

Lancashire County Council

Scrutiny Committee

Friday, 8 June 2012 in Cabinet Room 'B', County Hall, Preston, at 10.30 am

Agenda

Part 1 (Open to Press and Public)

1. Apologies

2. Constitution: Chair and Deputy Chair; Membership; Terms of Reference of the Scrutiny Committee (Pages 1 - 10)

3. Disclosure of Personal and Prejudicial Interests

Members are asked to consider any Personal/Prejudicial Interests they may have to disclose to the meeting in relation to matters under consideration on the Agenda.

4. Minutes of the Meeting held on 11 May 2012 (Pages 11 - 16)

5. Economic Development (Pages 17 - 66)

6. Task Group Updates (Pages 67 - 72)

7. Recent and Forthcoming Decisions (Pages 73 - 74)

8. Workplan 2012/13 (Pages 75 - 82)

9. Urgent Business

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

10. Date of Next Meeting

The next meeting of the Scrutiny Committee will be held on Friday 6 July 2012 at 10am at the County Hall, Preston.

I M Fisher
County Secretary and Solicitor

County Hall
Preston

Agenda Item 2

Scrutiny Committee

Meeting to be held on 8 June 2012

Electoral Division affected: All

Scrutiny Committee: Chair and Deputy Chair, Membership, and Terms of Reference

(Appendix 'A' refers)

Contact for further information:

Claire Evans, 07917 836 698, Office of the Chief Executive

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Executive Summary and Recommendation

The Committee is asked: to note:

- i. The appointment of County Councillor P Britcliffe and County Councillor P Malpas as Chair and Deputy Chair of the Committee for the remainder of the 2012/13 municipal year;
- ii. The membership of the Committee following the County Council's annual meeting; and
- iii. The Terms of Reference of the Committee.

Background and Advice

The County Council at its annual meeting on 24 May 2012 agreed that the Committee shall comprise 13 County Councillors (on the basis of 8 Conservative members, 3 Labour members, 1 Liberal Democrat members and 1 Independent member). It was also agreed that nominations of County Councillors to serve on the Committee should be submitted to the County Secretary and Solicitor by the respective political groups.

The nominations for County Councillors to serve on the committee for the following year will be circulated at the meeting

The Full Council also appointed County Councillor P Britcliffe and County Councillor P Malpas as Chair and Deputy Chair of the Committee for the remainder of the 2012/13 municipal year.

A copy of the Committee's Terms of Reference is attached at Appendix 'A'.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no risk management implications arising from this item.

Local Government (Access to Information) Act 1985**List of Background Papers**

Paper	Date	Contact/Directorate/Tel
Full Council papers	24 May 2012	Janet Mulligan, Office of the Chief Executive, 01772 533361

Reason for inclusion in Part II, if appropriate

N/A

Appendix 'A'**Overview and Scrutiny**

By law, the Council must establish Overview and Scrutiny Committees and it has established the following Committees:

- Scrutiny Committee
- Health Scrutiny Committee
- Education Scrutiny Committee

These Committees work to deliver local public sector accountability. They are able to require the Council's decision-makers, as well as those of its key partners, to account for their decisions and actions.

The Committees are also a key mechanism for reviewing Council policies and services, as well as services delivered by other organisations in Lancashire.

If at any Overview and Scrutiny Committee meeting the party whip is to be applied, then it must be declared.

Summary

The three Overview and Scrutiny Committees shall comprise the number of County Councillors indicated below and such Co-optees as the Full Council shall determine at its Annual Meeting.

1. **Scrutiny Committee** (Thirteen County Councillors)

To review and scrutinise the decisions and actions of the County Council and external partners. The Committee will scrutinise the work and performance of any part of the County Council and its partners and the functions of the relevant Cabinet Members

To exercise the statutory functions in relation to the scrutiny of flood risk management

To exercise the statutory functions of a Crime and Disorder overview and scrutiny committee under the provisions of the Police and Justice Act 2006. For this purpose the Committee may choose to include co-opted members in accordance with the provisions of that act.

To exercise the statutory functions of an Overview and Scrutiny committee in relation to petitions under the Local Democracy Economic Development and Construction Act 2009 and in line with the council's published petitions scheme – see Appendix 'O' to the Constitution.

2. **Health Scrutiny Committee** (Thirteen County Councillors and twelve non-voting Co-opted district Members)

To review and scrutinise issues around public health and health inequalities. The Committee will review and scrutinise the work and performance of any relevant part of the County Council and its partners and the functions of the relevant Cabinet Members

To exercise the statutory functions of a health overview and scrutiny committee under the provisions of the National Health Service Act 2006. For this purpose the Committee shall include twelve non-voting Co-opted district council Members.

To consider and respond to petitions in accordance with the Council's petitions scheme – see Appendix 'O' to the Constitution.

3. **Education Scrutiny Committee** (Eighteen County Councillors and five voting Co-optees)

To review and scrutinise issues around education. The Committee will scrutinise the work and performance of any relevant part of the County Council and its partners and the functions of the relevant Cabinet Members.

The Committee shall include the statutory education Co-optees (five Co-optees comprising three Church representatives and two parent governor representatives) who shall have voting rights in relation to any education functions which are the responsibility of the Executive.

To consider and respond to petitions in accordance with the Council's petitions scheme – see Appendix 'O' to the Constitution.

The following Terms of Reference should be read in conjunction with the above summary.

Scrutiny Committee

1. To review decisions made, or other action taken, in connection with the discharge of any functions which are undertaken by the Cabinet collectively, the Leader, Deputy Leader or the relevant Cabinet Members or Cabinet committees
2. To make reports or recommendations to the Full Council, the Cabinet, the Leader, Deputy Leader or the relevant Cabinet Members or Cabinet committees with respect to the discharge of any functions which are undertaken by the Cabinet collectively, the Leader, Deputy Leader or the relevant Cabinet Members or Cabinet committees.

3. To review decisions made, or other action taken, in connection with the discharge of any functions which are not the responsibility of the Cabinet, except for decisions of the Regulatory Committee, the Development Control Committee, the Audit Committee, the Standards Committee, the Pension Fund Committee, the Corporate Complaints Committee and the Student Support Appeals Committee or any other committees of the Full Council as the Full Council may from time to time specify.
4. To make reports or recommendations to the Full Council or the Cabinet with respect to the discharge of any functions which are not the responsibility of the Cabinet.
5. In reviewing decisions (other than decisions designated as urgent under Standing Order 34(3)) made in connection with the discharge of any functions undertaken by the Cabinet collectively, the Leader, Deputy Leader or the relevant Cabinet Members or Cabinet committees, but which have not been implemented, the Committee may recommend that the decision be reconsidered by the person who made it or to refer the decision to the Full Council for it to decide whether it wishes it to be reconsidered by the decision taker. These rules do not apply to executive decisions which take the form of recommendations for final decision by the Full Council
6. To consider at its discretion as appropriate Forward Plans prepared by the Leader with a view to determining which, if any, of the proposed decisions it wishes to scrutinise.
7. To hold general policy reviews and to assist in the development of future policies and strategies (whether requested by the Full Council or the Cabinet, individual Cabinet members, Cabinet committees, or decided by the Committee itself) and, after consulting with any appropriate interested parties, to make recommendations to the Cabinet, individual Cabinet members, Cabinet committees or to the Full Council as appropriate.
8. To undertake reviews (whether requested by the Full Council, the Cabinet, the relevant Cabinet Members, Cabinet committees or decided by the Committee itself) and make recommendations to the Full Council, the Cabinet or the relevant Cabinet Members or Cabinet committees, as appropriate, on relevant services or activities carried out by external organisations which affect Lancashire or its inhabitants.
9. To consider any matter brought to it following a request by a County Councillor or a Co-optee of the Committee who wishes the issue to be considered.
10. The regular liaison and joint discussion of future policy issues with the Executive.

11. To consider requests from the other Overview and Scrutiny Committees on the establishment of task groups, and to establish Sub-Committees, task groups, and other working groups and panels as necessary, as well as joint committees to exercise the statutory function of joint health scrutiny committees under the NHS Act 2006
12. To determine which Committee considers a particular matter where this is not clear.
13. The co-ordination of Overview and Scrutiny training for County Councillors and Co-optees.
14. The facilitation of liaison with external bodies and neighbouring authorities as appropriate.
15. To invite to any meeting of the Committee and permit to participate in discussion and debate, but not to vote, any person not a County Councillor whom the Committee considers would assist it in carrying out its functions.
16. To require any Councillor, an Executive Director or a senior officer nominated by him/her, or the Director of the Lancashire County Commercial Group to attend any meeting of the Committee to answer questions and discuss issues.
17. To establish arrangements for the scrutiny of member development, and receive reports from the Member Development Working Group
18. To review and scrutinise the operation of the Crime and Disorder Reduction Partnership in Lancashire in accordance with the Police and Justice Act 2006 and make reports and recommendations to the responsible bodies as appropriate
19. In connection with 18. above, to require an officer or employee of any of the responsible bodies to attend before the Committee to answer questions
20. To co-opt additional members in accordance with the Police and Justice Act 2006 if required, and to determine whether those co-opted members should be voting or non-voting
21. To review and scrutinise the exercise by risk management authorities of flood risk management functions or coastal erosion risk management functions which may affect the local authority's area
22. To consider and respond to petitions in accordance with the Council's petitions scheme
23. To consider a matter referred to the County Council by a petition organiser if that person is dissatisfied with the County council's initial response, in accordance with the council's published petitions scheme

24. To arrange for a senior officer of the Council to attend if requested by a petition received meeting the requirements set out in the Council's petitions scheme.

Education Scrutiny Committee

1. To review decisions made, or other action taken, in connection with the discharge of any relevant functions undertaken by the Cabinet collectively, or the relevant Cabinet Members or Cabinet committee.
2. To make reports or recommendations to the Full Council, the Cabinet or the relevant Cabinet Members or Cabinet committee with respect to the discharge of any functions undertaken by the Cabinet collectively or the relevant Cabinet Members or Cabinet committee.
3. In reviewing decisions (other than decisions designated as urgent under Standing Order 34(3)) made in connection with the discharge of any relevant functions undertaken by the Cabinet collectively or the relevant Cabinet Members or Cabinet committee, but which have not been implemented, the Committee may recommend that the decision be reconsidered by the person who made it or to refer the decision to the Full Council for it to decide whether it wishes it to be reconsidered by the decision taker.
4. To consider at its discretion as appropriate Forward Plans prepared by the Leader with a view to determining which, if any, of the proposed decisions it wishes to scrutinise.
5. To hold general policy reviews and to assist in the development of future policies and strategies (whether requested by the Full Council, the Cabinet, the relevant Cabinet Members, Cabinet committee or decided by the Committee itself) and, after consulting with any appropriate interested parties, to make recommendations to either the Cabinet, the relevant Cabinet Members, Cabinet committee or to the Full Council as appropriate.
6. To fulfil all the statutory functions of an Overview and Scrutiny Committee as they relate to education functions of a Children's Services Authority.
7. To undertake reviews (whether requested by the Full Council, the Cabinet, the relevant Cabinet Members, Cabinet committee or decided by the Committee itself) and make recommendations to the Full Council, the Cabinet, Cabinet committee or the relevant Cabinet Members, as appropriate, on relevant services or activities carried out by external organisations which affect Lancashire or its inhabitants.
8. To consider any relevant matter referred to the Committee by the Scrutiny Committee following a request by a County Councillor or a Co-optee of the Committee who wishes the issue to be considered.

9. To request that the Scrutiny Committee establish sub-committees, task groups and other working groups and panels as necessary.
10. To invite to any meeting of the Committee and permit to participate in discussion and debate, but not to vote, any person not a County Councillor whom the Committee considers would assist it in carrying out its functions.
11. To require any Councillor who is a member of the Cabinet, the appropriate Executive Director or a senior officer nominated by him/her, or the Director of the Lancashire County Commercial Group to attend any meeting of the Committee to answer questions and discuss issues.
12. To recommend the Full Council to co-opt on to the committee persons with appropriate expertise in the relevant education matters, without voting rights
13. To recommend to the Scrutiny Committee appropriate training for members of the Committee on education related issues.
14. To consider and respond to petitions in accordance with the Council's petitions scheme.

Health Scrutiny Committee

Note: The Committee shall, for the purpose of exercising its statutory functions of a health overview and scrutiny committee, comprise twelve non-voting district council Members

1. To review decisions made, or other action taken, in connection with the discharge of any relevant functions undertaken by the Cabinet collectively, or the relevant Cabinet Members or Cabinet Committee.
2. To make reports or recommendations to the Full Council, the Cabinet or the relevant Cabinet Member or Cabinet committee with respect to the discharge of any relevant functions undertaken by the Cabinet collectively or the relevant Cabinet Member or Cabinet committee.
3. In reviewing decisions (other than decisions designated as urgent under Standing Order 34(3)) made in connection with the discharge of any relevant functions undertaken by the Cabinet collectively or the relevant Cabinet Member or Cabinet committee, but which have not been implemented, the Committee may recommend that the decision be reconsidered by the person who made it or to refer the decision to the Full Council for it to decide whether it wishes it to be reconsidered by the decision taker.
4. To consider at its discretion as appropriate Forward Plans prepared by the Leader with a view to determining which, if any, of the proposed decisions it wishes to scrutinise

5. To hold general policy reviews and to assist in the development of future policies and strategies (whether requested by the Full Council, the Cabinet, the relevant Cabinet Member, Cabinet committee or decided by the Committee itself) and, after consulting with any appropriate interested parties, to make recommendations to either the Cabinet, the relevant Cabinet Member, Cabinet committee or to the Full Council as appropriate.
6. To review and scrutinise any County Council services planned or provided as part of the Council's wider responsibility to seek health improvements and reduce health inequalities for Lancashire and its inhabitants, and to make recommendations to the Full Council or the Cabinet or Cabinet committee, as appropriate.
7. To review and scrutinise local services planned or provided by other agencies which contribute towards the health improvement and the reduction of health inequalities in Lancashire and to make recommendations to those agencies, as appropriate.
8. To review and scrutinise the operation of NHS services in Lancashire in accordance with the National Health Service Act 2006 and make reports and recommendations to NHS bodies as appropriate, and in the case of contested NHS proposals for substantial service changes to refer the matter to the relevant Secretary of State.
9. To refer to the relevant Secretary of State any NHS proposal which the Committee feels has been the subject of inadequate consultation.
10. To scrutinise the social care services provided or commissioned by NHS bodies exercising local authority functions under Section 31 of the Health Act 1999.
11. To request that the Scrutiny Committee establish as necessary joint working arrangements with district councils and other neighbouring authorities.
12. To draw up a forward programme of health scrutiny in consultation with other local authorities, NHS partners, the Local Involvement Network (LINK) and other key stakeholders.
13. To respond as appropriate to referrals on relevant matters from the Local Involvement Network (LINK).
14. To consider any relevant matter referred to the Committee by the Scrutiny Committee following a request by a County Councillor or a Co-optee of the Committee who wishes the issue to be considered.
15. To request that the Scrutiny Committee establish sub-committees, task groups and other working groups and panels as necessary.
16. To require the Chief Executives of local NHS bodies to attend before the Committee to answer questions, and to invite the chairs and non-

executive directors of local NHS bodies to appear before the Committee to give evidence.

