

North East Local Enterprise Partnership Investment Board

15 October 2020

Meeting held virtually

Present:

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| Andrew Moffat (Chair) | |
| Gillian Hall | Gillian Hall Consulting Limited |
| Mark Thompson | Ryder Architecture |
| Cllr Iain Malcolm | South Tyneside Council |
| Cllr Bruce Pickard | NTCA |
| Jason Hobbs | North East Finance |
| David Furniss | BNP Paribas Real Estate |
| Helen Golightly | LEP Chief Executive |
| Paul Woods | LEP Lead Finance Consultant |
| Ben McLaughlin | LEP team |
| Ray Browning | LEP team |
| Matt Ebbatson | LEP team |
| Claire Prospert | LEP team |
| Nicola McIntosh | LEP team |
| Janice Gillespie | Interim Section 73 Officer, NTCA |
| Craig Winter | NTCA |
| Katy Laing | NTCA |
| Karen Christon | NCC Democratic Services |

28 WELCOME FROM THE CHAIR AND APOLOGIES FOR ABSENCE

The Chair, Andrew Moffat, welcomed everyone to the meeting.

Apologies for absence were received from Ian Richards.

29 DECLARATIONS OF INTEREST

Gillian Hall declared an interest in items related to the Enterprise Zone Programme, as a Port of Blyth Commissioner.

Mark Thompson declared an interest in item 6c, the GBF Application in respect of Gateshead Quays, as Ryder Architecture had been engaged on the project.

David Furniss declared an interest in items 6a, Hillthorn Business Park and item 6c, Gateshead Quays, as BNP Paribas Real Estate had been engaged on the projects.

30 **MINUTES OF THE INVESTMENT BOARD 17 SEPTEMBER 2020**

The draft minutes of the Investment Board meeting on 17 September 2020 were approved as a correct record.

31 **MATTERS ARISING AND ACTIONS LOG**

In respect of the Action 09/20.1-2 relating to Getting Building Fund, P Woods advised the board of work taking place with Northumberland, Sunderland and Durham councils on a number of funding swaps to ensure the full allocation of £23.5m is spent this year. A report will be brought to a future meeting of the board. The funding allocation from BEIS has now been received.

M Ebbatson advised the board that work is continuing in relation to Action 09/20-2 to finalise the overage clause for the Boiler Shop loan, and this will be circulated to the board once available.

A query was raised in respect of the state aid issue raised in the previous meeting [minute para. 6d]. It was noted that Newcastle City Council are close to reaching a final position and once known information on potential state aid routes that apply to other port operators can be shared. This work will directly impact the completion of Action 03/20-1.

32 **PRESENTATION BY FW CAPITAL ON NORTH EAST PROPERTY FUND**

Joanne Whitfield and Tony Cullen from FW Capital joined the meeting and presented to the board the current position of the fund and the background to the proposals.

The Investment Board RESOLVED to: -

- i. **Approve the extension of the fund operating period by three years in line with the Partnership Agreement.**
- ii. **Approve that a financial appraisal be undertaken prior to providing to the Investment Board at a future meeting, final recommendations on options around investment of additional funding and variation of investment guidelines.**

PROJECTS FOR APPROVAL BY INVESTMENT BOARD:

33 **HILLTHORN BUSINESS PARK - GBF APPLICATION**

This report was strictly confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

The Investment Board received a report summarising the business case and appraisal of the Hillthorn Business Park project, in respect of an application to the Getting Building Fund.

The Investment Board RESOLVED that the grant award be approved subject to conditions

34 SUNDERLAND SMART CITY - GBF APPLICATION

This report was strictly confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

Liz St Lois and Anthony Crabb from Sunderland City Council joined the meeting and presented the Next Generation Digital Connectivity and Riverside Sunderland Strategic Infrastructure Works project, a Getting Building Fund application.

The Investment Board RESOLVED that the grant award be approved subject to conditions

35 GATESHEAD QUAYS - GBF APPLICATION

This report was strictly confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

The Investment Board received a report summarising the position of the previously agreed Gateshead Quays project and increased overall costs.

The Investment Board RESOLVED that the grant award be approved subject to conditions

36 CPIF PILOT - GBF APPLICATION

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The Investment Board received a report seeking overarching approval to allocate £2m of GBF to the pilot programme, in the knowledge of the continued role the Investment Board would take in approving individual investments from the pilot programme in the coming months.

The Investment Board RESOLVED to: -

- i. Approve a £2.0m of Getting Building Fund and re-allocate £200,000 of LGF capital grant to the Commercial Property Investment Fund Pilot Programme with the following conditions:**

- **Final approval of individual applications to the Pilot Programme will be subject to agreement by the North East LEP Investment Board.**
- ii. **Agree the principle that NEIF loan finance can be used alongside the Getting Building Fund grant, with the amount of NEIF loan being agreed when each individual project is considered by the Investment Board.**

37 **KINGSWAY NORTH, TEAM VALLEY INDUSTRIAL UNITS - LGF APPLICATION**

This report was strictly confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

The Investment Board received a report outlining an application for an LGF grant in respect of the development of Kingsway North, a prominent but redundant site at Team Valley Trading Estate.

The Investment Board RESOLVED to defer the application to a future meeting

38 **NEIF PROGRAMME UPDATE**

The Investment Board received a report providing a high-level update on the current position of the North East Investment Fund (NEIF), and where appropriate highlighting where key delivery risks exist

RESOLVED that the update be noted.

39 **FORWARD PLAN**

This report was strictly confidential as it contained commercial information relating to the financial or business affairs of a particular person or organisation and was not for wider circulation.

The Forward Plan showing the timetable for funding approvals was submitted for information. The Chair suggested that consideration should be given to how learning can be achieved from some of the project delays visible in the Forward Plan.

RESOLVED that the Forward Plan be noted.

40 **ANY OTHER BUSINESS**

None.

41 **DATE OF NEXT MEETING: 19 NOVEMBER 2020, 2-4:30PM**

19 November 2020, 2:00-4:30pm