

	Actions
<p><b><u>In attendance:</u></b> <b><u>Board Members:</u></b> Ursula Lidbetter (UL), Mark Tinsley (MT), Cllr Colin Davies (CllrD), <b><u>Board Support:</u></b> Jon Burgess (JB), Richard Wills (RW), Pete Holmes (PH), Ruth Carver (RC), Helen Thompson (HT), Linsay Hill-Pritchard (LHP), Rachel Lister (RL), Halina Davies (HD)</p> <p><b><u>Apologies:</u></b> Herman Kok, Chris Baron, Cllr Redfern, Cllr Oxby (HT attending in his place), Justin Brown</p> <p><b><u>Welcome by the Chair – Ursula Lidbetter</u></b></p> <p>The meeting commenced at 10am with The Chair welcoming everyone in attendance. It was noted that due to apologies the Board could be regarded as quorate for all matters except Skegness Countryside Business Park. It was agreed that a sensible way forward for the Skegness scheme was to capture comments from the attendees present and following the meeting Cllr Oxby and Cllr Redfern would be informed of the points raised and decisions proposed. They will be asked to provide their views/approval so that a final electronic decision can be made and recorded.</p> <p><b><u>Declarations</u></b></p> <p>UL declared an interest in Boole Technology Centre and Lincoln Transport Hub.</p> <p>Cllr D declared an interest in Skegness Countryside Business Park.</p> <p><b><u>Minutes</u></b></p> <p>Minutes of the last meeting were agreed as drafted and can be published on the website; UL, for clarification purposes, advised that the Coop are putting land towards the Lincoln Transport Hub project and not match funding.</p> <p><b><u>Matters Arising</u></b></p> <p>CD highlighted the need to be careful that there is no duplication of expenditure on the GO Skegness Scheme and Coastal Access 15/16.</p> <p>Amrick Singh (Civil Servant, DWP, SFA) is joining the ESIF Committee; he will not be part of the decision making but will be in attendance.</p>	
<p><b><u>Growth Deal Update – Presented by Halina Davies</u></b></p> <p>HD provided an overview of Paper 2.0.</p>	

A letter sent by DCLG to the Accountable Body's Section 151 officer on the 6 February 2015 confirmed payment arrangements for Local Growth Fund projects confirmed to begin in 2015/16. DCLG will release a capital grant payment of £26.4m in a single instalment on the 1<sup>st</sup> April 2015, and this sum includes £7.7m of pre-allocated Growth Deal funding for Grantham Southern Relief Road (LTB allocation).

An additional letter was received in late March from Tom Walker, Director of the Cities and Local Growth Unit setting out revised indicative growth deal profile for 2016/17 to 2020/21 totalling £56.8m. This includes the remaining £4.2m of LTB monies for Grantham Southern Relief Road but not the £11m allocated for the DFT retained Lincoln Transport Hub, which will not be released until Ministerial approval has been secured.

Consideration will need to be given to how the growth deal programme might be revised to accommodate the annual amounts indicated by government. In particular schemes with allocated amounts in 2017/18 will need to be reprofiled. HD/RC will explore options with project applicants and will report back to Investment Board with possible proposals. It will be important to liaise with all projects regarding suggested changes once the initial prioritisation exercise has been completed, and to garner collective views prior to any firm decisions being made.

An update was given on the **Grantham Southern Relief Road**.

**GO Skegness Sustainable Transport Scheme** – CD left the room at this point. HD gave the board an outline of GO Skegness project and what it aims to achieve.

A £1.3m Local Sustainable Transport Fund revenue funding bid was declined by government in 2014 despite approval being given for the capital elements of the scheme under growth deal. LCC is confident however that the scheme would have sufficient revenue support through what has already been identified as part of the growth deal project to be sustainable and deliver expected outputs. A proposal for ESIF funding towards additional revenue elements will still be taken forward should the opportunity to bid be supported centrally, however it was agreed by Board the growth deal project should proceed on the basis that it remains viable without ESIF funding support.

LHP confirmed that subject to Ministerial approval, the national launch date for the first calls for activity for the 2014-2020 ESIF Growth Programme is likely to be Friday 20<sup>th</sup> March 2015. Calls for projects will go live on the GOV.UK website from that point.

