

Lancashire Enterprise Partnership Limited

Minutes of the Meeting held on Tuesday, 8th December, 2020 at 4.30 pm at the Zoom Meeting

Present

Councillor Stephen Atkinson	Amanda Melton CBE
Tony Attard OBE DL	Andrew Pettinger
Miranda Barker	Mark Rawstron
Ann Dean MBE DL	Councillor Phil Riley
County Councillor Michael Green	Khalid Saifullah MBE DL
Dave Holmes OBE	David Taylor CBE DL
Kam Kothia	Annette Weekes
	Claire Whelan

In Attendance

Tony Attard OBE DL, Non-Voting Co-opted Board Member
Phil Green, Director of Growth, Environment and Planning Economic Development,
Lancashire County Council
Sarah Kemp, Chief Executive Officer, Lancashire Enterprise Partnership
Michele Lawty-Jones, Director of the Lancashire Skills Hub
Sue Roberts - Commercial and Business Support Manager
Neil Shaw, Chief Executive, Rossendale Borough Council
Misbah Mahmood, Senior Democratic Services Officer, Lancashire County Council
Andy Milroy, Senior Democratic Services Officer, Lancashire County Council
Anne-Marie Parkinson, Programme Manager, Lancashire Enterprise Partnership
Angie Ridgwell, Section 151 Officer, Chief Executive and Director of Resources,
Lancashire County Council
Laura Sales, Company Secretary and Director of Corporate Services, Lancashire County
Council
Stephen Young, Executive Director of Growth, Environment, Transport & Community
Services
Hannah Race, Business Support Officer, Lancashire County Council
Paul Faulkner, Local Democracy Reporter, Lancashire Evening Post
Nicola Hopkins, Director of Economic Development and Planning, Ribble Valley Borough
Council
Katherine O'Connor, Senior Ministerial and Policy Manager, Department for Business,
Energy and Industrial Strategy
Murrayam Anwar, Area Director, Cities and Local Growth Unit
Max Williams, Ormskirk Court Hotel (for Item 18 only)
Ian Gill, Head of Growth & Development, West Lancashire Borough Council (for item 18
only)

1. Welcome and Apologies for Absence

The following new Directors were welcomed to the meeting:

- County Councillor Michael Green
- Andrew Pettinger
- Annette Weekes
- Kam Kothia

Apologies were received from Mick Gornall and Councillor Alison Barnes.

2. Minutes of the Board meeting held on 30 September 2020

Resolved: The minutes of the Lancashire Enterprise Partnership Board meeting held on 30 September 2020 were approved as an accurate record.

3. Minutes of the Special Board meeting held on 20 October 2020

Resolved: The minutes of the Lancashire Enterprise Partnership Special Board meeting held on 20 October 2020 were approved as an accurate record.

4. Matters Arising

There were no matters arising.

5. Declaration of Interests

Angie Ridgwell, Section 151 Officer, declared an Interest in regards to Item 7 on the agenda as Director of the Lancashire 2025 Company. It was confirmed that Angie Ridgwell took no part in the preparation of this item with her deputy Neil Kissock provided financial clearance on behalf of the Accountable Body.

6. Lancashire Skills and Employment Strategic Framework 2021 Refresh

Dr Michele Lawty-Jones, Director of the Lancashire Skills Hub presented the report. The Skills and Employment Advisory Panel and the Lancashire Skills and Employment Hub had undertaken a refresh of the framework which was produced in 2016 as the framework period was coming to an end. The refresh was for a period of one year only for 2021 to take into consideration the effects of Covid-19, the LEP's Strategic Economic Framework and the Greater Lancashire Plan.

Consultation of the document had taken place with Board members and partners and minor amendments had been made in line with the feedback.

