

## Greater Lincolnshire LEP Board Meeting

Thursday, 24<sup>th</sup> November  
10.00 am to 12.15 pm

Training Room, Europarc Innovation Centre, Grimsby

### Paper 0- Agenda

Time	Item and brief description	Lead	Access/Circulation
<b>10.00 10 mins</b>	<b>1 – Welcome, Apologies, Declarations of Interest</b> <ul style="list-style-type: none"> <li>• Minutes and Actions from the last meeting</li> <li>• Directors business, approval of 15/16 accounts</li> </ul>	Chair  Andy Orrey, Chair of Finance and Audit	Paper 1 - All Members Paper 1.1 -All Members
<b>10.10 20 mins</b>	<b>2 – North East Lincolnshire Growth Plans</b>	Angela Blake	Presentation
<b>10.30 20 mins</b>	<b>3 – Headlines from the Autumn Statement</b>	Ruth Carver/Pete Holmes	Verbal
<b>10.50 20 mins</b>	<b>4 - Devolution Update</b>	All	Verbal
<b>11.10 10 mins</b>	<b>5 – LEP Directors Report</b>	Ruth Carver	Paper 2 – All Members
<b>11.25 15 mins</b>	<b>6 – Q2 Finance</b>	Andy Orrey, Chair (Finance and Audit)	Paper 3 – All Members
<b>11.40 15 mins</b>	<b>7 – Growth Deal</b>	Ruth Carver	Verbal
<b>11.55 10 mins</b>	<b>9 – ESIF Update</b>	Pat Doody, Chair of ESIF)	Paper 4 – All members
<b>12.05 20 mins</b>	<b>10 – Careers Advice</b>	Clare Hughes	Paper 5 – All Members
<b>12.25</b>	<b>Any Other business</b>		

**The meeting will be followed by a buffet lunch at 12.30.**

**The Investment Board will held from 1.00pm to 3.00pm.**

**Attendees - LEP Board Directors:**

Ursula Lidbetter (Chair), David Dexter (Deputy Chair), Chris Baron, Cllr Ray Oxby, Cllr Bob Adams, Cllr Lady Redfern, Mark Tinsley, Pat Doody, Herman Kok, Richard Wills

**Observers:** Sarah Hendry (DEFRA), Pete Holmes (Cities & Local Growth Unit)

**Officers:** Ruth Carver, Clare Hughes

**Apologies Received:** Cllr Colin Davie, Andy Orrey, Professor Mary Stuart

**Date of Next Meeting :** 27<sup>th</sup> January 2017 – Epic Centre, Lincolnshire Showground

**Additional Papers Pack**

AP 1 - ESIF Minutes (draft) from 12 September 2016

AP 2 – Finance & Audit Committee Minutes (draft) from 3 November 2016

AP 3 - Growth Hub Minutes from 15 March 2016

AP 4 - Growth Hub Minutes from 24 August 2016

AP5 – Business Lincolnshire Programme

AP6 – Media Report

AP7 – Leading the Way

AP8 – Industrial Strategy for Greater Lincolnshire

AP9 – Investment Board Minutes (draft)

30<sup>th</sup> September 2016

Committee Room 1, County Offices, Newland, Lincoln

**Board Members Present:**

Ursula Lidbetter – Chair; David Dexter – Deputy Chair; Andy Orrey; Chris Baron; Cllr Bob Adams; Cllr Colin Davie; Cllr Matthew Patrick; Baroness Redfern; Pat Doody; Richard Wills; Prof Mary Stuart; Dr Tony Hill

**Apologies from Board Members:**

Herman Kok; Steve Middlebrough, Cllr Peter Wheatley

**Observers:** Sarah Hendry, Angela Blake

Apologies from Pete Holmes

**Attendees for specific items**

Item 4 – Gerry Dawson; Brendan Gallagher

Item 5 – Samantha Harrison; Noreen Read

Item 8 – James Baty

**LEP**

Ruth Carver; Sue Groves (Note Taker)

**Item 1**

**Welcome and Introductions**

The Chair welcomed all to the meeting.

