



Lancashire Enterprise Partnership Limited

Private and Confidential: NO

Tuesday, 30 January 2018

LEP Governance and Committees Decisions Report

(Appendices 'A' and 'B' refer)

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Executive Summary

This report extracts the key items considered by each of the Lancashire Enterprise Partnership (LEP) Board Committees at their recent meetings, and where applicable, and if not considered elsewhere on the Board's main agenda, contains decisions referred to the Board by the Committees for approval.

Recommendation

The LEP Board is asked to:

- (i) Note the updates provided in this report in relation to the Committees of the LEP; and
- (ii) Approve the accounts and financial statements for the period ending September 2017 as set out at Appendices 'A' and 'B'.

Background and Advice

The Lancashire Enterprise Partnership Board (LEP) approved a LEP Assurance Framework on 17th March 2015 which was subsequently submitted to Government as final in April 2015 with it refreshed annually since. The latest version of the Assurance Framework is made publically available on the LEP website:

<http://www.lancashirelep.co.uk/about-us/about-the-lep.aspx>

The Assurance Framework ensures that the LEP records decisions taken by the LEP and its Sub-Committees in an open and transparent way. The purpose is to ensure that arrangements are in place enabling effective and meaningful engagement of local partners and the public, and that those arrangements operate transparently with LEP decisions capable of being independently scrutinised.

Since the implementation of the LEP Assurance Framework, the LEP and its Committees publish their agendas and minutes on the LEP website. In order to



ensure the LEPs decision making is open and transparent in relation to the Sub-Committees this report presents updates from each of the Sub-Committees and, where applicable, contains decisions that are outside of the Sub-Committees powers and require referral to the LEP Board for approval.

Governance Updates

Lancashire Enterprise Partnership – Approval of Dormant Accounts – Year Ending 30th September 2017 (Appendices 'A' and 'B' refer)

The LEP is a Company Limited by Guarantee and as such is subject to the Companies Act 2006 with regard to the filing of accounts and annual returns. The LEP does not conduct financial transactions itself as Lancashire County Council carries out this function, on behalf of the LEP, as the Accountable Body.

Therefore the LEP's accounts are in essence dormant, however the company is required to file NIL accounts on an annual basis. This report requests Board approval to the attached NIL accounts and financial statements (Appendices 'A' and 'B' refer) for the period ending September 2017 in order that they can be filed in line with statutory requirements.

Updates from recent LEP Committee Meetings

1. Executive Committee

Decision Taken – 24th January 2018 – Growing Places Investment Fund Approval

The Executive Committee, on behalf of the LEP Board,

- (i) Considered and approved a Growing Places Investment Fund Loan, Draft Heads of Terms and Pipeline Schedule for residential schemes in Pendle;
- (ii) Authorised the County Council Director of Corporate Services and the Director of Economic Development and Planning or their nominated representatives to undertake appropriate financial and other due diligence checks and prepare and execute loan facility documentation, including relevant loan security documentation;
- (iii) Agreed to provide updates to the LEP Board on the progress of this scheme and the Growing Places Investment Fund as part of the regular Operational Budget Update presented to the Board.



Decision Taken – 22nd January 2018 – Staffing Posts

The Executive Committee, on behalf of the LEP Board,

- (i) Approved the recruitment of a Commercial and Business Support Manager and an Economic Policy and Communications Manager in line with the Accountable Body's selection and recruitment processes;
- (ii) Welcomed and approved the receipt of £170,000 grant funding to be awarded to the LEP in line with the Grant Funding Agreement signed between the County Council as Accountable Body for the LEP and the Gatsby Foundation; and
- (iii) Approved the appointment of a Senior Project Manager for Technical Education on a two-year fixed term basis.

Decision Taken – 8th December 2017 – Blackpool Tramway Extension – Full Approval Application

The Executive Committee, on behalf of the LEP Board, granted the Blackpool Tramway Extension Scheme Full Approval and confirm the LEP funding contribution of £16.4m for the Scheme.

