

NB: In line with our Local Assurance Framework (LAF) these minutes are published as a draft record until formal ratification at the subsequent meeting.



LLEP INVESTMENT PANEL

Minutes of the Meeting

21 January 2021

Attendance and Apologies:

Members		Representing	
Andy Reed OBE	AR	LLEP Board of Directors	Chair
Emma Anderson	EA	LLEP Board of Directors	
Sonia Baigent	SB	LLEP Board of Directors	
Dr Nik Kotecha	NK	LLEP Board of Directors	
Ajmer Kaur Mahal	AKM	LLEP Board of Directors	
Neil McGhee	NM	LLEP Board of Directors	
Cllr Terry Richardson	TR	LLEP Board of Directors	
Officers			
Fiona Baker	FB	LLEP	
Susan Littlemore	SL	Leicester City Council- Accountable Body	
Stuart McAvoy	SM	Leicester City Council – Accountable Body	
Helen Miller	HM	LLEP	
Mark Oakley	MO	Leicester City Council- Accountable Body	
Mandip Rai	MR	LLEP Chief Executive	
Andy Rose	ARo	LLEP	
Colin Sharpe	CS	Leicester City Council – Accountable Body	
Advisors			
Jaqueline Moody	JM	Cities and Local Growth Unit (CLGU)	
Stephen Meynell	SMe	Hinckley and Bosworth Borough Council (HBBC)	

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<p>1.</p> <p>10.1</p> <p>10.2</p>	<p>Welcome and Apologies</p> <p>AR welcomed those present to the meeting.</p> <p>There were no Apologies for Absence.</p>	
<p>2.</p> <p>2.1</p>	<p>Declarations of Interest</p> <p>NK declared an interest as a member of Loughborough Town Board. AR also declared an interest as a Non-Executive Director to Incus Performance, which was based at The Attic, at the LUSEP site.</p>	
<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p>	<p>Minutes and Actions – 3 November 2020 and 19 November 2020</p> <p>The minutes of the meetings held on 3 November 2020 and 19 November 2020 were agreed as a correct record.</p> <p>It was suggested that a Summary of Actions document be produced for the Investment Panel.</p> <p>There was a discussion on the level of discussion relating to risk at the previous LLEP Board meeting. It was noted that no clear agreement was made on the matter. It was suggested that a document with clear options for agreement should be brought to the Board. It was also suggested that there could be a separate meeting to discuss the matter of risk in detail.</p> <p>It was AGREED that:</p> <ol style="list-style-type: none"> 1. A Summary of Actions be produced for each meeting of the Investment Panel 2. A meeting of the Investment Panel be held to have a detailed discussion of risk, to take back clear options to the Board. 	<p>Democratic Support</p> <p>HM/MR</p>
<p>4.</p> <p>4.1</p> <p>4.1.1</p> <p>4.1.2</p> <p>4.1.3</p>	<p>Historical Business Rates Enterprise Zone Investment</p> <p><u>Hinckley and Bosworth Borough Council – MIRA EZ</u></p> <p>HM introduced the report and noted that the original proposal was brought to the 3 November meeting.</p> <p>It was noted that the funding in question was LLEP allocated funding, meaning that the LLEP did not hold that money at present, the Local Authority in question did.</p> <p>It was noted that appraisal had shown that there had been an improvement, with the number of interventions going down from 9 to 6. These key</p>	

