

SPMG Meeting - Minutes & Actions Log

5th July 2022

via Microsoft Teams Meeting

Attended:

Voting members:			Non-voting attendees:		
JL	James Leavesley	Chair	SA	Simon Ablewhite	S151 Assistant County Treasurer
CB	Caroline Brown	Exec Board member	CH	Alex Collins	CLGU/BEIS Representative
JR	Jon Rouse CBE	Private Sector Director	Operational Support:		
AR	Alun Rogers	City Director, SoTCC	ABo	Anne Boyd	SSLEP CEO
AB	Andrew Barratt	SSLEP Executive Board Chair	JK	Jo Kemp	Notes
		Tamworth BC	BD	Bev Dajani	SSLEP Change Manager
Other attendee/guests			Apologies:		
WM	Will Moorlidge	CEO D2N2	EC	Emma Catterall	Exec Board member Private Sector Vice-Chair

Item	Discussion	Notes
1	Introductions & Apologies JL welcomed all and BD advised apologies received from Emma Catterall	
2	Declarations of Interest JL declared a potential conflict insofar as if the St. Modwen name should arise in relation to a certain project, he was a shareholder at the time of the contract being granted, although not now.	
3	Notes of the previous meeting and any matters arising Notes accepted.	

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	<p>Matters arising. – The total Additional Capacity Grant may increase from £100k to £115k as raised at the 16th May Executive Board meeting, due to the additionality of Tamworth securing funding. This was due to an admin error, as they were omitted in the initial round of funding applications. A&F to sign this off at their next meeting.</p> <p>Annuity to Chair has been added to the LEP budget although AR chooses to not take any.</p>	
4	<p>Drakelow Project Verbal Update – CEO Will Morlidge D2N2 Will Moorlidge joined online @ 10:10am, to avoid exposure to previous minutes and current discussions.</p> <p>Whilst awaiting WM's arrival JL provided the group with local knowledge relating to the Drakelow site. Highways Agency have recently announced the closure of a further bridge, which is deemed unsafe. JL is unsure if the closure is based on the knowledge that the Drakelow bridge is proposed to be built. In the meantime, all traffic is to be diverted through Burton which has the potential of causing significant detours for local farmers with land on either side of the river, which may cause traffic delays/issues through the town. In JLs opinion an additional 4th bridge is required.</p> <p>With regards the progress of the project the current delay relates to the Provider having concerns with clawback being included within the contract.</p> <p>AB thanked JL for his local insight.</p> <p>JR raised an issue with regards the papers for the meeting, stating that they were not clear.</p> <p>JL - advised that the paperwork was slightly late. He also acknowledged that because of the Project Review BD is undertaking, discrepancies are being identified. Inheriting older projects can sometimes cause occasional confusion.</p> <p>JR raised concern that some of the issues being flagged with the projects have not previously been raised, for example in particular the gas power station.</p> <p>WM arrived online & updated on the situation. The summary is that there had been a hold up from Derbyshire CC, however a few months ago the contractor had e-mailed to advise that they were unwilling to sign a contract with clawback in it. Further meetings have re-iterated how/where</p>	

