

LEP - Growth Deal Management Board

**Minutes of the Meeting held on Wednesday 5th June 2019 at 1.30pm in
Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston**

Present

Graham Cowley

Michael Ahern
Alan Cavill
Marcus Hudson

Dr Michele Lawty-Jones

Denise Park
Gareth Smith
Julie Whittaker

Observers

Paul Evans, Department for Business, Energy and Industrial Strategy

In Attendance

Jo Ainsworth, LEP and Special Projects Finance Manager, Lancashire County Council
Julia Johnson, Principal Lawyer, Lancashire County Council
Anne-Marie Parkinson, Programme Manager, Lancashire County Council
Holly Tween, Democratic Services Officer, Lancashire County Council

1. Welcome and Apologies for Absence

The Chair welcomed everyone to the meeting, and introductions were made by all in attendance.

It was noted that Richard Kenny, Interim Director of Economic Development and Planning, Lancashire County Council, would be replacing Sue Procter on the Board. The Board wished to place on record their thanks to Sue for her contribution to the Growth Deal Management Board.

Apologies were received from Richard Kenny. Marcus Hudson attended in his place.

2. Declaration of Interests

Denise Park, Michael Ahern, Alan Cavil, Marcus Hudson and Gareth Smith declared an interest in Item 8 – Allocation of Growth Deal Funding.

Julie Whittaker declared an interest in Item 8 – Allocation of Growth Deal Funding, and Item 11 – Northlight Mini Business Case.

It was agreed that conflicted members could remain in the room during discussion but, should decisions be made about individual projects, conflicted members would be asked to leave the room.

3. Minutes of the meeting held on 12 December 2018

Resolved: that the minutes of the meeting held on 12 December 2018 be approved as an accurate record, and signed by the Chair

4. Matters Arising

There were no matters arising that were not on the agenda.

5. Any Other Business

There was no other business.

6. Date of Next Meeting

The next meeting was scheduled to be held at 1.30pm on Wednesday 09 October 2019 in Committee Room D, County Hall, Preston.

7. 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 agenda items as they 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 each report or presentation. 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. Allocation of Growth Deal Funding

Graeme Collinge, Genecon, was welcomed to the meeting and presented Genecon's report on the project prioritisation for Growth Deal reallocation.

The Board were satisfied with the ranking process, considered the information presented and a lengthy discussion and questions took place.

It was noted that timescales were extremely tight and that projects would have to be approached to begin their full business cases immediately.

Resolved:

1. That the Growth Deal Management Board:
 - i) Approve that prioritisation of the projects should be made on the basis of the best ranked projects as identified in Table 4.2 of Genecon's report
 - ii) Approve that, should one of the highest ranking seven projects in Table 4.2 in Genecon's report be unable to progress, the funding available, plus any further underspend identified within the Growth Deal programme, should be allocated to the project ranked next highest within Table 4.2, subject to it being affordable and deliverable within the Growth Deal programme timescales
 - iii) Approve that any further underspend identified in the programme should be allocated to the project ranked next highest in Table 4.2 of Genecon's report, which is affordable and deliverable within the remaining programme timescales
2. That the Growth Deal Programme Manager is instructed to:
 - i) Progress detailed discussions with the applicants of the projects set out in Table 4.2 in Genecon's report, advising them where they currently rank and inviting them to prepare full business cases
 - ii) Reassess the contribution being asked for by each project as part of the business case preparations, and reallocate any underspend as per the process agreed above
3. That the Lancashire Enterprise Partnership Board on 25 June be recommended to approve the prioritisation of the projects ranked in Table 4.2 in Genecon's report and invite those projects to develop business cases, with the understanding that this is a conditional programme, subject to the information received through the business case process
4. That a special meeting of the Growth Deal Management Board be convened after the business case stage is complete to consider the appraisal of each business case, as ranked and within the scope of the funds, and to make a recommendation to the Lancashire Enterprise Partnership Board

9. Growth Deal Finance Report

Joanne Ainsworth, LEP and Special Projects Finance Manager, presented the Finance Report showing the fund's position as at the end of May.

Resolved: that the Growth Deal Management Board note the spend profile to date, along with the future spend forecast

10. Growth Deal - Programme and Project Update Report

Anne-Marie Parkinson, LEP Programme Manager, presented the update report.

It was highlighted that the programme was delivering in accordance with the agreed milestones and no queries had been raised in relation to the last quarterly report submitted to Government in February.

It was noted that, due to continued slippage of the M55 to St Anne's Link Road project, the Growth Deal Programme Manager would undertake a review of progress in terms of due diligence and deliverability. It was recommended that if, in August 2019, there was still significant risk to delivery, the Growth Deal funding be withdrawn from this project and reallocated.

It was noted that the Preston Western Distributor project had received approval from the Transport for Lancashire Committee, and was due to seek approval from the Lancashire Enterprise Partnership Board later in June.

The Change Request for the Burnley Vision Park project was received and approved.

Resolved: that the Growth Deal Management Board

1. Recommend to the next meeting of the Lancashire Enterprise Partnership Board, in respect of the £1.980m Growth Deal funding allocation to the M55 St Annes Link Road Project
 - a) To withdraw the £1.980m Growth Deal funding allocation to the project, should the outcome of the review in respect of deliverability of the project in the view of the Growth Deal Programme Manager, continue to represent a significant risk to the Growth Deal programme
 - b) To reallocate the £1.980m Growth Deal funding allocation to a project/s ranked highest in the reallocation process currently being delivered in respect of the unallocated funds in the programme
2. Approve the Change Request submitted for the Burnley Vision Park project

11. Northlight - Mini Business Case

Anne-Marie Parkinson presented the 'Additional Residential Provision' Mini Business Case for the Northlight project, which the Board considered.

Resolved: That the Growth Deal Management Board approve the project to proceed in accordance with the mini business case

12. Reporting to Lancashire Enterprise Partnership Board

Resolved: that the following would be reported to the Lancashire Enterprise

Partnership Board:

1. The recommendations around the process to deal with the allocation of Growth Deal funding as outlined in Item 8
2. The recommendations in respect of the £1.980m Growth Deal funding allocation to the M55 St Annes Link Road Project as outlined in Item 10