

Lancashire County Council

Scrutiny Committee

Friday, 17th April, 2015 at 10.30 am in Cabinet Room 'B' - The Diamond Jubilee Room, County Hall, Preston

Agenda

Part I (Open to Press and Public)

No.	Item	
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1.	Apologies	
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2.	Disclosure of Pecuniary and Non-Pecuniary Interests	
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Members are asked to consider any Pecuniary and Non-Pecuniary Interests they may have to disclose to the meeting in relation to matters under consideration on the Agenda.

3.	Minutes of the Meeting held on 13 March 2015	(Pages 1 - 8)
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4.	Environment Agency: Bathing Water Quality and Alt-Crossens Land Drainage	(Pages 9 - 18)
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5.	Lancashire Enterprise Partnership - Assurance Framework Responses	(Pages 19 - 24)
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6.	Work Plan and Task Group Update	(Pages 25 - 28)
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7.	Urgent Business	
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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.

8.	Date of Next Meeting	
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The next meeting of the Scrutiny Committee will be held on 19 June 2015 at 10:30am at County Hall, Preston.

The meeting due to be held on 15 May 2015 has been replaced by a visit by the Committee to the MASH in Accrington.

I Young
Director of Governance,
Finance and Public Services

County Hall
Preston

Agenda Item 3

Lancashire County Council

Scrutiny Committee

Minutes of the Meeting held on Friday, 13th March, 2015 at 10.30 am in Cabinet Room 'B' - The Diamond Jubilee Room, County Hall, Preston

Present:

County Councillor Bill Winlow (Chair)

County Councillors

A Barnes	J Shedwick
C Crompton	V Taylor
G Dowding	C Wakeford
D O'Toole	D Watts
M Parkinson	G Wilkins

County Councillor Gina Dowding replaced County Councillor Liz Oades for this meeting.

1. Apologies

Apologies were received from County Councillors Richard Newman-Thompson and Clare Pritchard.

2. Disclosure of Pecuniary and Non-Interests

None were received.

3. Minutes of the Meeting held on 13 February 2015

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

4. Lancashire Enterprise Partnership - Assurance Framework

The Chair welcomed Beckie Joyce, Head of Strategic Development, and Joanne Ainsworth, Senior Management Accountant, to the meeting. A presentation was given on the Lancashire Enterprise Partnership's (LEP) Assurance Framework.

It was reported that Lancashire County Council is the accountable body for the LEP, and is therefore required to sign off the LEP's Assurance Framework. The Framework will be reviewed on an annual basis, and it was confirmed that the Scrutiny Committee would be involved in that process. It was emphasised that Government have directed local growth funding resources through local enterprise partnerships, with the LEP now managing the Enterprise Zone, City

Deal, Growing Places Fund and Business Boost Lancashire. Lancashire's LEP is one of the largest in the country with £250m of local growth fund resources being made available up until 2021.

As the significance of LEPs has increased with increased funding, Government has issued the requirement for an Assurance Framework document to be produced, before the commencement financial year, 2015/16, and has produced a guidance document for accountable bodies. The Framework was likened to a constitution with regard to its aims and purpose, this being to put all information relating to assurance into one all-encompassing document. It was reported that briefing sessions were offered to all local MPs in February and March, although there was no take up of the offer.

The Committee were informed that a report will be delivered to the LEP Board on Tuesday, 17 March, 2015, with an update from the Scrutiny Committee to be provided at the meeting. Additionally, a presentation will be delivered to Lancashire Chief Executive Group on 30 March, 2015. The document will then go through the Executive Scrutiny Committee, 31 March, 2015, and will be considered for approval at Cabinet on 2 April, 2015.

The Assurance Framework was organised into five sections; these being:-

- Governance and Decision Making
- Local Authority Partnership working
- Transparent Decision Making
- Accountable Decision Making
- Ensuring Value for Money

Section 1, Governance and Decision Making: This outlined the six committees the LEP have, who the Board members are, what the terms of reference are for the aforesaid committees, and what measures are taken to ensure that its governance is tight. In addition to the six established committees, there are two proposed groups - the Performance Committee and the Growth Deal Management Board.

The Growth Deal Management Board is planned to specifically run the Growth Deal, akin to current arrangements around the City Deal.

