

LEP - Performance Committee

**Friday, 8th January, 2016 in Room A05 - A Floor, County Hall,
Preston, at 10.00 am**

Agenda

Part I (Items Publicly Available)

1. Appointment of Chair

The Committee to note that LEP Director, Richard Evans, has been appointed by the LEP Board as Chair of the LEP Performance Committee.

2. Welcome, Apologies and Introductions

3. Declarations of Interest (Pages 1 - 2)

4. LEP Performance Committee - Terms of Reference (Pages 3 - 8)

5. Performance Committee Operational Review (Pages 9 - 12)

6. Reporting to Lancashire Enterprise Partnership Board

Standing item – Committee to consider if any items contained within the Performance Committee agenda require formal referral the Lancashire Enterprise Partnership Board for consideration.

7. Any Other Business

8. Date of Next Meeting

Future Schedule:

Tuesday 22nd March 2016, 9am, Room A06, County Hall Preston

Tuesday 24th May 2016, 10am, Room A07, County Hall Preston.

It is proposed that additional meetings be arranged in 2016 to take place approximately 2 weeks before each LEP Board meeting with any additional meetings arranged if required. The Committee is asked to consider and agree the frequency it wishes to meet.

Part II (Private and Confidential)

9. Risk Management Register (Pages 13 - 22)

Agenda Item 3

Director's Declaration of Interest in Proposed Transaction or Arrangement

LEP PERFORMANCE COMMITTEE

Name	
Date of Notification	
Date of Consideration of Item (i.e. date of Committee meeting)	08.01.16
Item Number (if relevant)	
Description of Transaction	
Nature of Interest	



LEP – Sub Committee

Performance Committee

Private and Confidential: No

Date: 8th January 2016

Performance Committee – Terms of Reference Appendix 'A' refers

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Executive Summary

As this is the first formal meeting of the LEP Performance Committee, the Committee is requested to note its Terms of Reference as approved by the Lancashire Enterprise Partnership within the LEP Assurance Framework.

Recommendation

The Performance Committee is asked to note its Terms of Reference as attached at Appendix 'A' to this report.

Background and Advice

As part of its Assurance Framework approved by the Lancashire Enterprise Partnership (LEP) Board on 17th March 2015 a number of Committees of the LEP were established and Terms of Reference for each Committee approved.

The Performance Committee is one of the Committees of the LEP, as this is the first formal meeting of the Performance Committee, Committee Members are requested to note the Terms of Reference as set out as Appendix 'A' to this report.

Performance Committee

TERMS OF REFERENCE

Composition

1. Unless otherwise agreed by the LEP, the Performance Committee shall comprise 4 members.
2. The Members of the Performance Committee shall be appointed by the LEP and shall draw 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:

<i>Richard Evans</i>	<i>LEP Director, KPMG</i>
<i>David Taylor</i>	<i>LEP Director, David Taylor Partnership</i>
<i>Graham Cowley</i>	<i>LEP Director, Capita Ltd</i>
<i>Local Authority Nominee</i>	<i>(subject to confirmation by the Lancashire Leaders Group – confirmed as Councillor Peter Rankin)</i>
5. The Performance Committee may invite any persons it sees fit to attend meetings as observers.
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 presentshall 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



LEP – Sub Committee

Performance Committee

Private and Confidential: No

Date: 8th January 2016

Performance Committee Operational Review

Report Author: Kathryn Molloy, 01772 538790, kathryn.molloy@lancashire.gov.uk

Executive Summary

Members of the Performance Committee will note that the meeting scheduled for the 30th November 2015 was cancelled. In place of the meeting, County Council officers met with the Chair of the Performance Committee to discuss and agree the format of future meetings of the Committee and the content of meeting papers.

The Chair of the Performance Committee requested that Agendas for meetings of the Committee be structured around the six areas contained within the Committee's Terms of Reference. The six areas are:

- Resources Secured by the LEP;
- Investment Decision Making;
- Implementation and delivery of the LEP's key initiatives;
- Monitoring and Evaluation of the LEP's key initiatives;
- Compliance with LEP policies and procedures set out in the Assurance Framework; and
- Risk management.

