

Company Number: 07388600

Lancashire Enterprise Partnership Limited Board

**Tuesday, 14th June, 2016 in Cabinet Room 'D' - The Henry
Bolingbroke Room, County Hall, Preston, at 6.00 pm**

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the meeting held on 5th April 2016 (Pages 1 - 6)**
- 3. Matters Arising**
- 4. Declarations of Interest (Pages 7 - 8)**
- 5. LEP Governance and Sub-Committees Report (Pages 9 - 16)**
- 6. LEP Assurance Framework Update 2016/17 (Pages 17 - 110)**
- 7. Growth Deal 3 Update (Pages 111 - 120)**
- 8. Area Based Review (ABR) and Growth Deal 3 (Pages 121 - 126)**
- 9. Developing a Strategic Marketing Proposition for Lancashire (Pages 127 - 136)**
- 10. Transport for Lancashire Committee Decisions Report (Pages 137 - 152)**
- 11. Any Other Business**

12. Date of Next Meeting

LEP Board members are requested to note that a Special LEP Board meeting has been arranged at 4.30pm on 5th July 2016, County Hall, Preston.

Remaining 2016 LEP Board schedule

- 13th September 2016, 6pm
- 8th November 2016, 6pm
- 13th December 2016, 6pm

All to be held at County Hall, Preston.

Proposed 2017 LEP Board schedule

Following consultation with LEP Directors on the 2017 Board schedule, Directors are requested to approve the following schedule for 2017:

- 31st January 2017
- 28th March 2017
- 13th June 2017
- 12th September 2017
- 7th November 2017
- 5th December 2017

All to be held at County Hall, Preston, LEP Directors are asked to consider if they wish to retain a 6pm start time for 2017 or if an alternative start time, i.e 4.30pm, would be preferred.

Part II (Items that are Private and Confidential)

13. Growth Deal 1 & 2 Project Funding Approvals (Pages 153 - 158)

Lancashire Enterprise Partnership Limited Board

Minutes of the Meeting held on Tuesday, 5th April, 2016 at 4.30 pm at the Cabinet Room 'D' - The Henry Bolingbroke Room, County Hall, Preston

Present

Edwin Booth (Chairman)

Mike Blackburn
Councillor Simon Blackburn
Jim Carter
Graham Cowley
Mike Damms
Dave Holmes
Dr Malcolm McVicar

County Councillor Jennifer Mein
Dennis Mendoros
Councillor Phil Riley
Professor Mark Smith
David Taylor
Councillor Mark Townsend

In Attendance

Jo Ainsworth, Specialist Advisor: Finance, Programme Office, Lancashire County Council
Brian Bailey, Director of Regeneration, Blackburn with Darwen Borough Council
Harry Catherall, Chief Executive, Blackburn with Darwen Borough Council
Andrew Good, Head of Service Financial Management, Lancashire County Council
Neil Jack, Chief Executive, Blackpool Council
Martin Kelly, Director of Economic Development, Lancashire County Council
Andy Milroy, Company Services Officer, Lancashire County Council
Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council
Pam Smith, Chief Executive, Burnley Borough Council
Jo Turton, Chief Executive, Lancashire County Council
Ian Young, Company Secretary

1. Welcome and Apologies for Absence

The Chairman, Edwin Booth, welcomed all to the meeting. Apologies for absence were presented from Richard Evans and Councillor Stuart Hirst. It was noted that LEP Performance Committee Member, Councillor Peter Rankin, was in attendance as an Observer.

2. Minutes of the meeting held on 2nd February 2016

Resolved: The minutes of the Board meeting held on 2nd February 2016 were approved as an accurate record and signed by the Chairman.

3. Matters Arising

None

4. Declarations of Interest

Declarations of Interest were made by Dave Holmes (Item 14), Professor Mark Smith (Item 14), Councillor Mark Townsend (Item 13) and Councillor Phil Riley (Item 13). The Board agreed that the interests did not require any Directors to be excluded from those items and that the relevant declaration forms be completed and published with the minutes.

5. National Review of LEPs and LEP Assurance Frameworks

Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council presented a report (circulated) regarding the National Review of LEPs and LEP Assurance Frameworks.

It was reported that that National Review flagged up a minor governance item requiring correction regarding the publication of Directors Interests. It was noted that this had now been corrected and all LEP Director Interests were published on the LEP website and would continue to be published on a meeting by meeting basis.

There were no major issues raised as a result of the National Review or with the LEP Assurance Framework.

Resolved: The Board:

- (i) Noted the findings of the National Audit Office Report into Local Enterprise Partnerships.
- (ii) Noted the findings of the Government's Internal Audit and those of the North West Office of the Department for Business, Innovation and Skills in respect of the Lancashire Enterprise Partnership's Assurance Framework and the actions taken by the LEP to address any gaps identified, and;
- (iii) Agreed that a formal annual review of the LEP's Assurance Framework be undertaken by the Board in June of each year.

6. LEP Governance and Sub Committees Report

Andy Milroy, Company Services Officer, Lancashire County Council presented a report (circulated) that updated the LEP Board on governance matters and the recent meetings of the LEP Committees.

It was reported that Terms of Reference for five of the LEP Committees were presented for Board approval, minor revisions had been made to quorums and

substitutes.

In addition, the Board was notified of five vacancies in Committee membership and was asked to consider filling those vacancies. In this regard it was agreed that Councillor Simon Blackburn be appointed to fill one of the two vacancies on the Enterprise Zone Governance Committee. The Board agreed to consider the other four vacancies with the Chairman inviting Directors to consider if they would wish to put themselves forward.

Resolved: The Board:

- (i) Approved the five revised Committee Terms of Reference as presented at Appendices 'A' to 'E'.
- (ii) Agreed to appoint Councillor Simon Blackburn to the Enterprise Zone Governance Committee and requested that Directors give consideration to putting themselves forward to fill the remaining four Committee vacancies, and;
- (iii) Noted the updates provided in the report in relation to the Committees of the LEP.

7. Science and Innovation Audit (Verbal Update)

Professor Mark Smith, Vice Chancellor, Lancaster University and LEP Director provided a verbal update on the Science and Innovation Audit. It was reported that following the submission of Lancashire's bid, the Business Secretary and Science Minister had selected the Sheffield City Region and Lancashire as one of the UK's first Science Innovation Audit sites to identify investment opportunities and enhance research innovation and infrastructure across Britain.

The bid is one of five chose for the first Science and Innovation Audits and that Lancashire had been placed in the "pathfinder group".

Resolved: The Board noted the verbal update regarding the Science and Innovation Audit.

8. LEP Marketing and Communications Report

Martin Kelly, Director of Economic Development, Lancashire County Council presented a report (circulated) which updated the LEP Board on the developing strategic marketing proposition for Lancashire.

Resolved: The Board:

- (i) Noted the contents of this report, in particular the work of Thinking Place and SKV Communications.
- (ii) Approved the proposed approach to continuing to develop a strategic

marketing proposition for Lancashire, as set out in this report.

- (iii) Delegated authority to Lancashire County Council's Director of Economic Development and the Chief Executive of Marketing Lancashire to progress with the outputs required from this project, and;
- (iv) Noted that the Chief Executive of Marketing Lancashire, as the LEP's Media Communications and PR lead, will continue to provide regular updates to the LEP Board on the work programmes and outputs of the appointed consultants.

9. Growth Deal - Transport Scheme - Blackpool Tramway - Conditional Approval Report

Kathryn Molloy presented a report (circulated) which sought LEP Board approval to a Growth Deal Transport Scheme – Blackpool Tramway.

It was reported that, at this stage, the LEP Board was asked to consider the Outline Business Case report prepared by Jacobs and grant the scheme conditional approval.

It was noted that earlier in the day, the Transport for Lancashire Committee had met, and, had agreed to recommend the scheme for approval by the LEP Board.

Resolved: The Board considered the Outline Business Case and agreed to grant the Blackpool Tramway Extension scheme conditional approval.

10. Combined Authority Update

Councillor Mark Townsend, Leader of Burnley Borough Council and LEP Director, presented a report on behalf of Lancashire Leaders (circulated) regarding the latest development of the Combined Authority for Lancashire.

It was noted that almost 2000 responses were received to the public consultation exercise on the Combined Authority proposals with 70% agreeing that a Combined Authority is right for Lancashire. It was also noted that 35 businesses responded to the consultation. Throughout March and April 2016 Lancashire Leaders are taking reports to their respective decision making meetings recommending that their council become a constituent member of a Lancashire Combined Authority.

In addition, officers are currently drafting a constitution for the Combined Authority, working towards the principles of the Scheme of Governance for a shadow Combined Authority to be in place from July 2016.

Resolved: The Board noted the report, welcomed the progress made and agreed to continue to support Lancashire Leaders in developing the Combined Authority and devolution proposals.

11. Any Other Business

None

12. Date of Next Meeting

It was noted that the next LEP Board meeting was scheduled to be held on Tuesday 14th June 2016, 6pm, County Hall, Preston.

Part II

At this point the LEP Board approved that the meeting move into Part II, Private and Confidential to consider the remaining items which contained exempt information provided in confidence as defined in the Freedom of Information Act 2000. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

13. Lancashire Growth Deal Report

Kathryn Molloy presented a report (circulated) which provided an update on the progress of the Lancashire Growth Deal highlighting each of the schemes contained within the report.

Resolved: The Board:

- (i) Approved a maximum allocation of £1.7m of Growth Deal funding to Burnley Vision Park on the basis of the recommendations set out in paragraph 2.10 of the report.
- (ii) Approved a maximum allocation of £451k of Growth Deal funding to The Making Rooms scheme on the basis of the recommendations set out in paragraph 3.8 of this report.
- (iii) Approved a maximum allocation of £250k of Growth Deal funding to the Café Northcote scheme on the basis of the recommendations set out in paragraph 4.8 of this report; and
- (iv) Agreed that the terms of the Growth Deal funding will not include, as a mandatory requirement, BREEAM accreditation, provided that appropriate alternative quality checks are put in place.

14. Skills Capital Report

Dr Michele Lawty-Jones, LEP Skills Hub Coordinator, Lancashire County Council presented a report (circulated) regarding Skills Capital projects.

Resolved: The LEP Board approved the recommendations from the Skills and Employment Board in relation to the six business cases which had been appraised, as set out at Appendix 'B' to the report.

15. LEP Finance / Budget Report

The Chairman, Edwin Booth and County Councillor Jennifer Mein, Leader of Lancashire County Council presented a report (circulated) regarding the LEP Budget funding proposals for 2016 / 17 and 2017 / 18.

Resolved: The Board approved the recommendations as set out in the confidential report regarding the LEP Budget funding proposals for 2016 / 17 and 2017 / 18.

Agenda Item 4

Director's Declaration of Interest in Proposed Transaction or Arrangement

LANCASHIRE ENTERPRISE PARTNERSHIP LIMITED

Name	
Date of Notification	
Date of Consideration of Item (i.e. date of Board meeting)	14.06.16
Item Number (if relevant)	
Description of Transaction	
Nature of Interest	



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: 14th June 2016

LEP Governance and Committees Decisions Report

**Report Author: Andy Milroy, Company Services Officer, (01772) 530354,
andy.milroy@lancashire.gov.uk**

Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership (LEP) Board Committees at their recent meetings, and where applicable, and if not considered elsewhere on the Board's main agenda, contains decisions referred to the Board by the Committees for approval.

The report also contains a Governance update in relation to the Committees Terms of Reference.

Recommendations

The LEP Board is asked to note the updates provided in this report in relation to the Committees of the LEP.

Background and Advice

The Lancashire Enterprise Partnership Board (LEP) approved a LEP Assurance Framework on 17th March 2015 which was subsequently submitted to Government as final in April 2015. The Assurance Framework is made publically available on the LEP website: <http://www.lancashirelep.co.uk/about-us/about-the-lep.aspx>

The Assurance Framework ensures that the LEP records decisions taken by the LEP and its Sub-Committees in an open and transparent way. The purpose is to ensure that arrangements are in place enabling effective and meaningful engagement of local partners and the public, and that those arrangements operate transparently with LEP decisions capable of being independently scrutinised.

Since the implementation of the LEP Assurance Framework, the LEP and its Sub-Committees publish their agendas and minutes on the LEP website. In order to ensure the LEPs decision making is open and transparent in relation to the Sub-Committees this report presents updates from each of the Sub-Committees and, where applicable, contains decisions that are outside of the Sub-Committees powers and require referral to the LEP Board for approval.



Governance Updates

Review of the LEP Assurance Framework

The updated Assurance Framework is included on this agenda as a separate report.

Committee Vacancies

Following the last meeting of LEP Board held on 5th April 2016 at which it was agreed to appoint Councillor Simon Blackburn to the Enterprise Zone Governance Committee, LEP Directors Edwin Booth and Mike Damms have volunteered to fill the two newly created vacancies on the Performance Committee. The LEP Board are asked to approve these appointments.

This currently leaves the following LEP vacancies:

- 1 x vacancy on the Enterprise Zone Governance Committee
- 1 x vacancy (Private Sector nominee) Lancashire Skills and Employment Board

Updates from recent LEP Committee Meetings

1. Executive Committee

Luneside East Growing Places Investment – 25th April 2016

The Executive Committee agreed a repayment arrangement and variation facility agreement with the lead developer on the Luneside East Growing Places Investment.

Woodland Creation Planting Grant – 27th April 2016

The Executive Committee endorsed the two Lancashire based projects presented by the Forestry Commission which were for 139.9 ha of woodland planting (of which at least 70% is productive tress) at Claughton Hall near Lancaster and 38.04 ha of woodland planting in Wyresdale which is near Scorton. Again, at least 70% of the planting will be productive trees.

2. Transport for Lancashire Committee

At the time of writing the Transport for Lancashire Committee is scheduled to meet on 10th April 2016. It will consider two reports one regarding the Department for Transport Large Local Major Transport Schemes – New Ribble Crossing Development Funding Bid and another report regarding East – West Connectivity: Lancashire to North and West Yorkshire – Draft Economic Study Brief. Subject to



any views of the Transport for Lancashire Committee both reports will be submitted to the LEP Board for approval.

Full agendas and minutes for Transport for Lancashire meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?Committeeld=956>

3. City Deal Executive and Stewardship Board

The City Deal Executive and Stewardship Board, Chaired by Jim Carter (Executive) and Deborah McLaughlin (Stewardship Board) met on 21st March 2016.

Executive and Stewardship Board Special Meeting – 11th March 2016

City Deal Implementation update – Year 2 Quarter 4 Monitoring Report

The Executive and Stewardship Board noted the current stage of each project as set out and also noted that any issues would be discussed during Item 8 – Implementation Update.

With regard to the references to Preston Bus Station, The Executive and Stewardship Board requested that a further update report be provided at a future City Deal Executive / Stewardship Board meeting.

Outline Case Making to Government on Potential Impact of HMG Policy Changes on IDF

Beckie Joyce, Head of Service, Strategic Economic Development, Lancashire County Council presented a report (circulated) that presented a draft document containing the outline case making to Government on the potential impact of policy changes to the Infrastructure Delivery Fund.

In reviewing the document, the Executive and Stewardship Board suggested a number of changes and agreed a strategy for presentation of the document to Government. It was agreed that Officers would make the necessary changes, discuss with all parties, and provide a further update at the next Combined City Deal meeting on progress made.

The Executive and Stewardship Board also re-confirmed its intention to invite the University of Central Lancashire and Chorley Borough Council to be formally invited to join the City Deal Executive and Stewardship Board as Observers.

Implementation Update – Issues Report

Sarah Parry presented a report (circulated) which contained an update on issues relating to the implementation of various City Deal projects.

Updates were provided on Pickerings Farm Link Road, Croston Road Spine Road and Broughton Bypass with proposals for the next steps to be taken in their delivery.



Full agendas and minutes for the Combined City Deal meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1072>

4. Growth Deal Management Board

The Growth Deal Management Board, Chaired by Graham Cowley has, met twice since the last LEP Board on 13th April 2016 and 8th June 2016.

Board Meeting held on 13th April 2016

The Board considered and approved reports on the following:

- (i) Growth Deal Finance Summary – and accepted amendments to the Growth Fund Profile as set out.
- (ii) Local Growth Fund Agreements – and approved agreements in relating to projects GF01-12-s and GF01-17-S.
- (iii) Growth Deal Implementation Update Report – and noted the updates and in particular the metrics summary.

Board Meeting held on 8th June 2016

The Board considered and approved reports on the following:

- (i) Social Value – update noted/
- (ii) Building Research Establishment Environmental Assessment Methodology (BREEAM) – the Board endorsed the methodology and confirming that going forward Growth Funding Agreements will not insist on BREEAM accreditation and adopt the use of the Growth Deal Design standard as a set of build criteria.
- (iii) Business Cases due for LEP Approval – two Business cases were recommended for LEP Board approval and more detail is included in a separate item on this LEP agenda.
- (iv) Project Updates – noted.
- (v) Monitoring and Evaluation Update – noted.
- (vi) Local Growth Fund Agreements - noted
- (vii) Growth Deal Finance Update – noted.
- (viii) Growth Deal Implementation – noted.

The reports and minutes for Growth Deal Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1218>

5. Enterprise Zone Governance Committee

The Enterprise Zone Governance Committee met on 7th June 2016.

The Governance Committee considered and approved reports the following:



Positioning and Promotion of Lancashire's Enterprise Zone Programme Report

- (i) The Committee agreed to note the progress made in delivering the Salmesbury and Warton sites of the Lancashire Advanced Engineering and Manufacturing Enterprise Zone.
- (ii) Considered and agreed the role of Lancashire County Council Developments Ltd, on behalf of Lancashire County Council, in delivering direct development on the Salmesbury EZ site.
- (iii) Considered and discussed options for naming Lancashire's four EZ sites, as set out in the report.
- (iv) Agreed to the appointment of Freshfield to create visual concepts with supporting narratives to inform the naming, positioning and promotion of Lancashire's EZ Programme, including the naming of Lancashire's EZ cluster and/or its for individual sites.
- (v) Recommended that the LEP approve the use of up to £5,000 from the LEP's agreed Strategic Marketing budget to commission the proposed work from Freshfield.
- (vi) Requested the Chief Executive of Marketing Lancashire and the Head of LEP Coordination and Development, in consultation with local authority partners and key EZ landowners to work with Freshfield to produce visual concepts and naming options for consideration by the EZGC.

Blackpool Airport and Hillhouses Energy and Chemicals Enterprise Zones

- (i) Noted and welcomed the early progress made by local partners in advancing the Blackpool Airport and Hillhouse Enterprise Zones.
- (ii) Endorsed the governance and management arrangements for Blackpool Airport and Hillhouse Enterprise Zones as set out in the report.
- (iii) Considered the request to nominate a member of the EZGC or another LEP Director to the proposed Programme Board.
- (iv) Requested Blackpool Fylde and Wyre Economic Development Company Ltd to advise the EZGC of any proposals to change the agreed EZ governance and delivery arrangements

Full agendas and minutes for the Enterprise Zone Governance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1171>

6. Lancashire Skills and Employment Board

The Skills and Employment Board, Chaired by Amanda Melton, met on 4th April 2016.



The Board considered and approved reports on the following:

- (i) Economic Impact of Lancashire Training Providers – and that the comments of the Committee are forwarded and taken into consideration when finalising the report.
- (ii) Update from the Lancashire Skills Hub – which was noted.
- (iii) Area Based Review Verbal Update – which was noted.
- (iv) Combined Authority / Devolution Verbal Update – which was noted.
- (v) Lancashire / Sheffield City Region Science and Innovation Audit – an update on the joint bid was provided.
- (vi) Growth Deal Skills Capital – the report was noted, in addition it was agreed to develop a timetable in relation to the remaining Growth Deal Skills capital funding and consider details of any potential Growth Deal 3 projects.

Full agendas and minutes for the Lancashire Skills Board meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

7. Performance Committee

The Performance Committee, Chaired by Richard Evans, met on 24th May 2016.

The Committee considered and approved the following reports:

- (i) Presentation from the Growth Deal Management Board Chair – and agreed that consideration be given to addressing future officer capacity in terms of support for the LEP and that the potential impact of current capacity across all LEP activity be included as an addition item in the Risk Management Register, and that a Business Plan and Constitution be developed for the LEP.
- (ii) Summary Update Reports from the other LEP Sub-Committees were also considered and noted.
- (iii) Risk Management Register – various updates were suggested to the Risk Management Register with officers to update accordingly.

Full agendas and minutes for the Performance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1216>

8. Business Support Management Board

The Business Support Management Board, Chaired by Mike Blackburn, met on 25th May 2016.

The Board considered and approved the following reports:



- (i) Final Report – Business Support Simplification – this document was approved for submission to the Department for Business Innovation and Skills (BIS).
- (ii) European Funded Business Support Projects – Update / Overview – this report was noted.
- (iii) Lancashire Growth Hub 2015-16 – that the annual report be approved for submission to BIS.
- (iv) Growth Deal 3 Verbal Update –that the verbal update be noted and that a report on Growth Deal 3 submitted to the LEP Board in June will be circulated to the Board for consideration.

Full agendas and minutes for the Business Support Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1220>



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: 14th June 2016

LEP Assurance Framework Update 2016/17

(Appendix 'A' refers)

Report Author: Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council, 01772 538790, kathryn.molloy@lancashire.gov.uk

Executive Summary

At the meeting of the Lancashire Enterprise Partnership on the 5th April, the Board agreed that a formal annual review of the LEP's Assurance Framework would be undertaken by the Board in June of each year.

This review has been undertaken and is attached at Appendix 'A' to this report, for ease of reference all changes have been tracked, subject to LEP Board approval, the tracked changes will be accepted and removed from the final version.

Recommendations

The LEP Board is asked to note the contents of this report and approve the revised Assurance Framework attached at Appendix 'A'.

Background and Advice

1. Assurance Framework Review

- 1.1 County Council officers have undertaken a review of the Assurance Framework and have updated the document as necessary, with a particular focus on ensuring those LEP Sub-Committees established since the production of the original Assurance Framework have been included.
- 1.2 The revised Assurance Framework is attached at Appendix 'A' of this report and includes tracked changes for Board Directors' ease of reference.
- 1.3 Board Directors are asked to note specifically the changes to the Enterprise Governance Committee's Terms of Reference which now reflects the 4 Enterprise Zone sites in Lancashire and also the change from the Shadow Implementation Board for Growth Deal which is now the Growth Deal Management Board.



- 1.4 The Board is also asked to note that since the original Assurance Framework was produced the Performance Committee has been established which, in addition, has expanded membership to include the Chair of the LEP, Edwin Booth, and Mike Damms, LEP Board Director. These changes are included in the revised Assurance Framework attached at Appendix 'A'
- 1.5 At the last meeting of the Performance Committee on the 24th May, the Chair, Richard Evans, agreed that a key focus of the Performance Committee would be the monitoring and evaluation of key LEP initiatives set in the context of the Assurance Framework.



ASSURANCE FRAMEWORK

~~October 2015~~ May June 2016



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1. LEP Governance and Decision Making
2. Local Authority Partnership working
3. Transparent Decision Making
4. Accountable Decision Making
5. Ensuring Value for Money

Annexes

- Annex 1. LEP Board Membership and LEP Committee Terms of Reference
- Annex 2. Protocol on the Disclosure of Confidential Information
- Annex 3. Freedom of Information
- Annex 4. Observers Protocol
- Annex 5. Directors Interests Policy
- Annex 6. Gifts and Hospitality Policy
- Annex 7. Complaints Policy
- Annex 8. Communications Protocol
- Annex 9. Growth Deal Assessment Criteria
- Annex 10. Skills Funding Agency – Conflict of Interest Protocol

1. LEP Governance and Decision Making

1.1 Structure

The Lancashire Enterprise Partnership (LEP) is a Company Limited by Guarantee, incorporated in England and Wales in September 2010 under the provisions of the Companies Act 2006. Its objects, powers and framework of governance are set out in its Articles of Association. Lancashire County Council is the Accountable Body for the LEP.

1.2 Geography

The geographical area covered by the LEP is coterminous with the boundaries of the County Council and the unitaries of Blackpool Borough Council and Blackburn with Darwen Borough Council. It encompasses the 12 district councils of: Burnley; Chorley; Fylde; Hyndburn; Lancaster; Pendle; Preston; Ribble Valley; Rossendale; South Ribble West Lancashire; and Wyre.

1.3 Board

The LEP Board has been established in accordance with a Government requirement that all LEPs be chaired by a private sector director with at least 50% of its Board drawn from the private sector, and public sector members drawn from local authority leaders and other relevant public sector organisations. The Board currently comprises four local authority Leaders and one Deputy Leader with 12 Board directors drawn from private sector businesses. The local university sector is represented by the Vice Chancellor of Lancaster University and local Chambers of Commerce via the Chief Executive of the East Lancashire Chamber.

To provide leadership and impetus to the delivery of LEP priorities, Board Champions have been appointed to drive key areas of work. By utilising the skill-sets of Board directors all key areas of LEP activity have a leading Board Champion. Board Champions are set out in **Annex 1**.

Lancashire County Council, as sole Member of the Company, appoints and removes all of the Company's directors following Board recommendation. However, it is the Board's practice to regularly review Board membership, in light of changes in LEP responsibilities, to ensure the Board is equipped with the skill-sets and expertise required to perform its duties. All new director memberships are considered and agreed by the LEP Board.

The Articles of Association provide that the maximum number of directors is 20, with four as a minimum. No member of the Board receives any remuneration for their service on the Board. A full list of Board members is provided at **Annex 1**. The Board meets in an agreed cycle that is designed to ensure that operational requirements are met. Board meetings are also called to consider policy decisions and/or operational requirements, with deadline implications, which cannot wait until the next the scheduled meeting.

1.4 Committees

A copy of the Company's Committee structure is provided at **Annex 1**. The Board of Directors has appointed seven Committees each with their own Terms of Reference, provided at **Annex 1** ~~with the exception of the Performance Committee (whose Terms of Reference are to be considered in April 2015 by the LEP Board)~~. The Committees meet in accordance with an agreed cycle that is designed to ensure that operational requirements are met. Committee meetings are also called to consider issues, with deadline implications, which fall outwith agreed meeting schedules.

1.5 Transport for Lancashire Committee

This Committee was appointed by the Board in 2013 and revised Terms of Reference were agreed in September 2014. The primary objective of Transport for Lancashire is to advise the LEP Board on strategic transport initiatives in Lancashire, Blackpool and Blackburn. Full (voting) members of Transport for Lancashire comprise:

- (i) Lancashire County Council (Leader or nominee) – **(Chair)**
- (ii) Blackburn with Darwen Borough Council (Leader or nominee)
- (iii) Blackpool Borough Council (Leader or nominee)
- (iv) Chair and Vice Chair of the LEP (or nominees)

Participating observers (non-voting):

- (i) Department for Transport
- (ii) Highways Agency
- (iii) Network Rail

1.6 Executive Committee

This Committee was appointed by the Board in March 2013 to enable decisions of the Board to be taken between Board meetings. The Committee has full powers to take decisions on behalf of the Board. The Committee comprises of five Directors and the quorum for decision making being three Directors.

The Membership of the Committee is:

- a. The Chair of the LEP Board **(Chair)**
- b. The Vice-Chair of the LEP Board
- c. LEP Director, Dr McVicar, former Vice Chancellor, University of Central Lancashire
- d. LEP Director, Mr Mendoros, Owner Manager of Euravia Engineering
- e. LEP Director, Cllr Jenny Mein, Leader of Lancashire County Council

1.7 City Deal Executive

The City Deal Executive was established to oversee the delivery of the City Deal and to take key strategic decisions in this regard. It was appointed by the Board in November 2013 and comprises the following members:

- The Chair of the LEP (or their nominee) (**Chair**)
- The Leader of Lancashire County Council (or their nominee)
- The Leader of South Ribble Borough Council (or their nominee)
- The Leader of Preston City Council (or their nominee)
- The Vice-Chair of the LEP (or their nominee) and
- The LEP's Champion for Strategic Development (or their nominee)

1.8 City Deal Stewardship Board

The City Deal Stewardship Board has the remit of overseeing the disposal and development of the assets listed in the City Deal document, in accordance with wider City Deal economic and housing growth objectives. It was appointed by the LEP Board in December 2013 and comprises the following members:

- a. The North West Executive Director of the HCA (or their nominee) (**Chair**)
- b. The Chief Executive of Lancashire County Council (or their nominee)
- c. The Chief Executive of South Ribble Borough Council (or their nominee)
- d. The Chief Executive of Preston City Council (or their nominee) and
- e. The LEP's Champion for Strategic Development (or their nominee)

1.9 Enterprise Zone Governance Committee

This Committee was established in 2012 with responsibility for setting and overseeing the strategic direction of the Lancashire Enterprise Zone. The Committee's terms of reference and membership were refreshed in February 2015. It comprises the following members:

- Chair of the LEP (**Chair**)
- ~~LEP Director, Richard Evans, Partner, KPMG~~
- ~~LEP Director, Cllr Simon Blackburn, Blackpool Council~~
- ~~LEP Director Mike Tynan, Chief Executive (Nuclear) AMRC~~
- LEP Director, Cllr Jenny Mein, Leader of Lancashire County Council
- LEP Director, Dr Malcolm McVicar, former Vice Chancellor, University of Central Lancashire
- LEP Director, Mark Smith, Vice Chancellor, University of Lancaster
- LEP Director, David Taylor, Chairman, David Taylor Partnership

Following the announcement of the Blackpool Enterprise Zone, in due course, governance arrangements will be amended to incorporate this development.



1.10 Lancashire Skills and Employment Board

This Committee was established in 2013 and is responsible for considering skills development priorities within Lancashire, Blackpool and Blackburn. The Skills and Employment Board has a memorandum of understanding with the Skills Funding Agency and adheres to their Conflict of Interest Protocol (attached at **Annex 10**). The Skills and Employment Board comprises a minimum of five members and a maximum of 11 and current Members comprise.

- Amanda Melton (**Chair**), Chief Executive, Nelson and Colne College
- Beverley Robinson, Chief Executive, Blackpool and Fylde College
- Mark Allanson, Pro Vice Chancellor Edge hill University (~~appt 1st Nov 2015~~)
- Steve Gray, Chief Executive, Training 2000
- Joanne Pickering, Chair of Lancashire HR Employers Network (**Deputy Chair**)
- Lynne Livesey Pro Vice Chancellor, University of Central Lancashire
- Graham Howarth, HR and Legal Director, Crown Paints
- Paul Holme, Chair of the North West Training Provider Network
- Andy Wood, HR Director of Trelleborg Offshore UK Ltd (~~appt Nov 2015~~)
- Lindsay Campbell – Partner Director Campbell & Rowley Catering and Events Ltd (appt Nov 2015).
- 1 Private sector vacancy

1.11 Performance Committee

~~The LEP Board agreed on 17 March 2015 to establish a Performance Committee. This Committee was established to provide oversight on four key areas of performance: Resources, Decision Making, Implementation and Monitoring and Evaluation. The Performance Committee will not make recommendations on individual scheme approvals. The Terms of Reference for this Committee will be added to this document following consideration by the LEP Board in April 2015.~~

The Performance Committee comprises of the following members:

- LEP Director, Richard Evans , Partner, KPMG (**Chair**)
- LEP Director, Edwin Booth, LEP Chairman and E H Booths Ltd
- LEP Director, Mike Damms
- LEP Director, David Taylor, Chairman, David Taylor Partnership
- LEP Director, Graham Cowley,
- Lancashire Leaders Nominee, Cllr Peter Rankin, Leader, Preston City Council

1.12 European Structural and Investment Funds (ESIF) Arrangements

The ESIF partnership is not a committee of the LEP but will act as an advisory sub-committee of the National Growth Board providing Lancashire input into the management



and delivery of the three ESIFs (ERDF, ESF & ERDF) programmes. The partnership is made up of a range of local partners inclusive of the public, private, voluntary and environmental sectors, LEP Board Directors and associated groups.