The Performance Committee would focus on four key areas:-

1. Ensuring that the LEP is getting everything it can into Lancashire and whether it is doing everything it should be doing in comparison to other similar enterprise partnerships.
2. Whether the LEP is prioritising its investment in the right way and whether the factors that are guiding these decisions are strong.
3. Once the LEP has agreed certain project initiatives to be funded, the Performance Committee will be concerning itself with whether they are on track, whether they are meeting their milestones and whether they are achieving everything they said they would.

4. Regarding the long term value of these initiatives, analysis of whether the money was invested in the correct projects, and whether they delivered the right outcomes for Lancashire will be undertaken.

It was specified that ordinarily the Performance Committee would contain an audit function, however, as LCC is the accountable body, the audit function would remain with LCC.

Section 2, Local Authority Partnership Working: Government guidance outlines that LEPs are required to explain their formal relationships with local authorities. It was explained that Government understands that, due to ongoing discussions regarding the potential for combined arrangements, it would not be feasible at this stage to commit to significant detail in this section. It was made clear that, as discussions developed, this section of the Framework would be completed, and it was anticipated that subsequent versions of this section would contain a detailed outline of this relationship.

Section 3, Transparent Decision Making: This section concerned transparency and freedom of information. It was noted that this section demonstrated how the Framework reflected work already undertaken, for example in the changes already made to ensure that agendas would be made publicly available on Lancashire County Council's website and Lancashire Enterprise Partnership's website. Members were informed that there are two new standard protocols around gifts and hospitality, and conflict of interests. The Performance Committee would have a role in ensuring that these protocols were upheld.

Section 4, Accountable Decision Making: This section concerned the technical financial role of the accountable body and its relationship back to the LEP.

Section 5, Ensuring Value for Money: It was explained that Government require information concerning how the LEP are ensuring value for money. This section also outlined the technical processes to ensure the understanding of the key initiatives, priorities for Lancashire going forward, and the subsequent filtering and management of the process through to the delivery stage.

It was explained that a strong example had been set from the extensive work undertaken towards the establishment of Transport for Lancashire, which involved following rigorous processes set of by the Department for Transport (DFT). It was noted that the processes included in the Assurance Framework in this area are in practice and working well, with business cases coming forward for Lancashire which are being scrutinised and independently appraised. It was noted that DFT officials have held it up as a good example of an Assurance Framework working well.

The Chair thanked the officers for delivering the presentation and welcomed the clarity regarding how the process works and the developments towards greater transparency.

The Committee were invited to ask questions and raise any comments about the Assurance Framework document.

- It was highlighted that on page 31 it specifies that any local authority Scrutiny Committee can jointly or separately scrutinise the work undertaken by the LEP. It was recognised that there was scope for confusion and duplication in 15 authorities conducting individual scrutiny, and that therefore there was likely to be value in considering the creation of a Joint Scrutiny Committee.
- It was voiced that detail is present about governance and scrutiny of the Board but it was felt that the Framework should include information on how Board members were appointed, how their performance was reviewed and what processes were in place that held accountable and how membership of the Board would end or be terminated.
- Regarding gifts and hospitality, and complaints, it was noted that this section was absent from the draft Framework circulated to the Scrutiny Committee, therefore scrutinising the detail of these elements wasn't possible. Members were informed that there would be the opportunity to scrutinise these elements before Executive Scrutiny on 31st March and Full Council on 2nd April.
- Members noted the proposed Performance Committee and sought clarification concerning what other forms of self-evaluation and performance review had been carried out thus far. It was reported that these functions had to date been carried out within the existing arrangements, but that it was now appropriate for this area of work to be strengthened and developed by a specialist committee.
- In relation to the LEP and its activities, the Committee emphasized the need for the full engagement and involvement of democratically elected representatives. It was accepted that this was crucial, and noted that the development of Section ", reflecting ongoing discussions with all authorities in Lancashire, would be crucial in properly describing and developing the relationship between the LEP and councillors.
- Members queried the arrangements for dispute resolution through the Independent person(s). It was felt that further information on the powers of the independent person and any obligations on the two sides in dispute would be useful.
- The Committee questioned whether the 10% minimum contribution required in relation to the Local Funding Contribution for transport schemes could be waived and were informed that there is no opportunity for any of the funding to be waived.
- Members sought clarification of the meaning of the word 'estate' and whether any of the Local Growth Fund money would be spent on training

people, or only for the creation/improvement of training facilities. Members were informed that the word 'estate' means the property/buildings owned by the school or college. The assessment of estates would ensure that schemes can be delivered for the estimated costs and whether they will be viable. In addition, Members were made aware that the Local Growth Fund is all capital.

