

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

3pm, Thursday, 20 January 2022

MS Teams (Recorded)

Organiser: Sharif Chowdhury

Chair: Andy Reed OBE (AR)

Directors: Emma Anderson (EA), Neil McGhee (NM), Cllr Terry Richardson (TR)

In attendance: Elizabeth Botmeh (EM), Sharif Chowdhury (SC), Mike Dalzell (MD), Jackie Ledger (JL), Cheryl Maguire (CM), Mandip Rai (MR), Stuart McAvoy (SM), Andy Rose (ARo).

Apologies: Sonia Baigent (SB), Dr Nik Kotecha (NK), Ajmer Kaur Mahal (AKM), Sue Tilley (ST)

Minutes Taken By: Sharif Chowdhury

CC To: All

MINUTES

ITEM		ACTION
1. Welcome and Apologies		
1.1	AR welcomed those present to the meeting.	
1.2	Apologies were recorded from NK, SB and RM and ST	
2. Declarations of Interest		
2.1	There were no Declarations of Interest.	
3. Minutes of LLEP Investment Panel 18th November 2021		
3.1	The meeting minutes from the LLEP Investment Panel on the 18th of November 2021 was recorded as a true and accurate record.	
3.2	MR updated that Action Point 6.4 regarding the full financial report on the Haywoods financial report is part of item 8.	
4. Enterprise Zone - Waterside Site Investment		
4.1	MR provided background on the Waterside Site Investment where the Board agreed three projects outlined in Paper B, negotiations have been ongoing with Leicester City Council to forward fund the projects for £11.5m.	
4.2		

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4.3	MR outlined the intention to receive the Investment Panel's view on the interest rate payable for the funding and provide a recommendation to the LLEP Board.	
4.4	It was noted that the interest rate is consistent, based on the potential risks and rates projections of the projects highlighted in Paper B Appendix 2.	
4.5	CM highlighted that the main risk is due to the majority of the rates being generated outside of the council's control.	
4.6	A discussion was held between board members on whether the agreed interest rate should reflect the success or failure of the councils repayment history.	
4.7	MR clarified that the funding approach differs in this case from grant related projects such as the Getting Building Fund and the Leicester Bus Station as there is reliance on the private sector to enable infrastructure and provide investment.	
4.8	MR highlighted that there is realistically only two authorities to able to fund the £11.5m project, and within the agreement, the authorities have first options to invest into the project.	
4.9	TR provided the view that the rate of interest rate is appropriate based on the benefits the region receives including highway improvements.	
4.10	EA noted the importance of carefully detailing the reasons for the increased interest rates within a consistent approach, and avoid enabling special circumstances for each investment in future.	
	<p>The Investment Panel AGREED with the recommendation to:</p> <ul style="list-style-type: none"> i. note the negotiations of the Forward Funding Agreement MOU (FFA MOU) with LCC regarding three Leicester Waterside Enterprise Zone site projects: A50 - Vaughan Way to Five Ways, A6 - From Redhill to Blackbird Road and LCC Workspace Phase 3; and ii. consider the interest rate of 3.5% above the Public Works Loan Board rate being sought by LCC and agree to recommend to the LLEP Board an interest rate payable to LCC on the forward funding. 	
5.	Place Marketing Update	
5.1	MD updated on the Place Marketing project which initially started to enable promotional activities to improve the profile and progress has been impacted by covid delaying the launch of projects and the loss of key personnel including Mark Oakley.	
5.2	Successes include the Snooker events at Morningside Arena increasing tourism from the Midlands and featuring on the Visit Britain magazine for the first time.	