An AOB update was provided to the Board on recruitment vacancies from the key sectors. The LEP Skills and Employment Advisory Panel (LEP Committee) had undertaken a recruitment process for four new Committee Members. Interviews were held on 3rd December 2020 and following this process the four recommended industry representatives, recommended to the LEP Board for appointment are:

- (i) Manufacturing – Peter Caney
- (ii) Energy and Low Carbon – Stephen Sykes
- (iii) Digital – Nicola Mortimer
- (iv) Health – Kate Quinn

Resolved: The Lancashire Enterprise Partnership Board:

- (i) Approved the final version of the Lancashire Skills and Employment Strategic Framework 2021, for publication in January 2021 for a 12 month period; and
- (ii) Approved the appointment of Peter Caney, Stephen Sykes, Nicola Mortimer and Kate Quinn as Lancashire Skills and Employment Board Members with immediate effect.

7. Growing Places Fund - Lancashire 2025

Sarah Kemp, Chief Executive presented a report on the Growing Places Fund – Lancashire 2025 bid that the LEP Board had recently received.

Lancashire 2025 was a charitable trust which had been established to lead Lancashire's bid for City of Culture 2025. The county would bid to host the title and year' long programme of events and activity, as a "virtual" city. Lancashire 2025 had approached the LEP to request a contribution to the costs.

A detailed overview of the bid and allocation of the £200,000 was provided to Board Members. The contribution would be used to support core operating costs and development of significant digital and community infrastructure, as well as to build cultural capacity across Lancashire and deliver a new model of culture-led regeneration for the county.

Board Members were very supportive of the bid and a request was made to consider further contributions in the future in light of the significant new investment and jobs that the bid would attract to Lancashire.

Resolved: That the Lancashire Enterprise Partnership Board:

- (i) Approved a grant allocation of £200K from the Growing Places Fund, to Lancashire 2025 and are asked to note:
 - This will be an exceptional decision in respect of the use of Growing Places funds.
 - The Board has previously expended £92k from the operating

- budget for the same purposes.
 - A Grant Funding Agreement will be entered into which will set appropriate milestones against which the fund may be drawn down.
 - The fund will not be limited to either capital or revenue, but may be used for both purposes.
 - There remains sufficient funds within the Growing Places pot to meet this requirement.
- (ii) Delegated the final authority to enter into an appropriate Grant Funding Agreement, to the LEP Chief Executive in consultation with the Section 151 Officer of the Accountable Body.

8. LEP Strategic Economic Framework

Sarah Kemp, Chief Executive presented a report to the Board on the LEP Strategic Economic Framework.

Over the past 12 months, the Board had engaged widely with a range of stakeholders to produce a new Strategic Economic Framework for Lancashire. The Board had an away day in November and considered many of the elements of the strategic framework that were agreed at a previous away day. Focus was on the Pillars of Growth, Key Enablers and Strategic Actions. The Board also spent time looking at the different sector groups and in particular at their initial responses to Covid-19 and then developing longer term strategic sector development plans and how that work will be used to inform a plan for long term sustainable growth and the local Industrial Strategy.

Key outputs of the away day were about developing a delivery plan for the strategic framework under the direction and guidance of the LEP Board. A list of the individual actions were provided in the appendix and a clear set of outcomes that progress would be marked against. An update of the development of the strategic framework would be provided as a standing item to the Board on a regular basis.

Clarity was sought regarding what the LEP was responsible for and what was worked on as a LEP in partnership with other bodies as it was felt the report was not always clear about this. It was clarified that the LEP could not possibly be accountable for the delivery of the framework, the LEP was a partnership, and would work with all partners to deliver the framework with a focus on providing an input on the economic framework. The guiding principle was about working in partnership and bringing the right partners and stakeholders together around the table. It was agreed that a meeting between the Chair and County Councillor Michael Green would take place and any further concerns in regards to this would be addressed.

Resolved: That the Lancashire Enterprise Partnership Board:

- (i) Approved the action plan to develop the Delivery Plan of the Strategic Economic Framework for Lancashire' and

- (ii) Noted the resource envelope of £290k is required to develop the next phase of the Delivery Plan, of which £150k of this envelope has already been approved under delegated limits and reported within the Operating Budget.