- The Committee sought clarification of the ESIF Partnership, what the acronym means and what its function and relationship with the LEP is. Members were informed that ESIF stands for European Structural Investments Fund. The ESIF partnership is not a formal partnership of the LEP and is an arrangement established by Government, but which has local representation and which was important to align to LEP objectives and priorities. It was reported that consideration had been given in the past to formally aligning Growth Deal and European funding, although this had been deemed to be unmanageable and therefore alternative partnership arrangements were implemented. Members were informed that "Bite Sized Briefings" had been delivered around this partnership, however further sessions were proposed in order to help Members to understand the partnership further.
- Concerns were raised that the membership of the Skills Board included representatives of organisations that were applying for and receiving funding, and that there was the potential for conflicts of interest to arise. It was made clear that the terms of reference are expressly designed to avoid this scenario and prohibit this scenario arising.
- Committee members suggested that similar increases of skills funding in the past led to an influx of training and skills providers, some of which did not provide the necessary quality of provision. Members, therefore, enquired whether there existed any quality assurance for any interested agencies. The Committee were reassured that LCC have invested a significant amount of resources into the Boost initiative which ensures that the suppliers and providers are reputable and deliver their promises for Lancashire. LCC is looking to further extend this program.
- Enquiries were made whether there would be Member involvement with the complaints procedure. It was advised that complaints would, in the first instance, be dealt with by the LEP itself, but that there was no reason why information about complaints and actions taken in response could not be shared with members through scrutiny or other oversight arrangements.
- The Committee noted that there is one elected representative from LCC on the LEP Board, this being the Leader of the County Council, and therefore, an elected member from LCC would not be present if the Leader was absent. In general, it was felt that there could be more local councillor representation on the Board, given the importance of the LEP and the amount of public funding it was responsible for. It was highlighted that the government rules, reflected in the articles of association allow for up to

twenty members on the LEP Board. The current number of Board members was 15, ten from the private sector and the remaining five from local authorities and that there was therefore an opportunity for up to five additional Board members, who could be local councillors. Members were informed that the five local authority representatives who are already members of the Board are Leaders, or Deputy Leaders, of five authorities across the County. Government rules state that the Board must have a private sector Chair and must be more significantly represented by the private sector in comparison to the public sector. Consequently, it was suggested that this be clarified within the text.

Resolved: That,

- i. In relation to the membership of the LEP Board itself,
 - a. The Framework should clearly explain how the membership of the LEP Board is determined, with reference to any government guidance and local determinations
 - b. The Framework should set out how Board members are appointed, how they are held to account for their actions, and how their membership of the Board would end or could be terminated.
 - c. Consideration should be given to increasing the number of locally elected representatives on the Board. It was noted that the current composition of the LEP was smaller than the permitted maximum, and that therefore there was room for further places to be given to local councillors.
- ii. Consideration should be given to how locally elected politicians could be involved in the monitoring of complaints made against the LEP.
- iii. Paragraph 4.10 on Independent Scrutiny will, in time, need to be developed further to ensure that local Overview and Scrutiny arrangements are in line with wider local authority engagement to be set out in Section 2. The committee recognised the advantages of joint scrutiny, formal or informal, between all 15 local authorities in the LEP area.
- iv. There should be clarity about the powers of the independent person(s) in conflict resolution (paragraph 4.9), and whether the LEP and the local authority should be bound to accept any ruling or recommendation of the Independent person(s).
- v. Consideration should be given to ensuring that the Framework is clear throughout on the assurance measures in place in relation to the allocation of funding through any of the funding streams under the control of the LEP. The Committee was keen to ensure that the assessment of organisations and projects in receipt of public money was seen to be extremely robust, and that this should therefore be fully reflected in the Framework document.

- vi. In relation to the Skills Board, the Framework should be clear on how possible conflicts of interests have been, and will be in the future, avoided in the allocation of funding, especially where those bodies potentially in receipt of funding are represented on the decision making body.
- vii. On the Local Funding Contribution for transport schemes, it was felt that it should be made clear that the 10% minimum contribution could not be waived in any circumstances
- viii. A series of "Bite Sized Briefings" be arranged on LEP related matters, with ESIF and skills funding being particularly identified as areas where councillors would benefit from increased understanding.

5. Work Plan and Task Group Update

An update was provided on the Committee's work plan and current task groups.

Resolved: That the current workplan and task group update be noted

6. Urgent Business

There was no urgent business

7. Date of Next Meeting

It was noted that the next meeting of the Scrutiny Committee will be held on Friday, 17 April at 10:30am at the County Hall, Preston.

