

**Minutes of the West Midlands Regional ERDF Local
Management Sub-Committee 2007- 2013**

Date: 11th January 2012

Venue: Room GA, 5 St Philip's Place, Birmingham

LMC Sub-Group Members	Representing
Norman Price (CHAIR)	Private Sector
Anna Vinsen	DCLG
Hanne Hoeck	DCLG
Thomas Blackmore	DCLG
Stuart Brandrick	DCLG
Pete Thomason (minutes)	DCLG
Tony Dunn	Black Country LEP
John Latham	Coventry and Warwickshire LEP
Patrick Willcocks	The Greater Birmingham and Solihull LEP
Paula Rogers	Marches LEP
Richard Riley	Higher Education
Peter Shearer	Private Sector 1
Alison Knight	Stoke and Staffordshire LEP
Darryl Eysers	West Midlands Councils
Vaida Lukosiute	Voluntary Sector
Pam Waddell	Innovation Alliance
Rachel Eade	Innovation Alliance
Sam Todd	Environment/sustainability
Kevin Postones	BIS
David Rhead	Homes and Communities Agency
Deputies Attending	On behalf of
Steve Brain	Susan Crow (Worcestershire LEP)
Peter Henderson	Isabella Moore (private sector 2)
Apologies	
Mark Foley	DCLG
Susan Crow	Worcestershire LEP
Isabella Moore	Private Sector 2

Item 1: Welcome, Introductions & Minutes from the last meeting (Norman Price)	Action
<p>Norman Price welcomed members to the meeting of the West Midlands Local Management Sub-Committee.</p> <p>Apologies were received from Mark Foley and Sam Todd. Steve Brain was deputising for Sue Crow and Peter Henderson for Isabella Moore</p> <p>Minutes of last meeting (point 36 re: access to Priority 3 bidding rounds for packages which fail to meet their spend targets.) Patrick Willcocks asked if this sentence could be prefaced with 'after detailed discussion'. He noted that the minutes suggest that the value of the bidding round will be known at the LMC sub committee in January but in fact the value of funds to be decommitted from the packages will not be known until the end of January. Anna Vinsen confirmed that the minutes from the last meeting would be amended to take account of these two points.</p> <p>Action 1: Declaration of Interest forms had been circulated. Anna thanked those members who had already completed and returned them. The group discussed the approach which would be taken to declaring interests and Norman proposed the following: a) in addition to formally recording interests on the declaration of interest forms, members should declare specific interests under agenda items where the interest is of particular relevance, for instance, where a project is being discussed from an organisation they are involved in as an employee or board member; b) in these cases, the LMC Subcommittee members will not have to leave the room and will be able to join in the discussion of the item; c) however, in the event that there is a vote on a decision relating to the item they have an interest in, they will have to abstain from voting. The group agreed with this approach. Norman asked Anna to write up this approach as a formal declaration of interest policy and circulate it to members.</p> <p>Actions 2&3: Anna Vinsen informed the group that the Investment Frameworks had been amended as per the group's request to show the geographical coverage of each of the projects selected. Geographical reporting of outputs is being looked at as part of the national standardisation work. .</p> <p>Action 4: Anna confirmed that the Priority 5 bidding documentation had been amended to take into account comments from the previous meeting. As per the recommendation from the last meeting, Stuart has been undertaking one to one surgeries with potential applicants. Further details on the bidding round are covered under agenda item 7.</p>	<p>1. Declaration of Interests Policy to be written up and circulated.</p>
Item 2: Programme Performance (Anna Vinsen)	Action

