



Minutes of the Greater Lincolnshire LEP Board

29th March 2019

The Olde Barn Hotel, Toll Bar Road,
Marston, Grantham, Lincs, NG32 2HT

Draft Minutes

Present: Board Directors: Ursula Lidbetter (Chair) (Lincs Co-op), David Dexter (Vice Chair FSB), Cllr Peter Wheatley (NELC), Chris Baron (Butlins, Skegness), Dean Fathers (Health), Pat Doody (Nat West), Debbie Barnes (LCC), Gary Headland (IoD & Chamber), Nick Worboys (Longhurst Group), Sarah Louise Fairburn (L J Fairburn & Sons Ltd), Zoe Easey (Epix Media), Pete Moore (S151 Officer & AB)

Apologies: Cllr Colin Davie (LCC), Cllr Rob Waltham (NLC), Cllr Craig Leyland (ELDC), Cllr Ric Metcalfe (CoL), Herman Kok (Lindum Group), Professor Mary Stuart (UoL), Steve Middlebrough (Siemens)

LEP Executive: Ruth Carver, Sue Groves (Note Taker)

Observers: Graham Pendlebury (Director DfT Senior Sponsor), Pete Holmes (CLOG), Simon Green (NLC),

For Agenda Items: Cathy Jones (LEP), Halina Davies (LEP), Kate Storey (LEP), Jaclyn Gibson (CoL)

Apologies and Declarations of Interest -

Apologies were noted from Cllr Colin Davie, Cllr Rob Waltham, Cllr Craig Leyland, Cllr Ric Metcalfe, Herman Kok, Professor Mary Stuart, Steve Middlebrough. Full declarations of interest can be found at:

https://www.greaterlincolnshirelep.co.uk/assets/documents/LEP_Rols_LIVE_list_March_2018_.pdf

The LEP Board were reminded that declarations of interest are required as part of LEP governance and must be updated at least annually, and if anything changes to the LEP office at the earliest convenience. Ursula Lidbetter and Dean Fathers to update their Declarations of Interest as a result of verbal declarations.

Action: UL and DB to update ROI. (Sue Groves)

Minutes and Matters Arising (Paper 1)

The minutes of the 30th November 2018 were accepted as a true record following amendment.

Matters Arising:

- MPs Engagement Plan - document has been updated and Cathy Jones will introduce the board directors via letter and the first brief in the near future.
- Steve Middlebrough has now tendered his resignation from the Board. This vacancy will be held for a couple of months.
- Careers Enterprise Coordinator - 50 applications have been received and interviews to be held week commencing 1st April. Match funding has been received from LCC and District Councils, which will mean there will be full coverage of Greater Lincolnshire for two and a half years.

LEP Directors Report (Paper 2) - Ruth Carver

- LIS - Recommended that the LEP works with the Lincolnshire LA Chief Executives Group to develop the place element of the LIS and an approach on the Stronger Towns Fund - this was agreed. Simon Green asked for a definition of a "Town" for the allocation element - this would be dependent on a number of variables.
- **Chairs meeting** - The Chair is meeting with Sir John Peace and Maria Machancoses of Midlands Connect to discuss Lincolnshire, and in particular the Ports of Immingham and Grimsby. The Chair has also met with the Leader and CX of SKDC to discuss priorities within SKDC and working with the LEP. The Chair also represented all LEPs at a national meeting of the Food and Drink Council and is due to meet with Sir John Peace on the 10th

April.

- **IoT Bids** - Funding to create Institutes of Technology has been made available by Government to significantly increase the number of learners with higher level technical skills, which are crucial to national, regional and local productivity growth. The Greater Lincolnshire bid sees a collaboration of all FE Colleges and the University of Lincoln, and sites will be located right around the area, based at, but separate from, existing FE College and UOL sites. The Lincolnshire Institute of Technology (LIT) will be a landmark institution, creating a step change in the skills provision and productivity of Greater Lincolnshire, and involving over £41m of investment. The £14.9m sought from DfE as capital funding will leverage £26.3m of additional investment through LIT partners. Greater Lincolnshire submitted a bid as one of the 16 bids nationally, and 12 are expected to be successful. Interviews were held week commencing 25th March and announcements are expected in March.
- **Skills** - A number of ESF projects are coming to an end on 31st March 2019 and in anticipation of this, we agreed to "opt-in" to a second stage of match funding from the Education and Skills Funding Agency, which allows us to co-commission 4 new ESF projects. Procurement of 3 of these projects (by the ESFA) is complete and delivery is expected to begin on 1st April, until at least 31st July 2021.
- **Stronger Towns** - Chris Baron asked for more information and was informed that the policy is still being developed by government and a prospectus will be issued.
- **People** - Debbie Barnes requested a debate on Skills at the next Board Meeting, regarding Place based Skills Strategy.
- **Health & Care Enterprise Board** - A workshop was held on the 27th February 2019 with 30 attendees and Novartis facilitated this workshop. Looking to recruit Board members, which will be considered by the Appointments Committee.

