 22nd of April 2021.</p> <p>The applicant is working with the LLEP and the Accountable Body to finalise the Heads of Terms and complete due diligence.</p> <p>MR confirmed that the outstanding Action Points on the Broadnook development had been resolved prior to the board paper, including the two titles to the land which were included as part of the Heads of Terms.</p> <p>MR reported progress on the outstanding final Heads of Terms action point, where the technicalities surrounding loan and funding agreements are being finalised. The interest rate has been agreed at the minimum five percent.</p>	
<p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p> <p>4.4</p>	<p>MIRA EZ Infrastructure Phase One Project Business Case</p> <p>AR welcomed AM to the meeting to discuss the MIRA EZ Infrastructure Phase One Project Business Case.</p> <p>MR provided background to the MIRA Infrastructure project. It was noted that the Low Carbon Innovation Hub Project had already been approved by the Panel and the Board. The MIRA Infrastructure Project had scored 18/25 by Dow Schofield Watts in the Green Book Business Case appraisal.</p> <p>The recommendation in the report is for the Investment Panel to agree to recommend to the Board on 24th June, an allocation of £6.25m EZ rates for the Phase One Infrastructure Project.</p> <p>The agreement between the LLEP, AB and Hinckley and Bosworth is that there is a ten-year period which up to 85% of rates could be reinvested. The rates projections forecast repayment of the £6.25m within the ten-year period. MR added there is provision in the event that the rates are not sufficient to repay the</p>	

Minute**Action**

	loan that rates beyond the ten years will be used for the forward funding repayment.	
4.5	AM presented an overview of the project to the Panel with details of the development.	
4.6	AM clarified the gatehouse security is consolidated and operated by MIRA and is required to function for all elements of the site and has been assessed with the advice received.	
4.7	AM noted that the buildings would be as efficient as possible by using solar panels to generate renewable energy where possible and exploring further options within the budgets allocated.	
4.8	AM commented that the level of activity and interest from large national and international organisations to be located on the site presented Leicestershire with an opportunity to benefit from high value jobs.	
4.9	AM highlighted the importance and necessity to get the project underway as companies expect a pledge to a building with the enabling infrastructure in place.	
4.10	AM noted that the project will open up land initially for two buildings to accommodate up to six hundred people and future proof for possibilities of companies bringing in other departments or suppliers to utilise facilities.	
4.11	Hinckley and Bosworth are considering acting as the sole investors for the both projects, the Low Carbon Innovation Hub and Phase One Infrastructure project, reducing the complexity of multiple agreements.	
4.12	<p>The decision-making authority at companies within the MIRA site was queried. AM clarified that although they are large international organisations, there are structures in place with UK management team presence authorised to make decisions.</p> <p>Andy McDonald left the meeting at 15.45</p>	
4.13	ChM provided an update that since the papers have been issued, the subsidy advice has been received from MIRA for the Phase One Infrastructure project and the Low Carbon Innovation Hub.	
4.14	ChM also provided insight that companies onsite continue to show strong growth and commitment to locate at MIRA. The provision of larger facilities for these companies to grow into will be enabled by the infrastructure project, with one company in particular looking to grow to three hundred engineers and a further fifty support staff.	
4.15	AGREED to recommend to the LLEP Board the allocation of £6.25m EZ business rates for the MTP EZ Infrastructure Phase One project, subject to satisfactory	

<u>Minute</u>		<u>Action</u>
	review of the rates projects by the Accountable Body and confirmation of the Accountable Body's satisfaction of compliance with subsidy rules.	
5.	Digital Skills Business Case	
5.1	FB and SS presented to the Panel the Digital Skills Business Case and updates on the other repurposed GPF skills projects.	
5.2	FB reported progress on the NEET Prevention programme, which was approved by LLEP Board on the 5 th of December 2020, a procurement request for £100,000 was submitted to Leicester City Council in December 2020.	
5.3	It was updated that due to staffing issues in procurement, the project was unable to commence procurement until late April or early May. As a result, the programme is unlikely to be delivered until January 2022.	
5.4	The board invited investigation to other procurement options, to avoid delay in programme delivery which will impact on the overall effectiveness of the outputs.	FB/SS
5.5	The Kickstart SME Extension for £500,000 approved by LLEP Board on the 5 th of December 2020. Advised by procurement that preferred route would be a partnership agreement with Leicester City Council.	
5.6	It was updated that the MOU currently being signed off by legal with service delivery planned by July 2021.	
5.7	FB reported progress on the Digital Skills Partnership for which £90,000 was approved by the LLEP board on the 5 th December 2020.	
5.8	SS provided background on the Digital Skills Partnerships and confirmed that the Digital Skills Coordinator post has been advertised as secondment opportunity.	
5.9	Digital Poverty business case for £300,000 underpinned by Call for Evidence which concluded on 15 th April 2021.	
5.10	In response to a question on scope of the Digital Poverty funding, it was clarified that £300,000 is focussed around improving infrastructure in connectivity, skills development and devices.	
5.11	Examples were provided on the long-term benefits such as skills in job applications, one-off Wi-Fi boosters to improve connectivity in community projects to ensure a lasting impact.	
5.12	In response to a question regarding the framework on distributing the £300,000, FB confirmed measures will be embedded into the specification to ensure areas with high level Digital Poverty outside of the City are not being neglected.	FB/SS
5.13	MR added that this research and the pilot project would provide robust evidence for the need for future investment in digital for businesses and individuals to	

<u>Minute</u>		<u>Action</u>
5.14	<p>become more productive and innovative and that this features in the emerging Economic Recovery Strategy.</p> <p>AGREED to recommend to the LLEP Board the allocation of the repurposed GPF funding investment into skills interventions relating to digital poverty as outlined in the business case.</p>	
6.	<p>Local Growth Fund / Getting Building Fund Update</p> <p>6.2 CM reported that the Local Growth Fund hit targets to achieve full spend by end of year. The projects are proceeding as expected. However, some projects are not yet delivering their contracted outputs, but these will become apparent in future years and continue to be monitored.</p> <p>6.3 CM is awaiting guidance from government on monitoring, in the meantime quarterly or twice a year monitoring is taking place depending on the status of each project.</p> <p>6.4 CM reported on the Getting Building Fund update where the first quarter of claims had actual spend of £3.8m against the forecasted £3.5m. As the programmes have recently commenced there are no outputs to report.</p> <p>6.5 In response to a question on LGF outputs, CM clarified that there was some difficulty in assessing outputs due to original business cases being estimates and also obtaining updated figures as the project sponsors are different to the output providers. CM updated on monitoring processes and accountability with the stakeholders involved.</p> <p>6.6 The board noted the report as recommended.</p>	
7.	<p>AOB</p> <p>7.1 MR updated on a query around the £185k GPF allocated for Place Marketing.</p> <p>7.2 The project has been slightly delayed due to the sad passing of Mark Oakley who chaired the group. The board expressed their condolences.</p> <p>7.4 The meeting closed at 16.41pm.</p>	