The minutes of 2st July 2016 agreed as a true record and can be published.

Declarations of Interest:

Ursula Lidbetter – Boole Park, Lincoln Transport Hub

**Directors Business**

- Paper on good governance, including "Enquiries and Complaints" procedure. This was approved by the Board.
- All Declarations of Interest now received and published on the new website.
- Discussion needed on 1 current vacancy (for the mayor) and 1 future vacancy (when Dr Tony Hill retires)

**Matters Arising from previous minutes**

**Actions:**

- LEP to draft a letter to Greg Clark regarding energy issues affecting Humber and Greater Lincolnshire LEP – LEP Secretariat
- Produce a SEP Action Plan – LEP Secretariat
- LEP Executives and CA to develop a joint paper on LEP Board on relationships between proposed MCA and LEP – LEP Secretariat
- Minutes to be published – LEP Secretariat

<p><b>Item 2</b></p>	<p><b><u>LEP Director's Report</u></b></p> <p>Monitoring of the local economy from the impact of BREXIT</p> <ul style="list-style-type: none"> <li>➤ Written to local partners to see if they would join a virtual intelligence unit and feed in information and intelligence on a monthly basis as how the economy is bearing up.</li> <li>➤ Baroness Redfern said that statistics are needed, eg, there will be a £70m loss to farmers.</li> </ul> <p>Water Management Plan</p> <ul style="list-style-type: none"> <li>➤ Water Management Plan had a successful launch in the House of Commons on 6<sup>th</sup> September which was attended by the Secretary of State and said that Greater Lincolnshire is an exemplar for the country.</li> <li>➤ Water Management Board to meet in October to discuss the "Next Steps".</li> <li>➤ Cllr Davie suggested that, following a discussion with the CEO of Anglian Water, LEPs should meet to discuss future planning and to engage with the Utilities.</li> </ul> <p>Government Announcements</p> <ul style="list-style-type: none"> <li>➤ Nick Hurd, MP will be the Local Growth Champion for Greater Lincolnshire.</li> </ul> <p>Industrial Strategy</p> <ul style="list-style-type: none"> <li>➤ A LEP Strategy session is being arranged for the end of November/beginning of December – dates already requested.</li> </ul> <p>LEP Performance</p> <ul style="list-style-type: none"> <li>➤ Now using the traffic light system and the only Amber area is the "Growth Deal Performance". The reason for this is that the revised target spends for this financial year is £47.9m, which includes an additional £8m for Lincoln Transport Hub. This is a challenging spend target with a number of projects reporting slippages and the current forecast suggest that we may be underperforming by circa £11m. The Investment Board will consider recommendations from officers to close this gap at its meeting later today. There are also delays on the Grantham Southern Relief Road and the Lincoln Transport Hub.</li> </ul> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>BREXIT monitoring - LEP to work with Lincoln University to undertake Brexit monitoring</b></li> <li>➤ <b>Board member to note the SLGF performance.</b></li> </ul>
<p><b>Item 3</b></p>	<p><b><u>Devolution Update</u></b></p> <p>The consultation document for mayor is now closed.</p> <p>A discussion took place regarding the position of a mayor. There is a nervousness, but all agreed that all 10 authorities and the LEP work well together and should continue to do so.</p> <p>All 10 local authorities are currently consulting with their own members and will be making a decision over the next month, although some were reluctant to do so as they have still not seen the Order that the Government has proposed. Cllr Adams said that some authorities are losing confidence with civil servants because of the uncertainty of what is in the Order. Cllr Davie said that no Council would vote for a blank contract, but following his discussion with the Prime Minister, he said that she is supportive of those who want to work together.</p> <p>Agreed that a strong private candidate is needed for the post of mayor and someone who would promote Greater Lincolnshire.</p>