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	interventions were related to business investment, and employment and skills.	
4.1.4	It was noted that appraisal has revealed areas that were still unsatisfactory, including concerns around additionality relating to business grants, and the fact that the breakdown of costs on inward investment couldn't yet be brought to the Panel.	
4.1.5	Changes to State Aid due to the UK leaving the EU were noted, meaning that applicants would need to review any not previously agreed and assess how the new rules might change anything.	
4.1.6	It was noted that the applicant would need to reallocate the £15,000 contingency budget.	
4.1.7	It was noted that an external GVA assessment was in progress relating to grant assessments.	
4.1.8	In response to queries about timetables and clarity on new state aid rules, it was suggested that the present guidance note could be circulated to Panel Members.	
4.1.9	It was noted that the quarter 4 report had not yet been received but would be imminently.	
4.1.10	Concerns were raised about job losses being blamed on the pandemic when there might be other reasons.	
4.1.11	In response to concerns about the targets of jobs created being conservative, it was suggested that the priority at the time was the retention of jobs.	
4.1.12	At this point Stephen Meynell joined the meeting.	
4.1.13	More clarity was sought on the reason for job losses. SMe noted that he did not have that information and that the ongoing grant assessment would have that information. SMe stated that he would ask for this information and bring it back to the Panel.	
4.1.14	There was discussion around getting the evidence necessary to make decisions about what intervention to take regarding impact on MIRA of the economic shock caused by the pandemic. There was acknowledgement that the new state aid rules had caused confusion and it was noted that some of the information desired might be sensitive. SMe stated that he would try to bring the information back to the 1 February meeting.	
4.1.15	SMe stated that he would need to discuss where the £15,000 contingency budget would be placed.	

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<p>4.1.16</p> <p>4.1.17</p> <p>4.1.18</p> <p>4.1.19</p>	<p>Panel Members requested a more simplified version of the report, making the potential steps and outcomes clear. It was suggested that SMe could write a 2-page summary, making outputs and direction over the last 2 years clear and let the Investment Panel make a final decision.</p> <p>At this point SMe left the meeting.</p> <p>It was noted that the Business Rates Legal Agreement had not yet been signed. MR stated that HBBC had the final version and that once it was signed off it would be sent to AR. It was also noted that the Legal Agreement would be an agenda item at the next Board meeting.</p> <p>It was AGREED that:</p> <ol style="list-style-type: none"> 1. The Investment Panel accepted the recommendations of the report, subject to further satisfactory responses from HBBC. 2. SMe would request more detailed information from MIRA to bring back to the Panel. 3. SMe would condense the report to a clear 2-page summary to bring to the Panel. 	<p style="text-align: center;">SMe</p>
<p>5.</p> <p>5.1</p> <p>5.1.2</p> <p>5.2</p> <p>5.2.1</p> <p>5.2.2</p> <p>5.2.3</p> <p>5.2.4</p> <p>5.2.5</p> <p>5.2.6</p>	<p>Growing Places Fund</p> <p><u>Broadnook Garden Village</u></p> <p>It was noted that the Broadnook item had been deferred to the 1 February meeting.</p> <p><u>Haywood Estate</u></p> <p>ARo gave a verbal update on the Harwood Estate.</p> <p>It was noted that a Loan Variation Agreement was prepared which included more formal monitoring arrangements and repayment milestones.</p> <p>It was noted that progress on repaying the current milestone had been positive.</p> <p>It was noted that 4 plot sales were in the pipeline, all of which were anticipated to complete before April.</p> <p>It was hoped that enough plot sales would happen by February 2022 to clear the total debt.</p> <p>It was noted that a major plot sale fell through early in the year. A formal evaluation of the plots would still be coming soon.</p>	