<p>Anna Vinsen presented a paper summarising ERDF Programme performance within the West Midlands. For detailed information on the update please refer to paper 3 and the associated annexes.</p> <p>Anna highlighted that the revised outputs and results targets and financial allocations from the modified operational programme had been used for the Management Information report but noted that the Commission approval on the modifications is not expected until March.</p> <p>Anna noted that the management information report was compiled on 19th December and therefore does not reflect any developments since the 19th.</p> <p>Anna reported that there has only been a minimum change in the programme value since the last report in November, an increase of £20k. The actual spend has gone up by £3.8 million to a cumulative total of £84.6M which is 25% of the programme value. 62% of the programme value is now approved against specific projects leaving a £14.6 million balance remaining, however this does not take account of the Priority 5 bidding round and the proposal for non competitive selection to be covered in Item 5.</p> <p>The N+2 target of £86.5m had been achieved for 2011 with £4m headroom and we are on track to achieve N+2 for 2012, although we will need to increase the level of spend per month. The N+2 Target for 2012 is £143M to achieve this we need to up the current spend rate from £4.14M per month to £4.35M per month.</p> <p>Priority 2 is no longer showing as over-programmed due to project sponsors and applicants finding efficiencies in the projects selected under the latest round plus the increase in the allocation by 7.2M euros to take account of the projects vired from the packages. However, if invited to come forward the applications for MAS and Business Coaching for Growth (covered under agenda item 5) will take up this remaining balance.</p> <p>Norman congratulated the team for achieving the N+2 target, particularly given the challenges faced during the year.</p>	
Item 3: Audit Report (Hanne Hoeck)	Action
<p>Hanne Hoeck presented a report on programme audit and irregularities monitoring. For detailed information on the update please refer to paper 3. Hanne reiterated the requirement to monitor the compliance of the programme and the consequences of exceeding the 2% irregularity rate.</p> <p>Hanne provided an update on the debate with the Article 16 Audit Authority which had gone to the national dispute panel and stated that the team had won the argument about using committed national public sector funding as match. However, the audit authority had raised other issues on the project concerned, some of which had been included for the first time in the final report which was issued on the 23rd December without the ability of the team to comment.</p> <p>Due to the deadline for the submission of the Annual Control report these irregularities had been included in the report and caused the programme</p>	

to have an annual error rate of 5.2%. However, it was expected that this would be reduced down to below 2% once the team has had an opportunity to contest the audit authority's findings. The overall error rate is expected to be 1.8%.

Peter Shearer asked if this was an annual test. Hanne explained that there was a yearly test and a cumulative test.

Anna Vinsen pointed out that this year the error rate was being calculated at national not regional level, and the national rate was below 2% so it is not currently anticipated that any programmes will be suspended.

Hanne explained that the WM PDT had complained about the late addition of issues to the final report without ability to respond and explained that the protocols between the art 16 teams and the programme delivery teams were to be reviewed nationally. Hanne also explained that there was a Commission procedure for amending the annual control report and that this would be exercised once the disputed audit findings were resolved.

Norman pointed out that problems were being caused by changing interpretations of the regulations. He explained that very often applicants blamed the team, whereas the team were fighting as hard as they could to get the best result against difficult stances taken by auditors or recently by the EU.

Tony Dunn commented that the region should consider the possible pitfalls of the developing 2014 regulations and the negative effect this could have, dissuading organisations from participating in the new programmes. Anna Vinsen advised that a paper on the Future Programmes by the West Midlands Councils was going to the LMC, and was being widely circulated.

Hanne explained that although the Team had been able to successfully contest many issues, there remained a particular problem with procurement, as such issues are difficult to fix retrospectively.

Peter Shearer asked what was being done about this.

Anna explained that extensive guidance and support was given at all stages on procurement. Procurement is covered by the Project Development Manager at the development stage, and reiterated at the pre engagement visits and project assurance visits. The Team had also held specific Capacity Building Workshops on procurement. However mistakes were still being made. Part of the issue is due to the people developing the project then handing over to a different team for delivery who may not understand the rules.

John Latham noted there have been situations where match funding has different procurement rules and there is a conflict on the requirements of the different funders.

