

BOARD AGENDA AND BOARD PAPERS

DATE AND TIME: 19th December 2017, 15.00 – 17.00

VENUE: THE CLUB BUILDING, ALCONBURY WEALD ENTERPRISE CAMPUS,
ALCONBURY, CAMBS PE28 4WX

Item	Brief description	Time
1. Welcome and Introductions	From Chairman, Mark Reeve	15.00 5 mins
2. Declarations of Interest	Board Members are asked to confirm any personal interest in the items set out in this agenda	
3. Chairman's Briefing	Verbal progress report on the latest work of the LEP including: a) BEIS Annual Conversation held on 5 th December 2017 b) Overview of the NAO report published on 29 th November 2017 Mark Reeve	15.05 15 mins
4. GCGP LEP Finances	Confidential/ Exempt item a) Finance overview – Paul Sayles b) Independent review of the finances and accounts of the LEP undertaken by Grant Thornton	15.20 45 mins
5. Combined Authority and the Local Enterprise Partnership	Confidential/ Exempt item To review and consider the proposal for collaborative working arrangements for the LEP and Combined Authority	16.05 45 mins
6. Minutes from Board Meeting held on 7 November 2017	To agree Minutes.	16.50 5 mins
7. AOB		16.55 5 mins

DATE OF NEXT MEETING: 15:00 on Monday 29 January 2018

VENUE: THE CLUB BUILDING, ALCONBURY WEALD ENTERPRISE CAMPUS, ALCONBURY, CAMBS PE28 4WX

Confidential/ Exempt

Item 4: GCGP LEP Finances

Confidential/ Exempt

**Item 5: Establishing a New Stronger Public and Private Sector Partnership in
Cambridgeshire and Peterborough**

Item 6: Draft Minutes from Extraordinary Board Meeting held on 7 November 2017

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF GREATER CAMBRIDGE GREATER PETERBOROUGH ENTERPRISE PARTNERSHIP HELD AT ALCONBURY WEALD ENTERPRISE CAMPUS ON TUESDAY 7th NOVEMBER

Present: Mark Reeve
John Bridge
Claire Higgins
Mark Read
Cllr Steve Count
Cllr James Waters
Cllr John Holdich
Steve Elsom
Cllr Robin Howe
Cllr Oliver Hemsley

In attendance: Laura Welham-Halstead (GCGP)
Karl Gardiner (GCGP)
Darren Edey (GCGP)
Adrian Cannard (GCGP)
Paul Sayles (GCGP)
Chris Malyon (Cambs County Council)
Mark Jackson (Rawlinsons)
Michael Tolond (Company Secretary)
Alex Powers (Hegarty Solicitors)
Tim Leathes (Item 4) for Minute 2017/88

Minute No.		ACTION
2017/83	WELCOME Mark Reeve (the Chair) opened the meeting.	
2017/84	APOLOGIES Apologies were noted from Board Members Trevor Ellis, Prof Iain Martin, David Gill, Peter Abel and Prof Andy Neely, and Board Observers Cllr Lewis Herbert and Pete Northover.	
2017/85	DECLARATIONS OF INTEREST Claire Higgins declared an interest in Item 4 due to Cross Keys Homes delivery of affordable housing on the wider Alconbury Weald site.	

