

Welcome and Apologies

Present

Andy Orrey (AO) - Chair
Ian Knowles (IK)
Stephen Deville (SD)
Rob Griffiths (RG)

Officers - Ruth Carver (LEP Director), Lindsay HillPritchard (LHP), Louise Higham (LH), Laura Spittles (LS)

Guests - James Baty (LEP Policy & Research Manager)

Apologies:

Kate Storey

AO welcomed the F&A Meeting.

F&A Committee Minutes of Previous Meeting

Action List updated and approved.

Draft minutes from July 2020 approved.

AO - declared an interest in any housing projects that the LEP are funding.

Economic Overview - James Baty

James Baty presented the Committee with an update regarding the current economic overview of the Greater Lincolnshire area.

The presentation showed that the UK economy still has to make up a significant chunk of GDP lost since the start of the pandemic. Certain sectors are struggling more than others to recover effectively such as the Manufacturing and Construction Sector.

The Universal Claimant rate has 105% more claimants than in September 2019; and 81% more than in February 2020 although at 6% in total is still lower than the UK average of 6.6%.

Local Businesses in the Greater Lincolnshire area have seen a vast amount of support and have

received almost £600m in loans.

James also explained the Recovery and Restart Plans that the GLLEP are currently working on. This involves the production of a medium term recovery plan which will outline the strategic objectives for our place over the coming 3-5 years. This strategic plan, which is currently in development, will link strongly to the Local Industrial Strategy objectives and identify priorities to drive recovery across the area.

AO requested that any further updates for this are forwarded on to the Committee.

FYE Financial Update

Linsay HillPritchard provided an overview of the financial position of the Greater Lincolnshire LEP and summarised the financial income and expenditure covering the period 1st April 2020 - 30th September 2020 (Quarter 2).

A revised budget of £975,000 for expenditure was submitted to the LEP Board recently for the financial year 2020/21. As this was set before the effects of the Covid pandemic were fully understood the LEP Board have since agreed to re-purpose existing funds. The Board agreed a reallocation of £2.4m, with a contingency amount of funding for flexibility purposes of up to £500,000 for future use. The LEP Board agreed that an immediate allocation of £700,000 of additional resources should be placed in core funding to cover various tasks / projects.

As this is still a substantial amount to be spent before year end work is currently on-going between the Accountable Body and the LEP to identify the best way to utilise these funds.

£12 million was received earlier in the year against the Single Local Growth Fund. A further £6 million was held by Government to be released on the basis of a successful mid-term review. This money has now been received which is very positive news for GLLEP. There is currently still a challenge around ensuring the £34 million left to spend on projects between now and the end of March is achieved. It has been estimated that a certain amount of spend may be in the early part of next financial year. It has been agreed with Board and Government that we can use the freedom of flexibilities to extend this due to Covid-19 restrictions.

The LEP have been received £25.8 million to fund 6 new schemes under the Getting Building Fund. This is a huge achievement for GLLEP and great news for the local area. The projects selected are currently going through due diligence process. £12.9million to be spent by March 2021 and there is scope to extend the criteria of certain projects should the need arise.

The LEP currently holds approx. £39.4 million in reserves. This is allocated between 3 different Cash Balance Accounts.

The F&A Committee are happy to propose this paper to go to the main LEP Board.

Auditor Selection

The audit of the LEP finances has been undertaken by Duncan and Toplis for the last 2 years. Their term has come to an end following a procurement exercise undertaken in 2018/19 and a discussion took place regarding procuring a new Auditor. The F&A Committee have been extremely pleased with the Audits carried out by Duncan & Toplis and so asked if an extension could be looked into for procuring their services for another year.

Under the LCC Procurement Rules it would be possible to secure a Single Source Order this this.

Verbal update - Ruth

RC provided the Committee with an update regarding geography. A letter has been received from the new Minister after appeal from Humber LEP. As things stand Humber LEP will cease to exist on 1st April 2021 and a new LEP will be created. Work is currently on-going between the GLLEP and the current Humber LEP to look at staffing resources, contracts etc.

The GLLEP will also take over Growth Hub in the Humber LEP from April as well as the Inward Investment and Marketing. RC will update further information as soon as it becomes available.

Risk Register and Terms of Reference

The Risk Register has been updated to include any risks from the Covid pandemic. This includes staffing and resources issues for the LEP. This is currently being managed well but as the pandemic is still on-going this will remain on the register.

It was discussed about the Loss of Funding Risk now being in the likely category. Ruth explained that this could be due to cuts in Government funding going forward due to the pandemic.

AO requested that the LEP Geography / Humber LEP merger be added as a risk to the register. This includes looking at the likelihood of any current liabilities that lie with the Humber LEP being transferred to GLLEP.

The F&A Terms of Reference are now to be checked annually to help maintain good governance practice. SD raised the query of what Financial Policies they should be reviewing as a Committee. RC stated that these were the Financial Interest Policy and the Financial Reserves Policy and RC also stated that the Scheme of Delegation should also be reviewed by this Committee. These policies are due to be reviewed at the next meeting.

The TOR will be updated to say that these are Independent Policies of the LEP and that other generic LCC Policies are followed.

F&A Committee agreed that they are happy for the TOR to be altered to include this text.

A.O.B

RC informed the Committee that a vacancy had been advertised this week for another F&A Committee Member.

LHP asked for any recommendations going forward with the Finance Reports. If there is anything different that the Committee would like to see or reports with more detail then email with suggestions.

AO suggested that James Baty is invited to the next meeting to provide a further Economic update.

Date of Next Meeting

January 2021