



In attendance:
Board Directors: Ursula Lidbetter (Chair) (Lincolnshire Co-operative); Cllr Rob Waltham (North Lincolnshire Council), Chris Baron (Butlins Skegness)
LEP Board Support: Ruth Carver (LEP Director), Halina Davies (LEP Programme Manager), Sue Groves (Note Taker)
Accountable Body : Linsay Hill-Pritchard (Lincolnshire County Council)
Observers: Pete Holmes (BEIS), Warren Rails (LEP Network)
For specific items: Andy Gutherson (Lincolnshire County Council) (Paper 2)
Apologies: Cllr Colin Davie (Lincolnshire County Council), Cllr Peter Wheatley (North East Lincolnshire Council), Richard Wills (Lincolnshire County Council)

Welcome by the Chair – Ursula Lidbetter
 The Chair welcomed everyone in attendance. It was noted that the Board could be regarded as quorate for all matters.

Order of Agenda
 It was agreed by all to rearrange the order of discussion of papers on the agenda.

Declarations of Interest
 Cllr Waltham declared an interest in Paper 3 (Growth Deal Update Report) regarding the sections relating to Lincolnshire Lakes and Scunthorpe Town Centre.

Minutes
 Minutes from the meeting held on 29th September 2017 were agreed and can be published on the website following minor amendments.

Actions:

- Formal training for Directors on GLLEP Assurance Framework to be arranged in May/June 2018 following release of updated National Assurance Framework guidance.

LEP Secretariat

HD/LHP

Paper 2 – Grantham Southern Relief Road
 An update on this project was provided by Andy Gutherson of LCC and the Board was asked to note progress made:

- LCC Executive gave approval in January to take forward preparation and publication of the statutory orders, seeking of required delegations, acquisition of land and letting of contracts. Orders were expected to be published in January, but due to the management of the interdependencies, additional delegation documents being required, and additional requirements and due diligence of third parties, these should be published in February.
- Additional delegation of authority is now required from DfT to publish the orders.
- The revised spend profile is being met.
- There is reduced risk attached to the critical path items previously reported.
- Even with the publication of orders, maintaining the delivery programme carries risk given the potential of a Public Inquiry being required to address any objections raised.
- Regarding the land acquisition, all stage 2 land acquisitions are in the final stages of negotiation with legal documentation ready to sign with all parties.

- Negotiations are under way with all parties for the acquisition of land required to deliver Phase 3 and no difficulties are currently envisaged in relation to this process.

Recommendation: Regular updates on progress against milestones must continue to be provided and a further presentation to the Investment Board will be expected from LCC in six months' time.

Before moving onto the next paper, UL asked AG about the Lincoln Eastern Bypass scheme given the recent demise of Carillion. AG said that LCC had been made aware of the Carillion difficulties from Government alerts. Within a week of the collapse, LCC had made progress and everyone had worked collaboratively to resolve the situation.

LCC acted by terminating the contract with Carillion and worked to award a package of works to Galliford Try via the Midlands Highways Alliance Framework. Work will recommence on site within 1 month. The contract may be split into 3 or 4 separate contracts to be awarded through the Midlands Highways Alliance Framework. The full impact on cost and programme will be clarified in coming weeks, which may delay the completion date by a short period of time.

Paper 3 – Growth Deal Update

HD, GLLEP spoke to the Board and provided a quarterly update on progress with the current Growth Deal Programme:

- Annual Conversation – GLLEP held its Annual Conversation with Government on 5th December and formal actions arising from the discussion are still to be confirmed by Government. It was a positive discussion focusing on progress with actions from the last Annual Conversation; implications from the Mary Ney Review, Local Industrial Strategy development, Greater Lincolnshire Strategic Economic Plan, and guidance on branding of projects within the programme. It was also an opportunity for the LEP to highlight any concerns, proposals and ideas to government and topics, sector deals and emerging sectors.
- The Chair will receive a letter confirming the results of the Annual Conversation and actions in the Spring.
- Training will be provided for the Section 151 Officer once Government guidance on an enhanced role relating to LEP activities is confirmed nationally.
- PH stated that deep dives into LEP governance and transparency will be carried out during February and March following on from the Mary Ney Review, with a small number of LEPs being identified to participate in this process.
- Further guidance on scrutiny arrangement will also be circulated by Government over the next few months.

Growth Deal Progress – There are three projects that are currently deemed as high risk in terms of milestones to the programme, Skegness Countryside Business Park (Skegness Gateway Scheme), Grantham Southern Relief Road and Lincolnshire Lakes.

The programme is currently forecasting £9.5m in expenditure for this financial year and actual expenditure to the end of Quarter 2 totalled £1.197m. The wider picture is that:

- Projects have evidenced £4.5m in the Quarter 2 period. However, this has been evidenced against advance payments and is not reflected in outturn.
- It has already been identified that higher spend levels would occur in Q3 and Q4.