It is envisaged that the partnership will advise Government on the type and size of calls to be issued as well as commenting on funding agreements with Opt in organisations. It will act as the main conduit for local partners to engage with the ESIFs programme at a strategic level, including monitoring of delivery and evaluating performance.

1.13 Implementation and Delivery Arrangements

Robust governance structure and implementation frameworks have been established to ensure the effective delivery of the LEP's key initiatives, specifically, the City Deal, the Enterprise Zone, the Growth Deal, Boost Business Lancashire and the Growing Places Fund. The implementation arrangements for the delivery of key initiatives are set out in **Annex 1**.

1.14 City Deal Implementation and Delivery

The annual Infrastructure Delivery Programme is set by the City Deal Executive and Stewardship Board and is implemented under the direction of a Programme Board whose members include the Chief Executives of local partners. The Programme Board considers issues to be referred to the City Deal Executive.

A Project Team is responsible for driving forward the Programme, allocating resources, considering quarterly progress reports, managing and addressing risks to the implementation plan and initiating pieces of work to facilitate the delivery of the Deal. The Project Team is chaired by the City Deal Project Director and includes senior representatives from each of the local partners.

At the project level, a series of working groups oversee the development, co-ordination and operational delivery of each of the schemes in the Programme.

Planning and Co-ordination Group – supports the Joint Advisory Committee and ensures planning related issues are kept under review.

Infrastructure Delivery Group – is responsible for preparing, implementing and monitoring progress on the City Deal Infrastructure Programme which includes all elements of highway, housing and community infrastructure (health, education, open space).

HCA Liaison Group – supports the City Deal Stewardship Board and the HCA in the preparation of the Business and Disposal Plan, ensuring its alignment with the Infrastructure Delivery Programme and the communications and Marketing Plan. The Group oversees the development of quarterly progress reports for submission to the Stewardship Board.



Finance Group – ensures appropriate operating procedures are in place for the City Deal Infrastructure Delivery fund and prepares quarterly finance monitoring reports for submission to the Executive.

Communications Group – prepares, implements and monitors progress on the City Deal Communications and Marketing plan. The Group is responsible for co-ordinating scheme specific communications at the local level as well as developing and implementing marketing proposals for the City Deal.

Monitoring Group – responsible for the collation and monitoring of a range of agreed outputs and performance measures. The group prepares six monthly performance reports and prepares an annual monitoring schedule for submission to the Executive.

1.15 Enterprise Zone Delivery and Implementation

The strategic direction of the Enterprise Zone (EZ) is set by the Enterprise Zone Governance Committee.

~~An EZ Programme Boards will be established has been established and is will be~~ responsible for monitoring and reporting of commercial, financial, development and planning matters and the on-going delivery of their respective Enterprise Zone EZ Programme. The Programme Boards ~~will~~ includes members from commercial partners, private sector landowners, national government departments, local authority partners and senior Lancashire County Council officers, ~~and is chaired by the Director Development and Corporate Services at the County Council.~~

~~The EZ Project Board is responsible for the operational delivery of Enterprise Zone activity including commercial, financial, development, legal, planning, land, infrastructure, and highways works in addition to the reporting on these matters to the EZ Programme Board. The Project Board includes representation from BAE Systems, the local planning authorities and County Council (for planning, estates, economic development, legal and highways) and is chaired by the Director of Development and Corporate Services at the County Council.~~

~~In addition to the Programme and Project Boards, the EZ Technical and Commercial Group is responsible for progressing technical specific site, highways, planning, infrastructure, financial and commercial issues and is attended by technical specialists and officers from both BAE Systems and the County Council.~~

~~Following the announcement of the Blackpool Enterprise Zone the current implementation and delivery arrangements will be amended to incorporate this development.~~

1.16 Growth Deal Delivery and Implementation

The LEP Board has established a ~~Shadow Growth Deal Implementation Board~~ Growth Deal Management Board to ensure the Growth Deal Programme moved forward to



implementation stage. The ~~Shadow~~ Board, chaired by LEP Director Graham Cowley, has overs~~ight of~~ the preparation of the Growth Deal Implementation Plan and the Growth Deal Monitoring and Evaluation Framework. The ~~Shadow~~ Board reports directly to the LEP Board. The Board comprises the following members:

- Graham Cowley, LEP Director, (Chair)
- Sue Procter, Director, Programmes and Project Management, Lancashire County Council
- Alan Cavill, Director of Place, Blackpool Council
- Brian Bailey, Director of Growth and Prosperity, Blackburn with Darwen Borough Council
- Dr Michele Lawty-Jones, Director, Lancashire Skills Hub
- Gareth Smith, Project Director and Head of Regeneration, Barnfield Investment Properties
- Professor Robert Walsh, Director of Research and Innovation
- Julie Whittaker, Economic House and Regeneration Manager, Pendle Borough Council

The ~~LEP will establish a~~ Growth Deal Management Board has the following as a formal Committee of the LEP in due course and delivery arrangements ~~have already been put in place as set out below:~~

Growth Deal Implementation Group

~~This Group (currently operating as the Shadow Growth Deal Implementation Board) comprises individual Growth Deal project directors/lead officers with technical legal, financial and communications support provided by Lancashire County Council. The Group will provide regular progress reports and advice on all commercial, financial and development matters for consideration by the Growth Deal Management Board.~~

~~The Group will continue to oversee the operation of a Monitoring and Evaluation Working Group and will approve all monitoring reports for submission to the LEP Board and Growth Deal Management Board. The Group will use the Growth Deal Implementation Plan to track progress against the planned milestones.~~

Monitoring and Evaluation Working Group

The Working Group is responsible for collating and analysing all progress and metric monitoring for the Growth Deal and is tasked with providing quarterly reports to the Growth Deal Implementation Group for their consideration.

1.17 Business Support Delivery and Implementation

Boost Business Lancashire is the LEP's Growth Hub which has been in operation since 2013. Boost is an integrated portal and gateway which routes ambitious and growth hungry businesses to the best combination of public and commercial business support. In line with



the national growth hub model, Boost brings together the best business support delivery organisations within the LEP area, and within 18 months of operation dealt with and referred over 1,000 businesses to a range of business support providers, including national business support programmes.

Strategic governance for Boost is provided by the Boost Programme Board. The Board is chaired by LEP Board director, Mike Blackburn, with support from Mike Damms, LEP Director and CEO of the East Lancashire Chamber of Commerce.

The LEP is seeking to expand the membership of this group to further cement the strong relationships with major business representative bodies and key local business networks operating in Lancashire. This grouping of business representative bodies and brokers is currently engaged via the **LEP's SME Consultation Group**. It is the intention to review the operation of the Group and the merits of formally linking its activities with the strategic management of Boost, within the overarching governance framework of the LEP.

Boost has been funded using ERDF resources and local partner investment contributions. The existing offer covers start-up, mentoring, growth grants, innovation, an enhanced Growth Accelerator offer, and leadership/management coaching delivered by a range of expert partners. Boost also promotes complementary local offers such as Superfast Lancashire, the Access to Finance advice service and the Regional Growth Fund programmes of Fuse, ABG and ABG+.

1.18 Growing Places Delivery and Implementation

The LEP is responsible for the strategic investment of its £19.3m Growing Places Fund (GPF) which was established in 2012.

The fund is managed by the County Council, via a stage process; stage one assesses initial expressions of interest and market interest; stage two focuses on the management of successful funding applications and agreement of funding agreements; with stage 3 concerned with on-going monitoring and performance of the investment.

Stage One

The purpose of stage one is to ensure that the proposed scheme is aligned with the LEP's Strategic Economic Plan and also that repayment terms can be met within an agreed timeframe of usually two/three years. Stage one is progressed through meetings with the project sponsor and concludes with the preparation of Heads of Terms for consideration by the LEP Board, and approval (if agreed by the LEP Board) to prepare a Facility Agreement.

Stage Two

Stage two involves the appointment of solicitors to negotiate and draft the detailed terms of the Facility Agreement.



Stage Three

Stage three ensures that the project is monitored and that the GPF investment is drawn down and repaid, in accordance with an agreed financial and development programme agreed by the County Council and the project sponsor.

The LEP Board receives update reports on the management and performance of GPF. Section 4 of this Assurance Framework provides further information on the financial management of the GPF.

2. Local Authority Partnership working

- 2.1 Over the last three years, the level and extent of LEP-local authority partnership working in Lancashire has continued to develop and increase. There is still more work to be done, but the LEP has actively engaged with local authorities in shaping new strategies, investment frameworks and partnership arrangements.
- 2.2 Local authorities have engaged with the LEP to establish new partnership working arrangements to improve policy alignment and strategic decision-making. For example, in creating Transport for Lancashire, as a sub-committee of the LEP, local highway authorities have established a powerful Local Transport Body to provide for the first time a strategic transport policy and investment framework focused on supporting the delivery of agreed economic and housing growth priorities.
- 2.3 The LEP and its local authority partners have also established new local development initiatives of national importance which, in turn, have led to the creation of new governance and partnership working arrangements. For example, the Preston, South Ribble and Lancashire City Deal is recognised as a national exemplar, in terms of its shared decision making arrangements, and in establishing a pooled strategic investment fund valued at over £430m, which combines local authority, Government and private sector funding streams and assets to support the delivery of agreed priorities.
- 2.4 The commitment to partnership working evidenced in the City Deal enabled the LEP and all the local authority partners to secure, through the City Deal, a 10-year transport funding allocation for Lancashire, from Government, which will be accelerated over 7-years. Lancashire is the only LEP area in England, without a combined authority, to have established such a position with Government.
- 2.5 The LEP has also established an agreed SEP with local authority partners. This framework has enabled Lancashire to secure levels of competitively secured Growth Deal funding that can only be significantly bettered by the leading Core Cities of Manchester, Leeds, Birmingham, Sheffield and Newcastle. The LEP currently has over 30 major growth initiatives underway or planned involving local authorities across Lancashire.
- 2.6 Clearly, much has been achieved in recent years, but the LEP and local authority partners recognise the need to further improve partnership working arrangements to provide strong, transparent, inclusive and accountable leadership on local growth issues.
- 2.7 The next key milestone for partnership working in Lancashire is the exploration of alternative decision-making arrangements, including moves toward a Combined Authority model. To this end, local authorities in Lancashire have been actively working together to consider and define new governance and collaboration arrangements. Lancashire Leaders have commissioned a Chief Executives Working Group to support this area of work.



- 2.8 At this stage, a preferred local authority governance model has yet to be agreed, though local partners recognise the need to establish new arrangements that are capable of making transparent, robust and binding shared decisions, which formally connect with the LEP, to establish a fully integrated approach to shaping, delivering and monitoring local growth and regeneration strategies.
- 2.9 In moving forward, however, agreement has been secured to undertake a formal governance review of all possible options, including the formation of a Lancashire Combined Authority, to assess which model, if any, would enhance the delivery of shared aspirations.
- 2.10 At meetings of Lancashire Leaders and Chief Executives in February, 2015, officers were commissioned to prepare a report on the proposed governance review which will be considered by Lancashire Leaders on 19 June 2015, with a decision on the preferred governance option expected by autumn 2015. The local authorities are very confident that their joint working across Lancashire will continue.

3. Transparent Decision Making

- 3.1 The LEP is committed to effective and meaningful engagement of local partners and the public and has established transparent arrangements and practises with regard to the decisions it makes.

3.2 **The Website**

The LEP has a dedicated website through which local partners can keep in touch with progress on the implementation of its key initiatives and where key papers can be accessed.

3.3 **Publishing Arrangements**

This Assurance Framework and the LEP Board and its-Committees Terms of Reference can be accessed on the Lancashire LEP website. All Agendas, papers, decisions and minutes of the LEP Board and its Committees can be accessed on the Lancashire LEP website and the County Council's website. **Annex 2** sets out the arrangements agreed by the LEP for the treatment by all attendees at Board meetings of confidential information.

3.4 **Freedom of Information**

The LEP is committed to meeting its duty of fulfilling and maintaining the highest standards of corporate governance. The LEP assesses the publication of papers using the relevant Freedom of Information (FOI) Act exemptions. **Annex 3** provides a summary of the information deemed exempt under the Act. FOI requests are processed by the County Council's Access to Information Team. The Head of Information Governance for the County Council acts as the internal reviewer for all FOI requests for the LEP.

3.5 **LEP Board Meetings and Committee Meetings**

The LEP publishes and makes publically available all of its papers (with the exception of papers deemed confidential where an FOI exemption applies and following the application of the Public Interest test).

Agendas are split into Part I (open to press and public) and Part II (private and confidential) with the Board being asked to approve that meetings move to Part II as appropriate. Any papers are considered to be FOI exempt and have passed the public interest test and are deemed confidential are clearly marked with the correct Part II exemption paragraph referencing.

Agendas are published and made available five clear working days prior to meetings of the Board. Agendas are published on the LEP and County Council's website.

Minutes are also split into Part I and Part II, as necessary, and published on the LEP and County Council's website, with publication within three working days of the meeting taking place.



3.6 **Attendance of Observers at LEP Board and Committee meetings**

The LEP has an agreed protocol for the attendance of observers at LEP Board and Committee meetings. Observers are requested to make themselves known to the Company Secretary (or their representative) and state their name, the organisation they represent and their purpose for attending the meeting. Observers will usually be excluded from any Part II items and as a general rule will not be permitted to speak at meetings unless invited to do so by the Chair. The full protocol is provided at **Annex 4**.

3.7 **Conflict of Interests**

As Accountable Body for the LEP, Lancashire County Council ensures that the LEP manages conflicts of interest in accordance with existing County Council protocols and codes of conduct that apply to local councillors. The LEP complies with the Seven Principles of Public Life which are:

1. Selflessness
2. Integrity
3. Objectivity
4. Accountability
5. Openness
6. Honesty
7. Leadership

The LEP will act in the interests of the whole of its geographical area and not according to the interests of individual member organisations.

The LEP ensures there is appropriate separation between scheme promoters and LEP decision-making processes. For example, the Terms of Reference for the Committees ensure that there is complete separation between scheme promoters and their own framework consultants and the appraisal team and decision makers. The LEP conflict of interest guidance for Directors is provided at **Annex 5**.

3.8 **Register of Interests**

The LEP will maintain and enable access to a register of its members' interests, which will be available to the public via the LEP website. The register will include any interests members have that may conflict with LEP business.

3.9 **Gifts and Hospitality**

The LEP has adopted rules for accepting gifts and hospitality. The rules are provided at **Annex 6**.

3.10 Complaints Policy

The LEP has adopted a procedure for responding to complaints from stakeholders or members of the public against the LEP or members of the LEP. The Complaints Policy is provided at **Annex 7**.

3.11 Local Engagement for LEP Strategy Development

The LEP wants to ensure that key stakeholders and the public have an opportunity to contribute to and comment on the on-going development of the LEP's SEP. The degree of involvement will depend on the specific activity and could comprise formal consultation, public engagement, representative working groups, on-going investor development, market research and surveys.

With specific regard to local engagement with Lancashire MPs on LEP strategy development the LEP will host one session per parliamentary term to which all Lancashire MPs will be invited.

3.12 Reporting Progress of Delivery of the Strategic Economic Plan

The LEP will undertake a regular review of progress on the SEP, including progress on delivery of key projects and spending commitments. This will be published on the LEP website.

3.13 Project Development, Prioritisation, Appraisal and Approval

The LEP has agreed systems and processes for developing, prioritising, appraising and approving projects and these are set out in section 5 of the Assurance Framework.

3.14 Communications Arrangements

The LEP undertakes a range of communications activities in support of its key initiatives. The City Deal is supported by a communications strategy encompassing media relations, community engagement, web, social media, branding and other associated issues. A protocol is in place to ensure effective governance of communications activity between the LEP and its City Deal partners. A communications protocol has also been adopted for the Growth Deal to support the effective management of messages by the LEP.

Communications activity around the Enterprise Zone is managed through regular liaison between communications representatives of the LEP, County Council and BAE Systems. During 2015/16 this will evolve to support the revised governance arrangements for the Enterprise Zone and include the development of a formal protocol with the LEP's delivery partners.

The Growing Places Fund will continue to be supported by communications activity, coordinated with partners as appropriate and also mainstreamed through the LEP's own channels.

The Communications Protocols are attached at **Annex 8**.

4. Accountable Decision Making

- 4.1 Lancashire County Council, as Accountable Body for the LEP, is responsible for ensuring that all funding decisions made by the LEP are made in accordance with this Assurance Framework.
- 4.2 The County Council has put in place the administrative, financial and legal support necessary to enable the LEP to carry out its functions in the most effective and efficient way. These financial systems will fall under the annual audit of the County Council's accounts.
- 4.3 The County Council's Scrutiny Committee has considered and commented on this Assurance Framework and will perform this scrutiny function as and when the Assurance Framework is amended in the future.
- 4.4 The County Council's Cabinet has considered and approved this Assurance Framework.

4.5 Financial and Legal Accountability

As the Accountable Body for the LEP, all financial arrangements are managed and accounted for through County Council financial systems and subject to the Standing Orders and Governance systems of that body. All activities are subject to scrutiny the appropriate Internal Control function within the County Council and (where appropriate) subject to external financial audit. The internal legal service and the County Council Monitoring Officer are involved as appropriate to ensure due diligence is strictly adhered to.

Day to day financial support and management is undertaken by a senior project finance manager and is subject to overview and scrutiny by the Head of Financial Management Development and Schools under whose remit this falls. All accounts are signed-off by the Section 151 Officer.

Where appropriate and/or required external commercial specialist support is sought which ensures that the appropriate guidance and advice is used when making investment decisions, both financial and legal.

The County Council is subject to core frameworks which have provided Government with assurance that councils will spend their money with regularity, propriety and value for money. The key elements are legal controls and democratic accountability to local people. The system provides assurance that the government's decentralising agenda can be achieved in relation to local government without compromising the proper spending of public money.

4.6 Growth Deal Project Funding

All sponsors seeking Growth Deal funding will need to agree and sign a Growth Deal Grant Funding Agreement, prior to draw down of funds. The agreements will set conditions including; project sponsors commitment to monitoring and evaluation requirements; agreement to the communications protocol and delivery of milestones. The agreements will include provisions for the protection of public funds (e.g. arrangements to suspend or claw back funding in the event of non-delivery or mismanagement).

4.7 Growing Places Funding

The Growing Places fund is managed according to the following process:

- An outline scheme proposal is presented to the LEP Board for consideration. The scheme proposal identifies the scheme and amount of investment being sought from GPF, along with a brief summary of its fit with LEP/local economic growth priorities, economic impacts generated, other private/public investment leveraged, draw down and repayment timescales.
- If the Board accepts the outline proposal the scheme is assessed by the accountable body for '*Strategic Fit and Economic Impact*'.
- A report, including draft Heads of Terms between the scheme sponsor and the accountable body is considered by the LEP Board.
- If the LEP Board agrees the scheme it proceeds to formal '*Financial Appraisal and Due Diligence*'. This is performed by officers of the County Council under the guidance of the Director of Development & Corporate Services, and with support from the County Council's Director of Economic Development, Head of Financial Management Development and Schools and external legal advisors.
- This information is then presented to the LEP Board, with recommendations for proposed loan structure, security and terms.
- Once final loan documentation is prepared, the LEP Board consider and formally approve the facility, which is then executed by the Company Secretary on behalf of the Accountable Body.

4.9 Conflict Resolution

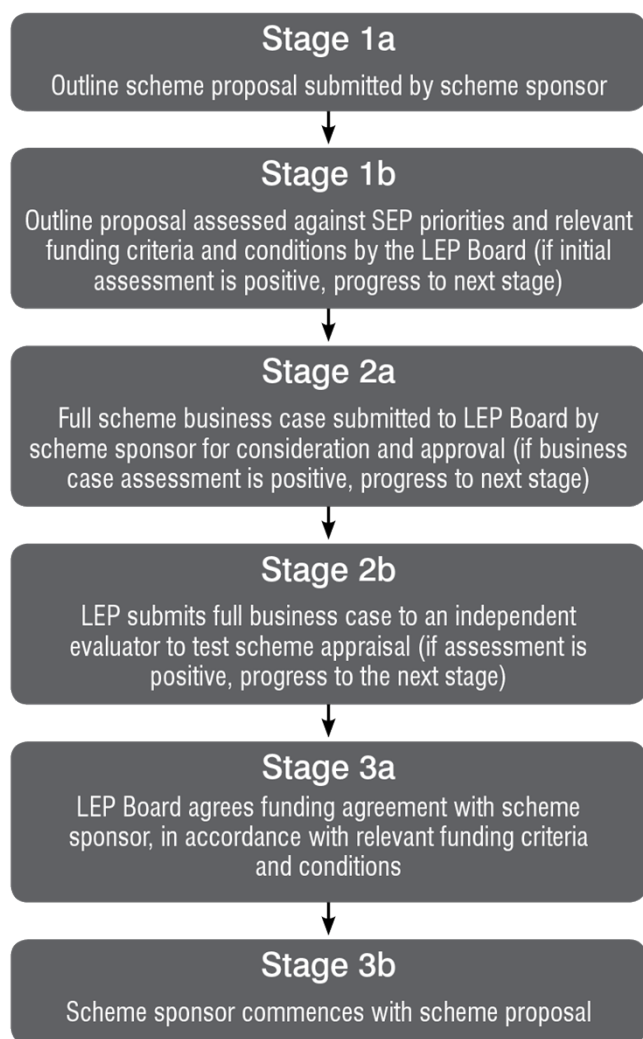
In the event that the accountable body (Lancashire County Council) does not comply with a decision of the LEP, the matter will be considered by the Chair of the LEP, Company Secretary and Section 151 Officer from the accountable body (as appropriate) to seek to resolve the issue. If the conflict remains unresolved all parties will agree to appoint an independent person(s) to assist the LEP and the accountable body to resolve the matter.

4.10 Independent Scrutiny

The LEP will be subject to Overview and Scrutiny in accordance with existing legislation, whereby any local authority scrutiny committee within Lancashire can, separately or jointly, scrutinise the role or activities of the LEP or its sub groups. Any such meetings of a scrutiny committee would normally be held in public, and any findings or recommendations will be made public. The LEP would be expected to make its response to scrutiny public.

5. Ensuring Value for Money

- 5.1 The LEP is able to demonstrate value for money through the systems and processes it has established for developing, prioritising, appraising and approving projects.
- 5.2 The SEP sets out priority themes and spatial investment priorities, and the LEP is committed to regularly reviewing the SEP to ensure that existing and emerging growth priorities are well positioned.
- 5.3 The LEP follows a staged process for all projects upon which it makes investment decisions and the LEP Board and Committees have established arrangements to progress the delivery of priorities seeking to utilise Local Growth Fund resources. The LEP's Growing Places Fund is administered in accordance with an agreed framework set out in Section 4 of this Assurance Framework.





5.3 Transport Schemes

The Terms of Reference for Transport for Lancashire, provided at **Annex 1**, set out the arrangements for developing, prioritising, appraising and approving transport projects seeking Local Growth Fund resources, and these are summarised below.

Scheme Eligibility

The LEP Board will consider capital funding for schemes that are priorities in approved highways and transport masterplans or other relevant documents. The highways and transport masterplans are available to view at <http://www.lancashire.gov.uk/council/strategies-policies-plans/roads,-parking-and-travel/highways-and-transport-masterplans.aspx>. The LEP will consider funding exceptional structural maintenance schemes and schemes on the networks of the Highways Agency and Network Rail, including in adjacent Local Enterprise Partnership areas, where such schemes contribute towards the delivery of the objectives of the Strategic Economic Plan.

Local Funding Contribution

The LEP requires scheme promoters to provide an absolute minimum mandatory 10% contribution towards total scheme construction cost and 100% of any increase in cost following the granting of Programme Entry.

The Transport Business Case, Scheme Assessment and Appraisal

The LEP requires all transport business cases to adhere to the key principles of the Department for Transport's Transport Business Case guidance (January 2013) and be fully compliant with the approach to modelling appraisal and analysis set out in WebTAG at the time they submit the transport business case. TfL will, using appropriately qualified consultants, scrutinise individual scheme business cases on behalf of the LEP and advise accordingly. Transport business cases will be published on the LEP website prior to the LEP making final investment decisions. For schemes / packages requiring a Local Growth Fund contribution of greater than £5m, transport business cases will be available on the LEP website a minimum of six weeks before the final investment decision is made and external comments invited. Any comments received will be made available to LEP Board members when final investment decisions are being taken.

The LEP applies a proportionate approach to development of transport business cases:

1. For individual schemes requiring a Local Growth Fund (LGF) contribution of greater than £5m and packages of small-scale measures requiring a LGF Contribution of greater than £10m, an Outline/Full Business Case is required.
2. For individual schemes requiring a LGF contribution of less than £5m, a Strategic Outline Business Case is required.
3. For packages of small-scale measures requiring a LGF contribution of up to £10m where no individual scheme has a capital cost greater than £5m, a Strategic Outline Business Case is required.



Scheme Approvals Process

For individual schemes requiring a LGF contribution of greater than £5m and packages of small-scale measures requiring a LGF Contribution of greater than £10m, the LEP adopts a three stage approvals process:

Stage 1: Programme Entry

Programme Entry indicates the LEP's intention to provide funding to a scheme or package following acceptance of a Strategic Outline Business Case and its inclusion in the SEP.

Stage 2: Conditional Approval

Conditional Approval indicates the LEP's acceptance of an Outline Business Case demonstrating high value for money.

Stage 3: Full Approval

Full Approval indicates the LEP's acceptance of a Full Transport Business Case and approval to proceed to implementation.

For individual schemes requiring a LGF contribution of less than £5m or packages of small-scale measures requiring a LGF contribution of up to £10m where no individual scheme has a capital cost greater than £5m, acceptance of a Strategic Outline Business Case indicates the LEP's approval to proceed to implementation. This enables the scheme promoter to commence works and draw down grant funds.

Value for Money

The LEP will approve schemes demonstrating high value for money, with a benefit to cost ratio (BCR) of greater than 2, only in exceptional cases will the LEP consider schemes with a BCR of less than 2, for example, where the scheme promoter can demonstrate significant additional monetised or non-monetised benefits that are important in relation to stated strategic objectives.

TfL provides the LEP with a Value for Money assessment in line with published Department for Transport WebTAG guidance at each approval stage.

Programme and Risk Management

TfL form part of the Monitoring and Evaluation working group which has established a transparent process for monitoring progress on scheme delivery and spend and for informing responses to changed circumstances including scheme slippage and changes to scheme scope and/or costs.

Monitoring and Evaluation

All transport scheme promoters have an agreed logic chain template which forms part of the Growth Deal Monitoring and Evaluation Framework. Formative evaluation is an established principle for all transport schemes and sponsors of exemplar transport projects agree the implications of any additional requirements. All transport project sponsors are



required to prepare quarterly monitoring returns for consideration by the Growth Deal Management Board.

5.4 Skills Capital Schemes

The Terms of Reference for the Lancashire Skills and Employment Board, provided at **Annex 1**, set out the role of the Board in developing, prioritising, appraising and approving skills capital projects. The process and methodology for the current skills capital projects is summarised below and decisions on any future skills capital projects will be reached based on a similar methodology. The LEP currently has a Memorandum of Understanding with the Skills Funding Agency (SFA) whereby the SFA's Capital Team will undertake a financial and estate condition assessment of any organisation submitting a scheme for consideration. Economic impact will be assessed by officers of the accountable body.

Eligibility

As part of the Growth Deal preparation, the Skills and Employment Board commissioned research to provide a retrospective analysis of the use of FE/Skills Capital in Lancashire over the past five years and to begin to compile a "pipeline" of future projects. This analysis was used to understand assets and gaps in the skills infrastructure landscape. Skills providers were then asked to complete project pro-forma aimed at populating a pipeline of indicative projects as far forward as 2020.

~~A total of 52 potential projects were identified, seeking £95m of Skills Capital grant between 2014 and 2020. These projects represented a combination of planned estate improvement and maintenance, new projects aligned to the growth priorities identified within the Strategic Economic Plan and investment in wider student facilities such as sports, social and learning resources.~~

~~A further, more detailed application form was issued, to identify projects with a 2015/16 and 2016/17 start date. This resulted in 33 detailed project questionnaires returns seeking circa £45m of SLGF.~~

~~In consultation with the SFA and BIS, the 33 projects were prioritised according to strategic importance and readiness. A common frame of assessment was applied to the skills capital projects based on strength of the rationale for the process, outputs, value for money, deliverability and scalability.~~

~~Following this further assessment by the Skills and Employment Board, projects were designated into one of three categories: High Priority; Developmental; Low Priority / Questionable Eligibility. This resulted in nine projects being categorised by the Skills Board as a High Priority. Negotiations with Government during the Growth Deal process resulted in further prioritisation and projects being split according to 2015/16 and 2016/17 starts, with 2015/16 seeing 8 skills capital projects underway.~~



The Business Case, Scheme Assessment and Appraisal

The formal consideration of the Detailed Business Cases ~~submitted in support of 2015/16 projects is now almost complete. The process~~ brings together the scoring of both the SFA and LEP, reverts to the applicant for further information as appropriate and is then ratified by both Skills Board and LEP. ~~Through this process, it has become apparent that the marking criteria of the preceding ESF programme is not aligned with this new programme. The evaluation team is now working with SFA to address this in subsequent rounds of activity.~~

Local funding contribution

The LEP requires scheme promoters to provide an absolute minimum of mandatory 10% contribution towards total scheme costs and 100% of any increase in cost following the granting of programme entry. Where projects are seeking a grant intervention rate above 33% (the stated benchmark under SFA administration of the scheme) the LEP will:-

- a. Consider the views of the SFA in terms of the applicant's ability to offer more funding
- b. Ensure that projects seeking exceptional intervention rates score highly in assessment
- c. Revert to the applicant for assurances around their financial capabilities and planning assumptions in setting their contribution to the project

Approvals process

All skills capital schemes will be subject to the following approval process:

Stage 1: Expression of Interest

The Expression of Interest (Eoi) stage indicates the LEP's intention to provide skills capital funding for projects which are aligned to the SEP are able to demonstrate business need and are deliverable within the required timescales. Providers will be invited to complete an Eoi to demonstrate how the project aligns with the SEP.

Stage 2: Conditional Approval

Projects which have satisfied the Eoi requirements will be prioritised by the Skills and Employment Board and will subsequently be invited to submit a full business case demonstrating value for money.

Stage 3: Full Approval

Full approval indicates the Skills and Employment Board and LEP's acceptance of the full business case and approval to proceed implementation.

Value for money

The LEP will approve skills capital schemes which clearly demonstrate value for money including non-monetised benefits that clearly demonstrate a longer term benefit to economic growth objectives.



Programme and Risk Management

Skills and Employment Board advisors form part of the Monitoring and Evaluation working group which has established a transparent process for monitoring progress on scheme delivery and spend and for informing responses to changed circumstances including scheme slippage and changes to scheme scope and/or costs. A project and process issues log is to be compiled, which will inform future commissioning rounds ~~and as the SFA capital team and County Council have now received all Round 1 Detailed Business Cases, and an assessment of deliverability / risk within the project has been undertaken and will be closely monitored by the Skills and Employment Board.~~

Monitoring and Evaluation

All skills capital scheme promoters have agreed a logic chain template which forms part of the Growth Deal Monitoring and Evaluation Framework. Formative evaluation is an established principle for all skills capital schemes and sponsors of exemplar skills capital projects are aware of the implications of any additional requirements. All skills capital project sponsors will be required to prepare quarterly monitoring returns for consideration by the Growth Deal Management Board.

5.5 **Economic Development Schemes**

The SEP sets out priority economic development and growth themes and initiatives, and the LEP is committed to regularly reviewing the SEP to ensure that existing and emerging growth priorities are well positioned.

Eligibility

The SEP, and on-going reviews of the SEP, set out the economic development priorities in Lancashire and the LEP remains alert and open to new and emerging priorities to be considered for investment funding. In line with Government guidance, the LEP will not use Local Growth Deal Fund resources to fund feasibility works or revenue schemes.