2. Transport for Lancashire Committee

20th November 2017 Meeting

The Transport for Lancashire Committee met on 20th November 2017, a summary of the key items considered / approved is as follows:

- **Darwen East Development Corridor Funding Application** – The Committee resolved that, pending a review of the Transport for Lancashire Committee's Terms of Reference, to waive the requirement of the LEP Assurance Framework not to fund scheme development and preparation costs given the scheme's clearly defined economic growth objectives, and that the LEP Board be recommended to grant the scheme £2.5m of Growth Deal Funding.
- **Blackpool Tramway Extension – Full Approval Application** – An independent assurance report was received regarding this scheme by Jacobs. Jacobs confirmed they were satisfied that the project had been developed to the expected standard and that Blackpool Council had addressed all the conditions attached at Conditional Approval stage in April 2016. It was therefore recommended that, subject to the Secretary of State confirming the Transport and Works Act Order, the scheme be recommended to the LEP Board to be granted "Full Approval" status to enable construction to take



place between April 2018 and July 2019. This decision was subsequently taken by the Executive Committee on 8th December 2017.

- **Transport for the North – Strategic Transport Plan** – A presentation was received by Robin Miller-Stott, Senior Policy and Strategy Officer, Transport for the North (TfN) regarding the current status of TfN and its Strategic Transport Plan. The Committee was informed that with effect from April 2018, TfN would become the first Sub-National Transport Body in England, tasked with developing a Strategic Transport Plan to prioritise infrastructure investment in the North to drive transformational economic growth. The Committee noted the presentation.

10th January 2018 Meeting

The Transport for Lancashire Committee also met on 10th January 2018, a summary of the key items considered / approved is as follows:

- **Transport for Lancashire – Proposed Amendments to the LEP Assurance Framework** – The Committee approved a report which set out an amendment to the Transport Schemes section of the LEP Assurance Framework which stated that the LEP will not fund scheme development and preparation costs nor any post scheme monitoring and evaluation. This is inconsistent with the other two themes of the Growth Deal programme covering skills and economic projects, where scheme preparation costs are permissible as part of the local contribution. The Committee agreed to recommend that the proposed changes be included in the LEP's Assurance Framework refresh.
- **Preston Western Distributor Conditional Approval Application** – It was reported that Atkins had undertaken an independent assessment of the Outline Business Case on behalf of the LEP. Atkins confirmed they were satisfied that the project had been developed to the expected standard in most areas and recommended that Conditional Approval be granted. The Committee agreed to recommend the LEP Board grant the scheme Conditional Approval, this item is presented elsewhere on this agenda for approval.
- **Preston Railway Station** – The Committee considered a report regarding future developments at Preston Railway Station, in particular the feasibility of becoming 'HS2 ready' by 2026. The Committee agreed to recommend that the LEP Board support the commissioning of a study to examine and quantify the wider economic growth and productivity benefits that the transformation of Preston Station could deliver, this work will include forecasts of future passenger demand particularly for when HS2 services begin operating in 2026, and, requested that the LEP Board agree to fund the study from its strategic case-making budget. This item is addressed elsewhere on this agenda for approval.



- **Department for Transport Consultation: Shaping the Future of England's Strategic Roads** – The Committee considered and noted an update report regarding future Government decisions about priorities for investment in the next Road Investment Strategy period (RIS2) covering the financial years 2020/21 to 2024/25. The Department for Transport is now consulting stakeholders on Highways England's Strategic Road Network Initial Report and the process through which it will determine whether the Initial Report and the process through which it will determine whether the Initial Report is sufficiently robust. A complementary consultation on proposals to establish a Major Road Network in England is also due to commence shortly.

Full agendas and minutes for Transport for Lancashire meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?Committeeld=956>

3. City Deal Executive and Stewardship Board

29th November 2017 meeting

The Combined City Deal Executive and Stewardship Board met on 29th November 2017, a summary of the key items considered / approved is as follows:

