

Monday 1st February 2021

14:00 – 15:00

MS Teams Meeting with Dial In Option

AGENDA

Open Meeting			
Item	Subject	Lead	Report Status/Timing
1	Introductions & Apologies	James Leavesley / Sinead Butters	10 mins
2	Declarations of Interest		
3	Notes of the previous meeting and any matters arising		
			10 mins
Delivery			
4	Getting Building Fund Contingency Projects – approach to prioritisation	Secretariat c/o Mark Parkinson & Hatch	Information 15 mins
5	Getting Building Fund MHCLG Request for Change process	Secretariat c/o Mark Parkinson	Information 5 mins
6	Local Growth Fund policy update: i City East Link Road, Stoke-on-Trent ii i54 Western Extension, South Staffordshire	Secretariat c/o Simon Ablewhite	Information/Discussion 10 mins
7	CDGD Risk Register i City Deal, Growth Deal ii Progress of Getting Building Fund to contract stage	Secretariat c/o Mark Parkinson	Information 5 mins
			35 mins
Governance & Finance			
8	Issues and actions to escalate to LEP Executive Board	All	Discussion 5 mins
9	Commercially Confidential Items Update on a project	-	Information/Discussion 5 mins
10	Forward Plan	All	5 mins
			15 mins
11	Any Other Business	James Leavesley / Sinead Butters	5 mins
12	Next scheduled SPMG Meeting: Monday 1 st March 2021, 14:00 – 15:00		

SPMG Membership		
Voting Members	Private/Public Sector	Confirmed Attendance
Caroline Brown (Exec Board Private Sector Director)	Private	Apologies rec.
Sinead Butters (Vice-Chair)	Private	✓
James Leavesley (Chair)	Private	✓
Tony McGovern (CCDC)	Public	✓
Alun Rogers (LEP Executive Board Chair)	Private	✓
Jon Rouse (SoTCC);	Public	✓
Quorate: For the SPMG meeting to be quorate no fewer than three voting members (2 private sector directors; 1 public non-exec member) should be present. Ref: Pg. 21, Assurance Framework		
Secretariat support		
Sharon Palphreyman (Programme Manager, LEP)	Secretariat	✓
Simon Ablewhite (S151 Officer for the LEP, Accountable finance lead)	Secretariat	✓
Mark Parkinson (Chief Executive, LEP)	Secretariat	✓
Non-voting: the following representatives may attend in an advisory/observer capacity:		
LEP Board Directors: Emma Catterall	Private Sector	✓
Clare Hannah, CLGU representative	CLGU	✓
Senior non-executive public sector members (none confirmed)	-	-

Enc: n.b. The pdf contains quick links to help navigation to the papers

Paper 1	Minutes of previous meeting 11 th January 2021	agenda item 3
Paper 2	GBF - Contingency Projects – approach to prioritisation	agenda item 4
Paper 3	GBF - MHCLG Request for Change process	agenda item 5
Paper 4	LGF - City East Link Road, Stoke-on-Trent	agenda item 6i
Paper 5	LGF – i54 Western Extension, South Staffordshire	agenda item 6ii
Paper 6	CDGD Risk register	agenda item 7 i
Paper 7	GBF - Progress of Getting Building Fund to contract stage	agenda item 7 ii
Paper 8	Commercially Confidential - Update on a project	agenda item 9
Paper 9	Forward Plan	agenda item 10

SSLEP Strategic Programme Management Group (SPMG)

Monday 11th January 2021, 14:00 – 15:30

Virtual meeting via Microsoft Teams link

Notes and Actions

In attendance:

Voting members:

James Leavesley (Chair), Sinead Butters (Vice-Chair), Alun Rogers (SSLEP Executive Board Chair); Caroline Brown (Exec Board member - Private Sector Director); Tony McGovern (CCDC); Jon Rouse (SoTCC);
Emma Catterall (Exec Board member - Private sector Reserve member; with Voting Rights).