I Young
Director of Governance, Finance
and Public Services

County Hall
Preston

Agenda Item 4

Scrutiny Committee

Meeting to be held on Friday 17 April 2015

Electoral Division affected: None

Environment Agency: Bathing water Quality and Alt-Crossens Land Drainage (Appendices A and B refer)

Contact for further information:

Dave Gorman, (01772) 534261, dave.gorman@lancashire.gov.uk

Executive Summary

Following the meeting of the Committee on 13 February 2015, the Chair wrote to the Environment Agency on 2 March 2015 setting out the Committee's recommendations in relation to Bathing Water Quality and land drainage in the Alt Crossens Catchment. A response from the Agency has now been received and is set out at Appendix 'A' for the Committee's consideration.

Recommendation

That the Committee considers the response of the Environment Agency set out at Appendices A and B and comments as appropriate.

Background and Advice

In October 2014, the Committee received a report from County Council officers on a number of issues connected to Flood Risk Management. Amongst the issues considered were bathing water quality and land drainage in the Alt-Crossens catchment.

It was recognised that many of the issues discussed were the responsibility wholly or partly of the Environment Agency, and it was agreed that, to aid the Committee's understanding of the issues and allow them to consider the role of the Agency, representatives of the Agency should be invited to a future meeting.

Representatives from the Environment Agency, together with the County Council's Head of Flood Risk Management, attended the meeting of the Committee on 13 February 2015 to discuss the role and responsibilities of the Agency, particularly in relation to bathing water quality and land drainage in the Alt Crossens Catchment.

Following that meeting, the Chair wrote to the Environment Agency on 2 March 2015 setting out the Committee's recommendations in relation to bathing water quality land drainage in the Alt Crossens Catchment, and responses from the Agency have

now been received and are set out at Appendix A and B for the Committee's consideration.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risk management implications.

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

County Councillor Professor Bill Winlow
Chair – Scrutiny Committee
County Hall
PO Box 78
Preston
PR1 8XJ

Our ref: CMBLNC/68
Your ref: SC/EA/JM

Date: 23 March 2015

Dear Professor Bill Winlow,

Scrutiny Committee 13 February 2015

Thank you for your letter of 2 March 2015 following the Lancashire County Council Scrutiny Committee on 13 February 2015. Please note that my letter responds to the two recommendations relating to bathing water quality. The Environment Agency's response to the recommendations concerning the Alt Crossens will be made by Andy Brown and will follow in due course.

1. The Environment Agency provide full data on water quality across the Lancashire Coast

The table shown below provides the classifications for the 13 European designated bathing waters in Lancashire. In 2014 the bathing waters were assessed against two classification systems:

- a) Directive 76/160/EEC concerning the protection of human health and the environment from pollution – the 'old' Directive
- b) Directive 2006/7/EC concerning the management of bathing water quality (as implemented through the Bathing Water Regulations 2013 No. 1675)

The 2014 bathing season was the last time designated bathing waters were classified against the 'old' 1976 Directive. This Directive has now been revoked.

The 2015 bathing season is the first time bathing waters will be officially classified under the 'revised' Directive. For a number of years preceding 2015 the Environment Agency, on behalf of Defra, has predicted the classifications under the revised Bathing Water Directive.

Environment Agency

Gillan Way, Penrith 40 Business Park, Penrith, Cumbria, CA11 9BP.
Area Manager – Cumbria & Lancashire – Keith Ashcroft
Customer services line: 03708 506 506
www.gov.uk/environment-agency

	OLD Bathing Water Directive *	Revised Bathing Water Directive
Bathing Water	2014 classification	2014 predicted classification
Formby	Guideline	Excellent
Ainsdale	Imperative	Sufficient
Southport	Imperative	Good
St Annes	Imperative	Good
St Annes North	Guideline	Good
Blackpool South	Imperative	Good
Blackpool Central	Imperative	Poor
Blackpool North	Imperative	Poor
Bispham	Guideline	Sufficient
Cleveleys	Imperative	Poor
Fleetwood	Imperative	Poor
Morecambe South	Imperative	Sufficient
Morecambe North	Imperative	Sufficient

* Guideline pass is the higher water quality standard

2. That real time monitoring of sewage discharge be introduced all along the Fylde Coast

The Environment Agency's position on real time monitoring is:

- We support information being provided to the public so that they can make informed choices on when and where to bathe.
- We will provide advice to water companies and other bodies to help them establish and maintain 'real-time' warnings of combined sewer overflow (CSO) spills at bathing waters.
- We will encourage partners to take a prioritised and risk-based approach to the issuing of spill warnings.
- While the focus is on CSOs, the approach may be applied to other types of intermittent discharges which may impact on bathing water quality such as storm tank overflows.
- We will not penalise water companies for issuing spill warnings by classifying them as pollution incidents, unless the overflow is operating in breach of the permit.

