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**LLEP BOARD OF DIRECTORS**

**Minutes of the Meeting – 11 February 2021**

**(Microsoft Teams)**

**Attendance and Apologies:**

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| **Directors** |  | **Representing** |  |
| Kevin Harris | **KH** | Private Sector | Chair |
| Emma Anderson | **EA** | Private Sector |  |
| Sonia Baigent | **SB** | Private Sector |  |
| Chas Bishop | **CB** | Private Sector |  |
| Larraine Boorman | **LB** | Private Sector |  |
| Verity Hancock | **VH** | Further Education |  |
| Anne-Marie Hunt | **AH** | Private Sector |  |
| Clare James | **CJ** | Private Sector |  |
| Dr Nik Kotecha OBE | **NK** | Private Sector |  |
| Ajmer Kaur Mahal | **AKM** | Private Sector |  |
| Anil Majithia | **AM** | Private Sector |  |
| Neil McGhee | **NM** | Private Sector |  |
| Jaspal Singh Minhas | **JSM** | Private Sector |  |
| Cllr Jonathan Morgan | **JM** | Leicestershire District Councils |  |
| Andy Reed OBE | **AR** | Private Sector |  |
| Nick Rushton | **NR** | Leicestershire County Council |  |
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| **In Attendance** |  |  |  |
| Fiona Baker | **FB** | LLEP |  |
| Jo Dexter | **JD** | CLGU |  |
| Alison Greenhill | **AG** | Leicester City Council |  |
| Helen Miller | **HM** | LLEP |  |
| Cllr Danny Myers | **DM** | Leicester City Council |  |
| Mandip Rai | **MR** | LLEP |  |
| Colin Sharpe | **CS** | Leicester City Council |  |
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| **Apologies** |  |  |  |
| Prof Robert Allison | **RA** | Universities |  |
| Cllr Terry Richardson | **TR** | Leicestershire District Councils |  |
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| **1.**  1.1  1.2  1.3  1.4 | **Welcome and Apologies** |  |
| KH welcomed all present to the meeting, making particular reference to the attendance of the two newly appointed Directors; Larraine Boorman (Chairman and Chief Executive, Optima UK) and Clare James (Managing Director, East Midlands Airport).  Jo Dexter was also welcomed and introduced as the LLEP’s new Area Lead from CLGU.  Congratulations were extended to AG who had recently been appointed to the role of Chief Operating Officer at Leicester City Council. |
| Apologies for absence were noted as above. |  |
| **2.**  2.1  2.2  2.3 | **Declarations of Interest**  NK declared an interest as a member of the MAG. He clarified that he was not involved in investment decisions for East Midlands Airport as recorded at the previous meeting.  EA declared an interest as Freeths had provided legal advice in relation to the Broadnook development.  CJ’s interest in the progression of the Freeport at East Midlands Airport was also noted. |  |
| **3.**  3.1  3.2  3.3  3.4  3.5  3.6 | **Minutes and Actions – 1 December 2020**  The Minutes of the Meeting held on 1 December 2020 were agreed as a correct record.  Updates on Actions which were not covered in the papers to be submitted as subsequent agenda items were noted as follows:  Investment Decisions (Minute 5.3 refers)  It was reported that the issues concerning risk had been discussed offline as agreed at the previous meeting. The Investment Panel had also considered the issues and it was accepted that further work was required. A meeting would be convened in the near future to consider options, following which the Investment Panel would receive an updated report.  Draft Delivery Plan 2020/21 (Minute 6.4 refers)  It was confirmed that the amendments to the Draft Delivery Plan had been made before its submission. | **HM** |
| **4.**  4.1  4.2  4.3  4.4  4.5  4.6 | **Investment Panel Recommendations**  *The paper for the item was marked NOT FOR PUBLICATION by virtue of paragraph 3 as defined at Annex 7 of the Local Assurance Framework.*  AR as Chair of the Investment Panel presented a paper, which outlined the key outcomes of the meetings on 21st January and 1st February 2021 and sought approval of the Panel’s recommendations.  In discussing the progress and actions relating to MIRA, Haywoods and Broadnook, an update was requested in respect of the current position at Norton Motorcycles.  AG referred to the complexities of the negotiations and confirmed that discussions continued with the Administrators. It had been agreed to release the charge on the sale of land at best value, but that the full repayment of the GPF loan may not be reached. It was noted that there would be further sales of land relating to the wider site, and that a personal guarantee also existed which could increase the final sum received.  In terms of the companies (Norton and DHE) it was reported that there would be a number of other creditors that would be claiming funds and that the grading and priorities would be discussed further with the Council’s external legal advisors.  To ensure that the Board were kept informed of the updated and confirmed position on Norton Motorcycles, the Chief Executive and S151 Officer agreed to provide an update to Directors on progress.  AGREED to:   1. Note the key outcomes of the meetings of the Investment Panel held on 21 January and 1 February 2021. 2. In respect of the Historical Business Rates Enterprise Zone Investment Hinckley and Bosworth Borough Council – MIRA EZ: 3. Note the comments of the Investment Panel 4. Note the responses to queries raised by the Investment Panel 5. Recommend the approval of the Historical Business Rates Enterprise Zone Investment, with authority delegated to the LLEP Chief Executive to finalise due diligence, but subject to the Accountable Body being satisfied that there are no issues concerning subsidy rules. 6. In respect of the Economic Recovery Plan Investment - Repurposed Growing Places Fund proposals: 7. Note the comments of the Investment Panel 8. Approve the increase of the Growing Places Fund repurposed pot by £85k 9. Approve the Place Marketing Proposal with authority delegated to the Chief Executive to finalise due diligence 10. In respect of the Growing Places Fund - Broadnook proposal, note the comments of the Investment Panel and proposed next steps. | **MR/AG**  **MR/AG**  **MR** |