Non-voting attendees:

- Simon Ablewhite (SCC, S151 Accountable finance lead), Clare Hannah, CLGU/BEIS representative

Secretariat Support:

- Mark Parkinson (SSLEP CEO), Sharon Palphreyman (Programme manager, SSLEP);

Guests:

- Agenda items 4 and 6, Getting Building Fund appraisals: Dan Lindsay (Hatch Regeneris)

Apologies: Emma Catterall

Item		Action
1	<p>Welcome and introductions JL welcomed Dan Lindsay from Hatch Regeneris to the meeting.</p>	
2	<p>Declarations of Interest & Agreed Protocols</p> <p>JR will be joining the meeting later (15:00), however the meeting was quorate from the start as TMcG was in attendance (representing the public sector) so the requirement that no fewer than three voting members (2 private sector directors; 1 public non-exec member) should be present for quoracy was met for the entire duration of the meeting.</p> <p>The following declarations of interest were noted, regarding the Getting Building Fund schemes:</p> <ul style="list-style-type: none"> • TMcG is a Governor for South Staffs College (one of the SEF final list schemes) • SB has an interest in PM Training (one of the SEF contingency schemes) • JR has an interest in the Stoke schemes: <ul style="list-style-type: none"> ○ GBF: Powering Up Enterprise, GBF contingency scheme Church Street Gaming Hub. ○ LGF: Stoke Station Power Upgrade; LGF underspend approach: CELR, Stoke Flood Alleviation 	

	Delivery	
3	<p>Notes and action updates from the last meeting, 01/12/2020</p> <ul style="list-style-type: none"> • Shire Hall Business Hub –A risk has been added to the SSLEP Risk Log: that the business model may not fully deliver, or may not maximise, the full potential of the solution and outputs. Maintain visibility of the ongoing business model of the service. AR is to seek an SSLEP Board member volunteer to represent the LEP on the Shire Hall Steering Group. MP confirmed that he has received messages regarding dates for these meetings. • There were no further updates/comments to be added to the actions other than those covered within today’s agenda. <p>The minutes were agreed as accurate.</p> <p>ACTION: both JL and SB will need to sign the minutes from the previous meeting as SB took over as Chair when JL left the meeting.</p>	JL/SB
4	<p>Getting Building Fund</p> <p>Discharging conditions attached to business case approvals</p> <p>(a) Summary and Recommendation(s) of the LEP Chief Executive – a paper was circulated with the agenda pack.</p> <p><u>Powering Up Enterprise</u></p> <p>(b) Business Case supporting information: the following papers for this scheme were circulated with the agenda pack:</p> <p>i. Powering Up Enterprise, Stoke-on-Trent (appraisal note)</p> <p>ii. Supporting information to the ‘Powering Up Enterprise’ project</p> <p>Discussion took place around:</p> <ul style="list-style-type: none"> • This is one programme consisting of 6 individual projects • How will SPMG monitor this scheme? (6 projects individually) • Will we provide a funding package as a whole programme or individually for each of the projects? • SPMG is concerned that is one or more of the projects does not progress, the grant would be subsumed by the remaining schemes, altering the outputs/benefits ratio of the programme as a whole. • Also, CH reminded SPMG that from MHCLG perspective, any changes to schemes within the programme (i.e. to the submission to MHCLG) would be subject to the government change process • Contribute £xx to each scheme • Stage-manage/review stages for each scheme? Phase triggers to release funding, for each scheme? • TMcG suggested pro rata allocation to each scheme and monitor across the 6 schemes. <p>Decision: SPMG AGREED that a schedule/process for attributing spend to each scheme and for monitoring spend/progress/outputs for each</p>	

	<p>scheme will be defined as part of the contracting process. ACTION: DL will support the process to define the mechanism by which the schemes are individually accountable by site.</p> <p>SPMG APPROVED the Business case for Powering Up Enterprise, subject to the condition discussed above (a mechanism in place to enable the 6 sites to be accountable individually).</p>	DL
5	<p>Getting Building Fund</p> <p>Drakelow Park – position update. The update paper from D2N2 provided reassurance to SPMG that the scheme is progressing. MP feels that there is no cause for concern regarding this scheme at present. JL asked about progress of the land purchase milestone (due January) but this is not due till later in the month.</p> <p>TMcG commented that there is no start on site date given in the document (not even an indicative date); there is a concern that reserved matters can take months. JL asked if SPMG can have sight of a gantt chart plan.</p> <p>SP asked what SSLEP SPMG role is in this scheme? It is already approved by D2N2 so do we actually need to view the detail? JL said that D2N2 are the lead; we are providing 50% of the public funding. We need to ensure our expenditure does not expose us to any other liabilities. MP said that we will passport the money to D2N2 but will ask if the scheme lead could provide an update at a future SPMG. JL felt that it is good to demonstrate inter-LEP relationships.</p> <p>SB said that, concerning the risk of underspend, in a case of dependency of funds/mutuality there are different risks. To pre-empt what we can do, or not do, to mitigate any risks arising from this scheme, AR suggested an ACTION for MP to bring the scheme back to a future SPMG meeting.</p>	MP
6	<p>Getting Building Fund (Contingency Projects)</p> <p>Business case appraisals (presented by Dan Lindsay)</p> <ul style="list-style-type: none"> SEF programme – 1 contingency scheme has previously been appraised and recommended by Hatch <p>3 further contingency schemes have been appraised by Hatch, for consideration in the event of funding becoming available. The same appraisal approach has been used for prioritised and contingency schemes, based on the five-case business case approach.</p> <ul style="list-style-type: none"> Cornhill Small Business Units, Leek Church Street Gaming Hub Stafford Eastgate St Regeneration phase A <p>Two further business cases are pending for contingency schemes:</p> <ul style="list-style-type: none"> Four Ashes enterprise park expansion 	