17. To invite any officer of any NHS body to attend before the Committee to answer questions or give evidence.
18. To invite to any meeting of the Committee and permit to participate in discussion and debate, but not to vote, any person not a County Councillor whom the Committee considers would assist it in carrying out its functions.
19. To recommend the Full Council to co-opt on to the Committee persons with appropriate expertise in relevant health matters, without voting rights.
20. To require any Councillor who is a member of the Cabinet, the appropriate Executive Director or a senior officer nominated by him/her, or the Director of the Lancashire County Commercial Group to attend any meeting of the Committee to answer questions and discuss issues.
21. To recommend to the Scrutiny Committee appropriate training for members of the Committee on health related issues
22. To consider and respond to petitions in accordance with the Council's petitions scheme.

Lancashire County Council

Scrutiny Committee

Minutes of the Meeting held on Friday, 11th May, 2012 at 10.00 am in Cabinet Room 'B' - County Hall, Preston

Present:

County Councillors

T Aldridge	P Malpas
S Chapman	D O'Toole
Mrs F Craig-Wilson	Mrs L Oades
C Crompton	V Taylor
M Devaney	D Westley
K Ellard	B Winlow

County Councillor T Aldridge replaced County Councillor J Hanson for this meeting only.

County Councillor J Mein attended the meeting in accordance with Standing Order No. 19(1).

1. Apologies

Apologies for absence were received from County Councillor J Shedwick.

2. Disclosure of Personal and Prejudicial Interests

None were received.

3. Minutes of the Meeting held on 13 April 2012

Resolved: That, the minutes of the meeting held on 13 April 2012 be confirmed and signed by the Chair.

4. Urgent Business - Street Lighting

This item had been accepted as urgent by the Chair on the grounds that the Committee was due to receive an update report from Electricity North West (ENW) on Street Lighting. However, in light of recent changes to the provision of street lighting in Lancashire it was felt that the Committee should receive an update from the County Council on this matter.

The Chair welcomed Shaun Capper, Assistant Director Environmental Services - South, and Martin Dunwell, Design Group Manager North, to the meeting.

The Committee was informed that for a significant length of time, the council had been working towards opening up the market for the provision of street lighting connection services with accredited independent connection providers (ICP). As of 23 April 2012, the council had developed a contract with a number of ICPs to carry out such work on Lancashire's network of street lights. It was hoped that the benefits of such a move would provide the council with greater and tighter control of connection work to be done by working directly with ICPs effectively acting as the council's sub contractors, rather than through the electricity companies. It was also hoped that the council would save an estimated 15-40% on costs. Officers re-iterated that the council had only entered into the new arrangements two weeks ago and that the new arrangements were still in their infancy.

Councillors were invited to ask questions and raise any comments in relation to the new arrangements, a summary of which is provided below:

- One councillor asked if the new arrangement would improve the time taken to make connections. The Committee was informed that through a new commissioning process and improved work programming, the council would know in advance when work was scheduled so that planning work could be done in advance. It was highlighted that this new arrangement provided much tighter control that the council did not have with ENW under previous arrangements.
- A question was asked in relation to how much the council would save with the new arrangement. It was reported that depending on the type of work to be carried out the council could save between 15 and 40%. On how much the council spent in any given year for connection work, the Committee was informed that depending on the work programme for the year the council would spend somewhere in the region of £500K to £750K.
- Councillors were pleased to hear of the new arrangements and asked whether there were any penalties in place if there were any delays with connections to be carried out by ICPs. The Committee was informed that performance was measured through the Guaranteed Standards of Performance (GSOP) which had transferred from the Electricity companies to the ICPs. For example; for the connection of a new single unit a maximum of 35 working days had been imposed with a penalty charged imposed for failure to carry out the work every day after that. Whilst it was acknowledged that this was a nationally set timescale, councillors expressed concerns that 35 days represented too great a timescale.
- Councillors also queried the length of time taken to rectify faults on the network. It was reported that faults would still be managed by ENW and that the guaranteed standards of service would still apply. A threshold of 20 working days applied to all faults.
- Councillors asked if ICPs would take over responsibility for the council's programme of re-lamping and whether the use of LED lighting would become the standard for all replacements – in particular on new housing developments. The Committee was informed that the council's Highways Service would continue to be responsible for the re-lamping programme. On LED lighting, councillors were informed that wherever appropriate the council would look to fit or specify the use of LEDs. However, the

Committee noted that conventional lighting sources may still be required on larger/main roads as the illumination factor of LEDs would not be strong enough for such a purpose. The Committee was informed that LEDs were manufactured to light up relatively narrow roads. One councillor suggested that perhaps the implementation of 20mph zones should be a consideration for when planning for street lighting on new housing developments irrespective of road width/type.

- A question was asked in relation to whether ICPs could sub-contract work out to companies whom the council had no working relationship with and whether there would be an element of 'cherry picking' from the list of ICPs. It was reported that contracts were not able to be sub-contracted out. The new arrangements would mean that if the first ICP could not meet the requirements of the council then other ICPs would be approached to carry out the work instead.

Overall, councillors welcomed the efficiencies that the new arrangements would have on street lighting connections. It was suggested that an update report be provided to the Committee.

Resolved: That;

- i. The report be noted;
- ii. An update report on Street Lighting and Independent Connection Providers be presented to the Committee in six to nine months.

5. Task Group Updates

The Committee received an update on current task groups and their proposed completion dates. It was hoped that the final report of the Arts Funding task group would be presented to the Committee at its meeting in June.

Some discussion was had at the meeting regarding the Member Development Working Group and the development of training programmes for councillors for 2012/13. In particular, it had been highlighted that only a small number of councillors had been trained to sit on those Committees which required mandatory training such as the Development Control Committee. It was hoped that the training programmes for councillors would identify additional reserves which would greatly assist the Group Secretaries in appointing temporary replacements for future meetings of those Committees.

A question was asked in relation to how long a trained councillor's knowledge would be valid for especially in view of any changes in law. Concern was also raised that there could be a considerable time gap between councillors receiving the training and attending a meeting as a replacement. The Chair of the working group agreed to look in to the matter further.

Resolved: That the update on existing task groups be noted.

6. Recent and Forthcoming Decisions

The committee considered recent relevant decisions made and also forthcoming decisions including those set out in the current Forward Plan.

Resolved: That the report be noted.

7. Workplan 2012/13

County Councillor J Mein attended the meeting and was given permission to speak by the Committee on this item in accordance with Standing Order No. 19(1).

The workplan for the committee was presented. As this was the final meeting in the council year, the Chair invited councillors to suggest topics for future scrutiny in 2012/13. The following topics were suggested by councillors:

- One councillor expressed disappointment that the Highways Agency (HA) were not attending the full meeting of this Committee. It was explained that, whilst it was the committee's preference for this to be the case, it had not been possible to arrange, and a separate meeting with the HA had therefore been agreed, which would allow councillors to scrutinise the service.
- On the "Who Cares?" task group report, councillors requested that a final response to the recommendations be added to the workplan for June/July 2012. Councillors also requested that a copy of the final report of the task group be deposited with the Centre for Public Scrutiny (CfPS) provided that any factual errors were checked and corrected beforehand.
- In relation to changes on welfare benefits and the impact on the council, one councillor requested that a future item regarding Adult Social Care be put on the workplan. The Chair highlighted that any such item would need to be specific as the suggestion related to the terms of reference for the Health Scrutiny Committee.
- Councillors suggested that further information on the current position in relation to the arrangements for subsidies for bus services in Lancashire would be beneficial for the committee to consider.

Other matters proposed for the Committee's workplan included; child sexual exploitation, corporate property, the Lancashire County Commercial Group and Adult Social Care commissioning.

Some discussion was also had at the meeting on preparation for the crime and disorder themed meeting on 6 July 2012.

Resolved: That;

- i. The report be noted;

- ii. A report on the "Who Cares?" task group be put on the workplan for June/July 2012
- iii. A copy of the final report of the "Who Cares?" task group be deposited with the Centre for Public Scrutiny (CfPS) provided that any factual errors are checked and corrected beforehand
- iv. The topics suggested by councillors as outlined in the minutes be considered by the Chairs and deputies of the three Scrutiny Committees at their meeting to determine their respective workplans for 2012/13.

8. Date of Next Meeting

It was noted that the next meeting of the Committee will be held on 8 June 2012 at 10:00am at County Hall, Preston.

I M Fisher
County Secretary and Solicitor

County Hall
Preston

Scrutiny Committee

Meeting to be held on 8 June 2012

Electoral Division affected: None

Economic Development

(Appendices A and B refer)

Contact for further information:

Josh Mynott (01772) 534580, Office of the Chief Executive,
josh.mynott@lancashire.gov.uk

Executive Summary

This report updates the Committee on further progress made to deliver the County Council's economic development priorities, as reported to cabinet in April and May 2012.

Recommendation

That the Committee note the report and comment as appropriate

Background and Advice

The Scrutiny Committee, at its meeting on 9 December 2011, received a report which highlighted developments with Lancashire County Developments Limited (LCDL), and some of the key achievements by the Economic Development Service. An update was requested after 6 months.

The Cabinet at its meetings in April and May 2012, considered extensive update reports on economic development activities, which are attached as Appendices A and B to this report. These reports are now presented to the Scrutiny Committee for consideration.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risk management implications.

Local Government (Access to Information) Act 1985
List of Background Papers

Paper	Date	Contact/Directorate/Tel
Cabinet Agenda and Minutes	10 May 2012	Dave Gorman, Office of the Chief Executive, 01772 534261

Reason for inclusion in Part II, if appropriate

N/A

Cabinet – 5 April 2012

Report of the Chief Executive

Electoral Division affected: 'All'

Economic Development Update

(Appendix 'A' refers)

Contact for further information:

Martin Kelly, (01772) 536197, Office of the Chief Executive,
martin.kelly@lancashire.gov.uk

Executive Summary

In May 2010, the County Council agreed a new Economic Development Strategy, which is pro-growth, and has refocused its economic delivery service (Lancashire County Developments Limited - LCDL) to deliver agreed priorities.

Significant levels of economic development resource are channelled via LCDL. However, the County Council has also made additional financial provision to establish a £12m economic development capital programme to bring forward new strategic development opportunities. The recent acquisition of Cuerden, a major development site, has been made possible by the new programme.

The County Council's Budget agreed in February also approved a further £10m investment in economic development and infrastructure projects and £10m to increase apprenticeships, skills and employment opportunities for Lancashire residents.

The County Council has also been responsible for new infrastructure initiatives which will improve the long-term performance of the local economy. The recently agreed £130m superfast broadband initiative will provide a real competitive advantage, stimulating business growth and helping to attract new investors to Lancashire. Similarly, the County Council's Strategic Property Regeneration initiative has been designed to support the delivery of key economic objectives.

The County Council continues to invest in local businesses. The Rosebud fund, operated by LCDL, has made over 140 loans to local businesses, and will look to invest a further £2m in 2012/13 in high growth local companies. The County Council will continue to respond to major investment opportunities that will help secure new private sector jobs and investment. The County Council's recent investment in Silentnight has helped create 140 new jobs, secure a further 500 existing posts, and bring forward a new investment programme to establish Barnoldswick as the company's national HQ.

The County Council has also been the driving force behind the establishment of the Lancashire Enterprise Partnership (LEP), formally approved by the Government in April 2011. The LEP is facilitating closer working between business leaders, local councils and universities to stimulate the local economy and create new jobs and investment. Early successes include the Lancashire Enterprise Zone and the development of a Growing Places investment programme which will lever £180m of public/private investment and generate 3,000 new jobs.

The County Council has clearly been instrumental in shaping a new economic agenda for Lancashire. This report provides an overview of recent developments, whilst highlighting further economic initiatives which will be submitted to Cabinet in the coming months.

Recommendations

Cabinet is asked to:

- (i) Note the progress the County Council has made in shaping a new economic agenda for Lancashire;
- (ii) Welcome the 2012/13 Business Plan of Lancashire County Developments Limited, as set out at Appendix 'A';
- (iii) Authorise the Chief Executive and County Secretary and Solicitor, in conjunction with the Leader of the County Council, to finalise the delivery arrangements for the Lancashire Enterprise Zone with BAE Systems and other key partners;
- (iv) Approve funding support of £507,000 from the Economic Development and Infrastructure Budget to support the Growing Autonomous Systems Mission Management (GAMMA) Programme, as set out in section 5 of this report; and
- (v) Authorise the Chief Executive and Director of Economic Development to agree yearly employment and business start-up targets with the North West Aerospace Alliance, as part of the GAMMA funding agreement.

Background and Advice

- 1.1 In May 2010, the County Council agreed a new Economic Development Strategy focused on unlocking growth opportunities in Lancashire. This new framework and approach has guided the refocusing of the economic development service, which includes Lancashire County Developments Limited (LCDL).
- 1.2 The commitment to reshaping a new local economic agenda has been evidenced by leadership in establishing the Lancashire Enterprise Partnership (LEP), and the scale of new and existing financial resources dedicated to delivering economic growth, business investment and jobs.
- 1.3 The remainder of this report seeks to highlight the progress made in delivering agreed economic development objectives.