The LEP Board approved the SEP in March 2014 and in May 2014 considered a prioritised list based on the application of an agreed set of criteria to all project proposals in order to consider their strategic relevance, impact, value for money, scalability and deliverability. These criteria are set out at **Annex 9**.

The Growth Deal projects were subsequently categorised within one of three groupings:

- **Priority 1 Investment Schemes** - projects ready to start delivery from 2015/16;
- **Priority 2 Investment Schemes** - projects ready to start delivery post 2015/16; and
- **Priority 3 Investment Schemes** - projects seeking investment post 2020/21



The business case, Scheme assessment and appraisal

The LEP applies a proportionate approach to the development of economic development business cases. In line with Government guidance the LEP requires economic development project sponsors to prepare their business cases using the Five Case Model –an approach which is both scalable and proportionate. It is recognised as best practice and is the Treasury’s standard methodology.

For individual schemes requiring a Local Growth Fund (LGF) contribution of greater than £5m a full green book appraisal is submitted to Government analysts for comment and approval.

For individual schemes requiring a LGF contribution of less than £5m the LEP requires a proportionate green book appraisal. These are not submitted to Government.

In all cases the LEP, using appropriately qualified independent consultants, will scrutinise individual economic development scheme business cases before final draw down of resources.

Local funding contribution

The LEP requires scheme promoters to provide an absolute minimum mandatory 10% contribution towards total scheme construction cost and 100% of any increase in project cost.

Approvals process

For individual economic development schemes requiring a LGF contribution of greater than £5m the LEP adopts a three stage approvals process:

Stage 1: Programme Entry

Programme Entry indicates the LEP's intention to provide funding to a scheme or package following acceptance of a Strategic Outline Business Case.

Stage 2: Conditional Approval

Conditional Approval indicates the LEP's acceptance of Business Case demonstrating high value for money.

Stage 3: Full Approval

Full Approval indicates the LEP's acceptance of a final Business Case and approval to proceed to implementation.

Value for money

The LEP will approve capital schemes which clearly demonstrate value for money including non-monetised benefits that clearly demonstrate a longer term benefit to economic growth objectives.



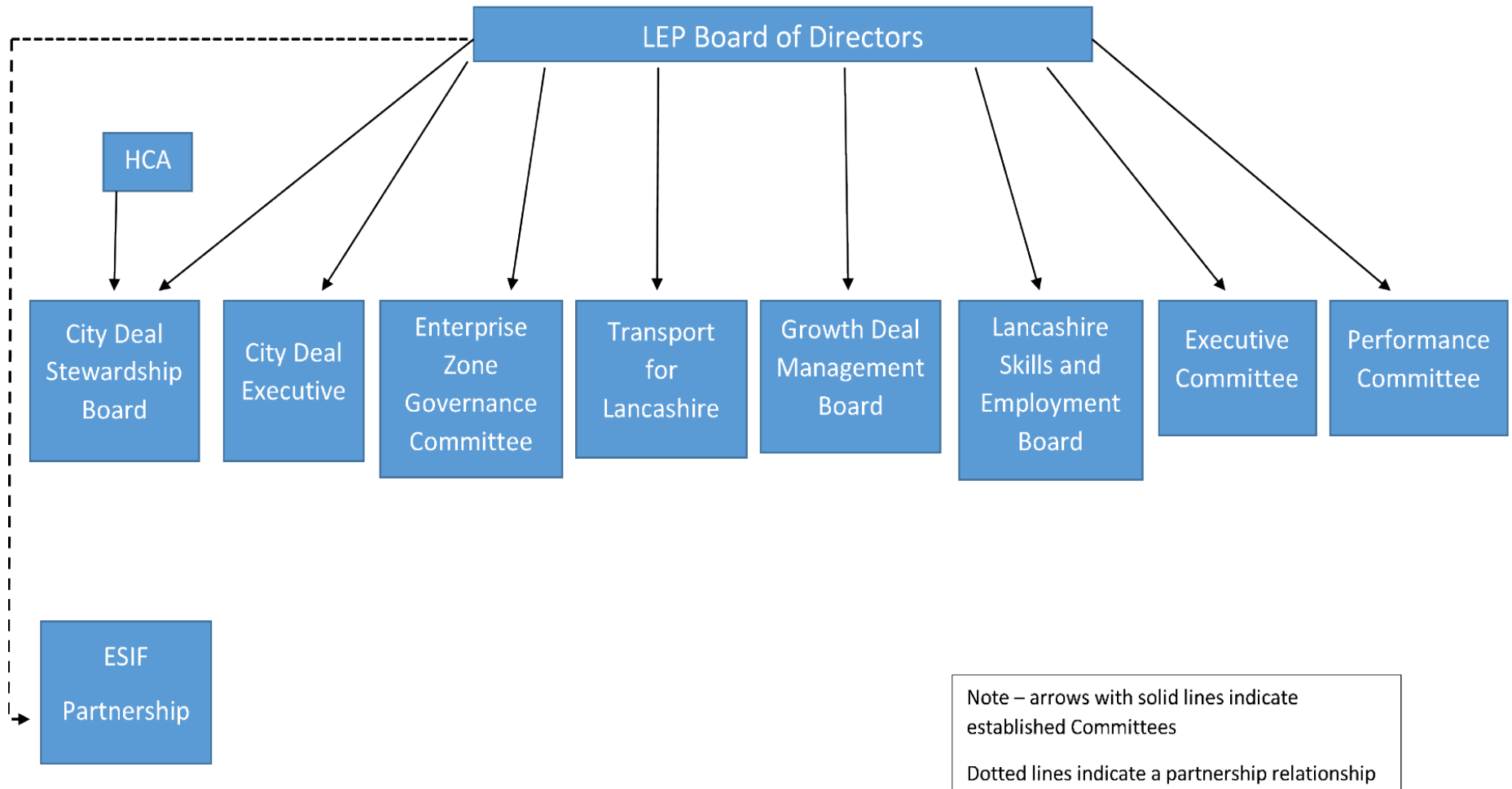
Programme and Risk Management

Economic development scheme advisors form part of the Monitoring and Evaluation working group which has established a transparent process for monitoring progress on scheme delivery and spend and for informing responses to changed circumstances including scheme slippage and changes to scheme scope and/or costs.

Monitoring and Evaluation

All economic development scheme promoters have an agreed logic chain template which forms part of the Growth Deal Monitoring and Evaluation Framework. Formative evaluation is an established principle for all economic development schemes and sponsors of exemplar transport projects are aware of the implications of any additional requirements. All economic development project sponsors are required to prepare quarterly monitoring returns for consideration by the Growth Deal Management Board.

Annex 1: LEP Governance Structure, Committee Terms of Reference and Implementation Arrangements





LEP Board Directors and Board Champions – March 2015

Mike Blackburn (Board Champion for Business Growth Hub)	Regional Director of the North West BT
Councillor Maureen Bateson <u>Phil Riley</u>	Deputy Leader and Executive Director for the Regeneration Portfolio – Blackburn with Darwen Borough Council <u>Member for the Regeneration Portfolio</u>
Councillor Simon Blackburn	Leader, Blackpool Council
Edwin Booth (Chairman and <u>BB</u> Board Champion for Marketing)	Chair of E H Booth & Co Ltd
James Carter (Board Champion for Strategic Development)	Deputy Chair of the Eric Wright Group
Graham Cowley (Board Champion for Transport)	Chief Operating Officer, Capita Symonds <u>Director of UTC</u>
Mike Damms (Board Champion for SME Business)	Nominee of East Lancashire Chamber of Commerce
Richard Evans	Senior partner, KPMG's Preston office
Councillor Stuart Hirst	Leader, Ribble Valley Borough Council
Malcolm McVicar (Board Champion for Innovation)	
County Councillor Jennifer Mein	Leader Lancashire County Council
Dennis Mendoros (Board Champion for ESIF)	Chief Executive Officer, Euravia Limited
Cliff Robson <u>David Holmes</u>	Director Industrial Capability <u>of Manufacturing Operations</u> , BAE Systems
Councillor Mark Townsend	Leader, Burnley Borough Council
Mike Tynan (Board Champion for Sector and Supply Chain)	Chief Executive, Nuclear Advanced Manufacturing Research Centre
David Taylor (<u>Vice-Chairman</u>)	David Taylor Partnership
Mark E Smith	Vice Chancellor, Lancaster University



LANCASHIRE ENTERPRISE PARTNERSHIP **EXECUTIVE COMMITTEE TERMS OF REFERENCE**

Name

Lancashire Enterprise Partnership Executive Committee

Role

This Committee was appointed by the Board in March 2013 to enable decisions of the Board to be taken between Board meetings. The Committee has full powers to take decisions in respect of matters certified by the Chair as urgent business. The Committee will be able to act on behalf of the Board between formal meetings, or on issues that the Board may not be able to resolve during meetings and to deal with such matters as the Board may refer to it on an ad hoc basis.

Membership

The Membership of the Committee is:

- The Chair of the LEP Board (**Chair**)
- The Vice-Chair of the LEP Board
- LEP Director, Dr McVicar, Former Vice Chancellor, University of Central Lancashire
- LEP Director, Mr Mendoros, Owner & MD Euravia Engineering
- LEP Director, Cllr Jenny Mein, The Leader of Lancashire County Council

Quorum

The quorum for decision making for the Executive Committee shall be 3 of the above Directors

Meeting Frequency

The Executive Committee will not have scheduled meetings, though will meet on an ad hoc basis when required to make urgent decisions on behalf of the full LEP Board.



LANCASHIRE ENTERPRISE PARTNERSHIP **TRANSPORT FOR LANCASHIRE TERMS OF REFERENCE**

Name

Transport for Lancashire

Geography

The geographical area covered by Transport for Lancashire will be coterminous with the boundaries of the three local transport authorities (Lancashire County Council, Blackpool Borough Council and Blackburn with Darwen Borough Council) and the Lancashire Enterprise Partnership.

Membership

Transport for Lancashire will be a dedicated committee of the Lancashire Enterprise Partnership. Full (voting) members of Transport for Lancashire comprise:

- Lancashire County Council (Leader or nominee)
- Blackburn with Darwen Borough Council (Leader or nominee)
- Blackpool Borough Council (Leader or nominee)
- Chair and Vice Chair of the Lancashire Enterprise Partnership (or nominees)

Participating observers (non-voting):

1. Department for Transport
2. Highways Agency
3. Network Rail

Given Lancashire County Council's status as the largest local transport authority, the Leader of Lancashire County Council (or their nominee) shall act as Chair of the Committee. The Chair will not have a casting vote.

Transport for Lancashire will review its membership periodically to reflect any changes in national or local policy circumstances and/or requirements, including allowing for expansion if necessary. Transport for Lancashire may invite the Leader (or nominee) of a District Council to attend relevant meetings as a participating observer where that authority is contributing funding to a transport scheme programmed for delivery through the Growth Deal.

Strategic Objectives and Purpose

Transport for Lancashire will:

- Monitor progress on scheme delivery and spend and advise the Lancashire Enterprise Partnership with regard to changed circumstances (cost changes, scheme alterations and changes to delivery timescales);
- Advise the Lancashire Enterprise Partnership on individual scheme approvals and investment decision making in line with the approvals process set out in the Lancashire Enterprise Partnership's accountability framework;
- Scrutinise individual scheme business cases;



- Ensure value for money is achieved;
- Advise the Lancashire Enterprise Partnership with regard to Government consultations on long-term rail planning and franchise specification and provide a co-ordinating role between constituent local authorities; and
- Advise the Lancashire Enterprise Partnership with regard to Government consultations on long-term Strategic Road Network planning and provide a co-ordinating role between constituent local authorities.

As and when necessary, Transport for Lancashire will seek evidence from other organisations, including district councils within Lancashire, representatives of neighbouring local authorities, combined authorities and local enterprise partnerships, transport operators including airports and ports, the business and community sectors and NGOs.

Technical / Professional Support

On behalf of the Accountable Body for the Lancashire Enterprise Partnership, the Director of Commissioning and the Director of Economic Development at Lancashire County Council will ensure that Transport for Lancashire receives the technical support and professional advice necessary for it to carry out its functions. An Advisory Group chaired by the Director of Commissioning at Lancashire County Council and comprising senior officers from the three local transport authorities and the Board Director for Strategic Transport from the Lancashire Enterprise Partnership will be established.

Working Arrangements and Meeting Frequency

Transport for Lancashire will meet in advance of each Lancashire Enterprise Partnership Board meeting. Meetings will be cancelled if there are no substantive items for discussion.

All meetings will take place at County Hall in Preston. The quorum for meetings shall be at least 2 Local Authority Members (or their nominees) and at least one Private Sector member (or their nominee(s)).



THE LANCASHIRE ENTERPRISE PARTNERSHIP **ACCOUNTABILITY FRAMEWORK – TRANSPORT**

Scheme Eligibility

The Lancashire Enterprise Partnership will only consider funding clearly defined schemes that are priorities in approved highways and transport masterplans. Such schemes could include packages of measures aimed at solving specific problems/issues that when combined support delivery of the Strategic Economic Plan, but subject to the funding only being available for capital expenditure. In all cases, funding will only contribute towards the capital cost of a scheme, including construction costs, land acquisition costs and Part 1 Claims under the Land and Compensation Act 1973. The Lancashire Enterprise Partnership will not fund scheme development and preparation costs nor any post scheme monitoring and evaluation.

The Lancashire Enterprise Partnership will consider funding exceptional structural maintenance schemes including bridges, tunnels, retaining walls and culverts with a minimum cost threshold of £2m. Decisions will reflect the economic importance of the structure(s) and the adverse effects failure to maintain would have. Local highway authorities will need to provide supporting information including the importance of the route, existing or likelihood of imminent weight restrictions, existing or potential diversionary routes and details of the work that they will need to undertake if restrictions are not to be imposed. Local highway authorities will also need to demonstrate why a scheme is not deliverable from other funding sources.

The Lancashire Enterprise Partnership will consider funding schemes on the networks of the Highways Agency and Network Rail, including in adjacent Local Enterprise Partnership areas, where such schemes contribute towards the delivery of the objectives of the Strategic Economic Plan and where funding is unlikely to be available through standard Highways Agency and Network Rail programmes. In such circumstances, the Lancashire Enterprise Partnership will hold early discussions with the Highways Agency and Network Rail, and where appropriate, adjacent Local Enterprise Partnerships, to enable their views to be taken into account. Where any rail schemes affect train services, the Lancashire Enterprise Partnership will also consult the relevant Train Operating Company and DfT Rail.

Local Funding Contribution

For all schemes, the Lancashire Economic Partnership will require scheme promoters to provide an absolute minimum 10% contribution towards total scheme construction cost and 100% of any increase in cost following the granting of Programme Entry. The 10% minimum local funding contribution cannot be waived by the LEP. Local transport authorities will therefore need to explore all potential sources of funding, including district council, European, developer / private sector and third party, in line with Department for Transport expectations.

The scheme promoter's Section 151 officer must underwrite the promoter's ability to fund the local contribution and any subsequent cost increases following the granting of Programme Entry. Scheme promoters must adhere to Department for Transport requirements as set out in WebTAG, the Department for Transport's web-based guidance on the conduct of transport studies, to ensure a consistent approach to variables such as construction inflation, the application of optimism bias and allowance for risk in the derivation of outturn costs.



Scheme Assessment and Appraisal

The Lancashire Enterprise Partnership will apply a proportionate approach to the development of transport business cases in line with the Business Case Development Process Chart attached. For example, the transport business case for a £20m scheme will require significantly more detail than that for a £2m scheme. As a guide:

- For individual schemes requiring a Local Growth Fund contribution of greater than £5m and packages of small-scale measures requiring a Local Growth Fund Contribution of greater than £10m, the Lancashire Enterprise Partnership will require submission of Outline/Full Business Cases that demonstrate high value for money.
- For individual schemes requiring a Local Growth Fund contribution of less than £5m, a Strategic Outline Business Case will suffice, although a scheme will still need to demonstrate high value for money.
- For packages of small-scale measures requiring a Local Growth Fund contribution of up to £10m where no individual scheme has a capital cost greater than £5m, a Strategic Outline Business Case will suffice, although the package will still need to demonstrate high value for money.

For the avoidance of doubt, scheme promoters should seek advice from Transport for Lancashire at the earliest opportunity.

Scheme Approvals Process

For individual schemes requiring a Local Growth Fund contribution of greater than £5m and packages of small-scale measures requiring a Local Growth Fund Contribution of greater than £10m, the Lancashire Enterprise Partnership will adopt a three stage approvals process based on modified current practice. Schemes on the networks of either the Highways Agency or Network Rail may undergo a different approval process.

Stage 1: Programme Entry

Programme Entry indicates the Lancashire Enterprise Partnership's intention to provide funding to a scheme or package following acceptance of a Strategic Outline Business Case and its inclusion in the Strategic Economic Plan. Programme Entry is not an absolute commitment, but intended to provide sufficient assurance for the promoting authority to embark on Outline Business Case development.

Stage 2: Conditional Approval

Conditional Approval indicates the Lancashire Enterprise Partnership's acceptance of an Outline Business Case demonstrating high value for money. It is intended to provide the expectation of funding necessary for the promoting authority to apply for any statutory powers that may be required such as Transport and Works Act powers, highways orders, planning consents, compulsory purchase orders etc.

The Lancashire Enterprise Partnership will only grant Conditional Approval on the basis that there will be no material changes to the scheme's scope, cost, design, expected benefits and value for money. The granting of Conditional Approval may be subject to a small and limited number of conditions.



Stage 3: Full Approval

Full Approval indicates the Lancashire Enterprise Partnership's acceptance of a Full Transport Business Case and approval to proceed to implementation. It occurs when all necessary statutory powers are in place and any necessary conditions specified at Conditional Approval have been satisfied. Scheme promoters can only apply for Full Approval once procurement has taken place and a preferred bidder with firm and final prices selected. Once granted, Full Approval enables the scheme promoter to commence construction and draw down grant funds.

For individual schemes requiring a Local Growth Fund contribution of less than £5m or packages of small-scale measures requiring a Local Growth Fund contribution of up to £10m where no individual scheme has a capital cost greater than £5m, acceptance of a Strategic Outline Business Case indicates the Lancashire Enterprise Partnership's approval to proceed to implementation. This enables the scheme promoter to commence works and draw down grant funds.

The Transport Business Case

The Lancashire Enterprise Partnership requires all transport business cases to adhere to the key principles of the Department for Transport's Transport Business Case guidance (January 2013) and be fully compliant with the approach to modelling appraisal and analysis set out in WebTAG at the time they submit the transport business case. This will ensure that scheme assessment follows current best practice.

Each transport business case will need to include a clear statement of scheme objectives and the specific outcomes it is intended to deliver. Scheme promoters must base central case assessments on forecasts that are consistent with the latest version of the National Trip End Model (NTEM), the Department for Transport's planning dataset. As a minimum, Transport for Lancashire will expect to consider central case assessments as part of its scrutiny of transport business cases.

Outline Business Cases submitted for Conditional Approval must include a statement confirming that WebTAG has been followed. An Appraisal Summary Table (AST) will need to accompany submissions and demonstrate that the scheme offers high value for money. Scheme promoters must ensure that the Senior Responsible Owner signs off each AST as true and accurate.

Transport for Lancashire will scrutinise individual scheme business cases on behalf of the Lancashire Enterprise Partnership and advise accordingly. In order to secure the required expertise for transport business case scrutiny without Transport for Lancashire having to develop this capability and capacity in-house at considerable cost, Transport for Lancashire will utilise independent specialist consultants. For schemes where Lancashire County Council is not the scheme promoter, Transport for Lancashire will utilise Lancashire County Council's framework consultants to undertake transport business case scrutiny. For schemes promoted by Lancashire County Council, Transport for Lancashire will procure independent advice. This will ensure complete separation between scheme promoters and their own framework consultants and the appraisal team and decision makers.

To guarantee quality assurance, consultants appointed to undertake transport business case scrutiny will need to demonstrate significant previous experience in this field, for example, the



successful preparation of major scheme business cases, and be fully conversant with Department for Transport appraisal and assessment processes such as WebTAG. As Accountable Body for the Lancashire Enterprise Partnership, Lancashire County Council will ensure that officers with appropriate technical experience of this type of work oversee the selection process.

The officer with overall responsibility for transport business case scrutiny and for advising Transport for Lancashire Mike Kirby, Director of Commissioning Lancashire County Council This officer will have delegated authority to procure and appoint external consultants to assist Transport for Lancashire with independent business case scrutiny.

Where necessary, consultants appointed to review individual transport business cases and supporting analyses will be able to request the scheme promoter to provide further analysis and information to enable full and proper consideration of the scheme and to ensure that the appraisal and supporting data and assumptions are sufficiently robust and fit for purpose. Consultants will provide Transport for Lancashire with a formal report on each submitted transport business case specifying the outcome of their assessment against the five case model set out in the Department for Transport's Transport Business Case guidance.

Value for Money

The Lancashire Enterprise Partnership will only approve schemes demonstrating high value for money, with a benefit to cost ratio (BCR) of greater than 2. Only in exceptional cases will the Lancashire Enterprise Partnership consider schemes with a BCR of less than 2. In such circumstances, the scheme promoter will need to demonstrate significant additional monetised or non-monetised benefits that are important in relation to stated strategic objectives, for example, schemes necessary to facilitate significant land development for employment or housing, and guarantee a minimum 30% local contribution.

Transport for Lancashire will provide the Lancashire Enterprise Partnership with a Value for Money assessment in line with published Department for Transport WebTAG guidance at each approval stage. As part of the independent scrutiny of a scheme's transport business case, Transport for Lancashire will require the consultant responsible to confirm that the Value for Money assessment aligns with the Department for Transport's Advice Note for Local Transport Decision Makers published in December 2013. Damon Lawrenson the County Council's interim Director of Financial Resources (and Section 151 officer) will sign off all Value for Money assessments as true and accurate. The Interim Director of Financial Resources is not involved with scheme development and promotion at Lancashire County Council, thus avoiding any potential conflict of interest with regard to schemes promoted by the County Council.

A scheme must satisfy the Lancashire Enterprise Partnership's value for money requirements at both Conditional and Full Approval stages. Where a scheme fails to deliver a minimum benefit to cost ratio of greater than 2, the Lancashire Enterprise Partnership will seek independent professional advice on the magnitude of the stated additional benefits prior to determining whether these benefits are sufficient to offset this requirement.

Programme and Risk Management

In order to secure effective management of the Lancashire Enterprise Partnership's transport investment programme, Transport for Lancashire will set up a transparent process for monitoring



progress on scheme delivery and spend and for informing responses to changed circumstances including scheme slippage and changes to scheme scope and/or costs.

Where there are issues of cost increases and/or delays to delivery, the Lancashire Enterprise Partnership will consider the following when deciding whether to continue to support a scheme:

- whether the cost increases and/or delays to delivery were unforeseen and unavoidable;
- whether the scheme promoter is willing and/or able to fund any cost increase;
- whether additional funding has been sought from other sources;
- whether the scale of the scheme can be reduced to fit the available budget;
- the impact of any cost increase on a scheme's value for money as reflected by its benefit to cost ratio; and
- whether any delay in scheme delivery can be accommodated within the programme.

The Lancashire Enterprise Partnership ultimately reserves the right to withdraw its support for a scheme.

The Lancashire Enterprise Partnership will require scheme promoters to submit a quarterly monitoring report (QMR) to Transport for Lancashire setting out progress on scheme preparation and/or delivery. This will include a requirement for a quantified risk assessment. Transport for Lancashire will receive quarterly update reports outlining progress with delivery of the transport investment programme. It will collate the QMR information from scheme promoters, indicate progress against key milestones / deliverables and highlight any risks. A RAG (red/amber/green) rating will identify those schemes that are at risk of not meeting their programme objectives and that need urgent attention.

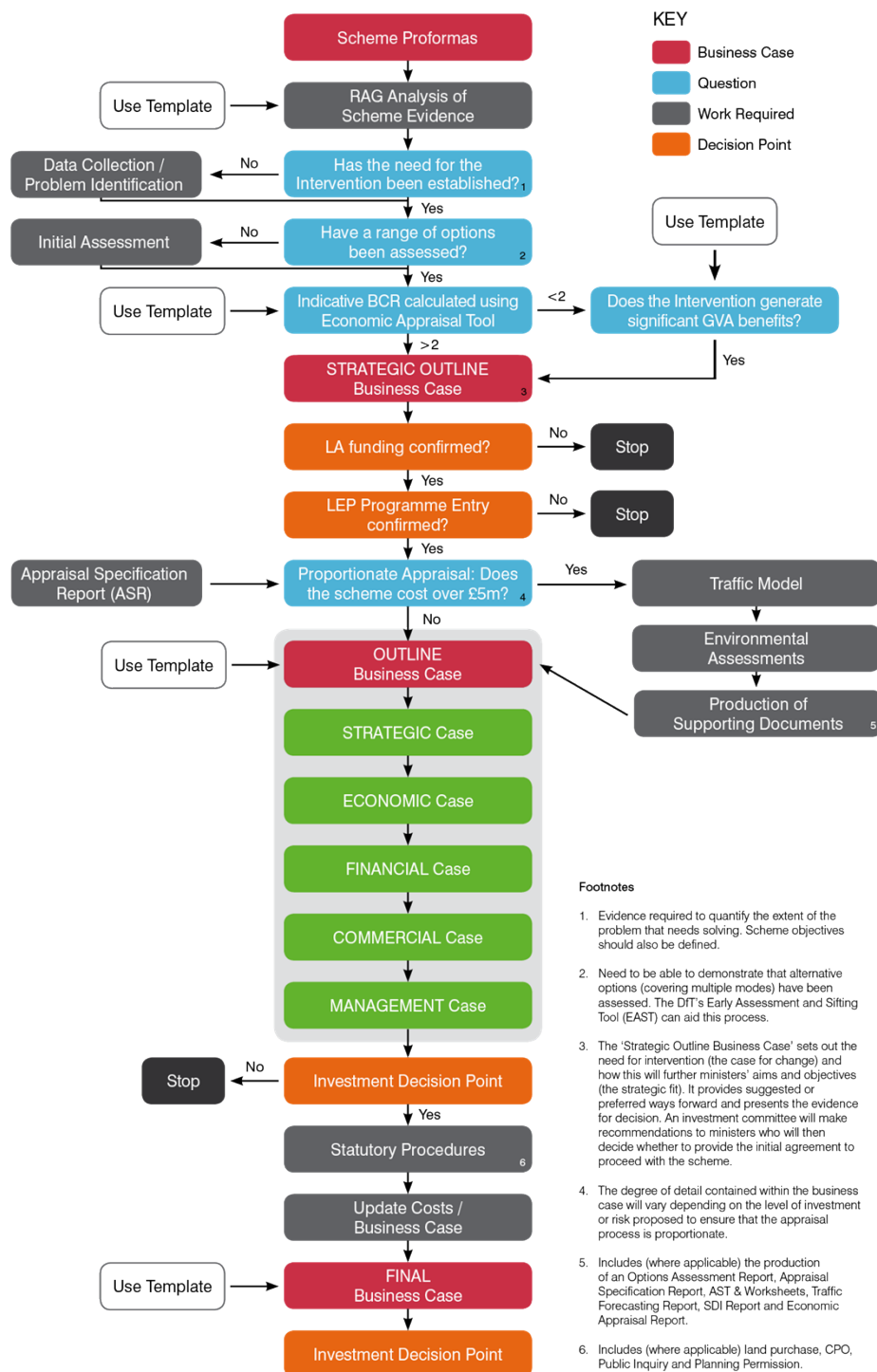
Monitoring and Evaluation

The Lancashire Enterprise Partnership will put in place a mechanism to ensure that it monitors and evaluates schemes in accordance with the appropriate Department for Transport guidance, and will publish the results on its website.



Business Case Development Process Chart

The process chart should be cross referenced against TfL's Assurance Framework in order to determine the status of each scheme.





PRESTON, SOUTH RIBBLE AND LANCASHIRE CITY DEAL (CITY DEAL)
CITY DEAL EXECUTIVE
TERMS OF REFERENCE

Composition

1. The City Deal Executive shall comprise the following Members:
 - i) The Leader of Lancashire County Council (or their nominee);
 - ii) The Leader of South Ribble Borough Council (or their nominee);
 - iii) The Leader of Preston City Council (or their nominee);
 - iv) The Chair of the Lancashire Enterprise Partnership (LEP) (or their nominee);
 - v) The Vice-Chair of the LEP (or their nominee); and
 - vi) The LEP's Champion for Strategic Development (or their nominee)

Chair

2. The Chair of the LEP (or their nominee) shall serve as Chair of the City Deal Executive ("the Chair"). If the Chair is not present the Vice-Chair of the LEP (or their nominee) shall serve as Chair.
3. The Chair shall not have a casting vote.

Quorum

4. The quorum for City Deal Executive meetings shall be 4. No meeting shall be quorate unless the following Members (or their nominees) are present:
 - i) the Leader of Lancashire County Council
 - ii) the Chair of the LEP or Vice-Chair of the LEP;
 - iii) the Leader of South Ribble Borough Council; and
 - iv) the Leader of Preston City Council.
5. If within fifteen minutes from the time appointed for the holding of a City Deal Executive meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks and if at that meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting the Members present shall be a quorum.
6. Any Member may validly participate in a meeting of the City Deal Executive by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting.



Secretary

7. Lancashire County Council's County Secretary and Solicitor (or their nominee) shall serve as the Secretary to the City Deal Executive.
8. The Secretary shall produce minutes of all meetings of the City Deal Executive.

Meeting Frequency

9. The City Deal Executive shall meet according to operational need.

Decisions in Writing

10. A resolution in writing signed by all of the members of the City Deal Executive for the time being shall be as valid and effectual as if it had been passed at a meeting of the City Deal Executive.

Powers and Functions

11. The City Deal Executive's primary responsibility is to seek to ensure the delivery of the City Deal, and to take key strategic decisions in this regard.
12. The City Deal Executive shall:
 - i) in each year, approve an annual City Deal Infrastructure Delivery Plan, for submission to the Stewardship Board in order to inform the development of an annual 'City Deal Business and Disposal Plan';
 - ii) receive, in each year, from the City Deal Stewardship Board, an Annual Business and Disposal Plan, and if thought fit, approve the same;
 - iii) in each year, approve an annual City Deal Communications and Marketing Plan, and receive regular progress reports on the implementation of the same;
 - iv) receive, on a regular basis all appropriate monitoring and financial information in relation to the City Deal.
13. The City Deal Executive will employ no staff, hold no assets, nor enter into any contractual arrangements. All delivery and operational matters will continue to rest with the City Deal partners.

Governance Relationship with the LEP

14. The LEP is responsible for agreeing the Terms of Reference of the City Deal Executive and has the power to vary the same.



15. The City Deal Executive shall review its Terms of Reference from time to time as necessary.
16. The Minutes of City Deal Executive meetings shall be submitted to the LEP Board at the LEP's request.
17. The Chair shall provide update reports to the LEP Board at the LEP's request.

Relationship with Lancashire County Council as Accountable Body

18. Lancashire County Council shall act as Accountable Body for the City Deal Executive.
19. Lancashire County Council shall hold the City Deal Infrastructure Delivery funding and make payments to partner delivery agencies in accordance with the decisions of the City Deal Executive. Lancashire County Council shall ensure that these funds remain separate and identifiable from the Accountable Body's own funds, and shall provide financial reports to the City Deal Executive.
20. Lancashire County Council shall provide administrative, financial and legal support to the City Deal Executive.
21. Lancashire County Council shall maintain an official record of the City Deal Executive proceedings and a library of all formal City Deal Executive documents.

Relationship with other Bodies

22. The City Deal Project Board shall report directly to the City Deal Executive and operate under Terms of Reference as agreed by the City Deal Executive.
23. The City Deal Executive shall with the consent of the Homes and Communities Agency and vice versa, have the authority to agree and amend the Terms of Reference of the City Deal Stewardship Board.
24. The City Deal Stewardship Board shall report directly to the Homes and Communities Agency and the City Deal Executive.