	<ul style="list-style-type: none"> • Gigabit Voucher scheme <p>Hatch commented that the business cases of the contingency schemes are less developed than the priority schemes, which is to be expected as funding is not available yet.</p> <p>(a) Summary and Recommendation(s) of the LEP Chief Executive (paper circulated with agenda pack).</p> <p>The appraisal reports for the 3 contingency schemes were circulated with the agenda pack and were discussed as follows:.</p> <p>(b) Business Case appraisals:</p> <p>i. <u>Cornhill Small Business Units, Leek</u> This is the most advanced and most deliverable contingency scheme. Planning is in place. The scheme sits within the Staffordshire Moorlands core strategy. Further work will be needed on VFM once any funding has been confirmed. Hatch feel that overall it would offer VFM and recommend it as suitable for funding, should any funding become available. SA asked if this scheme would progress anyway without GBF grant. DL said that it would not progress without the LEP GBF grant.</p> <p>ii. <u>Church Street Gaming Hub, Stoke-on-Trent</u> This is an accelerated scheme, seeking additional funding. The scheme would happen anyway but GBF funding would allow additional elements to be brought forward. The scheme provides creative space for established business support. There is a strong strategic case. Hatch feels that high value for money could be delivered. The key element (financial risk) will be taken on by SoTCC council. Some clarification is required, but the scheme is recommended by Hatch.</p> <p>ii. <u>East Gate Regeneration phase A, Stafford</u> Refurbishment of former RBS building and adjoining retail buildings etc. (reallocation of Policing team is part of the overall plan but not part of the GBF outputs/benefits). VFM assessment has not been provided at this stage but Hatch feel that it will offer VFM. A key risk is that the landlord is about to change – need to check that sub-letting will be allowed as part of the new contract. Clarification of this risk is needed before this project can be progressed. Hatch feel this is quite high level regarding commercial and management cases. JL advised that careful attention is given to licence for refurbishment and assurance that it is not reflected in future rental rates (landlord cannot reap rental value increase on public money invested; usually reflected over 14 to 25 years). TMcG asked about the retail element - are the units vacant now or are tenants lined up? DL explained that the additional employment floor space is office space for small businesses, not for retail units. Will the landlord add conditions regarding sub-letting governance? Conditions under a new landlord could be restrictive; clarification is needed regarding aspirations going forward. SB said it's a process point: grant is X and it gives us Y.</p> <p>Following discussion of all three schemes, SB asked if SPMG could be</p>	
--	---	--

	<ul style="list-style-type: none"> out of the 11 schemes, 7 are now contracted, 2 are in contract drafting and Powering Up Enterprise will now be contracted once the condition has been met as per agenda item 4, above. Drakelow Park is the remaining scheme (see agenda item 5, above). <i>(Please refer to Item 7 in the agenda pack for details of the position of each scheme).</i> <p>MP further advised that:</p> <ul style="list-style-type: none"> Only one of the projects fits within the unallocated grant funding of £190,000 to date (SEF JCB Academy). Staffordshire Moorlands D.C. have asked that SPMG be advised that they are considering reprofiling their Cornhill Enterprise Centre project ask to make a case for use of the £190K (original ask £575K) based on the latest SPMG published papers. Laptops for Primary schools is now a third option to be considered. <p>ACTION: Hatch will prepare a paper to bring to the next SPMG meeting, to look at how prioritisation of contingency schemes could work.</p> <p>Caveat: any changes to the list of schemes approved by MHCLG will need to go through the <u>MHCLG Change Request process</u>.</p> <p><i>Note: 15:00 – JR joined the meeting.</i></p>	DL
8	<p>Local Growth Fund update:</p> <p>i. <u>Stoke Station Power Upgrade, Stoke-on-Trent</u> Contract now signed and spend expected to complete prior to March deadline.</p> <p>ii. <u>Blythe Park Extension, Creswell, Staffordshire Moorlands</u> Agreement not yet signed but progressing towards contracting on LGF (grant), GPF (loan) and S278 contracts. Still expecting to complete before contacting/spend deadline (all funding becomes payable immediately upon completion of S278 contract).</p> <p>iii. <u>Stoke Flood Alleviation, Stoke-on-Trent</u> Verbal communication from EA proposing to reduce level of funding by £700,000. The scheme would still be completed but remaining funding would come from an alternative source to bridge the gap. Outputs would remain the same. Confirmation in writing has been requested but not received yet. JR is currently in dialogue with the EA regarding spending the 700,000 pounds on related elements of the same scheme if they are within scope. It was felt that the EA have handed back the £700,000 very late in the day, but MP noted that the EA are saying that they inherited the scheme and that they have actually come up with a solution that will not only be more effective and have greater benefits but is also cheaper. SPMG need to decide what to do with the EA underspend of £700K (or perhaps slightly less grant, if related elements in this project can be</p>	

