

**EXECUTIVE BOARD**

**LEP Company Executive Board Meeting**

**Drawing Room, County Buildings**

**Thursday 20 June 2019**

**DRAFT Confidential Minute**

**Board Directors**

Alun Rogers (Vice Chair) – Chair of Meeting risual

Mohammed Ahmed Homeserve

James Leavesley Leavesley Group

**Advisory/Secretariat**

Jacqui Casey Stoke-on-Trent & Staffordshire LEP

Simon Ablewhite LEP Accountable Body

**In Attendance**

Cllr Abi Brown Leader, Stoke-on-Trent City Council

Phil Cresswell Director of Place, Stoke City Council

Prof Trevor McMillan Vice Chancellor, Keele University

David Sidaway City Director, Stoke-on-Trent City Council

Cllr Mark Winnington Cabinet Member, Economic Growth, Staffordshire County Council

Andrea Whitworth Assistant Director, BEIS WM

Steve Vitta Principal Project Manager, Stoke City Council

**Apologies**

Cllr Philip Atkins Leader, Staffordshire County Council

Prof Liz Barnes Vice Chancellor & Chief Executive, Staffordshire University

Wendy Dean Strategi Solutions

Paul Farmer Wade Ceramics

Cllr Patrick Farrington Leader, Stafford Borough Council

David Frost (Chairman)

**1. Introductions**

 The Chairman welcomed everyone to the meeting. Attendees recorded their best wishes for the speedy recovery of David Frost. The Vice Chair provided assurances that it would be ‘business as usual’ and support was offered by Directors and attendees.

**2. Apologies**

These were noted.

**3. Declarations of Interest**

Trevor McMillan declared an interest in Item 10i Keele University IC7. James Leavesley declared an interest in Item 10ii Blythe Park.

**4. Local Industrial Strategy: Consideration of Evidence Base & Engagement Plan**

 AR advised the Board that the evidence base deck of 155 slides had been presented by Metro Dynamics at the 12 June LIS Steering Group. Officers of the Local Authority and University partners were now working through this data to sense-check the detail. AR presented the key highlights of the work to the group and various aspects were discussed, including:

* TMcM sought assurance that fresh-eyes and ideas from external parties were being sought – AR noted offer of involvement made by Henry Overman and others to brainstorm with us.
* MW emphasised ensuring we don’t chase jobs but better quality employment using agri-tech example on industry transformation and exploring solutions in other areas including overseas – AR agreed but noted difficulties of finding comparative overseas data
* DS considered approach was encouraging but some SoT data looks out of date. SoT bucking the trend in some areas and need to ensure we bring this out in providing clear story
* AW reminded all that government is interested in productivity, wants to see LIS looking over the hedge and LEPs working collaboratively on solutions – comparison exercise undertaken by Sam Hicks was noted which would be refreshed as LISs under preparation by other LEPs were further developed
* MA queried how more people might be attracted into area – variety of opportunities were discussed. It was noted that private sector partners will provide ideas but reality is that LEP public sector partners will drive key areas of delivery. Agreed that this work must be rooted in a place-based approach if it is to be successful.

It was noted that the work appeared to provide a credible evidence base with which to commence engagement with businesses and partners.

Details of the initial business engagement workshops were shared. These covered: Auto/Aero Manufacturing; Advanced Materials; Logistics; Energy; Rural & Agri-Food; Digital; Medi-Tech; and Professional & Business Services. A facilitated Universities meeting had been held on 17 June and dates were in place for facilitated sessions with the Leaders, Directors and CEOs of the Local Authorities on 10 and 11 July. Support was requested in publicising the sessions and in providing key business contacts.

**AGREED** that:

* A copy of the invitation would be forwarded to Board Directors for sharing with their contacts.
* Details of the target contact businesses would be shared with partners in order to gain assistance in identifying target individuals.

**5.** **Etruria Valley Update: Consideration of Deliverability within the Funding Programme Timescale**

PC and SV provided the Board with an overview of the project which is complex, involving the development of a central roundabout and 2km dual carriageway which would cross the West Coast Mainline, an existing busy trunk road, Fowlea Brook and the Trent & Mersey Canal and incorporating upgrades to existing connecting roundabouts for the A500 and A527. The project had been escalated to Board by the Programme Assurance Group based on continued slippage of the business case submission to DfT. DfT funding would match LEP Growth Deal and confirmed Stoke on Trent Council funds in delivering the scheme. PC confirmed that slippage had occurred because of the holding responses from consultees in relation to the planning consent required for development which were material, inclusive of: additional ecology work (badgers) and Highways England concerns relative to their assets and responsibilities to the A500. These matters were now resolved.

