

Meeting minutes

PROJECT	Town Deal		
DATE	19th July 2021	LOCATION	Virtual meeting using Zoom

Attendees	
Board Members	
Dr Nik Kotecha (Co-Chair)	Morningside Pharmaceuticals
Cllr Jonathan Morgan (Co-Chair)	Charnwood Borough Council
Cllr Jenny Bokor	Chair of MRG
Jane Hunt MP	MP for Loughborough
Jo Maher	Loughborough College
Prof. Chris Rielly	Loughborough University
Cllr Deborah Taylor, CC	Leicestershire County Council
Andy Reed	LLEP
Martin Traynor	Economy & Skills Group
Officer Attendees	
Eileen Mallon	Charnwood Borough Council
Richard Bennett	Charnwood Borough Council
Sylvia Wright	Charnwood Borough Council
Mal Hussain	Charnwood Borough Council
Chris Grace	Charnwood Borough Council
Sarah Rudkin	Leicestershire County Council
Nicky Conway	Minute Taker (Charnwood Borough Council)

Apologies
David Pagett-Wright (chair of CCEG), Lez Cope-Newman (Loughborough BID)
The Co-Chairs welcomed two new members to the Board – Prof Chris Rielly, Loughborough University representative and Cllr D Taylor CC, Leicestershire County Council representative.
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.
3. Declarations of Interest Cllr Morgan declared an interest during item 6 with regard to discussions about the Developer Accelerator Project.
4. MHCLG Town Deal Award (item 4 on agenda) Eileen Mallon introduced this report. She noted that the information contained in this report had been circulated to the Board as soon as it had been received. The report was seeking the endorsement of the Town Deal Board for the signed Heads of Terms. Summary of Board discussion: <ul style="list-style-type: none">• there had not been any feedback regarding why Loughborough Town Deal had been allocated less funding than requested, but officers had been aware prior to the announcement that most Town Deals were receiving around 70% of its requested funding. The methodology behind the appraisal had not been shared by MHCLG and it was noted that generally the TIP submissions that had generated further enquiries during the submission process had received less funding than requested.• it was disappointing that the Generation Loughborough project had not been supported but as the project had been entirely revenue based it was not surprising that money allocated from a capital fund had not been forthcoming. MHCLG had stated they had liked the project and how it was structured and had advised the project to consider alternative funding streams which were revenue based. The Board noted it would be supportive of the Generation Loughborough Project if it required aid in obtaining other funding streams. Recommendations Agreed: <ol style="list-style-type: none">1. That the Board endorsed the signing of the Heads of Terms by the Co-chairs.2. That the Board noted the conditions and next steps in developing the Town Deal.
5. Next Steps The Town Deal Project Manager introduced this report and stated that the Board would need to confirm in writing details of the projects being taken forward to MHCLG by 27th August. He noted that timescales for MHCLG to assess the projects had not yet been shared or how long after the submission of the Summary Document the high-level assessment would take before MHCLG released the funding. Summary of Board discussion:

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- it was important to ensure that projects were prioritised appropriately in line with the Board's chosen criteria, with particular reference to its ability to deliver the project. The project assurance process would ensure confidence that projects could deliver.
- escalating capital costs should be included as a contingency in the business cases. It was possible there could be slippage in the release of funding so projects that were 'shovel ready' should be prioritised.
- if a project was included in the list to be submitted to MHCLG on 27th August and then subsequently was unable to deliver and dropped out of the process, it could be challenging for other projects that had not made the initial selection to then unexpectedly be required to develop its business case to proceed. Projects that were likely to be able to get up to speed quickly would be Council owned projects. At present there did not appear to be a clear mechanism allowing for substitutions of projects mid-way through the process.
- a number of projects had indicated they could require support in developing a robust business case. Other projects could be fast tracked and should be started as soon as possible. ARUP had advised that the Town Deal should be confident that projects identified at the initial stage as suitable for fast tracking could deliver. This was being asked of Project Leads and further clarification would be sought.
- the Government would be assessing the Summary Document and monitoring the progress throughout the year. This would be at a high level to ensure projects were on track and funding spent as planned.
- it was the Board's responsibility to approve the projects to be taken forward on 27th August, the business cases once developed over the 12 month period after this date, and the release of funding. These were local decisions.

It was noted that the Town Deal Project Manager had contacted all project leads to obtain feedback on the readiness and deliverability of their projects and this could be shared with the Board.

Recommendation Agreed: That the Board noted the next steps in developing the Town Deal.

6. Project Prioritisation

Eileen Mallon introduced this report and stated that it was necessary for the Board to agree the methodology it wished to use to prioritise the projects. Once identified the project team would apply the methodology to the projects and provide the prioritised list to the Board at its next meeting for its scrutiny.

She drew the Board's attention to the project prioritisation methodology options on page 25 of the agenda and stated the following:

- that the ranking system (option a) was being used by some Town Deals. Lowest ranked projects that fell out of the Town Deal would not receive funding.
- a single blanket percentage reduction in funding (option b) would require the evaluation of the beneficial impact of each project on the town. Project leads had been asked to comment on the impact of 20% and 50% funding reductions and, of the projects who had returned proformas, the majority had indicated a funding cut would make their projects undeliverable.
- a varying percentage reduction in funding (option c) would require weighted criteria to be identified and agreed by the Board. Some projects would not receive any funding.

