

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

**Performance and Investment Committee Meeting**

**Held on 25th May 2022 at 1600 via Teams**

**In attendance:** Chris Hindley (Chair), Nichola Newton (Deputy), Ian Traynor, Peter Skates, Stewart Brown, Paul Goodwin, Rebecca Luck, Ian Brooks

**Apologies:** Loren Jones, Alex Thompson, Catherine Walker

**Presenters:** Jane Pearson, Brian Fitzpatrick (UoC, HPPC)

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| **Item No.** | **ITEM** | | |
| 1. | **Welcome, Introductions and Apologies**  The Chair noted the apologies as above. | | |
| 2 | **HPPC**  Presentation given by Jane Pearson and Brian Fitzpatrick from the University of Chester, for HPPC LGF skill project.  IT queried return expected for the LGF grant approved ~£800k. RL confirmed that the outputs contracted via the offer letter were specifically referencing learners benefitting, businesses benefitting, match funding etc. Challenge as to how to future proof skills in employment, and therefore concern if a focus becomes school children – which may not easily transfer immediately to impacts in our business community.  JP confirmed that the added value for this project was therefore to educate on how to learn, rather than a direct impact on job creation, that the Accelerate programme would have been looking to deliver. JP also highlighted a constraint for in-depth business engagement through state-aid implications, but this doesn’t impact on the ability to showcase and demonstrate.  NN agreed that the number of 75 businesses benefitting also feels small, but query as to whether the output depth can also be referenced (to ensure the scale of the benefit is captured).  IB queried on the intended frequency of the vehicle being out in the community, and whether the programme was being “pulled” from businesses/schools, rather than requiring significant “push” from UoC.  BF confirmed that there is a balance between breadth and depth of equipment usage, and trying to tailor the experiences for each engagement, to ensure greater traction in the technology. IT re-enforced that there is potential two different offerings, a provisional general offering and a follow-up deeper offering.  *Recommendation/Outcome: Committee appreciate the candour of the University and understand and sympathise with the impact of the Accelerate programme. However, the committee would like to request further detail on the scale/depth and type of outputs for the learners and businesses benefitting and want to challenge the targets to ensure the University is not underplaying the potential of this intervention. The committee sees tremendous potential in the project and would like to see a more aspirational approach to target setting, particularly in relation to businesses.* | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| To define the operational/delivery approach on frequency and spread of activity ongoing for the remaining years of the programme, and thereby reassess/reconfirm the new targets. | RL/UoC | July |
| To define the output scale/depth | RL/UoC | ASAP |

