

LEP - Performance Committee

**Tuesday, 24th May, 2016 in Room A07 - A Floor, County Hall,
Preston, at 10.00 am**

Agenda

Part I (Items Publicly Available)

- 1. Welcome and Apologies for Absence**
- 2. Minutes of the meeting held on 8th January 2016** (Pages 1 - 4)
- 3. Matters Arising**
- 4. Declaration of Interests** (Pages 5 - 6)
- 5. Presentation from Growth Deal Management Board Chair**
- 6. Summary Update Reports from LEP Sub-Committees** (Pages 7 - 26)
The summary for Business Support Management Board will follow.
- 7. Any Other Business**
- 8. Date of Next Meeting**
The next Performance Committee meeting is scheduled to be held on Friday
2nd September 2016, 2pm, Cabinet Room 'C', County Hall, Preston.

Part II (Private and Confidential)

- 9. Risk Register** (Pages 27 - 36)

LEP - Performance Committee

Minutes of the Meeting held on Friday, 8th January, 2016 at 10.00 am at the Room A05 - A Floor, County Hall, Preston

Present

Richard Evans

Graham Cowley

Councillor Peter Rankin

In Attendance

Martin Kelly, Director of Economic Development, Lancashire County Council

Andy Milroy, Company Services Officer, Lancashire County Council

Laura Sales, Director Legal, Democratic and Governance, Lancashire County Council

1. Appointment of Chair

The Performance Committee noted the decision of the Lancashire Enterprise Partnership Board to appoint LEP Director, Richard Evans as Chairman of the LEP Performance Committee. Mr Evans assumed the role of Chairman from this point forward.

2. Welcome, Apologies and Introductions

The Chairman welcomed all to the first formal meeting of the LEP Performance Committee, apologies for absence were noted from David Taylor.

3. Declarations of Interest

None

4. LEP Performance Committee - Terms of Reference

Andy Milroy, Company Services Officer, Lancashire County Council presented the Performance Committee Terms of Reference, as approved by the LEP Board in the LEP Assurance Framework for noting.

Resolved: The Performance Committee noted its Terms of Reference.

5. Performance Committee Operational Review

Martin Kelly, Director of Economic Development, Lancashire County Council presented a report (circulated) regarding an Operation Review of the Performance Committee.

Mr Kelly explained that given this was the first formal meeting of the Committee the purpose of the report was for the Committee to consider, within the remit of its Terms of Reference, how it would wish to operate effectively and fulfil its role of monitoring and scrutinising the work of the LEP.

Committee Members debated several options for future meetings and proposed the following:

- That the Key Initiatives / Risk Register tables be regularly updated by Officers and presented to each Performance Committee meeting as a standing item.
- That Officers, in consultation with the Chairs of all other LEP Committees, produce one / two page summaries of the work of each Committee, to be presented to the Performance Committee at each meeting.
- That Chairs of the other LEP Committees be invited, on a rotational basis to the Performance Committee, to discuss performance and any key items.
- The Performance Committee also requested that a Strategic Approach Report be prepared by Officers and presented to the next Performance Committee meeting to be held on 22nd March 2016.
- That the Section 151 Finance Officer be invited to all meetings, with other Officers invited as appropriate depending on report content.
- It was agreed that the Performance Committee submit progress reports to the LEP Board every six months on the work of the Committee.

The Committee then discussed in detail the Risk Register taking each item in turn. It was agreed that at present the key risks identified were appropriate and that monitoring of the Enterprise Zones was important.

It was suggested that Richard Hottersall, Programme Office Manager, Lancashire County Council, be invited to the next meeting of the Performance Committee to present a Monitoring and Evaluation report.

Resolved: The Performance Committee agreed to the suggested format for meetings as set out above, and agreed to recommend to the LEP Board that Chairs of the other LEP Committees be invited on a rotational basis to the Performance Committee to report on progress made.

6. Reporting to Lancashire Enterprise Partnership Board

Resolved: It was agreed that the LEP Board be asked to endorse the suggested approach taken by the Performance Committee to reporting and monitoring, and in particular seek agreement from the LEP Board, that the Chairs of the other LEP Committees be invited on a rotational basis to the Performance Committee to report on progress made.

7. Any Other Business

None

8. Date of Next Meeting

It was noted that the next Performance Committee meeting would be held on 22nd March 2016, 9am, Room A06, County Hall, Preston.