	<p>Cllr John Holdich declared an interest in Item 4 due to his Committee Membership at Cross Keys Homes for the same reason as Claire Higgins.</p> <p>The Chair reminded Board Members that they could declare an interest at any stage during the meeting should an interest become apparent.</p>	
2017/86	<p>BOARD RESIGNATION</p> <p>The Chair reported that Board Member Terry Elphick had resigned. He has parted company with Skanska UK and as a result no longer has any links with the area and resigned from the LEP Board. The Chair thanked Terry for his contribution.</p> <p>Cllr Robin Howe informed the Board that he has tendered his resignation from the Cabinet of Huntingdonshire District Council (HDC). As a result, he will also be leaving his role as Statutory Deputy Mayor of the Combined Authority (CA). CA portfolio responsibility will pass to someone else. The new person will be in place on the CA by the end of December.</p> <p>The Chair reported to the Board that correspondence had been exchanged with Cllr Howe. The understanding of the LEP's Articles of Association suggested that when Cllr Howe ceases to hold office at Huntingdonshire District Council he will also resign from his role on the Board of the LEP.</p> <p>Cllr Howe informed the Board he stills remained an elected representative and there is no specific need to be a member of the Cabinet to be a member of the Board. It is still the wish of HDC that Cllr Howe represents them on the Board. The Chair confirmed the position will be clarified after the meeting along with interpreting the Articles of Association, and reminded members that when a Public Sector Board Member changes it must follow the due process and go out to a vote of the 15 local authorities.</p> <p>The Chair recommended to the Board that Cllr Howe remain and participate in the meeting. This was formally moved by Cllr Count, seconded by John Bridge, and passed by the Board.</p>	
2017/87	<p>CHAIRMAN'S BRIEFING</p> <p>The Chair noted progress on Ely Area Capacity Enhancements.</p> <ul style="list-style-type: none"> • Feasibility study – the LEP committed £3.3m to this work at the March 2017 Board Meeting, with a further £3.3m from New Anglia and £2.2m from the Strategic Freight Network. The Accountable Body has confirmed that the LEP can sign contracts on this funding agreement and proceed as planned. 	


	<ul style="list-style-type: none"> • Project funding – The Chair attended a meeting (11th Oct) with the Transport Secretary, Chris Grayling, alongside local MPs and other officials, to urge him to commit funding for the Ely Area Capacity Enhancements. The Minister confirmed that he would ‘push forward’ in Control Period 6 (2019 to 2024 funding round) with this project. <p>The Skills Contract, which Board approved at the July 2017 meeting, will be renewed for the agreed one year (as an extension). The CA has agreed to underwrite this funding agreement in advance of Government funds being released, and the contracts could now proceed with agreement of the Accountable Body. Chris Malyon confirmed this was correct.</p> <p>The Annual Conversation with BEIS/ DCLG (CLog) is scheduled to take place on the 5th December, the Chair explained that these meetings are the formal process by which the Government and each LEP meet annually to: discuss the contribution the LEP has made towards driving forward local economic growth; to review LEP governance and assurance processes; to look at progress with regard to delivery on key local growth programmes; and to discuss the LEP’s priorities and challenges for the year ahead.</p> <p>The process is set by Government and is more formal this year, with a template needing to be completed in advance of the meeting. The reporting template needs to be signed off by the Executive and the Section 151 officer. This process is not just for the GCGP, but for all 38 LEPs following the publication and adoption by DCLG of the Ney review.</p> <p>Following the meeting CLog will write a review, covering performance to date and governance, and will also highlight any areas where there may be a need for further development, or equally where there is good practice. We will share this with the Board when it becomes available.</p> <p>Looking ahead, CLog have introduced a new quarterly reporting template which in future will require signoff by Executive, Board and S151 officer. We will ensure this is programmed into future Board Meeting agendas.</p> <p>A draft of the National Audit Office (NAO) report has not yet been received. It has been delayed due to final amendments following the Mary Ney review.</p> <p>The meeting with the CA has not yet been arranged, but dates are being canvassed because the meeting is needed to discuss how the two organisations will work together in the future. Cllr Howe will lead this arrangement whilst he remains involved.</p> <p>The Chair referred Board Members to a one-page summary document which outlined the activities of the LEP since the last Board Meeting in September (see Appendix One).</p>	
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	Steve Elsom noted he had noticed increased positive social media activity, which he stated was good to see. Laura Welham-Halstead confirmed it has been a focus for the team.	
2017/88	<p>ITEM 4 – ALCONBURY ENTERPRISE ZONE UPDATE</p> <p>Tim Leathes joined the meeting and provided the Board with an introduction and update on the Alconbury Weald site and development by Urban&Civic (U&C).</p> <p>The land was first bought in 2009 and U&C first presented the Enterprise Zone proposal to the Board in 2012. The initial build timescales were set for 15-20 years, after three years a third of the land on Phase 1 has been utilised. Currently development is 3 – 4 years ahead of schedule. U&C are working closely with the LEP, local and central government.</p> <p>The five-year Enterprise Zone relief is due to end for new tenants soon. New incentives will be looked at to encourage new businesses into the area. There is space on Phase 1 of the Enterprise Zone for one more large building with smaller buildings to follow. The vision is to create a work/life buzz, this has started with the Community Hub, with further work to follow on the delivery of a station, Grange Farm and the road to Huntingdon.</p> <p>Tim Leathes noted the two largest business parks in the country could fit into this site.</p> <p>Targeted incentives are needed as a result of the Enterprise Zone relief ending. In response to a Board question about market demand, Tim gave the view that the purchase of the land or requirement to take a 15-year lease at commercial rates was what puts many businesses off, i.e. they don't have enough money.</p> <p>The Chair thanked Tim for his time and presentation before Tim left the meeting.</p>	
2017/89	<p>ITEM 5 – NAO REPORT HEADLINES</p> <p>The Chair explained to the Board that the draft version of the NAO report had been due for fact checking in advance of the meeting, but had not yet been received. As a result of the Mary Ney review the circulation of the draft NAO report has been delayed until later this week, or next week. The publication date was understood to still be set for 17th November.</p> <p>Darren Edey presented to the Board a chronology of events relating to the origins of the NAO report. Confirmation given to the Board that the LEP and Executive have been open, honest, proactive and transparent throughout the whole process (appendix 2).</p>	
2017/90	ITEM 6 – GCGP LEP FINANCES	

