

LEP - Growth Deal Management Board

Minutes of the Meeting held on Wednesday 11 October 2017 at 1.30pm at the Committee Room 'D' - The Henry Bolingbroke Room, County Hall, Preston

Present

Graham Cowley (Chair)
Michael Ahern
Alan Cavill
Julie Whittaker
Brian Bailey
Sue Procter

Observers

Paul Evans – Department for Business, Energy and Industrial Strategy

In Attendance

Joanne Ainsworth, Financial Management, Lancashire County Council
John Holden-Ross, Solicitor, Lancashire County Council
Julia Johnson, Principal Lawyer, Lancashire County Council
Martin Kelly, Director of Economic Development, Lancashire County Council
Kathryn Molloy, Head of Service LEP Coordination, Lancashire County Council
Anne-Marie Parkinson, Programme Manager, Lancashire County Council
Holly Tween, Company Services, Lancashire County Council

1. Welcome and Apologies for Absence

The Chair welcomed all in attendance, and introductions were made.

Apologies had been received from Gareth Smith and Michele Lawty-Jones.

2. Declarations of Interest

Declarations of interest were received as below:

- Brian Bailey – Blackburn Town Centre Improvements
- Alan Cavill – 21st Century Conference Centre, BHVA
- Julie Whittaker – Brierfield Mill
- Sue Procter – LCC led projects

3. Minutes of the meeting held on 07 June 2017

Resolved: that the minutes of the meeting held on 07 June 2017 be confirmed as an accurate record and signed by the Chair.

4. Matters Arising

There were no matters arising that were not addressed in the main agenda.

5. Growth Deal - 1st Interim Evaluation Report

Georgia Siora, Warwick Economics & Development, presented an overview of the first Interim Evaluation report, previously circulated to Committee members, which included observations on the successes of the programme so far, and some points for consideration where improvements could be made.

It was requested that the points for consideration be included in the next report.

The next steps included receiving evaluation reports from individual projects when more capital works had been completed and outputs could be reported, and a workshop being offered to projects.

The next update would be received in June 2018.

Discussion ensued on the requirements for monitoring and evaluation of Growth Deal 3 projects, and the potential for joint outcome reporting for all LEP projects. No conclusion was reached but these issues would be addressed at a future meeting.

Ms Siora was thanked for her presentation.

Resolved:

1. That the points for improvement be included in the next report
2. That the Committee receive a further update in June 2018

6. Growth Deal Revised Communications Protocol

Ruth Connor, Marketing Lancashire, attended to present the revised Communications Protocol, which would inform partners and stakeholders of the protocols the Lancashire Enterprise Partnership had agreed with government around the promotion of the Growth Deal, and would provide partners with an agreed protocol for promoting individual Growth Deal schemes.

It was noted that the communications strategy would continue to be developed to include messages on the broader impact of the programme as a whole as well as case studies on individual projects, and would help build a cohesive package of communications and marketing.

Resolved: that the revised Communications Protocol be approved

7. AMRC NW Project Appraisal Report

At this point the Committee approved that the meeting move into Part II, Private and Confidential, to consider the 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.

Lauren Newby and Darren Wisher, Regeneris, presented the appraisal report for the Advanced Manufacturing Research Centre North West project.

The Committee discussed the proposal at length. The Committee recognised its strategic significance and concluded that they would like to support the project with the suggested conditions, but that further information was needed to provide assurance, particularly around financial sustainability. It was proposed that a Task Group, to include Michael Ahern, be established to engage with the project to address this point.

Lauren and Darren were thanked for their presentation.

Resolved:

1. That the LEP Board be recommended to approve funding of up to £15m to the AMRC NW project at its next meeting on 07 November 2017, subject to:
 - Confirmation of ESIF Revenue funding to enable the project to be operational;
 - Establishment of a governance structure which provides for the LEP to be a long-term strategic partner with the AMRC;
 - Establishment of formal partnerships between AMRC NW and Lancashire HE providers;
 - Procurement of the scheme to be shared with Lancashire County Council, as Accountable Body for the LEP, to ensure value for money and deliverability with any cost overruns to be met by the scheme sponsor; and
 - Conclusion of a land agreement between Lancashire County Council and Sheffield University in respect of land at the Samesbury Aerospace Enterprise Zone.
2. That the project engage with the Growth Deal Management Board Task Group over the next 4-6 weeks to provide further information and assurance around the ongoing sustainability of the project, and the conditions as laid out above
3. That the Growth Deal Management Board consider if any additional funding up to £5m was available to support delivery of the preferred option and, if so, whether the LEP Board should be recommended to allocate such funding to the AMRC NW project, with the decision to be made before Christmas.

