

ing title	GFirst LEP Board		
Date/time/venue         18/08/2020 - 9:00am to 10:30am           Via Zoom			
dees	Jim Grant (JG), Mark Hawthorne (MH), Stephen Jordan (SJ), Rob Loveday Russell Marchant (RM), Ian Mean (IM), Deborah Potts (DP), Jenny Raymo Neill Ricketts (NR) & Mike Warner (MW)	/ (RL), ond (JR	),
ogies	Carl Creswell, Lorrin White & Emma Hanby		
Item		Bv	Action
	ntroduction		
under item 6 Innovation Pr	(DS is Chair of Cheltenham Festivals that is linked to the Minster oject in Cheltenham), AS agreed to chair this meeting and also the next		
Minutes of:			
one further p	ositive response, after the deadline, and that the minutes would be		BBJ
Declarations	of interest available on the GFirst LEP website –		
https://www	gfirstlep.com/about-us/the-board/register-of-members-interests/		
Risk – update	e on organisational and programme risk registers		
March 2021. implementing Officer, to co	It was confirmed that we will meet our commitment on spend by g a level of capital swop by GCC, in agreement with the Section 151 ver any Local Growth Fund that is scheduled to be spent in 2021/22		
	dees gies Item Welcome & i DS gave a sho under item 6 Innovation Pr LEP Board me Minutes of th and accurate Written Proce one further p updated acco Declarations https://www AS reminded LEP website is Risk – update	time/venue       18/08/2020 - 9:00am to 10:30am         Via Zoom       Via Zoom         dees       Members: Adam Starkey (AS) Chair, Diane Savory (DS), Ruth Dooley (RD)         Jim Grant (JG), Mark Hawthorne (MH), Stephen Jordan (SJ), Rob Loveday         Russell Marchant (RM), Ian Mean (IM), Deborah Potts (DP), Jenny Raymon         Neill Ricketts (NR) & Mike Warner (MW)         In attendance: David Owen (DO), Barry Bodin-Jones (BBJ), Pete Carr (PD)         Dev Chakraborty (DCh), Doina Cornell (DC), Sarah Danson (SD),         Mally Findlater (MF), Patrick Forde (PF), Karen Leigh (KL),         Steve Mawson (SM), Lynn Stacey (minutes) & Rupert Waters (RW)         Item         Welcome & introduction         DS gave a short introduction and highlighted due to a potential conflict of interest under item 6 (DS is Chair of Cheltenham Festivals that is linked to the Minster Innovation Project in Cheltenham), AS agreed to chair this meeting and also the next LEP Board meeting on September 1 <sup>st</sup> , 2020.	time/venue       18/08/2020 - 9:00am to 10:30am         Via Zoom       Via Zoom         dees       Members: Adam Starkey (AS) Chair, Diane Savory (DS), Ruth Dooley (RD), Jim Grant (JG), Mark Hawthorne (MH), Stephen Jordan (SI), Rob Loveday (RL), Russell Marchant (RM), Ian Mean (IM), Deborah Potts (DP), Jenny Raymond (JR Neill Ricketts (NR) & Mike Warner (MW) In attendance: David Owen (DO), Barry Bodin-Jones (BBJ), Pete Carr (PD), Dev Chakraborty (DCh), Doina Cornell (DC), Sarah Danson (SD), Mally Findlater (MF), Patrick Forde (PF), Karen Leigh (KL), Steve Mawson (SM), Lynn Stacey (minutes) & Rupert Waters (RW)         gles       Carl Creswell, Lorrin White & Emma Hanby         Item       By         Welcome & introduction       By         DS gave a short introduction and highlighted due to a potential conflict of interest under item 6 (DS is Chair of Cheltenham Festivals that is linked to the Minster Innovation Project in Cheltenham), AS agreed to chair this meeting and also the next LEP Board meeting on September 1 <sup>st</sup> , 2020.         Minutes of:       Minutes of the last LEP Board meeting on 14 <sup>th</sup> July 2020 - were approved as a true and accurate record.         Written Procedure 04.08.20 BEIS data return -BBJ confirmed that he had received one further positive response, after the deadline, and that the minutes would be updated accordingly – they were then approved as a true and accurate record.         Declarations of interest available on the GFirst LEP website – https://www.gfirstlep.com/about-us/the-board/register-of-members-interests/         AS reminded all Board Members to ensure their declarations of interest on the GFirst LEP website is current and checke

