

**NB: In line with our Local Assurance Framework (LAF) these minutes are published as a draft record until formal ratification at the next Members' Meeting**



**LLEP BOARD OF DIRECTORS**  
**Minutes of the Meeting – 2 June 2020**  
**(Microsoft Teams)**

**Attendance and Apologies:**

<b>Directors</b>		<b>Representing</b>	
Kevin Harris	<b>KH</b>	Private Sector	Chair
Andy Reed OBE	<b>AR</b>	Private Sector	Vice-Chair
Prof Robert Allison	<b>RA</b>	Universities	
Sonia Baigent	<b>SB</b>	Private Sector	
Chas Bishop	<b>CB</b>	Private Sector	
Verity Hancock	<b>VH</b>	Further Education	
Dr Nik Kotecha OBE	<b>NK</b>	Private Sector	
Ajmer Kaur Mahal	<b>AKM</b>	Private Sector	
Anil Majithia	<b>AM</b>	Private Sector	
Neil McGhee	<b>NM</b>	Private Sector	
Jaspal Singh Minhas	<b>JSM</b>	Private Sector	
Cllr Jonathan Morgan	<b>JM</b>	Leicestershire District Councils	
Cllr Terry Richardson	<b>TR</b>	Leicestershire District Councils	
Nick Rushton	<b>NR</b>	Leicestershire County Council	
Karen Smart	<b>KS</b>	Private Sector	
Sir Peter Soulsby	<b>PS</b>	Leicester City Council	
<b>In Attendance</b>			
Fiona Baker	<b>FB</b>	Leicester City Council	
Alison Greenhill	<b>AG</b>	Leicester City Council	
Iain Gillespie	<b>IG</b>	Universities	
Kevan Liles	<b>KL</b>	Voluntary Sector	
Helen Miller	<b>HM</b>	LLEP	
Tom Purnell	<b>TP</b>	Leicestershire County Council	
Mandip Rai	<b>MR</b>	LLEP Chief Executive	
Andy Rose	<b>ARo</b>	LLEP	
Colin Sharpe	<b>CS</b>	Leicester City Council – Accountable Body	
Andrew Smith	<b>AS</b>	Leicester City Council	
Peter Sutton	<b>PSu</b>	Cities and Local Growth Unit (CLGU)	
<b>Apologies</b>			
Emma Anderson	<b>EA</b>	Private Sector	
Anne-Marie Hunt	<b>AH</b>	Private Sector	

<b>Minute</b>		<b>Action</b>
<b>1.</b>	<b><u>Welcome and Apologies</u></b>	
1.1	KH welcomed all present to the meeting.	
1.2	Apologies for absence were noted as above.	
<b>2.</b>	<b><u>Declarations of Interest</u></b>	
2.1	CB declared an interest in Item 9 – As a project sponsor within the LGF programme.	
2.2	VH declared an interest in Item 9 – As a National Space Centre Trustee.	
<b>3.</b>	<b><u>Minutes and Actions – LLEP Board 4 February 2020</u></b>	
3.1	The minutes of the meeting held on 4 February 2020 were agreed as a correct record.	<b>All to note</b>
<b>4.</b>	<b><u>Operational Budget 2020/21</u></b>	
4.1	HM submitted a report, which provided the final budget position for 2019/20 and a reviewed Operational Budget for the forthcoming financial year 2020/21.	
4.2	Additional information on the granular level budget had been provided following a Directors briefing. It was noted that the end of year position showed no surplus, based on best accessible information, with some estimates due to unknown EZ business rates implications and LGF and other project decisions yet to be made.	
4.3	AGREED to note the end of year financial position for 2019/20 and approve the revised Operational Budget for 2020/21.	<b>All to note</b>
<b>5.</b>	<b><u>LLEP/Accountable Body Agreement</u></b>	
5.1	MR and AG submitted a report, which outlined the proposed Agreement and provided detail on the legal relationship with Leicester City Council for the provision of Accountable Body services.	
5.2	AGREED to note the roles and responsibilities of each party and progress the Accountable Body Agreement between the City Council and the LLEP.	<b>MR/AG All to note</b>
<b>6.</b>	<b><u>Enterprise Zones</u></b>	
6.1	MR submitted a report, which provided information on the response to the outstanding matters on the appraisal of project business cases seeking Enterprise Zone Business Rates investment. Detail had been further updated in a separate email to Directors.	
6.2	The report also provided a progress update on the EZ steering groups and matters arising, an update on the status of the Business Rates Legal Agreements and reaffirmed the next steps of the process.	
6.3	It was noted that the EZ Steering Groups had continued to meet to revisit and review priorities of individual EZs and it was intended to bring further details on EOIs and Business cases to the 7 July 2020 meeting.	