	<p>identified). JL asked when JR will know what the EA propose regarding what can or can't be spent on related elements of the scheme. JR will need to talk to officers and to come back with a definitive date within the next day or two. Subject to a formal update, JL proposed that any surplus funding could be diverted to i54WE. The EA don't need the 700,000 pounds to progress this scheme.</p> <p>iv. <u>City East Link Road, Stoke-on-Trent</u> Forecast underspend of around £678,000, although this may change. Currently forecasting that this could be spent in Q1 of 2021/22. £1.460m underspend has already been diverted from this scheme (diverted to i54WE, to be repaid in future years from retained business rates, in around year 24/25). SoTCC have submitted a letter to CLGU regarding the issues around CELR and the impact of Covid on this scheme.</p> <p><u>Options: please refer to agenda paper</u> "Local Growth Fund (LGF) Update and Latest Spend position on LGF and the Get Building Fund (GBF)", circulated with the agenda pack (item 8). The options and decision were discussed:</p> <ul style="list-style-type: none"> • we need to demonstrate to CLGU that all LGF is spent by the deadline of March 2021. Failure to do this will be a reputational risk for the LEP. • we do have options around this: we can switch funding to SCC capital schemes and switch back next year, but we could not then report the spend as LGF spend. • we could switch understand to i54WE; this reduces the LEP's liability to this scheme if we can pay all the contributions now rather than when the business rates become available. <p><u>Discussion took place around:</u> TMcG offered an opinion that there is a need to accept that some LGF has not been spent but that there are good reasons (Covid). TMcG recommends CELR is permitted a carry-forward of LGF to Q1. TMcG also noted that on Stoke Flood Alleviation scheme, the revamped scheme costs less but for the same outputs; we need to retract money on VFM grounds. He suggested carrying forward the £700,000 to next year to GBF contingency schemes</p> <p>CH commented on capital switch regarding freedoms and flexibilities. BEIS is placing more emphasis on: has the money been spent and if not, what has been done through freedoms and flexibilities. LGF cannot be carried forward but the LEP can look at capital switch.</p> <p>SB feels that regarding CELR, if there are freedoms and flexibilities it is not a weakness for SPMG to decide to rollover the scheme to Q1, given the current Covid situation. SB supports the rollover for CELR and would also like to see more about i54WE and to</p>	
--	--	--

<p>understand the requirements for this scheme to absorb all underspend. CB agreed with both these points.</p> <p>SB felt that the EA funding (Stoke Flood Alleviation) could be switched to i54WE but that CELR funding should be rolled over.</p> <p>JR thanked SPMG for its support. JR asked if the £680,000 could be diverted to another capital SoTCC scheme and SoTCC would redivert the funding back to CELR next year. SA agreed that yes, funding could be diverted to an SoTCC capital scheme and SoTCC could redivert funding in the new financial year, but the alternative scheme or schemes would need to confirm that the LGF funding could be spent by the <u>end of March</u>. A simple legal agreement letter would be required to support the swap and the obligation to repay.</p> <p>SA assured SB that he will provide a further update to the next SPMG regarding the i54WE scheme. We match fund the other LEP and if we pay in less time we will pay less interest rates.</p> <p>SB asked for clarity regarding other long term projects which can be supported going forwards. JL said it depends on Westminster criteria. AR agreed that we need to look at the “next big things” for the future, to preserve SSLEP reputation and support Stoke.</p> <p><i>15:30 CH left the meeting</i></p> <p>TMcG is reluctant to support transfer of £700K to i54WE as there is no underspend on this scheme – it doesn’t need it. TMcG feels the money should be spent on other schemes, but JL said that it would still need to be spent by March 2021 and would need to be offset to SCC or SoTCC. JL said that we need to identify future projects but need to spend on i54WE now, to enable the retained business rates to be spent on future schemes.</p> <p><u>Following discussion the following DECISIONS were made:</u></p> <p>i. <u>Stoke Station Power Upgrade, Stoke-on-Trent</u> Now contacted.</p> <p>ii. <u>Blythe Park Extension, Creswell, Staffordshire Moorlands</u> Continue to carry on for now, SPMG supported this decision</p> <p>iii. <u>Stoke Flood Alleviation, Stoke-on-Trent</u> Stoke to see if there are any schemes that will allow us to legitimately spend money within the Stoke flood scheme. If there are no legitimate schemes, the funding will be diverted to i54WE. AGREED by SPMG.</p> <p>iv. <u>City East Link Road, Stoke-on-Trent</u> If Stoke can come up with another scheme for this, it will be seen as an offset. SA noted that we will <u>not</u> be able to demonstrate to CLGU that we have spent 100% of our LGF funding in this situation. SB said that this is the pragmatic approach as it reflects the current</p>	
---	--

