

Meeting title	GFirst LEP Board
Date/time/venue	1/09/2020 - 9:00am to 10:00am Via Zoom
Attendees	<u>Members</u> : Adam Starkey (AS) <i>Chair</i> , Diane Savory (DS), Emma Hanby (EH), Mark Hawthorne (MH), Rob Loveday (RL), Russell Marchant (RM), Ian Mean (IM), Deborah Potts (DP), Jenny Raymond (JR), Neill Ricketts (NR) & Mike Warner (MW) <u>In attendance</u> : David Owen (DO), Barry Bodin-Jones (BBJ), Dev Chakraborty (DCh), Sarah Danson (SD), Mally Findlater (MF), Steve Mawson (SM), Karen Leigh (KL) & Lynn Stacey (minutes)
Apologies	Steve Jordan (SJ), Ruth Dooley (RD), Lorrin White (LW), Jim Grant (JG), Carl Creswell (CC), Doina Cornell (DC), Patrick Forde (PF), Pete Carr (PC) & Rupert Waters (RW)

No.	Item	By	Action
1)	Welcome & introduction AS to Chair again as DS has a conflict of interest for item 6		
2)	Minutes of: Minutes of the last LEP Board meeting on 18 th August 2020 - were approved as a true and accurate record.		
3)	Declarations of interest available on the GFirst LEP website – https://www.gfirstlep.com/about-us/the-board/register-of-members-interests/ A reminder was given to all Board Members to ensure their declarations of interest on the GFirst LEP website is current and checked on a regular basis. MW & DS declared an interest to item 6.		
4)	Getting Building Fund Programme (GBF) MF gave an update on this programme and reported that all 5 projects are progressing well. MF confirmed that each project goes through a rigorous process, including due diligence and scrutiny by the Investment Panel, before coming to the Board for consideration for approval. MF still waiting for legal Gov't guidance on GBF process and therefore, no legal agreements can be signed until this has been received. However, draft funding agreements have been prepared to limit any delay to the project starts. MF & BB-J are working with the promoters on the pre-conditions on the two projects that were approved in the last LEP Board meeting, and are satisfied that these will be met. MF also provided an update on issues raised or debated in the last Board meeting:		

State Aid – As stated when discussed on 18/8/20, State Aid compliance is the responsibility of the promoters for each project. Although this is tested at due diligence, and comments provided, promoters are aware that they should rely on their own legal advice. MF confirmed that a review of the standard funding agreement template made this responsibility clear and that this ensured that neither the LEP or the Accountable Body carried risks associated with State Aid. SM had also checked with the GCC legal team, and was satisfied.

Terms of Contracts - MF confirmed that previous agreements varied in term depending on the specific detail of the project, but tended to be between 8 and 10 years. For consistency, the standard agreement of a 10-year standard delivery will be used for GBF contracts, with the option to adjust to accommodate individual project circumstances.

Partnership working in the Cyber sector – MF confirmed that Cirencester College are in the process of mapping the skills landscape for cyber, and a similar exercise will be undertaken by Cheltenham Borough Council and Gloucestershire College with regard to business units to ensure provision is complementary.

Environment and Low Carbon elements of projects – MF confirmed that, following considerable debate at the Investment Panel, it is suggested that the standard requirement for all GBF projects should be to ‘make reasonable endeavours to achieve a BREEAM assessment of ‘very good’. JR provided legal clarification on the difference between ‘reasonable’ and ‘best’ endeavours, which was debated. The intention is to set a standard that is meaningful and stretching, but achievable. MF confirmed that the LEP team are working with stakeholders, including the Local Nature Partnership to identify the best way forward to ensure that all investments contribute to the strategic ambitions in the Local Industrial Strategy (LIS) regarding the environment and low carbon. MF also confirmed that work continues on the Natural Capital Benchmarking tool, with a presentation planned for the Board in the Spring. To facilitate its development some of the GBF projects will be offered the opportunity to work with the development team as pilot projects.

The Board debated the level to which it could be possible to oblige projects to meet low carbon standards in their building work. DO confirmed this element of each project was assessed at due diligence, and discussed with the Investment Panel. Projects will be held to their stated commitments, and if applicable, funding conditions are attached. RM confirmed that there is a huge variation in approach by the different planning authorities.

DO confirmed that the Investment Panel suggested that the Board agree a formal position regarding the way that the Green ambitions in the LIS are implemented in the programme management of future funding programmes. The level of debate that followed indicates that this is of particular interest to Board members.

DO confirmed that a further update to the Board will follow when possible.