PRESTON, SOUTH RIBBLE AND LANCASHIRE CITY DEAL (CITY DEAL)
STEWARDSHIP BOARD
TERMS OF REFERENCE

Glossary of Terms

<i>"City Deal Partners"</i>	The Lancashire Enterprise Partnership, Lancashire County Council, Preston City Council and South Ribble Borough Council.
<i>"CLG"</i>	Department for Communities and Local Government
<i>"HCA"</i>	Homes and Communities Agency

Composition

1. The Stewardship Board shall comprise the following Members:
 - i) The North West Executive Director of the HCA (or their nominee);
 - ii) The Chief Executive of Lancashire County Council (or their nominee);
 - iii) The Chief Executive of South Ribble Borough Council (or their nominee);
 - iv) The Chief Executive of Preston City Council (or their nominee); and
 - v) The Lancashire Enterprise Partnership's Champion for Strategic Development (or their nominee).
2. The Stewardship Board shall have the power to appoint up to 2 additional Members.

Chair

3. The North West Executive Director of the HCA (or their nominee) shall serve as Chair of the Stewardship Board ("the Chair").
4. The Chair shall not have a casting vote.

Quorum

5. The quorum for Stewardship Board meetings shall be 5. No meeting shall be quorate unless each Member set out in 1 above is present.
6. If within fifteen minutes from the time appointed for the holding of a City Deal Stewardship Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks and if at that meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting the Members present shall be a quorum.



Secretary

7. Lancashire County Council's County Secretary and Solicitor (or their nominee) shall serve as the Secretary to the Stewardship Board.

Meetings

8. The Stewardship Board shall meet according to operational need.
9. Meetings shall take place at venues provided by each of the City Deal Partners and the HCA, on a rotational basis where possible.
10. An Agenda and all necessary accompanying papers shall, wherever possible, be despatched 7 days prior to each meeting.
11. The Secretary shall produce minutes of all meetings of the Stewardship Board.

Decisions in Writing

12. A resolution in writing signed by all of the members of the Stewardship Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Stewardship Board.

Duties and Responsibilities

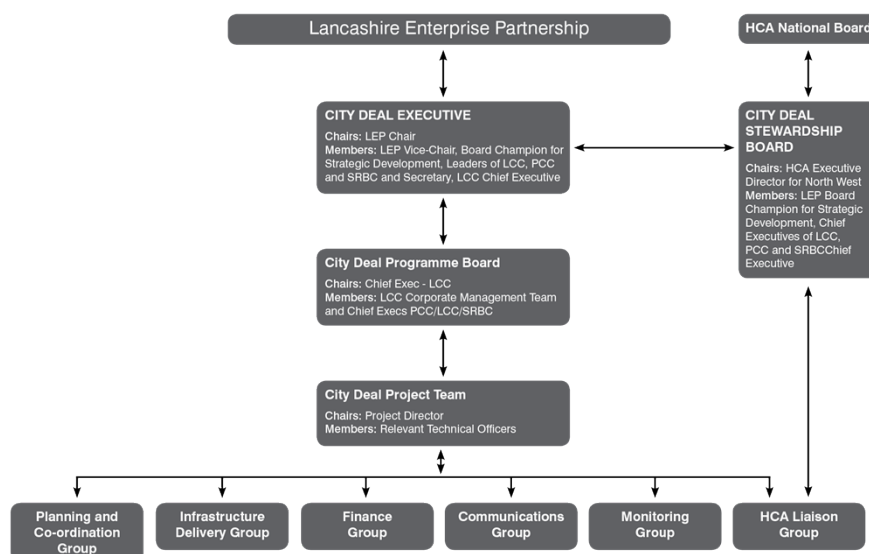
13. The Stewardship Board has the responsibility for guiding the disposal of the assets listed in the City Deal document, in accordance with wider City Deal economic and housing growth objectives.
14. The Stewardship Board shall:
 - i) in each year, receive an annual 'City Deal Infrastructure Delivery Plan' from the City Deal Executive and utilise its content to inform the development of an annual 'City Deal Business and Disposal Plan';
 - ii) in each year, approve an annual 'City Deal Business and Disposal Plan' for submission to the HCA's National Board. As soon as the Plan is approved by the HCA it shall be submitted to the City Deal Executive for their consideration and, if thought fit, approval;
 - iii) at any time, recommend to the HCA and City Deal Executive, in turn, any amendments or additions to the annual City Deal Business and Disposal Plan;
 - iv) approve a 'Monitoring Schedule' for submission to the CLG;

- v) at any time, recommend to the CLG any amendments or additions to the Monitoring Schedule;
- vi) receive Monitoring Schedule progress updates on an annual basis;
- vii) receive regular financial updates in relation to the City Deal Infrastructure Delivery Fund;
- viii) receive regular reports on the Infrastructure Delivery Plan;
- ix) make recommendations as it sees fit, on any matter within its remit, to the City Deal Executive, HCA, City Deal Partners, and/or CLG.

Governance Relationships

- 15. The HCA and City Deal Executive, acting unanimously, shall be responsible for agreeing and, if necessary, amending the Terms of Reference of the Stewardship Board.
- 16. The Stewardship Board shall review its Terms of Reference from time to time as and when necessary.
- 17. These Terms of Reference shall be read in conjunction with the City Deal Stewardship Board Agreement "Agreement" and Memorandum of Understanding "Memorandum". If any provisions of the Agreement or Memorandum conflict with any provisions of these Terms of Reference, these Terms of Reference shall prevail.
- 18. The Secretary shall maintain an official record of all Stewardship Board proceedings and a library of formal Stewardship Board documents.

Preston, South Ribble And Lancashire City Deal – Governance Structure





LANCASHIRE SKILLS AND EMPLOYMENT BOARD

TERMS OF REFERENCE

Composition

1. Unless otherwise agreed by the Lancashire Enterprise Partnership, the Skills and Employment Board shall comprise a minimum of 5 members and a maximum of 11.
2. The Members of the Skills and Employment Board shall be appointed by the Lancashire Enterprise Partnership Board and shall draw members from the training, skills and higher education sectors (up to 5, normally including 2 general further education colleges and 2 higher education providers) plus 6 from other private sector industries.
3. The Members of the Skills and Employment Board, as at the date of adoption of these Terms of Reference, are as follows:

FE Sector (2).

Amanda Melton, Chief Executive - Nelson and Colne College (Chair).

Beverley Robinson, Chief Executive – Blackpool and the Fylde College.

HE Sector (2).

Lynne Livesey, Pro Vice Chancellor, University of Central Lancashire.

Mark Allanson, Pro Vice-Chancellor, Edge Hill University

Training (1)

Steve Gray, Chief Executive, Training 2000.

Private Sector (6)

Joanne Pickering, Director of HR, Training and Quality, Forbes Solicitors and Chair of the Lancashire HR Employers Network.

Paul Holme, Chair of the North West Training Provider Network.

Graham Howarth, HR and Legal Director, Crown Paints.

Andy Wood – HR Director of Trelleborg Offshore UK Ltd

Lindsay Campbell – Partner Director Campbell & Rowley Catering and Events Ltd

1 Vacancy to be determined

4. Members are responsible for declaring potential conflicts of interest at the beginning of each meeting. It is member's responsibility to ensure that they leave the meeting for items for which the conflict of interest may result in inappropriate commercial advantage or gain.



5. The Skills and Employment Board may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.
6. Members are required to attend meetings regularly. If a member is unable to attend a meeting apologies should be given prior to the meeting. If a member does not attend for 3 consecutive meetings, their membership may be reviewed. The decision to make any changes to the membership will be made by the LEP Board following recommendation by the other Skills and Employment Board members.
7. When considering the appointment of additional members to the Skills and Employment Board, perceived gaps in knowledge / experience, together with sectoral and geographical coverage should be taken into account.

Chair and Deputy Chair

8. The Lancashire Enterprise Partnership Board shall appoint the Chair.
9. The Chair shall not have a casting vote.
10. The Skills and Employment Board may appoint one of its number to act as Deputy Chair ("Deputy Chair").

Quorum

11. The quorum for Skills and Employment Board meetings shall be 3.
12. If within fifteen minutes from the time appointed for the holding of a Skills and Employment Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks.

Secretary

13. The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Skills and Employment Board.
14. The Secretary shall produce minutes of all meetings of the Skills and Employment Board and will maintain a list of conflicts of interests. Future agendas will include a standard item requiring declarations of interests to be made in relation to specific items of business.

Meeting Frequency

15. The Skills and Employment Board shall meet according to operational need and currently meets 7 times per year.



Decisions in Writing

16. A resolution in writing signed by the majority of the members of the Skills and Employment Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Board.

Remit

17. The Skills and Employment Board's primary responsibility is to consider skills development priorities within Lancashire, Blackpool and Blackburn and any related issues and make recommendations on the same to the relevant bodies. In doing so, the Skills and Employment Board shall:

- i) commission and maintain an evidence-base to help understand key skill demands in the LEP area and support the development and tracking of an agreed Skills and Employment Framework with agreed Key Performance Indicators;
- ii) oversee the production of a Skills and Employment Framework for the area which is consistent with the wider economic priorities set out in the LEP's Growth Plan;
- iii) develop and promote skills-related initiatives and programmes aligned with agreed priorities, as part of the LEP's Strategic Economic Plan;
- iv) will identify and work with other LEP areas on skills issues of strategic and cross-boundary significance; and
- v) advise on the deployment of skills funding directly accessed by the LEP.

The Skills and Employment Board will discharge its duties through the Lancashire Skills Hub to facilitate/enable a balanced, skilled and inclusive labour market which underpins and contributes to economic well-being and growth across the County.

Governance Relationship with the Lancashire Enterprise Partnership (LEP)

18. The LEP is responsible for agreeing the Terms of Reference of the Skills and Employment Board and has the power to vary the same.
19. The Skills and Employment Board shall review its Terms of Reference from time to time as necessary and report their findings to the LEP Board.
20. Minutes of Skills and Employment Board meetings shall be submitted to the LEP Board at the LEP's request.
21. The Chair shall provide update reports to the LEP Board at the LEP's request.



Relationship with Lancashire County Council

22. Lancashire County Council shall provide administrative and legal support to the Skills and Employment Board.
23. Lancashire County Council shall maintain an official record of the Skills and Employment Board proceedings and a library of all formal Board documents.

LANCASHIRE SKILLS AND EMPLOYMENT BOARD TERMS OF REFERENCE (revised October 2015)

Composition

1. ~~Unless otherwise agreed by the Lancashire Enterprise Partnership, the Skills and Employment Board shall comprise a minimum of 5 members and a maximum of 11.~~
2. ~~The Members of the Skills and Employment Board shall be appointed by the Lancashire Enterprise Partnership Board and shall draw members from the training, skills and higher education sectors (up to 5, normally including 2 general further education colleges and 2 higher education providers) plus 6 from other private sector industries.~~
3. ~~The Members of the Skills and Employment Board, as at the date of adoption of these Terms of Reference, are as follows:~~

FE Sector (2)

~~Amanda Melton, Chief Executive – Nelson and Colne College (Chair).
Beverley Robinson, Chief Executive – Blackpool and the Fylde College.~~

HE Sector (2)

~~Mark Allanson, Pro Vice-Chancellor, Edge Hill University (from 1 November 2015)
Lynne Livesey, Pro Vice-Chancellor, University of Central Lancashire.~~

Training (1)

~~Steve Gray, Chief Executive, Training 2000.~~

Private Sector (6)

~~Joanne Pickering, Director of HR, Training and Quality, Forbes Solicitors and Chair of the Lancashire HR Employers Network.
Paul Holme, Chair of the North West Training Provider Network.
Graham Howarth, HR and Legal Director, Crown Paints.
Andy Wood – HR Director of Trelleborg Offshore UK Ltd (appt Nov 2015)
Lindsay Campbell – Partner Director Campbell & Rowley Catering and Events Ltd (appt Nov 2015).
1 x Private Sector vacancy to be determined~~



4. ~~Members are responsible for declaring potential conflicts of interest at the beginning of each meeting. It is member's responsibility to ensure that they leave the meeting for items for which the conflict of interest may result in inappropriate commercial advantage or gain.~~
5. ~~The Skills and Employment Board may invite any persons it sees fit to attend meetings as observers.~~
6. ~~Members are required to attend meetings regularly. If a member is unable to attend a meeting apologies should be given prior to the meeting. If a member does not attend for 3 consecutive meetings, their membership may be reviewed. The decision to make any changes to the membership will be made by the LEP Board following recommendation by the other Skills and Employment Board members.~~
7. ~~When considering the appointment of additional members to the Skills and Employment Board, perceived gaps in knowledge / experience, together with sectoral and geographical coverage should be taken into account.~~

Chair and Deputy Chair

8. ~~The Lancashire Enterprise Partnership Board shall appoint the Chair.~~
9. ~~The Chair shall not have a casting vote.~~
10. ~~The Skills and Employment Board may appoint one of its number to act as Deputy Chair ("Deputy Chair").~~

Quorum

11. ~~The quorum for Skills and Employment Board meetings shall be 4.~~
12. ~~If within fifteen minutes from the time appointed for the holding of a Skills and Employment Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks.~~

Secretary

13. ~~The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Skills and Employment Board.~~
14. ~~The Secretary shall produce minutes of all meetings of the Skills and Employment Board and will maintain a list of conflicts of interests. Future agendas will include a standard item requiring declarations of interests to be made in relation to specific items of business.~~

Meeting Frequency



15. The Skills and Employment Board shall meet according to operational need and currently meets 7 times per year.

Decisions in Writing

16. A resolution in writing signed by the majority of the members of the Skills and Employment Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Board.

Remit

17. The Skills and Employment Board's primary responsibility is to consider skills development priorities within Lancashire, Blackpool and Blackburn and any related issues and make recommendations on the same to the relevant bodies. In doing so, the Skills and Employment Board shall:

- i) commission and maintain an evidence base to help understand key skill demands in the LEP area and support the development and tracking of an agreed Skills and Employment Framework with agreed Key Performance Indicators;
- ii) oversee the production of a Skills and Employment Framework for the area which is consistent with the wider economic priorities set out in the LEP's Growth Plan;

develop and promote skills-related initiatives and programmes aligned with agreed priorities, as part of the LEP's Strategic Economic Plan;

will identify and work with other LEP areas on skills issues of strategic and cross-boundary significance; and

advise on the deployment of skills funding directly accessed by the LEP.

The Skills and Employment Board will discharge its duties through the Lancashire Skills Hub to facilitate/enable a balanced, skilled and inclusive labour market which underpins and contributes to economic well-being and growth across the County.

Governance Relationship with the Lancashire Enterprise Partnership (LEP)

18. The LEP is responsible for agreeing the Terms of Reference of the Skills and Employment Board and has the power to vary the same.
19. The Skills and Employment Board shall review its Terms of Reference from time to time as necessary and report their findings to the LEP Board.
20. Minutes of Skills and Employment Board meetings shall be submitted to the LEP Board at the LEP's request.
21. The Chair shall provide update reports to the LEP Board at the LEP's request.



Relationship with Lancashire County Council

22. ~~Lancashire County Council shall provide administrative and legal support to the Skills and Employment Board.~~

23. ~~Lancashire County Council shall maintain an official record of the Skills and Employment Board proceedings and a library of all formal Board documents.~~

Enterprise Zone Governance Committee **Governance Structure and Terms of Reference**

Membership

Chair: Edwin Booth, Chair of the Lancashire Enterprise Partnership (LEP)

Members: Richard Evans, Partner, KPMG, and LEP Director
Mike Tynan, Chief Executive (Nuclear) AMRC and LEP Director
Jenny Mein, Leader of Lancashire County Council and LEP Director
Councillor Simon Blackburn, Leader of Blackpool Council
Malcolm McVicar, Former Vice Chancellor, University of Central Lancashire, and LEP Director
Mark Smith, Vice Chancellor, University of Lancaster
David Taylor, Chairman, David Taylor Partnership

Quorum: Chair and two members of the EZ Governance Committee

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting. Substitutes will be counted towards the quorum and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

Frequency of Meetings

Bi-Monthly, or as required in accordance with operational need.

Observers

The EZ Governance Committee may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.

Secretary

The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the EZ Governance Committee.

The Secretary shall produce minutes of all meetings of the EZ Governance Committee and will maintain a list of conflicts of interests. Future agendas will include a standard item requiring declarations of interests to be made in relation to specific items of business.

Decisions in Writing



A resolution in writing signed by the majority of the members of the EZ Governance Committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the Committee.

Role and Responsibilities

The EZ Governance Committee is a committee of the Lancashire Enterprise Partnership.

The EZ Governance Committee is responsible for setting and overseeing the strategic direction of the Lancashire Enterprise Zone. It will also provide regular reports to the LEP Board, specifically focusing on:

- Regular progress updates on the delivery of public infrastructure into the Samlesbury site of the Lancashire Enterprise ZoneLancashire's 4 Enterprise Zones;
- Regular progress updates on the delivery of the BAE Systems' Training Centre and Logistics Facility, which will form the first phase of development on the Samlesbury site of the Lancashire Enterprise Zone;
- Regular progress updates on the establishment and progress of the Dev Co arrangement (a joint venture between Carillion PLC and Eric Wright Group Ltd in their capacity as the County Council's strategic regeneration property partner) to deliver the Samlesbury site;
- Regular progress reports on the drawdown/development of land on the Lancashire Enterprise ZoneLancashire's 4 Enterprise Zone sites;
- Regular progress reports on the generation of commercial leads and enquiries on Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone;
- Regular financial reports regarding the generation of Business Rates growth at Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone;
- Regular financial reports on Business Rates Relief providing to companies locating to Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone;
- Regular financial reports on the provision and repayment of any public investment provided in support of the development of Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone;
- Regular progress updates on the number of jobs and commercial floor-space created across Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone; and
- Regular progress reports on planning frameworks and commercial masterplans in place across Lancashire's 4 Enterprise Zone sitesthe Lancashire Enterprise Zone.

LANCASHIRE ENTERPRISE ZONE

GOVERNANCE STRUCTURE AND TERMS OF REFERENCE

Revised February 2015



Enterprise Zone Governance Committee

Membership

Chair: ——— Edwin Booth, Chair of the Lancashire Enterprise Partnership (LEP)

Directors: ——— Richard Evans, Partner, KPMG, and LEP Director

Mike Tynan, Chief Executive (Nuclear) AMRC and LEP Director

Jenny Mein, Leader of Lancashire County Council and LEP Director

Malcolm McVicar, Former Vice Chancellor, University of Central Lancashire, and
LEP Director

Mark Smith, Vice Chancellor, University of Lancaster

David Taylor, Chairman, David Taylor Partnership

Quorum: ——— Chair and two members of the Governing Body

Frequency of Meetings

Bi-Monthly

Role and Responsibilities

The Enterprise Zone Governance Committee is a sub-committee of the Lancashire Enterprise Partnership.

The Governance Committee is responsible for setting and overseeing the strategic direction of the Lancashire Enterprise Zone. It will also provide regular reports to the LEP Board, specifically focusing on:

Regular progress updates on the delivery of public infrastructure into the Samlesbury site of the Lancashire Enterprise Zone;

Regular progress updates on the delivery of the BAE Systems' Training Centre and Logistics Facility, which will form the first phase of development on the Samlesbury site of the Lancashire Enterprise Zone;

Regular progress updates on the establishment and progress of the Dev Co arrangement (a joint venture between Carillion PLC and Eric Wright Group Ltd in their capacity as the County Council's strategic regeneration property partner) to deliver the Samlesbury site;

Regular progress reports on the drawdown/development of land on the Lancashire Enterprise Zone;

Regular progress reports on the generation of commercial leads and enquiries on the Lancashire Enterprise Zone;

Regular financial reports regarding the generation of Business Rates growth at the Lancashire Enterprise Zone;

Regular financial reports on Business Rates Relief providing to companies locating to the Lancashire Enterprise Zone;

Regular financial reports on the provision and repayment of any public investment provided in support of the development of the Lancashire Enterprise Zone;



~~Regular progress updates on the number of jobs and commercial floor-space created across the Lancashire Enterprise Zone; and~~
~~Regular progress reports on planning frameworks and commercial masterplans in place across the Lancashire Enterprise Zone.~~

Enterprise Zone Programme Board

Membership

~~Chair: ——— Eddie Sutton, Assistant Chief Executive, Lancashire County Council~~

~~Members: ——— Simon Eastwood, Managing Director, Carillion PLC~~

~~————— Jeremy Hartley, Group Managing Director, Eric Wright Group Ltd~~

~~————— Gareth Jackson, Development Director, Dev Co~~

~~————— Dave Holmes, Director of Infrastructure, BAE Systems~~

~~Martin Kelly, Director of Economic Development, Lancashire County Council~~

~~Representative of CBRE and/or another national agent~~

~~Peter Sebastian, Head of EZ Team, Department of Communities and Local Government (DCLG)~~

~~Representative of Department Business, Innovation & Skills (BIS Local)~~

~~————— AEM specialist, UK Trade and Investment (UKTI)~~

~~Beckie Joyce, Head of Strategic Development, Lancashire County Council, to co-ordinate the County Council's finance, legal, planning and programme management and external professional service support to the EZ Governing Body, Programme Board and Project Board~~

Frequency of Meetings

~~Monthly — (and always two weeks in advance of each Enterprise Zone Governing Body)~~

Role and Responsibilities

~~The Enterprise Zone Programme Board is responsible for:~~

~~Providing regular progress reports and advice on all commercial, financial, development and planning matters for consideration by the Enterprise Zone Governing Body;~~

~~Providing regular reports and advice on the implementation of agreed planning frameworks and commercial masterplans developed for the Lancashire Enterprise Zone;~~

~~Providing reports and advice on the drawdown of land under the Option Agreement in place between Lancashire County Council and BAE Systems in respect of the Samlesbury site of the Lancashire Enterprise Zone;~~

~~Providing regular progress reports and advice on commercial enquiries received/secured on the Lancashire Enterprise Zone;~~



Providing regular reports and advice on any public or other infrastructure required on the Lancashire Enterprise Zone; and
Developing recommendations/reports for the Governing Body on new initiatives, incentives and/or funding opportunities which may be appropriate to support the delivery of the Lancashire Enterprise Zone.

Enterprise Zone Project Board

Membership

Chair: ——— Eddie Sutton, Assistant Chief Executive, Lancashire County Council

Members: ——— Gareth Jackson, Development Director, Dev Co

David Baird, Enterprise Zone Programme Manager, BAE Systems

Kathryn Molloy, Head of LEP Co-ordination, Lancashire County Council

————— Chris Dyson, EZ Programme Manager, Lancashire County Council

————— Emma Prideaux, EZ Planning Advisor, Lancashire County Council

Planning Officer Support, representative of Ribble Valley/South Ribble planning authorities

Julia Johnson, EZ Legal Support, Lancashire County Council

Andrew Good, Head of Finance, Lancashire County Council

Phill Wilson, EZ Highways Project Manager, Lancashire County Council

Gary Pearse, Head of Corporate Property, Lancashire County Council

Frequency of Meetings

Every two weeks

Role and Responsibilities

The Enterprise Zone Project Board is responsible for:

Managing and monitoring operational progress on the Lancashire Enterprise, specifically in respect of all commercial, financial, development, legal, planning, land, infrastructure and highways matters on the Lancashire Enterprise Zone;

Preparing regular progress reports on all commercial, financial, development, legal, planning, land, infrastructure and highways matters for consideration by the Enterprise Zone Programme Board;

Preparing advice and recommendations for consideration by the Enterprise Zone Programme Board on the implementation of agreed planning frameworks and commercial masterplans developed for the Lancashire Enterprise Zone;

Monitoring progress on the drawdown of land under the Option Agreement in place between Lancashire County Council and BAE Systems in respect of the Samlesbury site of the Lancashire Enterprise Zone;

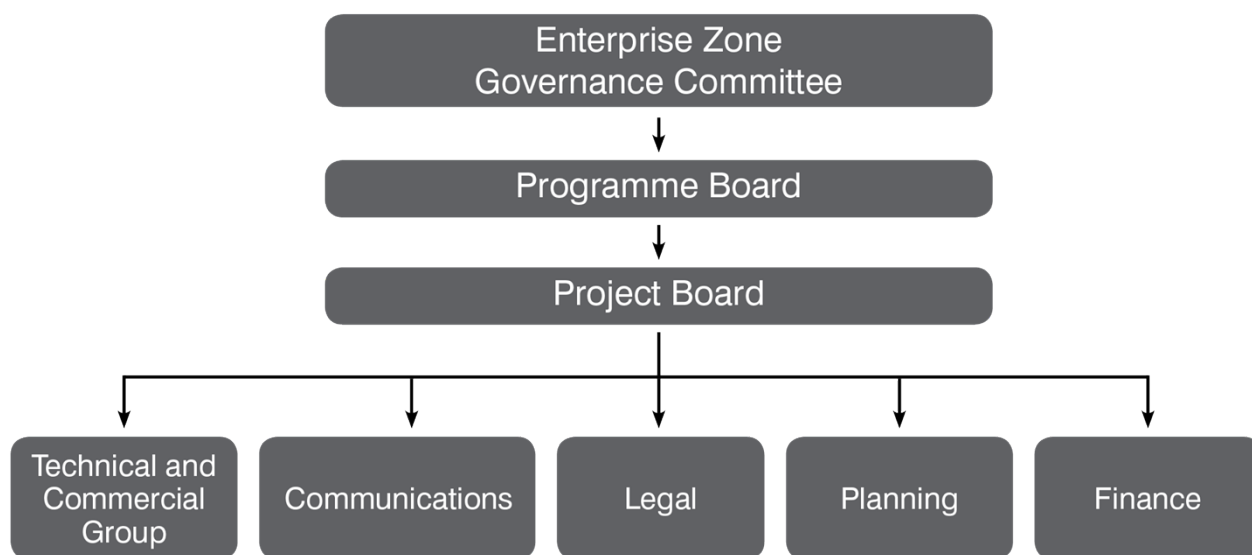
Monitoring commercial enquiries received/secured on the Lancashire Enterprise Zone;



Identifying any public or other infrastructure required on the Lancashire Enterprise Zone; and

Identifying any new local or national initiatives, incentives and/or funding opportunities which may be appropriate to support the delivery of the Lancashire Enterprise Zone.

Enterprise Zone - Implementation Arrangements



Growth Deal Management Board

TERMS OF REFERENCE

Composition

1. Unless otherwise agreed by the LEP, the Growth Deal Management Board shall comprise a minimum of 6 members and a maximum of 10.
2. The Chair and membership of the Growth Deal Management Board shall be appointed by the LEP.
3. The Chair of the Growth Deal Management Board shall be a Director of the LEP Board and a member of the LEP's Performance Committee.
4. The Members of the Growth Deal Management Board, as at the date of adoption of these Terms of Reference, are as follows:

<u>Graham Cowley (Chair)</u>	<u>LEP Director, Executive Director Local Government, Development and Regulatory Services, Capita Local Government, Health and Property</u>
<u>Sue Procter</u>	<u>Director, Programmes and Project Management Lancashire County Council</u>
<u>Alan Cavill</u>	<u>Director of Place, Blackpool Council</u>
<u>Brian Bailey</u>	<u>Director of Growth and Prosperity, Blackburn with Darwen Council</u>
<u>Dr Michele Lawty-Jones</u>	<u>Director, Lancashire Skills Hub</u>
<u>Gareth Smith</u>	<u>Project Director and Head of Regeneration, Barnfield Investment Properties</u>
<u>Professor Robert Walsh</u>	<u>Director of Research and Innovation, UCLAN</u>
<u>Julie Whittaker</u>	<u>Economic, Housing and Regeneration Manager, Pendle Borough Council</u>

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting. Substitutes will be counted towards the quorum

and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

5. The Growth Deal Management Board may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.

Chair and Deputy Chair

6. The Chair of the Growth Deal Management Board will be a private sector representative and be a member of the LEP Board.
7. The Chair shall not have a casting vote.
8. The Growth Deal Management Board may appoint one of its number to act as Deputy Chair ("Deputy Chair").

Quorum

9. The quorum for Growth Deal Management Board meetings shall be 3, including the Chair.
10. If within 15 minutes from the time appointed for the holding of a Growth Deal Management Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within 2 weeks and if at that meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting the Members present shall be a quorum.

Secretary

11. The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Growth Deal Management Board
12. The Secretary shall produce minutes of all meetings of the Growth Deal Management Board and will maintain a list of conflicts of interests, in accordance with the LEP's Assurance Framework. Growth Deal Management Board agendas will include a standard item requiring declarations to be made in relation to specific items of business.

Meeting Frequency

13. The Growth Deal Management Board shall meet according to operational need.

Decisions in Writing

14. A resolution in writing signed by the majority of the members of the Growth Deal Management Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Growth Deal Management Board.

Remit

15. The Growth Deal Management Board's primary responsibility is to ensure the implementation of the Growth Deal and to make strategic recommendations to the LEP Board in this regard.

16. The Growth Deal Management Board shall:

- (i) Implement and monitor the Growth Deal in accordance with the Growth Deal Implementation Plan and Growth Deal Monitoring and Evaluation Framework;
- (ii) Ensure that the Growth Deal Implementation Plan and Monitoring and Evaluation Framework are updated according to operational need, and annually as a minimum;
- (iii) Oversee the work of the Monitoring and Evaluation Sub Group, receive quarterly reports from the same and approve the submission of quarterly monitoring reports;
- (iv) Ensure that any conditions attached to Local Growth Fund funding agreements are discharged appropriately;
- (v) Refer to the LEP Board any issues arising if project sponsors are unable to comply with the Growth Funding principles agreed by the LEP Board;
- (vi) Make recommendations to the LEP Board on any proposed material changes to funding profiles, including redirecting significant resources in year and between projects; and
- (vii) Make recommendations to the LEP Board (who in turn would need to seek approval from Government) on any proposed material changes to project funding in the event of non-delivery, and / or the withdrawal of grant offer.

Governance Relationship with the LEP

17. The LEP is responsible for agreeing the Terms of Reference of the Growth Deal Management Board and has the power to vary the same.
18. The Growth Deal Management Board shall review its Terms of Reference from time to time as necessary and report their findings to the LEP.

19. Minutes of the Growth Deal Management Board meetings shall be submitted to the LEP Board at the LEP's request.
20. The Chair shall provide update reports to the LEP Board at the LEP's request.
21. The Chair of the Growth Deal Management Board shall sit on the LEP's Performance Committee.

Relationship with Lancashire County Council

22. Lancashire County Council, as accountable body to the LEP, shall provide programme management, economic development, financial, administrative and legal support to the Growth Deal Management Board.
23. The Growth Deal Management Board will be supported by consultants appointed to advise on the implementation of the Growth Deal Monitoring and Evaluation Framework.
24. Lancashire County Council shall maintain an official record of the Growth Deal Management Board proceedings and a library of all formal Growth Deal Management Board documents.

Publication of Papers

25. The agendas and papers of the Growth Deal Management Board will be published on the LEP's website in accordance with the LEP's Assurance Framework.

Shadow Growth Deal Programme Board

Terms of Reference

Composition

1. The members of the Shadow Growth Deal Programme Board, as at the date Terms of Reference, and their substitute nominees are as follows:

Graham Cowley (Chair)	LEP Director
Martin Kelly	Director of Economic Development LCC
Brian Bailey	Director of Regeneration, BwD
Alan Cavill	Director of Place, Blackpool Council
Andrew Atherton	Deputy Vice Chancellor, Lancaster University
Dave Colbert	Specialist Transport Advisor, TfL
Julia Johnson	Growth Deal Legal Lead, LCC
Kathryn Molloy	Head of LEP Co-ordination, LCC
Andy Walker	Head of Business Growth, LCC
Beckie Joyce	Head of Strategic Development, LCC
Andrew Good	Growth Deal Finance Lead, LCC
Individual Project Directors	
2. The Shadow Growth Deal Programme Board may invite any persons it sees fit to attend meetings as observers.

Administration and Support

3. The Director of Economic Development will provide the administration and support for the Shadow Growth Deal Programme Board.