	<p>climate. If Stoke cannot come up with another appropriate scheme to spend by the deadline, this funding also will be diverted to i54WE. SPMG AGREED but AR said this would be on the proviso that CH's comment that we will <u>not</u> get a black mark on our Annual Performance Review by using freedoms and flexibilities. AR feels we need to seek clarification from BEIS that we don't get a black mark. ACTION: MP to seek assurance from CH/BEIS that achieving 99% spend will not impact negatively on SSLEP's reputation and will not negatively impact on future funding opportunities.</p> <p>JR thanked SPMG for their support.</p> <p><i>15:40 JR left the meeting</i></p>	MP
	Governance and Finance	
9	<p>Issues and actions to escalate to SSLEP Executive Board</p> <p>There is no Executive Board in January.</p>	
12	<p>A.O.B</p> <ul style="list-style-type: none"> • There was no other business • Meeting closed at 15:45 	
13	<p>Next SPMG meeting: Monday 1st February 2021, 14:00 – 15:00</p>	
	<p>Acceptance of minutes</p> <p>These notes represent an accurate record of the SSLEP Strategic Programme Management Group (SPMG) held on 1st December 2020 via Microsoft Teams.</p> <p>Signed: _____ Date: _____</p> <p>James Leavesley, Chair of SPMG</p>	

Strategic Programme Management Group**Monday 1st February 2021****Getting Building Fund, Contingency Projects****Contingency Project Prioritisation Framework**

1. On the instruction of the LEP Secretariat, Hatch have issued the assessment approach set out below, to guide the sponsors of projects on the Getting Building Fund contingency list.
2. The note is succinct enough to read in full and is self-explanatory, but I draw attention to the point that the assessment will be based on a rounded qualitative assessment of the information available at this stage – drawing on the Business Case assessments and subsequent information provided by the applicants. Where there are trade-offs between project options, these will be reflected in the recommendations in order to support SPMG in their deliberations and decision on agreeing which project(s) should be allocated funding.
3. The timetable aims to bring back recommendations to SPMG at the meeting scheduled for 1st March 2021 meeting.

Note prepared by:

Mark Parkinson
Chief Executive, LEP

SSLEP Getting Building Fund

Prioritisation Framework for Contingency Projects

1. Potential Criteria

The following criteria are available for the prioritisation of contingency projects:

- Level of available contingency funding
- Hatch assessment of the existing business case and/or SEF assessments.

Hatch's business case assessments categorise each projects as high / medium / low for each of the five cases (Strategic, Economic, Financial, Commercial and Management).

The SEF assessment process provides commentary on each project which can inform an equivalent categorisation of contingency projects.

Based on these assessments, it will be possible to make a judgement based on each projects':

- Strategic contribution
- Outputs and economic impact
- Deliverability

Note:

- *The JCB Academy Automation & Robotics Suite is the only project that can be fully funded with current levels of contingency funding.*
- *The Cleveland Future Skills Hub (PM Training) was withdrawn from the SEF process as it was considered to be more strongly aligned to the general GBF fund. The recommendation provided by Staffordshire County Council was for this project to be considered within the wider contingency pool. Consequently, there is no FBC for this scheme and an independent assessment by Hatch has not been completed. Any consideration of this scheme at this stage must be based on the submission to SEF.*

2. Suggested Approach

Information Requirements

At the January 2021 SPMG meeting, it was agreed that all projects should be given the opportunity to be considered for contingency funding.

In light of this and the available criteria set out above, the following approach is proposed:

- 1) All applicants are notified of the available funds and the opportunity to submit revised proposals.