Outline Budget & Delivery Report (Paper 3) - Ruth Carver

The Board were asked to approve the outline budget as presented, subject to the Delivery Plan being approved in May 2019.

The Board approved the outline budget of £1,100,527 and £209,894 amount of draw down from the operating reserve.

LEP Review Implementation (Paper 4) - Ruth Carver

The Board was asked to note the progress in achieving the areas of the LEP Review:

- **LEP Geography** - This is still to be resolved. A verbal update was given by the Chair and the CX and the main focus of collaboration is being explored with the Humber LEP, alongside collaboration on strategic programme and project alignment. An initial meeting has taken place between Greater Lincolnshire and GCGP to agree to terms of an MOU between the two LEPs. Greater Lincolnshire has sought clarification on existing programmes that were being supported through GCGP and a "Next Steps" meeting with Rutland County Council has also been held.
- The Board approved the Articles of Association, and delegated any changes to the Chair and one other board member. The Board was asked to submit questions and changes to Kate Storey by the 5th April 2019.

Review of Governance (Paper 5) - Ruth Carver

The Board were asked to approve the following Terms of Reference:

Paper 5.2 - Employment & Skills Board

Paper 5.3 - Greater Lincolnshire Scheme of Delegation

Paper 5.4 - Chair of the Board

Paper 5.5 - Deputy Chair

Paper 5.6 - Accountable Body Statement

Paper 5.7 - Role of the S151 Officer

Paper 5.8 - GLLEP Equality & Diversity Policy Statement
Paper 5.9 - List of all Policies and when they are to be approved

All Terms of Reference were approved, and can be published on the website.

Local Assurance Framework (Paper 6) - Ruth Carver

Each year, the Greater Lincolnshire LEP is required to update its Assurance Framework to ensure that robust, transparent and effective governance arrangements are in place and the Board was asked to review and approve the publishing of the revised Local Assurance Framework 2019, and to endorse the secretariat to be able to action any necessary final changes prior to publishing.

The Board agreed publication of the Local Assurance Framework.

Approval of the Project Pipeline (Paper 7) - Halina Davies

Although Board Directors may have to declare an interest in schemes on the pipeline, individual schemes were not discussed. Board Directors were asked to endorse the revised GLLEP pipeline as recommended by the GLLEP Investment Board held on the 25th March.

A call for pipeline schemes was released by GLLEP in December 2018 and it was agreed at the Investment Board in February 2019 that a review of the wider pipeline process and schemes should take place towards the end of March, so that recommendations on a final revised pipeline could be brought to the GLLEP Board on the 29th March 2019 for endorsement.

Greater Lincolnshire needs to have a clear position on prioritisation of schemes that will contribute to the delivery of the SEP and the LIS. The recent pipeline call was therefore a first step in ensuring that a realistic pipeline for delivery could be developed, with the potential to deliver growth and productivity in the Greater Lincolnshire area. Should hard decisions need to be made by the Investment Board on existing schemes over the next couple of months to ensure programme delivery, a pipeline of deliverable projects that could complete financially before 31st March 2021 needed to be identified to potentially replace existing allocations if necessary.

It was agreed that a strong pipeline is necessary for when funding becomes available.

Action

- A project workshop session to be held with board directors on lessons learned and impact
- Approved Pipeline list to be published

Local Industrial Strategy (Paper 8) - Cathy Jones

The LEP Board were asked to agree allocation of £95,000 towards the production of the Local Industrial Strategy and the SEP evidence base, and strategy in line with the agreed timetable.

"Lincolnshire's Evolving Opportunities" was published shortly after the last Board meeting to open the Call for Evidence, which ran until 1st March 2019. During the Call for Evidence, sub-boards were invited to consider and respond to the framework, two engagement meetings were held, firstly with Local Authority partners, and secondly with wider stakeholders. These presented an opportunity to test both our under-pinning evidence base and our emerging themes with a wider audience. The Call for Evidence itself invited respondents to consider 12 questions and in addition to the feedback received at the engagement events, 21 written responses were received.