Meeting Frequency

4. The Shadow Growth Deal Programme Board shall meet according to operational need.

Remit

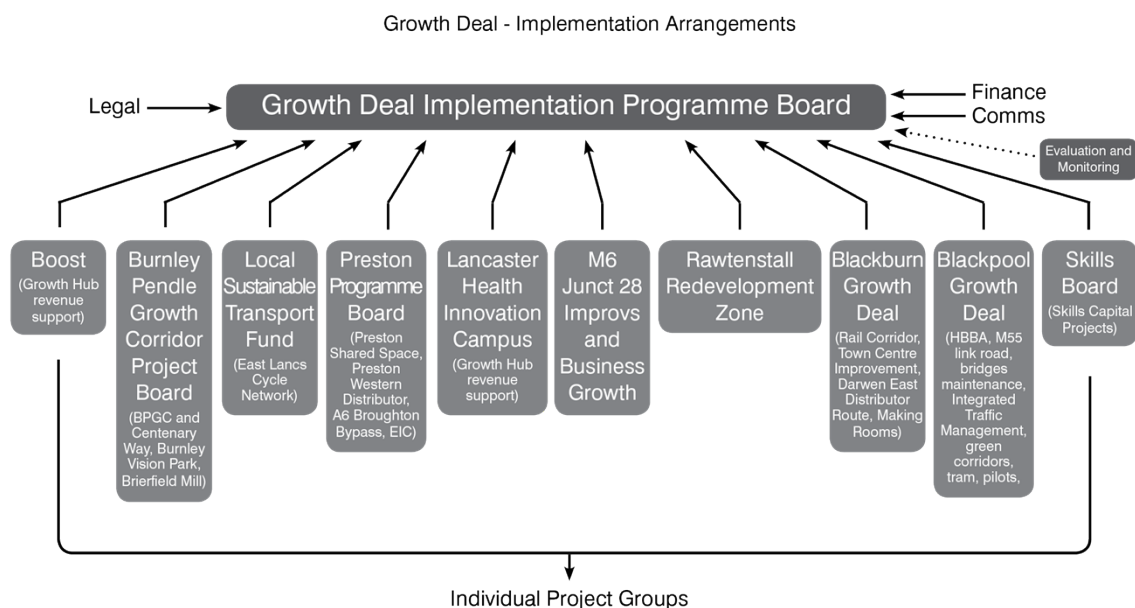
5. The Shadow Growth Deal Programme Board's primary responsibility is to support the successful implementation of the Lancashire Growth Deal. The Board will initially focus on the preparation of the LEP's:
- i) Growth Deal Implementation Plan;
 - ii) Growth Deal Monitoring and Evaluation Framework; and
 - iii) Assurance Framework

Governance Relationship with the LEP

6. The LEP Board is responsible for agreeing the Terms of Reference of the Shadow Growth Deal Programme Board and has the power to vary the same.
7. The Shadow Growth Deal Programme Board shall review its Terms of Reference prior to implementation of the Growth Deal in April 2015.
8. Minutes of Shadow Growth Deal Programme Board meetings shall be submitted to the LEP Board, at the LEP's request.
9. The Chair shall provide update reports to the LEP Board, at the LEP's request.

Relationship with Lancashire County Council

10. Lancashire County Council shall provide administrative and legal support to the Shadow Growth Deal Programme Board.
11. The County Council shall maintain an official record of the Shadow Growth Deal Programme Board proceedings and a library of all formal Shadow Growth Deal Programme Board documents.



LANCASHIRE BUSINESS SUPPORT MANAGEMENT BOARD **TERMS OF REFERENCE**

Composition

1. Unless otherwise agreed by the Lancashire Enterprise Partnership, the Business Support Management Board shall comprise a minimum of 4 members and a maximum of 10.
2. The Members of the Business Support Management Board shall be appointed by the Lancashire Enterprise Partnership and shall draw members be drawn from business, business representative organisations, business support providers and business finance specialists.
3. The proposed members of the Business Support Management Board, as at the date of adoption of these Terms of Reference, are as follows:

Mike Blackburn	<u>Proposed Chair / LEP Board Member</u>
Mike Damms	<u>Proposed Vice Chair / LEP Board Member / EL</u>
Babs Murphy	<u>NWL Chamber</u>
Frank McKenna	<u>Downtown in Business Lancashire</u>
Gary Lovatt	<u>Federation of Small Business</u>
John Kersey	<u>Lancashire Institute of Directors</u>
Tim Webber	<u>Regenerate Pennine Lancashire</u>

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting. Substitutes will be counted towards the quorum and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

In addition the group will seek by nomination members offering expertise on:-

HEI's as a provider of Business Support
Business Finance as a constraint on business growth ambitions.

4. The Business Support Management Board may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.
5. When considering the appointment of additional members to the Business Support Management Board, perceived gaps in knowledge / experience, together with sectoral and geographical coverage will be taken into account.

Chair and Deputy Chair

6. The Lancashire Enterprise Partnership shall appoint the Chair.

7. The Chair shall not have a casting vote.
8. The Business Support Management Board may appoint one of its number to act as Deputy Chair ("Deputy Chair").

Quorum

9. The quorum for Business Support Management Board meetings shall be 34.
10. If within fifteen minutes from the time appointed for the holding of a Business Support Management Board meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks.

Secretary

11. The Company Secretary of the Lancashire Enterprise Partnership (or their nominee) shall serve as the Secretary ("The Secretary") to the Business Support Management Board.
12. The Secretary shall produce minutes of all meetings of the Business Support Management Board and will maintain a list of conflicts of interests. Future Business Support Management Board agendas will include a standard item requiring declarations to be made in relation to specific items of business.
13. The Secretary shall produce and maintain an action list of all outstanding Business Support Management Board matters, a copy of which shall be circulated to meetings of the Business Support Management Board.

Meeting Frequency

14. The Business Support Management Board shall meet according to operational need.

Decisions in Writing

15. A resolution in writing signed by the majority of the members of the Business Support Management Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Business Support Management Board.

Remit

16. The Business Support Management Board's primary responsibility is to consider skills development priorities within across the LEP geography and any related issues and make recommendations on the same to the relevant bodies. In doing so, the Business Support Management Board shall:

- a. Develop and promote business support strategy, initiatives and programmes aligned with agreed priorities, as part of the LEP's Strategic Economic Plan;
- b. Seek to co-ordinate and commission a publicly funded business support offer which is clear, fit for purpose and which complements both commercial and national offers.
- c. Commission and maintain an evidence-base to help understand key business support demands in the LEP area;
- d. Identify and work with other LEP areas on business support issues of strategic and cross-boundary significance; and
- e. Advise on the deployment of business support funding directly accessed or influenced by the LEP and make best use of public investment in this policy area.

Governance Relationship with the LEP

17. The LEP is responsible for agreeing the Terms of Reference of the Business Support Management Board and has the power to vary the same.
18. The Business Support Management Board shall review its Terms of Reference from time to time as necessary and report their findings to the LEP.
19. Minutes of Business Support Management Board meetings shall be submitted to the LEP Board at the LEP's request and significant action points will be reported as part of a Chair's Update.
20. The Chair shall provide update reports to the LEP Board at the LEP's request.

Relationship with Lancashire County Council

21. Lancashire County Council shall provide administrative and legal support to the Business Support Management Board.
22. Lancashire County Council shall maintain an official record of the Business Support Management Board proceedings and a library of all formal Business Support Management Board documents.

Performance Committee

TERMS OF REFERENCE

Composition

1. Unless otherwise agreed by the LEP, the Performance Committee shall comprise 6 members.

2. The Members of the Performance Committee shall be appointed by the LEP and shall draw a minimum of 3 private sector directors as members.

3. A place will be reserved on the Performance Committee for the nominee of the Lancashire Leaders Group.

4. The Members of the Performance Committee, as at the date of adoption of these Terms of Reference, are as follows:

Richard Evans LEP Director, KPMG

David Taylor LEP Director, David Taylor Partnership

Graham Cowley LEP Director, Capita Ltd

Edwin Booth LEP Director

Mike Damms LEP Director

Local Authority Nominee Councillor Peter Rankin

Members can nominate substitute representatives, with written notification provided to the Clerk in advance of the meeting. Substitutes will be counted towards the quorum and will be entitled to vote. The use of substitutes shall be by exception rather than rule.

5. The Performance Committee may invite any persons it sees fit to attend meetings as observers. Observers shall be subject to the LEP Assurance Framework protocol on observer attendance at meetings.

6. The County Council's Director of Governance, Finance and Public Services (and LEP Company Secretary) and Section 151 Officer (or their nominees) will attend meetings of the Performance Committee.

Chair and Deputy Chair

7. The Performance Committee shall appoint one of its number to act as Chair ("the Chair"). The Chair of the Performance Committee will be a private sector representative and be a member of the LEP Board.

8. The Chair shall not have a casting vote.

9. The Performance Committee may appoint one of its number to act as Deputy Chair ("Deputy Chair").

Quorum

10. The quorum for Performance Committee meetings shall be a minimum of 3 directors. In the event that the Chair is not present the Committee should appoint one of the members present to act as Chair in his/her absence.

11. If within 15 minutes from the time appointed for the holding of a Performance Committee meeting a quorum is not present, the meeting shall be adjourned. The Secretary shall arrange for the meeting to take place within two weeks and if at that meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting the Members present shall be a quorum.

Secretary

12. The LEP's Company Secretary (or their nominee) shall serve as the Secretary ("The Secretary") to the Performance Committee.

13. The Secretary shall produce minutes of all meetings of the Performance Committee and will maintain a list of conflicts of interests, in accordance with the LEP's Assurance Framework. Performance Committee agendas will include a standard item requiring declarations to be made in relation to specific items of business.

Meeting Frequency

14. The Performance Committee shall meet at least once in a 12 month period and according to operational need.

Decisions in Writing

15. A resolution in writing signed by the majority of the members of the Performance Committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the Performance Committee.

Remit

16. The Performance Committee will provide oversight on six key areas of performance:

- (i) Quantum of resources secured by the LEP;
- (ii) Investment decision making;
- (iii) Implementation and delivery of key LEP initiatives;
- (iv) Monitoring and evaluation of key LEP initiatives;
- (v) Compliance with LEP policies and procedures, as set out in the LEP's Assurance Framework; and
- (vi) Risk management.

17. The Performance Committee will not make recommendations on individual scheme approvals.

Governance Relationship with the LEP

- 18. The LEP is responsible for agreeing the Terms of Reference of the Performance Committee and has the power to vary the same.
- 19. The Performance Committee shall review its Terms of Reference from time to time as necessary and report their findings to the LEP.
- 20. Minutes of the Performance Committee meetings shall be submitted to the LEP Board at the LEP's request.
- 21. The Chair shall provide update reports to the LEP Board at the LEP's request.

Relationship with Lancashire County Council

- 22. Lancashire County Council, as accountable body to the LEP, shall provide legal, audit, financial and programme management support through, respectively, the Director of Governance, Finance and Public Services, (LEP Company Secretary), Head of Internal Audit, Section 151 Officer, Director of Economic Development and Director of Development and Corporate Services
- 23. Lancashire County Council shall maintain an official record of the Performance Committee proceedings and a library of all formal Performance Committee documents.

Publication of Papers

- 24. The agendas and papers of the Performance Committee will be published on the LEP's website in accordance with the LEP's Assurance Framework

Annex '2'

Protocol on the Disclosure of Confidential Information for Directors / Observers / Officers and other attendees at Lancashire Enterprise Partnership Board Meetings

The Lancashire Enterprise Partnership seeks to make information it holds freely available to the public in fulfilling its responsibility for openness and accountability.

In doing so, it must respect the rights of individuals and other organisations. It is also in the public interest that its commercial interests are protected to the extent recognised by the Freedom of Information Act.

This protocol sets out the arrangements agreed by the Lancashire Enterprise Partnership for the treatment by all attendees at Board meetings of confidential information.

- Confidential information will be identified in one of the following ways:
 - a. Marked "not for publication" and include a statement that the report contains confidential or exempt information
 - b. Included in Part II of an agenda for a Board meeting
 - c. Received with a covering letter or other communication which indicates the document is confidential
- If you receive confidential information you should assume that it is provided to you for your personal information and you should not disclose it to anyone unless one of the following applies;
 - a. Information at 1b above will be supplied to all other members attending the meeting in question and will be shared and discussed with them. It should not however, be shared with other people who are not involved in the meeting.
 - b. You have the written consent of the person who provided you with the information to the specific disclosure made.
 - c. You have received legal advice that you are under a legal obligation to disclose that information to a person who has requested it. The Company Secretary will provide advice on this point if requested.
 - d. You may disclose the information if it is necessary for you to do so in order to obtain advice from a professional adviser, provided that adviser gives a binding obligation not to disclose the information themselves.

Annex '3'

Freedom of Information Act 2000 – Extracts

Section 1 - General right of access to information held by public authorities.

(1) Any person making a request for information to a public authority is entitled:

- to be informed in writing by the public authority whether it holds information of the description specified in the request, and
- if that is the case, to have that information communicated to him.

(2) Subsection (1) has effect subject to the following provisions of this section and to the provisions of sections 2, 9, 12 and 14.

(3) Where a public authority—

- reasonably requires further information in order to identify and locate the information requested, and
- has informed the applicant of that requirement,

the authority is not obliged to comply with subsection (1) unless it is supplied with that further information.

(4) The information—

- in respect of which the applicant is to be informed under subsection (1)(a), or
- which is to be communicated under subsection (1)(b),

is the information in question held at the time when the request is received, except that account may be taken of any amendment or deletion made between that time and the time when the information is to be communicated under subsection (1)(b), being an amendment or deletion that would have been made regardless of the receipt of the request.

(5) A public authority is to be taken to have complied with subsection (1)(a) in relation to any information if it has communicated the information to the applicant in accordance with subsection (1)(b).

(6) In this Act, the duty of a public authority to comply with subsection (1)(a) is referred to as “the duty to confirm or deny”.

Section 3 - Public authorities.

(1) In this Act “public authority” means—

1. subject to section 4(4), any body which, any other person who, or the holder of any office which—
 - a. is listed in Schedule 1, or
 - b. is designated by order under section 5, or
2. a publicly-owned company as defined by section 6.

(2) For the purposes of this Act, information is held by a public authority if—

- it is held by the authority, otherwise than on behalf of another person, or
- it is held by another person on behalf of the authority.

Section 6 - Publicly-owned companies.

(1) A company is a “publicly-owned company” for the purposes of section 3(1)(b) if—

- it is wholly owned by the Crown, or
- it is wholly owned by any public authority listed in Schedule 1 other than—
 - a. a government department, or
 - b. any authority which is listed only in relation to particular information.

(2) For the purposes of this section—

- a company is wholly owned by the Crown if it has no members except—
 - a. Ministers of the Crown, government departments or companies wholly owned by the Crown, or
 - b. persons acting on behalf of Ministers of the Crown, government departments or companies wholly owned by the Crown, and
- a company is wholly owned by a public authority other than a government department if it has no members except—
 - a. that public authority or companies wholly owned by that public authority, or
 - b. persons acting on behalf of that public authority or of companies wholly owned by that public authority.

(3) In this section—

- “company” includes any body corporate;
- “Minister of the Crown” includes a Northern Ireland Minister

Part II Exemption Summary

Exemptions – Freedom of Information Act 2000

Section 21: Information reasonably accessible to the applicant by other means.

- The purpose of the section 21 exemption is to ensure that there is no right of access to information via FOIA if it is available to the applicant by another route.

Section 22: Information intended for future publication

- There are circumstances when it is reasonable and correct for public authorities to delay the provision of information until it is made generally available through publication.

Section 23: Security Bodies

- Section 23 of FOIA provides an exemption for information that was provided by, or relates to, a security body.

Section 24: Safeguarding national security

- National security includes more than the security of the UK, its military defence and its systems of government, it also involves co-operation with other states in combating international terrorism and guarding against actions targeted at other states which may impact on the UK and its people.

Section 26: Defence

- Section 26 of the Act sets out an exemption from the right to know if the disclosure of information would or would be likely to prejudice: the defence of the British Islands (i.e. the UK, Channel Islands and the Isle of Man) or any colony; or the capability, effectiveness or security of the armed forces or that of any forces cooperating with them.

Section 27: International relations

- Section 27 of the Act sets out exemption from disclosure if disclosure would likely prejudice
 - a. relations between the United Kingdom and any other state
 - b. relations between the United Kingdom and any other international organisation or international court
 - c. the interests of the United Kingdom abroad
 - d. the promotion or protection by the United Kingdom of its interests abroad

Section 28: Relations within the UK

- Section 28 sets out an exemption from the right to know, if the disclosure of the information in question would, or would be likely to prejudice relations between two or more United Kingdom administrations.

Section 29: The economy

- Section 29, generally referred to as the 'economy exemption', provides two grounds for withholding information. Firstly, information is exempt if its disclosure would, or would be likely to prejudice the economic interests of the UK or any part of it. Secondly information is also exempt where its disclosure would, or would be likely to prejudice the financial interests of the UK government or any of the devolved administrations. The term 'prejudice', in this context, is generally taken to mean harm or damage.

Section 30: Investigations and proceedings

- Section 30 can only be claimed by public authorities that have a duty to investigate whether someone should be charged with an offence, or the power to conduct such investigations and/or institute criminal proceedings. Section 30 is subject to the public interest test. In applying the public interest test it is important to recognise that the purpose of the exemption is to protect the effective investigation and prosecution of offences and the protection of confidential sources.

Section 31: Law enforcement

- Section 31 provides a prejudice based exemption which protects a variety of law enforcement interests, for example, prevention or detection of crime. It can protect information on a public authority's systems which would make it more vulnerable to crime. It can also be used by a public authority that has no law enforcement function to protect the work of one that does.

Section 32: Information contained in court records

- The information covered by this section of the Act is subject to an absolute exemption. This means that if a request is received for information covered by the section there is neither a duty to disclose it nor to confirm or deny that it is held. Moreover there is no need to consider whether there might be a stronger public interest in making the disclosure despite the existence of an exemption. In other words, information is either exempt or it is not.

Section 32: Information contained in court transcripts

- Court transcripts are documents created by members of the administrative staff of the court and information in them is exempt under section 32 of the FOIA.

Section 33: Public audit

- Section 33 provides an exemption for information on public audit functions. It applies to public authorities that carry out audits or audit-type inspections of other public authorities.

Section 34: Parliamentary privilege

- Section 34 of FOIA provides an exemption for information if its disclosure would infringe parliamentary privilege. The exemption is absolute, which means there is no public interest test.

Section 35: Government policy

- Section 35 sets out four exemptions designed to protect government and provide a safe space for policymaking. Only central government can use these exemptions. However, the exemptions are qualified by the public interest test. Even if an exemption is engaged, departments can only withhold the information if the public interest in maintaining the exemption outweighs the public interest in disclosure.

Section 36: Effective conduct of public affairs

- Section 36 provides an exemption if disclosure would or would be likely to: prejudice collective responsibility or the equivalent in Wales and Northern Ireland; inhibit the free and frank provision of advice or exchange of views; or otherwise prejudice the effective conduct of public affairs.

Section 36: Record of the qualified person's opinion

- If the qualified person's opinion is that section 36 is engaged (i.e. that disclosure of the information would or would be likely to cause prejudice or inhibition), the public authority must then carry out the public interest test. As a matter of good practice, public authorities should also keep a record of the factors considered in the public interest test and the outcome of that test.

Section 37: Communications with Her Majesty and the awarding of honours

- Section 37 covers exemption of information relating to communications with The Queen, other members of the Royal Family or the Royal Household.

Section 38: Health and safety

- Section 38 provides an exemption from disclosing information if such disclosure would endanger any individual (including the applicant, the supplier of the information or anyone else). In particular the section provides that information is exempt if its disclosure under the Act would, or would be likely to endanger the physical or mental health of any individual, or

endanger the safety of any individual. Section 38 is a qualified exemption. This means that even if information is exempt, a public authority is under a duty to consider whether disclosure should nevertheless be made in the public interest.

Section 40: Personal information

- When handling a request under FOIA or the EIR for information that may include personal data, the public authority must first establish whether the information constitutes personal data within the meaning of the DPA. If the information constitutes the personal data of the requester, then it is exempt from disclosure. This is an absolute exemption, and there is no duty to confirm or deny whether the information is held. Instead, the public authority should deal with the request as a subject access request under the DPA. If the information requested includes personal data of other people, then how this should be handled depends on whether it is separable from the requester's personal data. If the information constitutes the personal data of third parties, public authorities should consider whether disclosing it would breach the data protection principles. The only one which is likely to be relevant is the first principle. The public authority can only disclose the personal data if to do so would be fair, lawful and meet one of the conditions in Schedule 2 of the DPA (and in the case of sensitive personal data, a condition in Schedule 3)

Section 40: Access to information held in complaint files

- Under the DPA, individuals have a right of subject access to information about themselves. It does not give a right of access to information about anyone else – unless it is a parent acting on behalf of a child, for example. The DPA applies to all organisations that process personal data – public or private sector. Under FOIA, any individual can make a request for access to any information held by a public authority. However, an individual's own personal data is exempt from FOIA's access right – that has to be dealt with according to the DPA's subject access rules. Potentially, FOIA does give one individual a right of access to information about another. However, if providing the third party information would breach the data protection principles, then it is exempt from disclosure. Because FOIA only applies to public authorities, individuals will normally have no right of access to third party personal data held by private sector organisations. Complaint files can be complex, often consisting of a mixture of information that is the complainant's personal data, is third party personal data and that isn't personal data at all. This means that sometimes you will need to consider each document within a complaint file separately, and even the content of particular documents, to assess the status of the information they contain.

Section 40: Information exempt from the subject access right

- The public authority must first establish that the information in question constitutes personal data, within the meaning of the DPA. Secondly, the personal data must relate to someone other than the requester. The reason for this is that if the information is the requester's own personal data, then it is exempt from disclosure under section 40(1) of FOIA, and this is an absolute exemption. Instead, the DPA gives people the right to obtain their own data, using a subject access request. Furthermore, even if this right is limited in any particular case by an

exemption in DPA, a requester still cannot use FOIA as an alternative route to obtain personal data about themselves. If they request it under FOIA, the exemption in section 40(1) still applies. If a public authority receives a FOIA request where the information asked for is the requester's personal data, they should inform the requester that the information is exempt under FOIA, but at the same time deal with it as a subject access request under the DPA.

Section 40: Neither confirm nor deny in relation to personal data

- A public authority is not obliged to confirm or deny whether it holds other personal data if to do so would contravene data protection principles, or a DPA section 10 notice, or if the information would be exempt from the data subject's right of access in the DPA.

Section 40: Personal data of both the requester and others

- Requested information may include the personal data of several data subjects. Where 'mixed' personal data is so closely linked that it is not possible to separate it out, there is no requirement to assess the relative extent or significance of the different sets of personal data. A request from any of the data subjects should be refused under section 40(5) or regulation 5(3).

Section 40: Requests for personal data about public authority employees

- When a public authority receives a request for information that constitutes personal data about its employees, it must decide whether disclosure would breach Principle 1 of the Data Protection Act (the DPA), ie whether it would be fair and lawful to disclose the information. Whether the disclosure is fair will depend on a number of factors including:
 - a. whether it is sensitive personal data;
 - b. the consequences of disclosure;
 - c. the reasonable expectations of the employees; and
 - d. the balance between any legitimate public interest in disclosure and the rights and freedoms of the employees concerned.
- If the public authority decides that it would be fair, the disclosure must also satisfy one of the conditions in Schedule 2 of the DPA. In addition, if the information constitutes sensitive personal data, the disclosure must also satisfy one of the conditions in Schedule 3 of the DPA. In some circumstances the authority may neither confirm nor deny that it holds the requested information. This general approach can be applied to various types of employee information, including:
 - a. Salaries and bonuses
 - b. Information about termination of employment and compromise agreements
 - c. Lists and directories of staff
 - d. Names in documents
 - e. Registers of interests

- Where employees request their own data, this is exempt under FOIA and the public authority should instead handle this as a subject access request under the DPA. Employees do not have a right under the DPA to request personnel information that falls into 'category (e)' of the definition of personal data. If the information is requested by others the exemption is qualified, rather than absolute. It may be fair to disclose the names of people representing other organisations. If the information requested is environmental information, the public authority must deal with the request under the EIR. The provisions in the EIR relating to personal data correspond to those in FOIA.

Section 41: Information provided in confidence

- Section 41 of the Act sets out an exemption from the right to know where the information requested was provided to the public authority in confidence.

Section 41: Information provided in confidence relating to contracts

- Section 41 explains that information will be exempt from disclosure if it was obtained by the public authority from another party (including another public authority), and the disclosure of the information to the public (otherwise than under this Act) by the public authority holding it would result in a breach of confidence actionable by that or any other party. The exemption cannot apply to information the public authority has generated itself. The information must have been provided by someone else.
- When a public authority enters into a contract, it should let that other party know before the contract is drawn up that part or all of the contract may be disclosed in response to a freedom of information request. Public authorities can use confidentiality clauses to identify information that may be exempt, but they should carefully consider the compatibility of such clauses with their obligations under the FOIA. They may also help identify occasions where the other party to a contract should be consulted before disclosure. Such clauses cannot however prevent disclosure under the FOIA if the information is not confidential.

Section 41: The duty of confidence and the public interest

- Section 41 states that information will be exempt if it was obtained from another person or organisation and disclosure would result in a breach of confidence over which a person could take legal action (ie an actionable breach of confidence). Section 2(3)(g) states this exemption is absolute. This means that if section 41 applies, a public authority does not have to apply a public interest test under the FOIA in order to withhold the information.

Section 42: Legal professional privilege

- Section 42 provides an exemption under FOIA for information protected by legal professional privilege (LPP). Section 42 is a qualified exemption, subject to the public interest test.

Section 43: Commercial interest

- Section 43 of the Act sets out an exemption from the right to know if the information requested is a trade secret, or release of the information is likely to prejudice the commercial interests of any person. (A person may be an individual, a company, the public authority itself or any other legal entity). Section 43 is a qualified exemption. That is, it is subject to the public interest test which is set out in section 2 of the Act. Where a public authority is satisfied that the information requested is a trade secret or that its release would prejudice someone's commercial interests, it can only refuse to provide the information if it is satisfied that the public interest in withholding the information outweighs the public interest in disclosing it.

Section 43: Commercial detriment of third parties

- Section 43(2) explains that information will be exempt if its disclosure would, or would be likely to, prejudice the commercial interest of any person. This exemption is qualified. Even if information falls within section 43, public authorities must then apply the public interest test set out in section 2(2)(b). The information can only be withheld if the public interest in maintaining the exemption outweighs the public interest in disclosure.
- If a public authority believes that by responding to a FOIA request it will prejudice the commercial interests of a third party, then it should when necessary (for example to determine whether or not an exemption applies) and wherever possible consult the third party for its view. The public authority must not speculate as to whether there is any commercial detriment and the reasons why without any evidence or input from the third party.
- If the third party does not express any concerns regarding prejudice to its commercial interests, then the public authority should not put forward any arguments of its own. However, there may occasionally be situations where the public authority cannot realistically obtain input from the third party, for example due to time constraints for responding to requests. In such situations, it will be acceptable for a public authority to put forward evidenced arguments based on its prior knowledge of the third party's concerns.

Section 43: Public sector contracts

- The Freedom of Information Act (FOIA) recognises that there are valid reasons for withholding some information in response to a request. The Act lays out 23 situations in which information is considered exempt. A public authority cannot contract out of its responsibilities under the Act and unless information is covered by an exemption it must be released if requested.
- Any of the 23 exemptions could apply to information concerning the relationship between a public authority and a contractor. Section 40 (personal information) may apply to details of a company's personnel provided in support of a tender. Section 44, statutory prohibition, will apply to information provided by contractors in some circumstances, particularly where covered by the Public Contracts Regulations 2006. The two most relevant exemptions are likely to be section 41, information which has been provided in confidence, and section 43

where the release of information is likely to prejudice someone's commercial interests.

- Only information that is in fact confidential in nature, or which could prejudice a commercial interest if released, can be withheld under these provisions. It is important that contractors and public authorities understand what information may be available and how accessibility may change over time.

Section 44: Prohibitions on disclosure

- Section 44 covers information which is prohibited from disclosure under other legislation. Information is exempt if its disclosure by the public authority holding it:
 - a. is prohibited by or under any enactment
 - b. is incompatible with any Community obligation, or
 - c. would constitute or be punishable as a contempt of court
- Section 44 is an absolute exemption, which means that if information is covered by any of the subsections in s44 then it is exempt from disclosure. There is no need to consider whether there might be a stronger public interest in disclosing the information than in not disclosing it. Information covered by s44 is either exempt or it is not.

Annex '4'

Protocol on the attendance of Observers at Lancashire Enterprise Partnership Board Meetings

The Lancashire Enterprise Partnership will permit the attendance of Observers at Board meetings subject to the following provisions:

- (i) Observers are requested to make themselves known to the Company Secretary (or their representative) and state their name, the organisation they represent and their purpose for attending the meeting. Ideally this should be done in writing (or via email) in advance of the meeting.
- (ii) The Chair will seek formal approval from the Directors present to any request for an Observer to attend for Part I (Items that are publically available) and, if applicable, Part II (Private and Confidential items). Observers will usually be excluded from any Part II items other than in exceptional circumstances.
- (iii) If an Observer is permitted to attend for any Part II items they must agree to adhere to the Protocol on the Disclosure of Confidential Information for Directors / Observers / Officers and other attendees at Lancashire Enterprise Partnership Board meetings. Any Observers present from local authorities will also be bound by their own confidentiality procedures.
- (iv) The Board will determine appropriate action to be taken in the event of any proven / intentional breaches of this confidentiality statement.

Speaking at Meetings

As a general rule Observers will not be permitted to speak at Lancashire Enterprise Partnership Board meetings, unless invited to do so by the Chair.

The Chair may terminate any speech made by an Observer if he/she considers it appropriate to do so. The Chair's judgement will be informed by the following provisions:

Observers must not:

- Speak at a point in the meeting other than those where they are invited to do so by the Chair.
- Interrupt another speaker.
- Reveal personal information about another individual.
- Make individual or personal complaints against any member of the Board.
- Reveal information which they know or believe to be confidential.
- Use offensive, abusive or threatening language.
- Ignore the ruling of the Chair of the meeting.

Persistent disregard of the above protocol may result in Observers being asked to leave the meeting.

Annex '5'

Directors' Interests

Under the provisions of the Companies Act 2006, as a director of Lancashire Enterprise Partnership Limited ("the company"), there are two different types of conflict of interest that you will need to declare to the company:

Situational Conflicts

Upon accepting your appointment as a director, you should inform the Company Secretary of anything, or any connection you have, which could potentially divert your mind from giving sole consideration to promoting the success of the company.

Although there is nothing to prohibit you from holding multiple directorships or even from engaging in business that competes with Lancashire Enterprise Partnership Limited, any situation where there is a degree of tension must be declared.

For example, as a director of the company it is your duty to act in the sole interest of the company. However, if you have been nominated by another organisation, a tension may arise out of any actual or perceived duty to act in the best interests of that organisation as opposed to the company itself.

Once any potential interests have been declared, they will be put to the other directors, who have the power to authorise them.

You have an ongoing duty to update the Company Secretary of any changes to your situational interests.

Transactional conflicts

A transactional conflict arises where as a director, you or a 'connected person' (for example a family member), has an interest in a proposed or existing transaction or arrangement with the company.

If you realise that you are in any way, directly or indirectly interested in a proposed transaction or arrangement with the company, you must declare the nature and extent of that interest to the other directors. This should be done via the Company Secretary. Any such declarations should be made as soon as practicable, ideally before or at the start of any Board meeting at which the item is to be considered.

If you have made such a declaration, the default position is for you not to be counted as participating in the decision-making process for quorum or voting purposes during consideration of the matter. However Lancashire Enterprise Partnership Limited's Articles of Association do enable the remaining, non-interested directors to, if they see fit, authorise any such conflicts and in these instances they may agree for you to take part.

