

**Performance and Investment Committee Meeting**

**Minutes of the Cheshire and Warrington Local Enterprise Partnership Performance and Investment**

**Committee Meeting**

**held on 22nd August 2016 at Richmond House CW9 7TN**

**Present:**

Ged Barlow (Chair) Peter Bates Martin Ashcroft

Steve Park Howard Hopwood Susie Woodward-Moor

**Apologies:**

Alison Knight Francis Lee

**In attendance:**

Kerry Billington Alan Dickin (AI 5)

**Agenda Item 1: Welcome, Introductions and Apologies**

Apologies were received from Alison Knight. Susie Woodward-Moor attended in her place.

**Agenda item 2: Conflicts of Interest**

A conflict of interest was declared from Steve Park for agenda item 5, It was agreed Steve would remain in the meeting for that item but would not take part in the discussion.

**Agenda Item 3: Minutes and Actions from the meeting on 20th June 2016**

The minutes of the meeting on 25th July 2016 were agreed as a true and accurate record.

**Agenda Item 4: Activity Log Review**

The action log was reviewed to review dates for completion of actions and those completed or ongoing, all other actions have been completed, or addressed in the meeting agenda. It was discussed that action no. 42 had been superseded and could be closed.

**Action: PB agreed to email around his update note on the CEC Skills and Growth Company to committee members (Update on Action 40)**

**Action: KB to send reminder to FL about raising this at the next Growth Strategy Group meeting for inclusion on the Growth Hub performance reports (Update on Action 43)**

**Agenda Item 5: M62 – Business Case approval**

KB presented the M62 Business Case, the outcome of the independent scrutiny of it and Performance and Investment Committee were asked to:

1. **Note** the contents of the M62 Junction 8 Improvements CABC;
2. **Note** the contents of the independent assessment of the M62 Junction 8 CABC carried out by AECOM, and their overall assessment that the requirements are substantially met with minor issues that exist with the submission and that the project should progress and issues to be resolved.;
3. **Approve** the CABC of the M62 J8 scheme and thus committing £5 million Local Growth grant funding to it;
4. **Note** that this is subject to the successful outcome of the planning application and the final target price for the scheme being resolved in August 2016;
5. **Authorise** the LEP Executive to issue a conditional grant offer letter to WBC subject to the resolution of the two main issues mentioned above, evidence of sign-off of WBC’s capital contribution for the S151 officer and clarification of the direct housing outputs of this scheme. There are a number of other minor issues and recommendations made in the Aecom’s report which the LEP will follow up on and report back as part of Final Full Business Case approval;
6. **Authorise** the LEP Executive to issue a final offer letter to WBC on successful resolution of these issues and submit the Final Full Business Case to P&I for noting as fully approved at that time.

AD gave an update on some changes to the programme which had been presented, which included the planning application now forecast to be approved in September and not August as it could not be done under office delegation. The sign off of the final costs will need to go to Executive Board for approval once the outcome of the HE funding was known. This had the impact of the construction start date moving back to January 2017 and so the end date would also slip by 3 months. P&I discussed what impact this could have on the outputs profile which KB agreed that she would look at with AD.

The recommendations above were **NOTED** **and APPROVED.**

**ACTION: KB to look at the impact of the programme slipping 3 months on the forecast completions of outputs with AB**

**Agenda Item 6: Feedback from Strategy Committee**

The Committee noted the draft minutes from the last Strategy Committee. Discussion took place on the LGF3 submission and KB gave members a brief update on the process that took place which led to agreement of the final programme of £150m.

**Agenda Item 6: Performance Monitoring**

**6i Programme Risk Register**

KB presented the latest risk register to the Committee and member noted:

The number of red uncontrolled risk entries has gone up from eight last month due to the inclusion of a new risk as shown below:

* The impact of the decision to leave the EU (BREXIT) affects the availability of EU funding to commit to projects in C&W pipeline and so puts at risk the programme of achieving their outputs and desired outcomes

There have been a further **three** new risks added to the risk register since the register presented in June as follows:

* MMU withdraw from Crewe (risk 9);
* ABR Outcome Macclesfield College merges with college outside C&W reducing influence of curriculum aligned to needs of C&W (risk 10);
* Apprenticeship Levy - LEP does not have the capacity to support employers affected by the Levy (risk 16).

