

BUCKINGHAMSHIRE ADVANTAGE BOARD MEETING

Minutes of the Meeting held on 20th September 2016

At The Greatmoor Energy for Waste Facility, Greatmoor Road, Edgcott, Aylesbury

Present: Adrian Brown (AB), Karen Satterford (KS), Richard Harrington (RH), Nick Rose (NR), Andrew Grant (AG), Ralph Bagge (RB), Ian Boll (IB), Philip Ingman and Michael Garvey (MG).

Apologies: Neil Gibson, Steve Bowles, Richard Belfield, Alex Pratt, Bob Smith and Isobel Darby.

In Attendance: Liz Thomas (LT), Anita Cacchioli (AC), Jim Sims (JS) and Simon Husband (Richardsons Accountants).

	<p>Jez Elkin the FCC Education Manager welcomed the Board and gave a brief talk on the facility. He explained that the contract was signed in 2013 and the facility was completed in 2016. There is a 30 year partnership between FCC and BCC and there are 44 employees on site. There will be zero waste to landfill and it is anticipated that 22.9mv of electricity will be produced to provide power to 36,000 homes via the national grid. The facility will save BCC an estimated £150m over the 30 year contract period.</p>	
1.	<p>Declaration of Interest There were no declarations of interest.</p>	
2.	<p>Minutes of the meeting held on 10th May 2016 It was agreed to: Approve the minutes of the meeting held on 10th May 2016.</p>	
3.	<p>Matters arising from the Minutes of the meeting of 10th May 2016 There were no Matters Arising.</p>	
4.	<p>Buckinghamshire Advantage Annual Accounts 2015/16 Simon Husband (Richardsons Accountants) explained that technically the Annual Accounts are approved by the BA Board rather than at the AGM. He advised that there were no problems with the audit and the records were well maintained and recorded. He drew attention to the figures being shown as VAT inclusive which although is not an issue for the abbreviated version of accounts, it has meant that an adjustment has been included in the full version. This has arisen because the Company was registered for VAT part way through the financial year. A minor amendment to the way records are kept in order to address this has been suggested and will be implemented. Simon queried the approach to the properties (Police Station, Gala Bingo Hall and Newman Trust land) included on the balance sheet as they were acquired by AVAL prior to the launch of BA and are held on trust for AVAL within a sub set of BA. RH explained that it was intended to transfer the</p>	LT

Buckinghamshire Advantage

	<p>Police Station and Gala Bingo Hall to BCC and AVDC respectively once an agreed programme of works had been completed. Currently arrangements are in hand to transfer the Police Station to BCC. The discussion concluded that it would be appropriate to make a prior year adjustment and note a corresponding creditor on the accounts for 2015/16.</p> <p>It was agreed:</p> <ul style="list-style-type: none"> i) To make a prior year adjustment and note a corresponding creditor in the Accounts for 2015/16. ii) Subject to the approved adjustment the BA Board approved the Annual Accounts for 2015/16. iii) That the Chair and Managing Director of BA are authorised to sign the Annual accounts for 2015/16. 	<p style="text-align: right;">RH/LT</p> <p style="text-align: right;">AB/RH</p>
	<p>The BA Board meeting was adjourned in order to hold the AGM.</p>	
<p>5.</p>	<p>Buckinghamshire Advantage Update</p> <p>RH explained that the BA business plan sets out a number of activities including the governance and assurance framework, BIIP (now complete) and the identification of infrastructure. RH added that it was originally intended that activity would expand out from Aylesbury throughout Bucks for it to be successful however most activity occurs in Aylesbury Vale and includes Aylesbury Woodlands, the Enterprise Zone and Garden Town proposal whilst activity in other parts of Buckinghamshire has yet to occur. In addition, RH pointed out that as both members and directors engage in the BA Board there is little differentiation between the LEP and BA and added that there is a view that private sector skills are not being fully utilised. In view of this, it may be appropriate for a degree of rationalisation. This could involve a reduced number of Board meetings to deal with strategic matters whilst project activity could be centred in specific spokes.</p> <p>RB pointed out that whilst Buckinghamshire does not have the same volume of development as places such as Reading, there may be some opportunities to acquire neglected land to redevelop it into studios or workshops to generate economic prosperity in areas where local authorities do not have the capacity to do so.</p> <p>PI added that in the commercial world risk is often the major deal breaker but if the LEP could assist where finance is not available it may help to move things forward.</p> <p>It was queried if the BA model is 'fit for purpose' to deliver and whether there is sufficient resource to be involved in land acquisition and the provision of funding.</p> <p>AB pointed out that as Bucks is reasonably affluent it is unlikely to secure large sums of funding and successful intervention is more likely when the market is down.</p>	

MG advised that whilst there is pressure to build residential properties it is often at the expense of developing commercial floor space. The demand for commercial floor space is high and a balance between opportunism and intervention needs to be struck in order to generate profit.

AG explained that once funds run out, public sector borrowing will be the main route to access funds and whilst it is cheaper than private sector borrowing it will give us an edge over the private sector and may enable us to participate in commercial deals.

JS referred to the BTVLEP discussion relating to the industrial strategy and positioning post Brexit and added that a joint response on behalf of the Heart of England regarding the Industrial Strategy will be submitted to Government. The Industrial Strategy may give rise to opportunities to operate on a wider Bucks basis as it focuses on the housing sector and other sectors across Bucks where we perform strongly. In addition, it was suggested that it may be prudent to explore the potential for scaling up strategy to assist small businesses to grow to medium sized operations. MG advised that currently small firms wish to remain flexible and generally do not wish to purchase freeholds but the key driver will be what local authorities require from BA and other similar vehicles.

RH added that as LEP paid staff are funded by the local authorities, given the overlap with the LEP, there may be merit in rationalising BA especially as there are limited opportunities due to lack of funds.

RH outlined the following options:

Option 1: Collapsing BA and allowing the LEP to administer.

Option 2: Detune BA to deal with specific projects.

Option 3: Retain BA and build spokes to deal with current and new projects.

Option 4: Create another vehicle.

KS suggested that BA could remain dormant and if opportunities arose and BA were needed again, it could then be resurrected.

RH explained that at the recent BTVLEP meeting on 16th September, it was agreed to hold an away day to discuss structures and delivery mechanisms including the role BA may have in the delivery arrangements.

Discussions indicated that BA should enter a period of dormancy as it would then be possible to re instate it if the need arose. This may require amendments to the Company's Articles of Associations to reflect any changes.

It was agreed:

- i) That the wider BA Buckinghamshire activity should remain dormant and to be resurrected if opportunities arise in the future, while AVA activity continues to be managed by the sub set of the BA Board.

	ii) RH to raise future options for BA with the BTVLEP Board.	RH
6.	Any other Business There was no Any Other Business.	
	The meeting ended at 4pm	



Adrian Brown Chair