The actual provision of real time monitoring is provided by the water company, in this case, United Utilities Ltd. As such United Utilities Ltd has provided its response to this recommendation which is provided here:

“United Utilities is committed to extending its real time spill warning system which operates via our own website as well as providing the information to Surfers Against Sewage for use in their app and website. For the 2015 bathing season we plan to have real time spill warning live for 5 of the 8 bathing waters on the Fylde coast (Fleetwood, Cleveleys, Bispham, Blackpool North and Blackpool Central). During this summer we will then investigate the feasibility of extending the warning system to the remaining 3 bathing waters on the Fylde coast (St Anne’s, St Anne’s North and Blackpool South) with a view to having it live for 2016.

In order to set up the system for these bathing waters we will need to work closely with the EA to agree the most appropriate assets to monitor in order to provide a meaningful warning system. We believe the coastal model we have invested in for this part of the coast will provide us with good information with which to set up a meaningful warning system. Finally, I would like to confirm that we will continue to work closely with the Fylde Peninsula Water Management Group and will keep them updated on our progress.”

Sarah Jenner, Bathing Water Manager,
Asset Management Directorate
Wholesale
United Utilities

In the meantime if you would like to discuss this further please do not hesitate to contact me on 01772 214272 or by email at daniel.bond@environment-agency.gov.uk or at Environment Agency, Lutra House, Dodd Way, Off Seedlee Road, Bamber Bridge, Preston, PR5 8BX.

Yours sincerely

Dan Bond
Environment Manager

creating a better place



County Councillor Bill Winlow
 Chair – Overview & Scrutiny Committee
 Lancashire County Council
 County Hall
 PO Box 78
 Preston PR1 8XJ

Our ref:
Your ref: SC/EA/JM

Date: 24 March 2015

Dear Bill,

Scrutiny Committee 13 February 2015

I am writing in response to your letter dated 2 March 2015, following our attendance at the 13 February 2015 meeting of the Overview & Scrutiny Committee.

This letter aims to address the recommendations of the Committee concerning the Alt-Crossens catchment, namely:

1. That the proposals to switch off the pumping stations in the Alt Crossens catchment be withdrawn.
2. That the EA work with the council and other partners to develop revised terms of references for the advisory board, with a view to strengthening its influence and public accountability through greater involvement of locally elected representatives; and that consideration be given to a Lancashire wide advisory board to reflect the recurrence of similar issues across other Lancashire catchments.

Recommendation 1

As outlined during my presentation at the meeting, our flood risk management work is prioritised as directed by DEFRA towards the protection of human life and residential properties. As such, we cannot justify continuing to operate and maintain assets that are predominantly draining land and which provide little benefit to residential property flood risk.

Environment Agency

Lutra House, Dodd Way – Off Seedlee Road, Bamber Bridge, Preston PR5 8BX.
 Area Manager – Cumbria & Lancashire – Keith Ashcroft
 Customer services line: 03708 506 506
www.gov.uk/environment-agency



INVESTOR IN PEOPLE

In the Alt-Crossens catchment, a number of the smaller 'satellite' pumps fit this category, which are also not subject to any legal obligations regarding their operation. The approach we follow with such assets is outlined in the enclosed document 'Protocol For The Maintenance Of Flood Risk Management Assets' (Appendix A). This document has been agreed by DEFRA in recognition of such situations, and outlines how we will look to work with others to develop alternative arrangements.

Similar issues exist in the Lyth Valley (South Lakeland) and Waver-Wampool (Allerdale) areas of Cumbria, where we have already served formal notice on those benefiting from a number of pumping stations which we can no longer justify operating. The notices informed those parties of our intention to cease the operation and maintenance of those pumps at the end of the specified notice period. We have also looked into successor arrangements for two pumping stations in the Ince and Frodsham Marshes area of Cheshire, with a draft collaborative agreement being worked on with other organisations and individuals to continue their operation. The Alt-Crossens catchment is therefore not unique within the North West regarding these issues, and our approach needs to be consistent across the region in such situations.

