

## **LEP - Growth Deal Management Board**

### **Minutes of the Meeting held on Wednesday, 5th August, 2015 at 2.00 pm in County Hall - Preston.**

#### **Present:**

Mr G Cowley (Chair)

Mr B Bailey

Mr A Cavill

Ms Lawty-Jones

Mrs S Procter

Ms J Whittaker

#### **In Attendance**

Mr A Good – Head of Service Financial Management (Development and Schools) LCC

Mrs A Moore - Programme Manager, Programme Office, LCC.

Miss J Ainsworth - Subject Matter Expert/Specialist Adviser Finance, Programme Office, LCC.

Mrs B Joyce - Head of Strategic Development, LCC.

Mr J Holden Ross – Legal Services, LCC.

Mr M Neville, Company Services Team, Democratic Services, LCC.

#### **1. Welcome and Apologies for Absence**

The Chair welcomed everyone to the meeting. Introductions were made by those present and apologies for absence presented on behalf of Professor R Walsh, Mr I Young, Mr M Kelly, Mr A Swain and Mrs J Johnson.

A copy of a report regarding an overview of the Growth Deal financial position at June 2015 together with an outline of funding options (which has been shown as being 'to follow' on the agenda) was circulated at the meeting.

#### **2. Declarations of Interest**

Mr Cavill and Ms Whittaker declared interests as they represented organisations which were involved in making applications for Growth Deal Funding. Members of the Committee discussed the need to ensure that any decision making in relation to specific projects was open and transparent and it was suggested that in future a general declaration would be made at the start of each meeting with members excluding themselves from any decision in relation to specific funding of projects involving the organisation they represented.

To assist in identifying those issues which would present a conflict of interest it was suggested that all members be asked to provide in writing details of their specific connection, however remote, to any organisation which may be involved in receipt of Growth Deal funding.

**Resolved:**

1. That in future a general declaration of interest is made at the start of each meeting with individual members of the Committee excluding themselves from any subsequent discussion around specific applications for Growth Deal Funding involving organisation which they represent.
2. That Mr Neville provide all members of the Committee with a pro forma for recording their interest in relation to organisations which may be involved in making applications for Growth Deal Funding in order to better identify potential future conflicts of interest.

**3. Minutes of the meeting held on 8th July 2015**

It was noted that there were a couple of typographical errors regarding names of officers who had been present at the last meeting and Mr Neville undertook to amend the Minutes.

**Resolved:** That, subject to the above amendment, the Minutes of the meeting held on the 8<sup>th</sup> July 2015 are confirmed as an accurate record and signed by the Chair.

**4. Matters Arising**

It was noted that the appointment of a Deputy Chair and approval of a programme of meetings for 2015/16 would be addressed as part of a later item on the agenda.

**5. Update - LEP Workshop 29th July 2015.**

With the agreement of the Chair Mrs Joyce updated the Committee on a number of items which had arisen from the LEP Workshop on the 29<sup>th</sup> July 2015, including:

- Confirmation that the Growth Deal monitoring and reporting arrangements would involve monthly meetings with the local representative from the Department for Business, Innovation and Skills, quarterly returns via LOGASNET and an Annual Conversation in November/December between Chief Execs, LEP Chairs and senior HMG representatives regarding all LEP initiatives and devolution/Combined Authority discussions.
- Lancashire was a pilot for LOGASNET and Officers were in the process of familiarising themselves with the system. Returns would be submitted in September, December, March and June with a two week window for the return to be completed.

- The HM Treasury AQUA Book - guide for monitoring and evaluation standards had been recommended as a useful source of information regarding the production of quality analysis.
- Some LEP's had projects which had been confirmed as LEP Demonstrator projects and National Evaluation projects though none were in Lancashire.
- Some LEPS had allocated a similar budget for monitoring/evaluation as Lancashire using LEP core funding while others used core funding/top slicing LGF project costs and others passed all costs on to sponsors.
- It was likely that the National Audit Office would undertake a review of LEPs during the current financial year which would include the LGF.
- An announcement was expected in the Autumn Statement in November regarding future Growth Deal funding.

In discussing the updates members of the Committee recognised the importance of identifying and developing potential projects for consideration in relation to future funding. With regard to the monitoring/evaluation process it was suggested that officers be requested to check that the process in place would comply with the guidance in the HM Treasury AQUA Book.

**Resolved:**

1. That the above updates are noted.
2. That the Chair of the Growth Deal Monitoring and Evaluation Sub Group be requested to check that the agreed monitoring/evaluation process for Lancashire will comply with the guidance in the HM Treasury AQUA Book.

**6. Growth Deal Management Board - Governance Arrangements**

A report was presented in relation to the appointment of a Deputy Chair which had been deferred at the last meeting and the approval of a programme of meetings for 2015/16 within the framework presented at the previous meeting.