- 2) Applicants that wish to be considered will need to provide the following:
 - Details of what could be funded with the available amount
 - Confirmation of whether this represents
 - smaller project providing direct outputs
 - an initial phase of the overall scheme, providing direct outputs (i.e. outputs that are not dependent on subsequent investment)
 - partial delivery of the project submitted for GBF, where subsequent investment is required to deliver the proposed outputs
 - full delivery of the original scheme, with alternative match funding identified
- Outputs associated with the revised investment proposals
- Implications for delivery – confirmation that the commercial, financial & Management cases remain valid. Further information should be provided as necessary to provide assurances that:
 - Existing proposed approaches remain valid.
 - If relevant, there is a robust basis on which the project scope has been adjusted.
- Following an initial review by Hatch, it may be necessary to follow up with applicants to confirm project details and request further information – particularly in relation to outputs and project delivery.

Assessment Approach

- 1) Exclude projects that cannot make use of the smaller grant amount.
- 2) Include projects that are deliverable and align with GBF requirements (NB. all projects are currently assessed as being 'medium' or 'high' for all cases. Medium should remain the threshold for further consideration and applicants should confirm that the revised proposals are equally as deliverable).
- 3) For projects that satisfy these thresholds, prioritise projects based on those that:
 - Continue to make a strong strategic contribution to the region
 - Deliver the best value for money / economic impact for the region. This may include investment that unlocks/enables wider investment, however in these cases the risk of securing outputs should be considered.
 - Can demonstrate high deliverability

The assessment in under point 3 above will be based on a rounded qualitative assessment of the information available at this stage – drawing on the Business Case assessments and subsequent information provided by the applicants.

Where there trade-offs between project options, these will be reflected in the recommendations to SPMG which will make the final decision on regarding projects suitable for funding.

Note – For Cleveland Future Skills Hub, if this project is considered to be a high priority, SSLEP will need to decide whether a subsequent FBC and Independent assessment by Hatch is required (currently the project has been considered within the SEF framework). If required, we recommend that this is completed following the prioritisation process, as it would not be proportionate to develop a Full Business Case at this stage.

3. Assessment Timescales

18 th January	Applicants notified of availability of contingency funding and assessment approach
25 th January	Applicants to confirm: <ul style="list-style-type: none">• Decision to be considered for contingency funding• Implications on project design, delivery and outputs
25-29 th January	Initial project review by Hatch
1 st February	SPMG to confirm assessment criteria Hatch to provide update following initial review
2 nd – 15 th February	Hatch to undertake detailed project assessment. This may require additional project level information from applicants
1 st March	Final recommendations presented to SPMG .

Strategic Programme Management Group**Monday 1st February 2021****Getting Building Fund****Change Request Process**

1. SPMG have been updated in previous meetings regarding the project change request process. The following papers are an updated version provided by CLGU. This is brought to SPMG for information only and in providing visibility to the project sponsors on the contingency scheme list.
2. The Independent Technical Appraisers (Hatch), have been aware of this information in the advice they provide to SPMG.

Note prepared by:

Sharon Palphreyman
Programme Manager, LEP

Change request process – FAQs. Updated 22/10

1. What is the change request process?

Should a project drop out of the GBF programme, each institution will need to complete a change request form, documenting the details of the project no longer being supported and providing details of the project they propose to substitute with.

In the first instance, the change request should be reviewed and approved locally by the Area Team (at DD level). Decisions can be escalated to the central team where deemed appropriate. All decisions must be copied to the central team who will keep a log of all agreed changes.

2. What level of change requires notification to the Department through a change request form?

The Department (CLGU) should be informed of significant changes to the original project specification. We would encourage institutions to discuss with their Accountable Bodies what constitutes as significant change. This should be viewed in line with their own risk frameworks.

3. Will the change request decision rest with the Area Lead?

In the first instance, the change request should be reviewed and approved locally by the Area Team (at DD level). Decisions can be escalated to the central team where deemed appropriate. All decisions must be copied to the central team who will keep a log of all agreed changes.

4. One of our projects incorrectly reported projected outcomes. Do we need to fill in a change request to amend or can we clarify project outputs before first submission?

If, following discussion with the Accountable Body, the amendment results in significant change to the project then a change request form will be required. This is to ensure we can demonstrate a full audit trail of project delivery.

5. If a LEP and a Council decide to substitute a different project for the one currently earmarked for funding, will the replacement project need to be from the original list submitted by the LEP to MHCLG, or can it be substituted with a similar project from the same council which wasn't included in the original GBF submission? On what conditions will MHCLG approve change requests?