PC assured the Board that the capital allocation will be delivered on time. Robust risk management was in place, including steps relating to:

* The ‘open book’ basis of the procurement with Balfour Beatty, a rail competent contractor, including firm detail, fixed price in the contracts programme. Target Price back on 3 August.
* Draft Heads of Terms in place with 3 of the 4 land owners, with no compulsory purchase requirement.
* Detailed programme of coordination of delivery activity is under development, with out-of-hours working featuring heavily, in view of the busy nature of the major transport routes being crossed
* DfT business case submission by 28 September 2019, with continuous ongoing liaison with DfT in development of the business cases, 3 of the 5 cases having already been completed to DfT satisfaction. Economic & Financial business case completion is outstanding as requires the Balfour pricing detail.

**AGREED** that the Project Promoter will:

* Provide regular progress updates to LEP Secretariat including: SoT confirmation of case submission to DfT; feedback from DfT on outstanding business case matters, as this emerges and any issues arising.
* Bring a Scheme update back to November 2019 Board meeting for consideration.

**6. Notes of the previous meetings and matters arising**

The minutes were agreed to be a true and fair record of the meeting subject to correction of the final sentence under Item 6 which should read “Staffordshire and Keele Universities had offered to **second** 2 members of their staff on a part time basis.

Matters arising: The Delivery Plan had been re-drafted and would now be recirculate to the Board.

**7. Chairman’s delegated decisions and actions**

AR noted that Sarah Montgomery has tendered her resignation from the Board, with immediate effect, having retired as CEO from the National Memorial Arboretum.

The Chairs of the GBSLEP and SSLEP had been invited to meet with Jake Berry on 25 June regarding a geographies update. AR would be attending on behalf of the Chair.

Resolution of the geographies issue has held up progressing the search for and appointment of new Board Members from the private sector and confirmation of District Council Directors and alternates. Board members are busy and there will be occasional absences. The Board was struggling at present to be quorate at meetings due to too many vacancies. It was proposed that the quorate number be reduced from 9 to 6 for a temporary period.

At the post-election meeting which the Chair and Vice Chair held with District Council partners, a fourth District Council Board place had been offered. It was proposed that the articles of associated should be amended to make this change.

Leaders and CEOs met on 13 June and a discussion had taken place on how Directors and Alternates might group in order to ensure a geographic balance in representation. it was noted that some ‘pairings’ had been agreed among Districts that might enable some District partners to be brought on to the Board immediately, subject to the required change to the articles e.g. Stafford Borough Council and South Staffordshire District Council and Newcastle under Lyme Borough Council and Staffordshire Moorlands District Council. It was proposed that an approach be made to these authorities to explore the opportunity to bring District partners on to the Board.

**DECISION:** Board Directors agreed that:

* The articles should be amended to reflect an increase from 3 to 4 District Council Board places.
* The temporary reduction in the quorate number should NOT be pursued.
* Recruitment of new Board Members, focussing on private sector members should begin immediately
* Opportunity to confirm some District Council partners ahead of geographies outcome should be explored

AR updated the Board Members on the critical resource deficit in the LEP secretariat team. Following a subgroup meeting on 14 May to discuss a draft team structure, further work had been undertaken on a paper to include the identified funding gap for the required identified resource. Individual discussions were now taking place with funding partners, with discussions having been held with SCC, SoT and Keele University partners so far and plans to speak with Staffordshire University were being pursued. DS noted that the current situation was detrimental to the partnership. Current resource was insufficient to meet government requirements in operating the LEP and represented a significant risk to future investment within the area. DS pledged to offer two full time seconded staff. TMcM noted that a three year resource commitment was needed from partners. AR advised the Board that, in his view, the proposed resource was still fairly modest. The finalised paper would be brought to the 18 July Board meeting.

**8. City & Growth Deal Programme**

The Board noted the content of the report and considered the two business cases brought forward for decision.

**DECISION:** Board Directors agreed the recommendations of the Strategic Programme Management Group in approving funding for the following schemes:

* Stoke Flood Alleviation Scheme £1.4m
* Cannock & Tamworth Enterprise Centre £0.26m

**9. Finance Update**

i. MA updated Directors on progress on the financial dashboard, which would be available for the next meeting, and the outputs dashboard which was also progressing albeit more slowly. Officers were undertaking work with project promoters to populate the dashboard.

ii. The Board noted the content of the Risk Register.

iii. The Board **endorsed** the Annual Accounts 2018/19.

iv. The Board considered the proposed Scheme of Delegation which was part of the agreed LEP Improvement Plan

**10. Growing Places Fund**

 TMcM left the room during consideration of Keele Uni IC7 application. JL left the room during consideration of Blythe Park application.

**DECISION:** Board Directors agreed that:

* Keele University IC7 loan be approved on revised Terms and Conditions, subject to a default interest rate of 8% over the base rate
* Blythe Park loan be approved on revised Terms & Conditions, subject to removal of reference to dividend
* Canalside Farm loan be approved on revised Terms & Conditions, as set out in the report.

**11. Skills Advisory Panel**

This item was deferred to the 18 July meeting.

**12. Any Other Business**MEIF Progress Report be brought to July Board meeting & reported Quarterly thereafter.

**Date and time of next meeting:**

 Thursday 18 July 2019

 6pm-8pm

 Drawing Room, Judges’ Chambers, County Buildings, Stafford