2. Lancashire County Developments Limited

- 2.1 In 2011, Lancashire County Developments Limited (LCDL) was restructured into two distinct teams - Strategic Development and Business Growth - as part of the County Council's wider Economic Development Service. The purpose of the restructure was to ensure the company has the project management capacity to achieve the objectives established within the Council's Economic Development Strategy.
- 2.2 The core remit of the Strategic Development Team is to support private and public sector partners in bringing forward major physical investment and development activity. Priority actions include supporting and/or leading the delivery of key strategic developments, including Cuerden, Preston City Centre, Skelmersdale Town Centre, Heysham Gateway and Lancaster Science Park.
- 2.3 Over the coming year, a major partner will be secured to develop the first phase of the recently acquired 65Ha Cuerden site, with masterplanning complete and planning agreed by early 2013. This will establish Cuerden as one of the region's premier business locations.
- 2.4 With regard to Skelmersdale Town Centre, the team is working with St Modwen (the lead developer) to deliver an investment programme that will generate 500 new jobs. The team is also working to ensure the County Council's Youth Zone is an integral element of the Town Centre regeneration strategy.
- 2.5 The team is working with Preston City Council and private developers to define a clear investment strategy for the City Centre, whilst ensuring major transport measures and public realm improvements help to unlock key development opportunities. Work is also underway with the University of Central Lancashire (UCLAN) to integrate proposed new developments within the new City Centre development framework.
- 2.6 Heysham Link is the catalyst for economic development along the Heysham Corridor. The team is working with Lancaster City Council to maximise the economic benefit of the Link and developing an economic masterplan with private sector partners to help realise the potential of the Heysham Port area.
- 2.7 The team is also working with Lancaster University and the City Council to develop and bring forward Lancaster Science Park. Work undertaken by the team indicates strong developer interest in this key opportunity.
- 2.8 The strengths and complementary offers of Edge Hill University, Lancaster University and UCLAN are fully understood, in terms of supporting and delivering the county's growth ambitions. To this end, strategic relationships have been renewed and enhanced with each institution over the last year.
- 2.9 The Strategic Development Team is also responsible for ensuring LCDL's £40m property portfolio is capable of delivering key economic outcomes. The

redevelopment of Lancashire Business Park, severely damaged by fire before Christmas, will be a key priority over the coming year.

- 2.10 The Business Growth Team is designed to deliver projects capable of unlocking the growth of high value sectors and companies (especially in the advanced manufacturing and energy sectors), and the commercial potential of Lancashire's university cluster, with a particular focus on promoting innovation and technology spin-outs. The Cabinet meeting in May will receive a more detailed report on proposals to support innovative high growth businesses in Lancashire.
- 2.11 The County Council continues to invest in local businesses. The Rosebud fund, operated by LCDL has made over 140 loans to local businesses, and will look to invest a further £2m in 2012/13 in high growth local companies. A recent review of Rosebud has also been undertaken to ensure a consistent fit with Lancashire's priority growth sectors.
- 2.12 The County Council will also continue to respond to major investment opportunities that will help secure new private sector jobs and investment. The approach is exemplified by the recent investment in Silentnight to help create 140 new jobs, securing a further 500 existing posts, and delivering a new investment programme to establish Barnoldswick as the company's national HQ.
- 2.13 Early work is also underway on developing a Lancashire Investment Fund, which could include Rosebud and Pension Funds and banking and business finance, to promote and support major economic development and infrastructure projects in Lancashire.
- 2.14 The new LCDL Business Plan for 2012/13 was agreed by the LCDL Board on 8 March. The Business Plan, which is attached at Appendix 'A', provides further analysis and commentary on the delivery of key economic priorities over the coming year.

3. Lancashire Enterprise Partnership

- 3.1 The LEP was approved by Government in April 2011 and held its first meeting in May at which it appointed Edwin Booth, Chairman of Booths, as its Chair.
- 3.2 Although the LEP is a wholly-owned company of the County Council, its Board is private sector-led, with representatives from Lancashire's major employers including Toshiba-Westinghouse UK, BAE Systems, Enterprise PLC, BT and Capita Symonds. The Higher Education (HE) sector and the Small and Medium Enterprise (SME) community are also represented alongside a small number of local authority leaders.
- 3.3 Since its first meeting, the LEP has made strong progress and is recognised as one of the leading LEPs in England. In its first year, the LEP has achieved Enterprise Zone status for Lancashire and developed and endorsed five successful Regional Growth Fund (RGF) bids. The LEP has also established an investment framework to manage and deliver Lancashire's £13m Growing

Places Fund (GPF), increased by a further £6m as a result of the Chancellor's recent Budget announcements.

- 3.4 The LEP has also commissioned a high level strategic economic review to determine its strategic economic priorities. The findings of this analysis were agreed by all key partners. Key priorities include Skills, Inward Investment and Strategic Developments, Innovation, Supply Chain and Sector Developments and Business Support. A private sector Board Champion has been appointed to each priority to drive forward activity.
- 3.5 The strategic economic review also established a set of guiding principles which will form the basis of the LEP's investment decisions. The LEP has also adopted a commercial pro-growth approach ensuring the benefits of these economic priorities and investments are spread across Lancashire. The LEP will lobby and raise the profile nationally of Lancashire's economic base and assets, especially as a national centre for advanced manufacturing.
- 3.6 The LEP has also established a SME Advisory Panel to reflect the challenges and issues faced by Lancashire's significant SME community in an effort to influence and interpret national policy.
- 3.7 The LEP has a dedicated website to communicate its activities and the site will become more visible and content-rich in the coming weeks. To view the website visit www.lancashirelep.co.uk

4. Lancashire Enterprise Zone

- 4.1 The LEP has successfully secured Enterprise Zone (EZ) status for BAE Systems' Samlesbury and Warton sites. Announced by the Chancellor in November 2011, the EZ is 147Ha in size and is focused on attracting and securing international investment in the advanced engineering and manufacturing (AEM) sector.
- 4.2 It is anticipated that an estimated 80 businesses will be attracted over the lifetime (25 years) of the Zone, creating between 4,000 and 6,000 high value jobs. Officially 'open for business' from the 1 April 2012, the EZ will not displace local companies but will instead help strengthen and develop Lancashire's existing AEM supply chain attracting inward investment and supporting business start-up and knowledge transfer activity.
- 4.3 Government has identified a number of tools available to LEPs to deliver their EZs. These include 100% business rate relief subject to a maximum of £55,000 per annum for five years, provision of superfast broadband and the introduction of simplified planning processes through the implementation of Local Development Orders (LDOs) to provide investing businesses with certainty and confidence.
- 4.4 EZ status was awarded almost 9 months after other EZs nationally. Despite this, Lancashire is one of the first to have a LDO approved by the Secretary of State and in place by 1 April. This has been achieved through close working between the County Council and the three local planning authorities of Fylde,

Ribble Valley and South Ribble. The first LDO covers a parcel of land at the Samlesbury site. The second LDO, covering land at Warton, is expected to be agreed by the end of May. Master-planning of both the Samlesbury and Warton sites has recently commenced and will be completed by late 2012.

- 4.5 Early interest has been generated from a number of international companies considering the EZ as a location for their business. These companies are not only new to the North West but in most cases, the UK. BAE and the County Council are holding key meetings with each of the prospective investors.
- 4.6 Detailed work is also underway between the County Council, BAE Systems, UCLAN and key partners to develop a proposal to establish a national centre for supply chain development at Samlesbury. This centre would support the growth of the AEM sector in Lancashire and the wider region.
- 4.7 The detailed management and operational arrangements to support the delivery of the EZ are currently being finalised with BAE Systems. Approval is sought for the Chief Executive and County Secretary and Solicitor, in conjunction with the Leader of the County Council, to conclude on-going negotiations, on behalf of the County Council.

5. Regional Growth Fund

- 5.1 The Regional Growth Fund (RGF) is a £1.4bn fund operating across England from 2011 to 2014. The Chancellor, in the Autumn Statement, announced a further £1bn of investment into the fund and extended its lifetime to 2015.
- 5.2 RGF supports projects and programmes that lever private sector investment to create economic growth and sustainable employment. It aims particularly to help those areas and communities currently dependent on the public sector to make the transition to sustainable private-sector led growth and prosperity.
- 5.3 Lancashire was unsuccessful in the first round of bidding, as the LEP was not in place to guide or endorse the development of local proposals. However, the LEP was fully operational for Round 2 and endorsed 9 Lancashire bids, of which five were successful. Two of the successful bids were private sector investment in new advanced manufacturing plant and machinery facilities and three of the successful bids were programme and infrastructure bids which will support the LEP's economic priorities, including:
 - Accelerating Business Growth in Lancashire Programme – the £37.5m programme, which secured £7.5m RGF, will support companies with high-growth potential within Lancashire's AEM supply chain to overcome barriers to investment, creating and safeguarding 3,792 direct jobs and create and safeguard a further 2,000 indirect jobs;
 - Todmorden Curve and Weavers Triangle – £8.5m programme which will see the reinstatement of the Todmorden Curve to create a fast and direct rail link between Burnley and Manchester, whilst also enabling the redevelopment of the Weavers Triangle. The programme will create 130 direct jobs, safeguard 140 direct jobs and create/safeguard 760 indirect jobs;

- Growing Autonomous Systems Mission Management (GAMMA) Programme – the £9m programme, which secured £4.5m RGF, led by the North West Aerospace Alliance (NWAA) in partnership with BAE Systems and leading universities in the North West will create over 200 direct and indirect jobs as well as supporting increased investment in SMEs. It will also deliver high value sustainable employment within the AEM and science-prioritised sectors through the development of autonomous system technologies.
- 5.4 With regard to the GAMMA, the EZ at Warton is expected to become a focal point for new jobs and business growth, as the programme seeks to commercially exploit the research and development activities of BAE Systems.
- 5.5 Therefore, it is proposed that the County Council invests £507,000, to secure the funding package that has been put in place, and ensure Lancashire benefits from the economic outcomes generated by this initiative.
- 5.6 Subject to Cabinet approval, the £507,000 would be made available to the NWAA over the period 2012/13 to 2014/15, in line with the following financial profile: 2012/13 - £174,000; 2013/14 - £177,000; 2014/15 - £156,000. However, the County Council's funding support would be subject to the delivery of employment and business start-up targets agreed with the NWAA.
- 5.7 Work is currently underway on identifying and developing RGF Round 3 bids, which will support the delivery of agreed economic objectives, by the submission deadline of 13 June.

6. Growing Places Fund

- 6.1 The Growing Places Fund (GPF) is a £500m capital fund, from which the LEP was allocated an initial £13,090,450. This was one of the largest allocations awarded nationally.
- 6.2 The purpose of the fund is to address immediate infrastructure, site and other constraints to unlock jobs, development and/or housing growth. It will also allow LEPs to prioritise infrastructure schemes to deliver local economic priorities. However, it is not gap funding; monies invested in schemes must be repaid to the LEP as a sustainable revolving fund will be established to reinvest against future schemes to unlock further development.
- 6.3 On behalf of the LEP and under the guidance of the LEP's Board Champion for Inward Investment and Strategic Developments, County Council officers managed a robust and transparent process to identify schemes which were suitable for GPF investment. A total of 17 schemes requesting £30m of GPF investment were received. The Board agreed that the ability of schemes to recycle investments and unlock economic growth quickly would be the key principles on which the LEP would base its investment decisions.

- 6.4 Following detailed analysis of all schemes, projects were categorised on their ability to meet the LEP's GPF criteria. Schemes were assigned into one of three GPF priority categories. The priorities identified were:
- GPF Priority 1 – able to access GPF immediately and payback quickly;
 - GPF Priority 2 – potentially able to access GPF in 2012/13 subject to the provision of further detail on project delivery and payback mechanisms; and
 - GPF Priority 3 – potentially able to access GPF at a later stage.
- 6.5 The schemes and proposed GPF investment identified within Priority 1 total £7m and leverage approximately £95m of other investment. In addition, it is anticipated they will generate 1,550 jobs and support the building of 577 new housing units:
- Burnley Bridge: Highways Access – £2m
 - Edge Hill University: Phase 1 Expansion – £1m
 - Luneside East: Land Remediation – £4m
- 6.6 The schemes and proposed GPF investment identified within Priority 2 total £5.75m and leverage approximately £79m of other investment. In addition, it is anticipated they will generate 1,500 jobs and support the building of 20 new homes:
- Weaver's Triangle: Slater's Terrace Development – £2m
 - Lancaster Science Park: Highways Access and Infrastructure – £3m
 - Rossendale Valley Centre: Site Assembly – £750,000
- 6.7 The schemes and proposed GPF investment identified within Priority 3 total £20.1m:
- Cuerden: Development Costs – £2m
 - Hillhouse Business Park: Infrastructure – £3m
 - Former Michelin Site: Commercial Development – £1m
 - Junction 7 Business Park: Site Remodelling and Development – £1m
 - Whitebirk: Phase 1 Access and Infrastructure – £2m
 - Botany Bay/Great Knowley: Commercial Development – £2.2m
 - Broughton Roundabout: Capacity Enhancements – £1.5m
 - Corporation Street (Preston): Corridor Enhancements – £500,000
 - Burnley Knowledge Park: Access and Infrastructure – £1m
 - Skelmersdale Town Centre: Housing Remodelling – £1.7m
 - Heysham Gateway: Site Assembly – £3.2m
 - Blackburn Knowledge Zone: Access and Infrastructure – £1m
- 6.8 Schemes in Priority 3 can access future recycled funds, if they demonstrate their ability to meet agreed criteria. They also have the potential to unlock significant levels of other investment and jobs/housing outputs, which will be clarified as further work with Scheme Sponsors is undertaken.