| **5.**  5.1  5.2  5.3  5.4  5.5  5.6 | **Governance / Board Director Representation**  MR submitted a paper, which provided information on the draft Terms of Reference for the LLEP’s Scrutiny Committee and sought agreement for Director membership of the sub-groups and committees.  It was reported that the City Mayor, Sir Peter Soulsby, had formally resigned as a Director and agreement was sought for a recommendation to be made to the LLEP company Members to appoint Cllr Danny Myers, Assistant City Mayor (Jobs and Skills) as a Director of the LLEP nominated by Leicester City Council.    In respect of the Terms of Reference of the Scrutiny Committee, it was considered that the definition of responsibilities and escalation of roles required further clarity. The Chief Executive confirmed that the Scrutiny Committee’s principal role would be to provide independent scrutiny on LLEP strategy, operation, and function in terms of governance, but it would not be the final arbitrator in terms of investment decisions. The Chief Executive agreed to add suitable wording to reflect this point in the final Terms of Reference.  KH commented that he and MR had considered the appointments to Director membership of the sub-groups and committees as appended to the report. It was noted that greater emphasis would be given to Directors’ wider memberships of partnership and stakeholder organisations including the Midlands Engine and Midlands Connect. The Chief Executive agreed to share details of those memberships with Directors separately.  In conclusion, the ensuing departure of Bob Allison from Loughborough University was mentioned. The process outlined in the Local Assurance Framework for Vice-Chancellors nominating a replacement HE representative were noted.  AGREED to:   1. Note the Draft Terms of Reference for the Scrutiny Committee. 2. Approve the appointment of Board Directors to the LLEP Board sub-groups and committees. 3. Note the resignation of Sir Peter Soulsby as a director of the LLEP. 4. Recommend to the LLEP company Members to appoint Cllr Danny Myers, Assistant City Mayor, Leicester City Council, as a director of the LLEP. | **MR**  **MR**  **MR** |
| **6.**  6.1  6.2  6.3  6.4  6.5 | **East Midlands Freeport Bid**  MR submitted a paper, which provided an update on the East Midlands Freeport bid.  It was reported that a decision on the next steps in the competitive process was expected on or around the date for the budget - 3 March 2021.  The positive progress and recent press attention and publicity was noted, and it was considered that the proposal offered an exciting opportunity to promote the Freeport bid. The recent enhanced engagement and collaboration with D2N2 LEP and MPs was recognised and welcomed.  CB referred to the need to be proactive in consulting with local resident groups to achieve further positive outcomes.  AGREED that the update be noted. |  |
| **7.**  7.1  7.2  7.3  7.4  7.5 | **Operating Model Review Update**  MR submitted a paper, which provided an update on the review of the LLEP’s operating model, including details of the scope of the review. It was noted that a sub-group had been established to oversee the review.  It was reported that consultants (Changepoint Solutions Ltd) had been appointed and an inception meeting had been convened to discuss timescales. It was suggested that Directors undertake individual 1:1 meetings with the consultants to discuss their thoughts on the LLEP’s future operation.  Directors were asked to contact the Chief Executive to arrange consultation meetings. In response to a comment concerning resources, it was noted that some meetings could involve more than one Director where it was considered appropriate and suitable to do so.  It was noted that regular updates would be provided to the board directors and a final report would be submitted to the next meeting of the Board to be held on 22 April 2021.  AGREED that the update be noted. | **ALL** |
| **8.**  8.1  8.2  8.3  8.4  8.5  8.6  8.7 | **Annual Performance Review 2020/21**  MR submitted a paper, which provided an update on the LLEP’s Annual Performance Review 2020/21.  It was reported that the meeting with the Cities and Local Growth Unit (CLGU) would take place on 12 February 2021 and was the formal way by which the government would discuss the contribution the LLEP had made towards driving local economic growth; to review governance and assurance processes; to look at progress on delivery of key local growth programmes; and to discuss the LLEP’s strategic impact, priorities and priorities for the year ahead.  The APR also acted as a key milestone in the process of confirming Getting Building Fund payments for the following financial year. It was noted that the process would focus on three themes of Governance, Delivery and Strategic Impact, and the meeting would be chaired by the Cities and Local Growth Deputy Director. The LLEP’s representation would include the Chair, Chief Executive, senior officers and the S151 officer/representative of the accountable body.  It was noted that the outcomes for the three themes for the APR in 2019/20 were; Governance: Good; Delivery: Exceptional and Strategic Impact: Requirements Met.  NM commented that in respect of the document sent to Government in January 2021, which was appended to the report, details of ought to be shared with Directors prior to its submission. In response reassurance was given that much of the content related to the programme performance data, as regularly reported in the LGF and recent GPF updates to the Investment Panel.  AM also commented on the need to undertake Board effectiveness reviews separately from the APR. This view was accepted, and the Chief Executive would discuss the options with the Chair in due course.  AGREED that the update be noted. | **MR/KH** |
