

Meeting minutes

PROJECT	Town Deal		
DATE	19th August 2022	LOCATION	Virtual meeting using MS teams

Attendees	
Board Members	
Cllr Jonathan Morgan (Co-Chair – in the Chair)	Charnwood Borough Council
Cllr Jenny Bokor	Chair of MRG
Lez Cope-Newman	Loughborough BID
Jane Hunt MP	MP for Loughborough
Dr Nik Kotecha	Morningside Pharmaceuticals
Jo Maher	Loughborough College
David Pagett-Wright	Chair of CCEG
Andy Reed	LLEP
Prof. Chris Rielly	Loughborough University
Deborah Taylor (CC)	Leicestershire County Council
Martin Traynor	Economy & Skills Group
Officer Attendees	
Rob Mitchell	Charnwood Borough Council
Simon Jackson	Charnwood Borough Council
Richard Bennett	Charnwood Borough Council
Maria Curran	Charnwood Borough Council
Tom Purnell	Leicestershire County Council
Jo Dexter	BEIS
Sue Tilley	LLEP
Nicky Conway	Minute Taker (Charnwood Borough Council)

Apologies
Eileen Mallon and Mike Roberts (Charnwood Borough Council).
Meeting Type (Team, Board or other)
Board Meeting
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2. Minutes of the previous meeting and matters arising
The minutes of the previous meeting were confirmed as a correct record. There were no matters arising.

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3. Declarations of Interest

Jane Hunt MP declared an interest as a Minister for BEIS.

Jo Maher declared an interest as the Loughborough College representative with a project included in the Town Deal.

Cllr Morgan declared the following interests for his wife: as the Chair of the National Council for COVID (in relation to the Hope Bell project) and a non-executive director of Great Central Railway.

Prof. Chris Rielly declared an interest as Project Lead for Healthy and Innovative Loughborough project.

David Pagett-Wright declared an interest as the director on the Generator CIC.

4. Delivery Sub-Group Update

Maria Curran introduced this report and provided a summary. She noted that the Sub-Group had been very active, meeting four times since the last Board meeting and had approved the submission of business cases for GCR, Healthy & Innovative Loughborough and the Flood Mitigation projects. At its last meeting (held this week), the Sub-Group had agreed to submit the final two projects in the Town Deal (Hope Bell and Living Loughborough), so all projects would now be moving to the implementation stage.

The Chair of DSG noted that the Sub-Group were pleased with the progress and thanked members, officers and BEIS for their work. All 11 projects were moving into the delivery stage, funding was being released and the monitoring of project delivery had been initiated. There had been some concerns, but work carried out with MACE had been advantageous and where projects had not quite achieved 100% green RAG ratings, pre-conditions had been applied to the funding release. He also formally thanked the S151 officer for his involvement and commitment.

The Co-chair thanked the Sub-Group for its work and noted that the progress was evident in the minutes.

Board Members discussed the benefits of meeting project sponsors and being able to see the progress on site for each project. Both Co-chairs had visited projects on site as part of the Comms Plan and had found it rewarding to see the impact of the projects and the Town Deal for Loughborough. It was noted that this had been raised at the recent DSG meeting and agreed that the Town Deal Programme Manager would arrange site visits for all projects starting in September.

Jo Maher updated the Board on the position with the College project, explaining that it had required some value engineering and that as the team had experience in keeping down costs, this expertise could be shared. She wished to invite the Board to a soft launch of the T-level centre before the year end.

Recommendation Agreed: that the content of the report is noted.

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5. Programme and Projects Update

As part of the Programme and Projects Update Maria Curran shared the 'Summary on a Page' with the Board and noted that this document had also been shared with the other three Town Deal Sub-Groups.

Summary of points highlighted:

- the £16.9mill Town Deal funding was generating significant investment from the private and public sector for Loughborough.
- funding gaps that had been identified for several projects were outlined and an explanation of mitigation measures was provided.
- DLUHC funding had been released for 8 projects so far and was released year by year in accordance with the submitted project's financial profile.
- the importance for grant agreements to be in place – this had been slow initially, but a new template which could be tailored to each project's requirements had improved the process significantly.
- RAG ratings for delivery status was based on DLUHC criteria. Project delays were considered realistic and acceptable.
- the use of the Business Support grant by some projects, where external consultants were used, projects had requested retrospective funding.
- implementation of performance monitoring on a quarterly basis. Monthly 'Delivery Tracker' completed by Project Leads to ensure early warning of any potential issues, delays, or project amendments.