- **HCA Quarterly Monitoring Progress Update – Quarter 2 2017 / 18** – The Executive and Stewardship Board noted progress made by the HCA on the delivery of the City Deal housing sites including key delivery milestones, finances invested, outputs and key risks and emerging issues. The full report can be accessed from the link below.
- **City Deal Governance Report – New LEP Nominee** – The Executive and Stewardship Board noted the appointment from the LEP of Director Mark Rawstron as the LEP Deputy Chair's Nominee on the City Deal Executive.
- **Communications and Marketing** – The Executive and Stewardship Board received an update on recent marketing and communications for the City Deal, highlighting projects completed to date such as Broughton Bypass and promotion of future projects and key delivery milestones.
- **Business and Delivery Plan – Six Monthly Monitoring Report – 2017/18 and Implementation Update** – The Executive and Stewardship Board received an update on outputs and activities for the period up to 30 September 2017 including: housing, commercial floorspace outputs, jobs related to commercial floorspace, employment and skills, public and private sector investment, infrastructure and risk management. The full report can be accessed from the link below.
- **City Deal Quarter 2 Finance Report** – The Executive and Stewardship Board noted the financial update for Quarter 2 (July – September 2017) and the key risks and issues identified going forward.



- **Cardinal Newman College – Expansion** – The Executive and Stewardship Board considered a report containing an independent appraisal for a proposed scheme, on the basis that there is no known capital funding available to deliver the project, the request for a contribution to progress the project to RIBA stage 3, be refused.
- **City Deal Review – Terms of Reference** – The Executive and Stewardship Board approved Terms of Reference and a timetable for an all partner review of the City Deal.
- **Preston Western Distributor (including Cottam Link Road) and East West Link Road** – The Executive and Stewardship Board agreed to support the delivery of the Preston Western Distributor, Cottam Link and East West Link Road to be funded by the City Deal, subject to full approval of the LEP for Growth Deal Funding.

Full agendas and minutes for the Combined City Deal meetings can be accessed here: <http://council.lancashire.gov.uk/ielistmeetings.aspx?CommitteeID=1072>

4. Growth Deal Management Board

The Growth Deal Management Board met on 6th December 2017, a summary of the key items considered / approved is as follows:

- **Core Grant Funding Agreement** - the Committee agreed recommended revisions
- **North West Burnley Growth Corridor** – the Committee agreed to recommend that the LEP Board give approval to allocate up to £7m Growth Deal Funding to the North West Burnley Growth Corridor subject to conditions as set out in the Appraisal Report, a timeline showing various project interdependencies being produced and clarification of the HCA's position
- **Blackpool 21st Century Conference Centre** – the Committee approved the Local Grant Funding Agreement for this project
- **Unallocated Funds process** – the Committee considered the approach to unallocated funding and agreed:
 1. First call would be given to those schemes within the current programme that had requested additional resource
 2. If no schemes were identified via that process, a second call would focus on priority 1 Growth Deal 3 schemes that had failed to secure an allocation
 3. If no schemes were identified via that process, a review of priority 2 and 3 schemes would be undertaken to determine if any schemes were still a priority
 4. After exhausting the existing pipeline, approval would be sought for an open call for new scheme proposals



- **Advanced Manufacturing Research Centre (AMRC) Funding recommendation** – in accordance with the unallocated funds process, the Committee agreed to recommend that the LEP Board give approval to allocate £2.2m Growth Deal Funding to the AMRC NW project

The reports and minutes for Growth Deal Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1218>

5. Enterprise Zone Governance Committee

The Enterprise Zone Governance Committee has not met since the last LEP Board meeting.

Full agendas and minutes for the Enterprise Zone Governance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1171>

6. Lancashire Skills and Employment Board

The Lancashire Skills and Employment Board met on 29 November 2017, a summary of the key items considered / approved is as follows:

- **ESFA Projects** – the Committee considered potential extensions to the ESF projects and agreed each projects' submission to the ESFA
- **Technical Education Vision** – SDG updated the Committee on the Technical Education work, including the draft framework, which the Committee commented on. The Committee discussed a proposed collaboration with the Gatsby Foundation, a charitable trust investing in the development of Technical Education. The Committee agreed the proposal for a grant funding agreement for a two year period, which would include funding for a Project Officer for Technical Education.

Full agendas and minutes for the Lancashire Skills Board meetings can be accessed here: <http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1011>

7. Performance Committee

The Performance Committee has not met since the last LEP Board meeting.

Full agendas and minutes for the Performance Committee meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1216>



8. Business Support Management Board

The Business Support Management Board has not met since the last LEP Board meeting.

Full agendas and minutes for the Business Support Management Board meetings can be accessed here:

<http://council.lancashire.gov.uk/ieListMeetings.aspx?CommitteeID=1220>