



GLLEP INVESTMENT BOARD

1st November 2019

Lancaster House Board Room, 36 Orchard
Street, Lincoln, LN1 1XX

Paper 0 - Chairs Agenda

Time	Item and brief description	Lead	Access/Circulation
13:00	Welcome, Apologies, Declarations of Interest	Chair	
13:05	<u>For Decision</u> <ul style="list-style-type: none"> GL LEP Pipeline Projects Category A 	Halina Davies, LEP Linsay Hill Pritchard, Accountable Body	Paper 1 attached
15:00	AOB and close of meeting	All Members	

Additional Information: Project Booklet (Not for publishing)

Attendees: Ursula Lidbetter, Cllr Colin Davie, Cllr Philip Jackson,
Cllr Rob Waltham, Pat Doody, Chris Baron (via telephone conference)

Apologies: Ruth Carver, Pete Holmes

Observers:

Officers: Andrew Crookham (S151 Officer),
Halina Davies (GLLEP), Linsay Hill Pritchard
Sue Groves (Note Taker)

Parking Arrangements

Parking spaces booked at the front of County Offices, Newland Lincoln for:
Cllr Rob Waltham, Cllr Philip Jackson, Ursula Lidbetter

27 September 2019 GL LEP Investment Board - Conflict of Interest Table

Board Member	Project	Conflict
Ursula Lidbetter	LSIP Phase 2	LSIP Board Director
Cllr Philip Jackson	Linking Cycle Routes - Hobson Way Immingham	NELC Applicant
Cllr Rob Waltham	Keadby Pumping Station Assisted Outfall Project	NLC Applicant

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Publication	Public Paper (published)					
Meeting date:	1 November 2019					
Agenda Item:	1					
Item Subject:	Greater Lincolnshire LEP Pipeline Projects – Category A					
Author:	Halina Davies					
For:	Discussion	Yes	Decision	Yes	Information	

1. PAPER FOR DECISION

1.1 Board Directors are asked to review and endorse Officer recommendations for the first phase of a revised pipeline of schemes across Greater Lincolnshire. Recommendations are being made on:

- Reserve project/s
- Review of updates received on existing pipeline schemes
- Newly submitted outline applications in the recent call

1.2 The focus is on (Category A) short-term and deliverable schemes by 31 March 2021

2. BACKGROUND

2.1 At the last investment board we discussed options to bring forward projects at risk should anything fall out in the last 18 months of the programme. It was agreed that the LEP team would look at options in the following areas:

- Extensions to existing programmes or contracts
- Revisiting the existing pipeline and recommending which schemes to invite to application, due diligence stage, and pre-approval
- Scoring the latest pipeline for schemes that could deliver by March 2021 and inviting to application, due diligence and pre-approval

2.2 Greater Lincolnshire published its latest pipeline in March 2019 providing a clear position on the business cases and prioritisation of schemes that will contribute to the delivery of the SEP and the LIS. Work continues on reviewing and supporting the existing pipeline schemes with most recent updates having been received from partners in August 2019. These updates have been analysed and reviewed in advance of this board meeting.

2.3 A further call for new pipeline project ideas was released on Monday 12th July 2019 and closed on the 27th September 2019. This invitation to local stakeholders and businesses for outline business cases resulted in 31 responses in total; 10 within Category A (deliverable by 31 March 2021) and 21 within Category B (deliverable by March 2025).

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- 2.4 The LEP continues to create a strong pipeline with partners to respond to further funding opportunities and build resilience in the current Growth Deal programme should hard decisions need to be made over the next few months. A pipeline of deliverable projects that could complete financially before 31 March 2021 needs to be identified to support decisions in ensuring full programme delivery with the current funding allocations.

3. PROJECT ASSESSMENT

- 3.1 An assessment of Category A submissions took place on the 18th October 2019, and clear recommendations can now be made in terms of prioritisation of short term deliverable projects. The LEP involved an external independent consultant as part of its officer assessment panel.
- 3.2 Existing pipeline schemes deemed most deliverable by 31 March 2021 post analysis on the 28th October have been considered in conjunction with the new Category A projects to inform final recommendations for consideration.
- 3.3 All projects were assessed with regard to strategic fit, economic case, deliverability and impact, taking particular notice of risk levels and potential impact on productivity. The assessment considered both qualitative and quantitative evidence and schemes were assessed as per the Local Assurance Framework.
- 3.4 We are taking a two phased approach to the assessment:
- Category A - Projects deliverable by March 2021
 - Category B - Medium-term projects and conceptual schemes

Category A will help identify projects that could potentially replace existing growth deal schemes should they be regarded as too high a risk to delivery of the programme. If an allocation has to be removed from an existing growth deal scheme the project concerned would automatically be returned to the GL LEP pipeline for continued development, unless it is deemed as no longer deliverable.

- 3.5 Category B will be analysed throughout November/December 2019 with a complete revised GLLEP Pipeline being presented to the 31 January 2020 Board for approval.
- 3.6 Projects have also been allocated a theme, allowing the LEP to consider replacing/including certain types of schemes with projects of a similar nature and outcome.