9. Risk Management Register

Part II (Private and Confidential)

Resolved: The Committee discussed the Risk Management Register and agreed that the current identified risks were appropriate and that it be included as a Standing item on future agendas as discussed under the previous Performance Committee Operational Review item.

Agenda Item 4

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)	24.05.16
Item Number (if relevant)	
Description of Transaction	
Nature of Interest	

Growth Deal Management Board (GDMB)

Report to LEP Performance Committee 24th May 2016

Background

The £251m Growth Deal funding allocated to Lancashire was granted to kick-start over 30 major initiatives across the county linked to economic growth, infrastructure, jobs, skills and regeneration. In the process it would help to create 8,000 new jobs, 3,000 new homes and would further generate £280m of new public and private investment.

Growth Deal Management Board

The primary focus of the GDMB when established in 2014 was to oversee the preparation of the Growth Deal Implementation Plan and the Monitoring and Evaluation Framework documents. These two key documents, which were submitted to Government in April 2015.

Since April 2015 the role and remit of the Growth Deal Management Board has been agreed in Terms of Reference approved by the LEP in June 2015.

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

Growth Deal Programme

Within the Growth Deal Programme there are four key priorities:

1. Releasing Growth Potential

Create the right conditions for business and investor growth, and unlock new development and employment opportunities across Lancashire by strengthening transport connectivity to create jobs and enable housing development.

2. Renewal of Blackpool

Focus on addressing Blackpool's unique characteristics which require a specific focus, to create economic opportunities for its local communities.

3. Growing the local Skills and Business base

Realise the full potential of Lancashire's competitive economic strengths and business base and refocussing Lancashire's approach to skills provision, ensuring it is responsive to business needs and demands.

4. Innovation and Manufacturing Excellence

Maximise the economic value of Lancashire's centres of research and innovation excellence and globally competitive business clusters.

Current Position

Projects

There are currently 39 projects within Lancashire's Growth Deal programme across the 4 priorities as detailed above.

Of the 39 projects (see Appendix A):

- 29 projects have received LEP Approval
- 15 projects have Grant Funding Agreements in place
- 14 projects are currently progressing their Grant Funding Agreement
- 10 projects will be presented to future Growth Deal Management and Lancashire Enterprise Partnership Boards within relevant timescales

Finance

£251m Growth Deal funding was awarded to Lancashire. All funding has been allocated to projects, with the exception of £2.09m unallocated under the skills priority.

Monitoring & Evaluation

A Growth Deal Monitoring & Evaluation Sub Group was established which reports to the GDMB. Its primary responsibility is to ensure the implementation of the Growth Deal Monitoring & Evaluation Framework, and to provide progress updates to the Growth Deal Management Board in the respect to programme and project activity, whilst supporting the GDMB in the implementation of the programme

Performance – Currently the programme and projects within it are delivering in accordance with the programme profile targets – there are no significant issues to report. Future reports will contain performance data, for each project, and the Growth Deal programme as a whole. In addition the report will also advise re the findings of the external consultants appointed to evaluate the programme, in order to highlight opportunities and best practice.

Monitoring – The projects are monitored in accordance with the Monitoring and Evaluation Framework, via claims and site visits. Frequently of monitoring reflects both the complexity and opportunity of each project. Currently the programme and projects within it are delivering in accordance with programme profile.

Social Value - The GDMB are committed to maximising the Social Value benefits of the individual projects that form part of the Growth Deal Programme.

In order to progress towards realising this aspiration a "Toolkit for Wider Economic and Social Benefits for Growth Deal Projects in Lancashire has been developed. The Social Value template is now distributed to both existing and new projects in order to capture the additional outcomes the projects deliver which are not collected via the standard metrics.

Evaluation - A tender exercise was undertaken after recommendations from the GDMB that stipulated an external consultant must be found to undertake the evaluation of the Growth Deal. The contract was formally awarded to Warwick

Economics and Development Ltd in January 2016 with a contract start date is April 2016.

Warwick Economics and Development Ltd are due to attend the next meeting of the Growth Deal Monitoring and Evaluation Sub-Group to take place on 18th May 2016, during which delivery arrangements will be concluded.

Growth Deal Management Board - At its next meeting to be held on Wednesday the 8th June 2016, the GDMB will consider 3 further schemes, which if recommended will be presented at the next LEP Board Meeting on the 14th June 2016.