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6.4	A comment was accepted that on P2 of the submission the language should be amended and improved to encourage 'entry level jobs' to replace the existing definition of those roles.	
6.5	Concern was expressed at the ongoing negotiations with the Local Authorities, now over a number of years, and reputational damage to the LLEP. In response the legal implications and current progress with the authorities was reported and noted. The level of frustration was however recognised and accepted. The need for EZs to offer opportunities particularly post Covid-19 was also highlighted.	
6.6.	It was noted that significant progress was expected, but that revisions to the position of the billing authorities in respect of their retention of business rates was clarified.	
6.7	It was suggested that the 7 July 2020 meeting be identified as the meeting to finally resolve the issue. It was noted that a (virtual) meeting between parties had been deferred but re-convened for 11 June 2020 and the Board's position would be emphasised at that meeting. Each party would be urged to come to an agreement at that 11 June meeting. Previous contact with Civil Servants intended to progress the issue was clarified. It had been acknowledged that the matter was for local agreement.	
6.8	It was suggested that subject to all parties accepting, the invite to 11 June 2020 meeting between all the interested partners be extended to include the LLEP Chair and partners with specific interest.	
6.9	<p>AGREED to:</p> <ol style="list-style-type: none"> <li>1. approve the recommendation to progress the EOI for Charnwood Campus to full Business Case;</li> <li>2. note the work regarding the phasing of the LUSEP EZ investment;</li> <li>3. note the position regarding the Business Rates Legal Agreements;</li> <li>4. note the next steps of the process.</li> <li>5. Extend the invitation of the meeting between billing authorities LLEP and accountable body on 11<sup>th</sup> June to Kevin Harris, Cllr Jonathan Morgan and Cllr Stuart Bray.</li> </ol>	<b>MR</b>
<b>7.</b>	<b><u>Governance Review</u></b>	
7.1	MR submitted a report, which provided an update on progress of the LLEP governance review and sought comments on the proposed changes to the governance structure. Details of previous discussions with the Chair of the Programme Board, other Directors and the Executive were noted.	
7.2	The composition of the Investment Board as proposed to supersede the Programme Board required some careful consideration in respect of the Terms of Reference and the Board's relationship with that sub-group in finally approving investment decisions. It was commented that there was a need to avoid duplication of responsibilities and authority. The selection process would be developed to ensure appropriate levels of membership and the roles and relationship of the Business Gateway Panel and the Skills Advisory Panel also required greater clarity.	
7.3	The importance of the review was emphasised and that implementation of the new structure would be accelerated following an update to the next meeting.	

