

FINANCE, AUDIT AND CORPORATE RISK COMMITTEE MEETING
4 SEPTEMBER 2023 FROM 10.30 AM to 12.00 PM
TEAMS MEETING
MINUTES
Attendees:

Aidan Dunn (AD)
 Cecilia Buffon
 Nicola Newman (NN)
 Richard Smith (RS)
 Vinita Nawathe (VN)

Also present:

Kathryn Hill (KH)

Apologies:

Cllr Simon Gibson (SG)

Item	Notes and Decisions	Action
1.	Apologies: Cllr Simon Gibson There were no Declarations of Interest.	
2.	Approval of Draft Minutes The Minutes were agreed as an accurate reflection of the last meeting. There were no matters arising. AD updated on a previous action regarding any restrictions on the sale of buildings on the Enterprise Zone. He explained that they try to make all companies fit with the high-tech criteria for the site and on the marketing information there are restrictions. DC have realised they had not put restrictions on any subsequent re-sale. They are going to tighten up on any perspective re-sale if the new company ever choose to do so.	
3.	Corporate Risk Register The Corporate Risk Register was discussed.	
4.	Finance Paper VN ran through the budget paper. CB confirmed there is direction from Board. We need to be working with our local authority partners and support their aims for a devolution deal. We need to start working on that now. We cannot make any decision on what that is going to be, as that is down to our local authority leaders to decide. At the moment our local authority leader partners have said they want us to carry on doing what we are doing.	

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4.	<p>Finance Paper Cont'd</p> <p>RS said that the approach with the cash flow is sustainable for 24/25 but will be unsustainable from that point onwards. The window of opportunity for the Board to decide what they want to do, that window is not ever lasting.</p> <p>VN informed that it was quite clear at the Board strategy day, there are 22 months for us to have a flight path and know where that is heading. Nobody is wedded to the name 'LEP', officials would like the functions to continue but with more balance towards the local authorities. So, instead of business led board, more towards a board established by local authorities that businesses sit on. It could be that the functions get pulled into the local authorities as part of a devolution deal but we are a long way off a devolution deal. That is one option but not the only one. We do need to have that next 20 months and a destination to get to and it needs to be clearer sooner rather than later.</p> <p>AD agreed that the LEP needs to do something sooner and need to remind the Board at every opportunity the need to do something soon.</p> <p>CB remarked that we can be in charge of our own destination.</p> <p>CB informed there are plans for discussions to start before Christmas but we are a long way off making a decision. Part of those conversations could include where the functions that the LEP has been delivering should sit and leaving them with the experienced team within the LEP is a good place to leave them for now while they focus on the other things.</p>	
5.	<p>Growing Places Fund</p> <p>VN explained to the Committee that we have been going round and round in circles about the Growing Places Fund and a decision needs to be made on how to take this forward. If we are to continue with a loan fund, we have to come up with a set of criteria and it needs to be defensible, as we are giving out public money.</p> <p>NN mentioned the fund was always meant to be money that is not available through other sources. She thought this should be used for funding strong cases and give an opportunity to those struggling to get money elsewhere.</p> <p>RS said that there is an element of having money doing nothing is very bad but we don't want to find ourselves being loan sharks. We should be looking at projects that will drive economic growth.</p> <p>AD said that regarding the two recommendations, we should run a mechanism to distribute the money that is currently in the bank as soon as possible and he supports that recommendation. Need to sort out the detail about who runs the process and the absolute criteria. AD then said he would like more conversations about the second recommendation on the money that is still to come back in.</p> <p>CB agreed that we should get the money that is in the bank out as soon as possible but was not supportive of it being through grants. She mentioned Crowdfunding and the option of taking a percentage of the money we have available and putting it through that type of platform. If BCP are looking at</p>	

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5.	<p>Growing Places Fund Cont'd</p> <p>whether they can afford to run the air show next year, this could be a way of helping with that. We could offer a service helping explain to people this is how you crowd fund. Could it be an opportunity for us to say the LEP has helped, or how the local authority has helped, a PR/Marketing piece.</p> <p>A discussion took place about who would manage the fund. Previously it was done internally with the due diligence contracted out at a cost of £10,000 per application. It was agreed that we did not have the expertise to carry out the due diligence checks internally. We would need to consider how to fund that cost. At what point do we charge a fee and how do applicants pay it. There is an option to charge the Growing Places Fund that fee.</p> <p>The question on who would continue to manage the loans if the LEP does not exist past 2025. AD explained that once the LEP has approved applications, Dorset Council runs the loan mechanism. Whatever happens to the LEP, Dorset Council, as the local authority, would still run the loan.</p> <p>It was decided that work needed to be done on the detail of what we would want the criteria for applying would be, as clearly as possible. To decide on a clear definition of what 'economic growth' is.</p> <p>Action - VN to bring a paper to the September Board meeting detailing the clear criteria to be used to assess any bids and what represents specific economic growth and a description of the impact that you want to see.</p> <p>The discussion then moved on to the remaining funds.</p> <p>VN informed that at the recent Board Strategy session VS clarified that the money had been recycled, and so suggested there were no longer restrictions on its use. One option with the money that was going to be coming back in over the next few years was the possibly of using it to fund the LEP functions going forward. VN suggested the Board should consider that option going forward.</p> <p>CB informed that other LEPs have done this across the country, use the interest to help fund the running costs of the LEP.</p> <p>NN spoke of the opportunity to reconfigure the LEP into a pan-Dorset economic development function. The argument for that as a way forward, a Dorset Economic Development organisation, feels like taking hold of our destiny. It would be a good idea to change the name of the LEP, as it is going to become a historical thing.</p> <p>It was decided that the recommendations regarding the remaining funds currently out on loan will be brought to a future Board, to allow more time to prepare this and this should be noted at the September Board.</p> <p>Action: VN and AD to consider options for the remaining funds currently out on loan.</p>	<p>VN</p> <p>VN / AD</p>

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6.	<p>Any Other Business</p> <p>Terms of Reference Review – the Terms of Reference were discussed and the proposed changes to be made. All agreed happy with the updates.</p> <p>Action: The Committee agreed the updated Terms of Reference.</p> <p>NN mentioned that this was RS's last meeting, after eight years of working with the LEP. He starts a new job at the beginning of November working in London. The Committee thanked RS for all the work he has done for the LEP and wished him luck in his new role.</p> <p>It was noted that the Nominations and Remuneration Committee had a meeting in the afternoon. They would be looking at a replacement for RS and any other additional members to join. They would also determine who the permanent chair for the Committee would be as NN does not want the role of the Chair permanently.</p> <p>CB mentioned she would circulate the brief outline she had received from the Crowd Funding organisation for information so everyone could look and see how it might work.</p>	<p>All agreed</p> <p>CB</p>

Note: Date of Next Meeting – 11 December 2023