- 6.9 Schemes have been categorised on their ability to deliver against the Board's GPF principles. They are not ranked in terms of their strategic importance alone.
- 6.10 It is recognised that schemes currently falling into Priorities 2 and 3 may move up or down dependent upon the scheme's ability to resolve outstanding issues.
- 6.11 However, it is also acknowledged that new schemes may be presented to the LEP in the future which may or may not be more suitable for GPF consideration. It should also be recognised that speedy progress on Priority 1 schemes will allow funds to be repaid quickly and made available for additional projects.
- 6.12 In addition, the County Council is also prepared to consider providing further investment support to supplement the GPF pot, if it believes it would act as a catalyst to delivering projects more quickly. Work will continue to be undertaken by the County Council and scheme sponsors to progress existing and new schemes to establish a pipeline of key developments.
- 6.13 As noted above, following the Chancellor's recent budget, Lancashire has received a further GPF allocation of £6.3m.

7. Skills

- 7.1 The County Council's Skills Framework was agreed in September 2011, and a Skills Implementation Plan has been developed including targets to increase the percentage of the Working Age Population (WAP) with at least Level 2 qualifications, as well as increasing the percentage of the WAP with Level 4 qualifications. In addition, a significant element of the Skills Implementation Plan contains a focus on tackling the issue of those 'not in education and training' (NEET) and wider youth unemployment.
- 7.2 Work is currently underway to develop a corporate NEET Strategy to inform future activity. A more detailed plan, with project proposals, will be reported to the Cabinet meeting in May. Progress against the Skills Implementation Plan will also be reported to Cabinet in September.
- 7.3 Substantial activity is also being developed in support of the County Council's apprenticeship programme, which is already acknowledged as a national exemplar. The Council has created and secured over 800 apprenticeships over the last five years. In 2011 alone, the Council generated over 300 apprenticeships within Lancashire schools, and in late 2011, as part of a Lancashire-wide "100 apprentices in 100 days" campaign with the National Apprenticeship Service, the Council and its business partners generated 140 apprenticeships.
- 7.4 Work is underway to develop and enhance existing apprenticeship programmes, develop new programmes in business sectors with specialist demands, whilst looking to ensure Lancashire residents, and especially those in greatest need, to have maximum access to the opportunities created.

- 7.5 The May meeting of Cabinet will be asked to consider more detailed reports on new and enhanced apprenticeship and skills packages, within the context of new national provision for young people and adults.

8. Inward Investment

- 8.1 In May 2011, the Government's international trade agency, UKTI, awarded the contract to deliver foreign direct investment (FDI) services in the UK to PA Consulting, with the British Chambers of Commerce and OCO Global acting as sub-contractors.
- 8.2 Collectively these are known as the UKTI Investment Services Team (IST). Working with local partners, including LEPs, the team is responsible for co-ordinating and managing the delivery of FDI support for the UK with foreign direct investors, as well as working with existing overseas investors in the UK on expansion and retention opportunities (Investor Development).
- 8.3 At the December meeting of the LEP Board, it was agreed that the County Council would sign a Memorandum of Understanding (MoU) on behalf of the LEP with UKTI. The purpose of the MoU is to ensure an integrated approach between the national and local delivery arrangements in terms of inward investment and investor development.
- 8.4 Within the MoU, Regenerate Pennine Lancashire and Blackpool Bay Company are identified as local delivery organisations. Work is currently underway to agree new ways of working to ensure Lancashire is capable of competing for new inward investors. The County Council is developing a compelling proposition in those sectors in which it has a competitive advantage globally. In addition, the MoU has been drafted to reflect Lancashire's EZ offering. This will ensure the EZ is actively promoted by UKTI in international markets.

9. Superfast Broadband

- 9.1 The County Council has selected BT to deliver the roll-out of superfast broadband across Lancashire by the end of 2014. This ambitious £130m programme will see Lancashire deliver speeds and coverage levels, in excess of government targets and well within the government's aspirational timescale.
- 9.2 The roll-out programme, which will be implemented over the next three-years, will provide Lancashire with a competitive advantage, which we must capitalise upon. The economic development service will play a key role in helping to shape the roll-out programme and ensure businesses maximise the economic value of this new infrastructure.

10. Transport

- 10.1 The County Council's recently agreed Local Transport Plan (LTP3) is clearly focused on supporting agreed economic development priorities, with new Highway and Transport Masterplans geared to promoting economic growth.

- 10.2 New initiatives such as the Highways Agency's "Pinch Point" programme will target priorities that can deliver the greatest economic benefit. Similarly, Government is currently consulting on how best to devolve Local Major Transport Schemes. The County Council's response will promote an active role for LEPs in ensuring key local transport priorities reflect agreed economic priorities.

11. Marketing Lancashire

- 11.1 The Lancashire and Blackpool Tourism Board will operate as Marketing Lancashire from 1 April as a wholly-owned company of the County Council. Blackpool Council has decided to create its own arrangements and withdrawn although there will be at least one common board member to ensure there is co-ordinated working across the sub-region.
- 11.2 Given the importance of the visitor economy sector, the County Council has agreed a 3-year funding package with Marketing Lancashire, which will commit the County Council to providing up to £500,000 per year in core funding.
- 11.3 However, as part of the new delivery arrangements the staffing structure of Marketing Lancashire has been significantly streamlined, with a much stronger emphasis on securing private sector income.
- 11.4 The County Council is currently recruiting a new private sector Chair and Directors to join the Board. A new Chief Executive is also being sought. The new leadership team will help the company to develop and grow its enhanced role in promoting Lancashire's wider offer.

12. Lancashire Regeneration Property Partnership

- 12.1 The impact that public sector surplus property can make on the regeneration of Lancashire is significant. We know we will be more likely to succeed if we work with partners and embrace different delivery models. On our own, we lack the skills/expertise/creativity in some areas to deliver this scale of change, and in many cases our internal resources are fully committed to delivering existing day to day business. We are therefore looking for innovative private sector partners to establish and work with us in two new public private Regeneration Property Partnerships.
- 12.2 Our objectives for the Regeneration Property Partnerships are to:
- use public sector assets as a lever for delivering sustainable regeneration in Lancashire;
 - support the County Council, the LEP and the Lancashire Organisations in pursuit of their wider objectives by identifying and helping deliver the best possible solutions for surplus properties that balance financial, economic and social returns;
 - ensure that we identify surplus sites that are developed for the most appropriate use to meet key objectives;

- attract investment and jobs, and promote economic development in Lancashire; and
- enhance the quality of design in Lancashire and ensure that the County Council, the LEP and the Lancashire Organisations have an influence in place-shaping development in Lancashire.

12.3 There is already significant market interest. The bidders' day held earlier this month was attended by 50 organisations. The formal procurement process has commenced and will be concluded in the Autumn.

13. The County Council

13.1 The County Council is aware more than ever of the economic impact of the location of its own employees. Consequently, the Council has been seeking to locate jobs around the county rather than centralise these in large administrative centres. This helps create economic activity and employment opportunities in these locations as well as reducing travel to work in the longer term. Examples of this approach are evident with the move of the Council's contact centre from an isolated location in Preston (The Hub) to Accrington. The County Council/One Connect Ltd (OCL) is now the single largest employer in Accrington. In addition, Lancashire Place will be opened in Ormskirk in June.

13.2 In May 2011, the County Council entered into a long term partnership with BT to create OCL. As well as working with the County Council, district councils and other organisations BT/OCL is also committed to creating further employment opportunities in Lancashire.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

If the County Council decides not to invest in the GAMMA initiative there is a high risk the programme as a whole may not go forward, with key economic outcomes not delivered in Lancashire.

Any representations made to the Cabinet prior to the issue being considered in accordance with the Public Notice of Forward Plans

Name:	Organisation:	Comments:
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N/A

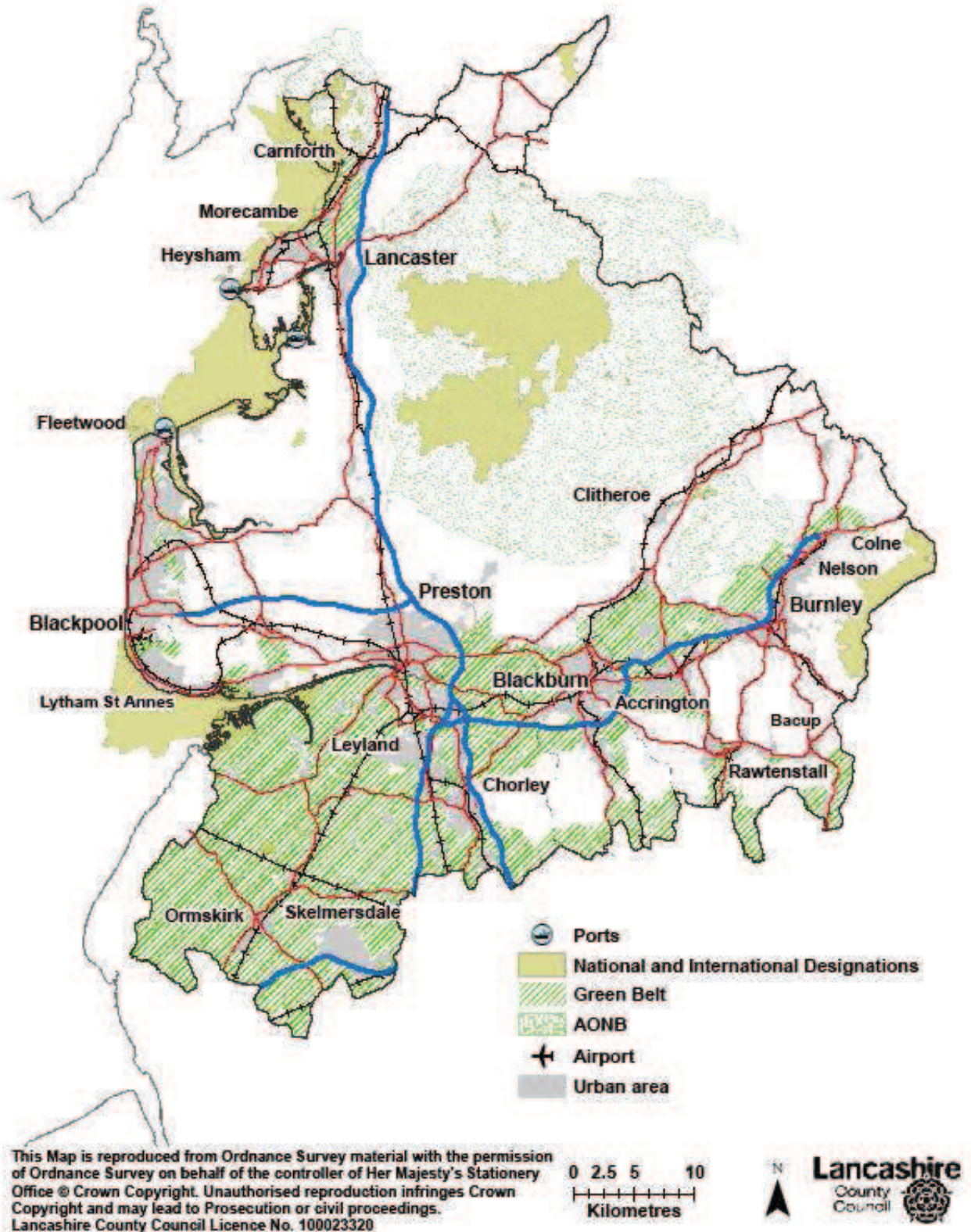
Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
N/A		
Reason for inclusion in Part II, if appropriate		
N/A		

LANCASHIRE COUNTY DEVELOPMENTS LTD

BUSINESS PLAN 2012 /2013



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Appendix

- Budget Report to Audit**



Chair's Foreword

Lancashire County Developments Ltd Business Plan for 2012/13 builds on the progress made during 2011/12 to re-structure the Company and ensure it has the capacity to achieve the objectives established by Lancashire's Economic Development Strategy, adopted in by the County Council in 2010.

The strategic goal is to improve Lancashire's economic performance consistently over time in relation to the North West region and the country as a whole. This will be achieved through close co-operation with private sector firms, large and small, who alone have the capacity to deliver the growth we require; our job is to facilitate their efforts through improving infrastructure and services and removing obstacles that stand in the way of their success. Partnership with district councils, unitary authorities, and other publicly funded bodies, plus Lancashire's excellent universities is a critical element in providing a comprehensive range of mechanisms to support our wealth creators.

2011 registered some notable achievements; the formation of the Local Enterprise Partnership has placed the County Council's relations with Lancashire's major employers on an entirely new footing; the first fruits are already apparent in the establishment of an Enterprise Zone at Warton and Samlesbury, a Growing Places Fund worth £20 million from government is a vote of confidence in our approach. In addition, the County Council acquired a strategic development site at Cuerden and through an agreement with Silentnight Ltd has underpinned the creation of 140 new jobs in the eastern part of the County.

The detailed objectives for LCDL's operating divisions, Business Growth and Innovation and Strategic Development, are set out in the Business Plan; our corporate philosophy dictates that we concentrate our limited resources on a few clearly stated priorities in the expectation that successful delivery will have a multiplier effect across the County. While an element of flexibility is necessary, we will not be distracted by short-term incentives or an addiction to easy wins. Our Business Development Team will actively seek out entrepreneurs and established firms in our key growth sectors and encourage them to come to Lancashire and establish a critical mass of growth oriented operators benefiting from a package of tailor made business supports.

During the year we will complete the restructure of our Rosebud Investment Fund to fit better with our priority sectors and commence the re-development of the Leyland Business Park following December's catastrophic fire. We shall look for ways to increase our financial capacity through increased revenue from our investment and economic development projects and by developing new financial instruments based on the continuing strength of our balance and Lancashire's triple A credit rating.

Business Plans are only as good as the outcomes they achieve - this document sets out the aspirations for LCDL and its staff in 2012/13; the Board is confident that they have the capacity to deliver.

County Councillor

Michael Welsh

2. STRATEGIC CONTEXT

LCDL is a company limited by guarantee which is part of Lancashire County Council's Economic Development Service. (The chart on page 16 sets out the service's organisational structure).

In 2010, Lancashire County Council approved an Economic Development Framework which sets out the strengths and challenges of the local economy.

Economic Development is however dynamic and fluid and the public sector must be flexible to respond to changing economic conditions, market demands and national legislation and policy.