9. LEP - Programmes Update Report

Anne-Marie Parkinson, LEP Programme Manager, presented a report which provided the Board with a high level update for each of the LEP programmes including Boost, City Deal, Enterprise Zones, Getting Building Fund, Growing Places, Growth Deal, Lancashire Skills and Employment Hub and Social Value.

It was noted that this was the third iteration of this report and it was hoped that the report was evolving in the right direction in terms of updating Board members on short and long term outcomes on each programme.

Feedback was sought on the development of the new Dashboard that had been developed and its format and in regards to the KPIs and whether they had covered all aspects of LEP delivery to showcase what was being done.

It was suggested that a profile informing Board Members if they were in trouble would be helpful, it was noted that the Risk Register attached to the report did share information on this. An indication of the direction of travel and in year target would be useful information to add. It was also suggested that a change mechanism may be useful to consider for targets.

In regards to social value, for consistency purposes this should be amended to LEP social and economic value. A deep dive into each programme at some point in the future would be scheduled in.

Resolved: The Lancashire Enterprise Partnership Board:

- (i) Noted the contents of this report;
- (ii) Provided feedback in terms of changes/additional content for future reports; and
- (iii) Provided feedback on the proposed Dashboard.

10. LEP Programmes Finance Report

Sarah Kemp, Chief Executive updated the Board on the LEP Programmes Finance Report which summarised the financial progress of each programme.

The importance of the report was to provide assurance that the LEP was meeting its financial performance targets. Moving forward it was felt that it would be better to integrate the LEP Programmes Finance Report into the Programmes Update

Report so that it was all in one place.

Resolved: That the Lancashire Enterprise Partnership Board:

- (i) Noted the updates contained in this report; and
- (ii) Provided feedback in terms of changes / additional content for future reports.

11. LEP Board Financial Update - October 2020

Sarah Kemp, Chief Executive, presented the Board with a detailed update on LEP finances since the last Board meeting and an update on the financial forecast to March 2021.

The Board noted changes in income due to a reduction in growing places interest which had been agreed at a previous meeting due to the effects of Covid-19 and an additional income source of interest on LEP controlled funds held by the Accountable Body.

It was noted that expenditure salary and core costs were as expected. The forecast on year end expenditure had reduced slightly. Updates on project support, marketing and communications, fees and charges and LEP restructuring were also provided.

In regards to sustainability it was noted that the company was still operating on a structural deficient, relying on use of reserves each year to meet its budget, this had implications for the future and therefore there was a number of issues that needed considering for the future in terms of how the LEP operated in a sustainable way moving forward.

In light of this, the Chief Executive would work with the Section 151 Officer and the Accountable Body to consider some of the issues highlighted to provide the Board with a sustainable financial strategy moving forward to address some of these issues.

It was agreed that for the next Board meeting a forecast to look at work projected, costs and how the gap could be bridged should be considered.

It was requested that clarity be provided to make it clear that the LEP was a dormant company and not trading in Appendix A. Thanks was extended to the Chief Executive and the Section 151 Officer on the SAGE advice they were providing.

Resolved: That the Lancashire Enterprise Partnership Board note:

- (i) The position on income and expenditure of the LEPs Operating Budget to October 2020 and changes to the forecast to year end March 2021.

- (ii) The end of year forecast of an in year deficit of £1,560,725 based on the use of retained reserves to fund the delivery of this years agreed budget plus the changes notified in this report.
- (iii) The estimated position at year end of available reserves of £912,284; and
- (iv) The Section 151 officer commentary on the operating budget position and its implications medium term financial strategy.

12. Governance and Committees Report

Andy Milroy, Senior Democratic Services Officer presented a report which contained LEP Governance updates and updates from all the LEP Committee meetings since the last LEP Board meeting.

In regards to current LEP Committee Vacancies an update had already been provided to Board members under Item 6.

Resolved: The Lancashire Enterprise Partnership Board noted the updates provided in this report in relation to Governance, urgent decisions taken since the last LEP Board meeting and the summary updates from the Committees of the Lancashire Enterprise Partnership as set out.