	Confirmation has been given of the 3 <sup>rd</sup> final allocation of funds from the BEIS 2021	
	allocation. If any Board Members would like a copy of the Risk Register, please contact RD.	
5)	5a - ESIF Programme Update August 2020	
5)	Sa - ESIF Frogramme Opuate August 2020	
	MF went through the detailed paper that was issued to the Board and gave an update on this programme (information on all projects that has recently been updated, and can be viewed: <a href="https://www.gfirstlep.com/projects/">www.gfirstlep.com/projects/</a> ).	
	MF confirmed we have committed the majority of the county's allocation of ERDF funds, which has been used to support successful projects.	
	There is, however, a shortfall in using the full allocation, mainly due to the low carbon project being withdrawn by GCC. This is due to the complexity of stakeholder match and commitment. This has been challenging not just for us, but for other LEPs as it has been difficult to measure and evidence the output.	
	All underspend by regions has been returned nationally, and is being used to support Covid response investments, particularly through Growth Hubs. Gloucestershire has benefitted.	
	<b>5b</b> - <b>Growth Programme Update August 2020</b> BBJ went through the detailed paper that was issued to the Board and gave an update on the progress. BBJ stated the total Local Growth Fund is £101.7m and to date we have out turned £92.55m, which equates to 91% against profile with an actual spend to date of £64.64m	
	<ul> <li>The following areas were discussed:</li> <li>The jobs outcome is lower than expected and any implications or sanctions would be picked up in our annual review audit. However, this has been discussed in previous annual reviews, and it is not expected to have serious implications for the LEP. The expectation is that jobs will be created in later stages of the programme, and related to Inward Investment activities.</li> <li>How do we compare with other LEPs on this funding etc? It was stated it is very hard to compare as we do all have different challenges. The inward investment area also has an ambitious target, which is very difficult with the impact of Covid-19.</li> <li>The slow start on housing, which effects employment and people moving into our county to live could impact on the growth.</li> </ul>	
6)	Getting Building Fund (GBF) Investment: Gloucestershire Applied Skills Digital Centre (Digication) – Cirencester College funding approval	
	Note: DS, JG & SJ declared an interest to this item. DS & JG left the meeting but SJ stayed, but did not take part in this discussion.	
	MF updated the Board on the progress of the Getting Building Fund (GBF) to date.	
	BBJ presented the paper seeking a decision regarding a formal funding agreement to the value of £4,480,000, to create a Gloucestershire Applied Skills Digital Centre	

Cyber and Digital sectors.	
<ul> <li>A discussion took place on GBF in general and this project in particular as follows:</li> <li>No formal guidance on GBF has been received from Gov't so the process so far has been managed through our normal assurance framework. We await guidance to inform the next steps for process, implementation and legal agreements.</li> <li>MH declared an interest as GCC was unsuccessful with their Cheltenham to Gloucester Cycling Scheme. MH appreciated the tight timescale for the scheme, which was driven by central Government. He formally raised his concerns that there were very few Board Members involved in this process. MH would have liked to see an extra board meeting arranged to discuss this before the proposals were submitted to central Government. MH would like to ensure there is more engagement with future decisions like this.</li> <li>DO stated MH was right to highlight this, but confirmed all Board Members were informed of the process that was proposed to respond and select projects within the very tight timescale from Government. No objections to this process were raised.</li> </ul>	
<ul> <li>DO clarified that although the Cheltenham to Gloucester Cycling Scheme was a priority project, the funding envelope in negotiation with Government did not have sufficient funds to cover the full amount requested. As GCC confirmed that, at the time of asking, the request was not scaleable, it was not possible to include this project within the £11.3m GBF allocation, but it was submitted as the top project on the LEP reserve list.</li> <li>MH's concerns were noted including the suggestion that there should be a wider discussion for any future process.</li> <li>NR stated there were a lot of Board Members who had projects under consideration, and were therefore conflicted, and would not have been able to take part in the selection.</li> </ul>	BB
<ul> <li>Further points raised on the Gloucestershire Applied Skills Digital Centre (Digication) at Cirencester College, funding for approval:</li> <li>In reference to the aspiration to include PV panels if possible, a suggestion was made to seek private sector investment to link this to electric car charging. It was agreed that this was a useful observation which could be shared with Cirencester College. BBJ will discuss this possibility with JG.</li> <li>Clarifying questions were raised and BBJ confirmed this project complements the T-levels with learning and support, including IT and Cyber skills. This is open for all ages and not just for young people.</li> <li>The Board were reminded that the proposal has been thoroughly tested through the due diligence process and by the Investment Panel. The due diligence assessors commented on the good case for public funding and the excellent quality of the submission.</li> <li>This proposal is in line with GFirst LEP's draft Local Industrial Strategy.</li> <li>It was commented that this is a good link to the Cyber Park Project with its needs for a pipeline of digital and cyber skills to supply the businesses that</li> </ul>	BB.