It was also agreed that a one-page summary for each of the LEP's sub-committees would be provided and this would be a standing item on the Agenda. The one-page summary captures the following information:

- Achievements in the last two months;
- Current challenges;
- Future issues requiring a planned approach to their management;
- Financial and non-financial KPIs including programme spend to date including other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions;
- Newly identified potential risks to incorporate within the risk register; and
- Other general observations.

The Chair also requested that each sub-committee Chair be invited to attend meetings of the Performance Committee on a rotational basis.



Recommendation

The Performance Committee is asked to:

- (i) Note the contents of this report
- (ii) Agree the format of future meetings and the content of the agenda including the proposal to provide one page summaries for each of the LEP's sub- committees
- (iii) Approve the attendance of each sub-committee Chair at meetings of the Performance Committee on a rotational basis; and
- (iv) Agree a schedule of meetings of the Performance Committee in 2016.

Background and Advice

- 1.1 The Lancashire Enterprise Partnership (LEP) secured one of the country's most significant Growth Deals with over £250m competitively secured from the Government's Local Growth Fund (LGF).
- 1.2 The LEP's Growth Deal programme has an investment value of over £500m, with the capacity to generate nearly 8,000 jobs and create over 3,300 new homes and will enable the delivery of strategic transport, skill and economic development initiatives across the LEP footprint area.
- 1.3 As part of the negotiation to secure Growth Deals all LEPs (and their accountable bodies) were required to commit to prepare and publish an Assurance Framework.
- 1.4 The LEP prepared an Assurance Framework in spring, which was approved by the LEP's accountable body, Lancashire County Council, in April 2015. The Assurance Framework has been submitted to Government and is published on the LEP's website.
- 1.5 As part of the development of the Assurance Framework the Board agreed to establish three new sub-committees: a Performance Committee, a Growth Deal Management Board and a Business Support Management Board. At its meeting in April 2015 the Board approved the establishment of all three sub-committees.
- 1.6 The LEP oversees the implementation of number of strategic economic growth and development initiative across the Lancashire footprint. Key initiatives include: the Lancashire Enterprise Zone Programme; the Preston, South Ribble and Lancashire City Deal; Boost Business Lancashire; the Growing Places Fund; and now the Growth Deal Programme. It is important that the LEP Board is able to assess and review the performance of these initiatives and, therefore of the LEP itself.
- 1.7 In light of the substantial progress being made by the LEP, the Board, at its meeting in March 2015, agreed to establish a Performance Committee to provide oversight on four key areas of performance:



- (i) Resources and Capacity - Assessing the performance of the LEP securing resources for Lancashire; and in leading, developing and managing LEP priorities.
 - (ii) Decision Making - Assessing the broader decision making processes of the LEP with regard to resource allocation.
 - (iii) Implementation - Assessing the performance of the LEP's key initiatives, are they on track? On budget? Hitting agreed milestones?
 - (iv) Monitoring and Evaluation - Assessing monitoring and evaluation data and processes. On an on-going and post project completion basis this will include: Are outputs as anticipated? Based on performance are the outcomes deliverable and will the impacts be achieved? On a longer term basis: Were LEP resources invested in the right projects, in the right places, at the right time? How should the LEP invest resources in the future?
- 1.8 The LEP Chair has secured the agreement of LEP Director Mr. Richard Evans to chair the Performance Committee. Given the legal, finance and audit responsibility the accountable body has towards the LEP, the Performance Committee will be supported by key County Council officers from the accountable body, primarily the Director of Governance, Finance and Public Services (and LEP Company Secretary), the Interim Section 151 Officer and Head of Internal Audit.
- 1.9 Mr Evans has met informally with the Chair of the LEP, all LEP Committee Chairs, and LEP accountable body officers to discuss the role and remit of the Performance Committee.
- 1.10 As an early task, the Performance Committee developed a Risk Management Register, which was considered and endorsed by the LEP Board on 6th October 2015. The Register will be regularly reviewed and updated by the Committee.
- 1.11 The Performance Committee has met informally to date and needs to agree a schedule of meetings for the remainder of 2016.

Agenda Item 9

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