UL stated that clarity on what the project is delivering under the current funding will be extremely important.

**Board decision – The Investment Board agreed that the revenue elements of the proposed Go Skegness scheme would not fundamentally affect the outcomes, and agreed that the scheme could go forward to due diligence.**

CD re-joined the meeting.

HD talked the board through the expenditure, output and milestone paperwork provided explaining that this would be updated for each Board meeting. The Implementation Plan is

where project forecasts will be regularly updated. It is a live document held on the GLLEP website under the Growth Deal section.

### **Unlocking Rural Housing Scheme – Tytton Lane East, Boston**

HD briefly explained how the project fits within the wider Unlocking Rural Housing Programme.

Special conditions were highlighted as being:

- Drawdown of grant being against construction costs on the basis of monthly validated cost reports verified by a quantity surveyor with duty of care to GLLEP.
- A detailed construction programme to be provided.
- Lindum to provide a profile for drawdown of funding of SLGF
- Clawback to be triggered in the event that end values are exceeded. Clawback in this case shall not exceed the amount of Grant awarded to the Project.

RL talked the Board through the Due Diligence paper confirming that the land is ready to build on and the scheme will be delivered through Waterloo homes. SLGF support for this affordable housing scheme will help generate economic growth in an area where there are significant barriers which impede housing delivery. The site has contamination as well as flood risk issues; hence viability has always been a factor for this site. The scheme will deliver 28 affordable housing units with £335,000 of growth deal grant. The applicants Lindum Homes have agreed terms with Waterloo and work is scheduled to begin on site in June 2015. HCA are not putting up any funding for this project.

Ground conditions carry some risk but other than this the project is deemed very low risk.

MT advised that there is a timber yard adjacent to the plot of land which may cause future concern. RL confirmed that planning permission has been granted for this piece of land.

**Board Decision –The Investment Board gave its approval for the Tytton Lane East Scheme and the project can move forward to contracting.**

### **Skegness Countryside Business Park**

CD left the meeting while this scheme was discussed.

HD explained that the Project will deliver a mixed use commercial and leisure development extending over 37 hectares. SLGF funding will support three distinct elements of the scheme:

- i. Provision of new four leg roundabout to provide access to the Skegness Countryside Business Park (SCBP) from the A52.
- ii. Provision of on-site infrastructure for SCBP, following construction of the roundabout, opening up 27 hectares of land for uses noted above.
- iii. Acquisition of an un-serviced plot of 1.2 hectares (2.97 acres) to be serviced by LCC and disposed for commercial development.

HD confirmed that an approval was being sought to proceed to contracting for Phase 1 of the project, with an agreement "in principal" being considered regarding Phase 2.

RL outlined this project and talked the Board through the Due Diligence report in some detail.

Draft HODs have been drafted between LCC and Croftmarsh (who own the land and are promotor of the scheme). However these need to be updated to show that LCC are responsible for the 4 leg roundabout which is to be delivered to enable delivery of the Western Relief Road. A detailed discussion on legal agreements took place and the importance of ensuring specific clauses and conditions are in both contractual documents.

UL queried whether Croftmarsh are indeed an SME and RC confirmed that due to staff numbers and balance sheets Croftmarsh fit the definition of SME.

UL was mindful that the Board was not quorate. It was suggested that RL/HD offer to organise a conference call to discuss points raised with Cllr Oxby and Cllr Redfern to enable a quorate decision asap. HT confirmed that Cllr Oxby could be available on Monday for a telephone conference.

**Recommendation** – await outcome of phone call with Cllr Oxby and Cllr Redfern on Monday for final approval to proceed to contracting. Finalise contracts and HODs tied in with LCC/GLLEP and LCC/Croftmarsh. Agreed by Board.

### **Project Variation Procedure**

HD presented Paper 4.0.

With guidance from the Assurance Framework and Implementation Plan most variations to contracts and forecasting will be managed by officers within the GLLEP Secretariat and Accountable Body and then reported to Board once changes have been approved. This procedure will sit within the GLLEP Operational Manual currently being brought together.