The establishment of the Lancashire Enterprise Partnership (LEP) in 2011 has provided leadership for the whole of the sub-region and will be a catalyst for job creation and economic growth. It is a Government-endorsed partnership between the private and public sectors, with a Board driven by the leaders of some of Lancashire's largest and most dynamic businesses. The LEP is a wholly owned company of the County Council and LCDL's work programme will support the delivery of LEP priorities.

Lancashire has two economic development companies (EDCs), Regenerate Pennine Lancashire and Blackpool Bay Company. The County Council is a founder member of both EDCs and LCDL continues to support their agreed priorities.

The twelve districts and two unitary authorities have localised economic development functions, whilst LCDL continues to provide capacity and resource on a range of projects across Lancashire.

3. RELATED PLANS

The primary purpose of this Business Plan is to set out a work programme and resource plan for 2012/2013 for the company.

The Business Plan sits alongside a number of key documents which provide strategic direction for the company's activities and governance arrangements.

Linked & Related Plans

LCDL Business Controls Manual. This manual sets out arrangements and authorities for the company. Subject to approval of the 2012/13 Business Plan, a refreshed manual will be presented to the Board in June, 2012.

Property Portfolio Plan. This plan provides a 3-year (2012-2014) platform for structured and rigorous forward thinking for the property portfolio. The Board receives quarterly reports on the Property Portfolio Plan.

Rosebud Investment Programme. The company's investment products are managed and delivered, under contract, by Enterprise Ventures. The Board receives quarterly reports on the performance of the Investment Programme.

LCDL Risk Register. The company's Audit Committee approved the draft 2012/13 Risk Register at their meeting on 13th February 2012.

LCC Marketing and Communications Plan. The County Council's Corporate Communications team produce annual directorate communications plans. The emerging Marketing and Communications Plan for LCDL will be presented to Board in June, 2012

H R Procedures and Policies. All LCDL officers are employees of the County Council, and, as such, are subject to its terms and conditions.

4. WORK PROGRAMME AND DELIVERY

The company's 2012/13 Work Programme will be delivered by the two core teams - Business Growth and Innovation; and Strategic Development, working together with the Economic Development Service and in partnership with the private and public sector partners.

The two LCDL teams have focussed work programmes, set out in this Business Plan. Increasingly these programmes are overlapping to directly link emerging business growth opportunities with spatial development initiatives. Under the guidance of the Operations Director, these teams will also work to support the delivery of the emerging priorities of the LEP.

Communications and Marketing

Communication of the company's objectives and offers is important. A comprehensive Communication and Marketing Plan for the activity of the company will be brought to the Board for approval in early summer. The Plan, which will also reflect the strategic priorities of the LEP, will incorporate the marketing strategy for the Property Portfolio, and for Rosebud and a communications calendar for key strategic development and business support messages.

A BUSINESS GROWTH AND INNOVATION WORK STREAMS

The Business Growth and Innovation Team is designed to deliver projects capable of unlocking the growth of high value sectors and companies, and the commercial potential of Lancashire's University cluster.

Key Business Growth & Innovation Work Streams

- Key Business Sectors
- Business Support Services
- Promoting Innovation, Technology and Higher Education links to Business
- Developing Business Skills/ Lancashire LEAD

B STRATEGIC WORK STREAMS

The core remit of the Strategic Development Team is to support private and public sector partners in bringing forward physical investment and development activity.

Key Strategic Development & Special Projects Work Streams

- Strategic site development
- Property Portfolio Strategic Management
- Partnership working

A BUSINESS GROWTH AND INNOVATION WORK STREAMS

The new structure of the Business Growth and Innovation Team (BGI) has now been in place since the start of 2012, giving an opportunity to refocus the Team's work programme, to align activity with the priorities set out by the LCDL Board, and to support the work and ambition of the LEP.

The work programme has been set out to reflect the twin priorities of supporting key sectors and promoting business growth:-

Individual programmes will primarily be delivered by commissioning expert provision from other organisations, although we will also clearly work with partners and networks. Limited account management of key businesses by staff in the service will also take place, but this will need to be both targeted and productive.

Some opportunities also exist to lever further funds and income for the service by matching LCDL resources with European and other funding. We will ensure that this is done only where it contributes to the priorities we have set for the service.

BGI Work Stream Area 1: Key Business Sectors

It is the ambition of LCDL that Lancashire comes to be seen as the "business location of choice" for growing and relocating businesses within our priority sectors.

The work programme of the BGI Team will help to establish a Centre of Excellence for each priority sector, unlocking the County's strengths, in terms of the complementary business clusters, skills and support which are available.

The BGI Team will take on key responsibilities with regard to co-ordinating sector development plans, which will be brought forward for the consideration of the Board later in the year. This work will include a review of the activities overseen by Creative Lancashire, and an assessment of recent environmental technology initiatives between the County Council, Universities and business sector.

<i>Key business sectors</i>
<ul style="list-style-type: none">▪ Aerospace▪ Advanced Manufacturing▪ Creative & Digital Industries▪ Energy, Environmental and Low Carbon industries, and▪ Finance and Professional

The core activities undertaken by each of the sector leads will include:-

Sectoral Business Data - This exercise will identify major employers in each sector by local employment levels and Gross Value Added (GVA). We are also exploring the use of business diagnostic tools to identify and benchmark rapidly growing/contracting businesses and their supply chains.

Account Management - Working with other partners and sector bodies we will ensure that key businesses within our priority sectors have an identified single point of contact. For some businesses

(predominantly Foreign Owned Companies), this relationship will be part of the division of labour agreed in the Memorandum of Understanding between the County Council and UK Trade and Investment (UKTI).

Account managers will act to explain and direct businesses to relevant support products be they financial, developmental or technology-led. BGI Team staff will be able to access the North West Sector Investment Fund, which will match LCDL spend on officer time as they work with this type of client.

Developing a Sectoral Inward Investment Proposition – Aligned with the relationship with UKTI, LCDL sectoral leads will also be working with partners to develop a compelling case for businesses to consider relocation to Lancashire. This offer will include detailed information on the key businesses and clusters which already exist as well as the skills base and Higher Education centres of excellence which can further enhance competitiveness. Coupled with the investor offer of the Enterprise Zone and other strategic sites, we aim to create a comprehensive and detailed proposition to attract mobile investment and high value sectors.

BGI Work Stream Area 2: Business Support Services

In addition to the sector focus, it is intended that the BGI Team play a leading role in ensuring that high growth local businesses are aware of and have access to the full range of private and public business support services to allow them to achieve their full potential.

The key areas of work identified are:

Key areas of work
<ul style="list-style-type: none">▪ Business finance▪ Business growth support▪ Technology, Innovation and Higher Education Business links▪ Business Skills Development

B2.1 Business Finance

Access to finance is considered to be one of the main current barriers to business development for both growth orientated organisations and for the wider business community. It is proposed that LCDL should adopt a twin track approach to addressing this issue.

B2.1.1 Access 2 Finance Service

Access 2 Finance is an established service which has previously worked under the auspices of Business Link NW. It is proposed that LCDL lead a consortium of local agencies to provide match funding to continue this service across Lancashire. The service comprises a mixture of one to one business advice and group training activity. The advisors provide support to make businesses "investment ready" working to develop applications for public and private finance.

B2.1.2 Rosebud Business Solutions

In addition to the capital funds delivering Rosebud loans, LCDL has also offered resource for businesses to secure Non-Executive Director (NED) support. This offer has been little used in the past two years, and it is proposed that LCDL should consider de-coupling the NED support from the loan scheme. This would allow us to place meaningful,

informed support with a broader range of businesses.

B2.2 Business Growth Tools

Based on analysis of current provision, LCDL will work with other partners in Lancashire on commissioning both a local business information service – the Lancashire Business Growth Hub - and works to bring forward additional specialist business support products which build a distinct, highly effective and unique business growth offer within the area.

B2.2.1 Lancashire Business Growth Hub Portal

Business Growth Hubs are being actively promoted by Government as a local solution to supporting growth, innovation and employment.

In summary, they provide a web based solution to help market private and public business support services to growth orientated businesses.

It is also suggested that Growth Hubs may become a key route-way by which Government seeks to resource further local business development. There is also interest in developing a network of Growth Hubs across the North West.

B2.2.2 Lancashire Business Growth Hub Products

LCDL is presently working with partners to map the newly revised business support offer and the variations in service across the County. This will form the basis of further reports to the Board which will describe both gaps in provision and intended interventions.

B2.2.3 Business Support to Business Park Tenants

In 2012/13 we propose to make the Property Plus offer a reality, by working with businesses on our own Business Parks to support growth, identify finance, find new staff, support skills development and encourage business to business trading through networking events.

B2.2.4 Aligning the LCC Business Offer

There are now opportunities within the coming financial year to improve the presentation and marketing of LCDL activities on the websites of the County Council and LEP.

BGI Work Stream Area 3: Promoting Innovation, Technology and Higher Education links to Business

The County has a competitive advantage in terms of the higher education offer which is present within the area. These institutions are already actively engaging the local business community and seeking to maximise business advantage from the Intellectual Property they have developed. LCDL will continue to support this process and ensure that agencies such as the Manufacturing Advisory Service Technology Strategy Board and the Design Council deliver their programmes effectively for the benefit of Lancashire businesses.

B3.1 Superfast Broadband – Business Demand Development

A major opportunity in the near future will be the business demand stimulation work associated with the roll-out of

superfast broadband. LCDL will work with BT, the County Council's delivery partner, to ensure that businesses understand how this new service can improve the way they do business, access new markets and provide new sales opportunities.

***BGI Work Stream Area 4:
Developing Business Skills/
Lancashire LEAD***

Management and leadership skills amongst growth orientated businesses are consistently reported as a major obstacle to growth. It is proposed that LCDL look to continue the highly successful LEAD programme delivered by Lancaster University's Business School and to subsidise the cost of the programme to a cohort of Lancashire growth businesses, the first intake proposed to be recruited for a September 2012 start on programme.

It is also proposed that the Lancashire LEAD opportunity is combined with all Rosebud loan offers to maximise business success.

LCDL will also continue to work with UCLan, Lancaster and Edge Hill Universities to ensure local businesses benefit from their skills, technology and facilities.

**B STRATEGIC
DEVELOPMENT WORK
STREAMS**

**SD Work Stream Area 1 :
Strategic Site Development**

Following consultation with developer/investors and local authority partners, and an analysis of development opportunities that could best stimulate and promote economic growth in Lancashire, seven strategic projects form the core of the Team's work programme.

Priority Actions

SD1 – Cuerden

LCDL is the managing agent for 65 acres at Cuerden.

2012/13 key activities will include:

- Advice to the County Council on routes to development
- Project manage highways, environment/other departments
- Site Masterplanning
- Support developers in planning application submission

SD2 – Preston City Centre

LCDL is jointly working with Preston City Council and other stakeholders to stimulate investment in the City Centre.

2012/13 key activities will include:

- Provide support to investors and developers
- Enable the delivery of key investment opportunities/projects
- Programme manage County Council Directorate activity/resources
- Facilitate economic benefit from public realm and highway improvement schemes

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SD3 – Hillhouse Business Park

LCDL will work with the local economic development company, Wyre Borough Council and other stakeholders to raise the profile of the Hillhouse Business Park.

Key priority actions for 2012/13 include:

- Advice to the County Council on ownership issues
- Unlock site utility issues
- Explore funding routes
- Site signage and marketing

SD4 – Skelmersdale Town Centre

LCDL will work with West Lancashire Borough Council and its development partners to bring forward the realisation of the Skelmersdale Town Centre Masterplan.

Key priority actions for 2012/13 include:

- Developer support to identify & assemble site/s for occupiers
- Support on planning application(s)
- Project manage highways, environment/other departments

SD5 – Heysham Gateway

LCDL will work with Lancaster City Council, LCC property and environment and Heysham Port owners to support phased expansion.

Key priority actions for 2012/13 include:

- Heysham Port masterplan
- Heysham industrial/business park consolidation options
- M6 link development sites assessment

SD6 – Lancaster Science Park

LCDL will work with Lancaster City Council, Homes and Communities Agency (HCA) and Lancaster University to support the establishment of an appropriate science park facility for the University.

Key priority actions for 2012/13 include:

- Advise to City Council on scheme option testing & development routes
- Project manage LCC highways, environment and property

- HCA/Lancaster University commercial development option liaison

SD7 – M65 Corridor

LCDL will work with developers and investors, local authorities, and other public agencies to help bring forward strategic development opportunities along this Corridor.

Key priority actions for 2012/13 include:

- Weavers Triangle – Burnley
- Burnley Bridge – Burnley
- Junction 7 Business Park – Hyndburn
- Explore any economic development opportunities aligned with Pennine Reach

SD8 – 2nd Tier Strategic Developments and Special Projects

LCDL will work on a range of 2nd Tier development initiatives

Key priority actions for 2012/13 include:

- Development of projects eligible Growing Places Funding
- Barrow Brook – Ribble Valley
- Fleetwood's Business Park and Port
- Lancashire 2012 work including, Open Championships and Torch Relay

SD Work Stream Area 2 : Property Portfolio Strategic Management

The 2011/12-2013/14 Property Portfolio Framework sets out the principles under which LCDL property is managed. The Portfolio consists of 2.17m sq ft industrial and office accommodation, with a capital value of £40.25m, accommodating over 170 businesses that employ more than 2,250 people.

Priority Actions

PP1 – Lancashire Business Park Masterplanning and Rebuild

The redevelopment of parts of LBP will require significant input from LCDL officers.

Key priority actions for 2012/13 include:

- Site masterplanning
- Tenant support and communication
- Adjacent site/land owner engagement
- Site marketing and positioning

PP2 – Property Portfolio Framework Management

The property portfolio plan sets out management, monitoring and reporting arrangements.

Key priority actions for 2012/13 include:

- Driving progress through operational meetings
- Quarterly Board reports and presentations
- Property Management Plus business support

PP3 – Rising Bridge Future Options

LCDL will focus on securing tenant occupation and active use on this site

Key priority actions for 2012/13 include:

- Detailed options analysis
- Targeted communication and marketing of site

PP4 – Invest To Save Feasibility Options

In competitive market conditions it is vital that the Property Portfolio remains attractive and fresh for existing and new tenants alike.