	<ul> <li>A question was raised on the increase in transport and a potential environmental impact. This issue has been covered in the due diligence report, with the responsible use of buses.</li> <li>It was confirmed that, as is always the case, the promoter will be responsible for any over-run of cost.</li> <li>There were concerns on communication and a joined-up approach on Cyber schemes (see more discussions on this below). It was asked if we can formulate a pre-condition of the fund of evidence on the relevant stakeholders working together. MF confirmed that this has already been discussed with the promoters, and will take this forward. It was agreed that this should be included in the preconditions for the funding approval.</li> </ul>	
	<b>Decision</b> The Board approved the funding of £4,480,000, post due diligence and business case assessment, to create a Gloucestershire Applied Skills Digital Centre (Digication) at Cirencester College, on the main Fosse Way campus. The Board also authorised GCC as Accountable Body to prepare the Funding Agreement for the release of the funding, noting the <b>pre-conditions</b> to provide:	MF
	<ul> <li>Provision of a forecast cashflow for the costs of the project.</li> <li>Provision of further details on the other client direct costs that the College are to fund.</li> <li>Provision of details of the final contractor with the tender appraisal.</li> <li>In addition, a pre-condition to provide information on the current and future digital and cyber skills landscape in the county and how this project will be complementary to it and add value.</li> </ul>	
	In addition, noting the <b>funding conditions</b> , to ensure:	
	<ul> <li>The College to use reasonable endeavours to secure the Installation of PV panels to the building within 3 years of completion (i.e. within the existing planning consent).</li> <li>The College seek accreditation from BREEAM for a minimum of a Good rating for the new building.</li> </ul>	
7)	GBF Investment: Gloucestershire College Incubation Centre – Glos Col funding approval	
	BBJ informed the Board of the offer of a formal funding agreement to the value of £950,000 to refurbish existing floorspace to create Cyber Incubation Units at Gloucestershire College on the Cheltenham campus site. This would create a range of new office space, shared and dedicated laboratories, workshops and co-working facilities, designed specifically for high-tech, cyber-based entrepreneurs and innovators, with access to education facilities.	
	The risks, which were outlined in the paper issued with the board meeting notes, were discussed as follows:	
	<u>State Aid</u> – there is a low risk to the College of an element of illegal state aid as confirmed by the due diligence assessor, but this opinion does differ from the legal	

advice provided to the College. It was confirmed that the promoter is responsible for the State Aid position. However, MH stated that GCC Accountable Body could not bear any risks associated with state aid, and asked for legal advice and clarification on this point. SM to establish the position and ensure that there is no risk that GCC Accountable Body would be held responsible if there is a state aid issue.	SM
<u>Incubation space</u> – A discussion raised a number of queries related to the use of the incubation spaces, and the length of tenure. It was confirmed that the funding agreement would establish a commitment to deliver as agreed for a period of time. If the promoter seeks to change use within that period they would be expected to repay funds on a pro-rata basis. The exact period was discussed, and will be confirmed at the next Board meeting, but, as a minimum should be 5 years. A question was raised of the need for more details on this proposal and the use of the incubation spaces. MF confirmed the detail for this can be found in the due diligence report provided as a supporting paper to the main Board paper.	
A suggestion was made that as the exact location of the units within the building has not yet been confirmed, it would be desirable to locate them on the ground floor. This would render them easier and more commercial to market. This observation will be shared with the promoter.	
Partnership working in the Cyber sector – as mentioned under item 6, there are concerns of separate operations not being in sync with each other and a need for good communications to ensure everybody is working together.	BBJ
It was suggested a pre-condition to be in place on commitment for full partnership working in this sector. However, this led to a discussion that established that it would be very difficult to impose and implement a condition for different organisations to work on the same strategy. The point was also made that this supply and provision needs to be market driven.	
DO also stated that there are existing strategic partnerships that are working together to ensure complementary provision in line with agreed strategic policy and focus. In particular, the Wider Severn Valley, Western Gateway and the Marches, Worcestershire and Swindon and Wilts LEPs. There is more work to be done to pull this together to ensure a robust approach and we will raise this for a future discussion with the board at a later date.	
<u>Decision</u> The Board approved the funding of £950,000 for this project, and authorised GCC as Accountable Body to prepare the formal funding agreement, noting the <b>pre</b> - <b>conditions</b> to provide:	
<ul> <li>Confirmation of the floorspace actually proposed for the incubation workspace</li> <li>Provision of further detail on proposed BREEAM assessment</li> </ul>	
In addition, noting the <b>funding conditions</b> to ensure:	

	<ul> <li>Evidence that change of use planning consent has been obtained before 31 December 2020</li> <li>Extra pre-conditions as discussed are to be included:         <ul> <li>State Aid – legal advice to be sought and clarification to be given to the Board.</li> <li>Incubation units – the term of contract for these to be set at 5 years minimum</li> </ul> </li> </ul>	
8)	AOBHave all the district councils now agreed on one clear Covid recovery strategy?DCh confirmed that all 6 local authorities have produced a recovery plan and the Joint Committee are now tasked to bring these with the LEP's Recovery Plan into a joint action plan. GCC is using Shared Intelligence for this work and this will be discussed in the next Joint Committee Meeting on the 16th September.What is the LEP's plan on jobs as furlough closes?The LEP's Recovery Plan includes a number of key interventions. DCh and SD both 	

## Future Board meeting dates for 2020:

- Tuesday 1<sup>st</sup> September 2020, 9:00am to 10am
- Tuesday 15<sup>th</sup> September 2020, 8.30am to 10.30am
- Tuesday 8<sup>th</sup> December 2020, 8:30am to 10.30am