Rachel Eade commented that capacity building events that she had

Action 2: Future papers to provide more analysis/ flavour

<p>attended focused upon things which go wrong, but that she would be keen to learn more about what goes right.</p> <p>Norman also placed an emphasis on the positive. He suggested for instance, that it might be that the overall figures were obscured by the procurement errors and that many things which people thought were challenging were actually being done correctly.</p> <p>The group asked that future reports to the group on audit and monitoring provided some narrative on what projects were doing wrong and what projects were doing right.</p>	<p>of the issues arising , and also include comment on what applicants are doing well.</p>
<p>Item 4: Programme Highlight Paper (Anna Vinsen)</p>	<p>Action</p>
<p>Anna Vinsen introduced the programme highlight paper. For detailed information on the update please refer to paper 4 and accompanying annex.</p> <p>Stuart Brandrick gave an overview of activity under Priority 1 and 2. He noted a particular issue had arisen with how SME match funding could be eligibly included in projects, some projects in development are having to be redesigned to meet the revised guidance. A particular example is the Classic KTP project which has been contracted but lost its TSB funding and due to the change in match interpretation is having to be revised again. There are a variety of solutions for the project but they all have impacts. The preferred solution is for the SMEs to employ the graduate directly. It is likely to reduce the project size, but would get around the problem and allow the project to proceed.</p> <p>Patrick Willcocks asked if it was a national interpretation which could not be challenged. Anna explained, yes, it was a national standard which has continued to be challenged but will be included in the national standardisation. Whereas standardisation should be welcomed as it will provide clarification and consistency across the regions, challenges may be presented where it deviates from current practice.</p> <p>Norman Price felt that sometimes central government did not understand the practical difficulties for companies.</p> <p>Stuart explained that there had been a reduction in the value of Priority 2 commitments due to projects withdrawing or reducing in size, however any headroom was likely to be taken by the proposals in the following agenda item.</p> <p>Paula Rogers asked the value of the remaining balance and Stuart confirmed it as £3m as of the 19th December when the papers were produced.</p> <p>Anna Vinsen provided an update on the position of the CDFIs which are funded until March 2012. Bids from each CDFI for a third phase of funding had been selected in the Summer bidding round. The Commission clarified the rules on financial engineering instruments in April and stated the rules must be followed by all new projects. The new rules cause</p>	

<p>difficulties for the funding model proposed in the CDFI projects.</p> <p>There are 2 potential solutions;</p> <p>One is a guarantee fund but there might be additional problems with this. Clarification is being sought by the PDT from national colleagues, and it is expected by week ending 20 January.</p> <p>The second solution would be for the applications from the CDFIs to be withdrawn and then for the LMC sub committee to invite the match funders to bid for the funding directly and undertake a competitive procurement for fund managers to deliver the small business loans. This model might not result in the CDFIs delivering the provision, but it would be a way of ensuring ERDF continued to support small business loan provision across the region. Some local authorities have talked to the team about taking this option forward.</p> <p>Norman expressed concern if small business loans could not continue as they provide a vital service to businesses in the region.</p> <p>Anna noted that the CDFIs had been successful in securing funding in the first round Regional Growth Fund, and so there would still be some funding for the continuation of small business loans in the West Midlands.</p> <p>Tom Blackmore gave an overview of activity under Priority 3. In particular, he highlighted the Castle Hill Vision and Coventry and Nuneaton Links to Opportunity projects which were two substantial projects which had received approval in the period covered by the report.</p> <p>The packages are re-prioritising their projects and we will know the value of any underspend against their targets by the end of January.</p> <p>Patrick Willcocks mentioned there were a couple of errors in the investment framework, specifically relating to the status of a project he believed to be legally contracted. Tom and Patrick agreed to check this at the end of the meeting.</p> <p>Norman pointed out that the revised structure of the investment frameworks gave a good indication of the geographical spread of the funded activity.</p> <p>Patrick Willcocks stated that there are a lot of good stories and Anna pointed out that this would be picked up under the communications papers.</p> <p>The LMC Sub committee formally approved version 4 of the investment frameworks.</p>	
<p>Item 5: Initiation to bid via non competitive selection; MAS and Business Coaching for Growth (Pete Thomason)</p>	<p>Action</p>
<p>John Latham declared a conflict of interest as a tier 2 partner of one of the proposed applicants.</p>	

Peter Thomason presented a paper to the group on the MAS and Business Coaching for Growth provision. For detailed information refer to paper 5. He explained why the projects had a strong fit with ERDF. MAS has previously been funded via ERDF and was a regional priority.

Pete recapped that bids for both national services had been received under the summer bidding round but they were parked due to the national procurement result being unknown. They were to be brought back for consideration when the result was known. In November, the LMC Subcommittee agreed to invite the preferred bidder for MAS to submit a proposal for ERDF via non competitive selection. The PDT has since been contacted by Pera the preferred bidder for the Business Coaching for Growth project, and the LMC Subcommittee were being asked if they also wished to issue an invitation to Pera to submit a proposal for ERDF to extend the national service in the West Midlands.