Key priority actions for 2012/13 include:

- Provide cost-benefits for broadband at White Cross
- Develop 'Virtual office concept' at White Cross

SD Work Stream Area 3 : Partnership Working

LCDL's ability to influence and shape economic development activity over the coming years will largely be determined by our ability to ensure partnership working practises underpin all our work.

Priority Actions

PW1 –Private Sector Liaison

PW2 – HCA Lancashire Assets Liaison

PW3 – District/City Liaison

PW4 – LCC Cross- Directorate Activity

5. FINANCIAL OVERVIEW AND BUDGET ALLOCATIONS

2012/13 Company Financial Statement

A draft company budget for the 3 years 2012/13-2014/15 was recommended for approval by the company's Audit Committee in February 2012. The detailed budget for 2012/13 is attached as Appendix 1 to this Business Plan and is summarised below:

Economic Development Budget	Budget 2012-13 £000
Net profit from PROPERTY	1,943
<i>Less:</i>	
Overheads	(804)
Finance (costs)/income	(214)
Net profit available for Economic Development	925
<i>Add:</i>	
Economic Development Income	2,360
	3,285
<i>Less:</i>	
Net cost of INVESTMENTS	(422)
Staff costs	(887)
Funds available for Economic Development Projects	1,976
<i>Less: Committed:</i>	
RDPE	(234)
ED projects	(276)
LBTB	(400)

Funds available for Economic Development projects	1,066
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Property Finance

A detailed budget is in place for the company's Property Portfolio demonstrating income of £4.35m for 2012-13 resulting in a net profit of £1.943m, which is then available to cover the company's overheads and to fund new economic development projects.

Investment Finance

The budget for new investments in Lancashire companies is maintained at £1.9m per annum to be invested in Rosebud and Rosebud Micro.

Economic Development Finance

The 2012/13 budget for economic development project activity is £1.342m for existing and new projects. The table opposite outlines the draft budget allocation for the work areas set out in Section 4 of this Business Plan.

The budget allocation for each of the work areas has been based on a detailed consideration of the priority actions for 2012/13, and includes a small margin for contingency.

This system of budget allocation is considered to be the most effective way to allocate resources, deliver anticipated outcomes, and provide clarity and focus for LCDL staff and external partners.

LCDL, working as part of the wider Economic Development Service, will play a pivotal role in making recommendations to the County Council regarding the delivery of key economic development priorities. Initial pump priming investment by LCDL will enable project information, diligence and detail to be gathered which will help informed

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and commercial investment decisions to be made by the County Council on potential schemes and initiatives.

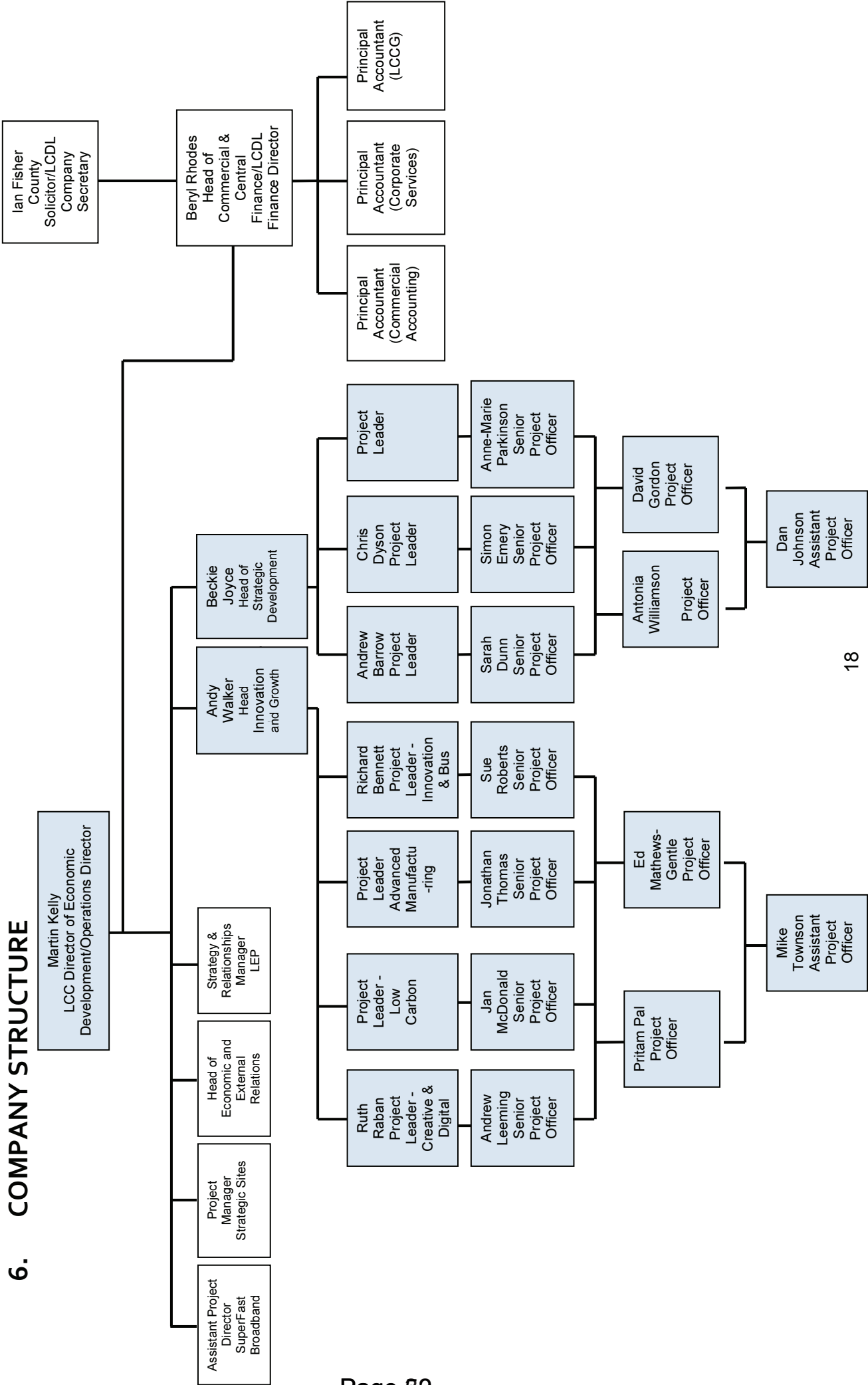
Economic Development Activity, 2012-13

Business Growth & Innovation Work Stream	
Work Stream Area 1	£150,000
Key sector support: <ul style="list-style-type: none"> ▪ Aerospace ▪ Advanced Manufacturing ▪ Creative & Digital Industries ▪ Energy, Environmental & Low Carbon ▪ Finance & Professional 	
Work Stream Area 2	£195,000
<ul style="list-style-type: none"> ▪ Business finance ▪ Business Growth tools ▪ Technology, Innovation & Higher Education Business links ▪ Business skills development ▪ Rosebud business solutions ▪ Lancashire Business Growth Hub Portal ▪ Business support to Business Park tenants 	
Work Stream Area 3	£185,000
<ul style="list-style-type: none"> ▪ Promoting Innovation, Technology & Higher Education links to business ▪ Superfast Broadband – Business Demand 	
Work Stream Area 4	£150,000
<ul style="list-style-type: none"> ▪ Developing business skills/Lancashire LEAD 	
Staff development & Training	£6,000
Total	£686,000

Strategic Development Work Stream	
Work Stream Area 1	£300,000
<ul style="list-style-type: none"> ▪ Cuerden ▪ Preston City Centre ▪ Hillhouse Business Park ▪ Skelmersdale Town Centre ▪ Heysham Gateway ▪ Lancaster Science Park ▪ M65 Corridor ▪ 2nd Tier Strategic Development 	
Work Stream Area 2	£50,000
<ul style="list-style-type: none"> ▪ Lancashire Business Park Masterplanning & Rebuild ▪ Property Portfolio Framework Management ▪ Rising Bridge Future Options ▪ Invest to Save Feasibility 	
Work Stream Area 3	
<ul style="list-style-type: none"> ▪ Private sector ▪ HCA Liaison ▪ District/City Liaison ▪ LCC cross-directorate 	
Staff development & Training	£6,000
Total	£356,000

Existing Commitments	£276,000
<ul style="list-style-type: none"> ▪ Queen's Award for Enterprise ▪ Proof of Concept (Lancaster University Joint Working) ▪ Building Creative Networks ▪ Home Grown Undergrad Phase 2 ▪ Future Horizon Private Sector ▪ Fleetwood/Hillhouse Developments ▪ Lancashire Open For Business ▪ Open 2012 Impact Study ▪ Lancashire in 2012 - Website ▪ Rising Bridge 	

6. COMPANY STRUCTURE





Contact details:

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Lancashire County Council
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Cabinet – 10 May 2012

Report of the Chief Executive

Electoral Divisions affected: All

Lancashire Business Growth Package (Appendix 1 refers)

Contact for further information: Martin Kelly, [01772 536197](tel:01772536197), Office of the Chief Executive,
Martin.kelly@lancashire.gov.uk

Executive Summary

In April, the Cabinet received an update report on key economic development priorities. As agreed, this report provides more detail on business support services in Lancashire, and the role they play in realising the growth potential of existing and new local companies.

This report also sets out a Business Growth Package (BGP), which could be funded by the County Council. By deploying (up to) £3.5m of funding from the County Council's Economic Development and Infrastructure Budget, it is possible to match this investment with nearly £3.3m of additional funding from the European Regional Development Fund (ERDF). The BGP, as a whole, would be expected to engage with 10,000 established local businesses, work intensively with a further 1,500 new and high growth enterprises, whilst helping to create 500 new companies and generate nearly 1,500 new jobs.

Specifically, new business and employment growth would be delivered by funding:-

- Support to allow businesses to successfully access finance for expansion;
- Support to bring forward new high growth start-up businesses employing staff of their own;
- The marketing of Lancashire and its premium sites to inward investing companies who employ local staff; and
- A "Hub" which makes it more likely that the right firms find the right support to realise their full growth potential.

The BGP would complement the County Council's business support programme, which is managed by Lancashire County Developments Limited (LCDL), including the Rosebud loan fund. The BGP would also complement existing national provision. The BGP has also been informed by a detailed audit and mapping of business support programmes currently available to new and established companies based in Lancashire, which is captured in Appendix 1.

In summary, this analysis concluded that:

- There will be a continued business start-up support offer both from national programmes and from "Start-Up Lancashire" - an ERDF programme match-

funded by a consortium of local District and Unitary Councils, Enterprise Trusts and Chambers.

- There is specific support for start-ups who are likely to grow rapidly and take on staff. This service is only current available in east Lancashire, but there is real value in extending this provision to cover the County as a whole. This extension would be eligible for ERDF support and could help establish 300 new businesses and create a minimum of 600 new jobs.
- The nationally funded Business Coaching for Growth contract will focus on businesses (termed "gazelles") that have exhibited 20% growth year-on-year for the past three years. These are relatively small in number, but clearly offer the prospect of increased competitiveness and employment within the local economy.
- Access to business finance remains a key concern across the business community. Businesses need help to understand the range of bank and private finance products on offer and to present their business as "investment ready". Businesses also need support to understand how to choose and apply for publicly funded business finance solutions, including Rosebud and the North West Investment Fund. An effective Access to Finance Service has been retained since the closure of Business Link, but this also requires match funding to operate in Lancashire.
- There is a need to build a greater awareness of the range of public and private business support solutions that exist to support growth. Government has proposed that each LEP area should have a "Growth Hub" as a focus to bring businesses and services together, and as a conduit for potential further funding. The County Council could take the lead in shaping and delivering the Lancashire Business Growth Hub, in conjunction with key local partners, in support of the objectives of the Lancashire Enterprise Partnership. There are also significant ERDF opportunities available to match fund any financial support provided by the County Council.
- Compared to neighbouring competitor sub-regions, Lancashire has failed to strategically market its economic offer, its key business locations, and the skills of local people to help attract new businesses and create new opportunities within the local labour market. However, the recently established Enterprise Zone, when combined with other key development opportunities, provides the opportunity to re-position and present Lancashire as an investor destination of choice for high value businesses and growth sectors.

Recommendations

Cabinet is asked to:

- i. Note the audit/mapping of the available business support offer available to companies in Lancashire, as set out in Appendix 1;

- ii. Authorise the Chief Executive, in conjunction with Leader of the County Council and the Cabinet Member for Economic Development, Environment and Planning to finalise with local partners the funding and delivery arrangements of the Lancashire Business Growth Hub, including investment of up to £2m from the Council's Economic Development and Infrastructure Budget;
- iii. Approve match funding of £900,000 from the Council's Economic Development and Infrastructure Budget to ensure the delivery of a pan-Lancashire Growth Start-Up programme;
- iv. Approve match funding of £372,800 from the Council's Economic Development and Infrastructure Budget to support the Access to Finance North West service in Lancashire; and
- v. Approve the funding of £250,000 from the County Council's Economic Development and Infrastructure Budget to support the marketing of Lancashire as an investor/ business location of choice.

1. Background and Advice

- 1.1 Over the last two years, a range of nationally contracted business support services have been commissioned and supported by Government. These include a national Business Link Service, UK Trade and Investment Service and new structures for the Manufacturing Advisory Service and Technology Strategy Board. These services are well designed and offer key support to the business community, but they are yet to be fully understood and accepted by the business community.
- 1.2 The abolition of the North West Development Agency and the North West Business Link has also changed the regional business support landscape.
- 1.3 Sub-regional and local provision has also developed in response to new national policy initiatives and funding streams by accessing programmes such as the Regional Growth Fund and the European Regional Development Fund (ERDF) programme for the North West.
- 1.4 The purpose of this report is to present a Business Growth Package (BGP), if funded by the County Council, could help to accelerate further business and employment growth in Lancashire.
- 1.5 The BGP is informed by an audit/mapping of existing mainstream provision available to local businesses, which is summarised at Appendix 1.
- 1.6 The BGP, if supported, would complement and improve existing mainstream business support in Lancashire and could take advantage of significant opportunities to match County Council funding with ERDF support.