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<p>5.2.7</p> <p>5.2.8</p> <p>5.2.9</p> <p>5.2.10</p> <p>5.2.11</p> <p>5.2.12</p>	<p>It was noted that the draft audited accounts and cashflow projections were due at the end of January. This would be put into a monitoring report which would be brought to the Panel or the Board.</p> <p>It was asked what the penalties were for not meeting deadlines on the Loan Variation Agreement. It was noted that not meeting a deadline would be an act of default under the original loan agreement and there would be several options including taking ownership of the vacant plots.</p> <p>It was asked if there was a charge for the LLEP over land sales at the site. It was stated that the LLEP would need to come to a view about whether to agree to the land sale if it was being sold for less than market price.</p> <p>There was discussion about whether the Accountable Body had said they would allow the LLEP to take ownership of the plots or not. Clarification was requested over the point. SM offered to take the issue to his colleagues and report back.</p> <p>It was noted that land interest from SMEs was encouraging. It was asked who was interested in these plots and ARo offered to bring that information back to the Panel.</p> <p>It was AGREED that:</p> <ol style="list-style-type: none"> 1. Clarification be sought on the Accountable Body's position on taking ownership of vacant plots. 2. Information to be brought to the Panel about which SMEs are interested in land. 3. More detailed information be sought from MIRA. 	<p></p> <p></p> <p></p> <p></p> <p></p> <p></p> <p>SM</p> <p>ARo</p> <p>SMe</p>
<p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.3.1</p> <p>6.3.2</p>	<p>Economic Recovery</p> <p>It was noted that the two outstanding areas of investment for the GPF funds were what was being presented.</p> <p>It was noted that the remaining money in the Employment and Skills Fund had been put towards a rural skills project.</p> <p><u>Digital Poverty</u></p> <p>It was noted that the Skills Advisory Panel (SAP) had deemed it appropriate to utilise funding designated for digital skills for interventions targeted at individual recipients.</p> <p>It was noted that the SAP's consensus was that the LLEP should issue a call for evidence on the issue of digital poverty. This would ensure that any interventions would be evidence based.</p>	<p></p> <p></p> <p></p> <p></p> <p></p> <p></p>

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6.3.3	It was noted that the call for evidence would be carried out by LLEP officers, but further work would be needed to develop a more granular picture.	
6.3.4	In response to queries about how whether there would be a focus on business skills, FB reported that the focus would be on the Place aspect of the LLEP.	
6.3.5	There was discussion around what level of skills the project was looking to help facilitate. FB stated that the SAP felt that more basic digital skills were what needed focusing on. The issue of access to devices was raised as a potential area to work on.	
6.3.6	It was suggested that a Digital Tsar could be recruited to steer this rather than hiring a consultant firm. FB noted that the Digital Skills Coordinator was in the process of being recruited and would take on a similar role. There was debate around this issue, FB stated that the LLEP did not currently have the capacity to currently deliver the project.	
6.3.7	It was AGREED that: 1. The Investment Panel supported the proposal in principal, subject to further monitoring.	FB
6.4	<u>Place Marketing</u>	
6.4.1	It was noted that place marketing was an area which had been underinvested in previously. The Board had agreed to ringfence some of the GPF for place marketing activities, but that money couldn't cover all potential areas of place marketing. Therefore, more funding was being requested.	
6.4.2	Concerns were raised about the level of ambition of the proposal, with some feeling that that better use could be made of innovative technologies to highlight the technological advancement in the city. SL stated that utilising such technologies would likely have to be its own project, and that in 2021 there might be more interest in more authentic experiences which was what projects such as Uncover the Story were focused on.	
6.4.3	It was suggested that the LLEP could pool and share resources and content with businesses in the area also working on place marketing. It was also suggested that positive stories could also be pooled together and reused.	
6.4.4	At this point AKM left the meeting.	
6.4.5	There was discussion about whether the money would be focused on inward investment or tourism. It was hoped that the two were linked as those who came to the area as tourists would be more likely to want to invest in the	

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6.4.6	<p>area. It was also noted that this was a county-wide effort, working with all the districts.</p> <p>It was AGREED that:</p> <ol style="list-style-type: none"> 1. The Panel approved the Business Case and additional funding. 	HM
7.	Programme Monitoring	
7.1	It was noted that the Enterprise Advisor Network update would be deferred to the 1 February meeting, and the Local Growth Fund Update would be deferred to the next full meeting of the Panel.	
8.	Any Other Business	
8.1	There was no other business	
9.	Date of Future Meetings	
9.1	The dates of future meetings were noted.	
10.	Close of Meeting	
10.1	The meeting closed at 5.34pm.	