

## [Draft] Notes of Buckinghamshire Thames Valley LEP Annual Conversation 2017

**Location:** Room FG 38 NW, | 2 Marsham Street

**Date:** Thursday 30th November 2017

**Time:** 1230 – 1430

### Attendees:

- Andrew Smith – LEP Chair
- Richard Harrington – LEP CEO
- Rebecca Bunting – LEP Board – Vice Chancellor / CEO of Buckinghamshire New University
- Eman Martin-Vignerte – LEP Board - Head of external affairs Bosch
- Richard Ambrose – Bucks CC S151 officer
- Ian Barham – LEP Partnership Manager
- Hannah Rignell - BEIS/ DCLG Deputy Director, Cities & Local Growth Unit (**Chair**)
- Richard Turl – BEIS/DCLG , Area Lead, Cities & Local Growth Unit
- Amin Ahmadnia – DfT Engagement Manager Buckinghamshire

### No outstanding Actions from 2016 Annual Conversation

#### Governance

##### Context

- HR outlined the context of this year's LEP Annual Conversations following the publication of the Ney Review; recent investigations into LEP governance and transparency; and the continued need to ensure LEP funding and practice are in line with the National Assurance Framework. HR noted that it was the culture of LEP governance arrangements that was important for compliance and propriety.
- HR acknowledged the Annual Conversation Annex A Statement that BTVLEP had submitted which addressed governance and the thorough Annex B S151 Assurance Statement. RT acknowledged that he attends all BTVLEP Board meetings and he is witness to the strong governance, robust but healthy debates amongst board member and observation of the appropriate propriety in terms of conflicts of interest and process. In addition RT receives the minutes of meeting and has reviewed the published business cases, register of interests and witnessed the whistleblowing policy agreement at the Board.

##### Discussion

- AS confirmed that the S151 officer attends all Board meetings, that minutes are published within 2 weeks and that at their last Board meeting, the Board unanimously agreed to implement all the findings of the DCLG Non-Executive Director Review into Local Enterprise Partnership Governance and Transparency. In some areas they have gone further for example in terms of their Whistleblowing Policy this is now dealt with outside the LEP area, in their case Thames Valley Berkshire LEP and vice versa to ensure maximum transparency. AS has asked his Chief Executive, Richard Harrington, and their section 151 officer from Buckinghamshire County Council, Richard Ambrose,

to ensure BTVLEP meet both the letter and the spirit of the new Best Practice Guidance when it emerges.[AS reconfirmed this when the guidance was issued on 22 December.]

- RH confirmed the Board take the Ney review findings very seriously and they are now establishing a new additional programme board, incorporating representation from both public sector and private sector board members to further scrutinise Local Growth Fund projects, which will meet on a quarterly basis as part of the project review programme.
- AS said the Board members were used to working to high ethical standards in their own businesses. MV as a Board member confirmed the Board papers were very clear and professional. Her experience in a German company which followed strict processes was mirrored by the LEP Board. RB as a Board member said that she was an experienced member of many committees and subcommittees through her University work and the LEP processes reflected this good practice. In addition she would not sit on a Board that did not uphold high professional standards and would challenge any inappropriate behaviour.
- RA as Section 151 officer confirmed he attends every meeting and the LEP have proactively encouraged his scrutiny. For example he had recently commissioned an internal audit to review grant claims which identified that standards and agreed processes were being followed.
- RH gave an example of where they took legal advice ahead of a Board meeting (on modernising local government) to ensure they were following the correct protocol. In this instance there were a number of conflicts of interest and all conflicted were asked to leave the room whilst this item was being discussed.
- AS noted that despite the known tensions arising through the modernising local government process the LEP did not act parochially – rather it was driven by a focus on investing in growth for Buckinghamshire as a whole and the LA leaders on the Board respected this. e.g. a significant proportion of LGF has been invested in Aylesbury Vale.

### **Board constitution and delivery bodies**

- RH confirmed the LEP is an unconstituted body and in discussion AS said they would look to move toward the company limited by guarantee model subject also to the outcome of HMG's LEP Review and the outcome of the Modernising Local Government decisions . Of note the Bucks Business First (BBF) and Bucks Advantage (BA) are legally constituted and provide an additional layer of scrutiny for the LEP's decision.
- The LEP also sits on a number of other boards - the ESIF Board, the Aylesbury Garden Town Board and host an Enterprise Zone Board. It was also noted that England's Economic Heartland which LEP Board member MartinTett and the former BTVLEP Chairman helped to establish is moving toward statutory status.

