

-
LEP - Growth Deal Management Board

**Minutes of the Meeting held on Tuesday, 10th September 2019 at
10.00am in the Exchange Room 7, County Hall, Preston**

Present

Graham Cowley

Marcus Hudson
Dr Michele Lawty-Jones

Denise Park
Julie Whittaker

Observers

Paul Evans, Department for Business, Energy and Industrial Strategy
Katherine O'Connor, Department for Business, Energy and Industrial Strategy

In Attendance

Jo Ainsworth, Principal Accountant – Capital & LEP, Lancashire County Council
Julia Johnson, Principal Lawyer, Lancashire County Council
Anne-Marie Parkinson, LEP Investment Programme Manager, Lancashire County Council
Holly Tween, Democratic Services Officer, Lancashire County Council

1. Welcome and Apologies for Absence

The Chair welcomed all in attendance.

Apologies had been received from Alan Cavill and Michael Ahern.

2. Declaration of Interests

Denise Park declared an interest in South East Blackburn Residential and Health Campus project, and the Darwen East Development Corridor project.

Marcus Hudson declared an interest in the Lancashire County Council led Samlesbury Aerospace Enterprise Zone project.

3. Date of Next Meeting

The next meeting had been scheduled for October, but a new date in mid-November was being sought.

4. Exclusion of the Press and Public

Resolved: That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act, 1972, indicated against the heading to the item. It was considered that in all the circumstances the public interest in maintaining the exemption outweighed the public interest in disclosing the information

5. Growth Deal - Unallocated Funding Recommendations

The committee received a presentation from Graeme Collinge from Genecon, setting out the detail of the appraisal of each of the business cases. The committee first considered the top seven ranked projects which could be fully funded. The committee asked questions and discussed each project. The following points were raised:

Samlesbury Aerospace Enterprise Zone

The committee requested that formal legal advice be sought to clarify the position around State Aid, to be received by the Programme Manager by mid-October.

Futures Park

The committee requested that formal legal advice be sought to clarify the position around State Aid, to be received by the Programme Manager by mid-October.

Skelmersdale Town Centre

It was noted that West Lancashire Borough Council and St Modwens need to agree a new Development Funding Agreement to deliver the project as St Modwens' development rights expire in 2020. The committee requested that the impact of the procurement risk be clarified.

South East Blackburn Residential and Health Campus additional highways

It was noted that this was an extension to the existing Pennine Gateway project, and that, due to the resource and timescales necessary to produce a transport business case, the extension would be considered under the main business case to be submitted in October.

The committee considered the other five projects on the list, which are outside the scope of the funding currently available and questions and a discussion took place.

The process to deal with the reallocation of the remaining £790,000 of the unallocated funding was discussed.

It was agreed that the five projects currently on the list should be reassessed, with an increased emphasis on deliverability within the timescales.

It was noted that a change request was expected from an existing project which

would release a further £750,000 back into the unallocated pot.

In relation to potential additional funding, the committee were informed of developments in the M55 St Annes Link Road project, which at the previous Board meeting the committee had agreed to be reviewed. An agreement was being developed between Homes England and the developer, which would be finalised by November/December 2019. The Committee agreed to support this project until then, but if the deal had not been finalised by this time, it was agreed to reallocate the £1.980m according to the Growth Deal's reallocation process.

Resolved: that the Growth Deal Management Board

1. Recommend to the Lancashire Enterprise Partnership Board that Growth Deal funding approval be given to the following projects subject to the conditions as detailed in each of the appraisal summary reports, and the finalisation and execution by Lancashire County Council under the guidance of the Directors of Corporate Services and Economic Development and Planning, of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the LEP:
 - i. Samlesbury Aerospace Enterprise Zone - £6.725m
 - ii. Futures Park - £1.530m
 - iii. Food and Farming Innovation and Technology - £365,000
 - iv. Skelmersdale Town Centre Redevelopment - £2.000m
 - v. New STEM Technology Centre - £1.200m
 - vi. Darwen East Development Corridor Phase 2 - £1.400m
2. Recommend to the Lancashire Enterprise Partnership that £2.790m be allocated to South East Blackburn Residential and Health Campus scheme pending the production of a transport business case in October 2019
3. Request that formal legal advice be sought to clarify the position around State Aid for Samlesbury Aerospace Enterprise Zone and Futures Park projects, to be received by the Programme Manager by mid-October
4. Instruct the Programme Manager to review the reserve list of projects not recommended for approval at this stage, listed on page 6 of the report, and reassess them with increased weighting on deliverability within the timescales
5. Agree that the remaining unallocated £790,000 plus the £750,000 expected underspend from an existing project should be held until November when the revised reserve list will be brought to the Growth Deal Management Board for consideration
6. Agree to continue to support the M55 St Annes Link Road scheme until December 2019, when there must be certainty around the agreement between Homes England and the Developer. If there is no agreement by this time, the £1.980m should be considered unallocated and would then become subject to the reallocation process

6. Any Other Urgent Business - Quality Corridors: Additional Funding Request, September 2019 - Blackpool

The committee considered the additional funding request from the existing Blackpool Quality Corridors project. The project was delivering successfully to spend and timescales, and the additional request was in response to increasing demand for capital funds to improve properties in the priority area.

It was agreed that this project should be considered in the next tranche of funding decisions.

In order to be fair and transparent, it was agreed that a communication be sent to the other existing projects to advise them that there may be further unallocated funding available to projects that wish to extend, providing they are deliverable before March 2021.

Although it was acknowledged that there would not be time to consider new schemes, it was agreed that organisations could be encouraged to develop oven-ready projects to create a pipeline, should further funding become available to the LEP.

Resolved: the Growth Deal Management Board agreed

1. That the Programme Manager progress the Blackpool Quality Corridors project application for additional funding with Blackpool Council, and that the project be considered in the next tranche of funding decisions
2. Agree that a communication be sent to existing projects to advise them that there may be further unallocated funding available to projects that wish to extend, providing they are deliverable before March 2021, and that organisations could consider developing oven-ready projects to create a pipeline, should further funding become available