



LEP INVESTMENT BOARD

6th September 2019

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

Minutes

Draft Minutes

Present:

Board Directors: Pat Doody (Nat West - Chair), Cllr Rob Waltham (NLC), Cllr Colin Davie (LCC)

LEP Officers: Halina Davies, Linsay HillPritchard, Sue Groves (Note Taker), Zoe Burse

Observer: Mel Phythian (BEIS),

Apologies: Ursula Lidbetter, (Lincs Co-op), Chris Baron (Butlins), Cllr Philip Jackson (NELC), Ruth Carver (LEP)

Welcome by the Chair

Apologies and Declarations of Interest

The Chair welcomed Mel Phythian (BEIS Area Lead for GLLEP)

Formal apologies were received from the following:

Ursula Lidbetter (Lincs Co-op), Chris Baron (Butlins), Cllr Philip Jackson (NELC)

Declarations of Interest:

Ursula Lidbetter	The Bridge	Wider Lincolnshire Science & Innovation Park landowner, but not involved in the meeting today
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Full declarations of interest can be found at

<https://www.greaterlincolnshirelep.co.uk/documents/declarations-of-interest-register-nov-2016/>

The board were reminded that declarations of interest are required as part of LEP governance and must be submitted at least annually, and if anything changes to notify the LEP office at the earliest convenience.

Minutes and Matters Arising (Paper 1)

Matters Arising:

Lincolnshire Lakes - North Lincolnshire Council has requested an extension of a couple of weeks to update the Board on the project following a meeting with Homes England. The scheme will now be discussed at the 27th September Investment Board.

Future decisions on allocations from the Feasibility Fund will now be made in accordance with Lincolnshire County Council's Scheme of Delegation levels.

The minutes of the 19th July 2019 were accepted as a true record.

Action

Publish

The Bridge (Paper 3)

Paper Commercial in Confidence

Investment Board approval was sought for this project to be moved to the contracting stage. The project is being considered as part of the Growth Deal Programme.

HD informed the Investment Board members that this paper had been shared confidentially with Manufacturing Board members for their feedback on the project and provided a brief overview of the due diligence report and findings.

The Bridge will be a new-build, R&D facility of the Lincoln Science and Innovation Park and the £1,940,250 Greater Lincolnshire LEP grant would contribute towards the capital build elements of the project only.

The principal activities would be:

- Construction of a new-build two-storey R&D and innovation facility.
- Equipping the Centre with cutting-edge instrumentation that will support R&D investigations, new product development and materials innovation.
- Assembly of a team with relevant skills and experience to address the key processes of the project.
- Delivery of R&D assistance to SMEs through a range of activities.
- Delivery of business engagement for R&D collaboration.

Comments from Manufacturing Board Members

- ❖ Largely positive addition to manufacturing support infrastructure
- ❖ Need to be mindful of challenges that academia has faced with engaging the SME business community
- ❖ Market demands not always met effectively as they could be, need to be mindful of approach
- ❖ Intellectual property ownership may need careful consideration
- ❖ Client demand is likely to be fairly niche and might be limited by LEP geography
- ❖ The proposed GVA growth per business supported and number of jobs predicted seemed to be very conservative estimates
- ❖ Need to make sure that the equipment and facilities provided line up with the needs of the materials, R&D and product development in the sector
- ❖ Wider consultation is needed to engage the sector effectively

Investment Board Members recommended that the following conditions are required, either prior to or to be incorporated within the Fund Agreement:

Pre-Contract Conditions

- The University to provide updated project information, demonstrating that the scheme has as a minimum achieved RIBA Stage 3 and can proceed in accordance with the programme provided by the University for this project. In the event that the project has not reached RIBA Stage 3, the University to confirm measures in place that will enable the detailed design of the project to be complete in time so as not to impact on programme and deliverability of the scheme by the programme deadline of March 2021.
- The University to provide written confirmation that they will be solely responsible for any cost overruns and budget overspend so as to enable the scheme to be delivered as proposed within their application without any material change.
- University to confirm ESIF match funding being in place subject to contracting by October 2019.
- The University to provide a detailed monitoring plan to GLLEP for inclusion within contractual documentation.