### **Summary**

- HR summarised that the LEP is very much on top of it's governance and accountability responsibilities and that the culture of the Board as evidenced in the discussion in addition to the LEP statement backs that up. The incorporated delivery vehicle Buckinghamshire Advantage was a different approach to most LEPs and one that will be of interest to CLOG policy colleagues.

## **Delivery**

- HR noted that the Cities and Local Growth Unit were continuing to strengthen their grip on outputs for the LGF programme but at this stage the main metric was spend against profile.
- HR noted that Logasnet would not be used going forward and an excel spreadsheet was now the new standard return for data.
- HR noted from the LEP's data return, statement return and the Areas leads briefing that 2017/18 had seen the LEP LGF spend against profile for 17/18 is 21% - and that this jumps to 75% in quarter 3 should Board support the Eastern Link Road business case which seems likely with the planning agreement secured for the Aylesbury Woodlands development subject to the finalisation of section 106 arrangements. The BTVLEP programme board will meet in January 2018 to consider the business case and funding release for this project.

In discussion it was noted:

- Planning permission for the Eastern link road has been granted and the project will proceed subject to the related Hampden Fields planning application being called in. The LEP had contingency plans in place should this arise and were confident of the project proceeding. Planning permission for the Eastern link road constituted a significant achievement and reflected 18 months of complex modelling and significant expenditure on securing permission. The project opens up 200ha of employment and development land linked to the Enterprise Zone site at Woodlands and Arla and the delivery of the Aylesbury Garden Town Initiative.
- RH said the LEPs LGF expenditure profile was a 'sugar loaf' mountain and 2017/2018 was the peak year for spend.
- The success of the three EZ sites was noted and in particular the speed of development at Silverstone and the high density of rocket scientists now operating at Westcott.

## **Delivery approach**

- It was noted that the LEPs approach is to put the risk with the developer. The majority of their projects are configured with project sponsors committed to providing match funding for the design and preparation of schemes, and LGF being used for construction. As such, BTVLEP felt that one way to maintain their partner's commitment to continuing to provide match funding was to maintain this financial profile in delivery and encourage them to spend their funding first;
- It was noted that the LEP had a high risk appetite for investment which also reflected the capacity of the executive and the board and the nature of investing in an otherwise successful market economy where a creative and disruptive approach including utilising their Bucks Advantage (BA) delivery vehicle pays dividends.

## **Department for Transport**

- AA said that DfT had no concerns on delivery. Their relationship with BTVLEP continued to be positive. At the start of November, the LEP teamed up with Buckinghamshire County Council to give two half-day tours of completed and ongoing transport schemes in both the Aylesbury and South Bucks districts.
- The LEP have engaged readily in requests for biannual meetings where they have heard first-hand of key issues facing the LEP in delivering transport infrastructure.

## **Wider Non LGF Delivery**

- The Growth Hub's continued success was noted.

## **Strategy**

### **Discussion**

- Building on the LEP's narrative response Annex A, HR invited AS to describe the LEP's strategic approach
- AS welcomed the National Infrastructures Commission's (NIC) Cam – Mk- Oxon corridor report and the Industrial Strategy with the opportunities they presented for developing the local economy. It was important that the Southern Bucks Districts were included in HMG's vision for the corridor.
- RH described the development of the Bucks Growth Strategy which evolved from the Strategic Economic Plan which itself had been refreshed in July 2016.
- HR acknowledged that housing was central to the delivery of the NICs /HMGs corridor and that HMT's deal with Oxfordshire reflected their commitment to go 40% above their locally assessed housing need and a similar deal in Bucks would require similar ambition. RT noted BTVLEP's capacity/experience with regard to housing which was unusual amongst LEPs.

## **LEP Feedback / AOB**

- European Programme – The LEP are concerned that inconsistent monitoring assessments are hampering projects that were originally approved. RT will pick an action up to explore these concerns with DCLG European programme policy.
- AS expressed the hope that a clear and timely decision on the review of Modernising Local Government in Bucks would be made before the end of 2017.
- RH explained that the LEP review on geography would necessarily need to be consistent with and follow the decision on modernising local government.

## **Summary**

- HR summarised the discussion that the LEP was evidently ambitious, performing well and was well placed to manage the significant strategic engagement and delivery of a pilot Local Industrial Strategy and meeting HMG's ambition for the central section of the Cam-MK-Oxon corridor.
- In terms of LGF and spend to profile if the Eastern Link Road proceeds now that planning permission is secured the LEP overall LGF programme will be very positive at this stage in the programme.

## Action Points

Action #	Action Point	Owner	Date to be completed	Date completed	Resolution
1	<b>European funding</b> Concern that inconsistent monitoring as part of the assessment of projects are hampering those that were originally approved. RT will to explore concerns with DCLG European programme policy.	CLOG	January 2018		