RC advised that on large projects where 10% (or above £200,000-£300,000) of the annual growth deal project forecast is considered at risk or additional expenditure sought, this should be reported to Board for discussion and decision. PH was of the opinion that there is no need for a separate meeting with BIS on variations; he has regular update meetings with LEP and any issues can be dealt with at these and then brought before the Board.

HD/LHP to clarify delegations levels to a future meeting.

### **Monitoring and Evaluation Framework**

This document will need to be live on the GLLEP website by 31<sup>st</sup> March as a government requirement. Advice was sought from Government on the draft document and some amendments were made as a result.

HD went through the key elements of the document.

Project Evaluations will be carried out at 3 distinct levels: -

Level 1 – All growth deal projects will have to submit an evaluation plan setting out what the project is expected to deliver, and the 'core' and 'project specific' indicators that will be used to measure progress against targets and success.

Level 2 – A select number of projects will be chosen for a full evaluation. Out of our committed projects the GLLEP are proposing that Grantham Southern Relief Road (due to scale of project and budget) and Bishop Burton College (due to its uniqueness, skills elements and impacts on sectors particularly Agriculture) should undergo level 2 evaluations. The Lincoln Transport Hub (large complex local scheme) will undergo level 2 evaluation but informed by Department of Transport methodology.

Level 3 – This will be a GLLEP growth deal theoretical evaluation which will be made up of a number of components (these are set out in more detail in the Assurance Framework document).

UL was concerned that the logic model charts in the framework were in a complicated format, and not easy to follow. They will need simplifying or removing.

**The Investment Board gave formal approval of the document pending changes being made to the diagrams as highlighted above.**

### **EU Funding Programmes – Paper 6.0, 6.1, 6.2**

LHP gave an overview of the papers provided.

It was confirmed that Pat Doody will be Chair of the ESIF committee.

Government have brought forward the EU bidding rounds from August to March. Although this has made timescales tight it is a positive move as it means we can start delivering projects which will support our businesses and communities. Call activity has been restricted under this first call and quick decisions have had to be made by the ESIF committee as to whether we are "open for business". However, by doing this we will be bringing forward pipeline projects and start contributing to high programme spend targets that we need to reach to secure funding for future years.

There was an ESIF meeting in November and a further meeting will take place shortly. Board we will be updated on the outcome in due course. The committee will consider business growth, skills and economic infrastructure.

PH felt that a single ESIF/European Funding webpage is needed and LHP advised that there is publicity on the GLLEP website with a link directly to a page about ESIF and European Funding, which basically says we are "open for business" and if you want to work with the European Programme then we are here to help.

There is to be a workshop on the 22<sup>nd</sup> April with managing authorities when calls will be explained in more detail and although no specific guidance can be given, there will be a

<p>drop in session after the workshop so people can come and talk through their ideas.</p> <p>RW queried whether there are any specific sectors we should be courting. MT would like time to consider this; only 5 LEPs have gone ahead with this and we need to get information out there quickly; enormous credibility stakes for GLLEP. RW was of the view that we need to utilise Select Lincolnshire members.</p> <p>There is a £60 minimum grant but no maximum. We don't have to support everything but to meet our target for growth by 2030 we need to support both small and large projects. It is vital that our strategies are aligned.</p> <p>There will be a lot of work generated and ESIF need to be looking at the projects that are coming in. There needs to be greater alignment between GLLEP and the Growth Board governance structure. The difficult work will be around skills; Clare Hughes (Employment and Skills) is doing an assessment in relation to the impact of funding changes to colleges on our patch. Clare will be attending the next Board meeting.</p> <p>North and North East Lincolnshire are not covered due to a geographical funding approach and would have to work with the Humber LEP.</p>	
<p><b>Bomber Command</b></p> <p>JB provided a quick update in respect of this Invest and Grow project.</p>	
<p>The next meeting will take place on the 30<sup>th</sup> April when due diligence appraisals for 3 housing schemes will be discussed.</p> <p>UL stressed that for the next meeting we need to make sure we are quorate. RC advising that we will check attendance two weeks prior to the meeting to check on this, but it may prove difficult with the upcoming election.</p>	

Meeting concluded 11.50am