My presentation also aimed to highlight the legacy we inherited in North West England from the closure of drainage boards within the region in the 1970s. This led to the transfer of land drainage assets to the Rivers Division of the newly-formed North West Water Authority. Through our predecessor organisations, we have by default assumed a land drainage role which was previously provided by the disbanded drainage boards. In other regions the drainage boards remained in place, with the running costs of assets such as land drainage pumping stations covered by local beneficiaries through drainage rates paid by landowners, and special levy payments from local authorities.

I appreciate the concerns of the Committee in relation to where we cannot justify continuing to operate and maintain specific pumping stations. As a national body, we need to be consistent though in the service we offer across the country, and follow DEFRA priorities in how we use our resources. Bearing in mind available revenue budgets, and the need to focus our activities where the benefits for people and properties are greatest, we will therefore shortly be serving notice on those benefiting from the satellite pumps in the Alt-Crossens catchment which provide little flood risk benefit to properties and which are not subject to legal obligations. However, we remain committed to continue working with those affected to develop successor arrangements where there is appetite locally for pumps to continue operating.

Environment Agency

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Recommendation 2

The Committee's second recommendation relates to the remit of the Alt-Crossens Advisory Group. The Group formed in September 2012 in response to a recommendation from the task group set up by the Overview & Scrutiny Committee, to oversee the engagement process in relation to our decisions in the catchment. The Terms of Reference for the Advisory Group are enclosed for information (Appendix B), and clarification on the remit of the Group was provided by us at the 14 September 2012 meeting of the Scrutiny Committee.

Since its formation in 2012, the Advisory Group has consistently had representation from both officers and elected members from the County Council and other affected local authorities, which along with the representatives from other organisations has ensured that a wide range of views has been gained on how to engage with those affected by our decisions. The Advisory Group has to date overseen and approved materials displayed at public information events and content uploaded onto the Alt-Crossens partner website, while also approving locations for events and the overall approach for engagement. We are particularly grateful to County Councillor Albert Atkinson, and more recently County Councillor Janice Hanson, for chairing the Advisory Group effectively and ensuring that meetings have been productive.

The recommendation of the Committee to strengthen the role of the Advisory Group would require the Terms of Reference to be changed significantly. As an 'arms-length' Government body, it is worth highlighting that the Environment Agency cannot engage in any activities that could be deemed to be campaigning for a change in Government policies or priorities. We would therefore be unable to participate in any group or body which looked to lobby or campaign on the subject of pumping stations which we can no longer justify operating.

The Committee also recommended the formation of a Lancashire-wide advisory board to cover similar issues across other catchments in Lancashire. The Alt-Crossens catchment is unique within the county of Lancashire in terms of the intensity of land drainage pumping operations, with eleven smaller pumping stations helping to drain the flat, low-lying area. Our experiences in the Lyth Valley, Waver-Wampool, and Ince and Frodsham areas have also shown that local discussions on individual situations have yielded the most productive results in terms of agreeing a way forward.

Environment Agency

Lutra House, Dodd Way – Off Seedlee Road, Bamber Bridge, Preston PR5 8BX.

Area Manager – Cumbria & Lancashire – Keith Ashcroft

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www.gov.uk/environment-agency

In terms of a county-wide overview, the Lancashire Strategic Flood Risk Partnership is already in place, which meets quarterly and provides an ideal opportunity for an ongoing update on flood risk matters in Lancashire. The Partnership is made up of elected Cabinet members from the major local authorities within Lancashire, with County Councillor Janice Hanson representing Lancashire County Council. We will continue to keep the Partnership informed on progress regarding pumping arrangements in the Alt-Crossens catchment, as well as other work we are doing throughout the county.

If you would like to discuss these matters further please do not hesitate to contact me or Matthew Connor – Alt-Crossens Project Manager on 01772 714102, by email at matthew.connor@environment-agency.gov.uk, or by post at Environment Agency, Lutra House, Dodd Way, Off Seedlee Road, Bamber Bridge, Preston, Lancashire, PR5 8BX.

Yours sincerely

A handwritten signature in black ink that reads "Andy Brown". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Andy Brown

Area Flood Risk Manager – Cumbria and Lancashire

Tel: 07771 505223

E-mail: andy.brown@environment-agency.gov.uk

Environment Agency

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Agenda Item 5

Scrutiny Committee

Meeting to be held on Friday 17 April 2015

Electoral Division affected: None

LEP Assurance Framework – Response to Scrutiny Recommendations (Appendix A refers)

Contact for further information:

Dave Gorman, (01772) 534261, dave.gorman@lancashire.gov.uk

Executive Summary

At the meeting of the Committee on 13 March 2015, A number of recommendations were made in relation to the draft LEP Assurance Framework. Those recommendations, and the responses are set out at Appendix 'A' for the Committee's consideration.