<p><b>Item 4</b></p>	<p><b><u>Greater Lincolnshire Strategic Infrastructure Delivery Plan</u></b>  Gerry Dawson and Brendan Gallagher presented a paper and supporting Plan.</p> <p>It was explained that this was part of the Devolution Deal and it shows the Government that Greater Lincolnshire has a Strategic Infrastructure Delivery Plan. This Plan is a mechanism that can help the LEP and Combined Authority to make decisions. It will be reviewed quarterly when projects have progressed and reported to the Board on an annual basis.</p> <p>It was explained that there are 36 strategic projects listed worth more than £5m in the plan, which have been approved by civil servants, and these have been prioritised against the following three themes:</p> <ul style="list-style-type: none"> <li>i) Strategic Fit</li> <li>ii) Deliverability</li> <li>iii) Economic Impact</li> </ul> <p>Projects will be reviewed and re-prioritised as necessary.</p> <p>Comments made as follows:</p> <ul style="list-style-type: none"> <li>➤ Ambitions within the SEP regarding housing, it is believed that there will be challenges ahead regarding Utilities. Developers are already having problems with water, sewage and electricity companies. There is currently a Utilities study out for tender. Utility companies are engaging more as they attend the Highways and Infrastructure Group.</li> <li>➤ It was asked if the Utilities could be lobbied as they are holding up projects, but as they are regulated to keep prices down and not to drive the economy, this could be difficult, although Local Authorities could do this.</li> <li>➤ Government is about to give guidance to Water utilities regarding water resilience.</li> <li>➤ Query raised regarding projects prioritised at 21 and 22, rating them as short/medium term, but it was explained that was where they fitted in with the three themes, as above).</li> <li>➤ It was agreed that Government could do more so that infrastructure is built in tandem with developments.</li> <li>➤ <b>Action: The comments were to be fed into the final version for consideration by the Greater Lincolnshire Leadership board.</b></li> </ul>
<p><b>Item 5</b></p>	<p><b><u>Progress on the Business Lincolnshire Growth Hub</u></b>  The Business Lincolnshire Growth Hub has now been operating for more than a year, which supports:</p> <ul style="list-style-type: none"> <li>➤ Online information portal</li> <li>➤ Fully funded business assistance from Business and Skills Advisers</li> <li>➤ Access to national business support helpline</li> <li>➤ Signposting to local and national business support programmes</li> </ul> <p>The headlines from April 2015 to the end of August 2016 are:</p> <ul style="list-style-type: none"> <li>➤ Growth Hub Advisors have had 769 engagements, mostly with micro-businesses, but also working with large businesses</li> <li>➤ 504 businesses have been assisted</li> <li>➤ 377 have been repeat clients</li> </ul>