Further Discussion Points:

- Co-ordination with City Deal
- Unblocking projects such as M55
- Clawback principle for non-performance
- Perceived independence of LEP compared to County Council
- Current financial projection, ongoing risk of slippage
- Perception of Government
- Lack of officer bandwidth

Growth Deal Management Board - Project Summary

Project No.	Name & Description of Project	LEP Approved	GFA Complete	Delivery Timeframe	GD £M	Status
1	GF01-22-CD A6 Broughton Bypass - Bypass to provide relief to the congested A6 north of Preston and help unlock 1,400 new homes.	Oct-15	Y	Q4 15/16 - Q4 16/17	15.50	Live
2	GF01-37-S Advanced Manufacturing Capital for Skills Development & Employer Engagement - The project centres on the purchase of equipment to be situated at both Lancaster University and Lancashire Enterprise Zone (EZ) sites. The environments at both Lancaster and the EZ will provide Lancashire learners with access to unique, nationally leading and highly relevant equipment informed by underlying research expertise.	Apr-16	N	TBC	0.67	GFA expected completion May 16
3	GF01-02 Blackburn Town Centre Improvements - Orbital completion and public realm improvements.	N	N	2016/17	0.20	Requested project to confirm which LEP board it will seek approval at. Expected Sep 16.
4	GF01-03 Blackburn-Bolton Rail Corridor - Track enhancement and station improvements to allow additional train frequency/reliability between East Lancashire and Greater Manchester to increase usage/performance and support development activity.	Apr-15	Y	Q1 15/16 - Q4 15/16	12.35	Live
5	GF01-13-S Blackpool & Fylde College - Lancashire Energy HQ - Development of a National Energy HQ to meet the training needs of the energy and oil and gas sector.	Apr-15	Y	Q3 15/16 - Q2 16/17	6.20	Live
6	GF01-15-S Blackpool & Fylde College - Maritime Engineering Facility - Provision of additional specialist Marine Engineering Centre accommodation at this internationally renowned centre of excellence.	Apr-15	Y	Q3 15/16 - Q2 16/17	0.84	Live
7	GF01-14-S Blackpool & Fylde College - M&E Bispham Campus - Replacement of building services to improve the efficiency of teaching and learning environments, improving learner recruitment and retention in the STEM curriculum.	Apr-15	Y	Q3 15/16 - Q2 17/18	1.26	Live
8	GF01-10 Blackpool BHVA - New Heritage Based Visitor Attraction at Winter Gardens.	N	N	17/18 - 18/19	1.50	Project has confirmed will seek LEP approval Apr 2017. Scheme delayed by 1 yr.
9	GF01-08 Blackpool Bridges - Maintenance of critical highways infrastructure, including Yeadon Way – one of Blackpool tourism's main arrival points.	Apr-15	Y	Q4 15/16 - Q4 18/19	3.80	Live
10	GF01-09 Blackpool Integrated Traffic Management - The project will increase the flow of vehicular traffic on key transport routes to Blackpool promenade, attractions and development sites.	Oct-15	N	15/16 - 16/17	1.71	LEP Approval (with caveats) - GFA on hold until Tenders returned in May 16
11	GF01-21 Blackpool Town Centre Corridors - Environmental improvements to key Central Business District transport routes.	N	N	TBC	6.60	Project to seek approval at the June 16 LEP Board
12	GF01-24 Blackpool Tramway Extension - Extension of the tram system to integrate the tram and rail networks at Blackpool North.	N	N	TBC	16.40	At the April 16 LEP Board meeting the project was approved to proceed to develop its full business case.
13	GF02-28 Burnley Vision Park - High quality 5 acre business park to accommodate advanced manufacturing/engineering sectors and to include 46,000 sq. ft. first phase incubator,	Apr-16	N	16/17 - 20/21	1.70	GFA expected completion May 16
14	GF01-40 Café Northcote @ Cathedral Quarter - To develop the Cathedral's hospitality offer, including a new refectory known as Café Northcote, as well as conferencing and events	Apr-16	N	16/17	0.25	GFA expected completion May 16