An institution can only substitute in a project if it was on the original GBF list that was submitted in July. There will be the requirement to complete a change request form and forward to the Area Team for the requisite approvals. All decisions must be copied to the central team who will keep a log of all agreed changes.

In exceptional circumstances, an institution may be able to substitute a project that wasn't on the original submission list. This would have to be a vitally strategic project that meets the parameters / criteria and is deliverable in line with the timings of the

Getting Building Fund - Project Change Request Form

This form must be completed when making a project change to the named projects agreed between the institution and the Department. Where a named project wishes to make changes to its financial and output forecasts this should be done locally between the institution and the area team.

Part A of this form the 'Project Change Request Form' should be completed by the institution making the request.

Part B of this form is the Project Change Request Assessment Form. This will only be completed by a member of the Cities and Local Growth Unit.

All changes to a project must be approved by the Cities and Local Growth Unit. There is no automatic right for a change to be approved.

PROJECT CHANGE REQUEST FORM

Institution & Project Information

Name of Institution	
Project Name	
Project Number	

Part A: Change Request

	Current	Proposed Change	Reason for Change
Project Name			
Project Summary			
Local Authority Area			
Postcode			
Date works started/expected to start			
GBF Financial Completion Date			

Practical Completion Date			
Budget			
Total Budget			
Of which GBF			
Of which Local Authority			
Of which other public sector			
Of which Private sector			
Of which Third Sector			
Of which other (inc. in kind)			
Outputs			
Jobs created			
Construction Jobs			
Jobs Safeguarded			
Housing units unlocked			
Housing units delivered			
Sqm commercial floorspace			
Sqm R&D facilities floorspace			
No of businesses or institutions assisted			
KM roads, cycle ways, walk ways maintained and built			

Sqm new/improved learning / training floorspace			
Number of new learners assisted			
Number of new superfast/ultrafast broadband connections			
Number of new retrofit delivered			
KG of CO2 emissions avoided			
Sqm public realm / green space improved / created			

PART B: PROJECT CHANGE REQUEST ASSESSMENT FORM

To be completed by a member of the Cities and Local Growth Unit

1. Area Team contact details	
Name of Area Lead	
Date change request received	DD/MM/YYYY

2. Assessment of Proposed Changes
Please provide comment on your assessment of the project changes. This should include an assessment on deliverability as per the guidance.

Area Team comments provided by	
Date	DD/MM/YY

Central Team comments provided by	
Date	DD/MM/YY

Strategic Programme Management Group**Monday 1st February 2021****Local Growth Fund update****Technical update from the S151 Officer of the LEP and Recommendation from the Chief Executive of the LEP****City East Link Road (CELR)**

1. SPMG at its meeting on 11th January 2021 discussed the principle of undertaking a funding switch to ensure the underspend forecast on CELR is carried forward into 2021/22, to meet spend on this scheme which has slipped due to the impact of Covid-19.
2. Further discussion have been held with the Stoke-on- Trent City Council (SoTCC) finance team, and a formal switch of LGF funding from the CELR scheme to the SoTCC Etruria Valley (EV) scheme is considered the most appropriate available option.
3. The benefit of this approach is that:
 - i. The funding mix on EV will allow Stoke on Trent to do an internal funding switch in 2021/22 back to CELR to meet the spend which has slipped.
 - ii. As EV is already an approved LGF scheme, the SSLEP will continue to be able to report full LGF spend as at March 2021, and therefore there will not be any impact on “delivery” as part of the APR (Annual Performance Review) process, subject to SPMG agreeing a transfer of funding.
4. Note: all approved LGF funding on EV has already been claimed by SoTCC. This approach would result in an additional claim and there is sufficient spend on the scheme to evidence the spend for the proposed switch.
5. In order to ensure the correct governance and assurance processes are followed, there will be a requirement to produce an addendum to the current grant agreements which are in place for EV and CELR. Legal costs will be incurred to undertake this. Other options are available to deliver the same outcome i.e. carrying forward the funding to meet the CELR costs in 2021/22, but they will not deliver the benefit of still reporting full spend of LGF to MHCLG.

Recommendations of the Chief Executive, Stoke-on-Trent & Staffordshire LEP**I recommend that:**

6. SPMG approve the approach set out above, with the exact amount of the funding switch being determined by the Accountable Body, when the updated forecasts of spend in 2020/21 on CELR are confirmed.

Reasons for Recommendations:

1. To ensure the SPMG discharge their responsibilities set out in the Assurance Framework.
2. To demonstrate to Central Government, that the LEP and its partners are capable are managing levels of project risk associated with medium term policy interventions such as the Local Growth Fund, to help deliver the ambitions of the LEPs Strategic Economic Plan.