	<ul style="list-style-type: none"> <li>➤ 44 Start-up enquiries</li> <li>➤ 434 potential new jobs created</li> </ul> <p>Examples given: Business in Donington moved premises, increasing their staff from 25 to 62; GB Innovation in Grantham created 21 jobs; Greater Plastics with 95 staff have increased their income.</p> <p>Advisers have targets they must meet; they help and support businesses for up to 3 years and create action plans which are updated to enable resilience.</p> <p>Greater Lincolnshire has bid for £5m of EU funding which will include 2 advisers for North and North East Lincolnshire.</p> <p>Lincolnshire Growth Hub has been working closely with the Humber LEP/Humber Growth Hub and the GCGP LEP to map out existing business support provision and identify overlapping programmes. The overlapping areas are North and North East Lincolnshire and South Holland District Council.</p> <p>Board informed that PERA which has £4m in Greater Lincolnshire has now gone into administration. Talks are ongoing with DCLG regarding a successor. Funding for 2017/18 is in place, but in the long term, partners who will contribute will be sought.</p> <p>Paper to be taken to Growth Hub Board.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Good performance to be noted</b></li> <li>➤ <b>Growth Hub board to commission a report on business performance across Greater Lincolnshire, compared with other areas. (March 2017 Board)</b></li> </ul>
<p><b>Item 6</b></p>	<p><b><u>European Programmes post Brexit</u></b></p> <p>It has been announced that HM Treasury will support all European Structural and Investment Fund projects where bids have been made, and have received a contract, by the time of the Autumn Spending Review (23 November). Applicants and Government departments are working hard to complete all of the work on these projects.</p> <p>A Stakeholder meeting is to be held on 3 October to see what projects can be taken forward prior to the Autumn Statement. The Government has stated that projects signed off prior to Brexit will be honoured.</p> <p>Recommended that officers undertake detailed analysis of what we may wish to seek additional funding for, if it were to become available; an additional meeting of the ESIF Committee be convened to debate and agree a request to HM Treasury; The ESIF Committee's request is discussed and ideally endorsed by GL Leadership Board, GL LEP Board and Lead Economic Development Councillors.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Pat Doody asked to work with officers to understand the level of approvals across Greater Lincolnshire before Autumn Statement, and to shape proposals for a request to Treasury for additional funding.</b></li> </ul>

<p><b>Item 7</b></p>	<p><b><u>Business Rate Consultation</u></b></p> <p>A consultation was launched on the implementation of this policy in July with a closing date of 26<sup>th</sup> October 2016 with an implementation date of 2020. Currently, 50% of business rates are held centrally with the balance distributed locally. The intention is that Local Government should be funded from local income with the end of central grants. This will result in devolution of responsibilities and open up opportunities for local tax flexibilities.</p> <p>The consultation document considers two areas:</p> <ul style="list-style-type: none"> <li>i) It considers the range of options for the design of the new power to reduce the business rates tax rate, including how decisions are made and at what level</li> <li>ii) It also seeks views on the design of the new ability for the Combined Authority Mayors to raise an infrastructure levy by 2 pence for use on infrastructure</li> <li>iii) The new levying powers will only open to Combined Authority Mayors. The existing Business Rates Supplement powers, which allow authorities to levy a supplement on the national multiplier to fund additional investment aimed at promoting the economic development of local areas, approved by a ballot of ratepayers, will still be available outside of Combined Authority Mayoral areas.</li> </ul> <p>The specific reference to LEPs is outlined in the section on Infrastructure Levy, where the Mayor has to set out his plans for an Infrastructure Levy, which would be agreed by the Combined Authority, before going to the LEP Board. The LEP Board would have a power of veto over the proposals and the following point was discussed:</p> <ul style="list-style-type: none"> <li>➤ How do the private Board Members of the LEP feel about signing off an Infrastructure Levy when there is already legislation in place? The private members of the LEP Board would prefer to veto the decision. Agreed that all businesses should be engaged in the process, including small businesses and self-employed.</li> </ul> <p>Nervousness expressed if this goes ahead and believed that coastal strip businesses would not agree to this. It was stated that businesses should be consulted and that Lincoln BIG already has a mechanism in place.</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Greater Lincolnshire LEP to respond to the consultation.</b></li> </ul>
<p><b>Item 8</b></p>	<p><b><u>Priority and Emerging Sector Update</u></b></p> <p>This is how the Greater Lincolnshire LEP looks at the six priority and emerging sectors have fared over the last five years since being identified as the main drivers of growth, in both the local economy and for the UK. The priority sectors are Agri-food, Manufacturing, the Visitor Economy, Low Carbon, with the emerging growth sectors identified as being Ports and Logistics and Health and Care. Full details of the activities that these sectors cover, how they overlap and how they come together to form a large part of the local economy.</p> <p>The information provided in the paper is Gross Value Added and is available nationally.</p> <p>Research on individual projects has been carried out to see what the impact is so far. The State of Economy report will be produced next year because the information will not be available until December.</p> <p>Query raised as to whether this document is in the public domain, but informed that this is an internal document with local statistics for each sector. Group agreed that the figures</p>