Growth Deal Management Board - Project Summary

15	GF01-04	Centenary Way Viaduct Maintenance - Bridge improvement to an economically vital transport route.	Apr-15	Y	TBC	1.30	Live
16	GF01-23	Darwen East Distributor - New link road to support access to employment and residential development and relieve congestion on the local highway network.	N	N	17/18 - 20/21	2.50	
17	GF01-07	East Lancashire Strategic Cycle Network - Provision of c11km safe cycling network.	Jun-15	Y	Q1 15/16 - Q4 18/19	2.60	Live
18	GF01-35-S	Edge Hill University Innovation Technology Hub - The Edge Hill Technology Hub will create new and refurbished, high quality space for teaching, learning, student employability, enterprise and knowledge exchange activities. The facility will support expansion in Digital Creative and Food Science (Biotechnology), to include bioinformatics, product design and prototyping. It will also house a Knowledge Exchange, a CAVE, a Food Science facility and an Enterprise Hatchery.	Feb-16	N	TBC	3.00	GFA expected completion May 16
19	GF01-32S	Energy Simulator Suite (equipment) for Lancashire Energy HQ - The Energy Simulation Suite will be situated in the Lancashire Energy HQ in the Blackpool Enterprise Zone. The simulator will enhance the Energy HQ skills training offer for real work environments inaccessible for everyday trainees in wind farm technologies, off and on-shore gas, cementation and nuclear installations.	Apr-16	N	TBC	0.17	GFA expected completion May 16
20	GF02-29	Engineering & Innovation Centre - UCLan - The construction of an internationally competitive centre to provide a local supply of graduate engineers for advanced manufacturing businesses, supporting industry engagement.	Feb-16	N	16/17 - 20/21	10.50	GFA expected completion May 16
21	GF01-16-S	Fleetwood Fire Training Centre Phase 2 - Expanded and enhanced facilities for the maritime, offshore oil, gas and wider energy industry.	Apr-15	Y	Q3 15/16 - Q4 15/16	0.55	Live
22	GF01-01	Hyndburn-Burnley-Pendle Growth Corridor - Transport and highways junction improvements to improve journey times and support employment and residential development activity.	Dec-15	Y	Q4 15/16 - Q3 17/18	8.00	Live
23	GF01-36-S	LAL College to move to newly renovated facilities at Brierfield Mill - The project would enable the move of the College to Brierfield Mill, funding the renovation and fit-out costs. The College would form an integral part of the Mill which is a regeneration project currently supported by the LEP. This would place the College in one of the areas of highest deprivation and greatest demand for community learning in Lancashire.	Apr-16	N	TBC	0.75	The development of the GFA will be via the steering group
24	GF01-31-S	Lancashire Centre for Excellence for Digital Technology and Innovation - The Centre is a partnership project between the College, Risual Education Ltd and Microsoft, providing a state-of-the-art learning space equipped with the latest Microsoft technologies. It will enhance teaching and learning and enable students to develop the digital literacy skills they need to be effective citizens and members of the workforce.	Apr-16	N	TBC	0.13	GFA expected completion May 16
25	GF01-34S	Lancaster Campus Teaching Hub (Health and Social Care) - This project reflects the first phase of investment at Lancaster to deliver a new state of the art teaching hub providing staff and students with fully flexible space. The new teaching hub will provide an environment conducive to multi-professional higher level learning and opportunities to increase community and employer engagement. It will support growth in qualified professionals and deliver CPD to upskill existing workforce.	Apr-16	N	TBC	2.50	GFA expected completion May 16
26	GF01-11	Lancaster Health Innovation Park - A multi-phased campus providing R &D space and facilities for the development of new services and technologies for health-related care.	N	N	15/16 - 17/18	17.00	Project to seek approval at the June 16 LEP Board

