

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

**Performance and Investment Committee Meeting**

**held on 19th June 2019 at 1.30, Wyvern House**

**In attendance:** Ged Barlow (Chairman), Lisa Harris, John Downes, Chris Hindley, Paul Goodwin, Ian Brooks, Rachel Brosnahan.

**Apologies:** Stuart Brown, Alex Thompson, Philip Cox

**In attendance:** Tim Smith for ESIF update

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| Item No. | Item | To be Actioned by | By When |
| 1. | Welcome, Introductions and Apologies  Apologies from Stuart Brown, Alex Thompson, Philip Cox |  |  |
| 2 | **Conflicts of Interest**  GB asked for any conflicts to be declared. |  |  |
| 4 | **Minutes from the last meeting:**  Minutes agreed.  RB confirmed that new priorities for the Energy Fund had been agreed and the new guidance and application would be issued this week. All applications would be due in on the 16th August.  LH queried what would happen if quality of applications was poor again. **Plan b required**.  Outstanding actions:  **RB to provide update on Mary Ney review actions**  **RB to confirm whether JA had followed up the actions re Quadrant Investment:**   1. Final approval by the LEP Board and the funding facility from the local authorities being in place 2. Incentivising the applicant to ensure that the units are let as quickly as possible by agreeing a threshold market rent for lettings 3. The applicant demonstrating need for the electricity infrastructure through a third party technical report and providing competitive quotes for any works, which will be appraised and agreed by the LEP   JD shared a development appraisal spreadsheet. JD explained that the figures were run during the assessment of an investment and then say two years after practical completion. If the figures were much improved on the baseline then clawback should be sought.  **All agreed that this should be factored into investment indecisions and used when presenting investment requests to P&I.**  **Agreed to move August meeting forward a week due to holidays.** | **RB**  **RB**  **RB**  **RB**  **RB** | **July**  **July**  **July**  **July Onwards**  **June** |
| 5 | **Programme Manager update**  RB ran through the programme manager update highlighting key issues which included:  Sydney Road Bridge going well and expected to open to traffic at the end of the month.  Warrington West Station going well overall but issues with the number of trains that will run from the station and delays to when the signalling work can be done will impact on the programme.  Centre Park Link started on site and Warrington East works going well.  Sustainable transport, all three councils making progress with their projects, CWAC’s Sutton Way Boulevard scheme stalled slightly. LH confirmed CWAC ready to go subject to finalising discussions with developer.  Some concern about CEC sustainable travel schemes but good to see project board structure being replicated for smaller schemes.  WBC schemes progressing but as with all three authorities need to ensure adequate resource is allocated to schemes to increase chances of successful delivery by the end of March 21.  A51 – Tarvin Road has been delayed due to cost increases. Council have requested additional funding which will be considered by Cabinet in July. LH confirmed that the funding has been approved in principle.  Crewe High Speed Ready Heart – Concern about the progress of some elements of the scheme.  **RB to meet with Frank Jordan to discuss how the scheme can be accelerated.**  **It was also agreed that the conditional offer letter could be extended until June 20 so that final business case can be completed when the final costs are known next spring.**  RB explained that there had been some savings on the original Omega Local Highways scheme and suggested that WBC should request funding for an overall package of Warrington West Transport interventions, to include the already approved Warrington West station and Omega to Burtonwood Boulevard, It would also include Warrington West Station cycle scheme, Omega Local Highways scheme and the Trigger pond junction (just down from the Omega Roundabout). Packaging up of the projects makes sense as they’re all designed around common themes; to reduce congestion and improve access around Warrington West. It also means that it will help Warrington meet profile as a significant amount of money has already been spent on the schemes, which in turn help the LEP to meet profile. The Committee approved this approach.  **Growing Places Fund update**  Cheshire Green progressing but asking for a number of changes to the legal agreement to be considered. Waiting for UpToDate valuation before agreeing to any further changes.  **Feedback from Audits**  No issues from deep dive audit. Question about whether LGF should have been reduced when CEC secured NPIF for Crewe Green Roundabout. Need to ensure robust audit trail if and when projects secure additional funding. There would be no incentive to secure additional funding though if LGF/LEP funding was just reduced by the amount secured. | **RB**  **RB** | **July**  **July** |
| 6 | **LGF profile**  RB confirmed that the LGF profile for 18/19 had been exceeded by £3m despite the significant slippage on a number of projects. RB thanked PG for his help in bringing forward Poynton Relief Road which helped meet profile as CEC claimed £5.04m of funding in Q4.  The profiles put forward by project leads for 19/20 only shows £14m of expected spend. BEIS have made it clear that they expect the underspend from 16/17 to be spent by the end of this financial year so coupled with the BEIS profile for the year means that £25m needs to be spent by the end of March 20.  GB had asked RB to bring potential solutions to the meetings and these were discussed:  CWAC – CWAC have spent over £16m already on the Northgate scheme which is an approved project within the LGF portfolio. The LEP had already granted £13.5m towards the Chester Bus Interchange which was the first phase of work on Northgate. There is potential to replace some of the already spent council money with LGF that has been allocated to Ellesmere Port One Estate, Tarvin road and Winsford Industrial Estate. The council would then have to commit to spending the displaced council money on these schemes, but by moving the LGF onto the Northgate scheme reduces the risk of the money not being spent by March 21  WBC – The proposal for WBC is covered in the above section. By grouping all the Warrington West projects into one programme would mean an additional £4m of LGF could be spent this year due to the amount of money the council has already spent on Warrington West Station.  CEC – Potential to move LGF from Crewe High Speed Ready Heart (CHSRH) to Congleton Link Road (CLR) which is an LGF programme scheme. Frank Jordan to consider.  Philip Cox is keen that the authorities all work hard to accelerate the programmes of the existing projects and look at ways to achieve spend and had expressed concern before the meeting that any proposed solutions to achieve spend by moving money around may move focus away from delivery.  The proposed solutions above if adopted will be contracted with back to back agreements. E.g. If LGF money was moved to CLR it would be conditional on CEC still completing CHSRH as outlined in the business case and as approved by P&I. |  |  |
| 7 | **Corporate and Programme risk**  RB reiterated that one of the main risks was meeting profile for the year and that not doing so could result in loss of funding.  Compliance with GDPR remains a high risk but consultancy support bought in to help develop systems to ensure compliance.  All confirmed that they had reviewed the risk registers and didn’t have any comments. |  |  |
| 8 | **ESIF Update**  TS talked through the paper that had been circulated. £13.5m of ERDF left to invest. Business support has the most remaining money to be spent.  LEP to look at more productivity and growth interventions and what could have the greatest impact.  After the local calls have been run any remaining funding will go into a national pot and national calls for projects will be run.  ESF -3 projects in assessment. £5.9m left to be allocated. Call to be issued in November.  Rural – Expect the fund to be fully spent because of the applications in the system. |  |  |
| 9 | **Evergreen Fund**  RB gave a brief overview of the fund which the committee members were already familiar with. The Committee approved the use of £200k of EZ receipts to meet the initial running costs of the fund. |  |  |
| 10 | **Delivery Plan reporting**  RB presented a delivery plan monitoring template. The committee members were happy that this was fit for purpose.  **RB to bring the first updated delivery plan progress report to the next meeting.** | RB | July |
| 11 | **AOB**  Peter Skates has been nominated as the CEC representative as AT/PG attend in their capacity as s151 officer and not to represent the views of CEC. Peter will start to attend from July. |  |  |