

LEP - Growth Deal Management Board

Minutes of the Meeting held on Wednesday, 3rd October, 2018 at 1.30 pm at the Committee Room 'D' (The Henry Bolingbroke Room) - County Hall, Preston

Present

Graham Cowley

Michael Ahern
Dr Michele Lawty-Jones

Sue Procter
Julie Whittaker

Observers

Paul Evans

Katherine O'Connor

In Attendance

Anne-Marie Parkinson, Programme Manager, Lancashire County Council
Jo Ainsworth, LEP Special Projects Finance Manager, Lancashire County Council
Ryan Hyde, Business Support Officer, Lancashire County Council
Kathryn Molloy, Head of Service – LEP Coordination, Lancashire County Council
John Holden-Ross, Locum Solicitor, Lancashire County Council

1. Welcome and Apologies for Absence

The Chairman, Graham Cowley, welcomed all to the meeting. Apologies for absence were noted from Denise Park, Alan Cavill and Gareth Smith.

2. Declaration of Interests

Julie Whittaker declared an interest in Item 8 – Lomeshaye Industrial Estate Extension – Business Case Appraisal, as the project is based in Pendle. It was agreed that Julie could be present for the item.

Katherine O'Connor (observer) declared an interest in Item 7 – Growth Deal – Programme and Project Update Report, and Item 9 – Growth Deal Finance Summary, due to involvement in the Blackpool AMuseum project. It was agreed that Katherine could be present for the item.

Dr Michele Lawty-Jones declared an interest in Item 11a – Merger of Accrington and Rossendale College with Nelson and Colne College, discussed under Any Other Business, due to writing the report. It was agreed that Michele could be present for the initial presentation and discussion, and to answer any questions

that fellow Committee Members may have before leaving the room for debate and consideration of the recommendations.

3. Minutes of the meeting held on 2 July 2018

Resolved: The minutes of the Growth Deal Management Board meeting held on 2 July 2018 were approved as an accurate record and signed by the Chairman.

4. Matters Arising

It was noted that, since the last meeting of the committee, the funding recommendation of the AMuseum Appraisal Report, as discussed at Item 7 of the meeting held on 2 July 2018, would now be deferred to the Growth Deal Management Board meeting to be held on 12 December 2018.

It was also noted that, since the last meeting of the committee, the Lancashire Enterprise Partnership Limited Board had approved that £0.7m of the of the Shady Lane allocation of £1.5m would go to the AMRC so that, combined with all other funding for AMRC, the AMRC project would be fully funded to the requested £20m.

5. Date of Next Meeting

It was noted that the next Growth Deal Management Board meeting was scheduled to be held on 12 December 2018 at 13:30 in Committee Room 'D' – The Henry Bolingbroke Room, County Hall, Preston.

6. Exclusion of the Press and Public

At this point the Growth Deal Management Board approved that the meeting move into Part II, Private and Confidential, to consider the remaining report as it contained information defined as confidential or exempt in accordance with the relevant paragraph of Part I to schedule 12A to the Local Government Act 1972 as set out in the report. 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.

8. Lomeshaye Industrial Estate Extension - Business Case Appraisal

It was agreed that Item 8 would be considered before Item 7.

Kirsten Powell, Ekosgen, presented their Appraisal Report of the Business Case for the Lomeshaye Industrial Estate Extension project, which concluded with a recommendation for funding approval.

Resolved: The Growth Deal Management Board:

- (i) Considered the contents of the report.
- (ii) Received Eskogen's presentation.
- (iii) Agreed to recommend to the Lancashire Enterprise Partnership Limited Board at its next meeting on the 6th November 2018, the grant funding approval of up to £4m for the Lomeshaye Industrial Estate Extension, subject to:
 - i) The conditions as detailed in the appraisal report; and
 - ii) The finalisation and execution by Lancashire County Council (as accountable body for the Lancashire Enterprise Partnership) under the guidance of the Directors of Corporate Services and Economic Development and Planning of a Grant Funding Agreement and other relevant legal documentation as may be necessary to protect the interests of the Lancashire Enterprise Partnership.

