

Coast to Capital

Investment Committee Meeting

July 2020: Wednesday 29th July, 3-5pm

Coast to Capital – Zoom Meeting

Attendees:

Chair of Investment Committee

Julie Kapsalis – Board Member

JK

Deputy Chair of Investment Committee

Colin Kemp – Board Member

CK

Voting Members

Jonathan Sharrock- Board Member

JS

Karen Dukes – Board Member

KD

Manju Shahul-Hameed – Deputy Board Member

MSH

Bob Lanzer – Deputy Board Member

BL

In Support

Anthony Middleton – Chief Operating Officer (Coast to Capital)

TM

Cali Gasson – Investment Programme & Risk Manager (Coast to Capital)

CG

Taygan Paxton – Admin Supprt (Coast to Capital)

TP

Governance Advisors

Sean Murphy – Accountable Body

SM

Delivery Body representatives

Matthew Heath – Coast to Capital

MH

Elaine Jackson – Tandridge District Council Chief Executive Directorate

EJ

Kate Hacke – Tandridge District Council

KH

Apologies:

Tim Wates, Adam Tickell, Tony Newman, Paul Marshall, Hannah Gosling, Lisa Taylor, Claire Mason, Toni Wotton



1. Open, Welcome and Apologies

1.1. Welcome, introductions and apologies were made.

2. Declaration of Interest

2.1. The Chair read out the declaration of conflicts statement, and the following conflicts were raised;

2.1.1. CK confirmed he was conflicted on the Unlocking Housing in North Tandridge project, as there are elements of the scheme that are being delivered in partnership with SCC. It was confirmed and agreed with the Accountable Body that CK could be part of the initial discussion, but would not be part of the final decision.

2.1.2. JS confirmed that he was conflicted on the Business Finance project, as Coast to Capital is the delivery body. It was confirmed and agreed with the Accountable Body that JS could lead the initial discussion, but would not be part of the final decision.

2.1.3. JK confirmed that she has a trivial conflict with the Business Finance project, as in previous years has chaired the grant panels. However as this is a new scheme, with a new process and criteria it was felt there was not a conflict.

2.1.4. AM confirmed that he has a trivial conflict with the Unlocking Housing in North Tandridge scheme, but as an officer and not a voting member, it was agreed that AM could remain for the duration of the discussion.

3. Minutes of the June Investment Committee

3.1. The minutes of the June Investment Committee were approved, and actions of the last meeting were summarised.

3.2. An update was given following the last meeting on the Fiveways Croydon project. Committee members heard that a formal discussion with TfL has been had, and there still remains uncertainty around the project delivery. A further update is anticipated in September 2020.

4. Business Finance

- 4.1. JK gave thanks to KD and AJ for their help with the development of the revised process.
- 4.2. MH joined the meeting to present the project with JS. JS explained that at the last meeting, the Investment Committee wanted further detail in relation to how the £2.25million allocation can be spent in the 20/21 financial year.
- 4.3. In light of Covid-19 and the success of the Backing Business Fund, a new process and criteria for the grant scheme is proposed;
 - 4.3.1. Funds available between £10k-£170k, with a 50% matched funding contribution.
 - 4.3.2. Smaller funding grants will enable a range of sized businesses to apply, with likely significant demand from smaller businesses.
 - 4.3.3. Ability to differentiate the due-diligence required for smaller and larger grants. Smaller grants would run in a similar way to the successful Backing Business Fund with sign off by the CEO, whereas larger grants would continue going to the full grant panel, which is chaired by a Board member, with active input from independent experts.
 - 4.3.4. Resourcing would be a mixture of in-house staff to run the programme, score applications, give business advice and due-diligence, and external providers for due-diligence on grants over £50k
 - 4.3.5. There is a need to go out to market quickly, and keep at the right pace.
- 4.4. JS confirmed that the LEP is looking for approval in proceeding with the new process. JK asked if there were any questions

Questions/Comments

- Risks were raised in light of Covid19, needing to ensure the sustainability of businesses during a difficult period. Otherwise there is potential to not fully spend the funding allocation, or spending incorrectly.
- CK asked whether any specific sectors were being targeted – specifically those who may need funding most during this time. JS confirmed that the grants should be made available to those business sectors who need it most. MH confirmed that although these sectors including hospitality, leisure, tourism and retail would be targeted, the current process enables a more inclusive grant scheme, not limited to any specific sector.