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7.4	It was suggested and accepted that a timeline to demonstrate the likely implementation of the review proposals was needed. An update would be submitted to the 7 July 2020 meeting.	
7.5	AGREED: That Draft Terms of Reference and processes for membership be brought to the next meeting on 7 July 2020.	MR/KH
8.	<p><b><u>Growing Places Fund</u></b></p> <p><i>It was noted that the paper for this item had been marked <b>NOT FOR PUBLICATION</b> by virtue of paragraph 3 as defined at Annex 7 of the Local Assurance Framework</i></p> <p>8.1 ARo submitted a report, which referred to status of projects, the pipeline position and information regarding the potential repurposing of GPF to support economic recovery.</p> <p>8.2 Concern was expressed at the suggested recommendation to extend the time for a further three months, although it was accepted that progress had not been reported correctly previously, as the LLEPs understanding of the progress had been misinformed and therefore misjudged.</p> <p>8.3 Given the ongoing uncertainties and obstructions, options on a way forward were discussed. Comment was made on the previous extensions allowed with no significant progress. The effect of Covid-19 on the marketing of plots was expressed as a contributor to the current situation.</p> <p>8.4 The updated position regarding Norton Motorcycles and Donington Hall Estates was noted together with the Gresham / Fenwick redevelopment.</p> <p>8.5 Applicants for potential GPF support who had submitted an expression of interest would be invited to complete a detailed business case.</p> <p>8.6 It was requested that the positive position in respect of the standard of current projects in the pipeline to be recorded.</p> <p>8.7 AGREED to:</p> <ol style="list-style-type: none"> <li>1. accept the payment from Haywood Estates of £250k for current sale;</li> <li>2. extend the deadline for full payment by Haywood Estates to 16th September 2020;</li> <li>3. invite applicants for potential GPF support who had submitted an expression of interest to complete a full business case;</li> <li>4. approve in principle potential option for repurposing some GPF on completion of gap analysis in Economic Recovery Plan and full business cases developed and appraised;</li> <li>5. provide options in the event that Haywood's do not meet the obligation of full payment by September.</li> </ol>	MR/AG
9.	<p><b><u>LGF Programme</u></b></p> <p>9.1 MR submitted a report, which provided information on the updated position of the Local Growth Fund (LGF) for 2019/2020 and the profile for 2020/2021.</p>	

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9.2	Information was also included on the approval of Project Change Requests for Leicester Strategic Flood Risk Management Strategy and the Leicester North West Major Transport Scheme which had been recently approved by Programme Board, by way of written procedures. Clarity on that delegated process was provided together with an explanation of the apparent difference between the total funds and defrayal to projects. The letter from CLGU on potential retargeting of the fund was highlighted.	
9.3	<p>AGREED to:</p> <ol style="list-style-type: none"> <li>1. note the position of the LGF programme for 2019/2020 and 2020/21;</li> <li>2. note the submission to the Programme Board in relation to the Project Change Request to the Leicester North West Major Transport Scheme and the Leicester Strategic Flood Risk Management Strategy</li> </ol>	
<b>10.</b>	<b><u>Covid-19 Economic Recovery Plan (ERP)</u></b>	
10.1	FB submitted a report, which provided an update on the development of the Leicester and Leicestershire Economic Recovery Strategy and associated evidence base in response to the COVID-19 pandemic and ensuing economic crisis. It was suggested that the presentation slides be shared with Directors and interested partners.	
10.2	Initiatives to share the information gathered more widely would also be considered, as the LLEP seen as a trusted source, with examples of best practice where possible	
10.3	<p>AGREED:</p> <ol style="list-style-type: none"> <li>1. that the LLEP Board Sub-Group provide oversight for the development of the recovery plan;</li> <li>2. that the presentation slides be shared with Directors and interested partners.</li> </ol>	<b>FB</b>
<b>11.</b>	<b><u>National Policy Update</u></b>	
11.1	PSu provided an update, including implications of furloughed staff Government / employers contributions and work to support those businesses that had not been eligible for funding initially. Concern with seemingly low support to SMEs, particularly smaller limited companies was raised and would be reported back at BEIS. It was recognised that issues had changed considerably in a short time period and LLEPs were being regularly updated. Issues were also being considered on the reopening of the Town Centres/High Streets initiatives.	<b>PSu</b>
11.2	AGREED that the update be noted	
<b>12.</b>	<b><u>Any Other Business</u></b>	
12.1	<p><u>Economic Recovery</u></p> <p>It was suggested that a Fast fund for funding be set up in response to some of the fast data and that the LLEP economic intelligence be shared with the press and considered as the go to place for Economic intelligence on the recovery.</p>	
12.3	AGREED that the LLEP Chair discuss with LLEP team how the media is utilised to promote the work on recovery planning.	<b>MR/KH</b>