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<p>clawback sits & that it had always been in the contract/proposal. The issue is apparently that they do not want responsibility for the socio-economic targets. However, it has now been agreed that the original projected housing numbers & job outputs will stand.</p> <p>WM's opinion is that the business case should remain as is. The issue of changed numbers seems like an admin error between two councils not a red flag. We need to have an absolute definitive output number for houses & jobs.</p> <p>JL asked for clarification about whether the contractor is part of wider land ownership, and queried who owned the land?</p> <p>WM was unsure on the land ownership.</p> <p>JL stated that if South Derbyshire grant residential planning on their side of the bridge, then housing numbers & the job issue in the building thereof should be fulfilled. It was queried if the contractor are a bridge building company, as JL felt that they are not a housebuilding provider. We should look to South Derbyshire to check if the housing numbers can be built.</p> <p>WM expressed thanks to BD, who has made a thorough trawl of the documents. There were some differences where changes to numbers had been introduced without explanations of why.</p> <p>ABo reiterated thanks to BD for a thorough review of the project detail. AB wanted clarity on whether we are flagging something new or if it is a minor deviation? An admin error or a large deviation?</p> <p>WM confirmed that it is minor. Once both counties have discussed further, there may not even be a deviation. It was the wider socio-economic issues beyond houses & jobs, which had caused them anxiety.</p> <p>ABo reminded the group that as we are no longer <i>actively</i> managing this project, this agenda item is basically 'FYI', since the funding and accountability has been passed to D2N2.</p> <p>WM explained that the main issue had been clawback and it is not to be removed. Will explained that progress now sits with D2N2, agreeing the output discrepancies and expects to bring an update back to the next meeting.</p> <p>SA agreed it is a minor change but asked where the timeframe is now.</p>	
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	<p>WM advised that they may need to re-profile outputs for houses and jobs, but the bridge will be built. 2026/7 is the current contract date. If the contractors try to push back timescales it would constitute a major change, resulting in D2N2 be required to push back on the contract.</p>	
5	<p>ERDF Internationalisation Fund</p> <p>JL provided a summary relating to this ERDF funding pot. He reported that £70k had been committed in 2021/22 from the total grant allocation of £1,154,496 which had been available since 2020. There is a potential of £900k + still to be committed across the Midlands region. The aim of the funding is to support businesses strengthen their international trade capacity. The match funded grants are offered between £1k and £9k, including but not exclusively to support, market research, IP advice, translation services, independent market visits. The funding needs to be committed by December 2022 and spent by March 2023. Unallocated monies are likely to be redirected to other areas.</p> <p>ABo further explained that a meeting had been recently held with the DIT. The remaining £900k is for OUR area & in particular the northern areas/Stoke city. There has been over demand in our southern area, so we need to improve demand in the north, by raising awareness & allocating money. DIT asked if the under-demand could fuel the overdemand before it goes beyond our region. It is managed by Capita, facilitated through DIT. We are calling on BD, Becky Parker via GH, & Aspa Evangelopoulou via comms to raise awareness of this opportunity.</p> <p>SA commented that this subject was left field and did not know about it prior to now. He enquired how the ESIF committee missed this.</p> <p>ABo explained that a representative from DIT had suggested that reports had gone via a representative in Stoke-on-Trent City Council for the LEP, which is part of the complexity we have. She as CEO was not aware of the funding stream, and it had not come to any sub-groups. She is unsure where it came from & who bid for it but has scheduled a call in to SoTCC to discuss.</p> <p>SA wondered whether allocation of funds is possible under the short timeframe.</p> <p>ABo confirmed that now the team members are aware, we can try to spend the monies. This will be reviewed in September, but we can distribute in our southern area to ensure we receive our LEP allocation if needs be. It is not yet known how much our underspend might be/whether there will still be any if we help partners in the south of our region.</p>	<p>SA asked for an update for next month</p>

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	<p>JR added that there is a broader pattern here which needs addressing, as it is another example of us missing out on funds. This also happened with MEIF, and questioned 'Is there something we are not doing and is the Growth Hub tuned in/aware/presenting/communicating the funding clearly? Businesses cannot apply if they do not know about the funding available.</p> <p>JL agreed that overall the LEP has not always been clear about funding that is available.</p> <p>ABo agreed that wider business support appears to have been missed. Under MEIF the SSLEP has contributed £10m, but only realised £9m. Since the recent appointment of the new Head of Growth Hub who now works in-house, as GH Head, means in future the LEP will be better placed to explore new monies and ensure that support is not missed. In addition, to the new Comms lead working on marketing to the Businesses.</p> <p>JL noted an addition to be added to the minutes gained post meeting:</p> <ul style="list-style-type: none"> • ERDF funding cannot be spent on primary production, which may be a rationale for the underspend within the Northern area. <p><u>ACTION POINT.</u> SA asked for an update for next month</p>	
6	<p>Programme Management Update Presentation</p> <p>BD apologised if papers were not clear enough, but it was deliberate not to identify projects within the presentation. BD highlighted that despite it being mentioned that the papers had been circulated late, they had in fact been circulated on time, and asked that should anyone require a longer timeframe for the papers to be issued this can be considered.</p> <p>ABo explained that BD was trying to be sensitive to those projects being discussed, but based on the feedback received today, in future projects will be specified.</p>	

