

## MINUTES OF FINANCE, AUDIT AND RISK COMMITTEE

Tuesday 3 September 2019

Bishop Fleming, 1-3 College Yard, Worcester, WR1 2LB

### PRESENT:

Chris Walklett (Chair)	(CW)	Partner, Bishop Fleming
Stuart Laverick	(SL)	Heart of Worcestershire College
Steph Simcox	(SS)	Worcestershire County Council
Luke Willetts	(LW)	Worcestershire Local Enterprise Partnership

### APOLOGIES:

Tony King	(TK)	Sanctuary Housing
Karen May	(KM)	Bromsgrove District Council
Gary Woodman	(GW)	Worcestershire Local Enterprise Partnership

### IN ATTENDANCE:

Joy Ryland	(JR)	Worcestershire Local Enterprise Partnership
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	<b>AGENDA ITEM</b>	<b>ACTION</b>
<b>1.</b>	<b>Welcome and Apologies</b>	
1.1	CW welcomed the FAR Committee Board. Karen May, Tony King and Gary Woodman's apologies were received.	
<b>2.</b>	<b>Notification of Declarations / Conflicts of Interest</b>	
2.1	CW declared that he is a member of the BetaDen Advisory Board and a member of the Malvern Hills Science Park Board. CW also advised that Select Research and Worcestershire County Cricket Club (both recipients of LEP funding) are both clients of Bishop Fleming.	
<b>3.</b>	<b>Actions from previous meetings</b>	
3.1	The committee reviewed last meetings actions and agreed them as an accurate record of the meeting.	
3.2	LW updated FAR Committee on key actions, all of which had been completed and/or were on agenda for the meeting.	
<b>4.</b>	<b>2019 / 20 Quarter 1 Financial Report</b>	
4.1	SS presented the 2019/20 Quarter 1 financial report.	
4.2	The Committee formally noted the final out-turn position for 2018/19, which had been presented at the last meeting, but at that point was still subject to audit.	

- 4.3 SS advised that the LEP budget 2018/19 was included as part of a random audit sample selected by the Accountable Body's audit partner, Grant Thornton, as part of a routine audit check conducted at financial year end. SS advised that there were no issues identified as a result.
- 4.4 SS advised WLEP budget is on track for 2019/20, but flags the risk associated with the non-receipt of additional capacity funding from MHCLG, due to issues relating to non-agreement on the overlapping LEP geography with GBSLEP. Should this funding not be received then this will put pressure on WLEP's ability to deliver the LIS development within existing resources.
- 4.5 FAR Committee discussed BetaDen project which has received pump priming investment from WLEP. FAR Committee are keen to understand the long-term sustainability plan for BetaDen and discussed potential options to explore, including preference shares for future cohorts, linked to future success and residency in Worcestershire.
- 4.6 LW and SS advised that BetaDen sustainability plan is on agenda for discussion / decision at next WLEP Board on 26 September.
- 4.7 The Q1 2019/20 financial report was agreed by FAR to be presented to the WLEP Board on 26 September for approval. **SS**

## **5. WLEP Business Board Refresh Discussion**

- 5.1 Work to develop proposals for Business Board refresh is still underway, therefore report is not in position to be submitted to FAR for consideration at this stage.
- 5.2 FAR Committee are comfortable with this position as they will have opportunity to input when proposals are submitted to WLEP Board at end of September.
- 5.3 Key points discussed by FAR for consideration include:
- Having an effective conduit to the wider Worcestershire business community is crucial for LEP, so proposals need to make it easy for businesses to engage
  - Timetabling of meetings, say 4-6pm, works well in experience of FAR members as allows those participating to reduce time taken out of their working day
  - Could meetings be made more accessible through use of technology i.e. conference call options, use of online platforms to seek views independently on topics of interest outside of scheduled Business Board meetings
  - Need to ensure membership of Business Board is representative of business community in county
- 5.4 Proposals will be submitted to WLEP Board on 26 September with progress update provided to FAR Committee at next meeting. **GW**

## 6. CLGU / WLEP Mid-Year Review

- 6.1 LW updated FAR on mid-year review process and outlined WLEP's progress against implementing each of the National LEP Review recommendations.
- 6.2 FAR will receive an update on outcome of Mid-Year Review at next meeting. **LW**

## 7. OSPB Feedback

- 7.1 LW updated FAR Committee on WLEP presentation / report to OSPB, which took place in May 2019.
- 7.2 The WLEP Chair, CEO and Director of Operations represented WLEP, with the delegated S151 nominated officer from Accountable Body in attendance too.
- 7.3 Positive comments received from OSPB and a recognition of the amount of positive work and plans underway. OSPB are content with performance of WLEP and will invite WLEP back to present an annual report next financial year (2020/21).

## 8. Risk Register and Issue Management

- 8.1 LW presented the WLEP risk register which was agreed at May 2019 meeting of FAR Committee.
- 8.2 Following discussion there were some changes made to the risk register:
- Risk No. 2 – *“Failure to manage overlap with GBSLEP will adversely affect WLEP’s ability to deliver the economic strategy for Worcestershire in the north of the county.”* This has been re-rated as Red based on recent circumstances following Redditch Borough Council’s emergency motion at their Council meeting in July 2019.
  - Risk No. 12 – *“A lack of government support or funding results in poor delivery of the WLEP economic strategy, or a failure to deliver individual priority projects.”* This has been re-rated as Red based on HMG decision to withhold 2019/20 capacity funding for WLEP due to ongoing position around the overlapping geography with GBSLEP.
- 8.3 It was agreed that a report would be submitted to WLEP Board at their next meeting on 26 September to escalate the 2 red risks along with the proposed mitigation strategies. **LW**
- 8.4 LW to update Risk Register and re-issue to FAR Committee. **LW**

**9. Summary of Key Messages and Reporting to WLEP Board**

9.1 FAR Committee Chair update to LEP Board in September to consist of reports on the following areas: **SS / LW**

- 2019/20 Quarter 1 Financial Report – by SS
- WLEP Risk Register report – by LW

**10. Forward Plan for Next Meeting**

10.1 The agenda for the next meeting will include:

- Q2 2019/20 – Financial Report
- Risk Register
- Business Board refresh update
- CLGU / WLEP Mid-Year Review update

**11. AOB**

11.1 FAR Committee asked WLEP Executive to confirm FAR membership following changes to North Worcestershire political representative at WLEP Board level. LW to take away and confirm FAR rep in readiness for next FAR meeting. **LW**

**12. Date of Next Meeting**

12.1 Next meeting date for FAR Committee is 6 November 2019.