4. NEXT STEPS

- 4.1 Details will be provided on each new Category A scheme at the Investment Board meeting on the 1 November.

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- 4.2 Existing GL LEP pipeline updates submitted were reviewed on the 28th October and no existing pipeline projects were considered fully deliverable by March 2021 other than the Keadby Pumping Station and Assisted Outfall project already classed as a reserve project at the July 2019 Investment Board.
- 4.3 Category B pipeline schemes will be reviewed over the next couple of months, thus enabling a completely revised GLLEP pipeline list to be presented to board in January 2020.
- 4.4 It is worth noting that a number of risks to delivery remain attached to many of the Category A projects. A summary of the types of risks identified is as follows:
- Planning permission still required
 - Detailed design still incomplete or not started
 - Feasibility work yet to be completed
 - Cost uncertainty or in some cases not no costs provided
 - Land not acquired
 - Outputs unknown
 - State aid implications requiring further clarity
 - Key milestone dates not provided
 - SMART objectives not identified
 - Wider policy context not considered
 - Risk table not completed
 - Demand and need not clearly identified
 - Alternative options not explored or discounted
- 4.5 Feedback will be provided to all applicants on their submissions post assessment and final sign off for the overall revised GLLEP pipeline will be made by GLLEP Board on the 31 January 2020.
- 4.6 Following board discussion at the 1 November board meeting, a decision will be made on:
- Whether to proceed to due diligence appraisal with the Keadby Pumping Station and Assisted Outfall project.
 - Whether to request full business cases at risk from the schemes identified as most deliverable under this recent Category A pipeline assessment.
 - The development of commissioned approaches for consideration at the 29 November Investment board meeting on a second round of the highly successful Unlocking Rural Housing Programme; and a joint delivery approach with neighbouring LEPs for a new Agri-Grants Programme, building on the success of the existing scheme already being delivered by New Anglia and GCGP LEPs

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- 4.7 Should the total Growth Deal allocation amount withdrawn from existing Growth Deal programme schemes at any point exceed the most deliverable projects identified within the pipeline on the 1 November 2019, officers will revisit the remaining pipeline and make further recommendations for the Board to consider at the next available investment Board.

5. ANALYSIS AND DELIVERABILITY

- 5.1 The board is asked to review the analysis provided by Officers on the new Category A pipeline projects, endorsing requests for full business cases at risk on those considered most deliverable by 31 March 2021.
- 5.2 The table below provides a summary of all the Category A projects post analysis with the strongest schemes identified from 1 - 9.

Project name	Theme	Total Cost £	Grant Request £	Match £	Ranking
Centre for Rural Health	Business & Innovation/Skills	5.25	2.57	2.68	1
LSIP Phase II	Business & Innovation	6.90	3.48	3.42	1
Lagoon and Main Infrastructure	Water Management	1.50	1.00	0.50	2
AB Potato Grading and Cold Stores	Agri-Food	9.28	3.71	5.57	3
Lincoln Vibrant City Centre Phase 1	Visitor Economy	4.55	2.70	1.85	4
Linking Cycle Routes - Hobson Way Immingham	Infrastructure	0.37	0.29	0.08	5
PE21 Connecting People and Place feasibility study	Place (Feasibility)	0.12	0.10	0.02	6
Managed Workspace - Grantham & Bourne	Business & Innovation	0.35	0.31	0.04	7
Wastewater Treatment Plant	Water Management	1.35	0.65	0.70	8
Renewable Transport Fuel Network feasibility study	Business & Innovation	0.18	0.10	0.08	9
		29.84	14.91	14.93	

- 5.3 The analysis being tabled today provides the Board with an informed and prioritised approach to any urgent grant reallocations that may become necessary over coming months to enable Growth Deal programme delivery. The board will have the opportunity to review a booklet summarizing each Category A project that includes details on costs, outputs, status and risk.
- 5.4 Options for the joint delivery Agri-Grants Programme and the Unlocking Rural Housing Programme Round 2 are considered extremely low risk with existing programmes already running effectively. Should the board find these proposals acceptable,

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funding could also potentially be reallocated or newly assigned to these strategically important programmes under either Category A or B

6. RECOMMENDATION

- 6.1 That the Investment Board notes the assessment of Category A and short-term existing pipeline schemes, considers and endorses development of potential new commissioned programmes for Unlocking Rural Housing and Agri-Grants, and endorses the approach taken to secure priority projects for delivery should existing allocations need to be urgently reassigned.

The board is asked to approve the following actions:

- Proceed to due diligence appraisal with the Keadby Pumping Station and Assisted Outfall scheme.
- Agree that updates received on the Category A classified existing pipeline schemes in August 2019 are not taken forward at this time.
- Invite projects ranked 1 to 3 as part of the Category A assessment of new pipeline schemes to develop full business cases at risk.
- Proceed with the development of commissioned programmes on Agri-grants and Unlocking Rural Housing at risk.