Pete updated the group on the MAS proposal. The national contract had been awarded in December.. The national approval includes a £5 million allocation from BIS for the West Midlands. It was therefore being proposed that the LMC subcommittee invite a bid from the national contract holder for up to £5M ERDF to increase the impact of the MAS service in the West Midlands. Pete also noted that due to eligibility issues the eventual project value was likely to reduce, perhaps to the region of £3 million ERDF.

Pera who are the preferred bidder for the Business Coaching for Growth provision also has the ability to isolate the costs connected to provision in the West Midlands. The bid is to increase the pot of support to SMEs. Again a maximum value of £5M ERDF is proposed, although this might similarly reduce when issues of eligibility and deliverability are looked at in more detail.

Norman Price stated his support for the proposals, but recommended that the LMC Sub Committee make sure the projects reflect regional needs. If there are any reservations on products or distribution we should be taking them into account. Norman suggested that the proposals might be improved by making use of delivery mechanisms already well established in the West Midlands i.e. ensuring early dialogue with science parks.

Pam Waddell supported the involvement of local partners in the delivery of the projects. Stuart Brandrick clarified that as the national MAS and Business Coaching for Growth proposals had been won under a commercial contract, there may be limits to how much we could influence the provision. We would not be in a position to dictate radical changes, although we could withhold the ERDF if we are not happy with the proposals. However, he noted that the comments and steer from the LMC Subcommittee would be relayed to MAS and Pera to see how they could be fed into the proposals as they developed.

Anna Vinsen reminded the group, that if they agreed to invite the bids

to come forward, they would see the outline applications for endorsement, and this would give visibility to the group of the products and proposed distribution. This would provide the best opportunity to feed in steer and recommendations.

Patrick Willcocks pointed out that it would be important to ensure that the proposals delivered outputs that were particularly required by the Programme. Pam Waddell supported this proposal.

Paula Rogers asked about the projects in the Summer bidding round which were eligible but which had not been selected as the Priority was over-programmed at that time. She felt it would not look good to allocate the £3 million remaining, when there were other bids received in the summer bidding round which had not been invited to come forward.

Anna explained how the PWG2 had ranked and selected the projects under the summer bidding round. Projects had been categorised as follows: 'ineligible', 'a' – eligible strong bids, b – 'eligible but less strong'. parked – 'eligible strong bids but which could not be taken forward at that time'. Due to the value of funds available, the group had decided to invite the projects which had been ranked "a" to come forward, and there had also been strong support for the 2 projects in the parked category which were to come back to the group when the results of the national tender were known. The group had not decided to invite the projects ranked 'b' to come forward.

Should further resources become available, the LMC Sub Committee could decide to launch another bidding round which would give a further opportunity for the projects ranked 'b' to come forward for reconsideration.

When asked if further funds would become available, Anna said she anticipated further contraction in the ERDF sought by the projects in the pipeline as a small number of projects were likely to fall out, and as issues of eligibility were refined. Unless the exchange rate changes dramatically, it therefore seemed likely that more resource would become available. However, she noted that the LMC would have to take a view on the level of over-programming that would be acceptable.

Anna asked the group to confirm if they were happy to take the MAS and Business Coaching for Growth proposals ahead of those projects which had been rated 'b' in the summer bidding round. This was confirmed by the group. It was agreed that if further funds became available, another bidding round would be launched to allow projects including those ranked 'b' in the last bidding round to come forward for consideration.

Norman felt it was very important that we have good coverage of general business support. The proposal to invite the projects to come forward was agreed including that they have priority over B rated bids