| **9.**  9.1  9.2  9.3  9.4  9.5 | **Economic Recovery Strategy**  FB submitted a paper, which provided information on the development of an Economic Recovery Strategy for Leicester and Leicestershire.  The likely impact of the work undertaken in relation to the Local Industrial Strategy (LIS) was raised and it was confirmed that although the LIS was now obsolete, the themes and ambitions previously identified would not be lost. The shift towards digitisation and automation, the focus on green recovery and decarbonisation, and capabilities in science, technology and innovation were recognised.  MR reported that the ambitions of the LIS in terms of the ‘golden thread’ of health: healthy people, place and businesses would remain. The promotion of the area’s science, technology and innovation capabilities and assets, job creation opportunities through the development of the EZs and the potential of the Freeport were all noted.  In terms of timescales, it was confirmed that a report would be submitted to the Board meeting on 24 June 2021. FB confirmed that meetings would be arranged in order to both inform Board Members of progress on the development of the Strategy, and to provide an opportunity for Board consultation and challenge, in addition to consultation opportunities for wider stakeholders.  AGREED that the update be noted. |  |
| **10.**  10.1  10.2  10.3  10.4 | **Skills Advisory Panel Update**  VH, as Chair of the Skills Advisory Panel (SAP), submitted a paper which provided an update on the activity of the panel and a summary of the details contained within the government’s Skills for Jobs white paper.  It was noted that although the document had received a largely positive welcome from key stakeholders in education and training, there were some areas which have raised questions, including how the development of Local Skills Improvement Plans would interact with established SAPS and role of LEPs.  An update on the meeting between the Chair of the LEP Network and the DfE Director on the role of LEPs in implementing the white paper was provided. It was noted that it had taken a considerable effort to achieve the current structure of SAPs and any changes needed to be considered carefully.  AGREED that the update be noted. |  |
| **11.**  11.1  11.2  11.3  11.4  11.5  11.6  11.7 | **Business Gateway Update**  NM, as Chair of the Business Gateway, submitted a paper which provided an update on the activities and support available through the Leicester and Leicestershire Growth Hub.  It was reported that during the Covid-19 pandemic the Business Gateway had seen a 500% increase in the number of enquiries from businesses seeking support and the key services offered were outlined, together with details of the extensive webinar programme.  It was noted that grant awards delivered through the Growth Hub for both the Business Growth and the Covid Kick Starter grants since April last year amount to £1.2m. It was also reported that the Gateway had received additional core funding and supplementary funding for the delivery of core services, EU transition support and Peer to Peer networks.  In terms of the Peer to Peer Network, it was noted that this was a national initiative being delivered locally focused on reducing the UK productivity gap by helping business leaders find practical solutions to strategic and operational challenges and also formed part of the UK Government response to the Covid-19 pandemic.  In discussing the paper, the increased activity was welcomed, and comment was made in terms of capacity, given the 500% increase in enquiries. In response it was reported that the support to businesses was complex, involving a range of providers, and internal and external resources were being re-directed to meet demand  It was accepted that an increase in future resources may be required to ensure that effective high-quality support continues to be provided.  AGREED that the update be noted. |  |
| **12.**  12.1  12.2 | **CLGU National Policy Update**  JD commented on the CLGU’s involvement in the items previously discussed including the APR, and the Education white paper. It was noted that details of the UK Shared Prosperity Fund was expected in the forthcoming Chancellor’s Budget announcement.  AGREED that the update be noted. |  |
| **13.**  13.1  13.2  13.3  13.4  13.5  13.6 | **Any Other Business**  a) Role of Board  It was considered that alongside the ongoing Operational Review, the role of the Board should be assessed to allow it to become more strategic. Directors expressed concern that they were not involved in the work undertaken between meetings, and that Board meetings were therefore often transactional.  KH commented as Chair of the LLEP that these issues had been raised previously and would be evaluated, with a view to increased Director involvement. It was accepted that the year had been unusual, with no opportunity to meet physically and there being no opportunity to arrange away-day type events or discussions on this and other matters. KH would progress the issue with MR with the LLEP’s Management Team.  b) Textile Industry  The comments made recently at various platforms concerning the legality, ethics and function of the textile industry in Leicester and Leicestershire, and the effect on the supply chain was raised and debated. It was reported that significant work was being undertaken by the LLEP and partners, notably Leicester city council, to ensure that reputational damage was minimised, and positive developments supported, including the Boohoo Training Centre, which had helped to promote positive place marketing were noted.  Cllr Danny Myers was invited to comment, and he advised of the work undertaken by the City Council to ensure the legality of practices across the textile industry. | **KH/MR** |