The Co-chair welcomed the summary and, on being informed that the 'Summary on a Page' document was shared with the Delivery Sub-Group prior to each of its meetings, suggested that once it had been reviewed by the Delivery Sub-Group that the document was then shared with the Board.

Prof Chris Rielly updated the Board on the position with the Healthy and Innovative Loughborough Project, noting that the sub-projects were fully resourced and that a 50% post with the University would be supporting the project.

Recommendations Agreed:

1. that the content of the report is noted.
2. that the 'Summary on a Page' document is shared with Board Members after it has been considered by the Delivery Sub Group.

6. Performance and Assurance Review

Maria Curran introduced this report and noted that since the Board last met, the S151 Officer's Assurance Statement and Assurance Letter to the DLUHC Accounting Officer, along with a Governance Assurance Statement from the Co-Chairs were submitted on 25th May to DLUHC.

This was the first formal monitoring request by DLUHC for 6 projects that had received funding up to end March 2022. The additional addendum report had been submitted to DLUHC in June 2022 after approval by the Delivery Sub-Group, and had included a funding update identifying

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the risk of rising costs and supply chain issues. At present DLUHC had not responded to request clarification or extra information.

DLUHC required twice yearly updates and the next formal report would be submitted by 1st December 2022.

No questions were asked by the Board.

Recommendations Agreed: that the content of the report be noted.

6. Communications Update

Richard Bennett introduced this report and drew the Board's attention to the summary of activity on pages 42-43 of the report and the communications activity around the development of the Hope Bell. He highlighted that the Comms team were keen to understand the engagement work being carried out by the Projects and emphasised the importance of including the HM Government and Loughborough Town Deal logos on all marketing and publicity materials.

No questions were asked by the Board.

Recommendation Agreed: That the content of the report be noted.

7. Budget Update

Maria Curran introduced this report and stated that the update covered the 2021-22 financial year. She summarised the position and highlighted the following:

- the work carried out by MACE to provide training and support projects in delivering their business cases.
- the funding for projects when released was reduced by 5% due to the early release of pre-payment monies by DLUHC to support programme management, which required an accounting process to ensure the projects were receiving 100% of their ask.
- not all costs budgeted for had been spent during 2021-22. As funding for projects approved in January was not received until the end of March and the delay in completing grant agreements, only £700K of the project grant had been released in 2021-22.
- projects had not identified any supply chain or rising cost issues at present but this was expected to change when they moved into the delivery stage.

Summary of Board discussion:

- projects were likely to require value engineering to bring costs down. The College had already begun to do this for its Digital Skills Hub project and the sharing of best practices would be welcomed.
- £485K contingency in the revenue support budget had been reported previously but this was not perceived as being sufficient to deal with expected pressures in supply chain and construction costs considering the 10% inflation rate. Projects should be encouraged to research the best prices to obtain value for money. It was noted that the Delivery Sub-Group had agreed to spend £100K of the contingency to support projects moving forward and that it would shortly be considering a draft set of principles for use of the remaining contingency.

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- that the rising costs and supply chain issues would be impacting Town Deals across the country and whether it was appropriate to seek a delay from the Government until the situation had settled down, to potentially get better value for services and products. It was unlikely that inflation would significantly reduce, and the Town Deal projects were currently required to be completed by March 2026. By delaying the start of projects there was a risk that they would not be able to deliver on time and it was possible that locking prices down now could be more advantageous. Some projects such as the Bell Foundry had already made concessions to mitigate the risks.
- that funds could be available through the wider levelling up agenda providing opportunities for projects to link up and procure more efficiently. It was noted that the Prosperity Fund had closed but that it was important to have 'shovel ready' projects available in case of sudden release capital funding from the Government

During the discussion of this item Jane Hunt MP left the meeting.

Recommendations Agreed: that the content of the report is noted.

8. AOB

In response to a question, it was noted that the protocol for the releasing of business cases in the public domain on request had been approved but no further requests had been received. If a request was to be submitted, the Accountable Body would liaise with the project leads regarding any sensitive information before releasing the business case.

The Co-Chair explained that Eileen Mallon would be retiring from the Council and highlighted some key moments where her support of the Loughborough Town Deal project had been critical. He asked that the Board's thanks for her work be formally recorded.

Date of Future Meetings

To be arranged.

Follow up actions

5	Jo Maher to liaise with Town Deal Programme Manager regarding the grant agreement for the College project
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