from the bidding round.	
Item 6: Technical Assistance Strategy and Application (Anna Vinsen)	Action
<p>Anna presented the Technical Assistance Strategy to the group, for detailed information refer to paper 6. Anna explained that this paper was the strategy for the use of the Technical Assistance (TA) budget and what TA was for.</p> <p>We are required to have a strategy for the use of TA and it has to be approved by the PMC/LMC. Previously there were a number of projects outside of the management team which were supported by TA i.e. the observatory, and WMEN. These organisations have now closed/are closing. We have been given a provisional allocation from DCLG of the TA and match required for the management of the programme going forward and this leaves an allocation of £2.9 million TA which is being made available for additional technical assistance projects to come forward through the bidding round.</p> <p>Norman said that he felt the Technical Assistance Strategy needed further detail in Appendix 2 on the use of technical assistance to help the strategic positioning of the region for the new programme.</p> <p>Rachel Eaves pointed out that the LMC Subcommittee had started to discuss this at the last meeting t. She asked if there were resouces within the PDT to work on how ERDF could be integrated with other policy areas and funding streams.</p> <p>Stuart said that as the team are funded from technical assistance their work has to be focussed on the delivery of the current programme.</p> <p>Pam Waddell stated that the match funding issue will be ongoing and it would be useful to have a better understanding of what match would be available for what policy areas under the new programming period.</p> <p>Patrick Willcocks suggested that it was important that there were hooks in the technical assistance strategy around support for building the strategy for the future programme.</p> <p>Anna pointed out that anything funded from TA must be strongly linked to the delivery of ERDF. She suggested however that the narrative on Strategic Direction under the Research, Analysis section of the TA Strategy could be strengthened to take account of the comments from the LMC sub committee.</p> <p>Vaida Lukosiute commented that the User Manual referred to in the TA Strategy was difficult to find on the DCLG website. Anna agreed to send a link to Vaida to access the user manual, and to feedback Vaida's</p>	<p>Action 3: PDT to include additional text in the technical assistance strategy regarding building strategy for the new programme (section 4.4)</p> <p>Action 4: reference to PMC and AWM in the technical assistance strategy annex to be revised to reflect new arrangements.</p>

<p>comment to central communications.</p> <p>Vaida and Norman commented that there were still some references to the PMC and AWM contained within the technical assistance strategy. Anna agreed to review the document to correct this oversight.</p>	
Item 7: Update on Priority 5 Bidding Round	Action
<p>Stuart Brandrick provided a verbal update on the TA bidding round.</p> <p>The LMC sub group had agreed that the call could include activity to shape the future programme and as a result, the bidding round has had considerably more interest than envisaged.</p> <p>Stuart has met with the majority of potential bidders and is anticipating as many as 10 bids to be submitted.</p> <p>Mark Foley has led a review of the potential bidders, and as a result, there have been further conversations with applicants to avoid duplication, overlap and to focus the activity more.</p> <p>Prospective bids include strands of activity around LEPs, some activities around Universities WM and Science City which will pick up higher education, building capacity in urban areas outside the current package areas to access Priority 3, and around the next programme transition areas of Shropshire and Staffordshire.</p> <p>The bidding round closes next Wednesday (18th).</p> <p>After the 18th January, the ERDF Team will review the applications for eligibility and completeness. The applications and the admissibility checklists completed by the ERDF Team will then be circulated to LMC Subcommittee members for review. Discussion and selection will take place at the special meeting arranged for 3rd February. The selection decisions will be made by the LMC Subcommittee members at this meeting.</p> <p>Stuart asked the LMC Subcommittee to consider if the full LMC Subcommittee should meet on 3rd February to review and select the bids or if a sub-group of the LMC Subcommittee should be agreed and convene on 3rd February to complete this task. He also asked members to consider if it was appropriate for members who have an interest in one of the bids coming through the round to be involved in the selection panel.</p> <p>The group agreed that it would be preferable for a sub-group to convene to review and select the bids, rather than the whole group; as it was felt that a smaller group would aid discussion. Members expressed strong support for members who were not involved in any bids to be included in the sub-group, although it was noted that as a number of members did have an interest in bids coming through the call, it would be difficult to</p>	<p>Action 5: Stuart Brandrick to e-mail all sub committee members to state their availability for a sub group to select the bids, and to confirm if they were involved in any bids coming through the round. The sub group would be chosen from the available LMC Subcommittee members with due regard for breadth of knowledge base.</p>

convene a group only made up of members who did not have an interest in a bid coming through.

Tony Dunn and Paula Rogers declared an interest in bids coming through the call; as did Pam Waddell and John Latham.

Pam agreed with a smaller sub group but noted that all the LMC Subcommittee members with an interest in innovation were involved in some of the bids. It was agreed that it was important that all thematic interests were represented on the panel which selected the bids.

Kevin Postones asked whether the bids which would be coming forward were about capacity building for the current programme, or preparatory work on the new programming period. Anna clarified that bids on both these themes would be coming through the call

Norman asked that those in the group who are not involved with a bid put themselves forward for the selection panel. He felt that those who were involved in bids, could also be included in the panel, provided all interests were declared.