Please note that specific provisions relating to directors' interests are set out in clauses 13.7 to 13.13 of the company's Articles of Association.

If you require any further information or advice, please do not hesitate to contact:

Andy Milroy, Company Services Officer, Email: andy.milroy@lancashire.gov.uk Telephone: 01772 530354

Annex '6'

Gifts and Hospitality Policy

Directors of the Lancashire Enterprise Partnership (LEP) must (within 28 days of receiving it) notify the Company Secretary in writing of any gifts or hospitality received, the value of which is estimated at being over £25. "Hospitality" is defined as accommodation, food or drink, or entertainment which is provided free of charge or at a discounted rate. The requirement applies where the gifts or hospitality is received in your capacity as a Director, rather than from friends or family, received from any person or body other than the LEP.

Your notification must also give the identity of the donor of the gift or hospitality.

You should also make a notification of an accumulation of smaller gifts or hospitality valued at £25 or less received over a short period of time which when added together are valued above £25.

If you are uncertain of the value of a gift or hospitality you should declare it. It is also good practice to notify the Company Secretary of offers of gifts or hospitality which have been offered but refused.

A failure to notify the Company Secretary of any gifts and/or hospitality over the value of £25 is a breach of the LEP's Code of Conduct.

Any gifts or hospitality notified to the Company Secretary will be included in the LEP's register of Gifts & Hospitality, a copy of which is made available for public inspection and published on the LEP's website.

However, where you consider that disclosure of the details of any gift or hospitality could lead to you, or a person connected with you, being subject to violence or intimidation the Company Secretary may agree to exclude from the LEP's register such details as he considers appropriate and that information will not be included on the LEP's register.

Annex '7'

Complaints Policy

How the Lancashire Enterprise Partnership handles your compliments, comments and complaints

What are compliments, comments and complaints?

A complaint is an expression of dissatisfaction by one or more members of the public about the Lancashire Enterprise Partnership's (LEP's) action or lack of action or about the standard of service, whether the action was taken or the service provided by the LEP itself or a person or body acting on behalf of the LEP.

How complaints are investigated

In the first instance any complaint should be addressed to the Company Secretary, either via email to: enquiries@lancashire.gov.uk or in writing to:

The Lancashire Enterprise Partnership Company Secretary
Lancashire County Council
PO BOX 78
County Hall
Preston
PR1 8XJ

The Company Secretary shall investigate and provide a response to any complaint within 28 working days.

The Company Secretary will report his findings to the LEP Board as soon as is practicable.

Confidentiality

All complaints are treated in confidence. As Lancashire County Council is the accountable body for the Lancashire Enterprise Partnership, the LEP safeguards all personal information in accordance with the County Council's privacy statement which complies with the Data Protection Act 1998. Your information will only be shared with those parties involved in resolving your complaint. For further information, please visit [the County Council's Privacy Statement](#).

Annex '8'

Lancashire Growth Deal Communications Protocol

Introduction

The Lancashire Growth Deal is a £250 million plus deal, secured by the Lancashire Enterprise Partnership, which provides Local Growth Fund resources for a range of high-profile projects across the county, all of which aim to realise the county's potential for economic growth.

The projects fall into three main categories:

- Infrastructure (Buildings, Transportation)
- Skills Development
- Innovation (e.g. translation of R&D to Impact)

Individual projects are also funded by project sponsors and other local contributions.

The Growth Deal initiative will be managed as a whole programme which will necessitate interaction between the funding, outputs and outcomes of individual projects.

The purpose of this protocol is to ensure that:

- (i) strategic level messages about the significance of the Growth Deal are communicated effectively;
- (ii) the Growth Deal is consistently referenced as a Growth Deal for Lancashire;
- (iii) and the LEP is referenced for its role in securing funding and overseeing the implementation of the Growth Deal programme.

Individual partners should retain full responsibility for communicating the details of the individual projects in line with points (i) and (ii) above.

Approach/Governance

As the Accountable Body for the LEP, Lancashire County Council Communications Service will provide the lead on the Growth Deal Implementation Programme Board, feeding back to the communications teams of the partner organisations (Blackpool Council, Blackburn with Darwen Council, Lancaster University, UCLan, Blackpool and the Fylde College, Chorley Borough Council, Rossendale Borough Council, Pendle Borough Council and Burnley Borough Council.

Partners will lead on communications for their own projects and will share their approach with the LCC communications service [and SKV Communications](#), acting on behalf of the LEP.

There will be a plain English approach to all communications.

The Growth Deal comms activity will feed into existing comms plans to ensure there is consistency and no duplication.

All projects will have a named comms lead.

The Growth Deal will have web presence on the LEP website and be linked to from all partner sites.

This protocol will form part of the LEP's Assurance Framework which will be published on the LEP website.

Media handling

- **Reactive** - LCC [and SKV Communications](#) will manage all generic reactive media enquiries about the Growth Deal – informing relevant partner organisations' comms as appropriate. Where there is a specific issue relating to an individual project, the media enquiry will be dealt with by the appropriate partner, with the response shared with the LCC communications service, acting on behalf of the LEP.
- **Pro-active** - LCC [and SKV Communications](#) will create first draft of any pro-active media releases relating to the Growth Deal as a whole, this will be approved with partners.

Individual partners will produce proactive media releases relating to their own projects.

All proactive releases will include the boilerplate description below.

An agreed list of spokespeople for each organisation will be maintained.

A social media schedule will be developed and actioned by the most appropriate authority, depending on the message – all other authorities will re-tweet/link to this activity.

Boilerplate description

All proactive news releases issued either by Lancashire County Council on behalf of the LEP, or by individual partners regarding specific Growth Deal funded projects, will include the text below. The text can either appear in the body of the news release or in the "Notes to editors".

"The Lancashire Enterprise Partnership has secured £251.1 million from the Government's Local Growth Fund to support economic growth in the area through the Growth Deal.

"The Lancashire Growth Deal aims to realise the growth potential of the whole of Lancashire, building on key local economic assets including the universities and colleges, the Enterprise Zone, the Preston, South Ribble and Lancashire City Deal and high-value business clusters across the county.

"Over the lifetime of the deal (2015 – 2021) the Growth Deal is expected to create up to 8000 new jobs, 3000 new homes and attract £280m of additional public and private investment to Lancashire."

Spokespeople

On issues relating to the Growth Deal as a whole, a representative of the LEP, [normally Edwin Beeth normally Graham Cowley as Growth Deal Management Board Chair](#), will be the primary spokesperson.

Individual partners will nominate their own spokespersons to comment on specific projects.

Key Messages

The Lancashire Growth Deal aims to realise the growth potential of the whole of Lancashire, building on key local economic assets including the universities and colleges, the Enterprise Zone, and the Preston, South Ribble and Lancashire City Deal.

Over six years, 2015 to 2021, the Growth Deal will deliver:

- £251.1 million investment
- Up to 8000 new jobs
- 3000 new homes
- £280m in leveraged public and private investment

Branding

Recognising that individual projects are also funded by project sponsors and other local contributions, a co-branding approach will be adopted whereby all signage and other material produced for individual projects will feature the Lancashire Enterprise Partnership logo alongside that of the project sponsor and, where appropriate, other funders.

Stakeholder Engagement

In addition to the stakeholder engagement work carried out by partners to support individual projects, LCC communications service will support the LEP on broader stakeholder engagement, using channels such as the LEP website and the LEP chair's regular blog.

Public Information

Individual partners will retain responsibility for engagement at a local level for their own projects.

Evaluation

- Communications outputs include Media/social media statistics
- Web hits

Preston, South Ribble and Lancashire City Deal

Cascading information to stakeholders

The draft framework below outlines an order for cascading information/announcements relating to highway schemes, local planning applications and HCA owned land.

It complements the communications protocol established by partners earlier this year.

Highways and transport master planning messages (LCC lead)

Major update/proposal relating to scheme – if it is linked to a decision making report do not circulate report prior to it being published on the Lancashire County Council website

1. LCC project officers to brief Leader, Deputy Leader, Cabinet Member and Chief Executive
2. LCC project officers to brief Preston/South Ribble key officers
3. LCC comms officers to brief Preston/South Ribble comms, agree media relations approach and circulate draft news release as appropriate
4. LCC project officers to brief local member/s and offer a face to face briefing (if appropriate) prior to report being published online
5. Preston/South Ribble project officers to brief as appropriate in their organisations (officers and councillors) prior to any report being published online or external communications being issued
6. LCC and district project officers to highlight any relevant issues to comms/senior officers following their respective briefings to members
7. Report published on the LCC website
8. LCC comms to issue press release and note to a wider group of stakeholders
9. Preston/South Ribble comms leads to cascade information to their stakeholders

Update on scheme delivery

1. LCC project officers to brief local member/s and offer a face to face briefing (if appropriate)
2. LCC comms to issue press release and note to a wider group of stakeholders
3. Preston/South Ribble comms leads to cascade information to their stakeholders

Relevant Local Plan, master planning and local planning applications (district lead)

1. Preston/South Ribble project officers to brief LCC officers
2. Preston/South Ribble comms to brief LCC comms, agree media relations approach and circulate draft news release as appropriate
3. LCC project officers to brief as appropriate in LCC – officers and members
4. LCC and district project officers to highlight any relevant issues to comms/senior officers following their respective briefings to members
5. Preston/South Ribble comms issue press release
6. LCC comms to cascade information to a wider group of stakeholders if appropriate e.g. milestone event

Disposal of HCA land or HCA planning applications (HCA lead)

1. HCA project officers to brief LCC and district key officers
2. LCC/district project officers brief as appropriate in their organisations
3. LCC and district project officers to highlight any relevant issues to comms/senior officers following their respective briefings to members
4. HCA comms to brief LCC/district comms, agree media relations approach and circulate draft news release as appropriate
5. HCA comms issue press release
7. LCC/district comms to cascade information to a wider group of stakeholders if appropriate e.g. milestone event

Annex '9'

Lancashire Growth Deal Project Proposal Assessment Criteria

Strategic Relevance

For example, does the project deliver across a number of SEP objectives? Contribute to LEP cross-boundary working? Does the project contribute to the delivery of national policy objectives?

Economic Impact

For example, in terms of GVA, does the project generate a high (>£30M), medium (£10-30M) or low (<£10M) level of economic impact? Any details available regarding GVA per job created?

Employment Creation

For example, does the project deliver new and additional employment growth or is the focus on safeguarding local employment? Does the project have a high (>1,000 new jobs), medium (250-999 new jobs) or low (<250 new jobs) employment impact? Any cost per job details available?

Housing Growth

For example, does the project generate a high (>1,000 new homes), medium (250-999 new homes) or low (<250) impact on housing growth?

Business Case Ratio (for Transport Schemes only)

For example, does the transport scheme have a low/medium (<2), high (2>4) or very high (4>) BCR?

Private Leverage

For example, does the project leverage low (1:1), medium (2:1) or high (>3:1) levels of private sector investment?

Deliverability (for projects starting in 2015/16)

For example, are there any outstanding land assembly or ownership issues? Are all relevant planning consents currently in place? If not, will these be in place by 1 January 2015? What is the current status of the relevant Local Plan? Is the required match funding in place and confirmed by relevant funders?

Scaleability

For example, is the project capable of being delivered with less Growth Deal investment? By how much and what is the likely impact on the scale/quality of outcomes delivered?

Annex '10'

SKILLS FUNDING AGENCY

CONFLICT OF INTEREST PROTOCOL

All procurements carried out by the public sector are subject to the EU treaty-based principles of transparency, non-discrimination and equal treatment apply.

The Chief Executive of Skills Funding (the Agency), as the Contracting Authority, must therefore take effective measures to identify and avoid conflicts of interest which arise in the course of a procurement project which could or be seen to give one or more applicants an unfair advantage and may distort competition.

The protocol applies to all those involved in a procurement process whether employees of the Agency or individuals from any other organisation that may be involved in any stage of the procurement from specification development to decisions on contract award.

The purpose of putting in place a protocol is to

- avoid any conflict of interest which could distort competition;
- give an unfair advantage to bidders;
- avoid challenge at the end of the procurement process
- and/or at future audit

The approach applies equally to individuals and organisations and includes the disclosure or misuse of confidential information.

The Agency reserves the right to exclude from tendering for a contract and may refuse to award a contract to any organisation where its employees, shareholders or anyone else with a financial interest in the outcome of the tender have been involved in any part of the procurement process including the development of the specification or evaluation process and/or any individual where, in the Agency's opinion, this would or has given the organisation an unfair advantage.

All individuals involved in the procurement process will be required to sign a copy of the Conflict of Interest Declaration and Confidentiality Agreements which can be found at Annex 1 and Annex 2 of this protocol.

Signatures will be collected at appropriate times in the process. In addition, when a procurement has reached the evaluation and moderation stage, system based declarations apply to each individual bid/response. Any individual not signing any declaration will be excluded from being involved in the procurement project until the required documents are received. All Declarations and/or Confidentiality Agreements will be retained with the documentation relating to governance.

FOR ESF PROCUREMENT PROJECTS

When the Agency receives a LEP Procurement Initiation Document (PID), it must be accompanied by a list of names of individuals that the LEP wishes to be involved in the procurement project. The list containing the information required can be found at Annex 3. The Agency will then collect

the required signatures ensuring that individuals understand the implications of the Conflict of Interest Declaration. Any individual not signing the required documents will be excluded from being involved in any procurement project until such time as the forms are received.

It is the responsibility of the LEP to ensure that any changes are notified to the Agency as soon as possible to ensure that the Declarations can be put in place without delay.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: 14th June 2016

Growth Deal 3 Update

(Appendix 'A' refers)

Report Author: Martin Kelly, Director of Economic Development, Lancashire County Council, Tel: 01772 530611, email: martin.kelly@lancashire.gov.uk

Executive Summary

The purpose of this report is to update the Board on the latest national position on Growth Deal 3 (GD3) and the work underway to support the development of Lancashire's GD3 submission by the deadline of 28 July.

Recommendations

The LEP Board is asked to:

- (i) Note and comment on the contents of this report, including the outline GD3 schemes set out at Appendix 'A';
- (ii) Authorise the Chair of the LEP to continue engaging with Lancashire Leaders to improve and prioritise GD3 scheme proposals in advance of the Special LEP Board on 5 July, using the established factors, as set out in section 2 of this report;
- (iii) In conjunction with the above recommendation, request local authority partners with multiple schemes to assist the prioritisation process by ranking their own proposals with authorities reviewing the status of their least developed proposals;
- (iv) Approve the use of the LEP's independent economic appraisers to assist in the GD3 prioritisation process;
- (v) Authorise the LEP's Executive Committee to approve Lancashire's GD3 "snapshot" for Government officials by the deadline of 28 June, based on the scheme proposals set out in Appendix 'A'; and
- (vi) Provide initial views on the proposal to ask Lancashire's two major Chambers of Commerce to each identify a dynamic SME business leader with the appropriate skillsets to enable them to play a positive role on the LEP Board.

Background and Advice

- 1.1 As with previous funding rounds, Government has confirmed that Growth Deal 3 (GD3) will operate as a national competition between Local Enterprise Partnerships with submissions required by the deadline of 28 July.
- 1.2 Government is investing all of its remaining GD funds of £1.8 billion in this latest funding round, though over half of all GD3 funds will only be made available in 2020/21. Ministers and officials expect this funding round to be intensively competitive with clear "winners" and "losers".
- 1.3 Overall, GD3 rules of engagement remain the same as in previous funding rounds. Government still views successful submissions as those with the strongest growth proposals linked to local and national priorities with evidence of new employment and housing growth outcomes and private sector leverage. GD3 remains focused on capital and not revenue spend priorities.
- 1.4 However, it is worth noting that Government is also suggesting that the most successful GD3 submissions are likely to be those that:

- *Reflect national growth objectives*, including Northern Powerhouse (cross-boundary collaboration) priorities, Enterprise Zones, Devolution Deals, housing growth priorities, and city/town centre renewal priorities. The scheme proposals, set out at Appendix 'A', gives a clear indication of Lancashire's ability to submit a core GD3 package which fits strongly with national policy priorities.
- *Evidence strong collaboration between LEPs and local authorities*. Lancashire has a strong record of achievement in this regard. The LEP and its local authority partners can evidence they are working together to develop and deliver major GD initiatives. The Lancashire submission will also be able to evidence that this approach is gaining strategic impetus as the Lancashire Combined Authority (CA) develops and begins to work with the LEP, with shadow CA arrangements taking effect from 11 July.

The progress made by Lancashire Leaders is especially welcome, given Government's intention to "advantage" established Combined Authorities committed to mayoral governance. For example, they will be allowed to submit programme bids. If successful, they will be allowed to determine when they deploy their secured GD3 resources. By contrast, Lancashire is required to submit specific GD3 scheme proposals. If successful, we will receive in-year funding allocations determined by Government.

- *Evidence of greater levels of direct private investment and leverage* in their GD3 submissions. Lancashire has been successful in making this case in previous submissions and is expecting to do so again, based on initial scheme proposal assessments.
- *Demonstrate a strong GD track-record of delivery, with a fully compliant LEP Assurance Framework* also in place. The LEP has the largest (non-Core City region) Growth Deal programme in the country, with a first year



delivery and spend profile that is on-track and recognised as so by Government. The LEP's Assurance Framework is also fully compliant with national guidance and assessed as being so following a recent Government inspection.

- *Demonstrate effective LEP business engagement*, especially with SMEs. In our case, the LEP's Business Growth Management Board has representatives from all of business networks representing SME interests in Lancashire. The LEP Board also has effective SME representation. Boost, one of the country's leading business growth hubs, can demonstrate outstanding performance and engagement with local SMEs. The planned Ambassador programme, which is being developed in conjunction with Marketing Lancashire, will also draw heavily on successful local SME leaders. An additional piece of background economic analysis has also been commissioned from UCLAN to provide further insights on the constraints limiting SME business growth and productivity in Lancashire. In light of this body of work, an informal assessment by Government officials suggests our LEP is recognised as strong in terms of effective SME engagement.

However, it is important not to be complacent. To this end, it is proposed that the LEP Board gives consideration to the proposal of asking Lancashire's two major Chambers of Commerce to each identify a dynamic SME business leader (though not an Executive of the Chamber) with a view to joining the LEP Board, subject to Board approval. The appointment of individuals with appropriate skillsets, if approved by the Board, would be reviewed annually. The LEP Board is asked to reflect on this proposal and give a final view at the Special LEP Board on 5 July, as part of a wider refresh of LEP Board membership, given recently departed private sector Board Directors have yet to be replaced.

- 1.4 It is worth noting that Government is not requiring LEPs to produce new Strategic Economic Plans in support of their GD3 submissions. However, the LEP will be able to demonstrate how the evidence-base of its current SEP, which was published in March 2014, has been further strengthened. For example, by extensive labour market analysis undertaken to develop the LEP's Employment and Skills Framework; the development of the Lancashire and Sheffield Science and Innovation Audit (SIA) and Lancashire Innovation Strategy; and the LEP's Strategic Transport Prospectus with further cross-boundary corridor work planned with partners in North and West Yorkshire (see report elsewhere on the LEP's agenda regarding "East-West Connectivity").
- 1.5 However, in light of the Board's re-purposing event; its recently agreed two-year funding agreement with the County Council; an enriched evidence-base; and perhaps, most importantly, given the significant progress on developing and delivering strategic priorities, it is timely to refresh the objectives and priorities of the SEP, to ensure a clear focus on delivering growth and productivity outcomes for Lancashire. The recent progress made to develop the Lancashire CA, and the emergence of the Northern Powerhouse, are also



key considerations in any SEP refresh. This will be the subject of a future report to the LEP Board.

2. Developing Lancashire's Growth Deal 3 Submission

- 2.1 In anticipation of the Government's GD3 announcement, the LEP, in conjunction with its local authority and private sector partners, Universities and Colleges, has been developing a pipeline of potential schemes with a strong fit with SEP and national growth objectives. For example, NW AMRC, a scheme proposal now led by Sheffield and Lancaster Universities, which is a legacy priority from GD2. Currently, 24 scheme proposals are within scope and these are summarised at Appendix 'A'. These scheme proposals will be discussed in more detail at the Board meeting.
- 2.2 In summary, the LEP has had a good response from local authorities with proposals from across the Lancashire sub-region – east, west, north and south. At this stage, some proposals are more detailed than others. There is a mix of proposals with some demonstrating a clear economic/sectoral focus, whilst others look to use strategic infrastructure investment to unlock new employment and housing growth opportunities, most notably in South Lancaster. There are proposals which involve collaboration with partners beyond Lancashire; support Enterprise Zone development; focus on town/city centre renewal; and link with flood protection proposals; with a third of proposals focused on the delivery of housing growth outcomes. There are also a number of proposals which address combinations of strategic priorities.
- 2.3 A number of proposals also have a strong read-across to Lancashire's emerging Devolution Deal priorities. For example, Blackpool's re-development proposal regarding the Winter Gardens would not only look to establish the only modern conferencing facility of scale in Lancashire, but also help ensure Blackpool remains one of the UK's leading leisure/business visitor destinations. This economic focus fully complements the emerging Devolution Deal aspiration to work with Government to address the perverse incentives in Blackpool's private rented housing sector which are undermining the area's long-term regeneration plans. In the skills arena, it is proposed that GD3 funding is set aside to support the delivery of Lancashire's Area Based Review, which is due to start this Autumn. This issue is set out in a more detailed report elsewhere on the Board's agenda, but it represents a key skills ask within Lancashire's emerging Devolution Deal.
- 2.4 Based on the information provided by potential scheme sponsors, Lancashire has an indicative GD3 funding ask of over £150M, though some funding details are still to be clarified. A notional "fair share" outcome would suggest a GD3 outcome of around £40-50M for Lancashire. However, given our track record in previous funding rounds, we will aim to once again over-perform in GD3, and respond to the Government's call for LEP's to show a high level of ambition.
- 2.5 In parallel to the GD3 funding round, the Homes and Communities Agency (HCA) has been allocated by Government significant levels of funding to



support the delivery of 1 million new homes by 2020. In the coming weeks, the LEP will work with HCA officials to review the opportunity to reduce Lancashire's potential GD3 funding ask by maximising new HCA investment streams.

- 2.6 Lancashire Leaders, in developing their CA and Devolution Deal thinking, are also looking to work with Government to secure a Local Growth and Productivity Fund. It is still early days, with negotiations yet to start in earnest, but it is hoped that a "30:30 fund" can be secured with £30M per year over 30-years, subject to conditions. Along with other funding opportunities such as ESIF, Evergreen 2 and other private funding sources, it is clear that strong scheme proposals, should they not be ready for GD3, may well be able to access other significant local funding opportunities.
- 2.7 A special LEP Board meeting has been arranged for 5 July. In preparation for this meeting LEP officers will continue to work with potential scheme sponsors to refine and improve their proposals and develop the overarching case-making in support of Lancashire's GD3 funding package.
- 2.8 In preparing a final submission to Government, we will be expected to prioritise our scheme proposals, given Lancashire's non-CA status and the likelihood that available national funds are likely to be many times over-subscribed. The LEP Board has undertaken this task in previous rounds and it is proposed that it does so again using a combination of factors, as opposed to a single performance metric. These factors include: local/strategic fit; direct/indirect outcomes to be delivered; private/public funding leveraged; value for money; deliverability; and scale-ability.
- 2.9 At the most recent meeting of Lancashire Leaders on 23 May, Mr Graham Cowley, substituting for the Chair of the LEP, gave an update on GD3 developments and the need to prioritise scheme proposals using the factors outlined above. Lancashire Leaders were asked to identify any other factors to be taken into consideration, but there was general agreement that these were acceptable given they are also the key criteria used by Government. To this end, the Chair of the LEP will continue to engage with Lancashire Leaders to improve and prioritise potential scheme proposals. Local authority partners, especially those with multiple proposals, will be asked to further assist the prioritisation process by ranking their own proposals. All scheme sponsors will be given the opportunity to consider withdrawing under-developed proposals.

3. Timescales and Next Steps

- 3.1 As highlighted, the deadline for GD3 submissions is 28 July, with funding decisions announced in the Chancellor's Autumn Statement. Over the Summer and Autumn there may be an opportunity to influence Government thinking on Lancashire's submission, especially if strong progress is made during this period in developing CA governance arrangements.



- 3.2 A special LEP Board on 5 July will aim to consider the final draft GD3 submission. However, given the desire to work ever more closely with the emerging CA, a GD3 update will be shared with Lancashire Leaders on 21 June, with the final draft submission presented for endorsement to the first meeting of the shadow CA on 11 July. This will still leave time for any further changes before the deadline.
- 3.3 On 10 June, the LEP Chair is supporting the Leaders of the County Council and Blackpool Council in briefing Lancashire MPs on CA, Devolution Deal and GD3 developments. A verbal report on the outcome of these briefings will be given to the Board.
- 3.4 Government has also indicated its desire for two checkpoints in the submission development process. Firstly, all LEPs will be asked to informally share a “snapshot” of their scheme proposals with Government officials by the end of June, though final details are to be confirmed. This will allow Government officials to assess the quality and scale of funding asks emerging from 39 GD3 submissions. Subject to Board approval, it is proposed that the LEP’s Executive Committee approve the LEP’s “snapshot” which would be based on the scheme proposals set out at Appendix 'A'.
- 3.5 Secondly, each LEP is advised that it will need to participate in a Ministerial Challenge Session. This will provide the opportunity for LEP Chairs to present their case-making and GD3 funding proposition with feedback from a senior Minister. These sessions are designed to enable LEPs to revise their submissions before the deadline. However, notwithstanding the outcome of the EU Referendum, it is unclear as to whether there will be enough time for these Challenge Sessions to be programmed and meaningful.
- 3.6 The competition for GD3 funding is expected to be fierce with some critical factors influencing the Government’s final funding decision beyond the control of the LEP. However, another highly competitive GD3 submission is in prospect with unified support from partners and key stakeholders in Lancashire.

Project Title	Project Sponsor	Brief Project Summary	Estimated Project Value	Growth Deal Funding Request	Period Growth Deal Funding Required	Outputs	SEP Theme	Suitability for other National Funding Sources
South Lancaster	Lancashire County Council / Lancaster City Council	Delivery of reconfigured Junction 33 on the M6 to support housing growth and HE led business and innovation development facilities. Also includes critical infrastructure to unlock housing sites (new bridges over West Coast Main Line.	c£65m	c£50m	2019 onwards	3,500 housing units Expansion of University	<ul style="list-style-type: none"> Releasing Local Growth Potential Innovation Excellence 	
Advanced Manufacturing Research Centre NW	Sheffield University and Lancaster University	The development of a manufacturing research and development facility supporting the increased productivity of Lancashire's advanced engineering and manufacturing sector, further refining the model develop at the AMRC Catapult Centre in Sheffield. The initial focus of the NW-AMRC will be machining, automated assembly, surface finishing and additive manufacturing.	£50m over 3 phases	£20m	2017/18	490 Business Assists Phase 1 610 Business Assists Phase 2 690 Business Assists Phase 3 695 jobs Phase 1 (of which 180 - construction) 860 jobs Phase 2	<ul style="list-style-type: none"> Sector Development and Growth Innovation Excellence Releasing Local Growth Potential 	
21 st Century Conference Centre & Hotel Offer for Blackpool	Blackpool Council	Creation of a new conference centre and hotel scheme anchored at Blackpool's famous Winter Gardens which will enable the resort to once again attract national and international conferences.	£37.5m	£15m	2017/18 onwards	5 to 10 new businesses created 212 FTEs	<ul style="list-style-type: none"> Renewal of Blackpool Releasing Local Growth Potential Sector Development and Growth 	
North West Burnley Growth Corridor	Burnley Borough Council	Development within two growth locations within the Borough, at Padiham and Hapton, to deliver housing and jobs growth and provide complementary to flood defence schemes. Key locations are the Baxi site, Shuttleworth Mead Business Park and Padiham town centre.	£9.5m	£6.25m	2018/19 and 2019/20 with potential to push back by 1 year	250 housing units of which 10% are starter homes 622 FTEs created in manufacturing and logistics	<ul style="list-style-type: none"> Releasing Local Growth potential 	
Pennine Gateways	Blackburn with Darwen Borough Council	Project will deliver key transport infrastructure improvements at 3 main gateways into Blackburn from the M65 at Junctions 4, 5 and 6 to unlock housing and employment growth.	£190m development value	£11.4m	2017/18 onwards	870 housing units 64,000 m ² of commercial floorspace 725 to 3,000 jobs	<ul style="list-style-type: none"> Releasing Local Growth Potential 	
Ribble Valley Housing and Economic Growth Plan	Ribble Valley Borough Council	Scheme will deliver housing growth and create business accommodation in the Ribble Valley at key sites including Standen and Barrow Business Park.	Not known	£3m	Not known	1,000 + housing units 65 FTEs 9 business assists	<ul style="list-style-type: none"> Releasing Local Growth Potential Sector Development and Growth 	
Skelmersdale Town centre Regeneration	West Lancashire Borough Council	Support for £16m regeneration, retail and leisure development in Skelmersdale town centre including public realm improvements. Includes a contribution STEM centre operated by Skelmersdale College and a Health Hub.	£18.6m	£6.5m	2018/19 and 2019/20	Not known	<ul style="list-style-type: none"> Releasing Local Growth Potential Skills for Growth Sector Development and Growth 	
Green Lane Link	West	Proposed link road between the A565 Southport	£5m estimate	£3m	2019/20	Economic business	<ul style="list-style-type: none"> Releasing Local Growth Potential 	

Project Title	Project Sponsor	Brief Project Summary	Estimated Project Value	Growth Deal Funding Request	Period Growth Deal Funding Required	Outputs	SEP Theme	Suitability for other National Funding Sources
Road	Lancashire Borough Council	Road to the west of Tarleton and Green Lane to alleviate local traffic issues and support growth in the agricultural and horticultural sector.		(estimate)		case under development	• Sector Development and Growth	
Moor Street Gateway Project, Ormskirk	West Lancashire Borough Council	Regeneration of Ormskirk bus station site, including the car park, to provide a mixed use development which will create residential development, new job opportunities for local people as well as graduate retention and space for local emerging businesses from either the University or private sector, a visitor attraction and better linkages to the train station and town centre.	£16.7m	£5m	2017/18 and 2018/19	5 business incubator units 10 arts related retail workshop units 3 small retail units 83 FTEs 40 housing units or 200 flexible student accommodation units	• Releasing Local Growth Potential • Innovation Excellence • Skills for Growth	
Derby Street Gateway Project	West Lancashire Borough Council	Reuse vacant land and buildings with Ormskirk town centre to enable the delivery 5 potential development projects.	Not known	Not known	Not known	Not known	• Releasing Local Growth Potential	
Greenshoots 3+	West Lancashire Borough Council	Improving and diversifying the existing stock of industrial, business and office space in Skelmersdale. Key activities include improvement of WLBC's poor industrial space, purchase and improvement of poor private sector stock and development of land owned by WLBC at White Moss Business Park.	Not known	Not known	Not known	Not known	• Releasing Local Growth Potential • Innovation Excellence • Sector Development and Growth	
Preston Markets Quarter Public Realm (Gateway Improvements Phase 4)	Preston City Council	Public realm improvements in Preston City centre aimed at leveraging further investment and private sector led development.	£75m development value estimate	£3m	2018/19 and 2019/20	Not known	• Releasing Local Growth Potential	
Preston Railway Station Enabling Works	Lancashire County Council	To support the re-development of Preston Station on order to improve functionality, passenger experience and realise the full potential of the site as a key economic gateway.	Not known at present, subject to further discussion with Network Rail and other local development partners.				• Releasing Local Growth Potential	
Business Park, Euxton Lane, Chorley	Chorley Borough Council	Acquisition of 3 hectares of land adjacent to proposed Digital Health Village including supporting infrastructure.	Not known	£1m	2017/18 and 2018/19	30 industrial units 150 FTEs	• Releasing Local Growth Potential • Sector Development and Growth	
Further Clough Housing Site	Pendle Borough Council	Development of 10.4 hectare housing site in Nelson on land owned by Pendle Borough Council.	£33.2m development value	£1.8m	2018	180 to 200 housing units	• Releasing Local Growth Potential	Homes and Communities Agency Housing/Infrastructure Fund
Halifax Road Housing Site, Nelson	Pendle Borough Council	Development of 23.4 acre housing site in Nelson owned by Pendle Borough Council and Lancashire County Council through provision of enabling site access and infrastructure.	£24m development value	£450k	2018	203 housing units £11.2m GVA contribution from construction	• Releasing Local Growth Potential	Homes and Communities Agency Housing/Infrastructure Fund
Junctions 13	Pendle	Acquisition and development of Riverside and	£13m	£2.25m	2018	200 FTEs	• Releasing Local Growth Potential	

Project Title	Project Sponsor	Brief Project Summary	Estimated Project Value	Growth Deal Funding Request	Period Growth Deal Funding Required	Outputs	SEP Theme	Suitability for other National Funding Sources
Employment Sites, Nelson	Borough Council	Reedyford Mills to create small and medium sized business units.	development value					
Nelson Town Centre Improvements	Pendle Borough Council	Supporting investment in the Pendle Rise Shopping Centre to support a reconfigured town centre retail offer and improved public realm.	£4m	£2m	2018	100 FTEs	<ul style="list-style-type: none"> Releasing Local Growth Potential 	
West Craven Business Park Extension, Earby	Pendle Borough Council	Extension of business park to unlock 15.4 hectares of industrial land creating the opportunity to accommodate 61,800 m ² of floorspace.	£32.9m	£3.5m	2018/19	1,950 FTEs 15 to 20 businesses assisted	<ul style="list-style-type: none"> Releasing Local Growth Potential Sector Development and Growth 	
Phase 2 Lomeshaye Industrial Estate Extension, Nelson	Pendle Borough Council	Second phase in the development of the extension of the existing Lomeshaye Industrial Estate including site acquisition and infrastructure to provide site access from A6068.	£20.2m	£3.6m	2018/19	1,115 FTEs	<ul style="list-style-type: none"> Releasing Local Growth Potential Sector Development and Growth 	
A585 Junction Improvements (Link to Hillhouse EZ)	Lancashire County Council	Junction improvements on the A585 Trunk Road at Victoria Road (Thornton), Norcross and M55 Junction 3.	£6m	£5m	2018/19 onwards	1,600 FTEs	<ul style="list-style-type: none"> Sector Development and Growth Innovation Excellence Releasing Local Growth Potential 	
Huncoat	Hyndburn Borough Council	Development of strategic site at Huncoat providing the potential to bring forward housing opportunities and open up strategic employment locations. Sites include former colliery site, former power station site and adjacent land.	Not known	£3m to £4m for link road with additional investment required for site acquisition	2019/20	1,901 to 1,951 FTEs 600 to 800 housing units	<ul style="list-style-type: none"> Releasing Local Growth Potential Sector Development and Growth Skills for Growth Innovation Excellence 	
Futures Park, Bacup	Rossendale Borough Council	To prepare and develop the remaining plots of the brownfield Futures Park site for a mixture of industrial and leisure use and to secure alternative management arrangements for Lee and Cragg Quarries:	£3m	£600,000	2017/18	100 jobs created	<ul style="list-style-type: none"> Releasing Local Growth Potential Sector Development and Growth 	
Skills Capital Programme	Subject to ABR and mini EOI process	The pipeline includes investment in STEM related equipment; health related infrastructure; construction skills; incubation, innovation and research facilities; international equine facilities; and a centre of excellence in arboriculture. The Skills and Employment Board are also keen to commission activity which address skills shortages in the digital technology arena, and review availability of provision aligned to the chemical industry to ensure a pipeline for growth at the Hillhouse EZ. The 'ask' is recommended to be £15m.	£37.5m	£15m	2018/19 onwards	Additional Learners Facilities Refurbished Estate Jobs Created	<ul style="list-style-type: none"> Skills for Growth 	
Total Growth Deal Funding Requirement				£157.35m				



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: 14th June 2016

Area Based Review (ABR) and Growth Deal 3

Report Author: Dr Michele Lawty-Jones, Director of the Lancashire Skills Hub,
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Executive Summary

This paper provides background information to the Area Based Review (ABR) of Colleges. The review aims to deliver an infrastructure across England which is financially viable, sustainable, resilient and efficient with an offer that meets each area's educational and economic needs. The review in Lancashire is due to commence in September 2016. A summary of the guidance for the ABRs is provided, and the LEP's role in the review.