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5.3	The proposal seeks to extend the period of the project to March 2022 till the March 2023 with the savings on staffing costs to enable the project to go ahead.	March & Enterprise Leicestershire Partnership
5.4	MD highlighted the clear evidence of increased traffic benefitting football on websites through the project, translating to higher demand for services within the region.	
5.5	MD informed of intentions to continue with a second paid social campaign focussed on advancing the FitCation offer and to promote the Taste the Place initiative to improve the eating and drinking offers within the region.	
5.6	MD provided insight on plans to deliver a suite of digital material around the investment offer with 8 new videos including the key investment sectors by the end of 2022.	
5.7	It was noted that a key component will be the Equality of Life project managed by Jackie Ledger to improve the attraction and retention of talent within the region to help businesses.	
5.8	NM recommended a project to be conducted to investigate the reasons behind talent leaving the region.	
5.9	NM also noted the importance of making efforts to draw people into the city rather than student accommodations. MD reiterated conversations are being held including how the Santander building will be utilised.	
5.10	TR highlighted that two concerns including the absence of cycling as an activity and the Visit Leicester page being Leicester Centric without promotions for other areas within Leicestershire particularly in Food and Drink.	
5.11	MD clarified cycling will be included within the FitCation package and two-thirds of promotions are non-Leicester related showcasing on the counties wider offer.	
5.12	JL further added the team has had reduced capacity but will focus on working with all regions to increase the profile and provide announcements of key attractions.	
5.13	EA noted the importance of sustainability which should be a thread throughout the promotions.	
6.	Project Change Request - Place Marketing Accelerator	
6.1	CM informed the Investment Panel the 25k matched funding has been agreed with Leicester City Council. However, there are discussions on whether it will be a straight £25k match or from the Additional Restrictions Grant (ARG) given to councils to support in covid recovery.	

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<p>6.2</p> <p>6.3</p> <p>6.4</p>	<p>CM noted if the funds are from the ARG funds, this will be a separate MOU contract and reporting required with specific outputs relating to the sport elements.</p> <p>CM reiterated the method of funding will not have any impacts on the Investment Panel's decision, but rather for information as noted in Paper C.</p> <p>The Board AGREED with the recommendation to approve the PCR.</p>	<p>Leicester & Leicestershire Enterprise Partnership</p>
<p>7.</p> <p>7.1</p> <p>7.2</p> <p>7.3</p> <p>7.4</p> <p>7.5</p> <p>7.6</p> <p>7.7</p>	<p>Enterprise Zone - MIRA Additional Advanced Funding Request</p> <p>MR updated that a meeting between the LLEP, MIRA and HBBC is scheduled on Monday the 24th of January 2022 to update on the progress on the legal implications for the broader Forward Funding Agreement (FFA).</p> <p>CM updated the £100k funding for the additional funding request is from the actual rate receipts which is already held and not subject or reliant on the FFA funds. £100k has been provided for the project, with a proposed further £100k.</p> <p>CM noted that two points are outstanding regarding the FFA including the wording of the guarantee between HBBC and MIRA which has now been agreed.</p> <p>A second point was raised concerning the transfer of finances from HBBC to the LLEP, in whole or instalments and the time-periods involved. Developments have been made and are in a good position ahead of the FFA meeting on the 24th of January.</p> <p>It was also noted subsequent grant agreements between the LLEP and MIRA to port the money across which is close to be ready for sign-off.</p> <p>MR updated that the efforts are being made to promote the MIRA project by having with MP Luke Evans and Marcus Jones' respective offices to visit the site.</p> <p>The Investment Panel is recommended to:</p> <p>i. agree to additional advance funding of a further £100k from the historic Enterprise Zone rates receipts currently held by the LLEP for the Phase One Infrastructure Project.</p>	
<p>8.</p> <p>8.1</p> <p>8.2</p>	<p>Growing Places Fund</p> <p>ARo updated that a further proposal has been received from Haywoods since the 18th of November to repay the £213k with the exception of the £43k remaining debt.</p> <p>The Panel were informed the repayment is predicated on the sale of the remaining two plots at the Enterprise Village where legal terms have been agreed with sales</p>	

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<p>8.3</p> <p>8.4</p> <p>8.5</p> <p>8.6</p>	<p>expected within the next two weeks. The charge on the site will not be removed until the agreed repayment is received.</p> <p>It was noted that the Investment Panel chair emailed to propose that the panel recommend to the LLEP Board that recovery of the £43k debt would not be pursued via remedies to a loan agreement default, which would result on the 1st March 2022.</p> <p>ARo reported that overall the debt will be cleared by the default date of the 28th of February, with the remaining £43k meaning Haywoods will be technically in default of the loan agreement.</p> <p>ARo informed that a full detailed financial information will be required from Haywoods before proposing to the LLEP Board of Directors to write off the £43k to enable the Board to make an informed decision. A report is expected to be presented at the next Investment Panel meeting.</p> <p>It was informed that Haywoods are proposing to use £150k to complete the enterprise village. ARo also reiterated that in excess of £1m has been recovered from the initial £950k loan.</p>	
<p>9.</p> <p>9.1</p>	<p>AOB</p> <p>There was no other business.</p>	