Stuart offered to e-mail the subcommittee asking each member to confirm if they were available and willing to take part in the panel, and also if they were involved in a bid under the call. He suggested that he would then agree with Norman the make up of the group from those members who put themselves forward, ensuring the thematic interests of the programme were represented. This approach was agreed by the group.

Norman stated he is concerned that a gap is emerging in informing the policy of business support provision to ensure it meets the needs of SMES in the West Midlands. He expressed concern that the existing business representative organisations did not have sufficient reserves to provide match funding to enable a technical assistance proposal to be brought forward to fill this gap.

Rachel Eade agreed that there was a gap around strategy for business support. Anna suggested that the LEPs play an important role in identifying the economic development priorities for the localities, including what support was required for SMEs.

Norman raised concerns that LEPs were principally concerned with meeting the needs of larger businesses, so there was a risk that the concerns of SMEs.were going unheard. He also raised concerns over the loss of expertise on financial instruments, noting that the specialist access to finance team at AWM had played an important role in identifying gaps in availability of finance, and designing products to fill them.

John Latham stated that the LEPs are still finding their feet and that they will be more established by the start of the next programme. However, he emphasised the importance of the evidence base and putting the right infrastructure in place, if the region is to have a say in the future programme direction. The LEPs will have to get together and work out how to work collectively.

<p>Anna proposed that we have to talk to people who are thinking of bidding and ensure communication and coordination is happening amongst potential bidders. The second stage is, when all the bids have been submitted and reviewed by the LMC Subcommittee, if there is a gap in coverage, the group can reserve some of the available budget for a specific bidding round to use technical assistance to fill the gap or alternatively provide appropriate steer to applicants selected to ensure that the bids are coordinated and any gaps are filled.</p> <p>This approach was agreed.</p>	
<p>Item 8: Communications Plan (Anna Vinsen)</p>	<p>Action</p>
<p>Anna Vinsen presented the Communications plan, for more information refer to paper 8.</p> <p>The communications plan is a key requirement of the programme and is refreshed annually and approved by the LMC.</p> <p>The main points to note are that we have ensure we meet the Commission rules but must also work within the general government marketing rules. There is only £2,000 budget for the rest of the Programme, and this has been allocated to buy equipment in the next financial year because everything has to be resourced in house via the team's dedicated communications manager Lynsey Cooke.</p> <p>We run an annual communications survey to ensure our communication strategy meets the needs of Programme stakeholders. This year's survey will be launched on the 5 March and conclude on the 23 March. The team are also preparing an electronic guide for businesses to help businesses navigate the business support schemes funded through the Programme.</p> <p>The group was urged to reply to the survey. Patrick Willcocks asked about press releases. Anna explained, in DCLG rules, where DCLG issues press releases, the only member of DCLG who can be quoted is a minister. However, there are options available, and this includes the project leading on the PR and Norman providing the quote as he is not part of DCLG. In summary, in the case of large high profile activity, we will get a minister to provide a quote and DCLG will lead on the publicity. In most other cases, we are asking the applicant organisation to lead on the publicity and we will provide a quote from Norman.</p> <p>Tony Dunn mentioned a piece in the name of Iain Austin MP about the lack of match funding for ERDF which was contrary to our messages and had been published in the Express and Star.</p> <p>Norman pointed out that there often are unsubstantiated comments and asked if we should we do more with key individuals like the MPs as this is an important issue. Should we be more proactive?</p>	<p>Ensure good performance information is goes to MPs</p>

<p>It was suggested that we send communications on the good performing projects and progress to MPs. We may need to bring them inside instead of outside the tent.</p> <p>Peter Shearer (representing business voice) commented that this comes back to the issue of strategy.</p> <p>It was noted that Baroness Hannon will be in the region next Friday visiting the Castle Hill Vision project funded through the Programme.</p> <p>Norman concluded by reiterating that the ERDF team has a very competent PR manager in Lynsey Cooke.</p>	
<p>Item 9: AOB and Close</p>	<p>Action</p>
<p>Kevin Postones requested an update on the WM JESSICA proposal.</p> <p>Anna stated that the full documentation had been received by the PDT on Monday and the appraisal would be completed and forwarded for CPRG on Thursday.</p> <p>The nature of the JESSICA proposal meant that the investment decision had to be made at national level by CPRG.</p>	

Minuted by: Pete Thomason, DCLG