Growth Deal Management Board - Project Summary

27	GF01-06	M55 to St Annes Link road - Acceleration of construction of a link road from J4 M55 to help unlock large residential sites at St Annes and support development at the Whitehills employment site.	TBC	TBC	TBC	1.98	Need to confirm which LEP board the project will seek funding from.
28	GF02-25	M6 J28 Improvements & Business Growth Centre - Investment in enabling infrastructure and site services for the development of start-up/incubator space (c300,000 sq. ft.).	TBC	TBC	16/17 - 20/21	1.50	Need to confirm which LEP board the project will seek funding from.
29	GF02-30	Making Rooms - Lancashire's First Fab Lab - The Making Rooms scheme will see the conversion of a currently vacant site in Blackburn town centre into a new centre for creativity and innovation. The finished development will consist of; A Fabrication Laboratory (Fab Lab), Office space, Event Space & Catering facilities.	Apr-16	N	16/17 - 20/21	0.50	GFA expected completion May 16
30	GF01-33S	Mechanical & Electrical Replacements, South & Montreal Buildings - Mechanical and Electrical (M&E) replacements to the South Building and Montreal building totalling 5,030m2. The project will replace the 1970's building services which are at the end of their economic life and failing on a frequent basis.	Apr-16	N	TBC	0.52	GFA expected completion May 16
31	GF01-17-S	Myerscough College - Farm, Innovation Technology Centre - The provision of a hub to share innovation and best practice amongst apprentices and with employer farms.	Feb-16	Y	15/16 - 16/17	3.00	Live
32	GF01-19-S	Nelson & Colne College - Advanced Engineering & Manufacturing Innovation Centre - Expansion and remodelling of educational facilities and the creation of new advanced engineering, laboratory, workshop and classroom facilities.	Apr-15	Y	Q1 15/16 - Q4 16/17	1.40	Live
33	GF01-05-CD	Preston City Centre Improvements - Extension of the Fishergate Central Gateway public realm to the Bus Station/Guildhall Theatre.	Oct-15	N	15/16 - 20/21	6.00	GFA expected completion May 16
34	GF01-20-CD	Preston Western Distributor - Major new road linking Preston and southern Fylde to the M55 to support new housing development and improve links between the LEP's Enterprise Zones.	N	N	17/18 - 20/21	58.00	Project confirmed they are targeting Sep 17 for Outline and Dec 17 for full approval by the LEP
35	GF02-26	Rawtenstall Redevelopment Zone - Development of 69,000 sq. ft. town centre retail space, 6,000 sq. ft. office space and a new bus station.	N	N	16/17 - 20/21	1.90	Project will seek LEP approval at June 16 board meeting
36	GF02-27	Redevelopment of Brierfield Mill - Grade 2 listed mill building mixed use development on a 2.8 ha site comprising hotel/leisure, apartments, managed office workspace.	Feb-16	Feb-16	16/17 - 20/21	4.20	GFA expected completion May 16
37	GF01-12-S	Runshaw College - Science & Engineering - New c40,000 sq. ft. Engineering and Science teaching facility attached to the College Business Centre.	Apr-15	Y	Q2 15/16 - Q1 17/18	4.30	Live
38	GF01-38-S	Runshaw Enhancing IT Infrastructure Project - Upgrade of the College IT infrastructure to industry standard. Enhancing speed and resilience and facilitating excellent teaching and blended learning provision for all students.	Feb-16	Y	16/17 - 16/17	0.20	Live
39	GF01-18-S	Training 2000 - Additional Engineering Training Capability - Development of facilities and the procurement of specialist equipment to support engineering and advanced manufacturing apprentices.	Apr-15	Y	Q2 15/16 - Q1 16/17	0.80	Project Complete

Performance Committee Updates – 24th May 2016

City Deal Stewardship Board and Executive Update

Achievements in the last two months

The City Deal Executive and Stewardship Board (E&SB) considered the 2015/16 quarter 4 monitoring report at its meeting in May, and this is available at – include link. Specific achievements to note:

- Penwortham Bypass – Cabinet Member approval secured for the amended route.
- Golden Way South – Scheme Completed.

Current challenges / Issues requiring a planned approach to their management.

The successful delivery of the City Deal is dependent upon a balanced Infrastructure Delivery Fund (IDF). Three funding streams of the IDF - New Homes Bonus (NHB), Community Infrastructure Levy and Non Domestic Retained Rates are currently subject to potential policy changes by government. Combined, these account for 42% of the IDF.

The CD E&SB commenced a Resources Review early in 2016 supported by independent consultants. At a special meeting in May the E&SB considered an outline case which set out the likely financial impact primarily of NHB (the only funding stream for which it is currently possible to analyse a financial impact) and potential mitigation measures. NHB accounts for 18% of gross forecast revenue of the IDF and, dependent upon the scale of reduction of annual payments implemented by government the impact on the IDF will be between £9.3 and £32M.

The E&SB submitted a single response to government's consultation on NHB, setting out the concerns about the impact on the IDF. The E&SB have agreed that the 2 chairs of the E&SB meet formally with senior civil servants to discuss these matters, ideally following government's response to the consultation regarding the scale of NHB reduction. In the meantime City Deal officers will continue to discuss the issue informally with civil servants. The political representatives on the E&SB are also raising this matter with MPs.

Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions The annual monitoring return to government will be considered by the E&SB at its meeting on June 22nd. The 6 monthly return to government can be viewed at... and the 2015/16 Q4 return can be viewed at....

