

FINANCE, AUDIT AND CORPORATE RISK COMMITTEE MEETING
11 DECEMBER 2023 FROM 2.00 PM TO 3.30 PM
TEAMS MEETING
MINUTES
Attendees:

Aaron Lawes (AL)
 Aidan Dunn (AD)
 Cecilia Buffon (CB)
 Nick Gaines (NG)
 Nicola Newman (NN)
 Vinita Nawathe (VN)

Also present:

Kathryn Hill (KH)

Apologies:

Cllr Simon Gibson (SG)

Item	Notes and Decisions	Action
1.	<p>Apologies were received from Cllr Simon Gibson.</p> <p>There were no Declarations of Interest made.</p>	
2.	<p>Approval of Draft Minutes</p> <p>The Minutes were agreed as an accurate reflection of the last meeting and there were no matters arising.</p>	
3.	<p>2021/22 Financial Update</p> <p>VN ran through the paper. She suggested the variances were not significant to worry about, for example the interest rate is a little higher than we had anticipated, so we received a little more interest than we expected.</p> <p>AD explained that the budget and three year plan were set in the expectation that we will not be getting any additional funding from Government, so the strategic approach has been to make use of the remaining reserves for LEP running costs for the next financial year to March 2025. Expenditure was expected to exceed income in each year from 2021/22 to 2024/25. However, we have received funding and secured other income and have not eaten into reserves by much to date, so generally what we have is a pretty reasonable position.</p> <p>VN added she was satisfied with the position, as at the moment we are on track.</p> <p>AL asked whether the Income and Expenditure spreadsheet could be provided, rather than a static table version of it in the paper, as it would be easier to understand the numbers.</p> <p>Action: VN to provide the Income and Expenditure paper in a spreadsheet for the next meeting.</p>	VN

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4.	<p>Growing Places Fund Call Update</p> <p>VN updated on the Growing Places Fund call which closes at the end of the week. Only one proposal has been received to date. The Committee considered the proposal and agreed it was not consistent with their aims for this fund.</p> <p>Action VN to inform applicant that the Committee did not want to take their proposal forward.</p> <p>NN commented that previously the Growing Places Fund had been quite competitive. There were questions regarding business appetite for loans in the current climate. VN explained she thought the tight timescale was a barrier that had put some people off applying.</p> <p>A discussion took place around what the issues and barriers might be and whether it would be better to have the fund continually open for applications, rather than have a deadline.</p> <p>VN informed that Swindon and Wiltshire LEP have a rolling application process and they have applications coming through all the time, as did we in previous rounds.</p> <p>NN suggested re-advertising the fund with the open ended deadline.</p> <p>AL said the loan model is more preferable to smaller grants. His view was that small grants don't make a big difference to small businesses. He explained there is still quite a lot of uncertainty around costs, with huge fluctuations around rates and utilities and so businesses are reviewing their costs and are making cautious decisions. As this is aimed at businesses who cannot get loans through the banks, he thought the open ended deadline is a good idea, with more promotion needed.</p> <p>AD advised that reverting to the open ended approach of previous rounds of GPF funding would support the board's aim to get the money out into Dorset doing good - with the caveat that the call would be closed if the funds were all allocated or if so agreed.</p> <p>Action: The Committee agreed that the deadline for applications would be removed, making it a revolving application process, and that more promotion of the fund is needed.</p>	<p>VN</p> <p>All agreed</p>
5.	<p>Programmes Update</p> <p>VN explained that we still have to report on the outcomes of the projects funded through the Local Growth Fund and Getting Building Fund until 2025.</p> <p>The Gillingham project was discussed and AD explained, with his Dorset Council hat on, that the project was to build a road to unlock housing opportunities. The LEP gave Dorset Council money to buy land that could be used to build houses. The Council did not need to use all the land and so was going to sell some of it and the proceeds would be returned back to LEP. An opportunity arose to sell some of the land for social housing. At that point the LEP agreed that the proceeds of the sale would be used for the social housing. That turned out not to be viable and so this land will be sold and the question remains as to</p>	

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5.	<p>Programmes Update Cont'd</p> <p>will the proceeds return back to the LEP or stay with Dorset Council for housing. Both outcomes were considered acceptable.</p> <p>VN updated on the latest position on the Growing Places Fund and the Draper loan. We had been informed that a buyer has been found for the building and we are waiting for the sale to go through at which point we expect the loan to be repaid.</p> <p>VN explained that the Careers Hub grant we receive is for the core Careers Hub provision. We have received additional money to deliver the Dorset Marvels and Primary projects.</p> <p>The Careers Hub contract was discussed and that the current contract ends in August 2024. It was agreed that this contract has high value for the county and how this is handled going forward is something we need to consider.</p> <p>VN informed that the Careers & Enterprise Company seem happy with the current footprint and delivery and they are not looking for these to change. There is no reason why the LEP cannot take the new contract in August 2024 and for the board to establish –how delivery for the county continues post March 2025.</p> <p>Action: VN to prioritise getting clarity on contractual arrangements to ensure the ongoing delivery the Careers Hub for Dorset.</p>	VN
6.	<p>Corporate Risk Register</p> <p>The Risk Register was reviewed.</p> <p>NG raised a concern with the risk around 'the source of operational funding for future years not secured'. He thought that the description of what we are doing around this risk is not detailed enough. There are some aspects of the LEP that are likely to continue to exist beyond the current form of the LEP and there are other things that won't exist. Establishing the model for those things that will be sustained and also dealing with the finance of those is a more important thing.</p> <p>VN mentioned that the Corporate Risk register is really talking about the CIC. We are fairly agile and we have multiple contracts, so the CIC could continue in a very streamlined fashion with its diverse income streams.</p> <p>NN said there are risks to the organisation and risks to the delivery of the contracts. There are good people who could be lost which would cause a risk to those contracts.</p>	
7.	<p>Any Other Business</p> <p>The Chair of this Committee was discussed and NG volunteered. The Committee agreed they were happy with this discussion.</p> <p>Action: NG to become chair of the Committee.</p>	