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| 3 | **Conflicts of Interest**  Conflict of Interest noted for both CH and NN, in relation to skills bootcamps.  CH raised that there is significant potential with skills bootcamps for conflicts to materialise that could give unfair market advantage to Youth Federation and WVR. As this meeting was to discuss status and process, with no decisions being made, and no commercial information being shared, the committee agreed to progress with the agenda as planned. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| To investigate a methodology to allow this committee to meet its obligations on Skills Bootcamps, without falling foul of the potential for conflicts materialising on skills bootcamp for CH and NN. | **CH** | **22/06/22** |
| 4 | **Minutes and actions arising**   * Skills bootcamp risk register was updated to reflect concerns of the committee. The risk raised at the last committee, has now escalated to an issue, with the materialisation of the 20% and 50% delivery dates of July and September. * GBF Q4 return was discussed with AT on 23/05/22. No concerns, and the return will be submitted for its deadline on 27/05/22. * Updated TOR has now been published on the LEP website. * Options to improve induction/development programme for committee members will be considered as part of the next recruitment round for members scheduled for this year. * First in person meeting intended to be September at WVR, which will also look to facilitate WVR LGF Skills projects to be presented. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| To share further details of the next in person meeting of P&I | RL | ASAP |
| 5 | **Skills Bootcamps**  RL presented a status update of the skills bootcamp programme.  NN and other committee members raised significant concern with the delivery timeframes and targets set by DfE, especially with the other pressures currently being faced by training providers, including the UK Shared Prosperity Fund. RL highlighted the intent for the LEP to engage with the LEP network to have a unified voice in challenging the timescales and other notable issues. NN highlighted that she felt many schools/colleges would also support, and put their name behind, any escalation to DfE. RL also confirmed that the first DfE grant mobilisation meeting was scheduled for the 6th June, which is also the application deadline for Lot 1/Pilot, therefore if minimal or poor applications have been received by this date we will be able to escalate with real evidence.  IB confirmed that with the confirmation of the management fee and 50% of the delivery costs being paid in advance, that the risk of financial exposure has been reasonably mitigated. However, to further minimise potential financial exposure, the LEP will be challenging the approach to claim in arrears only after the first 50% has been depleted, and instead to continually top up the pot.  RL sought a view from the committee regarding the LEP exploring a framework approach for training providers, to minimise the paperwork over the potential lifetime of the skills bootcamp programme, and to reduce the timescales to respond to any future funding rounds, allowing Cheshire and Warrington to be more reactive/flexible.  IT agreed with the principle of the approach, and suggested that a 6 month check could be incorporated into a framework, to identify if any notable circumstances may have changed for an individual organisation, that could impact their relevance on remaining on the framework. NN, though noting her conflict of interest, also confirmed that a framework approach could ultimately allow a smoother process, providing the application onto the framework itself was not too onerous.  RL confirmed that an evaluation of Lot 1/Pilot would be possible from mid-August, at which point an evaluation of the process can also be shared with P&I, for further operational challenge. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| RL to schedule a Lot 1/Pilot review with P&I | RL | Mid-August |
| 6 | **LGF**  RL confirmed that the LGF return had been discussed with AT, and no issues were raised with submitting the return. However, there is one project still to submit a return (Warrington SmartGrid), and they have confirmed they will look to submit their return by the 27/05/22.  RL also raised that the job outputs for LGF appeared to be slow to materialise, and there is a concern with job outputs being longer term outputs there is a concern with loss of organisational knowledge and dispersed project teams. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| RL to work with local authorities to re-establish methodology and confirm timeframes for job output delivery, most notably the infrastructure projects. | RL | Sept |
| 7 | **GBF**  RL confirmed that the GBF MDC project had submitted its project closure return and audits, as requested from the LEP when agreeing to closure.  RL confirmed that no red flags were raised with the returns, and were consistent with claims and monitoring returns previously received.  PG highlighted the note in the audit return that stated that costs were permitted to include costs from 08/08/2020. RL confirmed that this clause was indeed captured in the offer letter, even though the offer letter itself was issued and signed in 27/01/21.  IB also confirmed that this was most likely a result of the significant time pressure that the GBF programme was under, and that preparations would have been made in parallel to GBF sign off.  *Decision: P&I to not request a clawback from the MDC GBF project, as the dissemination of funds was as expected and carried out with the required level of transparency.*  CH drew the committee’s attention to the lessons learned section of the closure return, and specifically the challenge regarding the original approval of the project itself. RL referenced that MDC have now reflected on their naivety and lack of experience of these type of build projects, and the significant risks that the project had to carry due to the timescales, and therefore believe that there could have been more interrogation and due diligence from the LEP. IB also highlighted that at the time of approval there were minimal project options, the MDC project itself was a favourite of CLGU, and it was at a time when a class 3 lab was perceived to be of national significance, while in the middle of a pandemic.  RL highlighted that the LEP was exploring more of a “know your supplier” type checklist to assist the committee with due diligence checks. IB also confirmed that for EZ based investments that there are independent appraisals completed for business cases, as part of due diligence steps. This approach therefore doesn’t require the Growth Corridors Board to have all of the professional expertise of a particular industry sector, but allows a consistent process to be followed. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| RL and IB to consider options/development of a “know your supplier” and equivalent based checklists, to provide more due diligence checks and opportunities for scrutiny from P&I on future investments. | IB and RL | Sept |
| 8 | **AOB**  CH raised that the next meeting was scheduled for 22/06/22. However, several committee members have already sent their apologies. | | |
| **ACTIONS** | **OWNER** | **BY WHEN** |
| RL to confirm if the committee will be quorate and cancel the meeting if necessary. | RL | 15/06/22 |
| Committee members to confirm their availability for the 22/06/22 meeting if not already done so. | All | 10/06/22 |