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Summary of Board discussion:

- the national tool provided by MHCLG Town Hub website (option a) was unlikely to be easily adapted to assess the impact and ability of projects to address Loughborough's local situation. It was better suited to Town Deals where projects were taken from the Council's capital programme .
- a single blanket percentage reduction in funding (option b) was least appealing as it could potentially reduce the deliverability of all projects.
- the Loughborough Town Deal included a number of stakeholder projects with varying levels of skill, deliverability and resources which could make it challenging to find a range of criteria that would suit all projects. For example, using the track record for delivery of projects as criteria could be difficult to provide evidence for some of the smaller projects and newer organisations.
- it would be disappointing if some Council driven projects that had been waiting for funding for some years were excluded by the criteria chosen. Smaller projects would need to be cautious in their cost analyses to provide confidence that they could deliver on budget. The current economic climate would influence suppliers and resources for project delivery.
- the impact of the delivery of projects on the town and its residents was considered critical. The delivery of the overall Town Deal plan should be seen to have made a significant difference to the town. The criteria chosen should be transparent to the public and it would be beneficial to organise external communications linking earlier resident feedback with deliverables of the Town Deal Plan.
- there should be a focus on projects that were already underway or able to be fast tracked and had demonstrated deliverability. The proformas sent to project leads had asked projects to confirm if their time scales were realistic and this would be scrutinised closely.
- due to the tight Town Deal timescales it would be difficult to consult local residents further. Detailed consultations had been completed at the start of the Town Deal process and meetings would be arranged in the next month with the Member Reference Group and Consultation and Community Engagement Groups. It would be helpful if the Project Team reviewed the feedback already received to inform its prioritisation of projects.
- projects not selected should be encouraged to continue progressing their projects to become 'shovel ready' and to seek alternative sources of funding, in the event that prioritised projects subsequently dropped out of the process.
- the Developer Accelerator Project, when originally submitted had not identified suitable sites, although there was one site that could be brought forward now with reduced funding, however, the project was not 'shovel ready'.
- it would be beneficial if funding provided by the Town Deal was not the sole funding stream, although it was noted that the provision of match funding had not been in the original criteria for the submission of the Town Deal Plan. Projects that had indicated they were unable to proceed without 100% funding should be challenged.
- supporting the creation of local jobs and economic improvement for the town would be advantageous as criteria for prioritising projects.
- as some Board members and officers were invested in some of the 14 projects included in the Head of Terms, and in improving the local area it could be beneficial to have a number of independent Board Members support the Council's Project Team in prioritising the projects once the methodology had been chosen.

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- the Co-chair noted that his participation in a Chairs' meeting with other chairs of regional town deal boards had indicated that criteria for other Town Deals had been based on robustness of business case, project readiness and deliverability.

The Co-chair shared with the Board comments submitted by the Chair of the Consultation and Community Engagement Group who had been unable to attend this meeting.

Board members considered that option c would be the most appropriate methodology to use and that the criteria agreed should be applied fairly, robustly and transparently at this stage to ensure projects prioritised were deliverable within the Heads of Terms.

Recommendations Agreed:

1. that project prioritisation methodology option c is the preferred approach to be deployed.
2. that the following criteria is agreed as highest priority for assessing projects:
 - i. robustness of business case
 - ii. deliverability of project
 - iii. readiness of project to proceed
 - iv. visible impact for the town / residents of the Plan's achievements
 - v. match funding (including ability to meet any project shortfalls caused by capital costs rising)
 - vi. supports job creation
 - vii. supports economic recovery
3. that a subgroup of independent Board Members, comprising of Jane Hunt MP, Dr Nik Kotecha and Martyn Traynor be created to support the Project Team during the prioritisation process.
4. that the Town Deal Project Team uses the Board's preferred methodology in order to prepare a report for the Board on which projects should be prioritised, applying the agreed methodology.
5. the report referred to recommendation 4) above is presented to Board at its meeting on 16th August 2021 to enable Board to decide which projects it wishes to be taken forward for delivery, which will then form the basis for the response to MHCLG by 27th August as required

7. Communications and Public Engagement

Richard Bennett introduced this report and stated that it summarised activities undertaken at the time of the announcement and after. He noted that:

- all projects and partners would be asked to liaise with the Council's Communications Team to enable a consistent message was being delivered externally.
- projects once finalised, would be subject to an individual news feature over the next 12 months as business cases were produced.
- meetings for both the Consultation and Community Engagement Group and the Member reference Group would be scheduled before the final projects were prioritised

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- officers would review the public consultation findings from the beginning of the Town Deal Project to assist its prioritising of projects in line with residents’ views.

Jane Hunt MP left the meeting during this item.

Recommendations Agreed: that the Board noted the consultation and engagement activity around the Loughborough Town Deal and the further engagement and communications required going forward.

8. AOB

Dr Nik Kotecha stated he would continue to attend Chairs’ meetings of Town Deal Project Boards from across the region with a view to sharing best practices.

Date of Future Meetings

The next meeting of the Board is scheduled for 16th August 2021.

Follow up actions

ITEM 6

- a. That officers liaise with independent Board Members to agree suitable meeting dates for their input during the prioritisation process.
- b. Andy Reed to offer his support as an Independent Board Member to assist the Council in prioritising of the projects.
- c. Jane Hunt MP to share information from discussions with MHCLG.

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ITEM 7

That officers review consultation feedback to assist its prioritisation of projects in line with residents’ views.

ITEM 8

That Dr Nik Kotecha continues to participate in the Regional Town Deal Chairs meetings and shares best practice with it and the Board.