

Lancashire Enterprise Partnership Limited

Minutes of the Meeting held on Tuesday 21st March 2023 at 4.30 pm as a Virtual Meeting via Microsoft Teams

Present

Debbie Francis OBE (Chair)

Miranda Barker OBE
Councillor Alyson Barnes
Ann Dean MBE DL
Kam Kothia OBE DL
Councillor Quesir Mahmood

Mark Rawstron
County Councillor Aidy Riggott
Alison Robinson
Councillor Ivan Taylor
Annette Weekes MBE

In Attendance

Andy Walker, Interim Chief Executive, Lancashire Enterprise Partnership
Anne-Marie Parkinson, Head of LEP Coordination, Lancashire Enterprise Partnership
Phil Green, Executive Director – Growth Environment & Transport, Lancashire County Council
Neil Kissock, Director of Finance, Lancashire County Council
Andy Milroy, Democratic Services Manager (Companies), Lancashire County Council
Hannah Lysons, Democratic Services Officer, Lancashire County Council
Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council
Paul Evans, Assistant Director Area Lead – Department for Business, Energy and Industrial Strategy

1. Welcome and Apologies for Absence

The Chair welcomed all to the meeting. Apologies had been received from LEP Director Graham Baldwin.

2. Minutes of the meeting held on 13th December 2022

Resolved: The minutes of the meeting held on 13 December 2022 were approved as an accurate record.

3. Matters Arising

Under matters arising, Andy Walker, Interim Chief Executive, Lancashire Enterprise Partnership, noted that it had previously been agreed that a report providing the Board with advice on the dormancy status of the company would be discussed at this meeting. However, due to the Chancellor's Statement on 15 March 2023, this issue would now be addressed differently, and once the future

of Local Enterprise Partnerships was made clearer by Government. A further update would be provided to the Board once it is available.

4. Declarations of Interest

No declarations of interest were made at this point of the meeting.

The Chair reminded Board members of the importance of keeping their Register of Interests up to date and reminded Board members to respond to requests by LCC Democratic Services to review and update their Register of Interests ahead of the 2023-24 financial year, and that this should be completed as soon as possible.

5. LEP Annual Performance Review 2023-24

Andy Walker presented a report (circulated) on the Annual Performance Review of the LEP conducted by the Cities and Local Growth team at the Department for Business, Energy, and Industrial Strategy (BEIS).

It was reported that the LEP is no longer under a higher level of scrutiny, as the previous issues which had been carried forward from prior Annual Performance Reviews have now been resolved.

Paul Evans, Assistant Director Area Lead, BEIS, thanked those involved for their work to resolve the issues, and highlighted to the Board that the LEP's assessment has recently passed through a national moderation and therefore what is reported is considered finalised.

Resolved: The Lancashire Enterprise Partnership Board noted the report.

6. LEP Finances - 22/23 Outturn 23/24 Budget

Andy Walker presented a report (circulated) on the estimated out-turn for LEP finances in 2022/23 financial year and an outline budget for 2023/24. It was noted that moving into 2023/24, despite the cut of £125,000 to core grant, the LEP has enough funds to sustain existing staffing commitments and the potential to fill the vacancy left by the recent resignation of the LEP Co-ordinator.

With reference to the Chancellors Budget statement, and its impact on the LEP's budget, Board members clarified whether this would be a going concern in the face of upcoming audits due to take place. Debbie Francis OBE, Chair of the LEP, assured Board members that though it is anticipated that it may be raised as a concern during an audit, that it must be minded that all LEPs across the country are in the same situation and that the Lancashire LEP could be seen to be in a stronger position than other LEPs based on its current budget, reserves, and funds available.

Board members sought clarification regarding what may happen to any reserves that the LEP has, and to funds such as the Growing Places Fund, should the Government decide to cease funding for LEPs post-March 2024. Debbie Francis reassured Board members that the consultation between the government and all LEPs across the country was ongoing and that the outcome of these conversations will form a national template as to what will become of those finances.

Board members agreed that the Lancashire LEP's current focus with respect to its Budget, should be to maintain its trajectory towards achieving its business plan, and to maximise the use of available funds.

Board members were reminded that, in light of reduced funding from government for the 2023/23 financial year, that the business community of Lancashire could be utilised to fund and achieve the industry action plans which have been drafted by the relevant sector groups.

Action Point: Andy Walker to organise a working group to set out a draft paper to be presented to Company Members and Lancashire County Council on the ambitions of the LEP within a devolved structure. The draft paper is to be brought back to the LEP Board for comment / approval once complete.