Recommendation

That the Committee considers the response to its recommendations on the LEP Assurance Framework set out at Appendix A and comments as appropriate.

Background and Advice

As part of the process for the development of the LEP Assurance Framework, the Scrutiny Committee received a report and were invited to comment at its meeting on 13 March 2015. At that meeting, the Committee made a number of recommendations which were taken forward as part of the consultation process. The recommendations, and the responses are attached at Appendix A for the committee's consideration.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risk management implications.

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

LEP Assurance Framework: LCC Scrutiny Committee Comments

The Scrutiny Committee met on Friday 13 March to consider the draft LEP Assurance Framework. The Committee were appreciative of the opportunity to comment at this stage, and in general welcomed the approach outlined in the Framework, and the commitments enshrined in relation to open, transparent and accountable decision making by the LEP.

The principle interests of the Scrutiny Committee to the involvement of locally elected representatives, and how they could be involved in supporting and developing accountability and assurance. It was recognised by the Committee that the development of Section 2 of the Framework on "Local Authority Partnership working" will be key to setting out how this will be achieved, and several of the specific recommendations of the Committee will need to be considered as this section of the Framework develops.

The specific recommendations of the Scrutiny Committee were that:

1. In relation to the membership of the LEP Board itself,
 - a. The Framework should clearly explain how the membership of the LEP Board is determined, with reference to any government guidance and local determinations.
(This is dealt with on page 4 of the revised AF)
 - b. The Framework should set out how Board members are appointed, how they are held to account for their actions, and how their membership of the Board would end or could be terminated.
(This is dealt with on pages 4-5 of the revised AF)
 - c. Consideration should be given to increasing the number of locally elected representatives on the Board. It was noted that the current composition of the LEP was smaller than the permitted maximum, and that therefore there was room for further places to be given to local councillors.
(This matter will be considered as part of the on-going discussions regarding combined arrangements. At present, the membership of the LEP Board is reviewed on a regular basis, in light of changed responsibilities and the skills sets required to perform its duties. This approach has enabled the Board's membership to refresh itself naturally in response to new demands. This approach does not debar local authority leaders with the required skill sets or expertise from being sought by the Board. However, it is the practice, with regard to local authority membership at District level, that two Board Directorships are reserved, with nominations proposed by District Leaders. This usually takes place annually. It is worth noting that agreed District Leader nominations have always been accepted by the

LEP Board. It is also worth noting the guidance with regard to Board membership set out on page 4 of the document).

2. Consideration should be given to how locally elected politicians could be involved in the monitoring of complaints made against the LEP
(The involvement of county and district councillors in the scrutiny and monitoring of the LEP is a matter for on-going discussion. It is always appropriate for complaints against a body or organisation to be, in the first instance, investigated by that organisation itself, in order to give the opportunity for a problem to be addressed most efficiently and effectively. These will be dealt with, in the first instance by the LEP's newly established Performance Committee. However, part of the overall performance monitoring arrangements for the LEP will be regular analysis of any complaints received and actions taken in consequence, and there is no reason why, as part of the overall scrutiny arrangements, such issues do not form part of the information asked for and shared with elected representatives in order for the appropriate critical friend challenge to take place. Any complaints made against any County Council staff working on LEP issues would be covered by the County Council's existing procedures.)

3. Paragraph 4.10 on Independent Scrutiny will, in time, need to be developed further to ensure that local Overview and Scrutiny arrangements are in line with wider local authority engagement to be set out in Section 2. The committee recognised the advantages of joint scrutiny, formal or informal, between all 15 local authorities in the LEP area.
(The LEP recognises that the current position set out in the Framework, with regard to scrutiny of the LEP, could, potentially, mean a number of local authorities could instigate a scrutiny process at the same time, which may not be productive. The Lancashire Chief Executives Group, is currently considering the scope of the governance review of combined arrangements, which will be considered by Lancashire Leaders in June. There could be merit in Lancashire Leaders, on an interim basis, taking on the oversight of the activities of the LEP, and the Chief Executives Group at its meeting on March 30th have been asked to consider this proposal, with a view to preparing draft terms of reference for this role, for consideration at a future meeting of Lancashire Leaders.)