	<p>The Chair noted that the Board had received a letter from Simon Ridley two hours before the meeting covering matters related to LEP funding. Confirmation of receipt of the letter had been sent to Simon Ridley, along with a request to confirm that essential funding would be provided as per the earlier Ministerial commitment. The Chair reported that all information has been passed to BEIS and the Minister regarding essential running costs, as per their previous request. This letter would be discussed under AOB.</p> <p>Cllr Count noted that the letter did not say that funds would be released, but did in fact give a number of objectives to achieve in order to secure the funding. Cllr Count's view was that the Executive cannot continue to report to the Board that funding is 'around the corner'. He said that what the Board was being told and the realities seemed very different.</p> <p>The Chair noted that funding was also due to the LEP under the Growth Deal top slice, both from last financial year and to date. Chris Malyon reconfirmed that Top Slice is for the capital programme and not as a fund for all activities of the LEP. The Chair noted the Accountable Body's approach to assessing Top Slice funding is now different than in previous years. He noted that the Executive had provided detailed information as requested and are working with the Accountable Body to confirm eligible claims. The Chair suggested the Board should receive an electronic paper regarding Top Slice.</p> <p>The Chair invited Mark Jackson to talk the Board through the draft annual accounts.</p> <p>Mark Jackson from Rawlinsons took the Board through the draft annual accounts. Mark Jackson confirmed the accounts are draft and one change was made earlier in the day to reflect the new approach to Top Slice funding. The Board were taken through the draft accounts page by page.</p> <p>The Chair confirmed that the accounts are draft for Board information and it was not planned that they would be signed off at this meeting.</p> <p>Mark Jackson highlighted section 1.2 – in particular, the fact that the directors must confirm in the final accounts that the LEP could continue to operate for the foreseeable future. He confirmed that this relates not only to the situation at the date of the accounts, but also to the time they are signed off. The accounts need to be signed off by the 31st December 2017. Any comments can be made electronically.</p> <p>The Board discussed the accounts, including 1.2 which focused on a Directors statement about the future trading position of the LEP, and also the increase in consultancy spend compared to the year before. It was clarified that the accounts</p>	
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	<p>were draft and more information was required for 1.2, and the increased consultancy spend was (in part) due to the Strategic Economic Plan refresh.</p> <p>The Chair noted that Mark Jackson had mentioned £123,000 income for Signpost 2 Grow and which year it will be allocated. Paul Sayles confirmed that allocating it to last year's accounts was unlikely.</p> <p>The Board moved on to discuss management accounts. Cllr Howe and Cllr Count both requested further information on cash flow reporting and projections, and if these had been carried out. They stressed that cash flow reports, forecasting and P&L information was essential for Board Members, particularly in the current funding situation. Cllr Howe stated he would expect this information on a weekly basis. Cllr Count believed that the information should have already been distributed to Board Members, and that the lack of information to Board Members on finances was unacceptable [REDACTED]</p> <p>[REDACTED]</p> <p>Paul Sayles confirmed that these reports can be made available.</p> <p>Steve Elsom questioned if the LEP had an overdraft facility in place. Paul Sayles stated that no formal overdraft was in place, however the Bank was being kept aware of current issues. Board Members stated an overdraft facility was desirable for the organisation and asked PS to have conversation with the bank.</p> <p>The Chair commented that officials being able to withhold funding through constantly moving the goal posts was unacceptable. There had been little time to review the implications of Simon Ridley letter, and no time to put it into context with a Board report.</p> <p>He agreed that more financial information should be circulated to Board Members, and that they still needed to have Top Slice discussions.</p> <p>Claire Higgins agreed that management information, including a descriptive narrative, should be circulated which would instil more confidence.</p> <p>The Chair confirmed the lack of information will be rectified ASAP.</p> <p>John Bridge agreed that both more regular financial information should be circulated and that DCLG need to be honest about what they wanted from the LEP with regard to unlocking funding. Mark Read agreed that not only cash flow information was required, but also a robust commentary. Cllr Howe also requested budget information to measure financial reports against. Cllr Holdich questioned if local businesses were being put in a difficult position due to delayed payments from the LEP</p>	
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	<p>The Chair informed the Board that the debtors list (including Government and local authority) was good – the issue is that agreed approaches to releasing that debt has been pushed back again.</p> <p>Cllr Count questioned the change of bank earlier in the year. The Chair and Chris Malyon confirmed that changing banks followed the correct process.</p> <p>Cllr Hemsley suggested that there needs to be a five year business plan moving forward, and it needed a more informed process.</p> <p>Cllr Count and Cllr Howe noted that he could not put their names to point 1.2 of the accounts as things stand. The Chair confirmed that the accounts are draft and Board Members were not being asked to sign it off at this stage.</p>	
2017/91	<p>LETTER FROM SIMON RIDLEY</p> <p>The Chair discussed the letter received from Simon Ridley and outlined the four points in the letter.</p> <p>John Bridge proposed that a discussion should take place in private, without the Executive present.</p> <p>Karl Gardiner, Laura Welham-Halstead, Darren Edey, Adrian Cannard, Paul Sayles, Chris Malyon and Mark Jackson left the room.</p> <p>The Chair confirmed that Alex Powers remained present to take notes.</p> <p>John Bridge commented that the Board needed to be honest with themselves and that it was clear no funding would be released until the interim chief executive (CE), shared with the CA, was appointed. Claire Higgins agreed. As directors need to do the right things to get the funds released.</p> <p>Board Members discussed this point, and broadly agreed. Cllr Howe noted it would allow discussions around shared resources, and Cllr Count noted it was a move in the right direction.</p> <p>The Chair noted that one issue is that the LEP and CA areas are not co-terminus. Cllr Waters wanted confidence that geography will be taken account of, and not changed.</p> <p>The Board had a discussion regarding DCLG expectations.</p> <p>Cllr Count commented that the letter was very clear about what must be done, including a shared Chief Executive and back office with the CA, but keeping two separate entities in order to allow both to receive funding separately. Cllr Holdich</p>	