The LEP will be expected to provide a 'skills conclusion' which will articulate high level outcomes which will frame the review at the onset. This will refer to analysis of the current and future economic and educational needs of the Lancashire area, setting out parameters for a skills system, within the wider strategic economic development vision, which meets the needs of business and the labour market. The LEP's engagement also cross references to the prioritisation of local funds such as Growth Deal Skills Capital.

A draft of the high level principles is provided, which will be developed further by the working group and the Skills and Employment Board. LEP Board members are asked to comment on the draft principles.

Recommendations in relation to Growth Deal 3 are provided, recognising that the ABR will report on the preferred infrastructure option for Lancashire in March 2017 (according to current timelines).

Recommendation

The LEP Board is asked to:

- (i) Comment on the draft high level principles, mapped against the Lancashire Skills and Employment Strategic Framework. The principles will be worked up further via the Skills and Employment Board and presented to a future LEP Board meeting.

- | |
|---|
| (ii) Support the ask of Government for future Growth Deal Skills Capital funding, to support the outcomes of the ABR. |
|---|

1 Background Information

- 1.1 The ABRs, driven by Government and the FE Commissioner, will review the College infrastructure across England with view to delivering institutions which are financially viable, sustainable, resilient and efficient with an offer that meets each area's educational and economic needs. This includes focusing on specialisms and ensuring sufficient access to high quality and relevant education and training for all which reflects changes in Government funding priorities and future demand.
- 1.2 Prior to Christmas it was announced by BIS that Lancashire would be split into two areas – Lancashire (Pennine) and Lancashire (Coastal), with the former in Wave 3 (starting Spring 2016) and the latter Wave 4 (Coastal). The decision was challenged by the LEP, referencing the fact that the LEP (and allied strategies and plans) is Lancashire wide, and that the evolving Combined Authority is also Lancashire wide. As a result BIS agreed to bring the two reviews together under Wave 4 – with 2 sub-reviews and an overarching Lancashire-wide steering group led locally. Since this decision there has been further discussion with the Joint Area Review Development Unit (JARDU) which may result in the sub-reviews being merged. Confirmation is awaited.
- 1.3 It is anticipated that the review will commence in September 2016. A steering group will be established to drive the review which will involve representation from the LEP, Local Authorities and each College's Chair of Governors and Principal / CEO.
- 1.4 It is understood, as per current reviews, that the LEP will be required to produce a visioning document to help guide the outcomes of the review.

2 Guidance

- 2.1 Guidance for the ABRs was issued at the beginning of March by the Joint Area Review Development Unit (JARDU), which has been established to administer the reviews and the steering group.
- 2.2 The guidance re-iterates the vital role of the FE sector in developing a technical and professional education system which meets the skills demands of the economy, including driving up the number of apprenticeships. Reviews should deliver:
- Institutions which are financially viable, sustainable, resilient and efficient, and that deliver maximum value for public investment.
 - An offer that meets each area's educational and economic needs.
 - Providers with strong reputations and greater specialisms.

- Sufficient access to high quality and relevant education and training for all.
 - Colleges well equipped to respond to the reform and expansion of the apprenticeship programme.
- 2.3 In areas with no Combined Authority the Further Education (FE) Commissioner or Sixth Form College (SFC) Commissioner will chair the review; in areas with devolution deals the lead role will be taken locally. Thus in Lancashire it is likely that the review(s) will be chaired by either the FE or SFC Commissioner as the Combined Authority is likely to be in shadow format.
- 2.4 The role of the LEP is to contribute to the analysis of the current and future economic and educational needs of the Lancashire area, setting out parameters for a skills system, within the wider strategic economic development vision, which meets the needs of business and the labour market. The LEP's engagement also cross references to the prioritisation of local funds such as Growth Deal Skills Capital.
- 2.5 Local Authorities also have a key role in contributing to the analysis of the current and future economic and educational needs in their local areas, including engaging school sixth forms in maintained schools to support analysis and to inform future deliberations about schools provision.
- 2.6 Governing bodies have a key role in the consideration of options and taking decisions on institutional recommendations. As institutions are independent, each will need to make its own decision on its future where necessary relying on its own independent advice on financial and legal matters.
- 2.7 Early communication between the LEP, the Local Authorities and the Colleges is encouraged.
- 2.8 A restructuring facility (loan-based) has been announced to support the implementation of the recommendations of ABRs. It is made clear that the fund reflects the '...one off nature of the restructuring of the sector, through area reviews, to achieve long-term sustainability. A key objective of the reviews is they result in resilient institutions in each area, and therefore no further Exceptional Finance Support (EFS), will be available for Colleges following the implementation of review recommendations in the relevant area...'.
- 2.9 'Institutes of Technology' are referenced. The IoTs will be focused on intermediate and high-level STEM provision providing the skills needed by employers in the local areas. They are likely to be collaborations between existing and new providers. It is anticipated that the number will be small initially, increasing progressively over time. Further information will be available in regard to next steps in autumn 2016 following a number of developmental workshops.

3 Progress to-date

- 3.1 A working group has been established to facilitate joint discussion between the LEP, Combined Authority / Local Authorities and the Colleges to prepare for the review in September. The working group feeds into the Skills and Employment Board.
- 3.2 The group has reviewed lessons learnt from other reviews, has met with JARDU to discuss the process and is currently focused on the collection of data. This includes data from the Local Authorities, the existing skills and employment evidence base (which underpins the Skills and Employment Strategic Framework) and clean data commissioned by The Lancashire Colleges (TLC). This will enable the scoping of the LEP's skills conclusion and the Local Authority perspective. A shared vision in regard to the 'high level' outcomes (as opposed to options) is the desired outcome, prior to the review commencing.
- 3.3 An initial view of the principles, mapped against the Lancashire Skills and Employment Strategic Framework is provided in Appendix A. The LEP Board are asked to comment. This will be developed further with the working group and the Skills and Employment Board and presented at a future LEP Board for endorsement, prior to the review commencing.

4 Growth Deal Skills Capital & Growth Deal 3

- 4.1 As presented at previous LEP Board meetings, £30m was allocated to Growth Deal Skills Capital in the first programme; the majority has been allocated to projects, with a small amount being held back to support the outcomes of the ABR (c£1.8m).
- 4.2 Government is intending to allocate its remaining Growth Deal allocation of £1.8 billion by national competition between the LEPs. The deadline for LEP submissions is 28 July 2016 with Government making final funding announcements aligned to the Autumn Statement.
- 4.3 The Government's approach to Growth Deal 3 is the same as in previous rounds with a focus on capital investment proposals linked to the delivery of local and national growth objectives. Government indicates those LEP submissions with the strongest economic and housing growth, and private funding leverage outcomes will be advantaged. Housing growth priorities have been heavily emphasised in reference to this Growth Deal round.
- 4.4 The available direction suggests the Government is also looking to prioritise skills capital proposals that link and relate to the delivery of outcomes in ABRs, and are anticipating skills capital requests in this programme.
- 4.5 As per 4.1 Lancashire has a strong track record in the current Growth Deal programme of allocating skills capital funds and spend, in comparison to other LEP areas; a LEP request for further capital funding should therefore be viewed favourably.

- 4.6 As the ABR is due to commence in September in Lancashire, and agree the recommended options in March 2017, it is difficult to pre-empt the outcome and provide a detailed ask at project level.
- 4.7 Growth Deal 3 was discussed at the last Skills and Employment Board, and it is recommended that an amount of funding be requested to support the outcomes of the ABR, which would add to the residual referred to earlier. As per 4.4, ideas for projects which are currently in the pipeline can be referred to, but until the outcome of the ABR is known, these are ideas will support the 'ask' of Government and a procurement process (as previously) will be run to allocate the funding to those projects which fit with the skills and employment strategic framework and provide economic impact. The pipeline includes investment in STEM related equipment; health related infrastructure; construction skills; incubation, innovation and research facilities; international equine facilities; and a centre of excellence in arboriculture. The Skills and Employment Board are also keen to commission activity which address skills shortages in the digital technology arena, and review availability of provision aligned to the chemical industry to ensure a pipeline for growth at the Hillhouse EZ. The 'ask' is recommended to be £15m.
- 4.8 Further details of the pipeline will be provided at the LEP Board meeting in July.

Appendix A: Draft ABR principles against the Strategic Framework

<p>FUTURE WORKFORCE</p> <ul style="list-style-type: none"> • Use of Labour Market Information (LMI) to shape curriculum offer. • Use of LMI to inform Careers Education, Information, Advice and Guidance (CEIAG) offer / consistent offer for all students. • Engagement of employers in curriculum development • Embedding employability and enterprising skills, attitudes and behaviours throughout the education journey. • Improve route ways from classroom based provision and apprenticeships to higher level professional & technical education across the geography. • Adequate access to foundation level and Level 2/3 provision within each area of Lancashire (with reasonable 'travel to learn'), including adequate provision for SEND students. • Ensure that our post-16 learning physical infrastructure is fit-for-purpose, financially viable and aligned to our economic priorities and labour market demands. 	<p>SKILLED AND PRODUCTIVE WORKFORCE</p> <ul style="list-style-type: none"> • Contribution to growth in the number of apprenticeships (including higher level and degree) across our priority sectors including both 16-18 and adults. • Strong collaboration between institutions and employers to ensure there are seamless progression routes for people across Lancashire. • Adequate access to specialist provision at L3 and higher levels which is relevant locally, and includes provision with (inter)national draw, based on learner and employer demand. • Specialist provision which complements ambitions for growth, for example supporting inward investment opportunities at the EZs. • Increase engagement with business during and after studies. • Sufficient provision to address skills shortages and hard-to-fill vacancies highlighted in the skills and employment evidence base.
<p>INCLUSIVE WORKFORCE</p> <ul style="list-style-type: none"> • Outcome focused provision – raising skills levels and employability of unemployed adults and NEET young people (including English and Maths), which results in employment and improved prospects. • Integrated approaches to skills and employment which tackle barriers to progression, working with partners in Lancashire. • Facilitate routes into employment through sector specific provision targeted at areas with labour market demand and/or to support inward investment opportunities. • Integration of digital skills to improve social mobility and engagement with public services, and to increase employability. • Adequate access (travel to learn) for adults and young people with SEND, which boost life skills and employability. 	<p>AN INFORMED APPROACH</p> <ul style="list-style-type: none"> • Outcomes which go beyond achievement of qualifications – for example, employability, progression, employment / further training, earning potential and contribution to succession into Lancashire's priority sectors and STEM related industries. • Use of information to inform curriculum offer and remove provision, e.g. volumes, Ofsted gradings, learner and employer feedback and progression; ability to be flexible to meet future demands. • Ensure institutions are financially viable, sustainable and resilient and efficient; robust financial projections based on policy and efficiency benchmarks. • Greater collaboration (rather than competition) between providers, including Colleges, Universities, private providers and sixth forms.



Lancashire Enterprise Partnership Limited

Private and Confidential: No

Date: 14th June 2016

Developing a Strategic Marketing Proposition for Lancashire

Report Author: Ruth Connor, Chief Executive, Marketing Lancashire

Executive Summary

This report updates the Board on the development of a marketing strategy for the Lancashire Enterprise Partnership (LEP).

Recommendation

The LEP Board is asked to:

- 1) Note and comment on the contents of this report;
- 2) Approve the proposed approach to continuing to develop a strategic marketing proposition for Lancashire, as set out in this report;
- 3) Agree that Lancashire is represented at MIPIM UK and that the estimated £20,000 cost for exhibiting is funded from the LEP's strategic marketing budget;
- 3) Approve that the LEP is a key partner in the Great Exhibition of the North Bid as set out in paragraph 5.5 of this report and that the LEP provides the £12,000 funding required from its strategic marketing budget to formulate a bid and employ the services of a quality bid writer;
- 4) Approve the recommendation of the EZ Governance Committee to use up to £5,000 from the LEP's agreed strategic marketing budget to commission the proposed work from Freshfield.
- 4) Approve the extension of the SKV Communications' contract at a cost of £33,000 plus VAT for a further 6 months as set out in 7.2 of this report using funding from the LEP's strategic marketing budget; and
- 5) Note that the Chief Executive of Marketing Lancashire, as the LEP's Media Communications and PR lead, continues to provide regular updates to the LEP Board on the strategic marketing outputs generated.

Background and Advice

1. Context

- 1.1 The delivery of strategic marketing activities for the LEP continues with outputs generated from media and communications, branding, events planning and delivery.
- 1.2 Thinking Place were appointed to lead on the development of a compelling Lancashire narrative that sets out a strong proposition and identity and a clear sense of purpose and place for the county whilst generating the endorsement and support of the private sector.
- 1.3 SKV Communications were appointed to deliver an initial 12 month media and communications campaign to increase awareness of the Lancashire offer with key stakeholders and business audiences.

2. Activity update: Developing the Lancashire Economic Narrative

- 2.1 Work continues to develop the Lancashire brand, the Lancashire narrative, a supporting creative campaign and video, a new Ambassadors Programme and collateral for a launch in September.
- 2.2 A couple of venues have been considered to host the launch and a date and venue will be confirmed shortly. All those who took part in the consultation will receive an invitation to the launch with the aim to have approximately 250 guests at the initial launch in Lancashire. The possibility of then taking this to launch in Manchester and London is also being considered.

3. Activity update: Media and Communications

Activity Overview

- 3.1 The positive PR momentum and 'drum beat' approach built up over the last six months has continued throughout April and May with the LEP receiving positive media coverage and credit across a wide range of stories linked to a number of key LEP priorities and initiatives. This has been achieved despite there being a period of Purdah due to local elections.
- 3.2 This demonstrates that by taking an intelligent, sensitive and proactive approach to communications the LEP is able to increase its visibility in local and regional media.

Changing Perceptions of the LEP (and Lancashire)

- 3.3 May saw the publication of the Insider magazine's regional Lancashire review which took the shape of an 8-page feature and reported extensively on the achievements of the LEP in the last year and also reported on March's Business of Lancashire conference. An electronic version of the feature was distributed to all LEP Board Directors.
- 3.4 One of the main overarching themes proposed by the LEP prior to the conference was 'Lighting Up Lancashire', with an emphasis on the county having a new energy, confidence and sense of unity, purpose and pride being driven by the LEP and its partners.
- 3.5 This was reflected at the start of the Insider feature with the introductory headline 'A New Chapter In Lancashire's Story'. The feature proceeded to report positively on a range of Lancashire and LEP achievements and aspirations including Growth Deal, City Deal and the importance of the aerospace and advanced manufacturing sectors.
- 3.6 The reporting from the conference, a feature on BAE's F-35 programme and a number of testimonials from Lancashire SMEs were also all very positive with regards to Lancashire's future potential.
- 3.7 This perception of 'Lancashire and the LEP getting its act together' was also borne out by a recent opinion piece from the former BBC NW Political Correspondent Jim Hancock on the Downtown In Lancashire website, who reflected on the issue of devolution and the region's more rural regions, and gave great credit to the Chair of the LEP as a key driver in Lancashire's progress and increased activity.
- 3.8 The current edition of Lancashire Business View also illustrates how the work of the LEP is being conveyed positively by the media with a large news item on how the LEP's Growth Deal is being successfully delivered, reports on the LEP-facilitated Italian aerospace trade mission which recently visited Samlesbury, a half-page article on the launch of the Blackpool Airport and Hillhouse Enterprise Zones, dedication of a third of a page within a feature on Fylde to positive developments happening at the Warton site of the Lancashire Enterprise Zone, and has run a picture and extensive quotes from the Chair of the LEP about the appointment of new Boost training providers.
- 3.9 With regards to the Growth Deal specifically, the recent 'one year on' success story issued by the LEP, which was widely reported on, was also directly cited by James Wharton, minister for the Northern Powerhouse, in response to a parliamentary question by Mark Menzies MP regarding the effectiveness of the Lancashire LEP in 'progressing the Growth Deal'. This is also now a matter of public record through Hansard.

Lancashire and national positioning

- 3.10 In parallel to this consistent flow of positive LEP and Lancashire stories through local and regional media, which has seen the LEP's reputation tangibly increase and improve whilst also reiterating a number of key messages about its work and the future prospects of the county, there has been considerable work going on behind the scenes to ramp up communications activity targeting national audiences.
- 3.11 Aerospace has been at the heart of this work, and following Burnley's promotion to the Premiership (a cultural and social 'backdrop' popular with national media looking for a topical hook linking to the fortunes of a given region/conurbation), SKV has been proactively contacting all national business and news media presenting the 'Burnley Bounce' as symbol of an upbeat and bullish Lancashire going forward.
- 3.12 SKV have secured a commitment from The Times' Industry Editor Robert Lea regarding a visit to Lancashire in mid-July to look at the 'boom' in aerospace and advanced manufacturing within the county using Burnley as the hook.
- 3.13 SKV is now working closely with Burnley's inward investment team and Burnley Bondholders, in addition to the NWAA, to set up a number of visits and interviews as part of a day's itinerary centred upon the aerospace cluster at Innovation Drive and Lancashire Digital Technology Centre.
- 3.14 Participants provisionally include:
- Mike Garlick, Burnley FC chairman
 - Mark Crabtree, Burnley Bondholders/AMS Neve
 - Aircelle
 - Kaman
 - Velocity Composites
 - BCW
 - FDM
 - Lancashire Enterprise Partnership - Mike Damms
- 3.15 SKV will continue to liaise with these companies and partners to ensure everyone is briefed on the wider prosperous Lancashire messages, and the significance of the aerospace sector and supply chain (both civil and military), prior to The Times' visit.

Aerospace Lancashire at Farnborough

- 3.16 The work outlined above with regards to engaging with national media around the aerospace piece is running in parallel with other media and positioning work linked

to Lancashire's presence at the Farnborough Air Show under the new 'Aerospace Lancashire' banner.

- 3.17 To support Lancashire's attendance at Farnborough, SKV is liaising closely with BAE Systems in order to maximise PR opportunities around the F-35 programme and its 'reveal' at the show. SKV is also working closely with the NWAA to produce a 'ramp-up' aerospace narrative for Lancashire based on the increasing order-books linked to the F-35 and a number of Airbus fleets which rely on the Lancashire supply chain.
- 3.18 This PR piece is set to inform additional stories aimed at national media, both during and post-Farnborough, and also support the economic development/Colliers sales messages at the show regarding the commercial opportunities available at Samlesbury.

Recent Communications Highlights

- 3.19 The LEP's continued investment in major projects linked to key economic drivers, which traditionally were not proactively communicated as positive LEP interventions, continue to make news on a regular basis.
- 3.20 In April and May these included numerous stories across the skills, inward investment, infrastructure and business support agendas.

Inward Investment:

- The LEP's role in funding Burnley Vision Park through a £1.7m Growth Deal funding contribution was highlighted in many media reports.
- Other major inward investment projects credited to the LEP included Blackpool and Hillhouse Enterprise Zones 'going live', Brierfield Mill's continuing development and the new vision for Preston Markets.
- In addition, City Deal funding for Bamber Bridge improvements was credited to the LEP in local news reports.
- The LEP were also positioned in PR activity as the lead facilitator for the recent visit by an Italian consortium of aerospace firms to Samlesbury in partnership with BAE. This resulted in seven separate pieces of media coverage in local, regional and trade press.

Business Engagement and Support

- One aspect of the LEP's work which has been identified as requiring more external profile is with regards to business support.



- Traditionally the 'Boost' brand has been the main vehicle to communicate this aspect of the LEP's work, but there is a clear opportunity to increasingly highlight the LEP's role in supporting the Boost programme and clarify that the LEP is responsible for the county's Business Growth Hub. This in turn will help to demonstrate that the LEP directly supports private sector business growth in the county.
- As part of this process, and building on the recent Boost European funding announcements credited to the LEP, the LEP's role in backing local business and its role in Boost has been highlighted in a number of recent stories.
- These include championing a clutch of local firms who have been granted the Queen's Award for exports, celebrating the success of Blackpool business Skribbies, which was featured in the government's national 'Growth Hub Week', and the LEP being quoted in a recent announcement regarding new Boost training providers.
- SKV is soon to be briefed on drafting an inward investment case study and promotional film linked to the help, funding and employment support Lancashire has given to the Preston call-centre company Hinduja.

Skills and Education

- Extensive coverage was secured around the £2.5m funding awarded to the University of Cumbria including a piece on ITV online.
- Other skills stories included LEP support for the Lancashire Young Apprenticeship Ambassador Network and the appointment of a developer for Blackpool's Energy HQ.

Digital Communications

- 3.21 The Lancashire Business Brief (LBB) now has nearly 900 subscribers and continues to be the county's best source of positive economic stories and business news on a weekly basis.
- 3.22 The LEP website has seen increases in sessions, users and page views of 208%, 103% and 51% in the last 12 months versus prior year.
- 3.23 The LEP twitter account (@lancslep) has recently exceeded 600 followers and continues to regularly tweet positive LEP news, promote links to key stories and retweet partner news on a daily basis.
- 3.24 The Lancashire Link newsletter continues to showcase key LEP stories, projects, news and views on a monthly basis.



- 3.25 www.lancashirelep.co.uk's news pages kept regularly up to date with strategically important stories delivering key messages on behalf of the LEP and partners.

Upcoming Stories and Opportunities

- 3.26 In addition to supporting Lancashire at Farnborough, and the wider aerospace piece as outlined above, SKV is anticipating a number of potential media and PR opportunities and angles emerging over the summer/early autumn.

- 3.27 These include:

- The appointment of Colliers to market Samlesbury and the potential naming and positioning of the Enterprise Zones.
- A 'refreshed' and revised LEP Strategic Economic Plan - with updated innovation and productivity review and forecasts.
- Runshaw College 'launch' activity (Growth Deal project).
- Progress being made on a potential combined authority for Lancashire.
- The 'reveal of the Lancashire narrative' and ambassador's programme.
- Lancashire's prominence at MIPIM UK in October.

4. City Deal

- 4.1 The Chief Executive of Marketing Lancashire has been working with the City Deal Communications Programme Director to agree elements of the marketing and communications strategy that promote the benefits, progress and scale of the project on a regional and national level.
- 4.2 Recent activity has included the Insider Magazine Lancashire feature included quotes from Jim Carter, Chair of City Deal, Edwin Booth City Deal/LEP quotes provided for Preston City Council's markets quarter release and City Deal news and stories appearing regularly via the LEP twitter account, in the Lancashire Business Brief and the Lancashire Link newsletter.
- 4.3 The City Deal pages on the LEP's website are a key resource for many stakeholders including partners and media. There are now refreshed City Deal key messages and a new positioning piece uploaded to the City Deal pages within the LEP website.
- 4.4 Marketing Lancashire is currently in talks with property and investment publisher Place North West about a potential City Deal focused event in the autumn and City Deal will be incorporated in to the MIPIM UK Lancashire proposition in October.

5. Activity update: events

- 5.1 There has been considerable progress with ensuring Lancashire's presence at key events nationally. Lancashire will be exhibiting at the Farnborough Air Show in mid July under the banner of Aerospace Lancashire within the NWAA main stand. The

event will be attended by Andy Walker, Sue Roberts and Chris Dyson from LCC's Economic Development team and Andy Delaney from Colliers International. The team is working with NWAA who have been tasked with supporting effective market engagement activity at the Farnborough Air show to include short listing and arranging appointments with target businesses.

- 5.2 Lancashire has reserved a stand at the MIPIM UK exhibition, 19th - 21st October, at Olympia. MIPIM UK is the UK's largest exhibition and conference for property professionals providing a market place for British and International investors to meet. The conference attracts 5,000 delegates from 35 cities, 100 exhibitors and over 60 conference sessions and networking opportunities. Work is underway to determine what events Lancashire wants to host or be involved in, for example, plenary conference sessions or a dinner event. Partnership packages will need to be worked up to include sponsorship opportunities for potential private sector partners. Estimated costs for the stand space and stand build is approximately £20,000.
- 5.3 The Department for Culture, Media and Sport is running a competition to find a venue in the North of England to host the Great Exhibition of the North in 2018. The Government has announced £5m of funding towards the exhibition. The winning venue will create and implement an exhibition that celebrates the great art, culture and design of the North of England, showcasing local artists and performers, cultural organisations and creative businesses, promoting innovative and entrepreneurial activity, and highlighting research conducted by universities in the region. The exhibition is part of the Government's investment in the North of England, and follows funding for the Factory Manchester and Hull UK City of Culture.
- 5.4 After various conversations with peer organisations in the North as well as with the Design Council and Visit England, Marketing Lancashire is working with Creative Lancashire and key cultural and creative partners across the county in a programme of work that is required to generate ideas about an approach, potential venues and content linked to the criteria to submit a comprehensive bid. This process is also an opportunity to potentially fuel other submissions for funding that could support cultural development of events in Lancashire in the future.
- 5.5 In order to submit as compelling a bid as possible, in collaboration with Blackpool who have been progressing a comprehensive bid linked to the Winter Gardens development of a Heritage Museum which would create a legacy for the Exhibition, it has been agreed that it would be more effective to create a joint bid rather than two separate bids being submitted. Work is ongoing to submit a joint bid by the end of June deadline. The LEP will be one of the key partners as part of the bid. Costs to run the programme of work, formulate a bid and employ the services of a quality bid writer will be approximately £12,000.



- 5.6 Plans are in progress to host a Lancashire Day event at the House of Commons at the end of November aimed at engaging with MPs. Discussions are taking place to confirm the content of the event but there may be an opportunity to hold a “Meet the Producers” event showcasing Lancashire’s strengths in the Food and Drink sector whilst also launching the Lancashire narrative and key highlights from the LEP’s activity. In the meantime each Lancashire MPs will be communicated with to introduce them to the Lancashire Business Brief and the Lancashire Link in order that they can start to receive these updates.

6. Positioning and Promotion of Lancashire’s Enterprise Zones

- 6.1 The LEP has been successful in securing Enterprise Zone (EZ) status for four separate sites across Lancashire; the most number of EZ sites awarded to a single LEP
- 6.2 The four EZ sites have a strong and complementary industrial focus, building on Lancashire’s national and international strengths in the aerospace, advanced engineering and manufacturing, energy and chemical industries; and collectively will help to create over 10,000 highly productive high value jobs. An economic and investor offer of real significance and potential within the Northern Powerhouse context.
- 6.3 The aspect of the strategic marketing activity of positioning and promoting Lancashire’s assets to attract FDI is of specific relevance to the success of the Lancashire EZ programme. It is now timely to consider the approach to branding, naming and positioning in the market place, both collectively and individually of Lancashire’s four EZs in order to ensure a compelling offer can be developed and communicated to relevant target markets and investors/occupiers.
- 6.4 Considerations need to include:
- Who is the LEP trying to influence and target through the promotion of its EZ programme and individual sites?
 - How will such audiences perceive or understand the respective names given to what to the Lancashire EZ programme or individual sites?
 - Will that perception and understanding impact on an investor/occupier decision to engage with the Lancashire EZ programme or individual sites?
 - The extent to which local authority and key EZ landowner buy-in can be secured to develop and implement an agreed approach?
- 6.5 At the EZ Governance Committee (EZGC) meeting on 7th June it was agreed that the Chief Executive of Marketing Lancashire and the Head of LEP Co-ordination and Development, in consultation with local authority partners and key EZ landowners prepare an initial 12 month EZ marketing and communications plan

for consideration by the EZGC at its September meeting. The Committee also approved the use of up to £5,000 from the LEP's agreed Strategic Marketing budget to commission the proposed work from Freshfield.

- 6.6 Consultation and collaboration with local authority, landowner, commercial agent partners and key stakeholders will take place over summer to produce a plan that will include visual concepts and naming options as well as calls to action and fulfilment of enquiries.