13. LEP Joint Scrutiny Committee

Laura Sales, Director of Corporate Governance presented a report to Board members on the LEP Joint Scrutiny Committee arrangements.

The scrutiny arrangements were last presented to the Board in September 2019. It was highlighted that scrutiny was one of the key aspects of the democratic accountability in the work the LEP did. Terms of reference had been drafted previously and the report was now presented to Board members to refresh the decision that was taken last year to allow the Chief Executive in consultation with the Chair to finalise the arrangements and arrange the first meeting. It was previously suggested all district councils would participate, however it had since been highlighted that this may cause practical difficulties so a different approach was being considered to make scrutiny more efficient and effective.

It was highlighted that scrutiny needed to be embraced as a positive process that would add value to the work of the LEP. A session was planned with district leaders and a conversation around scrutiny process was needed.

The report highlighted that a committee with 16 members may be impractical and proposed reducing the number of district council representatives to 6 who would then alternate on a yearly basis. Board members raised some concerns about this approach as it was felt that 12 months was not enough time for members to

fully understand the work of the LEP and therefore a longer term approach may be more suitable. It was suggested that the views of the Lancashire Leaders be sought to find an agreed way forward and a proposal be tabled for consultation.

The Chair commented that a happy medium needed to be found, possibly by keeping a number of people retained for longer on a rotational basis. It was acknowledged that the scrutiny process needed to commence quickly.

It was suggested that a representative from the private sector such as the Chambers of Commerce should also be considered to provide a broader outlook. A representative from one of the other chambers could provide a scrutiny role.

Resolved: The Lancashire Enterprise Partnership Board agreed to delegate authority to the LEP Chief Executive to:

- (i) Finalise the Joint Scrutiny Committee Terms of Reference, seeking approval from the LEP Accountable Body and by Lancashire Leaders;
- (ii) Identify an Independent Chairperson in agreement with the LEP Accountable Body and Lancashire Leaders; and
- (iii) Liaise with the LEP Company Secretary to arrange the first meeting of the new Joint Scrutiny Committee by the end of March 2021.

14. Any Other Business

Miranda Barker provided the Board with a brief update on positive input from Ministers Grant Snapp and Andrew Stevenson in terms of levelling up for the North and continued investment for HS2.

Councillor Stephen Atkinson provided an update on the Ministerial Task Force for Lancashire following a meeting with MP Paul Scully and the ongoing dialogue for Lancashire. The issue of business rates as part of the levelling up agenda and corporation tax were raised as the dialogue for the North continued.

15. Date of Next Meeting

It was noted that the next LEP Board meeting was scheduled to take place on 2 February 2021 at 4.30.pm.

16. Exclusion of the Press and Public

At this point the Lancashire Enterprise Partnership Board approved that the meeting move into Part II, Private and Confidential, to consider the remaining agenda items as they contained information defined as confidential or exempt in accordance with the relevant paragraph of Part I to schedule 12A to the Local

Government Act 1972 as set out in each report or presentation. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

17. Samlesbury Aerospace Enterprise Zone - Update

Chris Dyson, Lancashire County Council provided a private and confidential presentation to Board Members regarding the Samlesbury Aerospace Enterprise Zone.

Resolved: The Lancashire Enterprise Partnership Board welcomed the presentation and expressed its support for the Samlesbury Aerospace Enterprise Zone.

18. Growing Places Report - Ormskirk Court Hotel

Max Williams, Ormskirk Court Hotel and Ian Gill, Head of Growth Development, West Lancashire Borough Council provided a private and confidential presentation to Board Members regarding the Ormskirk Court Hotel.

Resolved: The Lancashire Enterprise Partnership Board:

- (i) Considered and approved in principle the Ormskirk Court Hotel Ltd request for a Growing Places Loan of £1,600,000 for eight years maximum at an interest rate of 4% over base;
- (ii) Delegated authority to the LEP Chief Executive to enter into negotiations to agree Heads of Terms with the developer, in consultation with the Accountable Body and Section 151 Officer; and
- (iii) Agreed that the finalised Heads of Terms be brought back to the board for final approval.