7. Growth Deal - Programme and Project Update Report

Anne-Marie Parkinson presented a report which contained Growth Deal Programme and Project Updates.

In addition to receiving the information contained within the report, it was stated that the completion date of the M55 to St Anne's Link Road scheme had slipped to September 2021. It was advised that, due to the continued slippage of the scheme programme since 2015 and concerns regarding the extension of the scheme programme following the end of the Growth Deal Programme, that a further update should be obtained from the Project Applicant as a matter of urgency, with an update provided to the next meeting of the Growth Deal Management Board.

It was agreed that the document presenting the Growth Deal Programme – Project Metrics data be altered for future meetings to enable the Growth Deal Management Board to understand progress/slippage towards the achievement of the core output targets.

Resolved: The Growth Deal Management Board:

- (i) Noted the contents of the report.
- (ii) Agreed that a further update should be obtained from the Project Applicant as a matter of urgency, with an update provided to the next meeting of the Growth Deal Management Board.
- (iii) Requested that the document presenting the Growth Deal Programme – Project Metrics data be altered for future meetings to enable the Growth Deal Management Board to understand progress/slippage towards the achievement of the core output targets.

9. Growth Deal Finance Summary

Jo Ainsworth, LEP and Special Projects Finance Manager, presented a report which provided a Growth Deal Finance Summary including an update on the financial aspects of the Local Growth Fund.

Within the report, an update on the allocation of the Local Growth Fund Monies, the payments made in the three full years to 31 March 2018, and the risk of slippage to the 2018-19 – 2020-21 profile were noted.

Resolved: The Growth Deal Management Board:

- (i) Noted the spend to date, together with spend to be made in future years.
- (ii) Noted the forecast of funding to be balanced to the funding available as set out in the report.
- (iii) Considered the continued profiling of funding forecasts, requested that they continue to be made as accurate as possible, with the Committee managing existing projects in order to recoup any slippage and ensure new projects remain on track in line with their spend profile.

10. Reporting to Lancashire Enterprise Partnership Board

None.

11. Any Other Business

The Chair introduced an item - Merger of Accrington and Rossendale College with Nelson and Colne College – under Any Other Business. The report was not available at the time of agenda publication, but was considered to be urgent due to the timescales for the decision.

Resolved: The Growth Deal Management Board agreed to consider the item, and that it would be considered under Part II (Private and Confidential).

11a. Merger of Accrington and Rossendale College with Nelson and Colne College

Dr Michele Lawty-Jones, Director of the Lancashire Skills and Employment Hub, presented a report on the proposed merger between Accrington and Rossendale College with Nelson and Colne College.

The report detailed a request for funding that had been received from the Education and Skills Funding Agency and Nelson and Colne College in order to support the proposed merger.

The Board identified that, due to the lack of a Growth Deal Business Case, and subsequent assurance, that there are a number of questions which could not be answered at this meeting.

At this point Dr Michele Lawty-Jones was asked to leave the room to enable the non-conflicted Committee Members to consider the recommendations.

The Board agreed to support the proposal in principle, subject to the independent appraisal of a business case achieving the recognised thresholds for delivery on each of its five cases.

Resolved: The Growth Deal Management Board agreed to:

- (i) Recommend to the Lancashire Enterprise Partnership Limited Board, in principle, to approve a £500k contribution from the Lancashire Growth Deal programme, to the merger, subject to independent appraisal of the business case achieving the recognised thresholds for delivery on each of the five cases.
- (ii) Ask Growth Deal Management Board colleagues from the Department for Business, Energy and Industrial Strategy to use their internal central government networks to provide further contextual information about the funding of this project.

Dr Michele Lawty-Jones re-joined the meeting at this point.