7. SKV Communications

- 7.1 SKV Communications were appointed in June 2015 to deliver an initial 12 month media and communications campaign to increase awareness of the Lancashire offer with key stakeholders and business audiences. A review document from the last 11 months has been provided to the Chief Executive of Marketing Lancashire and the outputs from the appointment of SKV can be measured in both quantitative and qualitative terms:

- There is demonstrably a higher profile for the LEP, its activity and LEP Board Directors and Chair.
- There is a consistent “drumbeat” of positive LEP messages with over 170 press articles.
- Partners now cite both SKV and Marketing Lancashire and are more proactive in asking for the LEP to cooperate in PR.
- The LEP has a new confidence and authority in the media and public forums.
- Integrated communications – media relations with advertorial, digital communications and events.
- Rapid and agile response to client and media needs.
- Direct contact with media reporters and influencers in Lancashire and North West regional news and business, specialist trade and national media.
- A proactive approach to news and events opportunities.
- Ownership of the story on behalf of the LEP when liaising with partner communication teams at LCC, City Deal, educational establishments, BAE systems, Burnley Bondholders, etc.
- Honest counsel, advocacy and networking on behalf of the LEP and support resource for the Chief Executive of Marketing Lancashire is provided by SKV.

- 7.2 To continue with output and delivery of media and communications activity and to ensure maximum opportunity from planned events including the Farnborough Air Show, the launch of the Lancashire narrative and MIPIM UK it is recommended that SKV's contract is extended by 6 months at a cost of £33,000 plus VAT.



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Date: Tuesday 14th June 2016

Transport for Lancashire Committee Decisions Report

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Executive Summary

The Transport for Lancashire Committee considered two papers at its meeting on Friday 10th June 2016, the recommendations of which require the Board's approval.

- Department for Transport Large Local Major Transport Schemes: New Ribble Crossing Development Funding Bid
- East – West Connectivity: Lancashire to North and West Yorkshire Draft Economic Study Brief

Recommendations

The LEP Board is asked to:

- 1) Approve the submission of a bid to the Department for Transport's Large Local Major Transport Schemes Fund for a contribution towards development funding to support the preparation of a fully worked up Outline Business Case for a New Ribble Crossing;
- 2) Subject to any minor amendments arising from the discussion at the Transport for Lancashire Committee, approve the commissioning of the East – West Connectivity: Lancashire to North and West Yorkshire Economic Study as set out in Appendix 'B' to this report and agree to fund Lancashire's contribution from its strategic case-making budget.

Background and Advice

The Transport for Lancashire Committee considered two papers at its meeting on Friday 10th June 2016, the recommendations of which require the Board's approval.



Department for Transport Large Local Major Transport Schemes: New Ribble Crossing Development Funding Bid (Appendix 'A' refers)

Budget 2016 announced the launch of a competitive process to access the £475m fund for large local major transport schemes, part of the Government's £12bn Local Growth Fund. The aim of this fund is to provide funding for exceptionally large, potentially transformative local schemes that are too big to be taken forward within regular Growth Deal allocations and therefore genuinely unaffordable by other means. The £475m is profiled from 2016/17 to 2020/21 and back loaded, with £10m available in 2016/17 and £280m available in 2020/21.

Bids can be for scheme development costs, or, if an Outline Business Case is already complete, for funding to prepare and construct a scheme. The Department for Transport (DfT) recognises that some schemes may require funding beyond 2020/21 and will take that into account when funding decisions are made. DfT is inviting bids from Local Enterprise Partnerships (LEPs), but bids will need to have the support and commitment of the proposed delivery body. Whilst there is no restriction on the number of bids per LEP area, LEPs need to consider carefully capacity to progress more than one scheme.

DfT has not set out rigid eligibility criteria but will sift out schemes according to whether they are genuinely 'otherwise unaffordable' by other means. In addition DfT will be strongly guided by the following factors:

- The size of the scheme relative to the size of the LEP, the minimum cost threshold for the largest LEPs, including Lancashire, being £75m. This is not an absolute, but there will be a presumption that funding for schemes below this level should be sought through regular Growth Deal rounds.
- The indivisibility of the scheme. Where a scheme could be taken forward over a longer time period through regular Growth deal rounds, the onus is on the applicant to make the case as to why this would be undesirable. DfT will not consider packages of individual schemes aggregated to meet the guideline threshold.
- The availability of other local funding, for example, the flexibility of single pots or additional funding secured through a devolution deal.
- The ability of a scheme to be progressed and prioritised through other Government funding. There is therefore a presumption against schemes on the national rail or strategic road networks. However, bids for schemes at the interface between national and local networks, for example, involving motorway junctions, are eligible. There is also a potential overlap with the second Road Investment Strategy (RIS2).

Once DfT is satisfied that a scheme meets the 'otherwise unaffordable' test, bids for development costs will be considered in accordance with the following criteria:



- **Strategic Case:** evidence to date and alignment with the strategic Economic Plan and wider LEP strategies;
- **Economic Case:** value for money evidence, including the likely scale of costs and benefits that could come from any available Strategic Outline Business Case;
- **Financial Case:** the size of any local contribution proposed. DfT is unlikely to fund bids that propose no local contribution. DfT will consider the robustness of costings for development work.
- **Management Case:** the timescale for producing an Outline Business Case, its robustness and realism.

DfT will also consider the existing level and breadth of support for a scheme, from key stakeholders including the public and businesses, and not just letters of support for the bid but evidence of previous support, campaigns etc.

Large Local Major Scheme funding is not subject to the requirements of the LEP Assurance Framework as all necessary scrutiny will be undertaken by the DfT. Not every scheme that is successful in securing development funding will necessarily receive funding for construction, nor will a scheme need to get development funding in order to bid for construction funding, for example, if the Outline Business Case is produced without DfT funding.

The bulk of the funding is available from 2017/18 onwards; only schemes at an advanced stage of business case development and that could make rapid progress during 2016/17 towards producing a complete Outline Business Case were eligible to bid for funding in 2016/17. The deadline for bids for funding from 2017/18 is concurrent with Growth Deal 3 submissions, currently 21st July 2016.

Alongside the Budget, the DfT issued a note setting out the aims and process for preparing the second Road Investment Strategy (RIS2). Some local schemes may be in scope, where it can be clearly demonstrated that the local scheme in question would be of benefit to the Strategic Road Network. Bidders are asked to identify in their application whether their scheme could be within the scope of RIS2 and why, although decisions on entry to RIS2 will be separate and one will not necessarily affect the other.

With one exception, the priorities set out in the Lancashire Strategic Transport Prospectus are considered to be outwith the scope of the Large Local Major Transport Schemes fund. The majority are either schemes on the national rail network or the Strategic Road Network. The New Ribble Crossing is that exception, and it is proposed that the Lancashire Local Enterprise Partnership submit a bid for development funding from 2017/18 to produce a fully worked up Outline Business Case for the scheme. A feasibility study is currently underway, due for completion by April 2017.



The New Ribble Crossing is considered to meet all of the factors that the DfT will take into account when selecting schemes:

- It will cost considerably in excess of £75m to construct;
- It is not divisible;
- There are no alternative local funding routes available for a scheme of this magnitude, the possible exception being the Road Investment Strategy;
- Subject to inclusion in the Road Investment Strategy, the scheme could not access any other Government funding.

Work is underway to produce a robust cost estimate and delivery timescale for the development of an Outline Business Case. The Preston, South Ribble and Lancashire City Deal Infrastructure Delivery Plan 2015/18 includes £2m for the feasibility study and work to take the project forward through consultation to concept design approval. Some of this funding, potentially up to £1m, could be available as a local contribution.

East – West Connectivity: Lancashire to North and West Yorkshire Draft Economic Study Brief (Appendix 'B' refers)

There is growing interest in the strategic east-west transport corridor linking Lancashire with North Yorkshire and the Leeds City Region. This 'Central' Trans-Pennine Corridor comprises the M65/A56/A6068, A59 and A683/A687/A65 roads and parallel railways, including the Calder Valley line linking Preston, Blackburn and Burnley with Bradford and Leeds via Hebden Bridge and the line linking Lancaster with Leeds via Skipton. Several long-standing aspirations for improved connectivity by both road and rail currently exist and a number of schemes have been considered in the past.

The Lancashire Strategic Transport Prospectus, launched in February 2016, acknowledges this growing interest. The North Yorkshire County Council Strategic Transport Prospectus likewise identifies improving east – west connectivity, including Trans-Pennine links, as a strategic transport priority. However, the corridor is not covered specifically by any of the Department for Transport led studies announced in the Road Investment Strategy in December 2014 and being taken forward in partnership with Transport for the North as none of the Trans-Pennine routes within it are part of the Strategic Road Network. Furthermore, work currently underway by Transport for the North as part of the development of the Northern Transport Strategy has to date focused principally on rail links between the North's core cities of Leeds, Liverpool, Manchester, Newcastle and Sheffield together with Hull and Manchester Airport, and the Strategic Road Network.

Road links in the corridor tend to follow historic routes dictated by topography rather than travel demand. Most are poorly aligned and unsuitable for carrying large volumes of traffic, particularly heavy goods vehicles. Main line rail links are likewise constrained by topography, with low line speeds, ageing infrastructure and capacity constraints having a significant impact on journey times and reliability. Both are of a



much lower quality than those further south that link Liverpool and Manchester with Leeds, Sheffield and the Humber ports. Consequently, there is a strong perception locally that the transport network hinders the efficient movement of people and goods, and that this poor connectivity is having a negative impact on economic development and regeneration.

A study group comprising Lancashire and North Yorkshire County Councils and the West Yorkshire Combined Authority in conjunction with the Lancashire, York-North Yorkshire-East Riding and Leeds City Region Local Enterprise Partnerships have prepared the attached project brief for a shared analysis to identify the potential economic benefits that might arise across the North of England from improved transport links between Lancashire and North and West Yorkshire.

The analysis will develop an understanding of the scale and nature of the wider economic benefits that could arise if transport connectivity and capacity in the 'Central' Trans-Pennine Corridor are significantly enhanced, particularly in terms of reduced centre to centre travel times by both rail and road. Such wider benefits could include increased agglomeration potential, enhanced productivity and ability to attract new growth sectors, improved access to labour markets and job creation, and hence GVA uplift. Its outputs will therefore assist with identifying whether a strategic case exists for new interventions on both road and rail networks.

The analysis is estimated to cost in the region of £50,000 and should take three months to complete. Discussions with partners in North and West Yorkshire to finalise individual funding contributions are nearly complete. LEP Board approval will be sought to support the Lancashire funding contribution to the study. Once shared funding arrangements have been agreed, it is proposed that Lancashire County Council will commission the work.

The Transport for Lancashire Committee made a number of comments on the draft brief, in particular, the need to ensure that the work is consistent with that being undertaken by Transport for the North as it develops a statutory Northern Transport Strategy, and that the importance of freight and logistics are not overlooked. It was also suggested that the LEP Board give consideration to developing a Lancashire Freight Strategy as this would appear to represent a significant gap in the current transport evidence base.



Appendix A: New Ribble Crossing

Central Lancashire, with Lancashire's principal city Preston at its heart, is a transport hub of national significance, providing most of the county's connections to the West Coast Main Line, the M6 and, in the future, to HS2. The Preston, South Ribble and Lancashire City Deal builds on the strong economic performance of the area over the last ten years and will see Central Lancashire transformed, creating 20,000 net new private sector jobs and delivering over 17,000 new homes, underpinned by significant investment in new and improved transport infrastructure. Whilst Lancashire's growth sectors will account for many of these jobs, in particular, at the Enterprise Zone sites at Samlesbury and Warton, Preston's business and financial sector will also expand, with the University of Central Lancashire reconfiguring to place itself at the heart of the city.

The Central Lancashire Highways and Transport Masterplan sets out a comprehensive, integrated transport strategy for the area specifically aimed at supporting economic growth. Integral to both Masterplan and City Deal is the creation of a distributor road to the west of the Preston urban area that will link together many of the strategic development sites to be delivered through the Central Lancashire Local Plan by 2026, including strategic housing locations in North West Preston and at Penwortham/Farlington in South Ribble. A number of improvements have already been already delivered or are under construction, with others in preparation.

The City Deal has enabled construction of the Preston Western Distributor and South Ribble Western Distributor schemes to be accelerated. Whilst delivery of the City Deal is not predicated on a new crossing of the River Ribble, such a scheme has the potential to support significant further economic growth and development in Central Lancashire and its environs beyond the current Local Plan period to 2026.

Construction of a new crossing of the River Ribble to the west of Preston will link together the Preston Western Distributor and the South Ribble Western Distributor roads via a completed Penwortham Bypass, thereby providing a continuous dual carriageway route for local traffic between the M6/M65 at Cuerden and the M55 near Bartle to the west of Preston. Lancashire County Council and partners have begun to investigate whether a new Ribble crossing could progress more quickly and how such a project might be funded. A feasibility study is currently underway, due for completion by April 2017. The study will include the rationale for selecting a bridge option over a tunnel and assess lower cost options such as a single carriageway scheme. A bridge option will include segregated provision for pedestrians and cyclists. Due to the nature and scale of the potential crossing, phased options are not considered appropriate.

From a highways perspective, a new river crossing will provide substantial relief to Preston's road network, particularly in and around the Riversway / Docklands area where through traffic and city centre bound traffic currently combine to cause congestion at peak times. Here the network also caters for cross-river commuting movements between South Ribble / West Lancashire and the Fylde Coast, including



major employers such as Westinghouse UK Ltd at Springfields and BAE Systems at Warton, as well as Preston city centre.

Early indications using the traffic model developed as part of the Preston Western Distributor Business Case preparation suggest a new crossing of the River Ribble will have a significant positive impact on the Strategic Road Network to the west and north of Preston (the M6 and M55). It would also facilitate better management of traffic in the event of major incidents on the M6 between Junctions 29 and 32, which currently cause Preston and much of South Ribble to suffer extreme traffic delays given limited extant river crossing capacity on the local road network.



Appendix B: Lancashire to North and West Yorkshire: 'Central' Trans-Pennine Transport Corridor

EAST WEST CONNECTIVITY ECONOMIC STUDY BRIEF

Background

The Lancashire Strategic Transport Prospectus, launched in February 2016, acknowledges that there is growing interest in the strategic east-west transport corridor linking Central and East Lancashire with North Yorkshire and the Leeds City Region. The North Yorkshire County Council Strategic Transport Prospectus likewise identifies improving east – west connectivity, including Trans-Pennine links, as a strategic transport priority.

This 'Central' Trans-Pennine Corridor comprises the M65/A56/A6068, A59 and A683/A687/A65 roads and parallel railways, including the Calder Valley line linking Preston, Blackburn and Burnley with Bradford and Leeds via Hebden Bridge and the line linking Lancaster with Leeds via Skipton. Several long-standing aspirations for improved connectivity in the corridor by both road and rail currently exist and a number of local schemes have been considered in the past. However, the corridor is not covered specifically by any of the Department for Transport led studies announced in the Road Investment Strategy in December 2014 and being taken forward in partnership with Transport for the North as none of the Trans-Pennine routes within it form part of the Strategic Road Network. Furthermore, work currently underway by Transport for the North as part of the development of the Northern Transport Strategy has to date focused principally on rail links between the North's core cities of Leeds, Liverpool, Manchester, Newcastle and Sheffield together with Hull and Manchester Airport, and the Strategic Road Network.

Road links between Lancashire and North and West Yorkshire tend to follow historic routes dictated by topography rather than travel demand; most are poorly aligned and unsuitable for carrying large volumes of traffic, particularly heavy goods vehicles. Main line rail links are likewise constrained by topography, with low line speeds, ageing infrastructure and capacity constraints having a significant impact on journey times and reliability. Both are of a much lower quality than those further south that link Liverpool and Manchester with Leeds, Sheffield and the Humber ports. Consequently, there is a strong perception locally that the transport network hinders the efficient movement of people and goods, and that this poor connectivity is having a negative impact on economic development and regeneration.

This brief has been prepared by a study group comprising Lancashire and North Yorkshire County Councils and the West Yorkshire Combined Authority in conjunction with the Lancashire, York-North Yorkshire-East Riding and Leeds City Region Local Enterprise Partnerships. It specifies the parameters and outputs for a shared analysis to identify the potential economic benefits that might arise across the North of England from improved transport links between Lancashire and North and West Yorkshire with the aim of strengthening the strategic case for intervention in terms of both rail and road improvements, thereby informing the development of future investment programmes.



Area of Interest

The study will focus principally on east-west Trans-Pennine transport links between Lancashire and North and West Yorkshire, set within the wider context of work already underway in other Trans-Pennine corridors. It covers that area roughly north of a line drawn between Preston and Leeds and south of a line drawn between Morecambe Bay and York, with the M6 / West Coast Main Line and M1/A1(M) / East Coast Main Line defining the western and eastern boundaries respectively. The Lancashire, York-North Yorkshire-East Riding and Leeds City Region Local Enterprise Partnership areas collectively have a resident population of almost 5 million and are home to some 170,000 businesses generating economic activity valued at over £100bn per annum, representing one third of the GVA created in the wider Northern Powerhouse.

Work Required

This commission will need to build upon work already undertaken to develop an understanding of the scale and nature of the wider economic benefits that could arise if transport connectivity and capacity in this 'central' Trans-Pennine corridor are significantly enhanced, particularly in terms of reduced centre to centre travel times by both rail and road. Such wider benefits could include increased agglomeration potential, enhanced productivity and ability to attract new growth sectors, improved access to labour markets and job creation, and hence GVA uplift. This will require a full understanding of the current level of interdependency / interaction and how this might change in the future in a 'Northern Powerhouse' context, including the extent to which existing transport networks may be constraining economic growth and therefore the potential for transformational change.

In undertaking the work, the consultant should:

- Consider the implications of Transport for the North's Independent Economic Review (IER) and make particular reference to the prime and enabling capabilities outlined therein and how these sectors will be impacted by improved east-west transport connectivity;
- Consider the implications of relevant Strategic Economic Plans and Growth Deals within the corridor together with other major growth initiatives of relevance such as the Preston, South Ribble and Lancashire City Deal and Local Plans;
- Identify specific strengths and weaknesses with regard to skills across the corridor in question, again with reference to (but not exclusively) IER capabilities, in order to demonstrate where potential transport connectivity enhancements can add value to industries and better enable access to skills and to employment and education/training opportunities;
- Identify sectorial clusters, innovation hubs, Enterprise Zones and other strategic development/housing locations and supply chains that could be developed further as a result of improved east-west transport connectivity; and



- Identify wider links to national and international markets that might benefit from enhanced transport connectivity to major cities both within and beyond the North, including London, international airports and major ports.

The study should also take account of other pan-Northern aspirations including, for example, freight and logistics and the visitor economy.

The study will need to clearly articulate the issues and barriers to economic growth currently evident as a result of existing transport connectivity. It should outline an overarching rationale for investing in transport in order to unlock productivity and agglomeration benefits associated with increased economic activity, whilst taking account of relevant environmental, sustainability and social / distributional factors.

Whilst specific schemes are not to be identified, the study should consider a range of transport investment scenarios in relation to employment and GVA growth such that the implications of each scenario can be fully articulated in economic growth terms. Such scenarios could include 'do nothing', improvements to highway infrastructure, improvements to rail infrastructure and improvements to both highway and rail infrastructure. Each scenario should establish an overall timescale for realising these outcomes, with opportunities identified to accelerate the delivery of potential growth benefits. The study should identify a recommended course of action based on the most cost efficient scenario relative to the potential for growth in productivity (GVA), agglomeration and employment. This will assist the client group in identifying specific potential interventions for further development.

In terms of rail, centre to centre considerations should build on existing study work undertaken to identify Conditional Outputs, including the East Lancashire Rail Connectivity Study and Burnley-Colne-Skipton Railway Conditional Outputs Statements and not be limited to those linked by a direct rail service. Indirect journey pairings, for example, Preston to Skipton and Skipton to Manchester should be incorporated. In terms of rail freight, the value of providing increased Trans-Pennine capacity and capability should be taken into account. For road, the focus could be on the wider economic benefits of reducing free-flow centre to centre journey times by, for example, a minimum of 10 minutes and by between 15 and 20 minutes for journeys in traffic, for both passenger vehicles and freight.

M65 Junctions 2 to 6

In addition to the above, the Lancashire Enterprise Partnership in conjunction with Lancashire County Council and Blackburn with Darwen Borough Council wish to understand whether there is a stand-alone wider economic case for upgrading the M65 between Junctions 2 and 6 to a full three lane motorway throughout. The predominantly two lane section between the M61 (Junction 2) and Whitebirk (Junction 6) is increasingly becoming a bottleneck, reducing the ability of the M65 to function as a key gateway for East Lancashire. Traffic has grown consistently by around 4% per annum since the motorway's completion in 1997, and evidence now suggests that the current level of demand, particularly at peak times, is causing congestion, with some junctions at or near capacity.

Note this piece of work to be priced separately.



Appendix A

Road Network

The Strategic Road Network in the corridor is limited, comprising part of the M65 together with the A56/M66 route linking East Lancashire with the M60/M62 north-east of Manchester. The M65 forms the economic spine of East Lancashire, connecting the towns of Blackburn, Accrington, Burnley, Nelson and Colne with the M6 and M61 motorways at Bamber Bridge near Preston. It plays an essential role in the local economy, connecting people and businesses internally as well as providing the primary means of access to the M6, particularly for freight. However, unlike most motorways, the M65 is not three lanes throughout, with reduced capacity on some sections, particularly between the M61 and Junction 6 at Whitebirk and between Junction 9 and its terminus at Colne.

The M65 ends abruptly at Colne, the continuation across the Pennines into North Yorkshire and the Leeds City Region provided by the A6068 and A56 routes linking with the A629 at Cross Hills in Airedale and the A59 at Broughton west of Skipton respectively. Neither of these routes are of a sufficient standard to function effectively as inter-regional routes; congestion in the North Valley area of Colne is a particular issue with standing traffic affecting local air quality and the route effectively severing the North Valley housing estate from all amenities in the town. However, taken together the A56/A59 and A6068 routes, which are only 8km apart, comprise the most heavily trafficked Trans-Pennine road corridor after the M62 with a combined traffic flow of around 26,000 vehicles per day.

The A6068 rises to an altitude of 270 metres where it crosses into North Yorkshire before passing through the communities of Cowling, Glusburn and Cross Hills in Craven District, where it meets the A629/A650 'Airedale' route. The 'Airedale' route itself has been progressively upgraded to dual carriageway standard for much of its length between Cross Hills and Cottingley. However, onward connectivity through Shipley to both Bradford and Leeds is along predominantly single carriageway urban roads.

The A56 heads in a northerly direction from the A6068 in Colne through the villages of Foulridge, Kelbrook and Earby before crossing into North Yorkshire at Thornton-in-Craven to meet the A59 at Broughton. Significant lengths of the poorly aligned single carriageway road are subject to a speed limit of 40 mph or less with limited opportunities for safe overtaking. In the villages, issues of road safety, noise, air quality and severance arise from the conflict between through traffic and the needs of the local communities.

East of Preston, the A59 is a former trunk road that runs generally in a north-easterly direction from the M6 at Junction 31 through the Ribble Valley to Whalley and Clitheroe before crossing into North Yorkshire, where it is joined by the A56 at Broughton. The route has been improved considerably in Lancashire over the last 30 years and for much of its length is a high standard single carriageway road with the effects of long inclines relieved by climbing lanes. There are short lengths of dual carriageway between the M6 and Samlesbury and at Barrow between Whalley and Clitheroe. Apart from Copster Green and Gisburn, all communities along the



route have been bypassed. The Ribble Valley is an important source of high value labour for both Central and East Lancashire, with the Enterprise Zone site at Samlesbury accessed directly from the A59. There are increasing development pressures in Ribble Valley, particularly for new housing.

In its Strategic Transport Prospectus, North Yorkshire County Council is proposing an A59 east-west bypass of Harrogate and Knaresborough to improve connectivity and address congestion in the urban area together with additional overtaking lanes on the A59 between Harrogate and Skipton. A longer term aspiration is to upgrade the route between Harrogate, an improved interchange with the A1(M) at Junction 47 and York to a dual carriageway. The York, North Yorkshire and East Riding Strategic Economic Plan identifies the A59 as part of the priority east-west corridor across North Yorkshire (Scarborough / Hull to York, Harrogate and Skipton / Lancashire). The County Council considers that journey time reliability is the main issue to be addressed and has identified the potential for three additional climbing lanes between Harrogate and Skipton, including a major realignment at Kex Gill west of Blubberhouses.

The A65 is a former trunk road that still functions as an important inter-regional link between Cumbria and Yorkshire, including for freight. It runs in a south-easterly direction from the M6 at Junction 36 south of Kendal along the southern edge of the Yorkshire Dales National Park to Skipton before continuing through Ilkley towards Leeds. The A65 is a single carriageway throughout between the M6 and Skipton and in a number of locations is poorly aligned with sub-standard road widths. Whilst Settle has a bypass, the A65 still passes through the villages of Long Preston, Hellfield and Gargarve. Existing traffic flows are well within the capacity of the road, but subject to considerable seasonal variation given the route links the Leeds City Region with the Lake District National Park. The A683/A687 route links the M6 at Junction 34 east of Lancaster with the A65 near Ingleton in North Yorkshire and for much of its length is a poorly aligned single carriageway road with sub-standard road widths in a number of places. In Lancashire, the route passes through a number of villages in the Lune Valley.

In general, east-west travel times by road in the corridor are lengthy and can be unreliable, for example, the free-flow journey time for the 30 mile trip between Blackburn and Keighley is approximately 50 minutes, rising to 1 hour when typical traffic conditions are taken into account. Furthermore, it is, for example, usually quicker to travel between Preston and Leeds via the M62. Poor journey times, journey time reliability and resilience constrain access to labour markets across the corridor and do not encourage agglomeration between economies, especially in manufacturing, as well as hindering the effective and efficient transportation of freight.

Rail Network

Linking Preston, Blackburn, Accrington and Burnley with Halifax, Bradford and Leeds via Hebden Bridge, the 'Calder Valley' line is a twin track railway supporting a regular interval hourly cross-Pennine limited stop service between Blackpool North and York currently operated by Northern Rail. Other services operate on different sections of the route, for example, between Preston and Colne, Blackburn and Manchester



Victoria via Burnley, Todmorden and Rochdale and Manchester Victoria and Leeds via Hebden Bridge, Halifax and Bradford. Service frequency on the latter will increase as a result of the new Northern franchise announced on 9th December 2015. The route is severely constrained in places by topography, with resulting low line speeds having a significant impact on journey times, typically over 70 minutes for the journey between Burnley and Leeds via Bradford. Capacity is also constrained by the mix of traffic and stopping patterns, and although freight traffic on the route between Blackburn and Todmorden is very limited, the new biomass flow between the Port of Liverpool and Drax Power Station near Selby travels via Rochdale and Hebden Bridge.

In Lancashire, the 'Calder Valley' line has benefited from a number of recent improvements, including an upgrade of Burnley Manchester Road station and the introduction of a new direct train service between Blackburn, Accrington, Rose Grove, Burnley (Manchester Road) and Manchester Victoria via Todmorden and Rochdale in May 2015. However, the East Lancashire Rail Connectivity Study identified a number of deficiencies, including:

- Slow journey times, especially on the 'Copy Pit' section between Burnley Manchester Road and Todmorden used by the train services between Blackpool North and York and the new service between Blackburn, Burnley and Manchester;
- Capacity constraints, with longer trains required to meet growing demand; and
- Low service frequencies and poor quality rolling stock.

All of the above make rail a less attractive mode of travel, particularly for business to business trips and for commuting from East Lancashire into Leeds. Furthermore, it is almost as quick to travel between Preston and Leeds with a change in Manchester as by the much more direct 'Calder Valley' through service.

The branch from Gannow Junction east of Rose Grove to Burnley Central, Nelson and Colne is single track and supports an hourly stopping service between Blackpool South and Colne via Preston currently operated predominantly by diesel powered 'Pacer' rail buses introduced in the mid-1980s. However, these will be replaced by 2020 with refurbished trains as part of the new Northern franchise. The branch previously continued to Skipton as a twin track through route, but passenger services ceased in January 1970 and the track was removed. The track bed remains more or less intact and is therefore not a barrier to reinstatement. This would enable services currently terminating at Colne to continue through to Skipton and possibly to Bradford or Leeds along the electrified Airedale Line, thereby significantly reducing travel times between Nelson and Colne and Bradford/Leeds. A group of local stakeholders, the Skipton-East Lancashire Rail Action Partnership (SELRAP) has been campaigning for the route between Colne and Skipton to be reopened for a number of years.

The Calder Valley line is the only direct east-west rail link in the corridor and is already heavily used, with the potential for the route to become increasingly congested in the future. The East Lancashire Rail Connectivity Study, completed in April 2015, concluded that in order to meet the conditional outputs it identified to



enhance connectivity between East Lancashire and the Leeds City Region, in particular, increased service frequency and improved journey times, the potential impact on the capacity of the Calder Valley line between Todmorden and Leeds would need to be assessed. Should future economic circumstances dictate that connectivity between East Lancashire and Leeds be enhanced to the point where capacity on the Calder Valley line becomes a constraining factor, consideration of alternative options between Burnley and Leeds such as reinstatement of the line between Colne and Skipton and associated upgrade of the existing Colne branch may become necessary.

The full 'Calder Valley' route, including to Burnley and Preston, is included in the report of the North of England Electrification Task Force¹ as a Tier One scheme with a recommendation for implementation in the next Rail Industry Control Period (CP6 2019 to 2024). Electrification would deliver a transformational change to city region connectivity in the corridor, and for East Lancashire in particular. The new Northern franchise includes a commitment to introduce brand new diesel trains on the Blackpool North to York service via Preston, Blackburn and Burnley Manchester Road as part of a wider 'Northern Connect' network.

Train services between Morecambe, Lancaster and Leeds currently operate on an infrequent basis with only five trains per day on weekdays and Saturdays reducing to four on Sundays. These services traverse a number of different routes, including the West Coast Main Line between Lancaster and Carnforth and the Carlisle-Settle-Leeds line between Settle Junction and Leeds. The twin-track 'Bentham' line between Carnforth and Settle connects the two. Rolling stock usually consists of diesel powered 'Pacer' rail buses that are common to most Lancashire branch lines, although these will be replaced by 2020 with refurbished trains as part of the new Northern franchise. The new franchise also includes a commitment to increase the number of services between Lancaster and Leeds to seven per day, with one extra train on Sundays.

The consultation draft Lancaster Highways and Transport Masterplan considers the 'Bentham' line to be a much underutilised asset and proposes that Lancashire County Council work with the rail industry, North Yorkshire County Council and local stakeholders to consider how the line can be improved in the future. An associated issue is the current inability to travel north from Carnforth on West Coast Main Line services into Cumbria/Lake District and on to Scotland.

¹ Northern Sparks, Report of the North of England Electrification Task Force, March 2015



Selected References

- ❖ Lancashire Strategic Economic Plan, Lancashire Enterprise Partnership, March 2014
- ❖ Lancaster Strategic Transport Prospectus, January 2016
- ❖ The York, North Yorkshire and East Riding Strategic Economic Plan, York, North Yorkshire and East Riding Local Enterprise Partnership, March 2014
- ❖ A Strategic Transport Prospectus for North Yorkshire, North Yorkshire County Council, 2015
- ❖ North Yorkshire Local Transport Plan Four 2016 – 2045 (LTP4)
- ❖ Central Lancashire Highways and Transport Masterplan, March 2013
- ❖ East Lancashire Highways and Transport Masterplan, February 2014
- ❖ Consultation Draft Lancaster Highways and Transport Masterplan, March 2015
- ❖ M65 to Yorkshire Corridor Study, September 2013
- ❖ Burnley-Pendle Growth Corridor Strategy, July 2014
- ❖ East Lancashire Rail Connectivity Study Stage 3 Report: Conditional Outputs Statement, April 2015
- ❖ Burnley – Colne – Skipton Railway Conditional Outputs Statement, March 2016

Agenda Item 13

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