Contact Details**Report prepared by:**

Simon Ablewhite
S151 Officer for the LEP

Report commissioned by:

Mark Parkinson
Chief Executive, LEP

Strategic Programme Management Group**Monday 1st February 2021****Local Growth Fund update****Technical update from the S151 Officer of the LEP****i54 Western Extension (i54WE)**

1. SPMG, at the meeting on 11th January 2021, requested an update on the latest SSLEP funding / commitment to the above scheme. A detailed update was previously provided to SPMG on 29th October 2020.
2. The SSLEP agreed to match fund the Black Country LEP (BCLEP) contribution to the scheme of £10m. The original assumption was that the BCLEP contribution would be paid in 20/21, whereas the SSLEP contribution was planned to be funded from retained business rates from the existing i54 Enterprise Zone which would not be available until 2026/27, and the equivalent SSLEP contribution would in simple cash terms therefore equate to circa £13.8m.
3. The latest information on the i54WE scheme is that there will be an underspend on the scheme which may reduce the funding requirement to £8.465m from each of the LEP's.
4. Due to slippage on Local Growth Deal Schemes, SPMG have approved reallocation of Growth Deal Grant in 2020/21 to this scheme of £4.137m and £3m Get Building Fund Grant, reducing the amount of future business rates to £1.328m (assuming a final commitment of (£8.465m). Due to the timing on the business rates available, the cash equivalent to match the BCLEP (at £8.465m), is currently forecast at £1.895m (i.e. £0.567m more).
5. These figures will continue to fluctuate as the scheme progresses and spend forecasts are confirmed.

Report prepared by:

Simon Ablewhite
S151 Officer for the LEP

Strategic Programme Management Group

Tuesday 1 February 2021

1

**Getting Building Fund:
Project List Progression Status**

1. A summary of the status of the prioritised project list prior to this SPMG meeting is presented as Figure 1.

Figure 1: Getting Building Fund prioritised list status update

LEP Ref No.	Description	Business case submitted	Appraisal complete	Approved by SPMG	Contract Signed	Delivery #1
2	Innovation Centre Seven Newcastle-under-Lyme (£6.1M)	●	●	●	●	
6	Health Innovation Centre Stafford (£2.89M)	●	●	●	●	●
3	New Enterprise Collaboratory Stoke-on-Trent (£500,000)	●	●	●	◐	
10	Shire Hall Regeneration Project Stafford (£1.6M)	●	●	●	◐	
11	Staffordshire Local Sustainable Transport Package (£651,000)	●	●	●	●	
7	Skills Equipment Fund Digital Skills Academy, Cannock and Tamworth (£550,375)	●	●	●	●	
8	Skills Equipment Fund Creative & Digital Industries Pjct, Stoke-on-Trent (£250,000)	●	●	●	●	
9	Skills Equipment Fund Digital & Construction Skills Pjct, Stoke-on-Trent (£120,000)	●	●	●	●	
4	'Powering Up Enterprise' Stoke-on-Trent (£2.8M)	●	●	●	◐	
5	i54 Western Extension South Staffordshire (£3M)	●	●	●	●	
1	Drakelow Park Burton-upon-Trent (£5.05M)	#2	-	-		

#1 Onsite construction type activity (not project management/authorisations/licencing, etc)

#2 Inline with project proposal and D2N2 timeline set out in SPMG January papers. Project update to be brought to SPMG in March/April by project sponsor.

Report Commissioner: Mark Parkinson
Job Title: Chief Executive, SSLEP

Strategic Programme Management Group

Monday 1st February 2021

Forward Plan

SPMG		Meeting Date		1 March 2021 / Q1 2021/22	
Lead Board Member/ Secretariat:	Item Name:	Time:	Recommendation:		
Secretariat c/o Hatch and Project Sponsor	Getting Building Fund – Church Street Gaming Hub payment mechanism for inclusion in contract			Decision	
Secretariat c/o Hatch	Getting Building Fund – Contingency project selection			Decision	
Secretariat c/o Hatch	HM Treasury Green Book update			Discussion	
Secretariat c/o Hatch	Business case training to Local Authority technical officers – feedback/update			Information	
Project Sponsor / SPMG Nominee	Getting Building Fund – Shirehall, Stafford project shaping			Discussion	
Project Sponsor	Getting Building Fund – Drakelow Park project update			Information	
Secretariat c/o Social	Getting Building Fund – Project communications Management Information System			Discussion	