	<p>stated he believed £200,000 could be saved by sharing back office functions with the CA.</p> <p>The Chair noted that in order to remain independent there must be independent advisors, and reminded the Board that the LEP's Constitution needed to be remembered.</p> <p>Cllr Howe informed the Board that the Mayor of the CA was committed to an independent business board. The CA cannot develop a strategy without contact with the LEP. The Chair agreed that the LEP needed to recognise the CA and work together.</p>  <p>It was confirmed that the Board was quorate and a decision could be made.</p> <p>Steve Elsom noted that the important thing to focus on was to unlock the funding.</p> <p>John Bridge noted a pragmatic approach was required and proposed that the interim CE was appointed with immediate effect to allow to move forward.</p> <p>Claire Higgins seconded the proposal.</p> <p>Cllr Howe declared his interest, along with The Chair. Cllr Count confirmed his interest in the CA.</p> <p>The agreed proposal wording, agreed by the Board, is as follows: "the Board will enact point 4 of the letter received from Simon Ridley dated today and confirm back to Simon Ridley of the decision"</p> <p>The Chair confirmed proposal by John Bridge and seconded by Claire Higgins.</p> <p>Proposal carried.</p> <p>The Chair noted the decision would be transmitted to the Executive.</p>	
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	<p>ITEM 7 – SUBSTITUTES AND ITEM 8 MINUTES</p> <p>The Chair confirmed no names have been put forward.</p> <p>Minutes of last meeting agreed/not challenged and Cllr Count agreed.</p> <p>MEETING CLOSED</p>	