2. Mapping of Current Business Support

- 2.1** The mapping analysis (at Appendix 1) sets out the range of national, regional and sub-regional publicly funded provision currently available to businesses within Lancashire. This provision is delivered by numerous providers from nationally contracted delivery partners to those offered by specialist local business support agencies and the Higher Education sector.
- 2.2** Commercial intermediaries and advisors such as accountancy and law firms are also key players in supporting and developing the local business base, especially Small and Medium Sized Enterprises (SMEs). An effective business support infrastructure must use of the skills within this part of the market with any additional publicly-funded business support services only commissioned to address key market failures.
- 2.3** Whilst a number of the programmes particularly those in the Higher Education sector are coming to an end, there remains a core business support offer in place across the business life-cycle.
- 2.4** Research published by NESTA shows that the six per cent of UK businesses with the highest growth rates generated half of the new jobs created by existing businesses between 2002 and 2008. The Government's Business Coaching for Growth Programme is aimed specifically at this group. This mirrors the priorities set within the County Council's Economic Development Strategy to focus on opportunities presented by key businesses and growing sectors.
- 2.5** The current local business support offer also includes a range of provision to support business start-up both through national initiatives and support and through the Start-Up Lancashire Programme, which is resourced by ERDF funds matched by a consortium of local District Councils, Enterprise Agencies and local Chambers of Commerce. Whilst an offer of generic start-up support is welcome, these programmes support a broad range of business types and can be less effective in generating jobs and added value than programmes which specifically target growth.
- 2.6** Despite the apparent breadth of the current publicly funded business support offer, there remain some key areas where the demands of businesses with growth potential are not being met. These are:
- The opportunity to develop a Growth Start-up for the whole County;
 - A service to deliver face to face support to access private and public business finance products;
 - The need to broaden the range of business finance solutions available locally by promoting other mechanisms such as Business Angels and Lending Circles;
 - The need to build awareness and use of appropriate private and publicly funded business solutions to support business growth; and

- Limited strategic marketing of Lancashire as a business location is a disadvantage against competing areas.

3. Complementary Resource Opportunities

- 3.1 The current North West Operational Programme, which is responsible for distributing ERDF resource, is drawing to a close and ends in 2015. However, up to £60million of funding is still available to be spent on eligible projects which deliver jobs and growth within the region.
- 3.2 As part of the process to utilise this resource, a call for projects is expected to be issued in mid- May. It is anticipated that £15m will be made available. This resource has been set aside to establish Business Growth Hubs and the service offer contained within them.
- 3.3 Lancashire is in a strong position to utilise its own economic development resource and draw-down ERDF match-funds which will complement the delivery of local strategic priorities.
- 3.4 The ERDF programme, post-2013, is also likely to make Growth Hubs a central feature of new business support programmes in the North West.

4 Lancashire Business Growth Package

- 4.1 Given the analysis set out above and the funding opportunity presently on offer it is suggested the priorities for County Council support should be to:
 - Establish the Lancashire Business Growth Hub to promote effective referral of businesses to high quality public and private support, and as a conduit for further business support funding.
 - Extend growth start-up support provision to cover the County as a whole.
 - Resource the Access to Finance Service to provide one to one business support and group training to Lancashire businesses to improve their access to and understanding of commercial and public business finance products.
 - Provide funding support to resource the strategic marketing of Lancashire as a location for inward Investment, including the marketing of key economic assets such as the Enterprise Zone.

4.2 Lancashire Business Growth Hub

4.2.1 Government has been actively promoting the establishment of a network of business growth hubs across the country as a practical way in which Local Enterprise Partnerships can direct support towards local businesses with growth potential.

4.2.2 The form of growth hubs is not prescribed, but they are generally set up as a website/portal which helps to guide businesses seeking help to a range of programmes and providers of services who might be able to assist them.

4.2.3 The proposed functions and benefits of the Lancashire Business Growth Hub are that:

- It will draw together a now fragmented and complex business support offer within Lancashire to ensure local businesses can find the public or privately funded business support which best meets their needs. This service will be open to all Lancashire businesses whether they are seeking help to start-up or those that are established and seeking to grow. The Hub will be a practical demonstration that Lancashire is committed to business and enterprise and has the service to nurture and grow local businesses.
- However, the services on offer within the Growth Hub will be organised around key business growth activities:
 - Acquisition;
 - Increasing productivity;
 - Developing new products and services;
 - Getting into new markets, and
 - Increasing sales.

Behind each element there will be a combination of online support, which could be provided by One Connect Limited, relevant business training events and networks, plus one-to-one services with the business.

- Many businesses will have a clear understanding of the issues they are seeking to address and will find a range of self service solutions on the website. For others, problems may be less tangible and they may look for external support to analyse the aspects of their business which are impacting their ability to grow. In addition to the website, the Growth Hub would provide individual support to help work up investment plans

and identify support options.

- Having identified barriers to growth and potential solutions many businesses still fail to proceed with addressing these issues as they lack the resources (financial, managerial or time) to properly engage with business development solutions. The Growth Hub proposal seeks to address this issue by providing resource to encourage businesses to embark on the business development process. This could take the form of vouchers or loans which cover the cost of initial support and demonstrate the business benefit of engaging in this activity.
- Within Lancashire, it is also vital that the Growth Hub develops a strong sectoral offer. The Hub proposal would work with a minimum of 20 businesses within each of our 5 priority sectors to provide an extensive benchmarking of their current business processes. This would highlight opportunities for improvement and help assess the impact and change within the business of this intervention.
- The final component we are seeking to resource within the Growth Hub would be access to a set of local business mentors who can share their own practical business experience with new and growing businesses. The knowledge of these mentors, acquired by working through the same situations businesses currently experience, is invaluable in realising new growth opportunities.

4.2.4 Under the auspices of the Lancashire Enterprise Partnership, the County Council can lead and help establish a Growth Hub that makes current and future business support provision more legible and accessible to local companies.

4.2.5 There is consistent support from all key business partners in Lancashire for this proposal, including the Chambers and existing business support providers.

4.2.6 Given the range of public and private business support which is already available, the Growth Hub proposal could be rolled-out immediately. The proposition would then grow as ERDF funded service components were approved in September.

4.2.7 The Hub proposal would also seek to become financially self-sustaining over the first three years of its life by attracting sponsorship income as a key business communication channel and by recovering costs from service referrals.

4.2.8 The scope of the call for Growth Hub proposals to be supported by ERDF in the North West is expected to cover both the creation of this portal, the processes by which business needs are analysed and assessed, and the funding of services which fill gaps in current provision.

4.2.9 However, the full detail of the forthcoming ERDF call is not known. Therefore, subject to Cabinet approval, it is requested the Chief Executive, in conjunction with the Leader and Cabinet Member for Economic Development, Environment and Planning be authorised to finalise the arrangements to establish the Lancashire Growth Hub. Up to a maximum of £2m from the County Council's economic development budget would be invested in the Growth Hub initiative.

4.2.10 The key elements, costs and outputs associated with establishing the Lancashire Business Growth Hub are set out below.

Activity	LCC Funding	Potential ERDF Match	Outputs	Duration
Awareness/ Marketing / Business Seminar / Master-class Programme	£200,000	£200,000	10,000 Individual Company Contacts 18 Business Dev. Events	July 2012 – June 2015
Enquiry Handling and referral	£400,000	£400,000	4,500 Business Diagnostics 5,000 Ref to appropriate support	Sept 2012 – June 2015
Sector Growth Business Programme	£700,000	£700,000	100 Businesses 20 per sector 100 Detailed Benchmarking (x2)	July 2012 – June 2015
Business Mentoring Offer	£700,000	£700,000	600 Businesses Supported by mentor network 56 group sessions (400 participants) Typical Outcomes Improved staff performance Introduction of improved business planning Introduction of an improved training plan	July 2012 – June 15
LBGH Sub Total	£2,000,000	£2,000,000	1,000 Business Assists 500 Additional jobs created	

4.3 Lancashire Growth Start-Up Support Programme

The potential to extend the model of growth start-up support developed in east Lancashire is also proposed as a priority which would deliver both new enterprises and jobs as well providing a consistency of service across Lancashire.

- 4.3.1 The programme design provides intensive start-up and business skills training. This includes specific training with regard to recruiting and managing staff, the development and exploitation of intellectual property, and improving export performance.
- 4.3.2 This service is specifically aimed at businesses with a vision and business plan that demonstrates they are aiming to grow and employ staff within their first two years of trading. This distinguishes the programme from generic start-up support, where businesses often only ever employ the owner manager or where employment growth is far less rapid.
- 4.3.3 In addition to working only with those with realistic growth potential, the programme is also designed to ensure that the owner-manager being trained clearly understands how to take on staff and the business implications of being an employer.

Product	LCC Contribution	ERDF Leverage	Outputs	Duration
Lancashire Growth Start-Up Support Programme	£900,000	£900,000	400 High Growth Start-ups 700 Jobs	July 12 – June 15

4.4 Access to Finance

- 4.4.1 Local businesses still frequently cite problems in accessing finance to support their business development ambitions be it from banks or from public funds. It is proposed that the County Council match-fund the Access to Finance Service which provides a mixture of one to one business advice to identify and assist businesses in applying for funds. The costs and outcomes of funding this service are set out below.
- 4.4.2 The employment creation within this programme is the result of removing the barriers that a client business has faced in accessing finance for growth. The process of preparing the business to apply for finance also often drives forward wider improvements in the business, in terms of its own business and financial planning.

Product	LCC Contribution	ERDF Leverage	Outputs	Duration
A2F Team Provision for Lancashire	£372,800	£372,800	465 Bus.Assisted 63 Jobs Created £12m private leverage 187 improving GVA 6 investment ready w'shops	June 12 - November 14

4.5 Inward Investment Promotion

- 4.5.1 County Council funding of £250,000 is also sought to improve the strategic marketing of Lancashire as an inward investment location of choice. The Council is currently working via the Lancashire Enterprise Partnership with UKTI to source inward investment enquiries for the sub-region. This additional resource would allow the marketing of key opportunities, including the Enterprise Zone in specific market sectors, and the development of an investor offer that highlights the skills and quality of life within the area to attract new investment and jobs to Lancashire.
- 4.5.2 An improved marketing offer would assist key developments, including the Enterprise Zone to compete in the market place for new private sector jobs and investment.

5. Summary

- 5.1 The BGP proposal is seeking to draw-down support of £3.5m from the County Council's economic development budget. There is the potential to secure a further £3.5m in ERDF match-funds.
- 5.2 All the elements with the BGP are new and additional to current national and local provision and would generate the following economic outcomes:
- Engagement of 10,000 local businesses (around 25% of Lancashire's business-base).
 - The opportunity to work intensively with 1,500 new and growing local businesses.
 - The creation of nearly 500 new businesses in Lancashire.
 - The generation of 1,500 new jobs.

Consultations

N/A.

Implications:

This item has the following implications, as indicated:

Financial

If approved, the proposal outlined above will commit resources of £3.5m as follows:

£	
2,000,000	Lancashire Business Growth Hub.
900,000	Pan-Lancashire Growth Start-Up programme
372,800	Access to Finance North West Service in Lancashire
250,000	Marketing of Lancashire as an investor/ business location of choice
<u>3,522,800</u>	Total

This investment in business growth will be funded from the £10m approved for Strategic Economic Development & Infrastructure projects as part of the County Council's Revenue Budget and Investment Strategy 2012/13 and 2013/14.

Risk management

If the County Council decides not to invest in the Lancashire Business Growth Package, there is a risk that key economic outcomes will not delivered in Lancashire.

There is also the risk that Lancashire would miss the opportunity to secure a significant amount of ERDF match-funding which could be used to deliver key economic priorities.

However, the County Council can fully fund its contribution for this proposal from its Economic Development and Infrastructure Budget.

Any representations made to the Cabinet prior to the issue being considered in accordance with the Public Notice of Forward Plans

Name:	Organisation:	Comments:
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N/A.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Directorate/Tel
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Nil.

Reason for inclusion in Part II, if appropriate

N/A.

Business Support Provision Mapping for Lancashire				
Business Life-cycle Stage	Targeting of Intervention	Geographical Coverage		Lead
Business Start-Up	Generic / Underrepresented Groups	RPL	Blackpool Bay	RPL
		Start-Up Lancashire	Partnership	
		Business Link	National	
		Business in You	National	
	High Growth Start-Up	Start-up Britain	National	RPL
		MentorSME	National	
Established Businesses	Business Finance	Pennine LEAP Programme	WP / A4E	RPL
		-	-	
		Access 2 Finance Service - £372k sub-regional match required	A2F Team	
		Accelerating Business Growth (RGF) – Grant	Man. Sols	
		(not BwD)	RPL	
		Rosebud Fund	Enterprise Venture	LCDL
		Rosebud Micro	Orvia	
		North West Fund x 6	Various	
	Innovation	Lancashire Innovation Network	RPL	RPL
	Business Growth Support	Business Coaching for Growth	Winning Pitch	National LCDL
		Rosebud Evolution Pilot	Orvia	
	Investor Management and Promotion	(not BwD)	(not BCC)	LCDL
		NWSIP – ERDF	RPL/LCDL	
	Leadership & Management Skills	LEAD Programme	Lancaster University	National with British Chamber of Commerce
	International Trade and Export Support	Overseas Market Introduction Service, Tradeshow Access Programme, Export Marketing Research Scheme, Export Communications Review Scheme, Targeted Export Support Scheme, Market Visit Support, Passport to Export.	UKTI + Local Chambers	
Sectoral Initiatives	Aerospace	GAMMA (RGF) Project	NWAA	BIS
		NWAA – Supply Chain Excellence 2	NWAA	
	Creative and Digital Renewables	Media Factory 2- ERDF UCLAN	UCLAN	
		UCLAN IS Wind	UCLAN	
Knowledge Exchange	Manufacturing	Manufacturing Advisory Service	Grant Thornton WM MAS SE MAS	Lancaster University
		The Northwest Eco-Innovation Programme	C Tech Ltd	
		HE Enterprise Champions Phase 2	National Centre for Enterprise Education	
		InfoLab21 Strategic Innovation Support (ISIS)		
		Support for Sustainable Design & Rapid Manufacturing (SusDRaM)		Lancaster University

Appendix '1'

		Innovation For Growth (IFG)	Lancaster University
		UNITE (Student Placement) - led by UCLAN	Lancaster University
		InfoLab21 Scientific & Technology Exploitation Programme (ISTEP)	Lancaster University
		The Centre for Global Eco Innovation (Liverpool uni & Inventya Ltd as partners)	Lancaster University

Scrutiny Committee

Meeting to be held on 8 June 2012

Electoral Division affected: None

Task Group Update

(Appendices 'A' and 'B' refer)

Contact for further information:

Claire Evans 07917 836 698, Office of the Chief Executive,

claire.evans@lancashire.gov.uk

Executive Summary

This report has two purposes:

1. To update members on progress with existing Task and Finish Groups and impact of completed Task Group reports
2. To allow the Committee to consider any new proposals for Task Groups

The Health Scrutiny Committee has submitted a new request (attached at Appendix 'B') on the issue of Public Health.