MF

<p>5)</p>	<p>GBF Investment: Construction Skills Accelerator Centre - KW Bell funding approval</p> <p>This is a brand-new multipurpose conference and training facility to be based in the Forest of Dean. This is designed to link the construction industry with education by providing a learning environment that is digitally advanced, safe, interactive and relevant. The Centre will be co-funded by a privately-owned family business.</p> <p>The project will support 146 apprentices into employment and help 1,300 trainees obtain construction related qualifications such that in total over 1,000 trainees are able to indirectly fill jobs.</p> <p>A question was asked if there would be enough demand, and if there was sufficient collaboration with other providers (particularly the colleges), BBJ confirmed that this was tested at due diligence, and that the extensive experience of the promoter of the local and regional demand provided satisfactory reassurance. BBJ also confirmed that there is collaborative partnering with local educational faculties, such as Gloucestershire College and the University of Gloucestershire, collaboration with the Gloucestershire Careers Hub and liaison with local secondary schools</p> <p>MW confirmed that KW Bell are a well-respected company, specialising in house building, with considerable expertise regarding skills with machinery.</p> <p>DP raised her concerns on the transport links to the site and BBJ will discuss this further with the Promoter. NR did state it is easier to travel to Cinderford than Cheltenham.</p> <p>EH asked if there were any contingency plans for the design elements to take account of the impact of Covid-19. BBJ stated no conditions or provisions had been made as this project will not be completed until the end of 2021/22 and it was not possible to anticipate the requirements that would still be in place then. However, we would expect projects to be following Government guidance, and taking this into account as the projects develop.</p> <p>Decision</p> <p>The Board approved the funding of £1,956,000 for this project and authorised GCC as Accountable Body to prepare the formal funding agreement, noting the pre-conditions to provide:</p> <ul style="list-style-type: none"> ▪ Provision of a cashflow for the costs and funding of the project ▪ Provision of any proposed further capital investment in replacement equipment during the next 10 years ▪ Provision of a marketing and communications strategy ▪ Provision of a Monitoring and Evaluation Plan <p>In addition, noting the funding conditions, to ensure:</p> <ul style="list-style-type: none"> ▪ A clawback clause requiring a proportional repayment of GBF grant in the event of a change of use or sale of the training centre during the 10 years from the start on site of the project, 		<p>BBJ</p>
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	<p>secured by a charge on the land and building for the Training Centre.</p> <ul style="list-style-type: none"> ▪ The project to use reasonable endeavours to obtain a BREEAM assessment for the development of at least “very good”. 		
6)	<p>GBF Investment: Minster Innovation Exchange – Cheltenham Borough Council funding approval (CBC)</p> <p>DS left the meeting due to a conflict of interest and MW was not involved in the voting.</p> <p>This project is a low carbon modular construction and will deliver 20,000ft² of floorspace in modular units including 10,564 ft² of Innovative workspace, a 3,489 ft² Cyber Innovation Facility and 1,873 ft² state-of-the-art multifunctional performance, events, education, training and community space. It is expected to attract 50,000 visitors, engage with 1,250 businesses/individuals to facilitate 150 start-ups and create 375 jobs.</p> <p>Following due diligence and scrutiny by the Investment Panel, this complex project was reviewed and a revised governance model was developed which was presented to the LEP Board in the papers. The revised proposition is that Cheltenham Borough Council will take over responsibility for the delivery of the Cheltenham Growth Hub, within the Minster site, as well as this project. Delivery will be through a Joint Venture with The Workshop Group.</p> <p>It was asked if there is still the demand for working spaces as businesses adjust to new ways of working in response to the experience of home working through the Covid lockdown. DO confirmed that it is difficult to judge how things will develop, but based on experiences with the Tewkesbury and Cirencester Growth Hubs there is a strong demand for co-working and small unit space. SD stated there has been an increase in membership enquiries since Covid-19 for the Cirencester Growth Hub plus an increase of start-ups due to the number of redundancies. This project would also act as a feeder for both the Cyber sector and the Cyber Park development.</p> <p>A general discussion took place on local procurement, and whether projects could be obliged to seek local businesses to benefit from the contract opportunities. SM and others confirmed that there was a danger of contravening OJEU rules. However, it would be reasonable to consider establishing a local framework of suppliers who could be encouraged to apply when contracts are put out to tender.</p> <p>MF will discuss this with the five projects to ensure that they open their procurement to local companies.</p> <p><u>Decision</u></p> <p>The Board approved the funding of £3,114,000 for this project and authorised GCC as Accountable Body to prepare the formal funding agreement, noting the pre-conditions to provide:</p> <ul style="list-style-type: none"> ▪ Provision of a cashflow profile for the costs and funding of the project 		

	<ul style="list-style-type: none"> ▪ Provision of information in relating to supply and demand for similar accommodation ▪ Further details on the links between the project and Universities/Colleges ▪ Provision of a marketing and communications strategy for the project ▪ Provision of a monitoring and evaluation plan for the project <p>Noting the funding conditions to ensure:</p> <ul style="list-style-type: none"> ▪ No funds to be paid prior to confirmation that planning consent has been given ▪ Should the JV fail, or WSG cease to be partners in the JV, CBC assume full responsibility directly for the Growth Hub and Innovation Exchange delivery. ▪ The project to use reasonable endeavours to obtain a BREEAM assessment for the development of at least “very good”. 		MF
7)	<p>AOB</p> <p>IM asked with the latest furlough figures for our county at 93,400, what are the county’s plans to cope with job redundancies, support and re-training?</p> <p>DO stated ongoing work is being done on this and a meeting has been arranged on 7th September with DfE, DWP and GCC colleagues to firm plans on redundancy support for businesses. This is being led by Pete Carr with Sarah Danson. Once this has been finalised DO will issue to the Board.</p>		DO

Future Board meeting dates for 2020:

- Tuesday 15th September 2020, 8.30am to 9.30am
- Tuesday 8th December 2020, 8:30am to 10.30am