

## Meeting minutes

<b>PROJECT</b>	Town Deal		
<b>DATE</b>	15th February 2021	<b>LOCATION</b>	Virtual meeting using Zoom

<b>Attendees</b>	
<b>Board Members</b>	
Dr Nik Kotecha (Co-Chair)	Morningside Pharmaceuticals
Cllr Jonathan Morgan (Co-Chair)	Charnwood Borough Council
Cllr Jenny Bokor	Chair of MRG
Prof. Tracy Bhamra	Loughborough University
Lez Cope Newman	Loughborough BID
Jane Hunt MP	MP for Loughborough
Jo Maher	Loughborough College
David Pagett-Wright	Chair of CECG
Cllr TJ Pendleton, CC	Leicestershire County Council
Andy Reed	LLEP
Martin Traynor	Economy & Skills Group
<b>Officer Attendees</b>	
Rob Mitchell	Charnwood Borough Council
Eileen Mallon	Charnwood Borough Council
Richard Bennett	Charnwood Borough Council
Chris Grace	Charnwood Borough Council
Mike Roberts	Charnwood Borough Council
Sylvia Wright	Charnwood Borough Council
Tom Purnell	Leicestershire County Council
Mandip Rai	LLEP
Jo Dexter	BEIS
Jenny Adams	ARUP
Nicky Conway	Minute Taker (Charnwood Borough Council)

<b>Apologies</b>
none

<b>Meeting Type (Team, Board or other)</b>
Board Meeting

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<b>Meeting Minutes</b>
<b>2. Minutes of the previous meeting and matters arising</b>  The minutes of the previous meeting were confirmed as a correct record.
<b>3. Declarations of Interest</b>  none
<b>4. Loughborough Town Investment Plan (item 4 on agenda)</b>  Eileen Mallon introduced this report and apologised for the lateness of its circulation to the Board. She explained that there had been multiple contributors to create this version (with reference to paragraph 3.1 in the report), that there had been significant changes since the Board had reviewed the TIP and that the Plan, as seen by the Board at its previous meeting, had been submitted to both the Member Reference Group and the Community Engagement and Consultation Group who had provided feedback.  She drew the Board's attention to the following: <ul style="list-style-type: none"><li>• that further changes had been made after the 'Check and Challenge' sessions held with ARUP, Grant Thornton, BEIS and an independent consultant who had prepared TIPs for other towns. There had been a shift in the steer from ARUP and BEIS as Government advice had evolved during the process and from reviewing earlier submissions of other TIPs. The steer was more refined, specific and focussed to the expectations of MHCLG.</li><li>• Paragraph 3.3 of the report was referenced with respect to changes made to the final draft. The focus had been to ensure the plan demonstrated the link between the projects, the needs and challenges of the town and the vision. Further modifications required included reducing the word count, adding in infographics and maps, and refining some of the project proformas.</li><li>• TIP Part 2 (proformas) was still being progressed and work was continuing with the Project Leads to further strengthen and clarify the projects' requirements before inclusion with the submitted TIP to MHCLG.</li><li>• strong advice received from BEIS had indicated that the Board should consider reducing the amount of the total financial ask to £25million. Asking for more than £25million would place the TIP in the 'exceptional' category, would require clear demonstration that the TIP had genuine regional and national impact and would also subject the TIP to further detailed scrutiny.</li><li>• the final TIP would be professionally designed by a design company and approved by the Co-chairs in consultation with officers. Considering the timescales, a further meeting of the Board would not be possible, but the final submission version would be circulated to all Board members.</li></ul> Summary of Board discussion: <ul style="list-style-type: none"><li>• reducing the request to £25million was fitting, would comply with the original offer from the Government and had been discussed by the Member Reference Group. There was a strong view that it was vital for Loughborough to receive the full £25million for its recovery and further development.</li></ul>

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- it was noted that the POD4 project had been suggested for removal from the TIP due to advice that Government policy would not be in place to enable its delivery.
- the merits of various projects were considered, reflecting guidance received from ARUP, BEIS, Grant Thornton and MHCLG. Although having some merit the Microprojects capital grants scheme did not appear to have the level of detail or a robust project proposal to secure its funding, the Public Realm projects had been divided into three individual projects to further demonstrate their value, the Living Loughborough project was undergoing minor refinements to its numbers, and the Loughborough University as an Anchor Institution project had been revised and renamed to Healthy and Innovative Loughborough and work carried out to demonstrate its benefits to the Town.
- if a project had not been mentioned during discussions with ARUP and BEIS it had not been reviewed, as it was perceived that these projects were considered strong and potentially suitable for Towns Deal funding.
- with regard to the Electric Loughborough project, it was noted that TIPs elsewhere had requested funding for electric charging points, but it was important to link the project clearly to the needs of the town, to provide clear evidence and show how it would be of benefit. As this project was to support connectivity across neighbourhoods, by contrast the main need identified in public consultation was of structural weaknesses connecting the West and East of Loughborough. Therefore, the evidence for installing charging points was considered weak. The Government's current policy was looking towards a carbon zero greener future and it could be complex to provide evidence of need when the change was being driven by policy. There were other sources of funding that might be more appropriate for delivering this project and it might be possible to support this project from within the University's own project development.
- it was important to highlight the evidence of need and then to link each project to the golden thread. This was considered to be more significant than concerns about the proportionality of projects for each identified theme.
- if the Electric Loughborough, POD4, and Microprojects were removed from the TIP this would reduce the total financial ask to £27.945million. Further savings could be made if the Developer Accelerator project financial ask was reduced from £8.2million to just over £5million. It was noted this could be a simple and expedient solution within the tight deadlines. The Developer Accelerator project was valued for its ability to drive the recovery of the town and as such, it was important to consider if other projects would be better placed to have their financial ask reduced instead.
- it was difficult to determine the impact on key sites in the town centre if the financial ask for the Developer Accelerator project was reduced. The project would support land owners to obtain match funding to develop sites in Loughborough, but although some of these sites were known, the schemes were not significantly developed to be able to state whether they would be impacted, and the sites would be required to go through local processes to be considered for final suitability for funding. The project was considered to be viable at approx. £5million and would still attract private sector investment although it was noted that the match funding of £42million currently secured could potentially shrink if the TIP financial ask was reduced.
- based on information in the public domain regarding other successful TIPs, towns tended to receive between 70-90% of the funding requested. If an individual project was RAG rated green it did not necessarily ensure it received the full funding request. If all projects were green and all justified there was nothing to prevent the full amount being allocated. However, it was critical to understand that the funding was agreed after the projects and