Coast to Capital

- Due diligence was discussed and the capacity of in-house and external experts. KD suggested bringing the experts in house to inbed their knowledge across the Investment Portfolios.
- BL asked why adaptation is not a key criteria as it was for the Backing Business Fund? MH confirmed that this new process/criteria is a hybrid of the BBF and previous Growth Grants scheme, to attract a wider range of businesses and help economic growth in the region. JS – confirmed that the criteria needs to be articulated really well to ensure the right businesses apply.
- JK asked that a social value/diversity mapping piece of work in relation to the grants is shared, to ensure that not only the LEP understand the reach through tracking data of the businesses and ownership of the businesses, This should also include exploring a wide variety of channels as routes to market

4.5. The Investment Committee fully **approved** all recommendations within the paper, and therefore enabling the re-launch of the Growth Grants Programme.

5. Unlocking Housing in North Tandridge

- 5.1. CK re-confirmed the reasoning behind the change of Delivery Body from Surrey County Council (SCC) to Tandridge District Council (TDC). It was confirmed that the community recycling centre site is still looking to be delivered in the future, but was not able to deliver within the LGF timeframe. CK noted that the new proposed scope of the scheme is wide ranging, and SCC, TDC, local businesses, health and education providers are intertwined in this project.
- 5.2. It was also noted that TDC have been at the front end of delivering this, and deserve a lot of credit for keeping the scheme going forward within the current climate.
- 5.3. EJ and KH joined the meeting and provided Committee members with a short presentation to summarise of the new scope of the project.

Questions/Comments:

- It is clear following the Covid19 pandemic, that the focus is moving to economic recovery and high street recovery. Additionally work patterns and social habits are changing.

Coast to Capital

- KD raised a question on Housing, and where the link was to unlock housing in line with the original scope? EJ clarified that through bringing the scheme forward, it would free up space within Tandridge that will allow to extend an existing scheme on affordable housing.
- KD asked about vulnerable and the elderly population and links to key services within Tandridge in light of Covid-19, and how this scheme will impact. EJ confirmed that this scheme will bring about a stronger community, and enable different sectors to come and work together. There is currently an outreach model reaching 500 people currently, and this scheme will help to expand on this.
- JK noted that these difficult times, it is important to learn and look at how we can improve quality of life and the role of community support services.
- MJH asked the delivery body what improvements are being made to incorporate the green agenda? EJ highlighted that the building would enable start ups, businesses, and entrepreneurs to have office space locally, without needing to travel or use cars. KH re-iterated this point as currently a high proportion commute out of the area for work. This will also have spin of benefits for the local shops, services and high street. In relation to making the building environmentally friendly, there will be upgrades to a heat recovery system to help improve the carbon footprint, potential for solar panels on the roof, LED lighting will be installed, EV charging points, and a green wall on the exterior of the building.
- CK clarified for the committee that there are opportunities to link in with the existing one public estate project to deliver affordable housing across the SCC area. If we can rationalise the estate and free up commercial properties to build more affordable housing.
- SM asked the Delivery Body to formally submit their state aid analysis prior to any funding agreements being entered into.

5.4. The Investment Committee **approved** the revised Unlocking Housing in North Tandridge project scope/outputs as detailed within the FBC.

5.5. It was also agreed that a formal statement would be prepared for the Board detailing the shift in the project along with the reasoning.

6. AOB

6.1. It was confirmed that an assurance statement now has been circulated to all Board members in relation to Getting Building Fund. JK thanked KD and AJ for their significant input.

Coast to Capital

- 6.2. A short discussion was had in relation to the political changes within Brighton and any impacts this could bring to LGF/GBF projects. It was not felt that there are any projects that would be significantly impacted by the change of administration.
- 6.3. It was confirmed that the Blackrock project will be presenting at the next Investment Committee, and that any committee members with specific questions should send these to officers in advance of the meeting.
- 6.4. It was noted that GBMet have had a change in administration, but it was confirmed that there is no risk to the Pelham Campus scheme which is fully on track.
- 6.5. AM provided a brief update on the Crawley Fusion/Innovation centre which falls into the final project list as part of the Getting Building Fund;
 - 6.5.1. Further discussions have been had with Thales including the need to move forward at pace with planning permissions, in parallel with development of FBC.
 - 6.5.2. Architectural designs and planning needs to be conducted, and therefore the Investment Committee are being asked to formally approve the early release of £30k of the project allocation, to enter into a feasibility agreement with Crawley Borough Council to fund the initial planning application and fees.
 - 6.5.3. BL declared an interest on this scheme and therefore did not take part in any decision/discussion.
 - 6.5.4. The Investment Committee fully **agreed** the early release of £30k via a feasibility agreement.
- 6.6. JK noted that this would be her final Investment Committee as chair, and that CK will be interim chair until Board make a formal decision. Thanks were given to JK for her time as Chair.

END.