4. There should be clarity about the powers of the independent person(s) in conflict resolution (paragraph 4.9), and whether the LEP and the local authority should be bound to accept any ruling or recommendation of the Independent person(s).
(The Company Secretary of the LEP (the County Secretary & Solicitor) clarified with the Board that the proposed conflict resolution policy was intended to be use as a last resort in the unlikely event that the Accountable body and the LEP were unable to resolve any dispute over a recommendation or decision taken by the LEP. He advised that the purpose of appointing an independent person(s) was to seek to facilitate agreement between the parties and he cautioned against adopting a more detailed or complex provision or one which would bind the LEP or Accountable Body to accept a

decision of the independent person. In his view such a provision was rarely to the benefit of the parties and the Board were advised that if it was not possible to resolve a particular issue by agreement then, rather than resort to expensive and protected arbitration or mediation provisions, it would be preferable to have differences determined by the courts. That was particularly so in circumstances where any objection by the Accountable Body to a LEP decision could arise from concerns about vires issues. In such circumstances it would not be appropriate for the Accountable Body to have agreed to be bound by a decision to act outside its powers as that would by definition be unlawful)

5. Consideration should be given to ensuring that the Framework is clear throughout on the assurance measures in place in relation to the allocation of funding through any of the funding streams under the control of the LEP.
(section 5 – Value for Money and new flow diagram)
The Committee was keen to ensure that the assessment of organisations and projects in receipt of public money was seen to be extremely robust, and that this should therefore be fully reflected in the Framework document
(Page 22 of the AF confirms that there is a MoU between the LEP and Skills Funding Agency which ensures that a full due diligence exercise is undertaken on providers as part of the assessment of business cases)
6. In relation to the Skills Board, the Framework should be clear on how possible conflicts of interests have been, and will be in the future, avoided in the allocation of funding, especially where those bodies potentially in receipt of funding are represented on the decision making body.
(This is dealt with on page 6 of the revised AF)
7. On the Local Funding Contribution for transport schemes, it was felt that it should be made clear that the 10% minimum contribution could not be waived in any circumstances
(This is dealt with on page 20 – 5.3, page 23- 5.4 and page 25- 5.5)

Finally, the Committee emphasised again their appreciation for the level of engagement being offered in the Framework, and felt that the increased understanding of the work of the LEP amongst councillors and the public that would result would be beneficial to all concerned. It was confirmed that the Scrutiny Committee would maintain a keen interest in the work of the LEP and would look to engage regularly with the LEP, including at least on an annual basis in reviewing and refreshing the Framework itself.

Additionally, the Committee called for a series of "Bite Sized Briefings" (short information or training sessions offered to all County Councillors) on LEP related matters, with ESIF and skills funding being particularly identified as areas where councillors would benefit from increased understanding.

For further information, contact Josh Mynott, Committee Support Team Leader,
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Agenda Item 6

Scrutiny Committee

Meeting to be held on 17 April 2015

Electoral Division affected: None

Work Plan and Task Group Update

(Appendix 'A' refers)

Contact for further information:

Dave Gorman, (01772) 534261, dave.gorman@lancashire.gov.uk

Executive Summary

The plan set out at Appendix 'A' summarises the work to be undertaken by the Committee in the coming months, including an update on Task Group work. The information 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

Information on the current status of work being undertaken by the Committee and Task Groups 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.

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 Work Plan 2014/15

17 April 2015		Transforming Social Care	Tony Pounder	Considering the initial findings from Newtons
		Environment Agency: Alt-Crossens Land Drainage		To consider the response of the Environment Agency
15 May 2015		Visit to MASH		To be arranged
19 June 2015		Learning Disabilities	Tony Pounder	
		Apprenticeships	Eddie Sutton/Anne Marie Morgan	
		Child and Adolescent Mental Health Service (CAMHS)	Mark Warren	Outcomes of the review of CAMHS by the Health and Wellbeing Board
17 July 2015		Safeguarding Children	Lancashire Safeguarding Children Board/Louise Taylor/	Update from the meeting held in December 2014

			Lancashire Constabulary	
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Future Topics: not yet scheduled

- Bus Services and Subsidies: To consider outcomes of discussions with districts and next steps.

Task Groups

The following task and finish groups are ongoing or have recently been established:

- Planning Matters: Interface between upper and lower tiers authorities in making the right decisions on planning applications (especially flood management and educational provision)
- Fire Prevention Measures in Schools
- Transport Asset Management Plan (TAMP)