	<p>are encouraging. It was suggested that the retail sector should have a voice. Group informed that the next steps would be to look at other sectors.</p> <p><b>Comments</b></p> <ul style="list-style-type: none"> <li>➤ Pleased to see that self-employed businesses are included, but it should also include those that do not pay PAYE. This is being looked into as HRMC hold this information.</li> <li>➤ Document could be used to show future strategy.</li> <li>➤ Visitor Economy figures are disappointing.</li> <li>➤ Continued migration is vital for the economy.</li> <li>➤ LEP considers Social Health, Wellbeing and Economy a balanced approach</li> </ul> <p>Additional research being commissioned is the Impact of the Projects by the LEP (jan 2017) and state of the economy report (April 2017)</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>The report was noted, and once finalised will be published. It will be used to shape future policy.</b></li> </ul>
<p><b>Item 9</b></p>	<p><b>Cash Balances and Feasibility Grant Pot</b></p> <p>Greater Lincolnshire LEP holds a cash balance that has generated a small amount of cash. Along with unallocated funds, it is recommended that these funds (circa £160,000) are released to undertake a second round of feasibility funding.</p> <p>£300,000 has previously been released for a challenge fund for feasibility work. A bidding round was opened early 2016 and 30 bids were received, requesting £1,078,609 from the fund in support of £2,627,219 project activity.</p> <p>The recommendation is that the LEP release additional into a further round of feasibility funding. The funds would consist of £83,500 unallocated from the original call, £25,000 for a study that is no longer needed and £50,982 generated from interest on the Growing Places Fund and Growth Deal. This would make a total pot of £160,000.</p> <p>The Board was supportive and agreed to this:</p> <p><b>Actions:</b></p> <ul style="list-style-type: none"> <li>➤ <b>The LEP team to launch the Feasibility fund at LEP Business Live</b></li> </ul>
<p>The Chair thanked Dr Tony Hill for his role on the Greater Lincolnshire LEP over the past 5 years, and in particular for his leadership on the Health and Care agendas.</p>	
<p><b>Meeting Closed at 12:30</b></p>	

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Chairperson

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Date



### **Recommendations**

That the Directors of the Greater Lincolnshire LEP approve the year-end financial statement for 2015-16 (Attached) and approve for publication, and recommend to the members of the company at the company AGM in January 2017.

### **Finance 2015-16**

The financial statement and review for the year ending 31<sup>st</sup> March 2016 have been considered by the finance and audit committee at its recent meeting. The chair of the finance and audit committee will speak to this item to recommend to the board of directors that the financial statement and review is accurate, and can be considered at the AGM in January 2017. The financial statement for 2015-16 and review is attached to this document.

**1 - Board directors are asked to approve the Financial statement, the annual review and for these documents to be published ahead of the AGM in January 2017**

### **Audit 2015-16**

The 2015-16 financial year audit is now published on the LEP website and was previously reported to the LEP Board at the September meeting.

The Finance & Audit Committee have agreed a scope of the audit for 16/17 and authorised the LEP and Accountable Body to source and recommend an auditor to recommend to the AGM. Approval for this will be sought from the board in January 2017.

### **AGM**

The agm is planned for January 2017 alongside the LEP Board meeting. As well as presentation of the year and financial performance, it is likely that the following ordinary resolutions will be considered:

#### **Resolution 1 Report and Accounts**

To receive the annual report and financial statement for the year ended 31 March 2016

#### **Resolution 2 - Appointment of auditors**

To appoint auditors to hold office from the conclusion of the AGM until the conclusion of the next general meeting before which accounts are laid.

#### **Resolution 3 - Remuneration of auditors**

To authorise the Audit Committee to determine the remuneration of the auditors.