Appendix 1.

LEP ACHIEVEMENTS SINCE SEPTEMBER BOARD MEETING

GROWTH DEAL

- LEP finalising contract (with Accountable Body approval) for Ely Area Capacity Enhancements GRIP3 work.
- Transport Minister, Chris Grayling, committed to supporting Ely Area Capacity Enhancements works in Control Period Six following a meeting with him in Whitehall.
- The Topping Out Ceremony for iMET (which has received £10.5m of Growth Deal funding from the LEP) took place – Board Members are invited to join a tour of the new facility in advance of the December Board meeting.
- A public consultation has been launched following the Wisbech Access feasibility study funded through £1m of LEP Growth Deal Funds. The consultation sets out a package of proposed road infrastructure improvements for Wisbech, which will be funded by £10.5m of Growth Deal Funding subject to LEP Board approval.
- Collusion took people into the future in Wisbech thanks to a new web app project which has received funding from the LEP, Arts Council England, ARM and Cambridge Consultants. Produced by local company Tinfish Creative, the immersive Augmented Reality project brought together a range of local partners to help local people interact with an immersive experience of what Wisbech could be like in 2117 if it became a digital memory epicentre for the East of England.
- The final element of the £1.3m Bishops Road improvements scheme in Peterborough, funded by the LEP's Growth Deal, is now complete.

SIGNPOST 2 GROW

- Our Signpost 2 Grow Programme Manager, John Stenhouse, delivered a talk on funding for start-ups at the University of Cambridge Department of Chemical Engineering and Biotechnology, as part of their MBE class 2017-18.
- We continue to receive a steady stream of European Regional Development Funded Signpost 2 Grant applications. Since the programme began 44 grants worth £450,707 have been approved. These are small capital grants designed to help businesses to grow.

SKILLS

- The Careers & Enterprise Company have released £108,000 of funding to support our Opportunity Areas in East Cambridgeshire and Fenland. The LEP has been able to influence the focus of this funding to meet local strategic needs.
- COSMOS, the fun and educational STEM programme run by Cambridge Science Centre, spent a week in King's Lynn running an interactive, education space-themed roadshow to help inspire young people to consider a career in the STEM arena.
- BEIS has called for Expressions of Interest to create new Institutes of Technology. The LEP have supported a bid from iMET.

- Paul Sayles has been invited to join one of the Government's T Level specialist panels to help shape these new qualifications.

INNOVATION

- The East of England Science and Innovation Audit was launched at Venturefest East by Lord Prior. The event included a roundtable discussion between the Minister and key local representatives, including Steven Wilson from the LEP and Peter Oakley from TWI.
- Venturefest East took place, welcoming over 500 delegates from across the East. The event, which is designed to bring together innovators, entrepreneurs and investors, was deemed a great success with 88% of delegates stating that they had benefited (financial or otherwise) from attending the event.

AGRI-TECH

- Five project grants have been approved by the Eastern Agri Growth Initiative Board totalling £241,264.
- These include a £39,750 grant for Peterborough-based Artisan Chocolate Producer, Island Cacao to support the costs of new production equipment, and a £58,127 grant for Cambridge-based Solid Spark who are working on a solution to detect the presence of flies in soft fruit.

EUROPE

- The LEP is a partner in a new, three-year international project designed to help manufacturing SMEs get ready for Industry 4.0 (the new industrial revolution).
- European Social Funding – three calls to support education, apprenticeship and employment related projects have just closed, attracting nine bids in total.