CLlr Waltham left the room

HD highlighted two schemes.

Lincolnshire Lakes – North Lincolnshire Council – Update: The Lincolnshire Lakes scheme had been delayed due to the land transfer by the landowner not having proceeded as planned. A meeting between North Lincolnshire Council and the landowner on the 24th January resulted in significant progress being made. NLC have been granted permission to operate on the land under licence and hope to finalise the formal land transfer over the next couple of months, allowing things to progress with the wider scheme. Planning permission was received for the development of Lake 1 in early November with associated conditions, most of which have now been discharged. The LEP has spoken with Homes England and they remain committed to the scheme providing the landowners can demonstrate that they are meeting all their funding obligations. Permission is being sought by NLC from the Environment Agency regarding raising the level of the lake and it is likely that a planning revision will be required, though survey and access works can now progress on site. The Board was informed that Clugstons have been appointed as the principal for the Lake 1 scheme.

Scunthorpe Town Centre – North Lincolnshire Council is proposing a two phased approach to the project and will be submitting Phase 1 of their scheme for due diligence in early February 2018. The overall £4m project will focus on the regeneration of the Church Square in Scunthorpe and includes road infrastructure to improve accessibility, strategic land acquisitions and public realm investment.

Recommendation: The Board supported his approach in principle and agreed that Phase 1 of the scheme could be considered electronically by the Investment Board, utilising the agreed process. It was envisaged that this would be necessary in early March 2018.

Cllr Waltham returned to the meeting

FEZ Programme – Due diligence appraisal of Phase 1 South Lincolnshire FEZ is expected to proceed in February, with recommendations being made at the 23 March Board meeting.

Paper 4 – Skegness Gateway Development - Approval

Halina Davies presented this item. The revised scheme originally known as the Skegness Countryside Business Park was presented. HD gave a summary of the due diligence report, seeking formal approval of Phase 1 of the scheme to contracting stage. The project will provide space for business expansion and attraction in the Skegness area, and will make future provision (Phase 2) for a fitting Gateway access into Skegness, ultimately enabling connectivity into the planned Skegness Western Relief Road.

Phase 1 under consideration today of the project will build, service and make available of 5 hectares of "spade ready" employment land and "ready to move in" small industrial units, which are targeted at meeting pent up and emerging demand. This phase is expected to create and safeguard 65 jobs within two years, constructing 5,000ft² of workspace units for small and start-up businesses.

Recommendation: Phase 1 was endorsed by the Board for progression to contracting subject to sign off by the Section 151 Officer and the following conditions:

- That LCC confirm in writing to GLLEP that they will undertake to meet any cost increases on Phase 1, to ensure that the project is delivered in accordance with the project subject to the application for funding – only details of estimated costs received to date.
- Prior to any drawdown of SLGF funding that a copy of the report on tenders for Phase 1 and confirmation of intention to appoint a contractor is provided to GLLEP for review. This is to ensure that verification of project scheme costs is provided and any adjustments are made to the financial profile of the project accordingly.
- In accordance with the state aid advice summarised, LCC is to confirm that funding drawn down for the respective elements of the Phase 1 scheme are in accordance with the state aid compliant mechanisms and intervention limits.
- A detailed programme for the delivery of the scheme and drawdown of GLLEP funds is provided upon

appointment of the contract.

Post Contracting

- LCC to provide to GLLEP, as part of project monitoring, an update position in relation to sale of the serviced commercial land and letting of the employment floor space.

Any Other Business

PH asked about press for Peppermint Junction and HD confirmed that any press releases regarding the launch would be shared with BEIS.

UL asked about guarantors for the International Bomber Command Centre loan with the recent passing of Tony Worth. The Trust has been sent a letter requesting this information. The Board was informed that the deferred interest payments have now been received.

With Councils now being able to retain all locally raised business rates, the Board discussed the potential of pooling opportunities. **It was agreed that Angela Andrews, CX at Lincoln City Council would be invited to present at a forthcoming meeting.** It was also suggested that planning applications should indicate the level of business rates expected for clarity to potential investors.

Date of Next Meeting

23rd March 2018

List of Actions

Regular updates on the Grantham Southern Relief Road to be considered by the Investment Board.	LCC
A phased approach to due diligence was agreed for Scunthorpe Town Centre, with electronic approval for Phase 1 expected in March 2018.	Investment Board and LEP Executive
Angela Andrews, CX of Lincoln City Council to be asked to present on the Pooling of Business Rates Pilots for Lincolnshire.	LEP Executive
Phase 1 of the Skegness Gateway Development Scheme was approved to progress to contracting.	LEP Executive
Training for Directors on GLLEP Assurance Framework to be arranged in May/June 2018 following release of updated National Assurance Framework guidance.	Accountable Body