Recommendation

That the Committee:

- i. consider the request for a new task group
- ii. note the list of existing task groups and developments with completed task group reports, and comment as appropriate.

Background and Advice

In order to ensure that the Scrutiny Committee is kept informed of progress on Task Groups, this item will appear on each agenda.

For information, a list of existing Task Groups is attached as Appendix 'A' to this report. It is not intended that members feed back on all existing task groups, but members are invited to comment on any issues of particular significance.

All new requests for task groups will be considered under this item. As a standing item, this should ensure that there is always a timely response to requests without the need to resort to the Urgent Business Procedure.

A request is attached at Appendix 'B' for the establishment of a task group to look at the implications for the county council in relation to the Health reforms as set out in the 'Equity and Excellence: Liberating the NHS' (the NHS White Paper) and 'Healthy

Lives Healthy People' (Public Health White Paper) documents. The changes mean that by 2013, the county council will take on a number of new responsibilities for the health improvement function of Public Health for Lancashire. It is hoped that the establishment of a task group on this issue will clarify the role of elected members in the understanding and promotion of the public health function.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risk management implications.

Financial, Legal, Equality and Diversity, Human Rights, Crime and Disorder, Personnel, Property Asset Management, Procurement, Traffic Management, CIA (policies and strategies only):

N/A

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

Overview and Scrutiny – Task and Finish Groups

June 2012

Current

Committee/Task Group	Chair	Proposed Completion Date
Scrutiny Committee		
Member Development	CC John Shedwick	Standing Group
Arts Funding in Lancashire	CC K Ellard	July 2012
Health Scrutiny Committee		
Steering Group	CC Maggie Skilling	Standing Group
Standing Joint Lancashire Health Overview and Scrutiny Committee	CC Keith Bailey	Standing Group
Dementia Pathway	CC F Craig-Wilson	July 2012
Education Scrutiny Committee		

Completed

Committee/Task Group	Completed	Next Steps
Scrutiny Committee		
Cross Boundary Looked After Children – "Who Cares?"	September 2011	Update June / July 2012
Health Scrutiny Committee		
Fylde Coast Health Economy Strategy	Nov 2011	Consultation proposals due to come to June/July Health Scrutiny Committee
Education Scrutiny Committee		

Request for new task group

Date		Suggested by	Cllr Maggie Skilling
Title	Public Health		
Explain briefly what this task group is about	<p>The Health reforms set out in Equity and Excellence: Liberating the NHS (the NHS White Paper) and Healthy Lives Healthy People (Public Health White Paper) have significant implications for local government, and particularly for upper tier local authorities who will take on a number of new responsibilities.</p> <p>These changes mean Lancashire County Council will be responsible for the health improvement function of Public Health in Lancashire by 2013. This includes addressing issues around people's lifestyles as well as inequalities in health and the wider social influences of health.</p> <p>The reforms provide a number of opportunities one of which is to help us increase the local democratic legitimacy of action to improve health and wellbeing and the commissioning of effective services.</p> <p>However to achieve this aim, County Councillor's need to have the necessary knowledge and skills to ensure they can effectively challenge commissioners and providers of services.</p>		
Has anyone else done any work on this topic recently?	<p>The Joint Health Unit has held a number of seminars regarding the wider reforms in the NHS White Paper</p>		
Why does there need to be a task group review of this?	<p>At the Health Scrutiny Committee on 28 February members were presented with a report on the proposed changes to the way that public health functions would be organised and funded.</p> <p>During the discussion it became clear that there was a lack of clarity amongst members on a range of issues which included:</p> <ul style="list-style-type: none">• the County Council's responsibilities;• the budget implications;• what it wanted to deliver (rather than deciding this after funding had been allocated); and• the role of elected members.		

What are the key objectives of this task group?	<ul style="list-style-type: none"> To clarify the role of elected members in the understanding and promotion of the public health function delivered by the County Council.
If the task group is successful, what difference will scrutiny have made?	<ul style="list-style-type: none"> The production of clear and consistent guidance to elected members on the public health function. Elected members will have a comprehensive understanding of the roles and responsibilities of the local authority regarding public health.
What will be the measure of success?	Members can confidently describe and explain the public health function within local government and how it impacts on other service areas, not just within the County Council but also services provided by District Councils.

How will this contribute to corporate priorities?	<ul style="list-style-type: none"> Improving health and well-being
Who will the task group need to get evidence from?	<ul style="list-style-type: none"> Joint Health Unit NHS Lancashire Adult & Community Services Other upper tier local authorities
What are the main issues that need to be covered?	<ul style="list-style-type: none"> the County Council's responsibilities; the budget implications; what services will be delivered, how and by whom
Does this task group need to be done by a certain time? Please explain why	The intention is that this task group will begin in September and only require a few meetings to gather evidence. The report can then be presented to the Health Scrutiny Committee in January.
Committee	Health Scrutiny Committee

Scrutiny Committee

Meeting to be held on 8 June 2012

Electoral Division affected: None

Recent and Forthcoming Decisions

Contact for further information:

Claire Evans 07917 836 698 Office of the Chief Executive,
claire.evans@lancashire.gov.uk

Executive Summary

To advise the committee about recent and forthcoming decisions relevant to the work of the committee.

Recommendation

Members are asked to review the recent or forthcoming decisions and agree whether any should be the subject of further consideration by scrutiny.

Background and Advice

It is considered useful for scrutiny to receive information about decisions in the Forward Plan and decisions recently made by the Cabinet and individual Cabinet Members in areas relevant to the remit of the committee, in order that this can inform possible future areas of work.

Recent decisions taken by Cabinet Member or the Cabinet can be accessed here:
<http://council.lancashire.gov.uk/mgDelegatedDecisions.aspx?bcr=1>

Forthcoming decisions are included in the Forward Plan, which can be accessed here:
<http://council.lancashire.gov.uk/mgListPlans.aspx?RPId=244&RD=0>

The Forward Plan is published each month. It briefly describes matters likely to be subject to Key Decisions over the next four-month period. A Key Decision for this purpose is an Executive decision that:

- has significant effect on communities living or working in an area comprising two or more electoral divisions of the County Council without reference to a financial threshold.
- domestic decisions (affecting the internal workings of the Council) which have a financial impact on the Council of £1.4m or more.

The Forward Plan enables the public to see what Key Decisions are due, who will be taking them and when, and what consultation will occur.

This can also be found under "F" via the alphabetical search on the front page of the county council's website via the following link:

<http://www.lancashire.gov.uk>

The Forward Plan is presented to all scrutiny committees on each agenda. The onus is on individual Members to look at the Forward Plan using the links provided above and obtain further information from the officer(s) shown for any decisions which may be of interest to them. The Member may then raise for consideration by the Committee any relevant, proposed decision that he/she wishes the Committee to review.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risk management or other implications

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

Scrutiny Committee

Meeting to be held on 8 June 2012

Electoral Division affected: None

Work Plan 2012/13

(Appendix 'A' refers)

Contact for further information:

Claire Evans 07917 836 698, Office of the Chief Executive,

claire.evans@lancashire.gov.uk

Executive Summary

The plan at Appendix 'A' summarises the work to be undertaken by the Committee during 2012/13. The statement will be updated and presented to each meeting of the Committee for information.

Recommendation

The Committee is asked to note the report.

Background and Advice

A statement of the current status of work being undertaken by the Committee is presented to each meeting for information.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are not significant risk management implications.

Financial, Legal, Equality and Diversity, Human Rights, Crime and Disorder, Personnel, Property Asset Management, Procurement, Traffic Management, CIA (policies and strategies only):

N/A

Local Government (Access to Information) Act 1985
List of Background Papers

Paper	Date	Contact/Directorate/Tel
N/A	N/A	N/A
Reason for inclusion in Part II, if appropriate		
N/A		

Scrutiny Committee Workplan 2012 / 2013

Date of Meeting	Agenda setting	Chair's Briefing	Topic	Witness	Purpose/Key issues
8 June			Economic Development	Martin Kelly	Committee to scrutinise progress in outcomes from the EDF and achievements from a reoriented LCDL in support of it
6 July			Crime and Disorder	Safer Lancashire Board	
			Report of the "Arts Development Funding" Task Group	Cllr Kevin Ellard	
14 Sep			Flooding Lower Alt with Crossens	Environment Agency	EA to respond to recommendations in task group report, in particular effectiveness of new public consultation arrangements
			United Utilities		Street-lighting (ENW); flooding issues, bathing water quality

			Electricity North West (ENW)		
12 Oct					
9 Nov			Street Lighting and Independent Connection Providers (update)		
7 Dec					
18 Jan 2013			Youth Employment and Employability Strategy	Bob Stott/Marti n Kelly	
8 Feb					

15 March					
19 April					

Possible future issues:

Item	Suggested Action	Notes
20mph zones – Update on Cab member decision Feb 2010 when plans more developed / or implemented	Note for information	Short note, giving timings for various actions
Utilities Companies: Street Lighting and road Reinstatements Environment Directorate Commissioning		United Utilities and Electricity North West <ul style="list-style-type: none"> Seeking advice and guidance from Env. Dir. Ref: UU and ENW at Scrutiny Committee on 4 February: http://mgintranet/mgAi.aspx?ID=2059
Supporting People Programme; Partnership working	Note for information	
VCFS – Voluntary, Community and Faith Sector	Note for information	Update on previous Communities report. Particular interest in formal commissioning arrangements & monitoring
Working with the Voluntary, Community and Faith Sector in Services for Young People		Discussion with Cabinet Member for Young People with chairs & deputies of Scrutiny
Positive Life Style Choices (include Lancashire Alcohol Network)	Note for Information	
Traffic Regulation Orders	Report to	Interest expressed by the Chair

	Committee?	Issues around cost of introducing TROs and levels of enforcement. Lancs Constabulary as witness?
Budget Scrutiny	Reports to Committee	Quarterly budget monitoring report (as supplied to Cabinet) – George Graham January 2012 – scrutiny of budget proposals, same process as previous year. Focus on impact of new budget changes/cuts NB 09/03/2012 as third one.
Corporate Strategy 2010-13 REFRESH		Lynne Johnstone

LINKS TO KEY DOCUMENTS/SITES

Lancashire County Council [Corporate Strategy](#)

Lancashire Partnership's Sustainable Community Strategy [Ambition Lancashire](#)

Local Area Agreement [LAA](#)

Lancashire Children's Trust [Childrens Trust](#)

Children and Young Peoples' Plan [CYPP](#)

Joint Lancashire Transport Plan 2011-2021 [JLTP](#) Final sign off by Cabinet due March 2011

Safer Lancashire and Community Safety Agreement [CSA](#)

TOPICS ALREADY CONSIDERED

July 2010 – Impact Gvt Spending Reductions on Lancashire County Council

Youth Employment and Employability **TG report**

Sept 2010 – Subsidised Bus Services and Concessionary Travel
Highways Winter Maintenance

Oct 2010 – Impact of Gvt's £6.2bn Savings requirement on the county council
Private Children's Homes – task group established
Grit Bins
Lancashire Museums Service **TG report**

Nov 2010 - After Care for children who have been looked after by the county council
Road Safety for Children and Young People **TG** – Executive Response
Highways Winter Maintenance Service **TG** – Executive Response and Draft Plan

Dec 2010 – Role of LCC in local economic development: Economic Development Framework Strategy and LCDL

Jan 2011 – Scrutiny of Budget Proposals 2011/12-2013/14
Street-lighting – role and performance of county council

Feb 2011 – United Utilities – Roadworks and TMA; water management infrastructure;
Electricity North West - streetlighting

Mar 2011 - Crime and Disorder Scrutiny – evidence base for setting priorities; domestic violence/anti-social behaviour

April 2011 – Lancashire County Council Cultural Offer

- Cultural and Sport Strategy
- Cultural Services Restructure
- Museums Service **TG** – Executive Response
- Lancashire Records Office – Review and Action Plan

May 2011 – Corporate Communications Service

June 2011 – Arts Council Funding
Flood Risk Management

September 2011 – Winter Maintenance
"Who Cares?" – Cross Boundary Children task group report

October 2011 – Lancashire County Council's Cultural Offer
CYP Early Intervention and Prevention

November 2011 – Leaving Care Services

December 2011 – Budget monitor

"Who Cares?" task group report – Interim Executive Response

Local Economic Development – role and performance of county council

January 2012 – Budget Scrutiny

Youth Employment and Employability Strategy

Flooding of Lower Alt task group report

February 2012 – United Utilities – Streetworks and reinstatements

March 2012 – Supporting People Programme

Railway Improvement Schemes – final report

April 2012 – Safeguarding and Looked After Children Update

May 2012 – Street Lighting (urgent business)

Highways Agency Presentation

TASK GROUPS

Road Safety for Children and Young People – Completed

Youth Employment and Employability – Completed

Extending Use and Access to the Lancashire Museums Service

Cross Boundary Looked After Children, "Who Cares?" – (full Exec Response due March 2011)