Government have recently confirmed that City Deal reporting to government will now not be via Logasnet, and will continue to be via direct reporting to CLG.

Newly identified potential risks to incorporate into the Risk Register The risk of IDF not being balanced due to funding stream changes is already on the LEP's risk register.

Other general observations.

The CD E&SB have agreed, as part of its annual progress review, to work with the Performance Committee to provide assurance with regard to the delivery of major City Deal highways infrastructure, focussed on three areas: achievement of key delivery milestones set out in the City Deal Infrastructure Delivery Plans; achievement of best value; the achievement of social value. This work will be concluded in Mid June and will be reported to the Performance Committee at its next meeting.

Lancashire Enterprise Partnership Performance Committee Summary Update - 22nd March 2016 Meeting

Lancashire Enterprise Zone Programme

Achievements in the last two months

Lancashire Advanced Engineering & Manufacturing EZ - Samlesbury Site

- Completion of new access from the A59 to the Samlesbury site (note completed in August 2015).
- Commencement of two new facilities on the Samlesbury site with both due for completion in Autumn 2016:
 - 135,000 ft² Wincanton Logistics facility
 - 60,000 ft² BAE Systems' Training Academy
- Prior Notification of Development for the main spine road connecting the A59 and A677 approved by Ribble Valley and South Ribble Borough Councils in January 2016.
- Bat Mitigation Plan and Delivery Strategy due for completion March 2016.
- Off-site Mitigation Strategy being implemented.
- Detailed Drainage Strategy due for completion April 2016.
- Commercial Development Framework completed in January 2016.
- Work is on-going between specialist consultants and the County Council to develop detailed design and infrastructure requirements for site to enable commercial development.
- Advanced discussions with a number (five) of potential end-occupiers with a number of Non-Disclosure Agreements in place.
- Advanced discussions taking place with the Advanced Manufacturing Research Centre (AMRC) in Sheffield to establish AMRC NW at Samlesbury. Further to presentation to LEP Board in February, business case development is underway and options to identify potential funding sources are being considered.
- Works compound set up and initial preparatory works have commenced for the construction of the main spine road through the site.
- LCC have retained Colliers as commercial agents for the site. In the proactive marketing of the Samlesbury site Colliers will work alongside the LEP and Marketing Lancashire to ensure that the LEPs family of EZ sites, and their specialisms, is understood by the market.
- BAE and the County Council are working to an agreed infrastructure delivery programme for the spine road to ensure that the new training and logistics facilities can be accessed from the A677 by the time the facilities open in the Autumn. The spine road will be fully open (from A59 through to A677) late spring 2017.

Lancashire Advanced Engineering & Manufacturing Enterprise Zone - Warton Site

- Two new occupiers located to the site in 2015; Accenture and Trescal creating circa 30 new jobs.

- Fylde Borough Council approved a new Local Development Order for the site, covering a 10 year period as the original 3 year Local Development Order had expired.
- On-going discussions with BAE Systems to determine delivery strategy for the site and end-occupiers.

Blackpool Airport Enterprise Zone

- Business Rates Relief and Enhanced Capital Allowances Maps submitted to Government.

Hillhouse International Enterprise Zone

- Business Rates Relief and Enhanced Capital Allowances Maps submitted to Government.

Current challenges

- Delivery capacity.
- Securing end occupiers to stimulate infrastructure provision/development across the EZ sites.
- Develop and deliver a coherent approach to marketing Lancashire's EZ sites to ensure a non-competitive approach to securing inward investment opportunities/end-occupiers.

Future issues requiring a planned approach to their management

- Modelling of Business Rates Growth income across the Enterprise Zone programme.
- Establishment of individual Project Boards to ensure delivery of each EZ site.
- Consistent approach to marketing of collective EZ programme and individual sites.
- Securing end-occupiers.

Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions

Lancashire Advanced Engineering & Manufacturing EZ - Samlesbury Site

- £1m spent on delivering new access from the A59 to the Samlesbury site.
- £260k spent on professional and consultancy fees.
- £1.5m contribution by LCC towards site segregation costs.
- £1.5m contribution by BAE Systems towards site segregation costs.
- 195,000 ft² of commercial floorspace currently being built.
- Steel for logistics facility supplied by Rossendale-based Killelea Construction Ltd.
- Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created

and housing unit completions Monitoring information on KPIs is provided quarterly to government via logasnet. The 2015/16 Q4 return included:

- £6M of private sector investment (in the logistics and training facilities); £250,000k of public sector investment (bringing public sector investment on infrastructure) to date to £2M); 65 construction jobs. In addition, 2.2 hectares of land have been reclaimed for development which will create over 2200 sq metres of commercial floorspace.