There has been one risk closed, as it was no longer deemed applicable as it was only likely to affect the second half of the programme and as there isn't likely to be a programme after 2018, since the risk register presented in June as follows:

* SFA cease to be an Opt In post March 2018 as devolution results in no available match funding

P&I discussed the risk associated with MMU withdrawing from Crewe and the impact that it would have on the HE/FE offer in Cheshire and Warrington.

**6ii LGF Update**

KB gave a verbal update to the Committee noting that the annual audit certificate had been received from Reaseheath so monthly claims were being reviewed for payment. A bid for Skills capital in LGF1 had been withdrawn due to timing issues for their match funding. A further bid had been received for funding from the Skills Capital programme which is being reviewed by Employer Skills Board on 15th September. KB would be submitting an update report to P&I for additional funding submission from Reaseheath once all the information had been received to complete the report in particular the overall match for the Reaseheath programme. The GMCLSF continues to present a risk to the achievement of the financial profile for 2016/17 and she would keep the Committee informed of progress on this. There were no significant risks to the Thornton or Northgate schemes this financial year in terms of achieving their spend targets. The FE Skills programme is becoming back ended with major spend forecast in the latter part of the financial year and KB is working with the project manager to understand the profile of this, risks and look at what actions can be taken to minimise the risks and this will be presented to P&I for review. The projects due to start this year were progressing with their business plans due to come forward to P&I Committee in due course including the M62 which was presented today. KB is meeting with the project manager of the Ellesmere Port Development Zone scheme would be taking the design of the Hub through their next Cabinet meeting to get an update as there hadn’t been a project Board meeting for a while.

The Committee **noted** the update.

**6iii GPF Update**

The Committee noted the verbal update highlighting the following:

* the application to provide the infrastructure to open up the Cheshire Green Employment Site is still undergoing due diligence checks and a paper for approval is being drafted for presentation to Strategy Committee on 1st September;
* No further projects were being considered at this time for GPF

**6iv ESIF Update**

KB updated the Committee in FL’s absence on the letter that the LEP had received from HMT, dated 12 August, to update them on the steps which Treasury are taking now to address the uncertainty for recipients of EU funding following the results of the recent referendum. KB also shared with the Committee the letter which the LEP had sent out to relevant stakeholders about the implications of this letter for those projects that have received, or are due to receive EU funding and are contracted, that will now be guaranteed in Cheshire & Warrington. The letter also identified those projects where grant funding agreements are in the final stages of development, which will need to be progressed to contract before the Autumn Statement to guarantee funding.

**Agenda Item 7: LGF3**

KB informed Performance and Investment Committee members that the proposal for a £150m bid to LGF3 for C&W had been submitted on time by noon on Thursday 28th July. No formal feedback had been received to date but it was believed the fund had been three times oversubscribed. The announcement is due as part of the Autumn statement on successful bids.

**Agenda Item 8: Cheshire and Warrington Growth Hub**

The Committee noted the Growth Hub performance report.

**Agenda Item 9: AOB**

KB asked the Committee members whether they could change the date of the next meeting on 26th September as she was unable to attend. As there were no major items scheduled for that meeting, it was agreed to cancel it. Anything urgent in between could be dealt with by correspondence. It was also agreed to bring forward the start time of the 24th October meeting to 2pm as there were two presentations scheduled for that date.

**ACTION: KB to send cancellation notice of the 26th September meeting and revise the start time to 2pm on the 24th October meeting invitation.**

**ACTION: KB to inform the guest presenters of change of start time for the October meeting and to allocate times for each of the presentations**

**Date, time and venue of next meeting:**

PLEASE NOTE NEW START TIME

14::00 on 22nd October 2016 at Richmond House, Gadbrook Park, Northwich CW9 7TN.