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<p>BD detailed that she is currently undertaking a deep dive review into all the legacy programme funded projects. Primarily to familiarise herself with the project leads but essentially to ensure the documentation that has been inherited specifically relating to outputs and funding, aligns with; documentation that the Project Leads hold; Signed Agreements and submissions made to BEIS. It is a one-off piece of work (slide 2 referred).</p> <p>To date 22 introductory meetings had been held (with either the project or finance lead Officers):-</p> <ul style="list-style-type: none"> • 13/14 GBF • 7/20 LGF • 1 of 2 City Deal • Liaised with the lead for the Growing Places Fund <p>She has also reached out to BEIS representatives with her findings & queries.</p> <p>A site visit to the Blythe to meet the Project Lead was imperative, due to the project complexity. In addition, meetings have been held with SCC Highways and the Staffordshire Moorlands District Council Planning Department and reviewed the online planning meeting between the Project Lead and SMDC (slide 3).</p> <p>GBF 4 of the 5 projects remaining GBF projects required to claim the remainder of their grant allocations, were on track to submit full final claims under the freedoms & flexibility process in Q1 22/23. One project was expected to make a partial claim. Differences in outputs were noted when reviewing the Signed Agreements and forecasts for future years outputs that had been reported to BEIS. BD is working with the project leads to ensure alignment between the differences (slide 4 referred).</p> <p>Slide 5 & Appendix 4 refer to LGF findings - leverage figures have altered since the original Signed Agreements, which initially were based on sound rationales for the LGF projects when business cases were written in 2017. Since its inception one project planned to build a Power Station, which had been included as leverage but is now not deemed viable therefore, unlikely to be built, meaning the overall total original leverage figure of £420 million for this project is to be reduced by £300m. Furthermore, an additional LGF projects overall total project costs are to reduce by £13 million. Other projects will not meet their planned outputs for jobs and houses in 2022/23 and Project Leads have requested any allowance to defer these outputs until 23/24.</p>	
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	<p>Slide 6 - JL enquired what the forecasted reduction in the proposed claim submission for one of the Stoke-On-Trent projects was for Q1 22/23. BD advised a £40k reduction in claim against the proposed remaining claim amount of £133,311.</p> <p>GBF (Slide 6) The first item refers to one of the Stoke-On-Trent projects which reported that they were unlikely to make the full claim in Q1. ABo & SA therefore, took the pragmatic approach to allow this project a grace period of an additional month to enable them to claim the full amount. Due to the renovation delays with this project the outputs will be delayed until 23/24. BD to liaise with BEIS to align differences in outputs. Due to BEIS only requiring bi-annual reports, SPMG will now only receive bi-annual output performance updates.</p> <p>LGF - Not all project leads provide a rationale for targets being changed and information is not always supplied, which is problematic.</p> <p>One projects total project costs of £38.5 million have reduced to £25 million, which should be deemed as positive, as less monies were required to complete the project, including contributing less grant funding.</p> <p>SA explained that this was not paid out, so there is no clawback. It was funded by GBF, LGF and business rates from the enterprise zone, so it is a matter of less funding was needed, opposed to keeping the remaining £10m SSLEP contribution.</p> <p>SA re-iterated that whilst BD has done a deep dive into many projects, we must not lose focus on the overall targets, and that we are still online to achieving the overall outputs agreed.</p>	
7	<p>LFG and GBF Risk and Issues Log</p> <p>Largely covered in the section above, but Risk Register comments were invited.</p>	JL to review risk register
8	<p>Issues and actions to escalate to LEP Executive Board</p> <p>None</p>	
9	<p>SSLEP Delivery Plan</p> <p>ABo offered thanks to all who have fed back. Deliverables will occur once they have been discussed and agreed. The LEP Executive Board meeting approved progress. We will now plan how we will transfer responsibilities and future governance arrangements to move from the current function to aligning with the changing remit.</p>	

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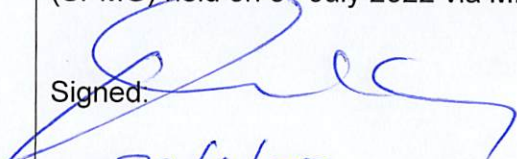
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	<p>Q2 of the delivery plan will include development around the themes Transition, Insight, Marketing/Business Engagement/Stakeholder Engagement and Business Support. Q3 will allow for the internationalisation plan to be considered. September onwards, the objective is to have plans in place and Q4 aligns itself to reviewing lessons learned and further business/budget planning.</p> <p>A Business Engagement Strategy is to be developed. ABo is working with both councils, who have been a great help pulling the plan together thus far.</p> <p>JR confirmed that it was a great piece of work and effort by ABo. Not many LEPs will have a delivery plan signed off at this stage. The Devil is in the detail, so we need to resolve how to group the work into sensible sizes to avoid a proliferation of meetings. Skills detail is needed, with careers advice needed before the forthcoming summer break.</p> <p>ABo agreed to continue moving at pace.</p> <p>AR offered his thanks via JR to City Council Officers too, who have worked well. We are THE only LEP to be this far ahead and we stood out at a recent LEP conference, so the work achieved to date, has put SSLEP significantly ahead nationwide. Thanks to all for helping pull this together.</p>	
10	<p>Forward Plan</p> <p>ABo advised on recent work conducted by SAP suggests a continued role for LEPs in the skills arena. She will review this before the next LEP Executive Board Meeting & then discuss with MJ. A recent look at LSIP & SAP agreements mention LEPs not just LAs around skills.</p>	
11	<p>Any Other Business</p> <p>No. Meeting ended at 11:20am.</p>	
	<p>Next scheduled SPMG Meeting: 31st August 2.00-3.30pm</p>	

ACTIONS LOG

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Item	Actions	Lead
5	ERDF Internationalisation Fund	ABo
7	Review risk register	JL
	<p>Acceptance of minutes and action log</p> <p>These notes represent an accurate record of the SSLEP Strategic Programme Management Group (SPMG) held on 5th July 2022 via Microsoft Teams.</p> <p>Signed: </p> <p>Date: 29/11/22 James Leavesley, Chair of SPMG</p>	

Next scheduled SPMG Meeting: 31st August 2.00-3.30pm