Lancashire Advanced Engineering & Manufacturing EZ - Warton Site

- Two new occupiers located to the site in 2015; Accenture and Trescal creating circa 30 new jobs.
- Completion of site masterplan by BAE Systems at a cost of circa £300k.

Blackpool Airport Enterprise Zone

- N/A at this stage.

Hillhouse International Enterprise Zone

- N/A at this stage.

Newly identified potential risks to incorporate into the Risk Register

- New Memorandum of Understanding developed by Government which suggests Business Rates Growth income generated by an EZ site is reinvested in that EZ site first to enable its delivery.
- Requires agreement between collecting authority and LEP.
- Future Business Rates Growth above what is required for the site can be retained by the LEP for investment in the LEP's wider priorities.
- To be signed by 31st March 2016.

Other general observations

Lancashire Skills and Employment Board

1 Lancashire Skills and Employment Strategic Framework

- 1.1 The final draft of the Lancashire Skills and Employment Framework was endorsed by the LEP Board on Tuesday 6th October 2015 for consultation. The framework, underpinned by a robust evidence base, sets out the skills and employment strategic priorities for Lancashire.
- 1.2 Following consultation with Local Authorities, employers and providers via 'Skills & Employment Conversation' events, the Youth Council, and through attendance at a variety of meetings, feedback has been collated and the framework amended.
- 1.3 The final version of the framework is on the LEP website:
<http://www.lancashirelep.co.uk/lep-priorities/skills-employment/skills-and-employment-strategic-framework-2016-2021.aspx> alongside the evidence base:
<http://www.lancashirelep.co.uk/lep-priorities/skills-employment/evidence-base.aspx> .

2. Growth Deal Skills Capital

- 2.1 A schedule of press releases for the Growth Deal Skills Capital round 1 projects has been developed with SKV, who are employed by the LEP to support communications. A number of press releases have been issued featuring the investments in engineering facilities at Runshaw College, Nelson and Colne College and Training 2000, as well as showcasing the investment in 'Energy HQ' at Blackpool and Fylde College and the investment in the Fleetwood Nautical Campus.
- 2.2 The round 2 procurement exercise has now been completed. Nine projects have been successful and are currently with the Growth Deal programme team and grant funding agreements are in the process of being agreed.
- 2.3 Remaining funding in the Growth Deal Skills Capital pot will be used to support the outcomes of the Area Based Review of Further Education Colleges and Sixth Form Colleges.
- 2.4 A toolkit for incorporating social value into the Growth Deal programme of projects has been developed and is being piloted with a number of Growth Deal projects.

3. Area Based Review (ABR)

- 3.1 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.
- 3.2 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 announcement was made with no local discussion.
- 3.3 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 have agreed to bring the two reviews together under Wave 4 – with 2 sub-reviews but with an overarching Lancashire-wide steering group led locally.

- 3.4 The LEP will be required to produce a visioning document to help guide the outcomes of the review. A working group has been established to prepare for the review. A paper will be provided at the June LEP Board.

4. Apprenticeship Growth Plan

- 4.1 An Apprenticeship Growth Plan is being created with the Skills Funding Agency.
- 4.2 A key element which has been agreed with the SFA is a series of three events in 2016 to support employers impacted by the Apprenticeship Levy. The first event, which was an introduction to the levy and the implications, targeting larger public and private sector employers in Lancashire likely to be affected by the levy, took place on Friday 11th March. The event was attended by over 60 delegates from both private and public sector, and received positive evaluations. The next event will take place in June/July and will focus on strategic workforce planning and the opportunity to engage with higher level and degree apprenticeships.
- 4.3 A Lancashire apprenticeship ambassador network of young apprentices has been launched – the apprentices will visit schools and Colleges to promote the apprenticeship route to young people.
<http://www.lancashirelep.co.uk/news/archive/young-ambassadors-to-promote-apprenticeships-across-lancashire.aspx>