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the overall TIP were assessed against the criteria and could strongly demonstrate the linkage between challenges facing the town and how the projects would address them.

- with reference to the number of projects in the Loughborough TIP, other TIPs project numbers varied from 6 to 40 projects. The total number was immaterial so long as each project could demonstrate strong links to the vision and provide clear evidence to support the needs of and benefits to the town.
- the Town Deal grants 'pot' offered by the Government was not depleted as more TIPs were successful in obtaining their financial ask, the amount provisionally allocated for each town deal would be honoured if the submitted plan was strong enough to merit the funding.
- feedback from Grant Thornton had focused on the Living Loughborough project, and had identified the need to check the word count and show that the risks anticipated on delivery of the project were clear and mitigations identified. A review of risks and potential mitigation had been applied to other projects and points raised by Grant Thornton had been completed.

The Chair of the Member Reference Group noted that the Group at its last meeting had discussed reducing the request from £32million to £25million and that it considered complying with the original Government funding ceiling was most appropriate.

The Chair of the Engagement, Consultation and Engagement Group noted that four members had provided feedback and points that had been raised had been taken into account in this draft of the TIP. He also stated that he wished to provide feedback on Part 1 of the TIP but would do this individually outside the meeting.

Next steps were clarified by Jenny Adams for once the TIP had been submitted. MHCLG would discuss any points of clarification with officers and then progress to Heads of Terms. After this the projects would go through local assurance processes, unless MHCLG requested oversight of a project (which it could do). The projects could continue to be developed after the submission. ARUP could work with the Board and officers to support further business case development if required.

It was confirmed by ARUP and BEIS that if the TIP requested a penny more than £25million this would place the submission into the 'exceptional' category and the Plan would then be subject to further detailed scrutiny, although the scrutiny would be proportionate to the amount of funding requested over this limit. It was further confirmed that the previously received upfront funding for Loughborough of £750K was not included in the submission amount in the TIP.

It was noted that ARUP and BEIS were not attending to advise the Board to agree to drop the total amount of financial ask but to support the drafting of a TIP to obtain the best for Loughborough to fit its needs as a town.

It was requested that if the proposals changed from what had been agreed at the meeting that all Board members be informed, to alleviate concerns that a project could be removed from the TIP when it had been previously advised as acceptable by ARUP and BEIS.

### **Recommendations Agreed:**

1. The final draft TIP is approved subject to amendments made at this meeting.

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2. That the TIP's total financial ask is lowered to £25million, that the POD4, Microprojects and Electric Loughborough projects be deleted from the TIP, and that the Developer Accelerator project's individual financial ask be reviewed to consider lowering it to meet the agreed total financial ask limit.
3. That delegation is given to the Co-Chairs, in consultation with officers, to review the Developer Accelerator project to determine that if its individual financial ask was lowered that it did not significantly impact the delivery of the project, and to identify, if appropriate, other projects that may be better suited to have their individual financial ask lowered to meet the £25million limit.
4. Delegation is given to the Co-Chairs to approve a final submission version, which will be produced taking account of discussion at this meeting.
5. Delegation is given to the Co-Chairs to approve a graphically designed and typeset edition of the submission version.

### 5. AOB

It was confirmed that the proformas for individual projects would be circulated confidentially to Board members to provide further detail of each project's financial ask.

It was noted that it would be beneficial for other 'shovel ready' projects to continue to be identified in the event of the Council being offered additional capital funding.

### 6. Date of Future Meetings

The next meeting of the Board is scheduled for 26th March 2021.

### Follow up actions

#### ITEM 4 – Loughborough Town Deal Plan

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- a. That David Pagett-Wright provide comments on the TIP directly to officers.
- b. That if the proposals changed from what had been agreed at the meeting that all Board members be informed.
- c. That the final submission version of the TIP is shared with the Board with a summary of changes.
- d. That proformas for individual projects be circulated confidentially to Board members.
- e. That Andy Reed to provide support, if required, for further development of Project proformas.