The meeting then returned to Part 1 of the agenda (items publicly available)

8. Broughton Bypass

Sue Procter presented an update on the Broughton Bypass and informed the Committee that the bypass had officially opened on 05 October 2017.

Resolved: that the update be noted

9. M55 to Heyhouses Link Road update

Sue Procter updated the Committee on the M55 Link Road project and the Committee considered the report, risk assessment and milestone chart.

It was reported that work was ongoing on the design process which, when complete, would allow a final cost estimate to be produced and would close down some of the risks currently identified. This was expected in early 2018, and would be reported to the Committee.

It was noted that the project timescale would need to be closely monitored as the project was forecast to run up to March 2021 which was the end of the Growth Deal programme.

Resolved: that the update be noted.

10. Preston Western Distributor

At this point the Committee approved that the meeting move into Part II, Private and Confidential, to consider the 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.

Sue Procter presented the Preston Western Distributor update report circulated with the agenda.

Given the scale of the project it was requested that timescales to confirm funding and programme delivery be provided as early in quarter 4 as possible.

A further report outlining the spend profile and the programme plan was expected in quarter 4, and would be shared with the Committee as soon as it becomes available. An update would be presented to the next meeting of the Board.

Resolved: that a further report outlining the spend profile and the programme plan be brought to the Committee as soon as possible.

11. BHVA Project Update

Alan Cavill updated the Committee on the Blackpool Heritage Visitor Attraction (BHVA) project.

It was noted that the project would not proceed as originally envisaged; the chosen venue had proved unsuitable and a further application would be submitted to the HLF, with a decision expected in March. The project is also to be submitted to the Lancashire LEP for consideration in the Northern Cultural Regeneration funding bid process. The outcome of successful bids would be known by the end of November 2017.

Resolved: that a further update be received at the next meeting of the GDMB when the outcome of the Northern Cultural Regeneration funding bid would be known.

12. Programme and Projects Update

Anne-Marie Parkinson presented the programme update report.

The Committee were informed that the programme is delivering in accordance with Lancashire's Growth Deal agreed milestones and government reporting requirements.

No queries had been raised in relation to the last claim submitted to government in June.

It was highlighted that the details and scope of the Shady Lane project were still uncertain and that, if these matters were not concluded satisfactorily by the end of 2017, the Committee should consider whether to go ahead with the scheme.

It was highlighted that three projects were showing 'Job Safeguarded' in error. The Project Sponsor was not responsible for the error and the Committee agreed to remove these targets from these schemes' GFAs.

Resolved:

1. That the HIC update at Appendix B be noted
2. That the 'Job Safeguarded' targets be removed from the GFAs of the three projects where it had been included in error

13. Finance Update

Joanne Ainsworth presented the Committee with an update on the financial aspects of the Growth Fund.

The payment profile at Appendix A now included Growth Deal 1, 2 and 3.

Resolved: that the update be noted

14. Projects requesting additional funding

There were no project requesting additional funding.

The meeting then returned to Part I of the agenda (items publicly available)

15. Amendments to the Core Grant Funding Agreement

John Holden-Ross presented the report circulated with the agenda, outlining proposed amendments to the Core Grant Funding Agreement documentation. The main revisions were in the areas of Bribery & Fraud, Outputs, Milestones & Outcomes, and State Aid.

Resolved: that the proposed changes be approved.

16. Social Value

The Committee considered the dashboard set out in the report circulated with the agenda, and noted that the toolkit would be regularly updated.

Resolved: that social value reporting be integrated into the broader evaluation process, and that the dashboard and metrics continue to be developed and updated

17. Reporting to Lancashire Enterprise Partnership Board

Resolved: that the following matters be reported to the LEP Board:

1. The recommended conditional funding proposal for the AMRC NW project
2. An update on the progress of the HIC
3. An update on the Preston Weston Distributor
4. An update on the Blackpool Tramway
5. Key messages from the Interim Evaluation report

18. Any Other Business

There was no other business.

19. Date of Next Meeting

The next meeting would be held at 1.30pm on 06 December 2017 in Committee Room D (Henry Bolingbroke Room), County Hall, Preston.

The programme of meetings for 2018 as set out below was noted.

1.30pm Wednesday 21 March – Cabinet Room C, County Hall, Preston

1.30pm Wednesday 23 May – Cabinet Room D, County Hall Preston

1.30pm Wednesday 03 October, venue tbc

1.30pm Wednesday 12 December, venue tbc