5. Careers Education, Information, Advice and Guidance (CEIAG)

- 5.1 The LEP was successful in its bid to the Careers and Enterprise Company for an 'Enterprise Adviser Network'. The pilot project, which launched in January in Blackburn with Darwen and Burnley, aims to stimulate engagement between businesses and industry and schools to inspire young people and provide CEIAG. Essentially the project involves a funded Enterprise Coordinator, working with a network of Enterprise Advisers (strategic business volunteers) working with a network of schools to develop employer engagement strategies and plans. The activity aligns with the Skills and Employment Framework, which identifies CEIAG as a critical priority due to the fragmented and inconsistent offer which currently exists.
- 5.2 The HIVE business network and the Burnley Bondholders are working proactively with us to match local businesses with local schools and Colleges. The businesses in the networks are keen to inspire young people and showcase the fantastic businesses in the locality with view to growing a future pipeline of talented young people.
- 5.3 Excellent feedback has been received from the Careers and Enterprise Company on activity to-date, who visited Lancashire in February to undertake a review and attend two roundtable events with local partners. Mike Damms represented the LEP and the Chamber of Commerce at the afternoon event with the HIVE network and Blackburn with Darwen Council and partners.
- 5.4 It is hoped that the network can be expanded to further areas of Lancashire next academic year (from September 2016).

5.5 Lancashire has also been confirmed as a pathfinder area for DWP and JCP with the deployment of Job Centre Plus staff to work collaboratively in schools to improve the knowledge of opportunities within the local labour market and employability skills, targeting young people at risk of NEET. The pathfinder will focus on the pilot areas for the Enterprise Adviser Network, in the short-term, to test the model and enable a co-ordinated approach with the schools involved.

5.6 A steering group has been established to oversee the Enterprise Adviser Network and the JCP Pathfinder, as well as the Careers Inspiration work with the National Careers Service, with view to drawing in more CEIAG providers to encourage co-ordination and collaboration across Lancashire. The steering group reports to the Skills and Employment Board and is chaired by the Director of the Lancashire Skills Hub.

6. European Structural Investment Funds (ESIF)

6.1 In relation to the Skills Funding Agency (SFA) opt-in, the tender for young people at risk of or not in education, employment or training (NEET) was released in January. The call has now closed and the local consortium of Lancashire Colleges and Work Based Learning providers has been successful. Work is underway in regard to 'Skills Support for the Workforce', with view to a second tender being released in April. This will be followed by 'Skills Support for the Unemployed'.

6.2 The invitation to tender (ITT) for the project under the DWP opt-in was released on Monday 14th March. This Provision is aimed at reducing the worklessness of disadvantaged people, particularly in those wards across Lancashire that demonstrate the highest levels of out of work claimants. The Provision will provide tailored support through individual 'Key Workers' and an action plan for participants which will contain activities that will tackle barriers to employment. A briefing event was held on March 22nd and was attended by 17 providers. The Skills Hub is currently involved in the evaluation of the tenders and strategic fit.

Transport for Lancashire Committee

Report to LEP Performance Committee 24th May 2016

The Transport for Lancashire committee met on Wednesday 2nd December 2015, at which Members considered the following Growth Deal scheme funding application:

Burnley – Pendle Growth Corridor: an £8m contribution towards an £11.57m package of measures comprising a number of interventions on the highway network to increase capacity and reduce congestion in support of economic development, including improvements at a number of junctions along the M65 and parallel local roads between Whitebirk and Colne, increased car parking provision at Burnley Manchester Road railway station and the upgrading of passenger facilities at Rose Grove railway station.

Transport for Lancashire endorsed a recommendation that funding approval be granted, and recommended the scheme for formal approval by the LEP Board at its meeting on 15th December 2015. Work has now commenced on delivery.

Transport for Lancashire has also overseen the development of the Lancashire Strategic Transport Prospectus, which was launched formally on Wednesday 3rd February 2016.

At its most recent meeting held on Tuesday 5th April 2016, Transport for Lancashire considered a report from the independent assurers Jacobs with regard to Blackpool Council's Outline Business Case submission for Conditional Approval for the Blackpool Tramway Extension from the North Pier to Blackpool North Station. The Committee endorsed a recommendation that Conditional Approval be granted and advised the LEP Board held later that day accordingly.

At this meeting, Transport for Lancashire also received a presentation from David Brown, Chief Executive of Transport for the North, about the ongoing process to create a statutory sub-national transport body across the North of England.

Transport for Lancashire's next meeting is due to be held on Friday 10th June.

Agenda Item 9

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