Pre-drawdown of Funding Conditions

- The University to provide a detailed programme for delivery of the project and to keep GL LEP notified in terms of all progress and any potential slippage which may jeopardise delivery of the project beyond March 2021.
- The University provide a copy of the lowest tender and report on tenders once the procurement process has completed so as to verify that the procurement that current regulations have been complied with and that the project can proceed in accordance with the approved budgets.

- The University to widen its consultation base for the project and to produce a partnership document with a minimum of 50 businesses demonstrating their support/interest in the new research facility.
- That one or two GLLEP Manufacturing Board members are invited to work on the project steering group both at initial design stage and post completion.
- The University to monitor business engagement and tap into existing UK Knowledge on the sector.

It was suggested that collaboration with Nottingham University in particular may be helpful as they have already done something similar.

The Board specifically asked for the University to widen its business consultation base for the project and to produce a partnership document demonstrating support/interest in the new research facility.

Clarification of which outputs would be attributable to both Growth Deal and ESIF was also requested by the Accountable Body. GLLEP will liaise with the ESIF team.

The Board approved The Bridge scheme progressing to contracting stage, subject to the above pre-contract conditions being addressed.

Digital Technology Transport & Logistics Academy

Investment Board approval was sought for this project to be moved to the contracting stage. The project is being considered as part of the Growth Deal Programme.

HD summarised the project proposals and due diligence appraisal report findings.

This project will create an industry-driven Digital Technology, Transport and Logistics Academy with a main hub in Boston, spoke in Spalding and providing a complementary offer to the Institute of Technology.

The project will:

- Improve the skills and talents of the current and future workforce across levels 2-5
- Support key strategic sectors and national projects such as HS2
- Support business growth through access to resources and advice

The proposed centre will bring national partners, such as Network Rail, Victoria Group, Hire Association Europe and the Construction Plant-Hire Association (incorporating the Rail Plant Association), and their employer partners into Boston for sector specific training opportunities alongside Lincolnshire employers.

The new Academy will:

- Provide industry standard training facilities
- Offer a progressive skills pathway from Level 1 to Level 5
- Deliver a range of bite size modular training packages in new skills and technologies for new and existing employees
- Act as a hub for transport and logistics businesses, including rail, road and plant industries

The total cost of the scheme is £3,725,000 of which £200,000 is revenue funding. Greater Lincolnshire LEP Growth Deal would be contributing a grant of £2,425,000 (inclusive of GLLEP fees of 0.5%).

The Board recommended co-ordination of this scheme with related training already being delivered by the University of Lincoln.

Grant conditions agreed were as follows:

Pre-contract Conditions

- Confirmation in writing to Greater Lincolnshire LEP that any additional costs are underwritten by Boston College.
- If the decision is taken to change the delivery mechanism from a traditional construction process to a modular one, the full scheme details are provided to Greater Lincolnshire LEP and a re-appraisal of costs, funding required and value for money is undertaken accordingly.

Pre-drawdown of Funding Conditions

- Confirmation that the scheme has secured a satisfactory planning permission and is able to proceed.
- A copy of the report on tenders and lowest tender is provided to Greater Lincolnshire LEP to demonstrate the scheme is deliverable.
- An updated programme for delivery and drawdown of funds is to be provided once a contractor is appointed.

Post Completion Monitoring

- That within the first year of project completion, a statement is provided stating exactly what the new qualification offers are, and what new activity is taking place for on-going monitoring.

The Board approved the Digital Technology Transport & Logistics Academy scheme progressing to contracting stage, subject to the above pre-contract conditions being addressed.

Meeting closed