Some of the key messages provided a rich source of examples and case studies which we can draw up in producing the draft LIS. For example: Housing - some of the issues identified would be more appropriate taken forward through the planning process. We could encourage such action through the LIS and could also consider how it could be promoted in any future funding programmes. Strong messages in general about the potential for the natural environment to be

positioned as strength and an opportunity. This is interesting because, whilst it hasn't really emerged as a priority from the research, it is known that sense of place and local distinctiveness will be something that the LIS must capture.

Agreement and support was given from the Board on progressing exploratory discussions with Government - BEIS officials have advised that it would be helpful to develop three of the priorities as a basis for initial discussions with relevant officials from across Whitehall. It is proposed that the focus is on Agri-food, Energy and Water and the Visitor Economy (which aligns to the recently announced Tourism Sector Deal).

Approval for Tendering - It is proposed that this is a one single commission, comprised of a number of lots. Having this as a single commission is beneficial for the timescale, management and continuity of the development of the LIS, however, by building lots into the commission, we have flexibility should there be outstanding candidates for any given lot.

Update on Lincolnshire Business Rates Pilot (Jaclyn Gibson, CoL)

A background to the pilot was given - 10 pilot areas were created for 2018/19, which was to help explore options for the design of future local government finance reforms for one year only. Gains are made from the area retaining 50% of growth currently paid to MHCLG.

The original forecast of gains was £18.9m for Lincolnshire from pilot status, based upon the 2018/19 NNDR1 forms. However, the actual figure will not be known until the 2018/19 NNDR3s are completed in April 2019 and NNDR1 forecasts tend to be higher than NNDR3 actual (across the country).

Any gains from the original 50% regained locally will be split as follows:

- North Lincolnshire increases its share of growth from 49% to 99% and retains any levy that would have been payable.
- Lincolnshire County Council increases its share of (all districts) growth from 18% to 40%.
- The Lincolnshire Districts increase their share of growth from 32% to 60%.

Indicative proposals were given for the use of the gains, but they are not ring-fenced. These proposals indicated that the additional resources to be received from pilot status would be used to promote financial stability and sustainability, through:

- Investing in vital service areas to improve budget resilience and reduce future years' budget pressures;
- Increasing the resources available for investment in economic development, housing and regeneration schemes.

As a result of lack of information on appeals under this new system, each billing authority set aside provisions of 4.7% in 2017/18, based on the national assumption. As local information and intelligence has become available during 2018/19, there is now more confidence to estimate appeals provisions on a local basis and at a lower rate than the national average. This has resulted in a release of appeals provisions, thus increasing business rate income. The benefit to the pilot in 2018/19 is that the gains from releasing the appeals provisions are retained 100% by local government and not shared with central government. As there is no requirement to report to MHCLG on the use of any gains achieved through this pilot, against the schemes identified in the pilot applications, this has been left to the discretion of each authority.

MCHLG commissioned an independent research agency to carry out a process evaluation of the 100% pilots, which aims to capture lessons about implementing pilots. A number of Lincolnshire authorities were interviewed, but no feedback has yet been received. As an area that was already working together as a pool (prior to 2018/19), there was little that could be learnt in terms of

processes. A one year pilot was felt to be too short to realise the full benefits of any gains made, a multi-year pilot would have been more beneficial. The pilot was predicated on each authority determining the use of its own gains, there were no joint schemes of decision making. It has resulted in a potential gain of £27.9m being retained within Greater Lincolnshire which will support services and provide resources for investment.

Comments

- ❖ Business rates need to be looked at as they are a real income strain and have an impact on sustainable business growth
- ❖ Government specifies how rates are set
- ❖ Local Authorities are more sustainable if they keep 100% in the medium term
- ❖ More discussion is needed on business rates and Council tax

Briefing on the Augra Review (paper 9)

It was agreed that the Greater Lincolnshire LEP would send a letter of support for HE institutions potentially affected by the Augra review.

Extension to Lincolnshire Wolds Area of Outstanding Natural Beauty (Paper 10) - Simon Green, Deputy Chief Executive, NLC

The area of North Lincolnshire contains landscapes which have been identified as high quality and of natural beauty. This standard of quality and natural beauty is consistent with that of the existing Lincolnshire Wolds AONB. North Lincolnshire is seeking support from the LEP to review and expand the AONB. The Joint Advisory Committee is responsible for the AONB.

Action

- The LEP Board agreed to support North Lincolnshire with their ambitions of extending the AONB.
- Agreed that there is a need for a review of the Lincolnshire Wolds AONB boundary.

The meeting was closed.