Resolved: The Lancashire Enterprise Partnership Board members agreed:

- (i) That income is maximised through Growing Places Fund interest.
- (ii) That the marketing priorities for the LEP are reframed moving forward.
- (iii) Allocated remaining funding to priority projects, important for the economic development of Lancashire; and
- (iv) Took account of any potential costs of winding up the company.

7. **Chancellor's Statement Announcement on the future funding of LEPs**

Andy Walker and Debbie Francis OBE presented a report (circulated) addressing the statement regarding Local Enterprise Partnerships which was made by the Chancellor on 15 March 2023 during his Budget Statement. The statement was as follows:

'The government is committed to empowering democratically elected local leaders at every opportunity. To this end, the government intends for the functions of Local Enterprise Partnerships (LEPs) to be delivered by local government in the future. Therefore, the government is minded to withdraw central government support for LEPs from April 2024. DLUHC and the Department for Business and Trade will now consult on these proposals, before confirming a decision. The government will publish an updated policy position to confirm next steps by the summer.'

It was reported that all LEPs had been issued a questionnaire to complete and had been given 4 weeks in which to complete it. It was noted that this questionnaire aims to inform the government's decision on the future of LEPs by understanding each individual LEPs current position in terms of their decision making, inter-relationships, and standing should funding be ceased from April 2024 onwards. Andy Walker also reported that this statement does not cast doubt on the subset of LEP activity which includes the Skills and Employment Board and Growth Hubs, and that it was now about understanding where they would root themselves to in a post-LEP framework.

Board members wished to make it clear that, in light of these uncertain times, they recognise how unsettling it will be for LEP staff members and that Board members will do everything to ensure they are kept informed.

It was queried whether there was scope within the questionnaire to articulate the specific needs and ambitions of the County, as it was noted by Board members that Lancashire must operate in a unique manner. Debbie Francis assured Board members that it was an open-ended questionnaire and that there would certainly be scope to include the specifics of how Lancashire operates and to include the county's future ambitions with the resources of the LEP.

In responding to queries regarding LEP Board member recruitment, the Chair reassured Board members that conversations would be had in order to push to recruit for any LEP Board member vacancies.

Resolved: The Lancashire Enterprise Partnership Board members considered:

- (i) How it will respond to the consultation exercise as details emerge.
- (ii) How it can understand and support any future plans for private sector input to the development and implementation of economic development policies by local authority partners, or future devolved structures.
- (iii) How it uses resources in 2023/24 to support the above and, if required to windup the company in an orderly manner.

8. LEP Governance and Committees Report - March 2023

Andy Milroy, Democratic Services Manager (Companies), presented a report (circulated) containing Governance and Committee meeting updates since the last Board meeting held on 13 December 2022, including recommendations for approval by the Board.

It was reported that, with reference to membership updates, a full refresh of the LEP Assurance Framework has now been completed and published onto the LEP website.

Resolved: The Lancashire Enterprise Partnership Board noted the report as set

out.

9. Growing Places Investment Strategy - Version 3

Andy Walker presented a report (circulated) on the most recent version of the Growing Places Investment Strategy. It was reported that this has recently been to the LEP Company Members, and updates and changes have been made as a result of their comments and recommendations.

It was noted by the Board that there needs to be a degree of flexibility within the strategy, and that in its current form it may be too prescriptive and therefore exclude projects which don't appear to fit with the strategy even though they may produce a significant amount of economic outputs. As well as this, it was further noted by Board members that the tone of voice of the strategy is crucial in order to ensure that potential projects are not alienated. Andy Walker acknowledged this comment and assured Board members that this would be taken into consideration in drafting the next version.

Resolved: The Lancashire Enterprise Partnership Board considered and approved the Growing Places Investment Strategy as set out at Appendix 'A' subject to the adjustments listed above.

10. Any Other Business

Board members were informed that Anne-Marie Parkinson, Head of LEP Coordination, Lancashire Enterprise Partnership, is leaving her post in the LEP, and Board members thanked her for her contributions to the successes of the LEP over the years, and wished her well for the future.

11. Date of Next Meeting

Resolved: It was noted that the next meeting of the Lancashire Enterprise Partnership Board is scheduled to be held on 20th June 2023 at 4:30pm via Microsoft Teams.

12. Exclusion of the Press and Public

Resolved: The Board considered that, under Section 100A(4) of the Local Government Act 1972, the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12A to the Local Government Act 1972 as indicated against the heading to the item.

13. Growing Place Report - ETC Urban (Guildhall) Ltd Church Street, Darwen

Andy Walker presented a report (circulated) on a Growing Places Fund request from ETC Urban (Guildhall) Ltd.

After consideration, the Board requested further information and agreed to defer a decision on the matter to the next Board meeting, which is currently scheduled for 20 June 2023, at which the further report will be presented.