It was noted that a nomination for the position of Deputy Chair had been received from Professor Walsh and no other nominations were put forward at the meeting.

**Resolved:**

1. That Professor R Walsh is appointed as the Deputy Chair
2. That the following programme of meetings for 2015/16 is agreed

<b>Date</b>	<b>Time</b>	<b>Venue</b>
8 September 2015	2.30pm - 4.30pm	Cabinet Room B, County Hall, Preston

21 October 2015	12.30pm - 2.30pm	Cabinet Room C, County Hall, Preston
8 December 2015	12.30pm - 2.30pm	Cabinet Room C, County Hall, Preston
8 January 2016	1.30pm – 3.30pm	Cabinet Room D, County Hall, Preston
9 March 2016	12.30pm – 2.30pm	Cabinet Room C, County Hall, Preston
13 April 2016	1.30pm – 3.30pm	Cabinet Room D, County Hall, Preston
8 June 2016	1.30pm – 3.30pm	room to be confirmed at County Hall, Preston

## 7. Reporting to Lancashire Enterprise Partnership Board

**Resolved:** That a summary of the report on Growth Deal Finance which was circulated earlier in the meeting, together with any comments from the Committee, are reported to the next meeting of the LEP.

## 8. Date of Next Meeting

It was noted that in accordance with an earlier decision the next scheduled meeting of the Committee would be held at 2.30pm on Tuesday 8<sup>th</sup> September 2015 in Cabinet Room 'B' at County Hall, Preston.

## 9. Growth Deal Finance Summary

*Not for publication – exempt information as defined in paragraph 41 (Information provided in confidence relating to contracts) of the Freedom of Information Act 2000. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information).*

It was reported that following further discussions returns had been received from 26 sponsors of projects that would be funded from the Growth Deal with 14 responses indicating some form of variation from the original plan. Details of the re-profiled projects were set out in Appendix 'A' to the report. It was noted that responses were still outstanding in relation to 4 projects and the relevant sponsors would be contacted in due course.

It was reported that one sponsor had reorganised their projects in order to enable some projects originally planned for 2016/17 to start earlier which would assist in the relocation of a facility to an alternative location. In view of the proposed

change in location for project GF01-13-S the Committee agreed that further consideration should be given to any differences between the original project and what was proposed for the alternate site so that an additional approval could be sought if the variances were found to be significant.

The Committee recognised that adoption of the existing programme would result in an underspend of £1.4m which would be directed to towards funding scheme GF02-27 in accordance with a previous decision by the LEP Board.

With regard to the anticipated £2.5m underspend in the current financial year it was suggested that consideration be given to funding some existing City Deal projects and that project managers/sponsors be requested to bring forward any planned Growth Deal expenditure for consideration.

**Resolved:**

1. That the projects as at June 2015, including the re-profiled projects set out in Appendix 'A' are noted as the programme for the Growth Deal.
2. That the 4 project sponsors who had not responded to date are encouraged to provide confirmation of certain details in relation to their respective projects.
3. That the Chair and Programme Manager meet with the relevant sponsor to discuss the proposed changes in relation to project GF01-13-S BFC LEHQ to determine the significance of any variations between the original project and the proposed alternative location and determine whether the material variations are sufficient to warrant an additional approval being sought.
4. That consideration be given to using the anticipated £2.5m underspend in the current financial year to fund existing City Deal projects and that project managers/sponsors also be requested to bring forward any planned Growth Deal expenditure for consideration.

**10. Local Growth Fund Agreements**

*Not for publication – exempt information as defined in paragraph 41 (Information provided in confidence relating to contracts) of the Freedom of Information Act 2000. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information).*

A report was presented which updated the Committee on the development of Local Growth Fund (LGF) Agreements. It was noted that one project was in place and a number of others would be submitted to the LEP in October for approval with the associated funding agreements expected to be in place in October/November.

It was reported that the wording of the Core LGF Agreement was being finalised and a copy of the associated LGF Agreement Approval Template was circulated for information.

The requirement of the Public Services (Social Value) Act 2013 for commissioners of public services to think about how they can also secure wider social, economic and environmental benefits was also discussed.

**Resolved:**

1. That the current position in relation to LGF Agreements, as set out in the report presented, is noted.
2. That once finalised a copy of the Core LGF Agreement be circulated to all members of the Committee for information and future reference.
3. That the LGF Agreement Approval Template as set out in the report presented is noted and be used in the future to support the Committee in considering Agreements for approval.
4. That the Lancashire Skills Hub Director be requested to present a report to the next meeting on how best to identify/capture social impacts and ensure they are taken into account in relation to future decision making in accordance with the requirements of the Public Services (Social Value) Act 2013.